

Aviation



ICF Aviation's Airline Partnership Consulting

Clients worldwide look to ICF for airline partnership insights to guide them through critical business decisions.

Companies:

- Members of global alliances
- Unaligned carriers, including low-cost carriers
- Global alliances

Individuals:

- Airline top management
- Strategic planners
- Network planners
- Alliance managers
- Revenue managers

In a maturing industry where capacity discipline is key to profitability, airlines are increasingly looking for opportunities to improve their network coverage through partnerships with other airlines. Cooperation offers substantial revenue growth potential, but it also requires sophisticated approaches to manage the partnerships—and avoid the many pitfalls, such as unaligned objectives and miscalculated sharing agreements.

ICF Aviation is one of the largest and most experienced global aviation and aerospace consulting organizations. ICF Aviation's airline practice offers a wide range of consulting services, including services related to airline partnerships, alliances, and joint ventures (JVs). These include detailed modeling of different partnerships with ICF's proprietary traffic flow and partnership modeling tool, audits of existing partnership practices, hands-on practical experience, and recommendations based on countless engagements in the area.

Primary airline partnership services include:

- Strategic reviews, including partnership strategy options and global alliance benefit evaluations.
- Audit and review of existing bilateral agreements, special prorate agreements, interlines, code shares, JVs, global alliance memberships, and connected practices.
- Benchmarking of partnership performance.
- Partnership traffic flow modeling and revenue forecasting.
- Partnership optimization.

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Primary airline partnership services, continued:

- Support in designing and launching JVs.
- Evaluation of global alliance memberships.
- Review of non-airline partnerships and strategy.
- Training.

Key elements of ICF's offering guarantee hands-on, pragmatic, and results-oriented support to clients:

- Team members who have been responsible for partnerships and alliance matters in leadership roles at premier airlines around the world.
- Proprietary traffic flow and partnership modeling tool that is able to predict the expected revenues under many scenarios quickly in a transparent way; simulation of a single scenario typically takes less than 20 minutes, enabling iterative optimization.
- Best practice templates, dashboards, and approaches.
- Vast pool of analyst resources.



ICF Aviation's Airline Partnership Consulting—Sample Project Experience

Joint Venture Planning

ICF supported a European carrier to develop its network. This support culminated in a successful JV between this airline and its U.S. counterpart, which ICF modeled ex-ante.

Review of Alliance Strategy and Assessment of a Joint Venture Opportunity

A growing European airline hired ICF to perform a strategic assessment of its entire partnership strategy, including its membership in a global alliance. The work also included the assessment of an opportunity to form a JV and the training of the airline's staff in this area.

Global Alliance Strategy

ICF forecasted the impact of a variety of alliance scenarios for a Middle Eastern airline. The project involved the modeling of traffic flows and revenues for each scenario as well as the development of recommendations regarding the best global alliance for this particular airline.

Strategic Review of Partnerships and Global Alliance Strategy

A Latin American carrier hired ICF to evaluate the performance of the airline's alliances with its major partners and to recommend improvements. In a follow-up project, ICF evaluated which global alliance would be the best fit for this airline and what options the airline had in terms of its frequent flyer program.



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About ICF

ICF (NASDAQ:ICFI) is a global consulting and technology services provider with more than 5,000 professionals focused on making big things possible for our clients. We are business analysts, policy specialists, technologists, researchers, digital strategists, social scientists, and creatives. Since 1969, government and commercial clients have worked with ICF to overcome their toughest challenges on issues that matter profoundly to their success. Come engage with us at icf.com.

Low-Cost Airline Partnership Strategy—North America

A North American low-cost carrier engaged ICF to evaluate opportunities to forge commercial alliances with intercontinental and trans-border airlines that operate into its home market. As part of this exercise, ICF measured the total size of the interline/code-share opportunity (current and latent/potential). Subsequently, ICF analyzed dozens of alliance scenarios to gauge which potential partners maximized incremental benefit to this particular airline. In the wake of this exercise, the low-cost carrier established several code-share alliance relationships.

Low-Cost Airline Partnership Strategy—Latin America

ICF supported a Latin American low-cost carrier with the development of its international expansion strategy, including the analysis of new intercontinental and regional routes. ICF also analyzed options to enter into commercial agreements with other airlines to feed its international network.

Support of a Global Alliance to Recruit New Members

One of the global alliances hired ICF to support them in identifying and recruiting new members. This process included modeling additional traffic flows and revenues that the new member would bring to the alliance. In a follow-up project, the alliance purchased and installed ICF's proprietary traffic flow modeling tool.

For more information, contact:

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