

# TRADITIONAL AIR CARRIERS FARE AND BOOKING CLASS NAMES AS A PART OF THEIR MARKETING STRATEGY

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#### **Abstract**

This paper focuses on the issue of fare and booking class names of traditional air carriers. Paper discusses the issues of traditional air carriers, history, development and current status, fleets, airline networks, services offered as well as mutual alliances. The article also focuses on the market analysis of the offered class names of the traditional air carriers divided by region. Paper includes an analysis of the data obtained in clear tables regarding preferred names of classes.

#### Keywords

traditional carriers, marketing, booking, fare class

#### 1. Introduction

Traditional air carriers, also known as full service carriers (FSCs), are airlines that offer a range of services and amenities included in the price of a ticket. These services include in-flight meals, baggage, in-flight entertainment, seat assignments, and other amenities such as blankets and travel kits. FSCs also typically offer multi-class service, loyalty program membership, access to premium airport lounges, connecting flights and other benefits. FSCs predominantly use major airports instead of secondary airports and have a more diversified distribution through a network of resellers. Unlike FSCs, low-cost carriers (LCCs) offer lower prices with surcharges for all ancillary services. LCCs focus on route profitability rather than network profitability. LCCs rely heavily on ancillary revenues to make money. Ancillary revenues include checked baggage, stale cheese sandwiches, pre-sold seats and other ancillary services not included in the ticket price. In contrast to the lower LCC fares with surcharges for additional services, FSCs charge a flat ticket price that includes most of the necessary services (Tomová et al., 2017).

FSCs provide more comfort and convenience to passengers than LCCs. Passengers flying with FSCs do not have to worry about meals as they are served hot meals on board depending on the length of the flight. On long-haul FSC flights, at least two meals and snacks are served to passengers. In addition to the catering services, FSC passengers can enjoy in-flight entertainment systems that include movies or television programmes. Criteria for evaluating FSC products include passenger comfort, such as seat configuration and quality of business class beds on long-haul flights. The evaluation criteria also take into account the quality of the catering services provided by the airline. A higher rating is given if the airline provides high quality catering services, such as gourmet meals or local cuisine options (Bína et al., 2014).

In conclusion, traditional or full-service carriers offer a range of services included in the ticket price, such as on-board catering, baggage, in-flight entertainment systems, among others. They also provide greater comfort and convenience compared to low-cost carriers. Whereas low-cost carriers focus on route profitability through additional revenue streams such as checked baggage or seats sold separately from the ticket price; (Prúša et al., 2015).

# 2. Analysis of selected traditional air carriers with regard to the fare classes offered

# 2.1. Gulf carriers

#### 2.1.1. Emirates

Emirates, the world's fourth largest airline by kilometres flown, is known for its luxury travel. Emirates offers a range of classes to cater to the different needs of passengers, including economy class, business class and first class.

Emirates First Class is the epitome of luxury travel. Passengers can enjoy their own private suite with a closing door, comfortable bed, massive desk, wardrobe, large entertainment screen, two lamps and a dressing table that can be raised or lowered. There is also a drawer in each suite containing writing utensils with a diary and pen.

Emirates' First Class Suites are not only comfortable, but also offer a whole other level of luxury. The nine Boeing 777-300ERs in the cabin feature completely different first-class suites that are arguably the best in the world. These aircraft, referred to as "gamechangers", offer just six first class suites in a 1-1-1 layout. Unlike any other first-class suites on any other airline in the world, these suites feature floor-to-ceiling sliding doors that

provide complete privacy. Each suite has its own minibar with soft drinks and snacks.

Emirates offers courses to teach passengers how to make the most of their flight experience. For example, Emirates offers wine appreciation courses for passengers who want to learn more about wine and champagne during their flight. The course covers topics such as how to taste wine properly and how to pair wine with food. Emirates also offers cooking classes for passengers who want to learn how to cook dishes from around the world during their flight (Expert, 2022).

#### 2.1.2. <u>Oatar</u>

Qatar Airways, the national carrier of the State of Qatar, offers passengers a range of classes to suit a variety of travel needs and budgets. Qatar Airways is known for its award-winning service and state-of-the-art aircraft.

