Market Development and Changing Business Models

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Continuous growth of the airline industry – In face of several crises passed through:

- Global economic crisis
- Economic recession / 9/11 / SARS
- 2nd Energy Crisis / Gulf War

Passengers in m

Source: ICAO
Despite continuous growth: On average the airlines were a loss-making industry

Profits and losses of global airlines [bn $]

Source: IATA, BCG
Overview of the consolidation process of the network carriers

1) 50% share in Sunexpress; 2) Take over process finalized, pending Cartell decision; 3) Minor stake
4) Also shares in Transavia and Martinair; 5) 100% share via City Jet

Competition in the air traffic market boosts up market consolidation
The liberalized market is changing the business models

Scheduled flight companies

Charter flight companies

Class distinction

Flag / legacy carriers

Low-cost carriers

One class

Service distinction

No service

Business travelers

Hybrid carriers

Tour operators

Private travelers

Liberalization

Regulated markets

Deregulated markets
Thank you very much for your attention!