

BA sees business, long-haul rebound years away

- A Monitor Desk Report

Date: 29 October, 2023



London: British Airways' long-haul and business-class flying will take years to return to pre-Covid levels, after the UK's flagship carrier retired some of its biggest jetliners during the pandemic.

BA is also falling behind because corporate travel is taking longer to recover than other segments, CEO Sean Doyle said Friday. The airline relies on corporate customers to fill planes on transatlantic routes - the most profitable in aviation.

Read More: [Google launches free hotel booking links](#)

Historically, business travelers make up a higher percentage of the North Atlantic trade than on routes to the South Atlantic or Asia Pacific regions, Doyle said on a conference call after parent IAG SA reported third-quarter results. "With BA's weighting towards that market, I think that probably explains the slower recovery."

BA won't reach its full pre-Covid capacity for long-haul services until 2025, and for business class until 2026, said IAG CEO Luis Gallego. The other airlines in the group will reach those levels by year-end, he said.

Overall, BA operated at 89.6 per cent of 2019 capacity in the first nine months of the year, IAG said in a statement. That compares with 100.9 per cent for Iberia, 106.2

per cent for Vueling and 103.4 per cent for Aer Lingus.

BA retired all 31 of its 747s jumbo jets during the pandemic, but now faces a long wait for replacement aircraft because the 777X jets on order from Boeing Co. are delayed. With travel returning faster than expected, the airline now faces a mismatch between the level of demand and available aircraft.

Bloomberg reported this month that IAG is in discussions with Boeing and Airbus SE for a potential widebody order, with some jets destined to replace older 777s at BA.

BA's business class capacity is down around 11 per cent this year, Doyle said. The airline is flying less to Asia, meaning shorter trips as it does more Middle East and North Atlantic flying. BA has yet to resume flying direct to Asian cities like Bangkok and Osaka.

The airline said it has also seen a reduction in day trips out of London. That sector is slower to recover, Doyle said.

-B