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On Your Flight Today – Season 2, Episode 5 – Play Airlines Game Changing Low Cost Strategies
Live Date: March 2024

Host: Corinne Streichert

Guest: Adrian Keating, Executive Director Commercial, Play Airlines

[Introduction] Discover the journey redefined with Play Airlines, a new Icelandic low-cost airline operating flights from Iceland to North America and Europe. My guest today is Adrian Keating, Executive Director Commercial at Play Airlines. Adrian will unravel how Play Airlines is challenging the norms of travel, marrying modesty with monumental strides in service and ingenuity. Offering insights into the trailblazing budget-friendly airline, we talk about the recently launched 'Space seat' - a game-changer offering passengers of the low-cost carrier the luxury of extra space onboard the aircraft.

In the dynamic world of aviation, Play Airlines stands out as a youthful contender with a small fleet, unburdened by the constraints of legacy. This freedom enables innovation, through rapid experimentation and adaptation. Whether it's the flexible 'Space seat' offering, the curated onboard Icelandic experiences or the new stop over options, Play Airlines is redefining travel norms, proving that a small low-cost airline can indeed deliver on experience at an affordable price.

Navigating beyond the dramatic landscapes and geological marvels of Iceland, Adrian will also delve into the complexities that seismic activity brings to the region's tourism landscape. We'll explore how Play Airlines maneuvers through the tremors of sensational media narratives, ensuring that Iceland remains a captivating, accessible destination for adventurers worldwide.

Let's go.

Corinne: Adrian, thank you for joining us. How are you today?

Adrian: Really good, Corinne, really good. And thank you for inviting me onto the show. I got back from Iceland last night, so back in London speaking to you today.

Corinne: Oh wow, how is Iceland at the moment?

Adrian: It's great, it's a very wintry landscape with lots of snow and lots of Icelandic wintry weather and this morning we also had another volcanic activity close to the airport so there's always something happening and always a reason for tourists to go and visit whether it's the weather or the seismic activity so yeah it's a great place if you haven't been and I'd encourage



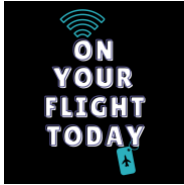
you and any of your listeners to head over to Iceland in the near future and of course Fly Play when they're when they're doing that.

Corinne: Iceland's been on my list. It really got my attention with the Will Ferrell movie about Eurovision, I think was based in Húsavík. And I thought, oh, wow, I think that really put Iceland and Húsavík on the map because it was like a great movie I saw that and I thought, oh, I'd love to go there. So it's definitely been on my list. I have to say, I'm really excited that Play is now offering a stopover of up to 10 days. So you will be seeing me passing through there. So for our listeners, you know, we've got a global audience around the world that do tune in and some might not be familiar with Play airlines and also yourself. Can you tell us a little bit about yourself and a little bit about Play?

Adrian: I have worked in the airline industry since I was 18. I'm regrettably 43 now, so I'm getting old. But I've worked for a number of different airlines across various different regions over the last 20 odd years. So I've worked for national carriers such as British Airways and Malaysia Airlines. I've worked for low cost carriers like EasyJet. I've also worked for national carriers, which I'd describe like is an Etihad or the Middle East type airlines where they're trying to generate tourism and economic growth for their regions. And of course, now I've been part of a startup airline in Iceland that is coming up to its third birthday later this year. We are based in Iceland, our hub is Keflavik. We began operations two and a half years ago, we've got 10 aircraft, A320, six A320 Neos and four A321 Neos. And we've got a hub and spoke model where we operate point to point flights from our hub into Europe and also into North America. But we also operate transfer traffic for Europeans wanting to come into Iceland and then fly over across to the US and vice versa. So we've got a really great model in terms of being able to offer the point-to-point or transfer traffic which allows us the opportunity to target different customers and different consumers. And like you just touched on Corinne, we recently just launched 10 days ago our new Stopover product which will allow customers the chance to stop in Iceland for free with our new Stopover product and experience the the wonders and magic of Iceland in the winter and the summer before venturing onto your next destination. So internally, we like to say that we're giving our customers two destinations for the price of one. And it gives people like yourself and others in the audience a chance to experience Iceland where they may not have decided to do so in the past. And just on that, coming out of COVID, actually in the US, Iceland was one of the top four or five destinations that US consumers wanted to visit after the pandemic. They'd obviously been looking at films and others, other material.

