

The Sabre logo is displayed in white, bold, italicized font on a red rectangular background in the top-left corner of the slide.

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The background of the slide features an Ethiopian Airlines aircraft on a runway. The aircraft is white with the word 'Ethiopian' written in red script on the fuselage. The runway is in the foreground, and a hazy landscape with mountains is visible in the background under a cloudy sky.

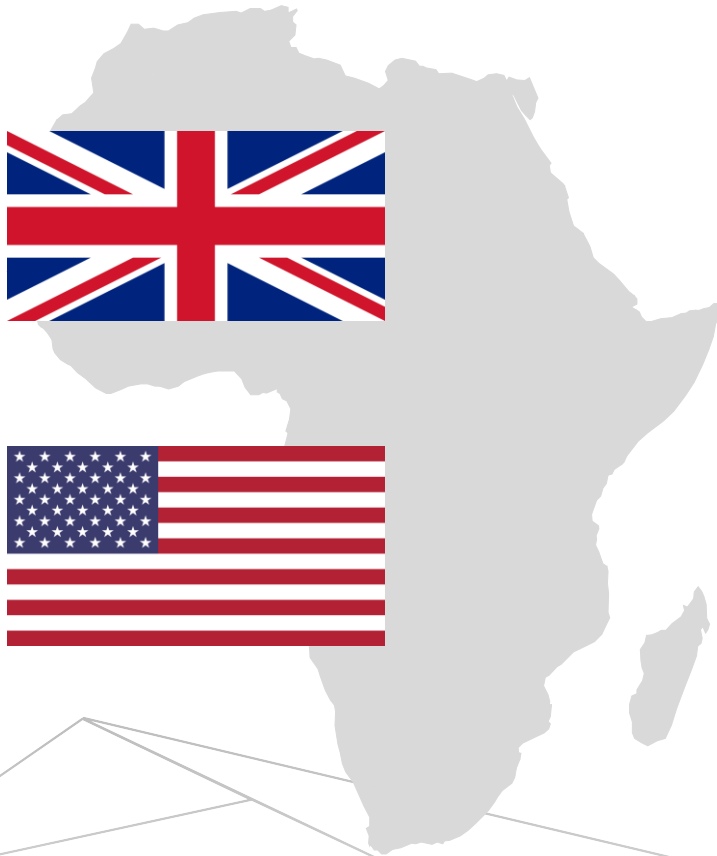
Africa inbound travel trends

Dino Gelmetti

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Methodology



- | We surveyed 2,000 travellers from the United States and the United Kingdom
- | Targeted those that stated they had travelled abroad within past 24 months
- | Asked a series of questions about air travel in Africa
- | Research carried out in July 2017

Opportunity to win market share

Main findings from our report

- Many international travellers are interested in visiting Ethiopia and wider Africa, particularly the young
- Majority of travellers are not loyal to their countries' airlines, and can be influenced by price, flight times, technology and loyalty schemes
- Main traveller pain points in Africa are within travel industry's control and many centre around technology
- International travellers willing to spend almost \$100 on ancillary services – golden retail opportunity for African carriers

“Although African carriers face fierce competition from international rivals, there are golden opportunities for those that can offer superior travel experiences, educate inbound tourists about their countries and provide products and services that can be tailored towards different traveller groups.”

