

Airline Trends

# Aircraft cabins as showrooms

**Raymond Kollau** reports on the concept of 'tryvertising' as a means of increasing ancillary revenue onboard



As ancillary revenues have become a major revenue source for airlines – if not the lifeline for many – airlines are thinking of more ways to derive revenue from all phases of the customer journey. A growing number of airlines now monetises seat selection and checked luggage, while some offer Economy passengers the option to pre-order paid gourmet meals on longhaul flights.

Another revenue opportunity lies in making the onboard retail offering more appealing. Or as trendwatcher James Woudhuyzen says: "Sell things people actually want to buy, so when the flight attendant announces 'Duty Free' it isn't in a tone that shows she fully expects zero sales."

### Inflight only, on demand, displays

One tactic is to offer passengers products that are only available in the air such as All Nippon Airways which got together with retail concessionaire Inflight Sales Group and Parisian curator store Colette to create a series of limited edition pieces that were only available onboard or in the Paris store.

Onboard retail is also lagging in its adoption of digital technology. Today, few airlines – Virgin America, JAL, EVA Air and Qantas are among the exceptions – let passengers order items via the in-seat IFE. This allows for retailing to occur throughout the entire duration of a flight rather than the limited time when the flight attendant walks the aisle. These kind of on-demand initiatives are growing though as IFE systems are moving towards the open Android platform and wireless inflight portals become more commonplace as well.

Another way is to let passengers see and touch the physical product before making their purchase. The most well-known example



here is Korean Air's duty-free store onboard its A380s. The kiosk displays the best-selling items across categories such as liquor, cosmetics, accessories and fragrances, and is open for the duration of the flight. On a much smaller scale, China Eastern and Etihad have used the side walls of cabin monuments on respectively their Boeing 777-300s and A380s to display a selection of the duty free items available for purchase onboard.

### Try before you buy

Moving to 'try before you buy' is the concept of 'tryvertising'. Coined by research agency TrendWatching, the idea is to take product placement to the real world by integrating products into the daily life of consumers so they can make up their minds based on their actual experience with the products.

Hotels were among the first to embrace this 'tryvertising' approach. Most of the major hotel chains now have an online store selling everything from bubble baths to beds. The concept received a boost when Westin in 1999 introduced its Heavenly Bed, which received



PROFILE



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very positive reviews from a guest who often inquired whether they could purchase the bed they had just slept in.

A similar concept is the Almost@Home Lounge at Helsinki Airport. Visitors of the lounge can purchase any item – artwork, furniture, glass and tableware - found in the lounge that takes their fancy, making it a ‘tryvertising’ space for home decoration.

### Brand partnerships

Brand partnerships are an economical way for airlines to provide a premium service. Airline passengers are an interesting demographic for consumer brands looking for ways to let consumers experience their product in a relevant setting.

An example is SAS which partnered with iconic Scandinavian brand Hästens to develop patterned bed linen pillows, blankets and a mattress padding.

However, as passengers were not allowed to purchase the branded linen – for example via the inflight wifi portal or via a coupon in the duty free catalogue - it looks like a missed revenue opportunity.

Taking a more pro-active approach in offering passengers the option to purchase a product they have just experienced onboard is Finnair. The flag carrier is well-known for its collaboration with Finnish design house Marimekko and several of the colourful table-wear and fabric designs can also be purchased onboard. On Finnair's A350s, passengers can also access the 'Nordic Sky' inflight portal with their own device and pre-order an item for delivery to their seat during their return flight.

On a similar note, EVA Air cooperated with Taiwanese designer Xiao Qing-Yang to create a table cloth and pillows in Business which can be purchased via EVA's inflight shopping catalogue.

Virgin America, meanwhile,

**"Finnair passengers can access the 'Nordic Sky' inflight portal with their own device and order an item for delivery on their return flight"**



a few years ago collaborated with fashion retailer Banana Republic to design a new uniform line for crew, pilots, and ground staff.

The companies also designed a travel-inspired collection of bags, trench coats and sunglasses which were available exclusively to passengers through Virgin America's

IFE-based RED shopping platform.

And no doubt, many airlines also prominently display the cosmetics brands featured inside the amenity kits in their inflight duty free catalogues, while the Bose noise-cancelling headphones that airlines provide to their passengers in First result in increased sales of the headsets onboard.

One last example comes from Air New Zealand, which recently introduced a novel feature to its IFE system.

Passengers can now order and pay to have a case of the wine they have just sampled inflight delivered to their home.

Aviation journalist John Walton summarizes things nicely: "It strikes me that 2016 will see more onboard shopping opportunities as more airlines roll out increasingly capable inflight entertainment systems. But the trick for many airlines will be to simultaneously ensure that the shopping is brand-positive — less SkyMall, more curated and unusual offerings." •

**Facing page:** Korean Air's duty free kiosk onboard its A380; Air New Zealand's IFE has a wine shopping feature. **This page:** Air New Zealand wine choices; Virgin America's Banana Republic-designed uniform