Corinne: I think we all saw that movie, yeah. Even though Eurovision isn't really a thing over here in the US, well it never used to be, it might be now but...

Adrian: It's huge in Iceland, huge in Iceland. And it's also because of the nature and the magic of the country in terms of the glaciers, the Northern Lights, the whales. It's got so much to offer

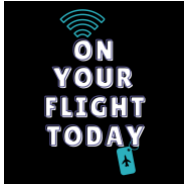


year round and it's a really popular destination over the years. And it's getting even more so as the infrastructure becomes more advanced in Iceland. So we've been operating now for nearly three years. We carried just under two million passengers last year and we're looking to do over two million this year. We've had a really good start to life as a new baby airline in the international community and we're really proud to see that we're making positive waves in North America and in Europe and of course in our home market Iceland. So really, really positive. It's been a really great couple of years and we're looking forward to strengthening that as we move forward.

{Double Chime}

Corinne: I've been hearing some really great things about Play and your CEO, Birgir Jonsson has been talking about the great results recently that you guys have had and some of the great things that lie ahead. But obviously, a huge focus on profitability and what I thought was really interesting just in December, Birgir was quoted as saying, travel is not a lifestyle, it's a necessity. Are you able to shed some more light on that and how that potentially influences your onboard experience.

Adrian: Yeah, sure. So I think in terms of that comment, we see travel as necessary for a number of different things, for Play, literally for Play, to have fun, to go and meet loved ones, for work, to have a break. And I feel...we feel it's a necessity more so as a way of life. That it's great to travel because it enables you to have that break, to meet with loved ones, have fun, experience different things, taste different cultures. And I think that's where it comes from, is that especially when we came out of the pandemic, people had that taken away from them. So yes, it is, of course, a lifestyle, but it is also a necessity. And we found that during the period when we weren't able to do it people were desperate to get away. And we found that in terms of the recovery also out of the pandemic. We have seen load factors and volume and the scale of travel return pretty much to pre-pandemic levels. And what we're also seeing, both in our home market in Iceland and around our network, is that the frequency of travel is becoming more. People, I think I listened to another podcast earlier this week and the United Airlines CFO described the behaviour coming out of the pandemic as people are purchasing experiences rather than things now. And I think that is also related to the comment that Birgir made is actually we want to experience more stuff than buy material things that don't really matter to us. And I think we're seeing that in a lot of travel across the different regions and part of the globe. And certainly in the demographic of traveler, we're seeing the young that want to go and experience the world and new things. But we're also seeing the, the older demographic, the empty nesters that have a bit more disposable income that are going out and enjoying themselves and enjoying the world a lot more than they may have done in the past. So, in terms of how that relates to our service onboard, we were born out of the pandemic. So, a lot of our crew and our service is based around making sure that our passengers have the best experience possible. Now we are a low cost carrier, which means that we are we are operating



with a no-frills mentality, but that doesn't apply to our customer service and the way that we're treated by our staff, whether that's on the plane or on the ground or pre or post travel. We want to be known as a really great airline to fly with because of our people and that's represented in the head office and all around our network, whether that's engineers, crew, commercial staff, and all the way to Birgir, the CEO. We have a really, really great environment, a fun environment, a playful environment, and that's what we want to project to our customers as well because we want them to feel that way when they're flying with us and enjoy flying with us onboard. And the last thing I'll say to that is you can see a lot of our activations across social media are related to our crew and our experiences on board. So, it won't be unusual to find a magician on one of our flights or when we're operating our first flight in the skiing season, we'll give the passengers Baileys and cream and a typical après-ski drink to get them in the mood. So we're always constantly looking at ways of trying to, to engage our passengers and getting them involved in the fun that we're trying to have as we break into the international airline scene.

Corinne: Knowing that you guys are a low cost carrier and no frills, we've heard that word associated a lot. What I thought was interesting and what caught my attention when I reached out to you was the space seat. Can you just tell us a bit about the space seat for those that haven't seen it or don't know what it's about? And, you know, when you launched it and how it's being received today.

