



LUFTHANSA STEPS UP SERVICE FOR PREMIUM PASSENGERS TO ARABIAN GULF

News / Airlines



Lufthansa is stepping up its premium offering on flights to the Arabian Gulf as the region's big three carriers raise the stakes in pampering passengers.

The German flag carrier will introduce its "premium economy" class on all of its flights to the Gulf from October 25.

It will also open a lounge at Dubai International Airport – Concourse D – the new terminal that is yet to open.

"Our new product will help us compete here in the Gulf," Karsten Zang, the airline's regional director for the Gulf, said yesterday in Dubai.

Emirates, Etihad and Qatar Airways have invested heavily in their premium cabins by adding showers, bars and even personal butlers to some of their services.

Such investments are forcing rivals from the United States to Europe to overhaul their premium offerings in response.

Last week Emirates unveiled its latest advertisement featuring the Friendsstar Jennifer Aniston,

which pokes fun at rival airlines.

It features the 46-year-old actress waking up from a bad dream involving flying on a plane without a shower or lounge. The ad quickly went viral.

“A number of legacy carriers fell behind on product and service delivery. Along with lower fares and wider networks, flying a Gulf carrier became a no-brainer for many passengers,” said the aviation analyst Will Horton. “The question for airlines like Lufthansa is if passengers see the product improvements as closing the gap with Gulf carriers, matching or surpassing. Most still think there is a gap between Gulf carriers and others.”

Lufthansa is investing in its services to the region as it wrestles with industrial relations woes at home.

The German carrier has been hit by a series of pilots’ strikes this year that wiped out about €300 million (Dh1.25 billion) from its operating profit and caused the chief executive Carsten Spohr to revise the group’s financial targets twice during his first year in office.

However, it managed to triple its net profit in the second quarter, which soared to €529m from €173m a year earlier, thanks, in part, to lower oil prices.

But labour disputes remain a threat to its business.

“If you know in advance and rebook them [passengers] into our sister company, Swiss, and other carriers, it is not nice, but people arrive to their destination,” said Mr Zang. “We don’t see a huge impact now, but if this would continue in the future, then it would damage our reputation.”

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