Ancillary Revenue of Full-Service Airline
An analysis of the Passenger’s Willingness to Pay [WTP]
(The Case of Middle East Airlines)

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ARTICLE DETAILS

ABSTRACT

Purpose: The provision of auxiliary services to paying customers is becoming an increasingly important focus for full-service airlines as they look for novel strategies and opportunities to generate more revenue. Therefore, the measuring of passengers' willingness to pay, also known as WTP, is critical for accurately estimating the demand for ancillary services and setting prices for those services. The current study investigates whether the type of consumer, the purpose for the journey, the duration of the flight, and the aircraft class can have an effect on the willingness-to-pay for supplementary features and services provided by Middle East Airlines (MEA).

Design/Methodology/Approach: The data that are utilized in this quantitative research is derived from a survey that was administered to the passengers of Middle East Airline. This was followed by an exploratory and confirmatory analysis that investigated the link between WTP and the factors that were involved.

Findings: The study revealed that business travelers are more likely to pay for additional luggage and priority boarding, particularly when they are taking long trips. In addition, bundles, which often consist of car rental and hotel stays, are of utmost significance and are given considerable thought by business travelers.

Implications/Originality/Value: This research may assist airline businesses (mainly MEA) in both short- and long-distance travel in providing new and additional services for business travelers in order to boost ancillary revenue. This research will be helpful to airlines in developing an efficient and accurate pricing system for the ancillary services and products, which will be carried out by measuring the consumer’s WTP (willingness to pay).

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Abstract

Airline companies are currently confronted with a variety of obstacles, including cutthroat industry competition and expensive operational costs. The provision of auxiliary services to paying customers is becoming an increasingly important focus for full-service airlines as they look for novel strategies and opportunities to generate more revenue. Therefore, the measuring of passengers' willingness to pay, also known as WTP, is critical for accurately estimating the demand for ancillary services and setting prices for those services. The current study investigates whether the type of consumer, the purpose for the journey, the duration of the flight, and the aircraft class can have an effect on the willingness-to-pay for supplementary features and services provided by Middle East Airlines (MEA). The data that are utilized in this article are derived from a survey that was administered to the passengers of Middle East Airline. This was followed by a quantitative analysis that investigated the link between WTP and the factors that were involved. The study revealed that business travelers are more likely to pay for additional luggage and priority boarding, particularly when they are taking long trips. In addition, bundles, which often consist of car rental and hotel stays, are of utmost significance and are given considerable thought by business travelers.

Introduction

In light of the high costs and fierce competition in the airline industry, several airlines are looking for new methods to create more money through innovative packaging of their products, retailing, and advertising strategies. (O'Connell & Warnock-Smith, 2013). According to the IATA report published in 2016, more and more airlines are innovating with ancillary services and products. In today's pandemic situation, airlines are being challenged by high fuel prices, infrastructure expenses, entry restrictions, and poor demand (IATA, 2016). However, according to Amadeus report in 2017, competition is still the greatest risk facing the airline business (Amadeus & Accenture, 2017). The International Air Transport Association (IATA) produced a research in 2016 that validated the link between supplementary services and operational earnings. It advised that the airline strategy should not be limited to just the basic flight commodities, but should also include the bundling of auxiliary products and services that may boost the income generated by the passenger instead. Similarly, according to the findings of Warnock-Smith and colleagues (2017), an airline needs to be ready to promote ancillary services as part of its existing marketing mix in order to generate more income and gain a competitive advantage in the market. It is also worth to note that the strategy of adding ancillary source of revenue was pioneered by low cost carriers, but presently being considered by full-service airlines. Low cost carriers provide cheaper ticket prices but additional services separately with different prices. Thus, the full-service carriers are being challenged to develop an attractive ancillary service program compared to low cost carriers who are highly experienced and professional in dominating the market (Amadeus, 2017).

Middle East Airlines (MEA) is the sole national airline in Lebanon that is regarded to be a full-service carrier. MEA is actively investigating ways to create extra profits from sources outside than the company's primary flight sources, as well as developing a new technology to raise revenue through non-ticketing activities.

According to the findings of a number of studies, there are statistically significant disparities between passengers on long and short distance flights with regard to their readiness to pay for various auxiliary items, which vary based on the objective of the travel and the duration of the trip (Warnock-Smith et al, 2017). This indicates that there exists an opportunity for full-service carriers to develop a well competent ancillary program for their passengers and to price it correctly (O'Connell & Warnock-Smith, 2013). To design an effective and correct pricing system
for the ancillary services and products, carries need to measure the consumer’s willingness to pay WTP (Voelckner, 2006). Without an accurate measurement of the WTP, carriers are unable to provide an accurate estimate for the level of demand or evaluate the success of their ancillary programs. Variables and factors that influence the measurement of WTP should be analyzes and interpreted to increase the revenues of the ancillary services. According to earlier research that was carried out by Warnock Smith et al. (2017), the level of ability to pay (WTP) varies depending on the kind of carrier, the length of the trip, and the purpose of the journey. The benefits of knowing such insights may be utilized by airlines to more properly access and target the market, connect more with consumers, and build categories of products and services that are well focused on the needs of their customers.

