
PEC Virtual webinar series kicks off with discussion on outlook for aircraft interiors

By **Jane Hobson** on June, 23 2020 | Partnerships, Collaborations & Acquisitions



In the first [Passenger Experience Conference](#) (PEC) virtual webinar, organized by [Reed Exhibitions](#), representatives from Tronos Aviation Consulting, Cirium, Tapis Corporation and Viasat discussed the outlook for commercial aviation. The session covered fleet data, the forecast and trends for line-fit and retrofit, as well as insights from other key market segments.

To open the [webinar](#), Rob Morris, Global Head of Consultancy at [Ascend by Cirium](#), referenced [IATA's](#) prediction that traffic this year will decline by 55 percent. As the dust starts to settle, Cirium predicts there will be a slow rise in flights. This is already visible in regions including Trans-Atlantic and Intra-Europe, Morris said. Single-aisle flights are up eight percent and twin-aisle is up six percent from the week prior.

[Cirium](#) provided three recovery scenarios, derived by Ascend by Cirium, using Cirium Schedules data and Cirium Fleets Analyzer as the key data sources for monthly capacity and in-service fleets.

In scenario one, there is a “three month ‘hibernation’ phase,” followed by gradual traffic recovery and 2019 traffic level is reached by Q3 2021. Scenario two predicts a three month ‘hibernation’ phase, followed by faster recovery where 2019 traffic level is reached by Q1 2021. For the third scenario, there is up to six months of ‘hibernation’, followed by slower recovery and 2019 traffic level not reached until 2023. Scenario three is most credible, Morris said, because it includes the possibility of recurring outbreaks of the novel coronavirus and lockdowns being renewed, which is already the case in some locations.

For a near-term outlook, Morris looks at OEMs. OEMs generally maintain production and push aircraft into the market, but this time around, there is no demand for replacement aircraft, so OEMs have reduced production. But, this is not necessarily a bad thing.

“We expect 750 retirements annually over the next three-and-a-half years,” Morris said. “That is a surplus of around 350 aircraft annually of what we would normally expect – about 400 aircraft [retirements] each year. The scenario requires around 750 annual retirements for fleet to return to end 2019 levels of around 1,800 units.”

Gary Weissel, Managing Officer at [Tronos Aviation Consulting](#), provided a first look at the 2020 interiors forecast.

“Cabin retrofits came to a very strong halt, suppliers had programs that were put on hold, line-fits that were pushed, airlines are in survival mode,” Weissel said. “Until we see financial recovery, there won’t be return to the glory days for aircraft interiors - especially on the retrofit side.”

Initiatives the industry can expect to spend on include:

- cabin cleaning and disinfecting: how well can the aircraft be sanitized, can the underside of tray₁

tables be reached for cleaning when closed

- cabin enhancement: touchless interfaces for crew and passengers, a clean color palette (potential shift from dark color palettes designed to hide dirt to lighter templates designed to display cleanliness and build passenger confidence)
- incorporating anti-microbial properties
- cabin air ionization

Weissel said a 60 percent drop is anticipated in major interior component spend in 2020, and 50 percent drop in 2021. Components include seats, soft goods, lavatories, galleys, inserts, stowage/closets, Ovhd lighting and IFEC. Overall, across the entire period until 2023, a 35 percent reduction is expected - or about USD\$14.5 billion - on retrofit of these major components versus what Tronos anticipated seeing at the end of 2019. It also predicts about a 40 percent reduction in delivery component spend through 2025 to what it had in the previous forecast.

Don Buchman, [Viasat](#) Vice President, Commercial Aviation, said that as different regions will recover from the pandemic differently, there may be a slowdown in aircraft deliveries and retrofit.

[Tapis Corporation](#) has been making antimicrobial products for many years, explained Matthew Nicholls, Sales Director at Tapis Corporation. While there's been an interest in the products, he says there's some lack of knowledge about the products in the industry and confusion about how it differs from antibacterial and antiviral. He said he points people to the [EPA](#) website where more information can be found.

Nicholls also said Tapis Corporation predicts that in about three to four years' time, passenger demand will return in a "mini-surge" or "spike" sooner than airlines can replace retired aircraft. He added that airlines may have to play catch up for a while in terms of future line-fit projects.