Adrian: Yeah, of course. So the Space seat for our European travelers, they could liken it to British Airways Club Europe product or a Lufthansa business class European short haul product. So what do I mean by that? Well, what I mean is we've got A320s and A321s, which are a three and three configuration. So what we've done for a few of the rows at the front of the aircraft is we've made it a two and two configuration. So, we've blocked the middle seat to give passengers additional space, hence the word the branding 'Space seat'. Why did we do it? Well, the beauty of being a new airline is we have no legacy behind us. We have no blueprint to follow. We have no restrictions. And we decided that in the winter period where it's typically a lower volume season if you like for airlines all around the world, not just ourselves, that why don't we try out a new product in that period to understand the appetite for consumers across our network to have a seat where it does give you that additional space and can allow us to compete with some of our short haul competitors, particularly in the European space, but also when people are flying across the transatlantic routes where the length of the flight is slightly longer, perhaps they would value the space seat and the extra room for that sector. So, we decided to do that in November in 2023. We're recording this in February 24 and it's been a huge success so far. We're seeing people that are willing to purchase those seats for an additional premium. So, for us commercially as well, it's working out to be a really good experiment. Now, again, because we don't have any legacy, that's a product that we can put in and out when we want. So as we move in towards the peak season again we'll remove it from the aircraft because of course we'd rather sell the third seat than make the additional premium



in the lower demand month. So again, for us commercially it's about being really proficient and surgical on understanding where we can make additional revenues and at different points of the year so we're not static but it also gives the consumer a really nice additional product that they might want to consider during that period of time as well. So it gives us an additional USP at times of low demand for attracting customers that may otherwise choose other airlines.

Corinne: So it's a seasonal offering...

Adrian: It's on selected aircraft and on selective routes and it is a seasonal offering on purpose. We've done that from a strategic perspective. So we're testing and learning as we go. That's the beauty again of being a new airline is because there is no legacy and there is no history with Play, we can and do test and learn as we go along with new products. We do that in our digital space in terms of how we're trying to drive our digital experience with the consumers, but we also do that onboard our aircraft. And that goes into our menu, it goes into our seating, it goes into everything that we're doing as we grow as an airline, is test and learn, test and learn. And this, by having the autonomy and the ability to do it, it allows us to grow quicker as an airline from a commercial perspective and understand what works and what people want on the different routes and where we offer different customers different things.

Corinne: Are you able to share where it's best received?

Adrian: We tend to see a higher uptake on the longer sector routes. So, the US routes are proving very popular. It's also down to how well we retail and promote it. So, what we're finding is that it may not initially be purchased in the original booking. So what we're then doing is making sure that we're communicating with the customers prior to their flight to make them aware of the space seat that is available on the aircraft that they're flying on. And then what we're finding is that the uptake and the conversions for those seats, once we raise awareness of it and let people know what it can offer them, they're then being purchased, which again is great for us to understand when, who, and why people are purchasing it and at what point in the customer journey that they're doing that. And actually, this week we've just arranged for those seats that aren't purchased prior to the flight, we're now going to put a headrest cover over some of the seats as the plane is being boarded so that for any seats that are unsold all the way up until the aircraft gets boarded, we can then sell them on board as well so that the crew can go around and offer the seats and the customers most importantly can walk on board and recognise that those seats are available and we'll have the price on board for them so that they can then purchase an upgrade on the flight. So again it goes back to our strategy of being able to retail at every opportunity from a customer perspective, that's also great because if they haven't for some reason engaged in the emails that we're sending them or the messages that we're sending them, there's no cutoff point in terms of when they can purchase that seat. If they get on board and it's available, we're happy to seat them in the seat that they want for the purchase price on the day.



Corinne: What I find really interesting, like when I was flying around Europe and I'm flying in, you know, business or first class, when I first came across that a few years ago, how they just put something in the middle seat, I was like, Oh, it doesn't feel like business class to me. But the more I started to fly around Europe, I go, well, it's pretty standard to have that middle seat blocked. And that's what they call business class. But most of them do offer a differentiated service. When I first heard of the space seat and as you say you're starting to kind of further develop that, it sounds like you've got the flexibility should you choose to do so, to really split your cabin up. Is that something that, you know, an offer two class cabin, is that something that's kind of on the radar or you're still trialing and do you find that might work? For example, a European flying play airlines that gets the space seat that might have just got off Lufthansa or might have just got off BA, would they think, oh, this is almost like first class or a business, a premium cabin?

