



TIGERAIR AUSTRALIA JOINS NEW PAN-ASIAN LOW COST CARRIER ALLIANCE

News / Airlines



Eight of Asia's low cost carriers, including Virgin Australia-owned budget subsidiary Tigerair Australia, have broken new ground in the no-frills sector, forging an LCC alliance aimed at giving members a significant boost in network spread and lifting their ability to increase revenue. Announced in Singapore today (Monday) and known as the Value Alliance, it is the world's first pan-regional LCC alliance. Along with Tigerair Australia, members are Cebu Pacific from the Philippines plus Cebu Pacific subsidiary Cebgo, Korea's Jeju Air, Thailand's Nok Air and NokScoot, Singapore budget long-haul subsidiary Scoot, Tigerair Singapore and Japan's Vanilla Air, owned by All Nippon Airways.

Tigerair Australia chief executive Rob Sharp, in Singapore for the launch, said the alliance will provide greater value, connectivity and choice for travel throughout the Asia Pacific region as the partner airlines bring their extensive networks together. Last year, the member airlines collectively served more than 46 million travellers from 17 hubs across the region.

Sharp said the new partnership is a win-win for every Value Alliance airline delivering significant benefits for Tigerair Australia customers.

"Tigerair Australia customers will be able to view, select and book the best available fares and optional extras like meals and seat selection from any partner airline in a single transaction, directly from the Tigerair Australia website. This is a major milestone for Tigerair Australia,

expanding our existing network from 21 routes and 12 destinations to span one third of the world to over 160 destinations throughout the Asia Pacific region. By working together we can enable more people to travel for less to more places than ever before in a single transaction from the convenience of each airline's website. It's a great fit for Tigerair Australia which is all about delivering value, choice and innovation."

Sharp said Tigerair Australia is in the process of adapting the innovative technology developed by Air Black Box (ABB) to sell connecting fares throughout Asia Pacific on the new Value Alliance partner distribution network.

The Value Alliance airlines, who together cover a third of the earth and more than 160 destinations across the Asia Pacific region, will strengthen distribution in their non-home markets, expand their saleable networks via the provision of interline itineraries, retain their ancillary revenue opportunities and offer their customers a better, one-stop-shop experience.

Membership to the Value Alliance is by invitation only. In 2015 its member airlines collectively served more than 47 million travellers from 17 hubs.

Unlike legacy interline technologies, the ABB technology allows customers to enjoy the full suite of ancillary choices offered by LCCs – such as seat and meal selection, variable baggage allowances and other inflight features – across all partner airline sectors in a single itinerary. ABB's ACE platform has been certified at the first stage leading to full NDC certification later this year.

It is a major development in the no-frills world. Until now the only partnerships with the ability to coordinate to this extent have been groups of LCCs within the same ownership structure, such as Tigerair Singapore, Scoot and NokScoot, all owned or part owned by Singapore Airlines. For the first time travellers will be able to view, select and book the best-available airfares on flights from any of the airlines in a single transaction, directly from each partner website, thanks to technology developed by ABB.

It is not known whether the alliance will eventually expand into other areas of efficiency gains such as joint maintenance or group purchasing. However, it is understood the original eight members are keen for other LCCs in the region to join up.

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