

LUXURY MEMO SPECIAL REPORTS

## Lessons from first class – Luxury Memo special report

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*Emirates takes inspiration from Mercedes for its in-flight suites. Image credit: Emirates*

By NANCY BUCKLEY

In a world where U.S. passenger airlines make 75 percent of their revenue from passenger fares, it is no surprise they consistently revamp the most expensive options in first and business class.

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From VIP lounges to the toiletries on-board, airline companies are offering luxury experiences to their highest-paying customers. A plush and food-filled lounge, better in-flight service and seats that lay flat are temporary experiences in a means of transportation, yet consumers are willing to spend thousands per journey to participate. So what is it about first and business class travel that engages the consumer, and how can other luxury brands learn from this interaction?

"More and more airlines are reducing the number of seats in long-haul first class cabins and the number of routes where they offer first class," said Doug Gollan, editor in chief of [Private Jet Card Comparisons](#), New York. "Over the last several years, Lufthansa, Air France, Cathay Pacific, American Airlines, British Airways, Qatar Airways and even Emirates have reduced the number of seats and aircraft that have first class.

"Whereas at one point international first class cabins would have 15 to 40 seats, more and more have as few as four seats, although more often just six or eight, albeit some have their own private doors, full-length curtains for privacy and are much more expansive," he said. "In other words, an international first class has never been so limited or luxurious."

Top 5 trends in first and business class

- **Service plus**  
The days of pushing an attendant button are over for those in first and business class. The hands-on service is a major appeal for those looking to sit back and relax and have everything taken care.
- **Amenities never end**  
The toiletry bag of first class has long been a tradition for passengers. But airline brands have been outdoing themselves with the amenities within the bag, including luxury brand items and offering new ways to engage

with the products on the plane to freshen up before landing.

- Privacy, please

First class cabins have evolved from big comfy chairs to miniature private suites. The privacy experienced within the passenger's pod allows for the ultimate personal experience possible on an airplane. Customers are able to start their vacation early in a secluded seat that extends far and beyond just a seat.

- Vacation starts now

Most exotic vacations are unforgettable getaways with one caveat: the flight. Flight times in the double digits often deter jetsetters from consistently taking vacations to faraway lands, but with the updated first and business class cabins rolling out and VIP lounges in airports, vacationers can start their experience the second they step through security.

- Tipping the hat toward business class

First class only serves a few passengers and the push toward private pods really reduces the space for more seats, therefore many airline companies are pushing toward more business class seats. In business class, the passenger does not expect a pod or a private room, just seats that lay flat and better service than coach.

Business class allows planes to serve more people at a higher level and does not set expectations too high, which is a wiser choice for many airline companies.

Au revoir, first class

First class has the once-in-a-lifetime experience that entices many. However, the actual area space within the cabin allows for few seats, limiting the number of high-priced seats the plane can physically hold.

The economical choice for many airline brands has quickly become business class. The smaller nature of the seat space allows more seats to be added and more money to be made.

"Having a seat that goes into a fully flat bed is now the starting point in business class," Mr. Gollan said. "More and more airlines, including Delta Air Lines, United Airlines and American as well as Korean Air, Air France, Qatar and Japan Air Lines have moved to seating arrangements where every seat has direct access to the aisle.

"With ultra-long haul flights such as nonstop from Perth to London, Houston to Auckland and many flights at least 10 hours, having a comfortable sleeping environment where you don't have to climb over your neighbor and vice versa is becoming more common."

Passenger airlines like United have invested in business class full-heartedly.

In December 2016, United debuted its Polaris cabin. The front of the airline's widebody fleet has been outfitted with individual "pods," which give each flyer access to the aisle with custom seats that can be transitioned to a 6.5-foot-long flatbed.



*Unite Polaris Saks bedding*

Following 12,000 hours of research that went into the design of this new service, United found that business class travelers singled out sleep as their top concern.

To keep the experience still high-end, United chose to align with top brands for the amenities offered to passengers.

Adding to the comfort and relaxation prepared for passengers is Saks' custom bedding, which includes duvets, day blankets and a large and small pillow for each traveler with Saks branding. Mattress cushions can also be requested.

Slippers will be available on all United Polaris flights, and pajamas can be requested for routes that take more than 12 hours ([see story](#)).

"In terms of soft product, you are seeing airlines improve the bedding, including United which teamed with Sak's Fifth Avenue, British Airways with the White Company and American, which last September announced it was teaming with Casper," Mr. Gollan said.

Similarly, Qatar Airways bet it big on business class reinventing the cabin with double beds in its Boeing 777 and A350 planes. Qatar's risk is unprecedented in the world of its competitors, such as Etihad or Emirates, where the focus on first class is still prevalent.



*Qatar Airways plane 465*

In addition to the double beds, Qatar's new business class will feature seats that can be put together to allow a family of four to eat a meal or a small business meeting to be conducted inflight.

The seats have their own doors and "do not disturb" buttons. Only six A380s in the Qatar Airways fleet still host the company's first class, which will be updated to match the level of luxury in the new business classes.

