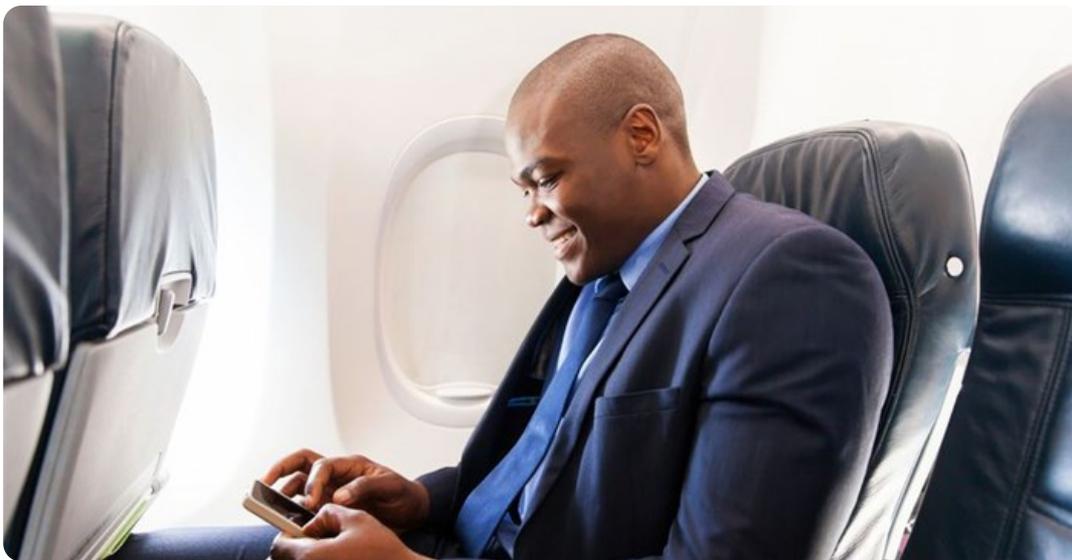


# Improved air connectivity and reduced airfares ahead for Africa

With airline passengers in Africa predicted to rise to 350 million by 2035 and a great number of multinationals already embarking on the aggressive expansion into Africa, the attractiveness of the continent for SME and entrepreneurs is growing exponentially, driven in part by improved intra-African air access.

By [Ryan Potgieter](#) 1 Nov 2017



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Airfares for travel on the continent have been exponentially high when compared to other destinations. According to Flight Centre Business Travel, it is 10 times more expensive to fly to Gaborone than to New York when measured by cost per kilometre. A flight from Johannesburg to Gaborone will cost you about R5.58 per kilometre, while a flight to New York will cost 58c per kilometre.

However, limited, difficult and expensive air access is improving, as we see legacy and low-cost carriers expanding their routes across Africa. Fastjet, for example, has been making its mark on the African map this year with newly announced flights to Mozambique, Tanzania and Zimbabwe. The airline reportedly also has plans for expansion into South Africa.

## Boosting regional connectivity

SA Airlink has also boosted its regional connectivity with new and increased flights to Livingstone and Botswana; and of course, Ethiopian Airlines has become a true pan-African carrier, partnering with regional carriers to open aviation hubs in Togo and Malawi.

Consumer confidence in African airlines has also been growing steadily. New research from travel technology provider Sabre has revealed that almost six in 10 travellers from the US and UK would consider flying with an African airline when travelling to the continent, suggesting a growing confidence in African aviation. Two-thirds of these travellers were also confident that the experience, price and customer service on African airlines would be the same as that offered by their own country carriers.

Improved consumer confidence, along with better connectivity will in all likelihood lead to a reduction in airfares, according to IATA – this was the case in Europe where sudden increased connectivity in the 1990s led to more flight options, more capacity and a 15% drop in prices.

If just 12 of Africa's economies opened their skies to each other, fares could potentially drop by up to 35%, an additional

155,000 new jobs would be created and \$1.3bn added to the GDP, according to an IATA study.

## **Increasing expansion into Africa**

A drop in airfares would be good news for South African companies that are increasingly setting their sights on African expansion.

Flight Centre Business Travel recently conducted a ticketing analysis and found Ethiopian capital Addis Ababa recorded the biggest increase in traffic from South Africa with 142% more business travellers this year. This trend is also on the rise for Zimbabwe and Zambia. Victoria Falls saw South African business traveller arrivals increase by 131%, while Livingstone in Zambia registered an increase of 122%.

The benefits of a connected continent are clear, yet much still remains to be done for governments and businesses to leverage the opportunities that come with Open Skies. While for SMEs and entrepreneurs the focus must very much remain on growing one's business, some investment needs to be made into corporate travel as the enabler of business, which is where a specialist travel management company like Flight Centre Business Travel comes in.

Limited resources should be spent wisely and it takes a partner well versed in Africa to ensure companies sweat their travel budget properly.

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