

## PRESENTATION 2

### **“The Future of Airline Business Models for Africa post-Covid”**

***by Mr. Matthias Kern, Associate Partner  
- Lufthansa Consulting***



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# The Future of Airline Business Models for Africa post-COVID



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*“Building Blocks for the Air Transport Industry Recovery”*



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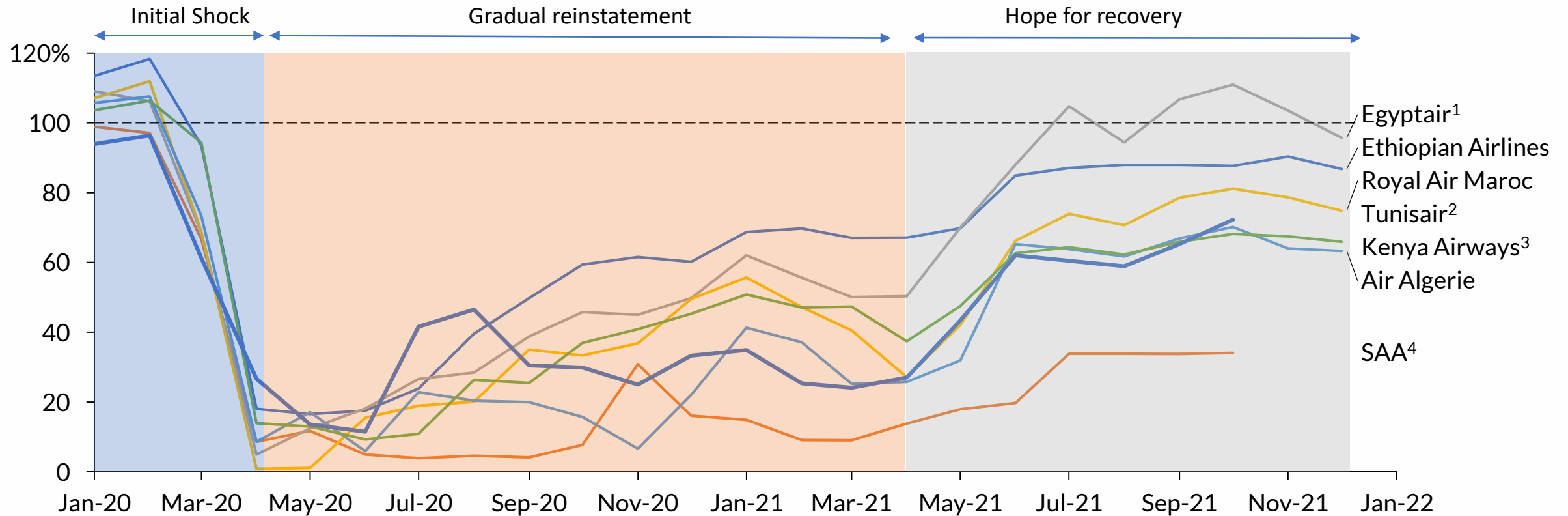