Qantas is another passenger airline that is doing away with first class. On the airliner's new Boeing 787s, there are no first class cabins, leaving only business, premium economy and economy.

In addition, Cathay Pacific is phasing out first class on its new Airbus A350 planes.

There are always a few

Other airlines are still focusing on the first class cabin, but the numbers are low for companies investing in their first class.

Creating a private travel experience in the sky, Singapore Airlines has first class suites in its Airbus A380 fleet. Located in the front of the cabin on the upper deck, Singapore Airlines' suites feature a full-flat bed with an adjustable recline, which can be stowed completely to allow for extra space. Additionally, couples traveling can turn the beds in the first two suites in each aisle into double beds ([see story](#)).

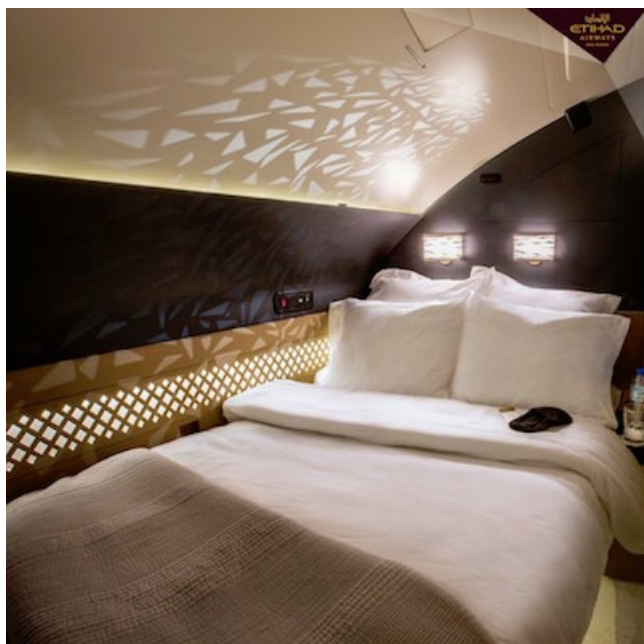


*Suite on Singapore Airlines' A380. Image courtesy of Singapore Airlines*

Singapore Airlines furthered the luxury experience through a partnership with Lalique. The airline will retail co-branded in-flight products such as toiletries and glassware in its suites and first class cabins. For Lalique, this represents an opportunity to introduce its brand range to a captive audience of affluent travelers ([see story](#)).

Etihad Airways crafted a first class in 2014. The Residence, available only on the airline's Airbus A380 aircraft,

recreates the luxury of a private jet on Etihad. The space is found on the aircraft's upper-deck cabin and includes accommodations for single or double occupancy.



### *Etihad's The Residence*

Etihad's The Residence features a living room, separate double bedroom and en-suite shower room. Each of Etihad's A380 aircrafts will offer a different version of The Residence by using different color palettes, table marquetry and custom carpets to separate one experience from the next ([see story](#)).

Similarly, Emirates' new first class suites debuted in December 2017. The cabin is completely separate from other passengers, offering an extremely personal and private flight experience.

There are six private suites on each of Emirates' jets, each of which is 84 inches long and 81 inches tall, measuring about 40 square feet.

[embed]<https://instagram.com/p/BcKrAxwgrt1/>[/embed]

### *Emirates' new first class*

While most suites will have windows, some will not. Emirates has invented a virtual window to compensate.

Each suite's reclining chair can turn into a 78-inch-long, 30-inch-wide bed, and the space also includes a 32-inch LCD television, fully stocked mini bar, temperature control and Bowers & Wilkins noise-canceling headphones. Guests can video chat with crewmembers to order cabin service.

The suites were modeled after Mercedes-Benz's S-Class. As part of a new partnership, Mercedes will provide ground transportation for luxury suite passengers on Emirates flights ([see story](#)).

### *Just get through security*

Onboard luxuries are no longer enough for those looking to fly commercial but who want to do so with a private jet feel. Once through security, the passengers are no longer mixed with the general population, as they can now enjoy the service and comfort they receive in first or business class as they wait for the flight.

In 2012, London's Heathrow opened its VIP suites to passengers arriving at the airport with the promise of securing luxury brands to add to the swanky experience.

Previously reserved for royalty, heads of state and visiting diplomats, the suites now target a high-net-worth demographic for a premium service priced at \$2,400 for a group of up to six passengers. The service, labeled Heathrow by Invitation, is yet another initiative to position Heathrow as a venue for luxury experiences in addition to high-end products for passengers arriving or departing from the world's busiest airport ([see story](#)).

In 2017, Los Angeles International Airport, better known as LAX, joined a growing list of airports catering to wealthy travelers with the addition of an exclusive terminal for VIPs.



### *VIPs can get a ride straight to the plane*

The new terminal is called The Private Suite and comes with a host of features exclusive for affluent fliers. This terminal caters exclusively to luxury travelers, bringing them the kinds of benefits and perks reserved for wealthy customers.

LAX's terminal will allow the exclusive experience to start the second the traveler enters the airport with its own private TSA line as well as luxurious suites for customers to await their planes when they arrive at the airport. Additionally, LAX is promising direct transportation to the tarmac in a BMW 7 Series sedan ([see story](#)).

