Boeing 737 Assists European Low-Fare Airlines With Future Growth

The Boeing family of 737 jetliners is helping to make low-fare airlines the fastest growing market in Europe. Today, low-fare airlines account for only 4 percent of European travel, but they are showing a phenomenal passenger growth rate of around 30 percent per year.

These numbers gain further significance when considering that the European Union is the world's largest economic unit, accounting for around one quarter of all air traffic and consistently showing airplane load factors that are around 70 percent.

"Nine out of 10 airplanes operated by European low-fare carriers are 737s," said Carolyn Corvi, vice president and general manager for the Boeing 737 Airplane Program. "The numbers speak for themselves. The 737 family is the product of choice for this fast-growing market."

To better understand this market, Boeing conducted a study that found continual strength in short-term growth for low-fare airlines. Over time, the growth trend will turn moderate with a focus on the continent. While the model for success seems to equate low fares and low cost to high profits, the study also revealed that the cumulative effect of lower fares and lower airplane operating costs makes this market much more recession-resistant.

"The key to the 737's success with European low-fare operators is simple airplane economics," Corvi said. "The 737 has the lowest operating costs of any airplane in its class and has a superior dispatch reliability rate."

To further improve the economics, the newest version of the 737 is on track to achieve a 15-percent reduction in maintenance costs over earlier 737s - no easy task considering that the earlier 737s had set the standard for low maintenance costs.

"In addition, fleet support, commonality and the continual technological upgrades that we build into our product makes the 737 a natural for this market," Corvi said. "The 737 is the perfect airplane to provide the solutions needed for the low-fares market."

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