



Most airline
passengers would
choose in-flight
Wi-Fi over an
in-flight meal.

In-flight Wi-Fi: Why smart airlines need smart solutions

Personal need for in-flight Wi-Fi leads to global demand

The evidence is clear – passengers around the world expect to be able to access the internet whilst flying. In-flight Wi-Fi has become a global standard, and both airlines and aircraft lessors need to be able to offer a high quality service to remain competitive.

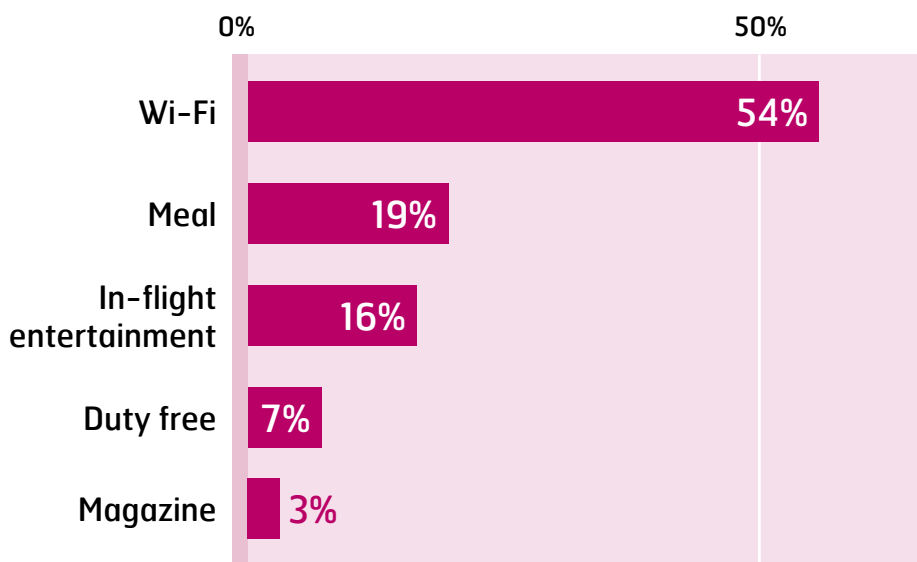
We recently surveyed more than 9,000 airline passengers from 27 countries across Europe, Asia, Australasia, and Central and South America. This is the largest known survey of airline passengers exploring views on in-flight Wi-Fi. We see that the desire for in-flight Wi-Fi is universal and that most passengers are willing to pay for it. However, Wi-Fi reliability is the most important factor that drives passenger adoption. Passengers are put-off by shaky Wi-Fi connections that have been offered in the market and they are willing to pay more for a reliable Wi-Fi service. Airlines need to carefully select the right partners who can support them in delivering a reliable Wi-Fi service to their passengers today whilst also innovating and investing to meet the ever increasing connectivity demands of tomorrow.

Looking to the future, passengers and industry leaders expect IFC (in-flight connectivity) to play an increasingly large role in the flying experience. Qatar Airlines CEO Akbar Al-Baker, speaking at the IATA World Passenger Symposium 2015, predicted that in the “Next five, six, seven years ... people will bring their own devices, hook them behind the seat and get content relayed to them through the internet.”

To date, portable electronic device proliferation has accelerated and the majority of passengers now bring multiple devices on board with them. This creates a huge demand among passengers to connect these devices to the internet, enabling them the freedom to use devices in the same way as they would on the ground.

Desire for Wi-Fi during a flight is so strong that passengers across the world and on any flight length would prefer to have the opportunity to connect to in-flight Wi-Fi than have the option of a meal, access to in-flight entertainment or access to duty free shopping.

If you had a choice of one of the services below being provided to you in the cabin on a flight, which one would you choose?