First class is the most luxurious class offered by Qatar Airways. It includes private suites with full flat beds, personal entertainment systems, gourmet dining options and access to exclusive airport lounges. First Class passengers also have access to on-board bars on selected aircraft.

Business class is another popular class offered by Qatar Airways. It includes reclining seats with direct aisle access, personal entertainment systems, gourmet dining options and access to exclusive airport lounges. Business class passengers also have access to on-board bars on selected aircraft.

Economy Class is the most affordable class offered by Qatar Airways. It includes comfortable seats with personal entertainment systems and catering services. Although economy class does not offer the same level of luxury as first or business class, it still provides a comfortable flying experience at an affordable price.

Qatar Airways also offers Premium Economy Class on selected aircraft. This class provides more legroom than Economy Class and additional amenities such as larger screen personal entertainment systems and enhanced food services (Hayward, 2022).

## 2.1.3. <u>Etihad</u>

Etihad Airways offers a range of travel classes to suit a variety of needs and budgets. The airline's first class is designed to provide passengers with a luxurious and private experience. Passengers can step into their own private suite, relax with a drink or have the crew prepare their bed for them to sleep. Etihad's Business Class offers passengers a comfortable and spacious seat that converts into a fully flat bed, as well as access to lounges and other premium airline services.

Etihad's economy class provides passengers who like to keep costs down with an affordable way to travel, while still enjoying a degree of comfort. The seats on most of Etihad's Boeing 777 and 787 aircraft are 17 to 17.5 inches wide and have a pitch of 31 to 33 inches. On Airbus A330 aircraft, the seats are slightly wider, 17.5 inches, with the same pitch. Passengers can also book a seat in economy class, which gives them more legroom. Although economy class passengers board last, unless they have elite status or have paid for Priority Access, they can still enjoy in-flight entertainment, food and beverages.

Etihad Airways has received positive reviews from customers regarding in-flight amenities, baggage, customer service and the overall experience. The airline has won several awards for its premium services such as first-class suites and business studios. However, even budget-conscious travellers can make the most of their flight if they know the ins and outs of Etihad's economy class (Expert, 2023).

#### 2.1.4. Saudia

Saudia offers several travel classes on most of its aircraft. The airline has three travel classes: first suite, first class and business class. First Suite passengers can relax in a private suite with a full-size bed, 23-inch HD screen and dine on gourmet meals. First Class passengers can relax or catch up on work with uniquely designed seating and enjoy gourmet meals. Business Class passengers can stretch out on their seats, which transform into flat beds, and enjoy gourmet meals.

Saudia also offers an economy class called Guest Class or Premium Economy. Passengers in this class receive additional services such as welcome packages, hot towels, welcome drinks, upgraded meals, priority boarding, lounge access (on some airlines), and increased loyalty points. Comfort in the cabin is determined by the distance between seats, which is 38 to 39 inches on Saudia Airlines flights. The level of amenities varies from electrical outlets to wifi to individual television screens, depending on the length of the flight and the general level of service offered by the airline. Some airlines, such as Saudia, offer an on-screen ordering service where passengers can select the products of their choice using their credit card details and a hostess will deliver them directly to their seat.

# 2.2. European airlines

#### 2.2.1. Air France

Air France offers a range of travel classes on its flights to suit different travel needs and budgets.

La Première is the most luxurious class offered by Air France. It includes private suites with full flat beds, personal entertainment systems, gourmet dining options and access to exclusive airport lounges. La Première Class passengers also have access to on-board bars on selected aircraft.

Business class is another popular class offered by Air France. It includes reclining seats with direct aisle access, personal entertainment systems, gourmet dining options and access to exclusive airport lounges. Business Class passengers also have access to on-board bars on select aircraft.

Premium Economy Class is a class offered by Air France that provides more legroom than Economy Class and additional amenities such as larger screen personal entertainment systems and enhanced dining services.

Economy class is the most affordable class offered by Air France. It includes comfortable seats with personal entertainment systems and catering services. Although Economy Class does not offer the same level of luxury as La Première or Business Class, it still provides a comfortable flying experience (Stephen, 2019a).