Offices in  
Rio de Janeiro  
and Moscow

# Even large airlines were hit hard by the pandemic; some are seeing a gradual path to recovery

## Percentage of seat capacity vs corresponding month in 2019

### Largest African airlines by scheduled seats, 2019



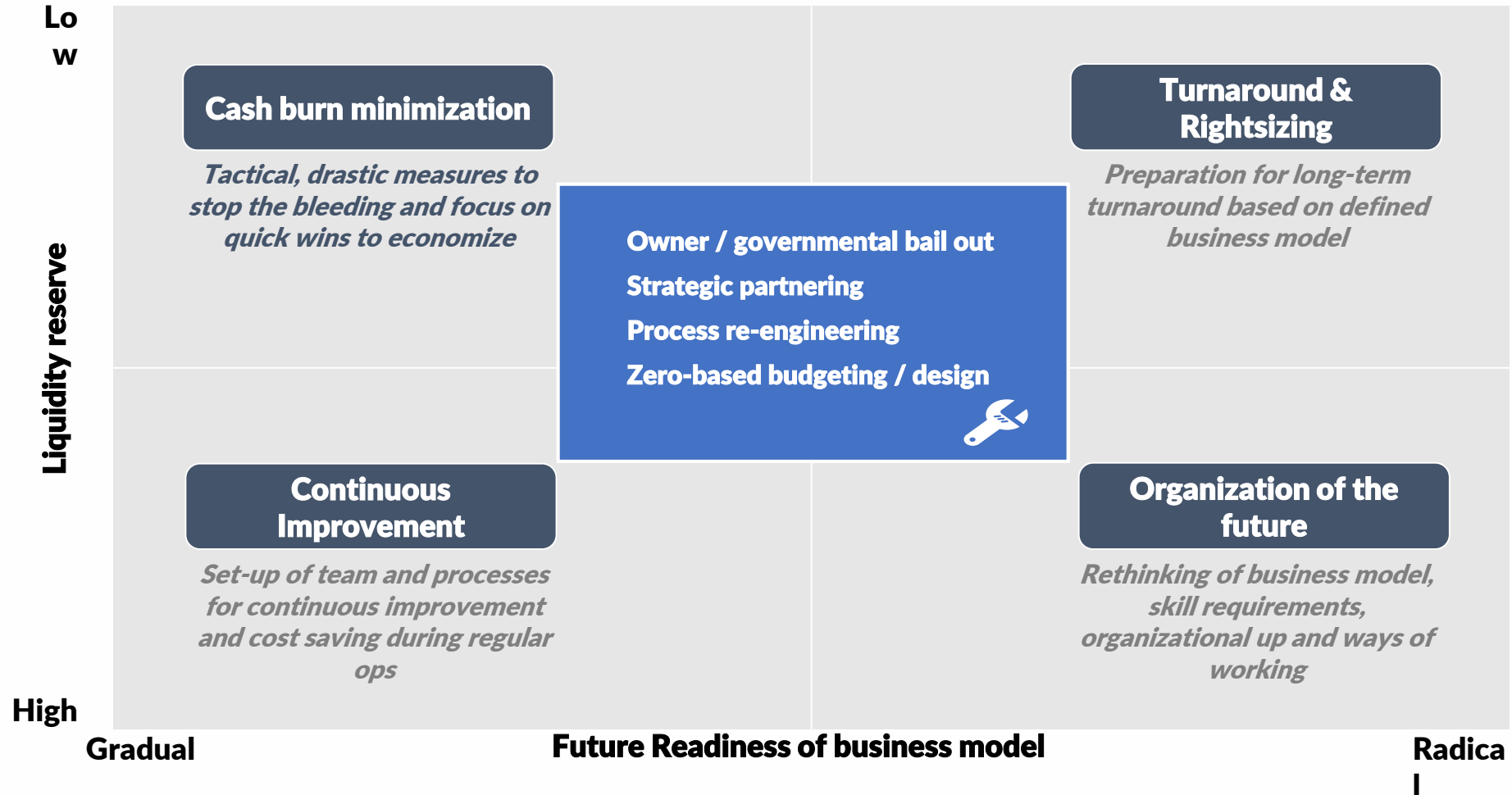
1) Includes Air Sinai | 2) Includes Tunisair Express | 3) Includes Jambojet | 4) Includes Mango  
Source: OAG

