



## **2019 CarTrawler Ancillary Revenue Yearbook Shows \$55.7 Billion in Extra Revenue for 76 Airlines**

*Nine airlines join this year's survey: Aegean, Air India, Air New Zealand, Czech Airlines, fastjet, Icelandair, Kenya Airways, SriLankan Airways, and T'Way Air.*

September 17, 2019, Shorewood, Wisconsin – With 76 airlines, the 2019 edition of the **CarTrawler Ancillary Revenue Yearbook by IdeaWorksCompany** has become a United Nations-like directory filled with airline listings from every continent with the exception of Antarctica. IdeaWorksCompany published the first ancillary revenue guide in 2008 and a grand total of 23 airlines were found to disclose ancillary revenue. The introduction to the report described ancillary revenue as “a relatively young and fragile trend.” Eleven years later, the 2019 edition declares that ancillary revenue has remade the business models of the global airline industry.

IdeaWorksCompany researched financial filings made by 154 airlines all over the world. It's the biggest *Yearbook* ever with 140 pages and 76 airlines disclosing qualifying revenue activity. Now available free online, the 2019 *Yearbook* provides a detailed global review of a crucial revenue source that delivers a jumbo \$7.2 billion for American Airlines, 29% of sales for AirAsia, and \$18.47 per passenger carried by the Lufthansa Group. The \$55.7 billion worldwide total represents 10.7% of all revenue for the 76 airlines in the survey.

The survey covers airlines that disclosed revenue from activities such as frequent flyer points sold to partners, fees for assigned seating, and commissions from hotel bookings. The *Yearbook* includes a list of the a la carte items sold through Amadeus, Sabre, and Travelport for each of the 76 airlines. For example, optional extras for assigned seats, baggage, and bundled fares can be booked through Sabre-equipped agencies on Finnair; and assigned seats, baggage, bundled fares, pet transport, and unaccompanied minor services can be booked for Avianca through the Amadeus system.

“It is now common knowledge among airlines management that a sophisticated ancillary strategy is the key to unlock significant revenues alongside a premium customer experience,” says Aileen McCormack, Chief Commercial Officer at CarTrawler. “Airlines need to utilise data in a clever way so that they can continually innovate; if they do not fully embrace mobility by ‘owning the last mile’ they will be left behind, as this sector is evolving as fast as their own aircraft fly. Airlines need to appreciate that every customer’s journey will differ in some way and offer them the optimal platform on which they can quickly and effectively choose how they travel from door to door, not just from airport to airport. Only then will airlines truly maximise their ancillary potential.”

Airlines are increasingly more revealing about their approach to ancillary revenue. During the course of its global review of ancillary revenue activities, IdeaWorksCompany uncovered the following examples:

- **Air France/KLM:** Accrual in the Flying Blue program now includes miles for the purchase of paid options such as premium meals, seat assignment, and baggage.
- **American:** The medium-size carry-on bag restriction associated with the Basic Economy fare was discontinued during September 2018. The number of consumers upgrading to a higher fare has held steady at 60%. The airline expected this to drop to 50% when carry-on bags were allowed for the lower-price Basic Economy fare.
- **Jetstar:** The airline introduced the option for travelers to add 3 kg to their carry-on allowance for a fee. Senior management directly disclosed this during June 2019 to IdeaWorksCompany, “The +3 kg carry-on top up has proven popular, with more than 500,000 customers purchasing the upgrade.”
- **LATAM Airlines:** 2,800 total passengers per day visit the carrier’s VIP lounges at Bogota, Buenos Aires, Sao Paulo Guarulhos, Miami, and Santiago.

The **2019 CarTrawler Yearbook of Ancillary Revenue by IdeaWorksCompany** was released today as a free-of-charge report sponsored by CarTrawler. The full report is available at [ideaworkscompany.com/category/current-reports](http://ideaworkscompany.com/category/current-reports).

*IdeaWorksCompany offers a graphic of the top 25 airlines ranked by ancillary revenue as a % of total revenue at the press release section of the IdeaWorksCompany.com website. Please refer to the Yearbook for all 76 airlines.*

**About CarTrawler:** CarTrawler is the world’s leading B2B travel technology platform. Its award-winning technology brings opportunities to life by creating global online marketplaces for its 4,000 travel partners, 2,500 transport suppliers and 1 billion end customers. CarTrawler acts as a facilitator of relationships by connecting in real time to every significant transport supplier globally. These include car rental, on-demand and pre-booked taxis, shared shuttle services, bus and rail travel. CarTrawler’s partners include over 100 airlines, 53 of which are in the top 100 largest globally. CarTrawler is private equity-backed by BC Partners and Insight Venture Partners. For more information visit [www.CarTrawler.com](http://www.CarTrawler.com).

**About IdeaWorksCompany:** IdeaWorksCompany boosts airline profits through innovations in ancillary revenue, a la carte pricing, and loyalty marketing. The firm was founded in 1996 and has an international client list of airlines and other travel industry firms in Asia, Europe, the Middle East, and the Americas. IdeaWorksCompany enjoys a reputation as a global resource for ancillary revenue strategy, on-site executive workshops, and research reports. Learn more at [IdeaWorksCompany.com](http://IdeaWorksCompany.com).

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