

Book Review

NO FRILLS: The Truth Behind The Low Cost Revolution In the Skies *Simon Calder, 2003; Virgin Books, London- ISBN 0753507706*

'It's not rocket science,' Stelios Haji- Ioannou, the founder of easy-jet is fond of saying. "No frills airlines fly the same expensive piece of metal at the same speed as the traditional carriers. But they cut cost where ever they can, for example by plastering the reservation phone numbers on the side of the planes to save on marketing budget". When it comes to pricing, 'we look at the fare the customer can pay, not what the market can bear,' says Rob Brown of Southwest."

The above mentioned statements excerpted from the book highlight the theme and purpose of the book. 'No Frills' is the latest addition to the books on 'Air Travel'. This updated version reviews the airline operations scenario from the experiments of the Wright brothers all the way up to 9/11 and beyond. Divided into 15 chapters this 300 plus page treatise also has an elaborate section of 'appendix' including 'user's guide' and 'aviation glossary'.

Written in the first person the paperback edition is as racy a reading, as any thriller on the bestseller list. The book is an historical investigation in modern day travel itself instead of a text book on low-cost airlines. 'A touch of classlessness' the second chapter of the book traces the history of organized travel from the nineteenth century and Thomas Cook to Vladimir Raitz in the 50's and also relates the significance of cheap package holidays as precursors to the modern day 'low cost air travel'. The need to break the shackles of 'freedoms of air' and move into de-regulation in the skies beginning in the U.S. during the Carter Presidency has been well brought about building a strong case for usefulness of 'no-frills' for the commoners.

Personal interviews with leading personalities of the low-cost revolution like Herb Kelleher of Southwest (virtually the father of no-frills airlines), Sir Freddie Laker of MyTravelLite, Michael O'leary of Ryanair, Jim Parker of Southwest, Barbara Cassini of Go and Vladimir Raitz the inventor of air package holiday, has brought in first hand information of intentions and strategies behind operations of the low cost airlines revolutionizing the skies today. There are many more names mentioned in the book enriching the contents with relevant information to make the book both a virtual encyclopedia of content and interesting trivia. An important aspect of the book is the interaction of most of the above mentioned players in an industry which is prone to jolts from the political, economical, and technical environment of the globe. Even the slightest of upheaval leads to recalculation of the entire approach of this business. The Book has woven these plots deftly in the text. The take over of Go and the refusal of Barbara Cassini not to accept the number two position in the merged entity all maintain a story like interest for the reader. In the process valuable information is divulged to the reader useful enough to understand the functioning of a vulnerable industry.

At the same time this style has a drawback of leading the reader into casualness. A trap of blithe reading has been set up by the author himself for the readers. Being an investigative journalist by profession the author seems to be overpowered by the

trappings of sensationalism. To cite an example from the book, ".....inevitably the discussion turns at some stage to aero planes. It is a subject people love to talk about, about defying gravity, flying and everything else. It is an industry people love to talk about- a very sexy industry." "Sexy or noteasyJet has one of the most generous delay-compensation systems of any carrier:.....But at the very end of 2000, severe wintry weather at Luton and Liverpool combined with a shortage of de-icing fluid to cause massive disruption to operations. Thousands of passengers had to abandon their New Year journeys, while many others spent long hours waiting for their flights. Few were compensated. Luckily, perhaps, the camera crews had taken time off and were not around for the full fury." "Successful airlines appreciate that adding product frills rarely produces long term gains in market shares, because frills can easily be matched by competitors" (Shaw 1999). This being the starting point of the idea, this revolution in the skies started in the U.S. when Southwest with its charismatic leader Herb Kelleher ventured into low-cost air operations. Apart from several cost cutting measures introduced by Southwest (which were later bettered by others) the most significant, probably, was to save cost on the distribution channel. "Traditionally Southwest has done its own ticketing and has not made seats available on Sabre, Galileo or other global CRS systems, thus saving \$3 or more per booking. It was also the first to introduce direct online booking. As a result and in contrast to the U S major airlines, around half of Southwest's sales are direct, which is a very high proportion. On these sales it saves agents' commissions which are 7-10 percent or so of the ticket price" (Doganis 2001). This one aspect of cost saving and the subsequent effect on the travel-agency business has not been discussed in detail in the book. This is important because if the future air travel is tilted in favour of low-cost travelers the future of travel agents is bleak. Growth in one component of this industry can sound the death knell to another. Though it is speculative at this point of time to predict the negative effect on travel agency business but the author could have included the reaction of leading travel agents on the growth of no-frills airlines.

A very important chapter of the book is number nine; 'Low cost equals low safety?' There is always some apprehension in the minds of travelers that low fares are being offered at the cost of safety. It is equally true that frills or no frills air-travel itself is generally considered risky. "Air transport is a fail dangerous activity, a fail-extremely dangerous one. It has always been regarded as having unique safety problems because of the nature of its vehicle" (Hanlon 1999). But it is equally true that more number of people have met with fatal accidents on road as compared to air-travel. This fact has been highlighted in the chapter in an interesting manner. This chapter lacks depth and could have been dealt with more comparative data from credible sources. But there is no doubt, in its own light way; it conveys to the reader that low-cost airlines are equally safe as com-

pared to full service airlines if not more. An illustrative excerpt from the book reads; “None of the Boeing 737s flown by Southwest has crashed with loss of life, but more than fifty others have.....Of the 5000 737s that have been made, about one in a hundred have been lost in an accident. But that gives a fatal event rate of one loss every 2.2 million departures, thirty times better than Concorde”. Most of the low-cost airlines use 737s. Safety is of utmost importance for them, this is sometimes imposed upon them by the country’s aviation laws. “It’s not something we use in our advertising”, says Greg Wells, the man responsible for safety at Southwest. “It really goes all the way down from our pilots to our baggage handlers. I can’t see that you can be over safe”. The chapter also gives the reader some tips for safety in air. “The single most useful step to reduce your exposure to risk is to find an airline that flies non-stop on your chosen route -”, the author suggests. “Most of the aviation accidents occur in landing/take-off or in climb/descent. Flight safety records indicate that the risk to passengers on a non-stop flight is virtually independent of its length” (Hanlon 1999). The chapters thirteen & fifteen are also very interesting where the author provides useful insights in operational aspects of no-

frills carriers. In a very delightful style the author offers useful information in question answer format. A few questions that are answered include, “How much will that cost me? Where do I advertise? Should I do lots of market research? Where will the no-frills airlines fly to next?” Etc.

Overall the book is interesting reading and carries great information value. The first hand flying experience of the author with low-cost airlines in Europe and the U.S. impresses the reader very much. The book will prove to be very useful for casual reader as well as serious airline enthusiasts including academics. The academic content is lacking though, but a compendium of so much information on low cost air travel was not available so far. The book fulfils a long standing need.

References

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