











Challenges and opportunities in the leisure flight market

CUSTOMER DEMAND	 Business travel is expected to recover slower than VFR/leisure travel	 Customer experience might continue to be affected by health & safety measures
	 Customer confidence recovery will a.o. depend on confinement measures	 Champagne effect to be expected, long term recovery is more difficult to predict
OPERATIONS & TECHNOLOGY	 Health & safety measures and lower volumes will increase unit costs	 New technologies will increase end-to-end convenience & customer experience
	 Financial buffer will be largely absorbed by 2020 without generating additional revenue	
COMPETITION	 Increased competition of business carriers on leisure routes	 Trustworthy TUI brand as enabler for restoring customer confidence
	 Governmental & airport capacity management approaches have changed	

TUI is well-positioned on the market but competition will likely increase

2021 will likely be even more challenging than 2020

Business models will have to be reshaped

Technology as driver & blocker for demand

Increased importance of well-developed ancillary models

Overcapacity will increase pressure on margins and will likely result in resizing and consolidating



The TUI fly reaction and ambition

Protection of current business – Catalyst for transformation



- Cash protection & cost reduction
- Focus on efficiencies & capacity rightsizing
- Optimisation of asset ownership



- Accelerated digital transformation
- Further hybridisation of the business model
- Increased internal consolidation throughout the vertically integrated business

Learning from the past



- Remembering the past to predict the future
- 9/11 & GFC aviation market reactions
- Risk diversification & new market development

