



AFRAA 55TH ANNUAL GENERAL ASSEMBLY

"Acing the Roadmap to Sustainable African Aviation"



Panel 2—Powering the Future of Travel Through Innovation



Innovation as a Key Driver for Airlines



- Innovation is an absolute necessity for airlines as they seek to improve their profitability, efficiency, and customer experience
- Airlines globally and in Africa in particular are looking out on a very difficult and even turbulent operating environment as they continue their recovery from the pandemic
 - Airlines are now facing a post-pandemic world that is currently characterized by very challenging global economic and geopolitical conditions in the post-pandemic world
- And thus innovation is now more crucial than ever as airlines try to navigate this new topsy-turvy environment
- Airlines can introduce innovation into their businesses by embracing new technologies
 - Digitalization—or digital transformation—is seen as being one of the cornerstones of any airline innovation strategy

Innovation as a Key Driver for Airlines



- But there are a broad range of new technologies that can be brought to be as part of an innovation strategy
 - Such new technologies include artificial intelligence (AI), Big Data, biometrics, robotics, machine learning (ML), sustainable fuels, drones, etc.
- A well-developed and well-executed innovation strategy can lead to:
 - new revenue generation opportunities (e.g., e-commerce)
 - greater efficiencies in operations/reduction in operating costs
 - a more seamless and streamlined customer experience
 - improved sustainability
- Whatever innovation strategy airlines decide to pursue, they will need to devote the necessary resources for their strategies to be successful, including:
 - management commitment and attention
 - capital expenditures and other budgetary outlays
 - training and education

Innovation as a Key Driver for Airlines



- Airlines that do not adopt an innovation strategy and embrace new technologies risk being left behind in a competitive marketplace
- With technologies constantly and rapidly evolving, airlines need to continually stay abreast of developments in technology and be prepared to adjust their innovation strategies as circumstances require
- In discussing prospective developments in the airline industry, observers often refer to concepts such as the “airline of the future” and the “digital airline”
- But these concepts are no longer mere abstractions to be realized at some distant point in the future
- Instead, major elements of the “airline of the future” are already being implemented by various airlines in different parts of the world
- Thus, for those airlines that are on the cutting edge of new technologies and innovation strategies, the “airline of the future” is not some futuristic concept after all

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THANK YOU

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