# PAXEX.AERO

THE BUSINESS OF PASSENGER EXPERIENCE

PREMIUM	IFEC	SEATS & CABIN	AIRPLANES AND AIRPORTS	LOYALTY	ABOUT PAXEX.AERO
REPORTS	LOGOUT				

# Moxy: Where flexibility is key

9 AUGUST 2019 BY SETH MILLER — 1 COMMENT

The Airline Known As Moxy continues to take shape. Little by little details emerge and the concept shifts closer to its estimated departure time. And flexibility seems to be a key component of the plan for founder David Neeleman.

# **Cost flexibility**

Financing for the first tranche of aircraft was announced in mid-June, with GECAS and the airline signing a letter of intent for a sale/lease-back transaction covering nine aircraft to be delivered in 2021-2022. At that time the talking points remained mostly on message from the initial news around the announcement, "With a low cost of operation and spacious cabin, the A220 will allow us to provide passengers with lower fares and a high quality, comfortable flying experience. The A220's ability to operate profitably in thin, underserved markets across a broad spectrum of ranges is unique."

Operating on a significantly lower cost basis than existing carriers is part of Neeleman's plan, but costs always shift over time. The configuration flexibility and range of the aircraft are two other areas where Neeleman expects to benefit. In an interview with Airlnsight last week (listen to the whole thing, but Moxy starts at 19:50) Neeleman details those points.

# **Cabin Flexibility**

Most airlines today pick a single cabin layout and stick with it for an extended period of time. There are plenty of reasons that makes sense, of course. But Neeleman appears ready to try running Moxy a bit differently. At a few points during the Airlnsight interview he highlights the flexibility the fuselage diameter presents in terms of cabin configuration, "It is conducive to mixed class, so we could put a large number of first class or lie-flat seats on it... You have to have maximum flexibility these days. We're not building skyscrapers in downtown New York; we have a mobile asset with an enormous amount of flexibility that can do a lot of different things, things the big guys cannot do."

From the exit row forward the A220-300 holds ten rows of regular coach seats in Moxy's planning (@ ~36" pitch which is impressive, and possibly not really what's going to happen). Those 50 passengers could be swapped for 22 lie-flat seats on board. Or a 2-2 domestic first configuration with nine rows pitched at 40" for 36 seats.

That the cabin layout can vary is not that special. Every aircraft can rearrange seats. But Neeleman describes the process as something the carrier might do on a semi-frequent basis. Yes, it still takes a day and a half with the plane on the ground to accomplish the swap so it isn't going to happen every week. But it can be done without replacing the overhead bins or rearranging any structural elements on board. Seasonal swaps could become a regular occurrence.

Separately, Neeleman has also suggested that the cabin flexibility might also include limited IFE options embedded in the seats. While JetBlue and Azul both have in-seat live TV, that might not be as necessary for the next generation of airline.

# Range Flexibility

Neeleman's Azul is the launch customer for the E195-E2, a regional jet with similar (though slightly smaller) capacity than the A220-300. Given his familiarity and affinity for the type, the choice of the A220 instead certainly raises questions. Range is one of the answers he offers in the Airlnsight interview.

Neeleman is working from a long list of cities with passenger demand but only spoke service in the hub-and-spoke model. Bringing the nonstop flights at lower costs is bound to attract passengers and Neeleman is confident "we can get you there twice as fast and for half as much money." But many of those cities span longer distances. And the A220 is well suited to deliver those connections, much more so than the E195-E2 in his view, "[I]t has range, it can fly over six hours... If you want to go long distances you can go up to 8 hours [with a mixed cabin configuration]."

Beyond transcon operations Neeleman also mentions West Coast to Hawaii and South Florida to South America as potential markets to serve. And Europe, too. All of those longer routes would likely involve some sort of a premium cabin, reducing passenger count while extending the aircraft range.

# Seasonal Flexibility

With an initial focus squarely on the leisure travel segment the idea of shifting the aircraft and routes seasonally makes a certain amount of sense. Allegiant is very aggressive on that front. Spirit also shifts, but far less dramatically. A Moxy option flying transcons or snow bird routes in the winter and European hops in the summer – with different interior configurations – could be a disruptive force in the market.

And, through all of this, the A220 gives Neeleman the flexibility he's looking for.

Like what you'd industry.	re reading? Subscribe to PaxExTRA for a weekly update on the Passenger Experience	
Email		
Tweet		

FILED UNDER: AIRPLANES AND AIRPORTS, IFEC, SEATS & CABIN



#### **About Seth Miller**

Seth Miller has over a decade of experience covering the airline industry. With a strong focus on passenger experience, Seth also has deep knowledge of inflight connectivity and loyalty programs. He is widely respected as an unbiased commentator on the aviation industry. He is frequently consulted on innovations in passenger experience by airlines and technology providers.

You can connect with Seth via email, on Twitter, Instagram, and LinkedIn.

### Leave a Reply

Enter	vour	comme	nt	here
-------	------	-------	----	------

9/24/2019, 11:19 AM 4 of 8

Moxy:	Where	flexibilit	y is k	ey – Pa	xEx.Aero

Subsc	ribe to PaxEXTRA
Email	
	SEARCH PAXEX.AERO
Search t	his website

5 of 8

### Tweets by @WandrMe



### Seth Miller @WandrMe

Replying to @WandrMe

And also, do I pack my QR PJs for my long economy class flights with them?

<u>6m</u>



### Seth Miller

@WandrMe

Replying to @WandrMe

Do I bring this special JetBlue shirt for my first ride on the new plane??

(Souvenir from the T5 grand opening many years ago.)



<u>9m</u>



### Seth Miller @WandrMe

For those driving through LA traffic this morning, tune in to The Morning Drive on AM790 @KABCRadio ~7:35a to hear me talking about some of the top #Av Geek stories of the week with @askjillian, @SteveEdwardsAM and @DorothyLucey.

Or streaming on kabc.com.

#### LATEST NEWS

- Hawaiian Airlines Basic Economy goes live; \$30 increase to pax
- Gogo sees a clear path to free WiFi on Delta
- Thomas Cook halts operations, moves to liquidation
- Slot jockeying and Wifi Deals: PaxExUpdate for 2019-09-20
- AirAsia's WiFi upgrade goes live on Inmarsat's GX Aviation

SEARCH PAXEX.AERO	
Search this website	
	Copyright © 2019 Proton Associates, LLC · Log in

8 of 8