#### 2.2.2. Lufthansa

Lufthansa Allegris is a new travel experience offered by Lufthansa on long-haul routes that aims to provide a more personal and comfortable flight experience in all classes. It includes several new features such as fully enclosed single and double suites in first class, 14 different seat options in business class and enhanced amenities in economy and premium economy.

Lufthansa Allegris is part of Lufthansa's cabin refreshment program, which aims to improve the overall passenger travel experience. The program includes enhancements to seats, entertainment systems, dining options and other amenities in all travel classes.

Overall, the Lufthansa Allegris programme represents a significant investment by Lufthansa to improve the flight experience for its passengers. Whether you are travelling in economy, premium, business or first class, Lufthansa Allegris aims to provide a more personalised and comfortable flight experience that meets your individual needs (Pande, 2022).

#### 2.2.3. British Airways

British Airways offers a range of travel classes on its flights to suit different travel needs and budgets.

Economy class is the most affordable class offered by British Airways. It includes comfortable seats with personal entertainment systems and catering services. Although economy class does not offer the same level of luxury as premium economy, business class or first class, it still provides a comfortable flying experience at an affordable price.

Premium Economy is a class offered by British Airways that provides more legroom than economy class and additional amenities such as larger screen personal entertainment systems and enhanced food service.

Business class is another popular class offered by British Airways. It includes reclining seats with direct aisle access, personal entertainment systems, gournet dining options, and access to exclusive airport lounges. Business Class passengers also have access to on-board bars on select aircraft.

First Class is the most luxurious class offered by British Airways. It includes private suites with full flat beds, personal entertainment systems, gourmet dining options and access to exclusive airport lounges. First Class passengers also have access to on-board bars on selected aircraft (Kramer, n.d.).

#### 2.2.4. Turkish airlines

Turkish Airlines does not offer first class on its flights. Instead, they focus on providing a high-quality business class experience that includes reclining seats with direct aisle access, personal entertainment systems, gourmet dining options, and access to exclusive airport lounges.

The decision not to offer first class may be driven by a variety of factors, such as cost savings or a focus on providing a more efficient and streamlined travel experience for passengers. However, Turkish Airlines' business class is highly regarded and has won numerous awards for its quality and service.

Overall, although Turkish Airlines does not offer first class, they still provide a high-quality business class travel experience that suits the needs of their passengers.

#### 2.3. Asian carries

# 2.3.1. <u>ANA</u>

ANA (All Nippon Airways) offers a range of travel classes on its flights to suit a variety of travel needs and budgets, including The Room Business Class.

The Room is ANA's newest Business Class product, offering huge seats with closing doors for privacy, excellent in-flight entertainment systems, gourmet dining options and access to exclusive airport lounges. The Room provides a luxurious inflight experience that rivals many first-class products offered by other airlines.

First Class is another premium class offered by ANA. It includes private suites with full flat beds, personal entertainment systems, gourmet dining options and access to exclusive airport lounges.

Economy Class is the most affordable class offered by ANA. It includes comfortable seats with personal entertainment systems and dining services. Although economy class does not offer the same level of luxury as first or business class, it still provides a comfortable flight experience at an affordable price (Stephen, 2019b).

#### 2.3.2. Japan Airlines

Economy class is the cheapest class offered by Japan Airlines. It includes comfortable seats with personal entertainment systems, excellent cuisine, wider legroom than competitors, and amenities. Japan Airlines' Economy Class has won numerous awards for quality and service.

Premium Economy Class is another class offered by Japan Airlines that provides more legroom than Economy Class and additional amenities such as enhanced food service, priority boarding, and access to exclusive airport lounges.

Business class is another popular class offered by Japan Airlines. It includes reclining seats with direct aisle access, personal entertainment systems, gourmet dining options, and access to exclusive airport lounges. Business class passengers also have access to on-board bars on selected aircraft.

First Class is the most luxurious class offered by Japan Airlines. It includes private suites with full flat beds, personal entertainment systems, gourmet dining options, and access to exclusive airport lounges. First Class passengers also have access to onboard bars on select aircraft.

