
Air Canada flies the digital route

By **Hibah Noor** on | Airline & Terminal News



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Air Canada's duty free sales have performed well over the past few months

[Air Canada](#) is giving travelers more reasons to fly thanks to a number of initiatives that in the future will help the airline know its passengers better as it explores new options to increase onboard and pre-order sales of its duty free products.

Recognizing and improving its relationship with the passenger in the future will be through Air Canada's new Customer Relationship Management (CRM) program that is gradually being implemented across all of its systems.

"This CRM process will benefit us in many ways, and most importantly will allow us to communicate

with and market to our customers more effectively,” says Andrew Yiu, Vice President, Product, Air Canada.

Duty Free pre-order focus

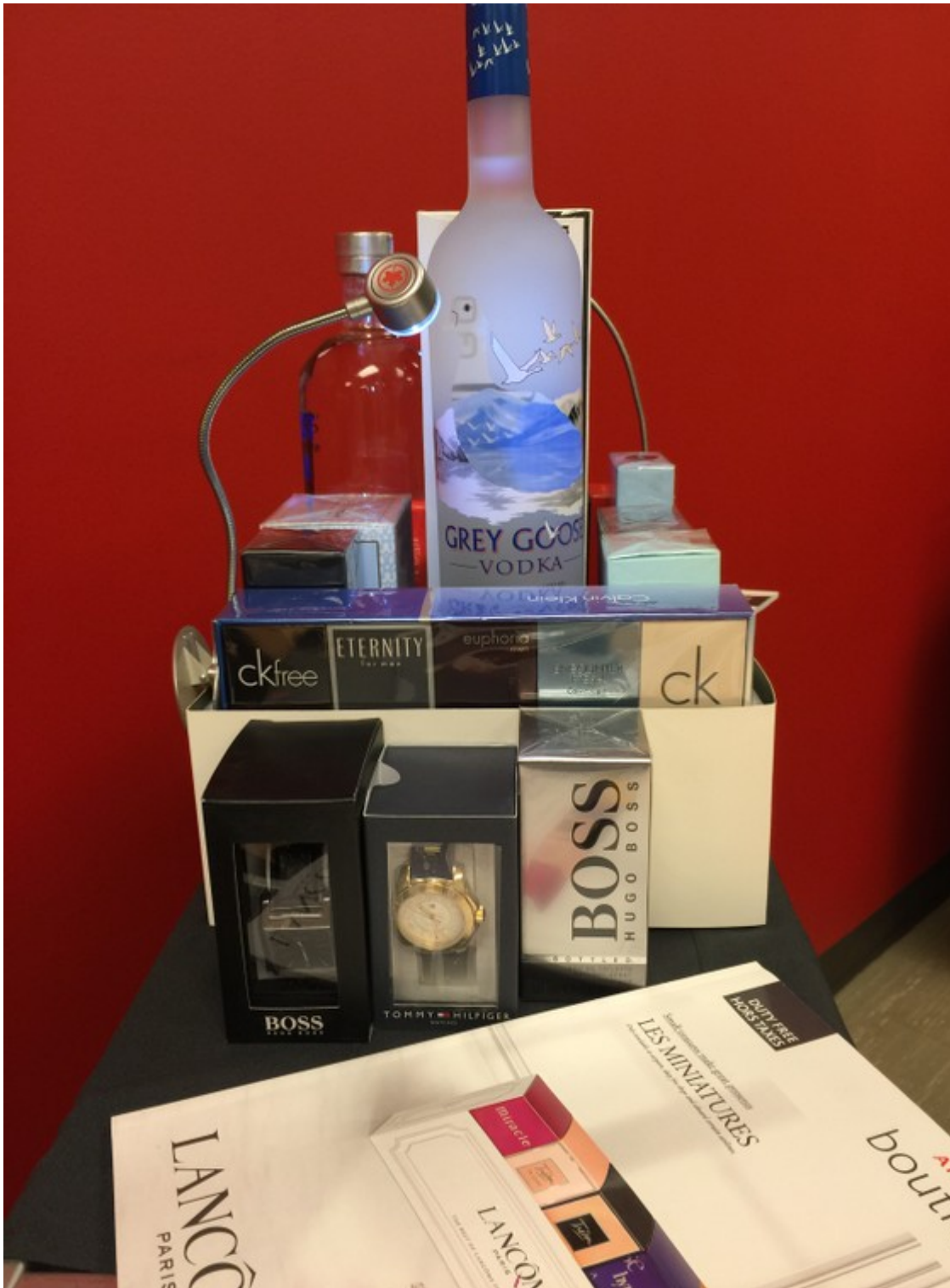
Air Canada offers an inflight and pre-order Duty Free boutique to all passengers traveling on eligible international flights. Duty free sales are managed by 3Sixty Duty Free, its inflight duty free operator. “Over the past few months duty free sales have tracked well,” says Yiu. “This sales performance is slightly less than the same period last year, but this is due to less available stowage space onboard for the duty free products. We are now encouraging passengers to pre-order their duty free merchandise in advance of their flight, which gives them additional benefits.”