Dino Gelmetti, VP-EMEA, Airline Solutions, Sabre

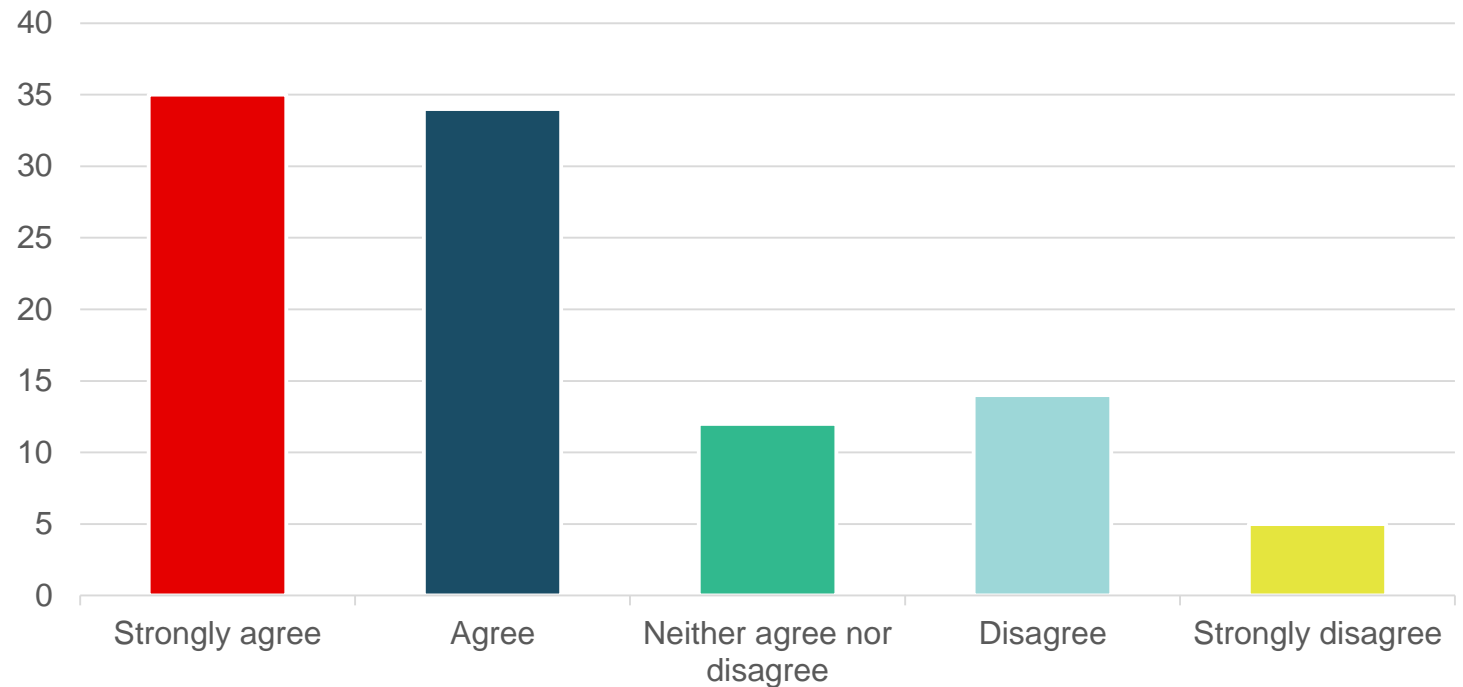
Strong interest in flying with African airlines

Particularly prevalent in younger age groups – 75% of 25-34 year-olds would consider flying with African airlines. And 1 in 3 travellers across all age groups see them as a great alternative to their own national carriers



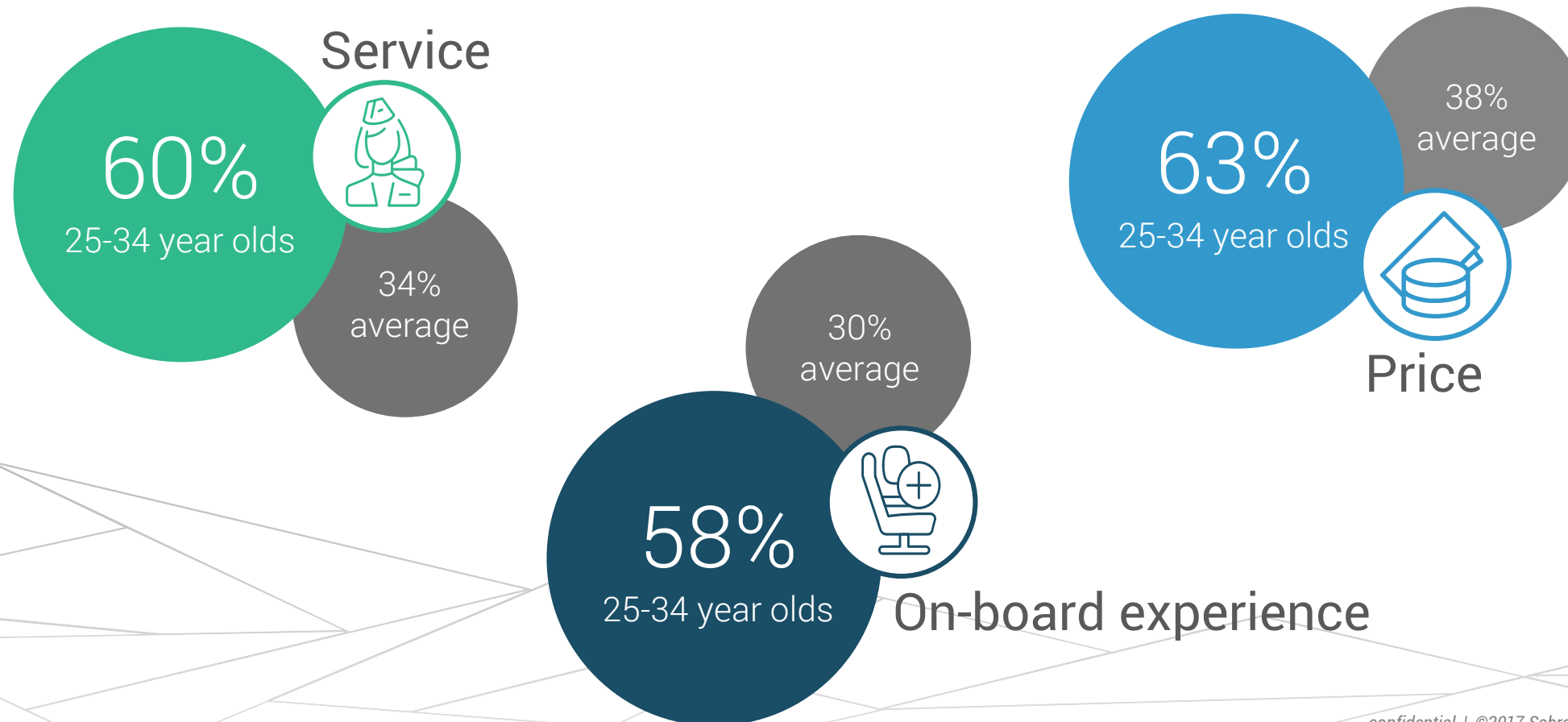
1 in 3 US travellers across all ages agree that African carriers are a great alternative to US and UK airlines

