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.
THANK YOU

CONTACTS
African Airlines Association | P.O.Box 20166 00200 GPO, Nairobi, Kenya
GSM: +254 20 2320144 | +254 20 23 20148
Cell: + 254 (0)722 20978| +254 (0)735 337669

www.afraa.org