36%
bring two devices on board

34%
bring three devices on board



78%

agree that

“Wi-Fi is likely to replace in-flight entertainment within the next 5- 10 years”

83%

say

“I would prefer to fly with an airline that offers Wi-Fi on board”

In-flight Wi-Fi Reliability: the biggest inhibitor to passenger adoption, until today

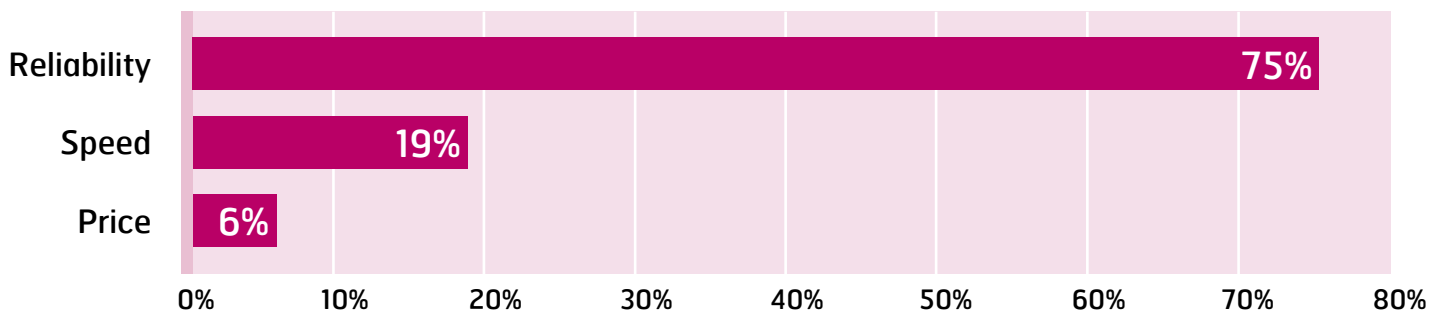
Despite strong passenger demand for connectivity, current take-up rates are low. On a global scale, passengers confirm that Wi-Fi reliability is the most important factor when choosing to connect.

When passengers chose to connect in-flight the key issues they consider are Reliability, a connection that does not drop out or cut off during the flight, Speed of the connection, and Price. Quality is an issue for passengers using currently available in-flight Wi-Fi services - one in ten passengers who had the opportunity to connect on board tried to connect but could not get the service to work.

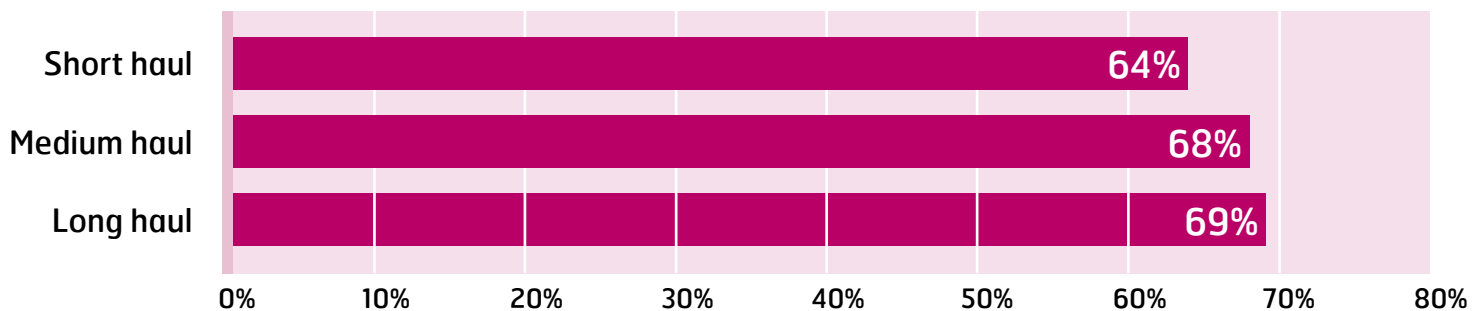
These quality aspects are more important for passengers than price. Passengers globally and on any flight, are willing to pay for Wi-Fi.

