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Airline Industry Q&A: Jay Sorensen of IdeaWorksCompany

By Mark Chesnut

Spotlight 2017: Jay Sorensen, an expert in the airline and aviation trends, shares what we can expect for the industry next year

To find out more about what's on the horizon for the airline industry, we spoke with Jay Sorensen, who closely monitors market trends and is president of IdeaWorksCompany, a consulting firm that specializes in the airline and aviation industries.



What are the biggest changes we're seeing in service?

Middle economics are prevailing, meaning middle-income passengers are the most attractive. The prevalence of long-haul first class will continue to reduce. Premium economy will expand, and service levels will improve in terms of seating, meals and other amenities.

What improvements can we expect?

Business-class fares are under price pressure, but seating will continue to improve, with the global standard now being full lie-flat beds and aisle access. A la carte features will continue to offer more options for economy-class passengers in terms of personal space, onboard service and recognition.

What about technology?

Mobile continues to make giant strides as an option for booking air travel and especially for managing a flight before departure. This includes check-in, on-time notification and making reservation changes. Younger consumers, especially as they enter the executive track, are demanding this. Onboard, these same consumers are responsible for big changes. Legacy systems with overhead entertainment are now dinosaurs.

What airline uses technology well?

Southwest Airlines probably offers the perfect balance of features and expense. If you want Wi-Fi access or current movies, you pay a fee to view it on your device. Television-style content is free of charge.

Will frequent flier benefits for low-paying customers continue to erode?

Revenue-based accrual is the future. This better aligns the financial interest of the airline with its frequent flier program. This system lavishes miles on those who have elite status and buy expensive fares. There are situations with American Airlines, Delta Air Lines and United Airlines now where a single business-class roundtrip to Europe can yield enough miles for three domestic roundtrip rewards.