Adrian: Well, that's exactly the reason why we've done it, Corinne, really, is we know that there's a certain traveler that is used to that type of product, particularly in the European market. And we also know that a huge amount of the North American customer base as well is familiar in some respects to the two -and -two configuration, or the seats are normally bigger in the domestic North American market. But what we've been trying to do is, first of all, educate the customer that it's available and that we should be a consideration for their purchase on that route. And it's available at a much cheaper price than our competitors. So that was a consideration when putting it in, particularly again, because it was in a low shoulder season where we had the opportunity to be able to do it. What's also really important for us is that we use the data to inform us to make decisions as we move forward. So there may be some routes where the product doesn't resonate with the traveler and it doesn't work and it's not appropriate. But again, the beauty of us being able to do this is it is simply a pop -out tray that can be put in and put out as we wish. So, if in the future we decide that actually on some routes it proves really popular then we can use that flexibility to be able to choose when, how, where and if we do it. You'll have certain routes, particularly out of our home market. I'll use Copenhagen as a really good example. There's huge volumes of traffic between Iceland and Denmark, Copenhagen in particular. A lot of that is business travel. A lot of that business travel we don't get at the moment because as a low-cost airline we're perceived to, wrongly perceived that we don't or can't cater for the business traveler. But that type of product and that route is perfect. And having been at low cost airlines before where we've introduced business class products for travelers, this is the exact same kind of thing where we can offer products to all types of consumers at different points and on different routes. And it's all about learning and using the data to help us make informed decisions moving forward. And the last thing I would say on that is that's the beauty again of being a startup airline is you simply don't have that flexibility or autonomy in these bigger organizations that we're competing with. What is there is there and if something's going to change it's normally a long process that takes the fleet change at multiple years, let alone being able to do it,



Corinne: Retrofits and all that...

Adrian: Exactly. So we don't have that right now. We've got 10 aircraft, we're nimble, we're quick, we can make decisions really quickly that could be implemented into the operation tomorrow if we want. So that allows us at this moment of our journey to test and learn and we'll continue to do that as long as we can.

Corinne: Yeah, I do see that as a huge advantage, you know, having a history in medium and also large airlines, some things can take a very, very long time to change. But with technology and some creative thinking, I like to think that we have gotten faster, but still not to the speed that you can just pull something in and out and off you go and you can sell it.

{Double Chime}

Corinne: Inflight entertainment and connectivity, one of my favorite topics. Correct me if I'm wrong so I did read you were looking at trialing the BlueBox product more from an ancillary revenue opportunity in July. But I read a flight review recently from someone end of last year that didn't have inflight entertainment. So, have you stopped that trial or is it only on select aircraft and do you have any updates on whether that will go fleetwide?

Adrian: Yeah, of course. So yeah, we implemented the trial in the third quarter of 2023. We implemented the trial across four aircraft initially only. Again, for a trial we wanted to prove the concept and ensure that it was fit for purpose and doing everything that we wanted it to do, but also it was compatible with the way that our crew work and of course that the customers were happy with the experience as well. So, the rationale for introducing Air BlueBox and the trial itself was for a multiple of reasons. One, as you say Corinne, was it was driven by our requirement commercially to drive our ancillary revenue and our onboard retailing. And I'll just touch on that for a moment before I go into the other areas as well. So, what we see or what airlines typically see on board when the trolley service comes out, particularly on sectors that may be three to four hours, you typically get a two trolley service, you get peaks in sales. So you'll get a peak when the trolley comes out that will then dip and then you'll get another peak when the trolley comes out towards the end of the flight and you may get a few sales in between. But actually, what the data shows from products like Air BlueBox is you start to remove the peaks or you start to ensure that you have less of a peak and you have more of a constant sale period across the whole duration of the flight. So, you still have the peaks when the trolley comes out, but then the customer is really happy to use the technology to order from their seat throughout the duration of the flight. Because what we found from a customer behavior perspective is that when you don't have this technology, people are really reluctant to press the call bell and disturb the crew. Actually, we want the crew to be disturbed. We want the crew to be selling. So, but customers and passengers do not feel comfortable pressing the



bell. But they do feel comfortable when they can use their phone to order additional food and beverages and snacks during the flight. And because they're taking almost that, that requirement to call someone over they're just making the order and the crew get it in the galley and all of a sudden they're served at their seat. What we're seeing is that we're driving revenue onboard. We're also ensuring that passengers are having a much better experience from Play as a whole because depending on what flight they may get, they may get a red-eye flight from North America into Europe. And of course, the first thing they want to do when they get on board is probably sleep. When they wake they may not want a coffee straight away and they don't want to have to wait until the trolley comes out in an hour, an hour and a half before landing. So, it's also giving the power and the choice to the customer. So, whilst it's largely driven from a commercial perspective, it's also driven from a passenger experience perspective also and also from a crew perspective because they're finding that the passengers are really enjoying technology and they're also finding that throughout the flight that they're able to service the customers in a much better relaxed and informal way than just having to roll the cart out twice in the flight duration. So, for us, for Play, the trial has been going really well.