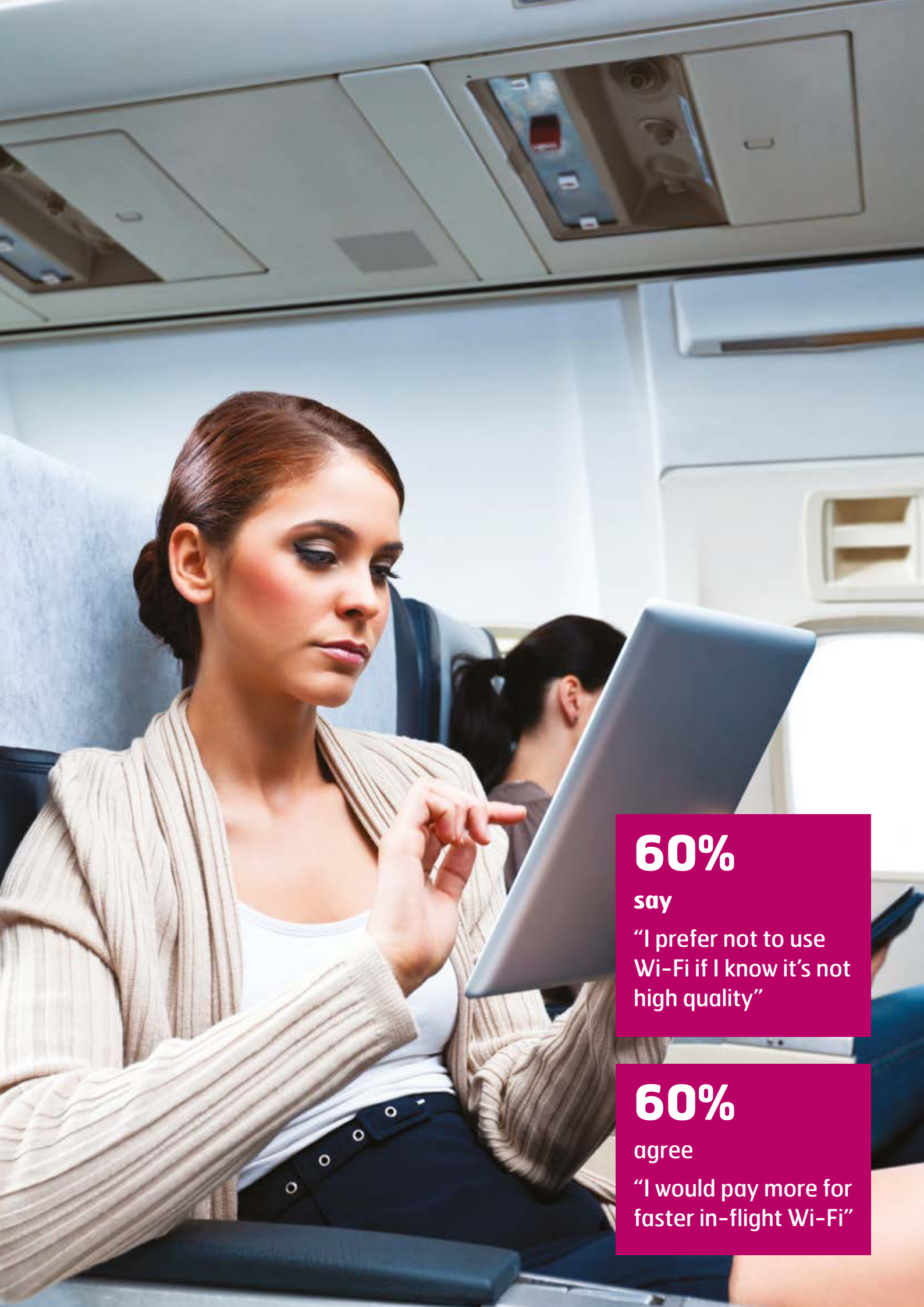
However, for a large number of passengers poor quality would put them off using the service, but a service that can demonstrate good quality would persuade passengers to pay more for it.

What is the most important attribute for an in-flight internet connection?