Note: SAA and Tunisair have not yet filed full schedules for Nov and Dec 2021

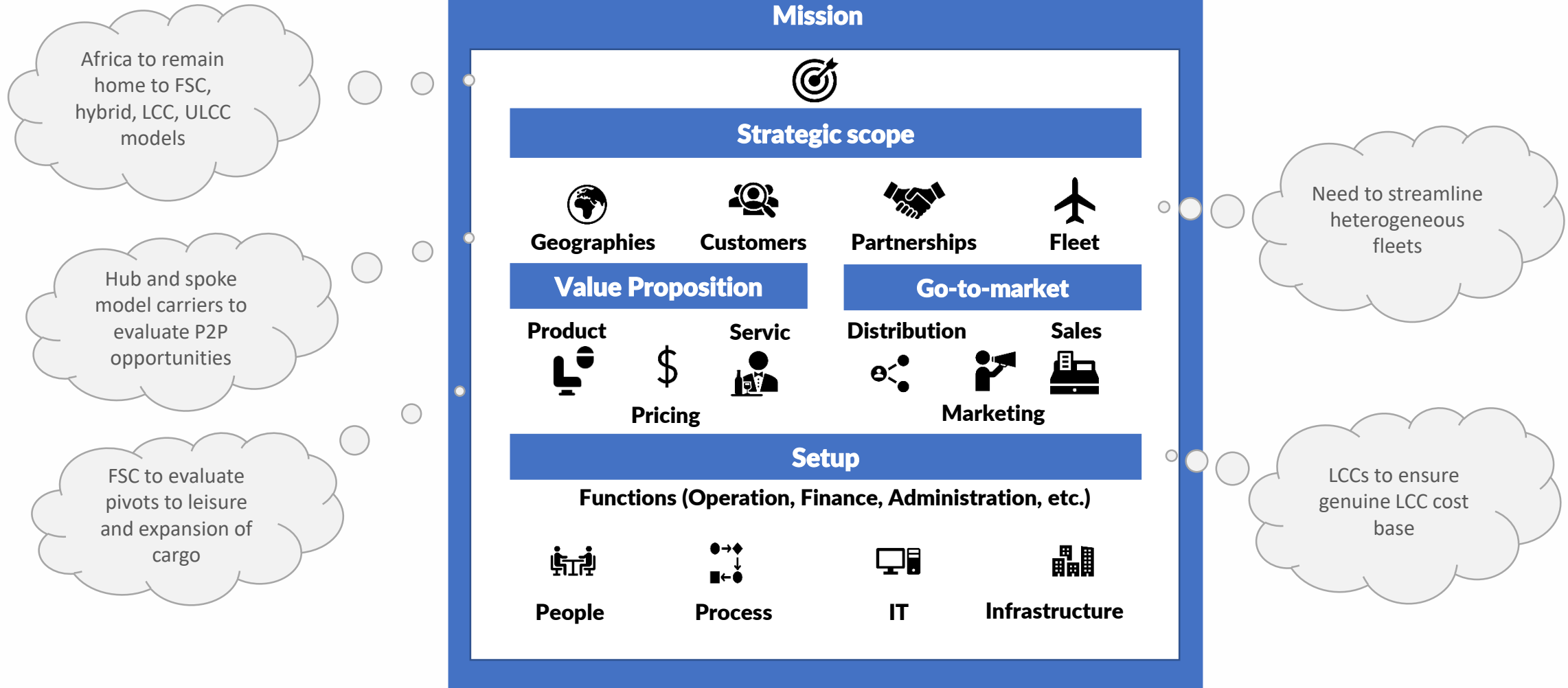
# To shape your business for the future consider your position and your purpose

