

# *The* CHRISTIAN SCIENCE MONITOR®

## **Transatlantic flights at \$65: A new era of budget flying or cheap marketing?**

*This particular deal may not last. But the trends driving it are likely to continue.*

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February 23, 2017

If you can spare \$65, Norwegian Air Shuttle ASA will fly you from one of three small airports in the northeastern United States to either the airports in Dublin or Shannon, Ireland; or Edinburgh, Scotland.

Just read the fine print before you book. That rock-bottom fare doesn't include a return trip. A specific seat reservation, checked bag, and several in-flight amenities – food, a blanket, headsets – all cost extra.

This “no-frills” approach is part of Norwegian’s strategy for keeping fares low, says spokesman Anders Lindström. “I pay for what I want, you pay for what you want. We don't pay for what everybody else on the plane wants.”

Although Norwegian’s \$65 price is a “special introductory fare,” several carriers in both the US and Europe are using similar techniques to drive down ticket prices.

Norwegian’s announcement comes a month after Icelandic airline WOW rolled out \$69 fares from the US West Coast to Britain and Scandinavia. As The Christian Science Monitor reported at the time, WOW is one of several “Low Cost Carriers (LLCs) popular in Europe and Asia” that charge for the amenities most US flyers take for granted.

Spirit Airlines brought this approach to the US domestic market in 2006. Since then, flyers have complained about its many fees and poor customer service.

But it turns out that Americans are willing to face more discomfort if it means getting from A to B for less; Spirit reported the highest revenue growth of any US airline in 2015.

Some older airlines have bucked this trend – Delta, for instance, recently brought back free meals on long domestic flights. But for the most part, they’re playing catch-up. According to Condé Nast Traveler’s Zach Everson, Delta, American, and United have either introduced or are planning to introduce “basic economy” options that resemble Spirit’s.

Other developments are also pulling down prices. In 2011, a deal between the US and the European Union to liberalize air travel was extended to Iceland and Norway, creating an opening for WOW and Norwegian.

Today’s airlines also have more options than wide-body jets. Boeing’s new 737-MAX can cross the Atlantic nonstop, and an airline only needs to sell 189 seats to fill it. Lars Sande, Norwegian’s senior vice president for sales, told reporters that its new service “wouldn’t be possible if we didn’t get the 737.”

While the company’s \$65 tickets may be a limited-time-offer, developments like these mean that international airfares aren’t likely to hover in the \$655-to-\$2,755 range that Reuters says competing carriers offer.

Airfares have already been dropping for years. According to Reason magazine:

Between 1990 and 2013, the average international round-trip airfare fell from \$1,248 to \$1,175 (2013 U.S. dollars). In both cases, the average number of miles flown per trip has increased.

As Henry Harteveldt, a travel industry analyst with Atmosphere Research Group, sees a clear reason for the decline, one that isn’t likely to go away: “We are seeing some competition, and competition is always good for the consumer.”