I would consider flying with an African airline



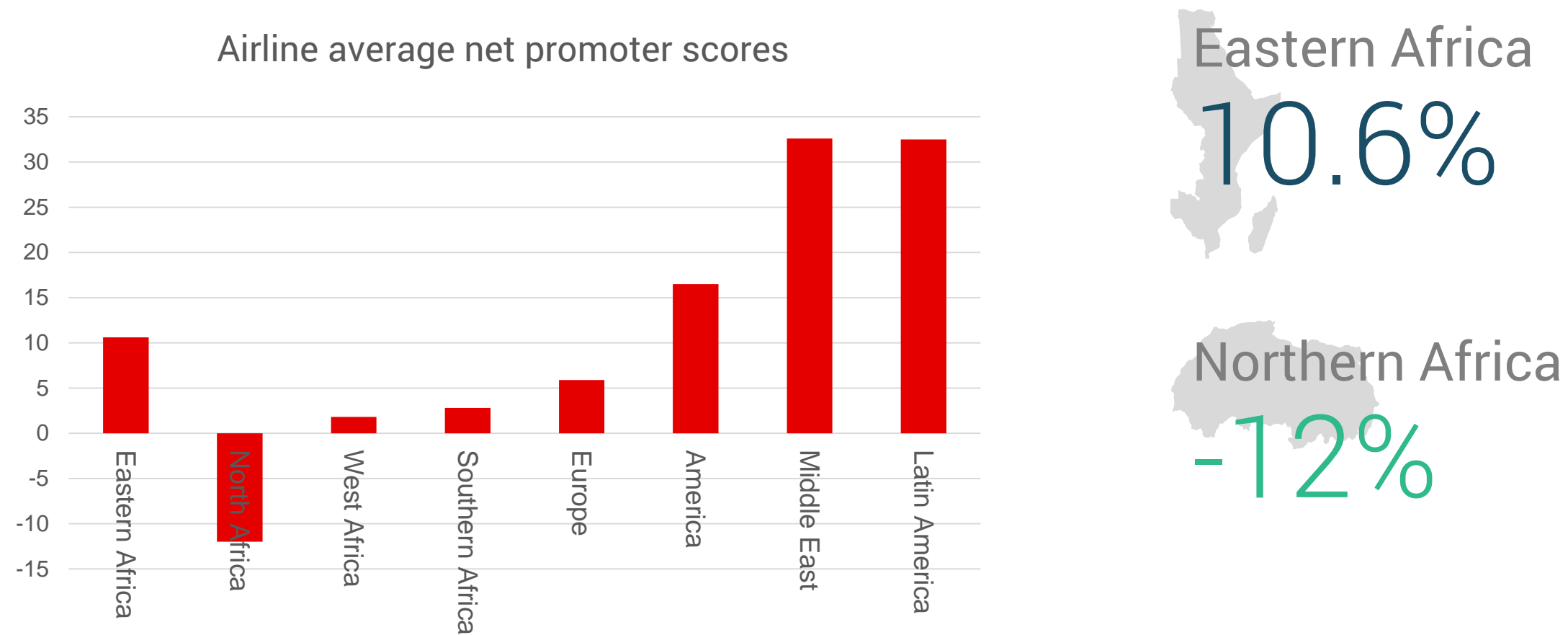
Younger Americans are particularly positive