## Transformation approach: Strategic Options for Airlines

SIMPLIFIED OVERVIEW



# In the 'New Normal', winning African business models will be more focused



# How to shape your business model towards becoming a 'master of survival' in Africa



## Be Flexible

**Design your organization to cost efficiently ramp up and down**



## Be Lean

**Ensure competitiveness through lean cost base and focus on customer value**



## Be Smart

**Digitize operations with decision making based on integrated, AI-supported systems**



## Be Sustainable

**Convince your stakeholders of your commitment to the future**



## Be Collaborative

**Go beyond code shares, optimize costs through partnerships**



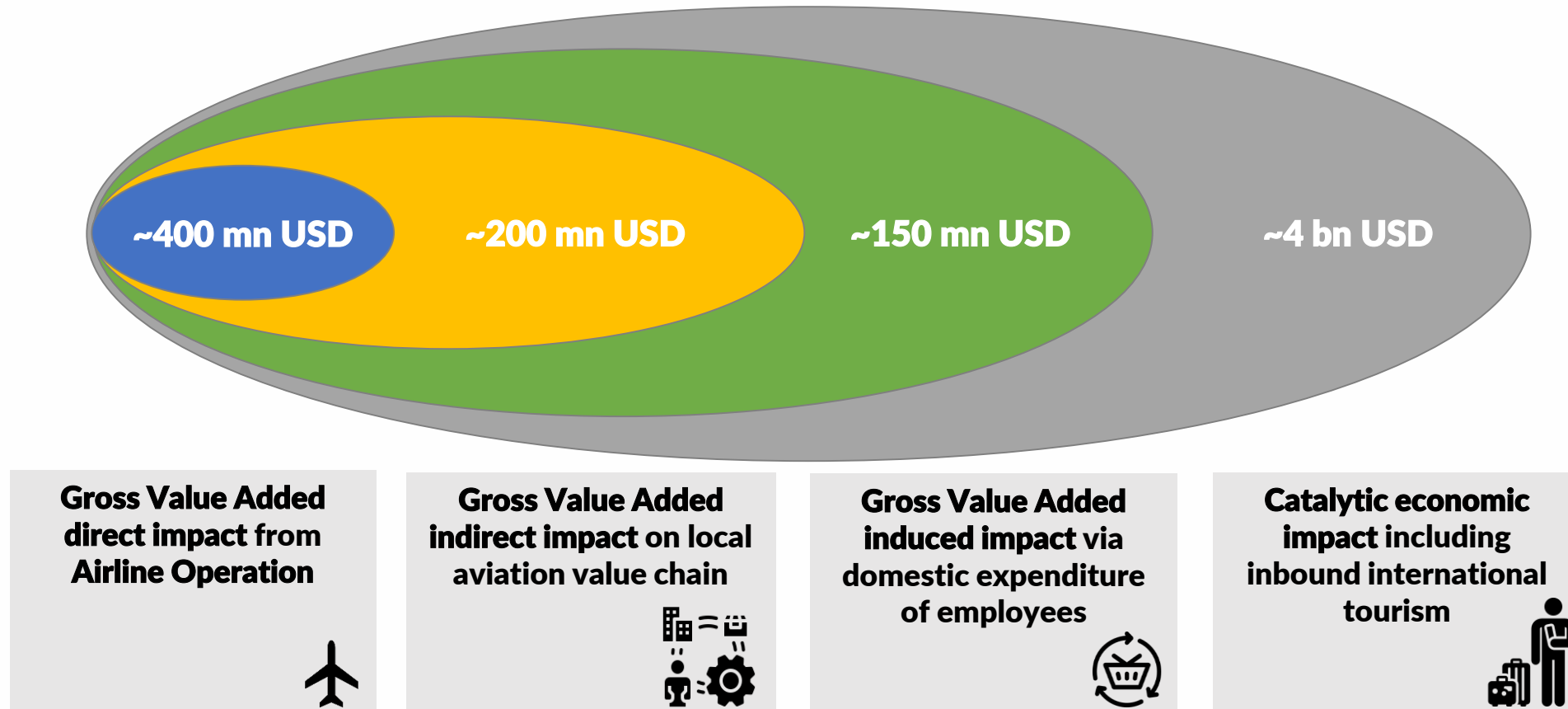
## ...and shape the market

**Stick together to use the crisis to accelerate African market liberalization**

# The impact of an airline on the economy can convince shareholders of their return on investment

## Impact of aviation on economy

Example of National Carrier (Value added 2020-2025)





# In summary...



**Future ready  
business model**



**Transformation  
plan**



**Financing  
plan**



**Economic impact  
analysis**



**Winning business model &  
convincing story to investors**

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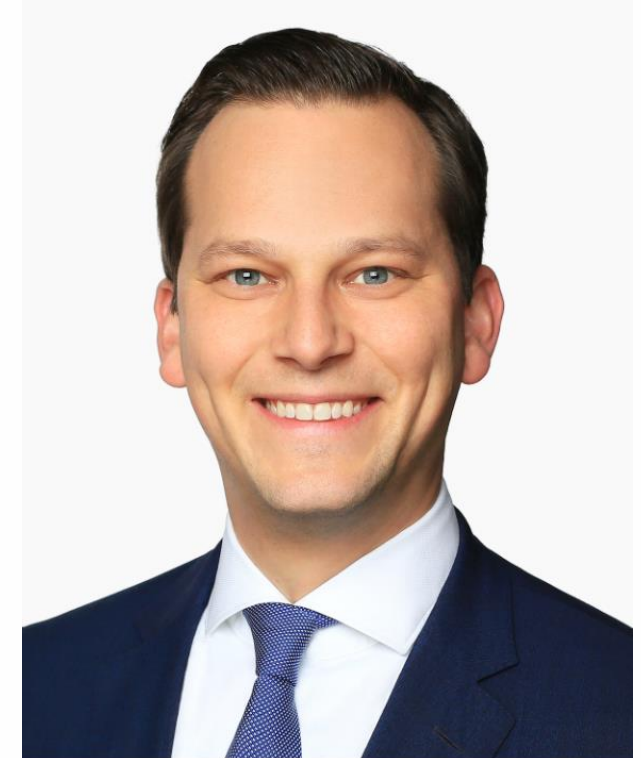
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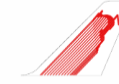
# Many airlines had to seek governmental support to survive this crisis – use this as opportunity

## Examples of airlines in Africa seeking governmental support (since 03/2020)

Royal Air Maroc



Tunis Air



Egypt Air



Kenya Airways



Air Mauritius



South African Airways



South African Express



Mango Airlines



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