"The other trend is the U.S. airlines are finally catching up to offer better lounge experiences for first and business class customers at their key hubs," Mr. Gollan said. "Both United and American are creating new separate lounges that offer a la carte dining and an extensive buffet with both gourmet and healthy selections so customers can eat before flights and have more time to sleep or work, particularly for shorter flights from the U.S. to Europe."

United has decided to match its onboard experience with an airport lounge, named Polaris after its business class. The first lounge opened in Chicago in December 2017, and in 2018 lounges in Newark, San Francisco and London were added.

Opening later in 2018 are lounges in Houston, Los Angeles, Tokyo's Narita, Hong Kong and Washington, D.C. The lounges will replace the United Club.

Similarly, American Airlines closed its Admiral Club in Los Angeles and Dallas to renovate them. The company has been slowly updating its clubs, having already completed the new renovations in Chicago O'Hare, So Paulo, Brazil and Phoenix, AZ.

Other airline companies offer passes to their lounges through membership companies like Priority Pass or LoungeBuddy, which have subscribers who are then granted access to select lounges in airports.

Some offer day passes for a one-time-fee experience and others offer passes to credit card mileage users. Often, the credit card passes are one or two passes per year. These once-in-awhile passes offer a chance for individuals to see the opportunities available in the lounges.

"Over the last several years, we've seen a major elevation of luxury in first and business class air travel," said Taylor Rains, managing partner at **Flugel Consulting**, Charleston, SC. "These trends have likely been borne out of the increasing pains travelers have experienced in the airline industry, with tightening security and regulations - airlines are looking to offset concerns and issues among their highest paying passengers by offering more in the way of luxury and customization.

"A number of airlines have opened, or will soon open, luxury lounges for their premier customers in some of the world's busiest airports," he said. "First and business class cabins have harkened back to the perceived 'heyday' of air travel, when 747s came complete with a cocktail lounge in the upper deck.

"It's all about livability and comfort. This includes everything from private cabins on Singapore Airlines to a luxury shower suite on Ethiad. With airlines having so little control over the experience as guests arrive to and leave from the airport, they are doing what they can to ensure the part of the trip they can shape is as luxurious as possible."

Borrowing the idea

Other luxury brands across industries have looked toward the VIP lounge concept common for airlines and have

added a retail spin.

Brands including Louis Vuitton, Tiffany & Co., Saint Laurent, Gucci, Ermenegildo Zegna, Burberry, Christian Dior and Barneys all have private lounges for their VIP consumers. These lounges offer a space for high-net-worth individuals to have an even more private luxury experience in-store than provided in regular shopping outings.

Some lounges are invite-only, while others can be reserved by anyone looking for an exclusive shopping excursion.

Other industries have added VIP lounges, such as Four Seasons Resorts Lanai, HI, creating a full-service airport lounge at Honolulu International Airport.

The lounge greets guests as they disembark from their planes before they are taken to the property. For hospitality brands that strive to curate a guest's stay, an airport lounge will ensure that the property starts off on the right foot ([see story](#)).



*FS Lanai airport lounge at Honolulu International Airport*

Other brands have decided to offer these VIP experiences through a temporary pop-up. Giorgio Armani Beauty brought its pop-up Armani Box concept to the United States for the first time in late 2017.

The traveling experience immersed visitors in the Armani Beauty universe, giving them the opportunity to have their makeup done by a brand representative or snap a picture in a photo booth. Beauty brands are increasingly striking out into their own bricks-and-mortar locations, taking the in-store experience beyond the department store counter ([see story](#)).

Best-practice tips for first and business class style marketing:

- Doug Gollan, Private Jet Card Comparisons
  - "Airlines are now giving cabin attendants tablets so they can see more about each passenger - whether they just hit platinum level or if their past couple flights had delays. Providing more information enables the cabin crew to better adapt the service to that passenger."
  - "Airlines have really come to understand why customers buy their premium product - in the case of first class it is the willingness to pay a lot of money not just for caviar, but making the entire trip seamless, with VIP assistance through security and immigration and driving customers to and from the plane, bypassing long walks in big terminals. In the case of business class, it's the core - being able to eat a good meal before the flight and then sleep and work inflight."
  - "Lastly, airlines have been successful building loyalty programs that now more and more are focused on rewarding those customers who generate the most profits. Members of their programs take circuitous routings and pay more to attain benefits."
- Taylor Rains, Flugel Consulting
  - "Manage the experience from beginning to end."
  - "Don't be afraid to go bigger, and charge for it. There is a market for ultra-luxury, and the airline industry is a testament to that."
  - "Listen to the customer. This one may seem intuitive, but it's surprising how often it gets overlooked. For years, travelers have been bemoaning the air travel experience, with many looking to the luxury and

sophistication of the industry in the 1960s. Only recently has the industry taken note and reacted accordingly, and the result has been great. Although some see the ultra-luxury cabins as a way to justify extremely high ticket prices, many see these cabin redesigns as the air carriers making a concerted effort to elevate the experience."

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