#### 2.3.3. China Southern

China Southern Airlines offers First Class, Business Class, Premium Economy Class and Economy Class seats on its flights. The First Class cabin is equipped with four exclusive cocoondesign seats that provide in-plane comfort. The seats are arranged in a 1-2-1 configuration with a seat pitch of 84" and a seat width of 27" when the side bolsters are folded down.

Passengers are provided with a 17" or 15" personal television, in-flight power outlet and USB port.

China Southern Airlines' international flights offer the above classes. However, on domestic flights, they usually only offer Business Class cabins, a few rows of Premium Economy seats and an Economy Class cabin. China Southern Airlines also has a separate Premium Lounge for international First and Business Class customers.

Passengers can book China Southern Airlines First Class using miles. Purchases between the Asia 2 region (which includes Guangzhou) and the mainland US cost 110,000 miles in first class

Overall, China Southern Airlines' first class has met with mixed reviews. Some passengers praised the service and convenience provided by the airline, while others criticized it.

#### 2.3.4. China Eastern

China Eastern Airlines offers different classes of service including First Class, Business Class and Economy Class. China Eastern Airlines' first class seats are oversized and can be converted into fully flat beds. The comfortable seats can be reclined to different positions to optimise personal comfort. The airline's business class king bed is the largest business class seat available. Retractable privacy screens give passengers additional shoulder room, and on-demand entertainment systems offer more than 150 songs, movies and games.

China Eastern Airlines flies to more than 1,000 destinations in 177 countries around the world. However, it is not clear from the search results what specific classes of service are offered on each flight. For more information on the classes of service offered on a particular flight, we recommend checking the airline's website or contacting its customer service.

#### 2.4. North American carriers

### 2.4.1. <u>Delta</u>

Delta Air Lines offers a variety of travel classes on its flights to suit different travel needs and budgets. Whether you're looking for an affordable economy class option or a luxurious flight experience in First Class or Delta One, Delta has something for everyone.

Economy Class is the most affordable class Delta Air Lines offers. It includes comfortable seats with personal entertainment systems and food service. While economy class doesn't offer the same level of luxury as premium economy, business class, or first class, it still provides a comfortable flying experience at an affordable price.

Delta Comfort+ is another class offered by Delta Air Lines that provides more legroom than economy class and additional amenities such as enhanced dining services, priority boarding, and access to exclusive airport lounges.

Business class is another popular class offered by Delta Air Lines. It includes reclining seats with direct aisle access, personal entertainment systems, gourmet dining options, and access to exclusive airport lounges. Business class passengers also have access to on-board bars on selected aircraft.

Delta One is the most luxurious class offered by Delta Air Lines. It includes private suites with full flat beds, personal entertainment systems, gourmet dining options, and access to exclusive airport lounges.

# 2.4.2. <u>Unite</u>d

Economy Class is the most affordable class offered by United Airlines. It includes comfortable seats with personal entertainment systems and meal services. Although economy class does not offer the same level of luxury as premium economy, business class or first class, it still provides a comfortable flying experience at an affordable price.

Premium Economy is a class offered by United Airlines that provides more legroom than economy class and additional amenities such as larger screen personal entertainment systems and enhanced food service.

Business class is another popular class offered by United Airlines. It includes reclining seats with direct aisle access, personal entertainment systems, gourmet dining options, and access to exclusive airport lounges. Business class passengers also have access to on-board bars on select aircraft.

Polaris Business Class is the most luxurious class offered by United Airlines. It includes private suites with full flat beds, personal entertainment systems, gourmet dining options, and access to exclusive airport lounges. Polaris Business Class passengers also have access to onboard bars on select aircraft.

#### 2.4.3. American Airlines

American Airlines offers Flagship First and Flagship Business classes, which provide a luxury flying experience on select international and transcontinental routes.

Flagship First is the most luxurious class offered by American Airlines. It includes private suites with full flat beds, personal entertainment systems, gourmet dining options and access to exclusive airport lounges. Flagship First Class passengers also have access to onboard bars on select aircraft.

Flagship Business is another premium class offered by American Airlines. It includes reclining seats with direct aisle access, personal entertainment systems, gourmet dining options, and access to exclusive airport lounges. Flagship Business Class passengers also have access to onboard bars on select aircraft.