He adds: “In addition to the traditional way of offering our duty free onboard, we are starting to explore additional ways that we can offer duty free to our customers through the various customer touchpoints and digital channels. It’s all about giving our customers more choices and the opportunity to personalize their journey.”

Liquor and tobacco are predictably the top-selling categories, and the following are the best-selling brands: Johnnie Walker, Marlboro, Crown Royal, Baileys, La Mer, l’Occitane, Estee Lauder, Hermes, Ray-Ban, Hugo Boss, Swarovski and Desigual.

For inflight duty free, the best-selling routes in 2019 were between Canada and London, Frankfurt, Beijing and Hong Kong. For pre-order duty free, most orders are placed by Asian customers for its Asian flights, including China, Hong Kong, Korea and Japan. In general, Air Canada customer demand is strong for a Duty Free boutique shopping service.

Air Canada has several incentive programs to motivate its flight attendants to sell more duty free products. Its crew are given a commission on total sales for every flight, and they are also encouraged via the Handheld Sales Devices to exceed sales targets on their particular flight, which automatically enters them into contests to win prizes. In addition, at year end the carrier recognizes top duty free sellers at each crew base. At various times in the past, it has conducted contests where the top-selling crew can win Nespresso coffee machines, Fitbits, gift cards and jackpot cash prizes.



To preserve space on the aircraft, Air Canada encourages pre-order purchases

Green programs

Sustainability is an important area of focus for Air Canada. The airline is involved with many environmental programs. For example, it is always looking at reducing emissions, through biofuel and other offset options; it is reducing single-use plastics onboard; and is implementing ways to improve the passenger experience onboard regarding waste reduction and waste management. The company is looking to get IEnvA-certified (IATA Environmental Assessment Program), which relates to integrating environmental considerations into all of its employee work locations. It is also working on being in full compliance with all applicable government environmental regulations such as hazardous waste, storage tanks reporting and stewardship.

In 2019, Air Canada, together with its Air Canada Express regional partners, carried more than 51 million passengers, a one percent increase on 2018. And last year, Air Canada Rouge, the carrier's leisure airline, served more than 10 million passengers, representing an impressive 23 percent upswing compared to 2018.

Air Canada operates direct passenger services to more than 220 destinations on six continents, while Air Canada Rouge offers flights to over 90 destinations around the world. Air Canada launched several exciting new routes in 2019: Toronto-Vienna, Montreal-Sao Paulo, and Vancouver-Auckland. New routes recently launched on Rouge include Montreal-Bordeaux, Toronto-Quito, and Ottawa-Varadero.

Looking ahead, Air Canada's fleet is set to expand further. The flag carrier has 45 A220-300 aircraft on order from the Airbus/Bombardier partnership (one recently delivered). There are 26 737-8 aircraft deliveries on hold for now from Boeing, and 11 737-9 aircraft deliveries also on hold from the US aircraft manufacturer.