Corinne: As you said, you have that flexibility to keep trying. So, you know, you are trialing a BlueBox solution and there are a lot of solutions in the marketplace that offer this kind of service on board, from an entertainment perspective, you obviously trialing content as well. Can you give any insight into your strategy for curation?

Adrian: Yeah, sure. So again, what we try and do at Play is try and understand the customer feedback and the customer sentiment as much as possible. So, part of our everyday is sending out customer surveys once they've completed their flight. We're trying to understand what we're doing well, what we're not doing so well. And then what we try and do is work as a team back at head office to try and modify our product services and proposition to the consumers across everything that we do at Play. And that includes the onboard product and the BlueBox experiences is part of that. So part of the trial is we're trying to introduce different elements of what BlueBox have to offer in the in the trial period as well So at the very beginning it was the service. It was the moving map. We're now looking to see if we can offer some sort of media element to it as well. But again, from our model, we don't want to have to pay for that. So we want to try and understand - Is there a need, a want and a requirement for passengers to get that on our aircraft? And what we're actually finding from a lot of feedback is a lot of the times on a two, three, four hour sector, consumers aren't necessarily looking at us for entertainment per se from like a legacy carrier perspective. And again, particularly in Europe.

It may differ slightly in North America, but generally in European short haul flights, you don't get entertainment, your traditional IFE, films, movies. So, what we're trying to do is have a balanced approach to what we're offering our customers. And then what we'll do is we'll modify that within the technology that we're putting onboard as we move forward. So, we'll start off with the basic content, and then we will evolve as we move forward again, depending



on the feedback from the customers and what they feel they need and want from Play and how that stacks up to the economics.

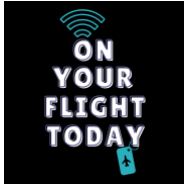
{Double Chime}

Corinne: Let's just talk about your menu. So you're really focusing and promoting Icelandic products. Obviously that's a boost for the economy. What's the feedback on that?

Adrian: I think it's a really, really important part of who we are and what we're offering customers. And I think we're really proud of our Icelandic heritage. So, we're an Icelandic airline, that is our core. And we want to ensure that every customer that gets on board with us knows and feels that. They'll certainly feel that from our crew and the service that we're getting. But we also wanted to give that in terms of the menu and the products and the offering that we give in flight. We want your experience on board with us and to literally have a taste of Iceland as you fly with us, whether or not you're actually coming into Iceland or going across to North America, but we want to give you a taste of Iceland as soon as you fly with us. So our thought process was exactly that. We're Icelandic, we're proud of it. We want people to know that. And also we want to promote and sell products that are produced in Iceland. Because one thing that for those listeners that haven't been to Iceland, that the country is extremely entrepreneurial. There's only a residency or a population of just over 300,000 Icelanders, yet there is a huge, huge, huge amount of entrepreneurship there. So, when we're selling our local gin and our local drinks on board and our local food, it's because we're really proud of it as Icelanders and as an Icelandic airline. And I think that's, that type of enthusiasm and passion for the nation we want to try and put on board our aircraft and ultimately we want to bring people into Iceland. So again, the stop off over product allows that opportunity. So that was the thought process behind that Corinne and everything that we do around the product on board, we want to have an Icelandic theme in and around it. So we refreshed our menu earlier last year. We made a bigger menu, a more enhanced menu offering with much more additional Icelandic products on board and we're constantly reviewing what we have onboard and when. So right now as I speak there's two members of our team that are working with suppliers for our next menu that's going to be coming out fairly soon for the summer of 2024.

Corinne: Because I did read a review, a US traveler flew, Play airlines and said, from the minute you get on board, it's like you're visiting another country. And I think from a passenger experience, I think to be able to achieve that is a really great thing. And very few pull it off.

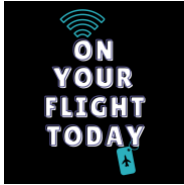
{Double Chime}



Corinne: Are you able to share a bit more about your passengers? Is it more of a younger demographic?