Both classes offer premium amenities such as chef-inspired meals, amenity kits, priority boarding and more. However, Flagship First is generally more expensive than Flagship Business when both are available (Miller, 2018).

#### 2.4.4. Air Canada

Economy Class is the most affordable class offered by Air Canada. It includes comfortable seats with personal entertainment systems and meal services. Although Economy Class does not offer the same level of luxury as Premium Economy, Business or Signature Class, it still provides a comfortable flying experience at an affordable price.

Premium Economy is a class offered by Air Canada that provides more legroom than economy class and additional benefits such

as enhanced meal service, priority boarding, and access to exclusive airport lounges.

Business class is another popular class offered by Air Canada. It includes reclining seats with direct aisle access, personal entertainment systems, gourmet dining options and access to exclusive airport lounges. Business Class passengers also have access to on-board bars on select aircraft.

Signature Class is the most luxurious class offered by Air Canada. It includes private suites with full flat beds, personal entertainment systems, gourmet dining options and access to exclusive airport lounges. Signature Class passengers also have access to on-board bars on select aircraft (Loh, 2022).

#### 3. Results

Table 1: Gulf carries, Source: Authors

	First class	Business class	Economy	Others
Emirates	First class	Business class	Economy	Premium economy class
Qatar	First class	Qsuite	Economy	-
Etihad	First class/ The Residence	Business class	Economy	The Apartment
Saudia	First class	Business class	Economy	Guest class

Table 2: European carriers. Source: Authors.

	First class	Business class	Economy	Others
Air France	La Premiere	Business class	Economy	Premium economy class
Turkish	-	Business class	Economy	Comfort class (začiatkom 2023 postupne zrušená)
Lufthansa	First class	Business class	Economy	Premium economy, Allegris, Suite
British Airways	First class	Business class	Economy	Premium economy

Table 3: Asian carriers. Source: Authors.

	First class	Business	Economy	Others
ANA	First class	Business class/The Room	Economy	Premium economy
Japan	First class	Business class	Economy	Premium economy
China Southern	First class	Business class	Economy	Premium economy
China Eastern	First class	Business class	Economy	King Bed

Table 4: American carries. Source: Authors

	First	Business	Economy	Others
AA	First class/ Flagship	Business c./ Flagship	Basic Economy	Premium Economy, Main Cabin (Extra)
Delta	First class/ Delta One	Premium select	Basic Economy	Comfort Plus, Main Cabin
United	-	Polaris	Basic Economy	Economy plus/ Premium economy
Air Canada	-	Signature/Business	Economy	Premium economy

#### 4. Conclusion

The aim was to collect up-to-date information that in the current era of progressive and dynamic development of traditional air carriers is very often changing and companies are often coming to the market with new products. Subsequently, by synthesizing the collected data we were able to determine the trend of changes in travel classes according to geographic presence in relation to the global presence of traditional air carriers. The trend of changes is already given and it is only a matter of time before other airlines start to gradually introduce new products to their portfolio and this work shows the importance of this trend and can serve as a tool for the marketing departments of the selected but also other traditional airlines around the world to determine the marketing strategy and their travel class names in the future, taking into account the collected and processed data of the most famous airlines in their given geographical territory.

Airlines are changing the names of their traditional classes to more interesting ones to differentiate themselves from competitors and attract more customers. By using catchy and memorable names for their classes, airlines can create a unique brand identity that differentiates them from other airlines. In addition, renaming classes can help airlines simplify their fare structure and make it easier for passengers to understand what they are paying for. For example, some airlines have renamed their economy classes as basic economy or standard economy

to distinguish them from premium economy classes. However, it is important to note that not all airlines change the names of their traditional classes. Some airlines continue to use the same class names they have used for years, such as First Class, Business Class, Premium Economy and Economy Class.

Overall, when it comes to naming travel classes, many airlines are opting for flashier and more interesting names in an attempt to stand out in a crowded marketplace. A perfect example is the market in North America, where change and trend adaptation and marketing strategies are very much needed to keep the traditional airlines in the market.

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