Many younger US travellers think that the service, price and on-board experience offered by African airlines would be better than that offered by their country's airlines. Carriers should target this group in order to reach the wider population



Satisfaction with many African airlines is already high....

This is a tale of two halves. Eastern African carriers enjoy customer satisfaction in the same region as European and American airlines; but those in Northern Africa have a much lower score



What prevents international travellers from coming to Africa more?

These were the top reasons for travellers

Don't feel safe

Routes are too complicated

Difficulty getting VISAs

No desire to visit Africa

Don't know enough about the destinations

Stressful travel experience

Not sure which are the tourist hotspots

Too expensive

All but one of these barriers are within the African travel industry's control

Travel industry needs to invest in building trusted brands that can reassure travellers and improve the travel experience. Airlines can work with governments to educate travellers on hotspots

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Most travellers will choose an airline according to price, flight times and duration

 **UK**

-  Price
-  Flight times
-  Flight duration
-  Reputation
-  Comfort on board



USA 

-  Price
-  Flight times
-  Flight duration
-  Loyalty programmes
-  Reputation

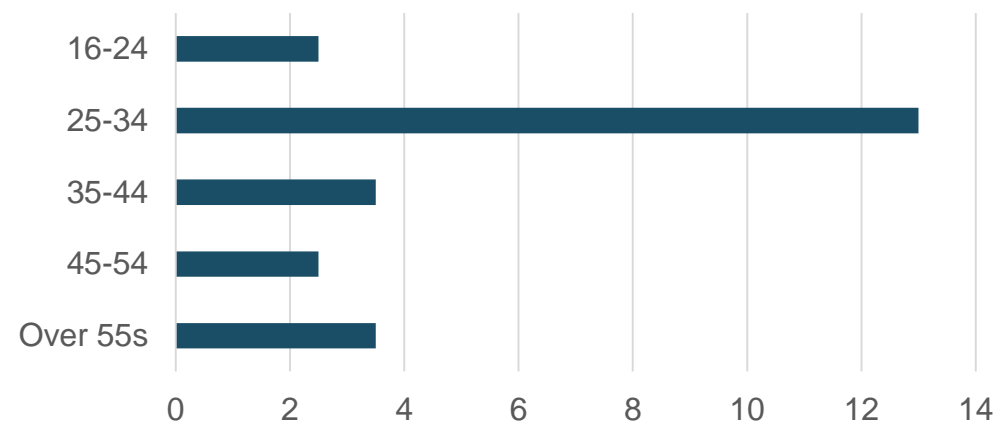
American travellers have different motivations...

Airlines should target US travellers with attractive loyalty offers and onboard technology, and direct personalisation efforts towards Millennial travellers