Willingness to pay (equivalent to US \$7 for the whole flight)





60%

say

“I prefer not to use Wi-Fi if I know it’s not high quality”

60%

agree

“I would pay more for faster in-flight Wi-Fi”

Across the world, passengers have different priorities when it comes to in-flight Wi-Fi. LATAM passengers seem to have the internet for entertainment content, APAC flyers wish to access their own content, whilst European passengers want to remain connected at all times.

LATAM passengers are the most likely to be willing to replace traditional in-flight entertainment with in-flight Wi-Fi. For these flyers, the content provided by the internet is preferred to in-flight entertainment. This is reflected in the fact that LATAM flyers want to access Wi-Fi in order to entertain themselves during the flight, video streaming being one of their top activities.

APAC passengers also see the benefits of in-flight Wi-Fi expanding the possibilities for entertainment. However, a key factor in this region is the ability to access their own

accounts where they have collected and curated their favourite content. The key issues are choice and control over the in-flight experience.

EU passengers, who are more used to having available Wi-Fi wherever they are, expect to be able to connect even if they are on a flight. The top in-flight activities for EU passengers are tasks related to keeping up to date and in constant contact with others.

71%

of LATAM passengers agree that

“If I had Wi-Fi on board my flight, I wouldn’t need any other in-flight entertainment”