Adrian: Yeah sure. Yeah we do have a large portion of our passengers are a younger demographic but again we want all travelers of all ages and backgrounds to fly with Play and that's our objective. Being a newer airline in the market and people not knowing who we are, the natural development of a new startup airline is that you will get people that perhaps have less disposable income but still have the desire to travel, choosing the cheaper option in the marketplace. And we of course have seen that over the last two years. And we will continue and want to continue offering the lowest fares in the marketplace to attract those travelers. But as we evolve as an airline as well, we also want to show the older demographics and those with more disposable income that actually you can fly with an airline that has the youngest fleet in Europe, which is Play, has great staff and great people, and has great products onboard for a fraction of the price that you'll get with our competition. So, if you, again, if we look at our competitive set, they typically have an older fleet than us. They are typically offering a service that is no better and no worse, so it's on par in some respects. I would also say that we offer better inflight catering than some of our competition. Yes, you have to pay for it, but actually the quality is better. And therefore, the consumers, whilst historically have chosen the legacy carriers or those that they're more familiar with, can actually have an on par, if not better, experience with us. And that's the message that we're going to be trying to get out over the next coming weeks and months from a marketing perspective is: consider us over your normal because you'll pay less and you'll actually get more in some respects or certainly more than what you're expecting. And what we've seen over the last year is that we're starting to attract those types of passengers. So particularly in our home market, if you look at our investor presentations, we have started to weep into the national carriers' market share quite considerably in our home market because the entire population in Iceland has a choice who they fly with and they have another choice to what they had two years ago and we are cheaper and we allow them to fly more often. And whilst at the beginning we needed to move into that market, we've now found that actually we're being really successful at stealing market share. We now need to focus on doing that across Europe and in North America as well. So, for those people that are considering flying Delta into Keflavik, actually they should consider flying Play. For those people considering flying British Airways, Lufthansa, Wizz, EasyJet into Keflavik, they should actually consider flying Play because we have newer planes, we have great products, we've got great people and we've got great service. So we're going to start sending that message out in a lot of our marketing communications over the next coming weeks and months as well.

Corinne: I've also read, and correct me if I'm wrong, that you're quite popular with families, budget conscious families that are trying to take the kids on holidays, don't want to spend all their money on airfares. And now with the opportunity to stop over, are you finding that it is becoming more appealing to families that are really budget conscious to get across the pond?



Adrian: Yes, yeah, most definitely. So, the Stopover product launched 10 days ago from when we were recording this podcast and we've already seen a huge, huge interest in it from all of the visitors on our website, which is really, really positive. And we're also starting to see some really good initial results for people taking that product. So that product enabling us to offer the two for one experience is a fantastic new product introduction for Play and we're looking forward to really promoting and pushing that over the coming weeks and months. The families we've always found have found Play popular for all of the reasons that you say Corinne. I'm a husband and dad of two myself and I love nothing more than being able to take a break with my family, but it's expensive when you have children. And what we're trying to allow is families to travel more. And that's what Play allows fundamentally. Because of our economic strength with our cost base, we can then give the low affairs to consumers, enabling them to travel more. And that goes back to your comment earlier on about what Bigir said about it being a necessity. Families and others find it a necessity to travel. When I get a chance to have leave, I want nothing more than to jump on a plane with my family and go and have a break. So, I find it necessary to do that. Now, it's not as viable for every family across our network to do that because of the price and the costs. But with airlines like Play coming into the market, it allows customers and families to be able to fly more often and have that opportunity to travel. So yes, we're seeing that actually we're also attracting the higher and more affluent demographic as well and some people would say well why would they want to fly with you as a low -cost airline well the reason for that is they see airlines as a way to get to their journey so they want to get from their place of origin to their destination as cheap as possible. They then want to spend as much money as possible in their destination and on experiences there so yes the airline is part of their experience as a holiday but when you're only flying for two, three, four hour segments, actually, they'd rather pay the cheapest price possible to get there and then spend their money on a five star hotel and a massage and a boat trip and other things around the holiday. So, we're also seeing that and benefiting from that coming out of the pandemic is that people are trading down in terms of the airlines that they're willing to fly with and paying a cheaper price. but they're going away more often and they're spending more money on their experiences in destination. And that's benefiting airlines like Play. And the last thing I would say on that is that is no different to economic crises in the past or other impacts across the global aviation industry. We've always seen that airlines like Ryanair, EasyJet and low -cost carriers in the US have benefited from people down trading in terms of the airline that they fly with and that's so different for Play at the moment. So we're seeing a huge range of demographics flying with us which is great.