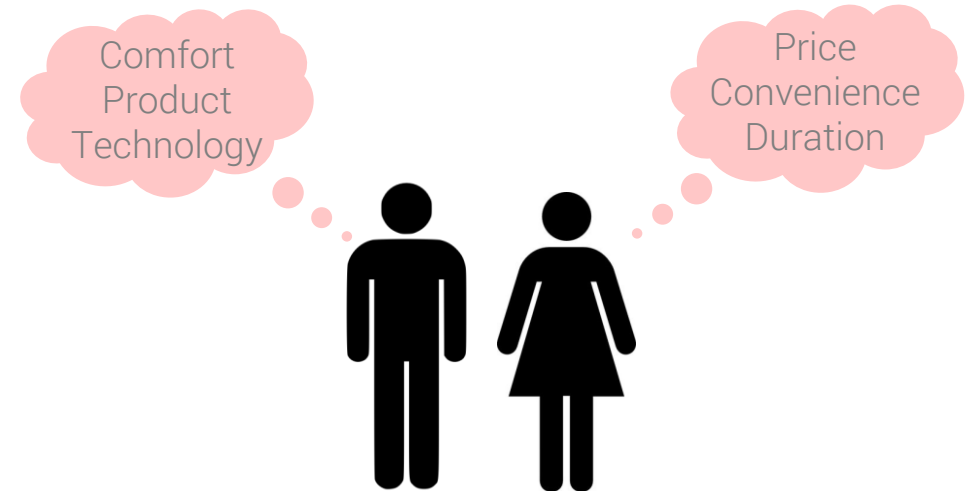


- Motivated by price, flight times and duration
- Take many factors into consideration when booking e.g. tech, product, comfort
- Highly motivated by loyalty schemes

Personalisation



■ Percentage that would choose an airline based on its personalised service



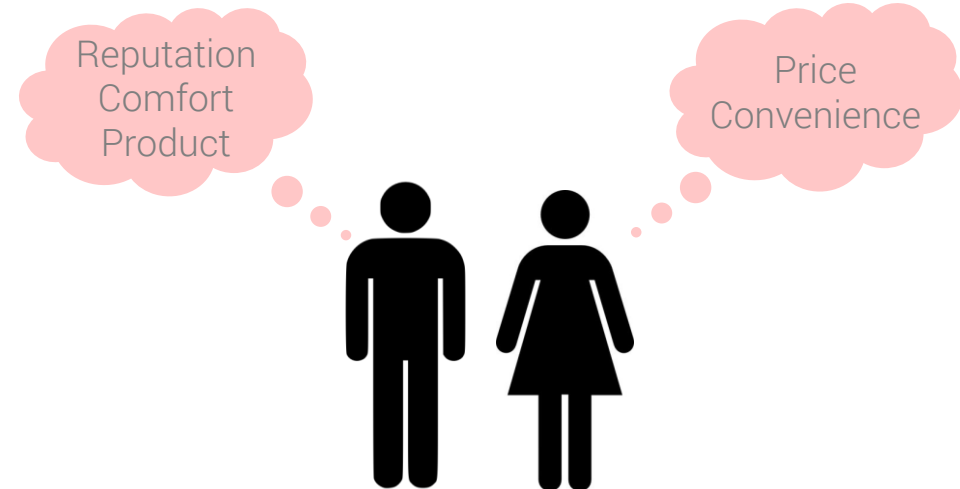
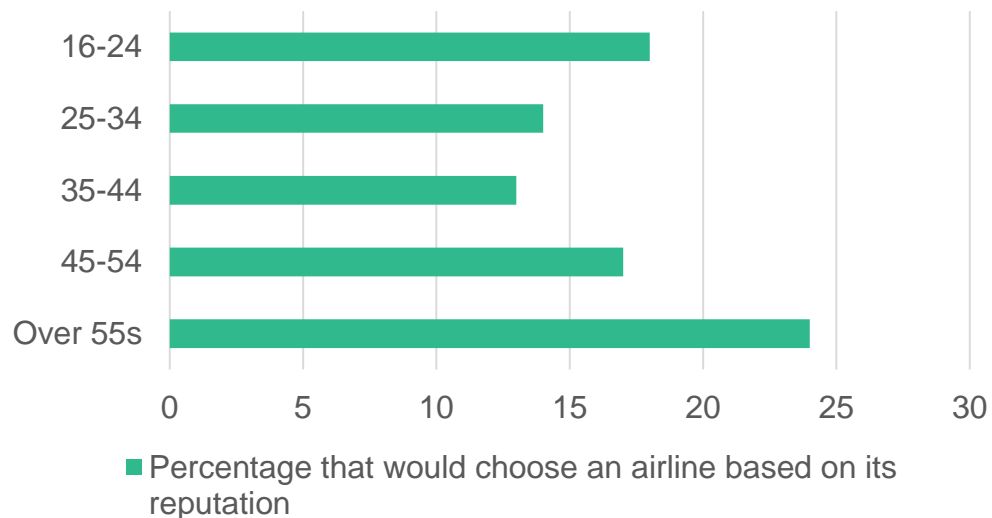
...Compared with those from the UK

Airlines should focus on building reputation and brand, particularly among older, male travellers. Highlight comfort on board for all and in-flight technology for under 35s