Top three activities on in-flight Wi-Fi

LATAM

- 1 Streaming video**
- 2 Social networks**
- 3 Travel apps/sites**

APAC

- 1 Travel apps/sites**
- 2 Airline’s app/site**
- 3 Web browsing**

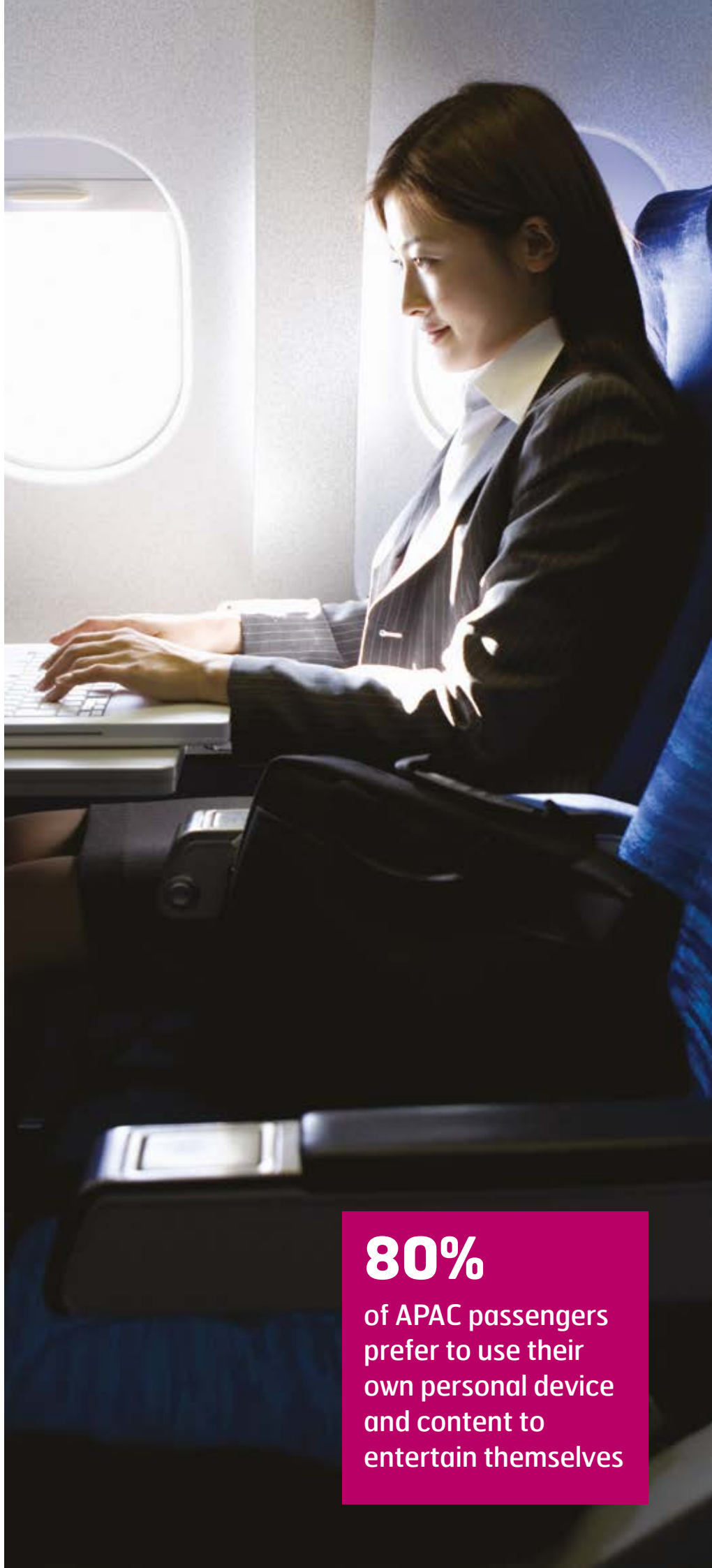
EU

- 1 Web browsing**
- 2 Emails**
- 3 Social networks**

Choosing the right partner

Airlines must carefully choose the right partner that will support them in offering a reliable service and high quality broadband experience to their passengers throughout the flight. Secondly, as passenger Wi-Fi activities vary, airlines need to choose the right partner that can tailor the proposition to fit each specific airline's passenger needs, driving take-up rates and keeping passengers happy while adding extra value to the airline compared to competing offers in the market. Last but not least, the right partner is the one that is focused on continuously improving performance and economics for airlines and their passengers by investing and innovating to remain ahead of the curve.

Passengers now expect that quality Wi-Fi will be a standard offering on any flight. Smart airlines will be using quality in-flight Wi-Fi as a point of differentiation to attract passengers, while putting strategies in place to maximise ancillary revenue potential.



80%

of APAC passengers prefer to use their own personal device and content to entertain themselves

Contact us

Are you ready for the in-flight connectivity revolution? For further information, please visit our website or get in touch with our team.

Americas

neal.meehan@inmarsat.com

Asia Pacific

bill.peltola@inmarsat.com

China

soongteck.kuay@inmarsat.com

Latin America

ray.villar@inmarsat.com

Europe

david.coiley@inmarsat.com

Middle-East and Africa

ben.griffin@inmarsat.com

A note about the data: GfK has surveyed more than 9000 airline passengers across the globe. The survey covered all lengths of flight and is the largest known survey of its kind.

In August–September 2015, GfK conducted an online survey amongst more than 6000 people who had taken a flight within Europe in the past year and who had carried with them at least one personal device (smartphone, tablet or laptop) on a flight before. The survey was conducted in 13 markets: Austria, Belgium, France, Germany, Greece, Italy, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland and the UK. In February–March 2016, GfK repeated the study in the same markets and also in Brazil, Chile, Colombia, Mexico, Australia, China, India, Indonesia, Japan, Malaysia, New Zealand, Thailand, Singapore, and South Korea, with more than 3000 additional respondents.

inmarsat.com/aviation

While the information in this document has been prepared in good faith, no representation, warranty, assurance or undertaking (express or implied) is or will be made, and no responsibility or liability (howsoever arising) is or will be accepted by the Inmarsat group or any of its officers, employees or agents in relation to the adequacy, accuracy, completeness, reasonableness or fitness for purpose of the information in this document. All and any such responsibility and liability is expressly disclaimed and excluded to the maximum extent permitted by applicable law. INMARSAT is a trademark owned by the International Mobile Satellite Organisation, the Inmarsat LOGO is a trademark owned by Inmarsat (IP) Company Limited. Both trademarks are licensed to Inmarsat Global Limited. All other Inmarsat trademarks in this document are owned by Inmarsat Global Limited. © Inmarsat Global Limited 2016. All rights reserved. Why smart airlines need smart solutions. May 2016.