{Double Chime}

Corinne: I just really wanted to quickly touch on something. You know, it's not unique to your region. Yeah, there are earthquakes and volcanoes around the world, but it's something that Play needs to be continually keeping an eye on. And yeah, there does seem to be a lot of

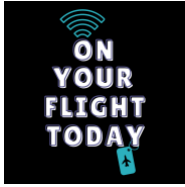


seismic kind of activity around that part of the world and you've got volcanoes. So, and I know that there was, there was one in December, but it didn't, it wasn't as bad as it sounded in the press. So can you kind of get, shed some light on how, as an organization, how do you kind of manage that, manage that risk and that potential impact? And how do you feel that the media are helping you or not helping you do that?

Adrian: Yeah, sure. So thanks for bringing that up, Corinne, because it's a really, really, really important point. And the first thing that I would say is that Iceland is absolutely safe to travel to. There is no problem accepting flights into or out of the country, and it's absolutely safe for tourists. The seismic activity, whilst relatively close to the airport, is in a area, a small part of Iceland that does not impact the rest of the tourism or the ecosystem for tourism. So if you're coming to Iceland and you're planning to come to Iceland, the volcanic activity will not have an impact on anything that you're planning on doing. And Iceland is a huge country in terms of landmass. So, everything that you're planning on doing and wanting to do when you come to Iceland will not be impacted by the volcanic activity that is close to the airport. And crucially, the volcanic activity, unlike the volcano 10 or so years ago, is not having an impact on flights or operations for any airline coming in or out of the country. So when a volcano erupts, there's a period of time where the local departments will look at the dangers of it and very quickly we find that there are none and that the operations continue as normal. Frustratingly for us at Play, the global news is quite sensationalist and hasn't helped in terms of the headlines across the world over the last three or four months where it's saying that Iceland is closed, it's dangerous to go, it's having a massive impact on tourism. It's not. Iceland is open for business. Iceland is a huge country that can accept the tourism into the country and you can have an unaffected experience for the volcanic activity. So, for us, it's part of Icelandic life. So, for hundreds of years, volcanoes have been erupting in Iceland. In fact, volcanoes erupt in countries all over the world that we've seen over the last three or four months. But for some reason, Iceland tends to get the exaggerated headlines and it does have an impact on search demand and people wanting to travel there, a negative impact but longer term we hope it has a positive impact on travelers because the volcanic activity is part of the reason why you would come to Iceland. It's part of the magic of the country where you have this fire and ice element that just simply doesn't exist everywhere else. So, my message to the listeners on the podcast is Iceland is open, it's safe to come and it shouldn't deter you at all in the slightest.

Corinne: When we hear of that news is the best place to go to your website? Is there a process that you have to communicate these updates regularly?

Adrian: Yeah, completely. So, like the recording today an earthquake has erupted this morning so immediately we send out on all of our social channels that there's an eruption but again the message is no disruption. So, we will put that across all of our channels, we'll update our website, we're also working really closely with the Visit Iceland Tourism Board to ensure that we are going out across all of our channels saying that it's a safe place to come and actually the



entire travel community in Iceland is coming together to make sure that message is loud and clear to the world and to the public and to people wishing to travel here. The seismic activity is happening close to a town that is not far from the airport and for the residents of that town it is a huge issue for them which we feel for them as local Icelanders and as part of the fabric of the nation of course. So, it is a really hard moment for the population of that town but with the bigger picture of tourism and travel in Iceland it doesn't impact tourism. So that's the key message that we're trying to put out into the media and we hope that they'll pick up.

{Double Chime}

Corinne: I guess it's still early days, but you guys have done a great job so far and it's looking, you know, a really bright future. And, you know, I wish you well and really excited to hop on board. Who knows? I might be flying Play to AIX cause you're fly straight into Hamburg, but we'll see how that goes. But really excited to try it out. Like I said, if it wasn't for Will Ferrell, I never would have heard of Húsavík.

Corinne: Adrian, thank you so much for joining us today. If anyone wants to reach out to you with any questions or learn more, what's the best way for them to contact you?

Adrian: Yeah, I would say look me up on LinkedIn and I'm more than happy to answer any questions on there. So, I'm very active on LinkedIn. And thanks for inviting me, Corinne. I've really enjoyed it. And let's hope you get yourself on Play Airlines soon.

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