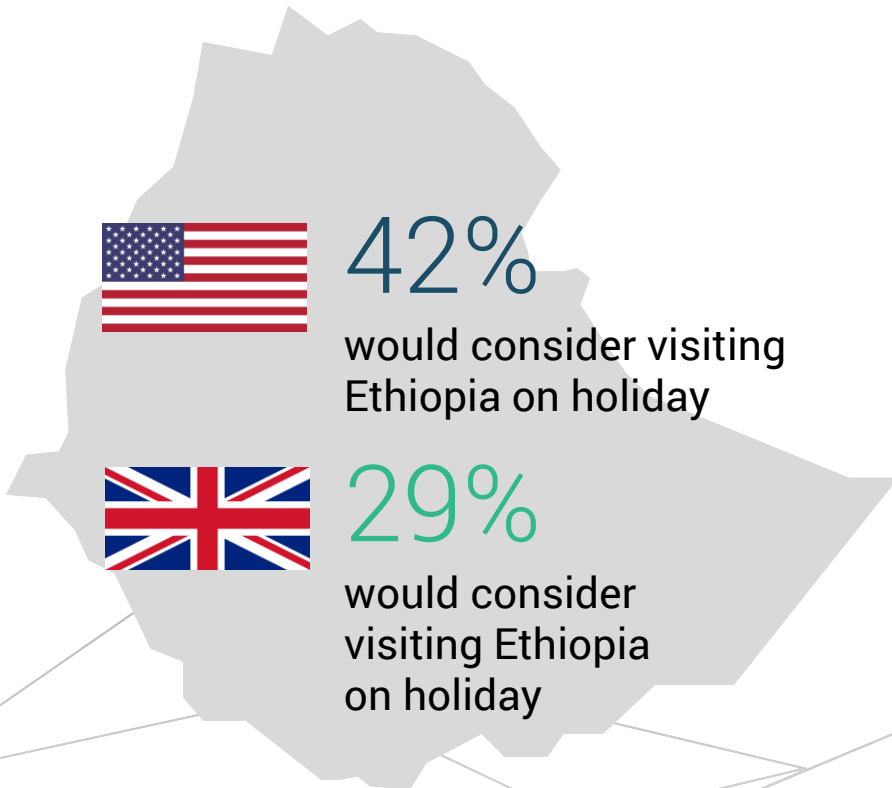
- Brits mainly motivated by price
- Less concerned with other factors
- Younger more motivated by onboard tech
- Reputation was important to most travellers

Reputation



Interest in Ethiopia is high among some groups of travellers...

By targeting micro-groups with high interest in visiting African countries, African airlines can win market share and encourage travel among other groups



Which groups most want to visit Ethiopia?

US

- 25-34 year-olds (68%)
- Travellers from the Southwest e.g. California, Nevada (52%)
- Male travellers (44%)

UK

- 16-34 year-olds (45%)
- Travellers from London (37%)
- Travellers from the South West of England e.g Bristol (37%)

And travellers would spend big on ancillaries

Airlines pocket just \$10 per passenger for ancillaries. But international travellers are willing to spend an average of \$98 on extras to improve their trips – 38% would spend more than \$100

\$98

Average amount people would spend on air ancillaries



34% are willing to spend more than \$100 on air travel extras



23% are willing to spend between \$1-50 on air travel extras















26% are willing to spend between \$51-100 on air travel extras



16% are not willing to spend anything on air travel extras

What they are most likely to spend money on

There are many types of ancillaries that were popular with international travellers

	Cabin class upgrade	11.1%		Priority check-in	7.5%
	On-board food and beverage	11%		Priority boarding	7.3%
	Preferred seating/ extra leg room	11%		Fast track security screening	7.2%
	In-flight Wi-Fi	9.3%		In-flight entertainment	7%
	Extra checked baggage/luggage	9%		Lounge access	7%
	Travel insurance	8.2%		Purchase extra miles	4.6%

Recommendations for airlines

Five steps for carriers to increase share of African inbound travel journeys

Target positive traveller groups – focus on those whose perceptions about African aviation are positive to win market share from international carriers

Future-proof your airline – Invest in the right technology to identify new routes and schedules that make access easier for long-haul travellers

Educate and inspire travellers – work with industry and government to promote tourist destinations and unique attractions

Build trusted brands – Invest in websites, loyalty schemes and customer experience to build trust and improve reputation

Operate like a retailer – invest in data-harnessing technology to help understand travellers' needs and tailor offers and services to different traveller types

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