Subscription offers

A resilient business model
To fight COVID-19

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Crisis are a constant in aviation

- Gulf war (1990)
- 9/11 (2001)
- SARS (2003)
- Global crisis (2008)
- Covid-19 (2020)
But COVID-19 looks particularly severe

Note: Estimated scenario with existing data to month 2 (Feb), then follows broad pattern of SARS
Operational impact

Flight disruptions
- Cancel flights
- Adjust network
- Repatriate crew & paxs
- Refund & Rebook
- ...

Impossible to avoid!

Business impact

Revenue collapse
- Search extra financing
- Aggressive cost cutting
- Layoffs
- Creditor negotiations
- ...

Impossible to mitigate?
What would have happened to your revenue if...

#% of it was based on a subscription model?
The airline industry - **transactional** model

**Chinese weekly flight departures**

- 10,5k
- -82%
- 1,9k

**World Airlines Index**

- 115
- -25%
- 82

**Volaris v.pass - subscription model**

**Revenues and bookings of v.pass subscription product**

- Revenues
- Bookings

- Nov-19
- Dec-19
- Jan-19
- Feb-20
- Mar-20
- Apr-20
Are you prepared for post Covid-19?

What will your airline do different to generate and capture demand?
“Opportunity is always present in the midst of crisis”

- Chinese word meaning ‘crisis’
Now is the time to set up a subscription offer

Unlock fast, healthy and resilient recovery

An attractive long-term offer in exchange of clear passenger commitment

Avoid price war and dangerous market dynamics
Join the Subscription Economy

Transform passengers into subscribers... in weeks

Controlled acquisition cost

Hyper-loyal customer base to properly retail

Stable revenue stream and passenger flow
Strengthen your business for the next “virus”
Bringing airlines and passengers closer together

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