The current research examines the willingness to pay (WTP) of passengers who wish to purchase auxiliary items and services from Middle East Airlines. Through the analysis of responses from a passenger survey, the study will investigate the various variations of willingness to pay (WTP) depending on the carrier type, flight duration, trip purpose, and type. Middle East Airlines (MEA) will be able to better develop a prospective supplementary program for its consumers as a result of this. The following is the structure of the paper: Section (2) an examination of the literature on complementary products and services, section (3) discusses methodology and data gathering techniques, results are presented in section (4), and findings and recommendations are presented in section (5).

**Literature Review**

**Ancillary Revenues**

The revenue derived from ancillary services and goods may be defined as additional money created beyond the sale of aircraft tickets, and it can be provided to customers in either a direct or indirect manner as part of the overall experience, depending on the situation (Sorensen, 2018). Although developing an ancillary income program is an essential strategy for carriers to consider, airlines must design a balancing factor that balances the satisfaction of the customer with the management of the additional cash generated by the program. (Rouncivel, Timmis, & Ison, 2018).

As stated by Warnock Smith et al. (2017), the supplementary service which can be afforded and purchased by economy class passengers is the one that provides added value in terms of comfort and amenities. The ancillary revenue may be broken down into two groups, as shown in the table (1) below.

| A la carte features                          | Third party ancillary streams                                      |
|----------------------------------------------|-------------------------------------------------------------------|
| It includes unbundled products for sale and  | It consists of:                                                  |
| punitive costs charged by passengers for     | a. Commission-based travel add-ons                                |
| indecision and bad planning.                 | (hotels, vehicle rentals, and travel insurance) (Innovative       |
|                                             | packaging).                                                      |
|                                             | b. Frequent flyer program revenue streams like Co-branded        |
|                                             | credit cards, hotels and resorts, auto rental agencies, online    |
|                                             | stores and direct selling of mileage or points to program members.|
|                                             | c. Materials for promotion or advertising that can be found in    |
|                                             | a variety of locations, such as the in-flight bulletin, the       |
|                                             | overhead baggage boxes, the rear headrests, and other areas       |

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The Purpose of the Travel
The form of the travel purpose can basically take a business goal or a leisure one as advised by Stephen Shaw in (2011). Business travel often involves participation at meetings, seminars, and training sessions, and may be classified into two categories: corporate travel and independent travel (Shaw, 2011). By corporate travelers we mean those that are currently employed by companies and usually travel for business purpose at the expense of the company, and usually have attention to high product standards, compared to independent price sensitive travelers (Holloway, 2008). When it comes to leisure travel, the passengers may be classified into two categories: those on vacation (between one-two weeks, holidays, quick visits, cultural or athletic events, etc.) and those who are visiting friends and relatives.

When planning a trip, the goal of the journey is typically taken into consideration when determining the length of the trip, reservation patterns and insights, travel pattern, as well as the flexibility and elasticity of demand. If an airline wishes to develop a successful marketing campaign or achieve the marketing objectives that have been set, these aspects are critical to consider (Holloway, 2008). As a result, the hypothesis might be stated as follows:

$H_1$: The willingness to pay (WTP) for auxiliary services is influenced by the purpose of the travel.

Type of Cabin Class
Airlines now provide their customers the choice of flying in one of four different cabin classes: First, business, premium or economy Class. Among the four options, economy class is the least expensive of them all. The following piece is devoted entirely to discussing the airline's two distinct levels of service, business class and economy class, which are the only two seating configurations offered by Middle East Airlines (MEA).

The economy class of airlines is the lowest class designated with basic facilities for budget customers. However, business class is reserved for business travelers who want additional and superior services. The disparity in cabin service between various classes may influence the desire of passengers to pay for additional services and products. Therefore, here is the second hypothesis:

$H_2$: The type of cabin class a passenger is in affects how much they are ready to pay (WTP) for extra features and services.

The Flight Duration
The debate whether to consider the duration of a given flight is in the short haul or long-haul category exists between airlines and even between strategic airline alliances. It is between the three and four-hour flying time that the gray confusable area exists (Shaw, 2011). It goes without saying that a one-hour trip is considered short distance and a ten-hour journey is considered long distance. According to McKercher (2008), travelers on long-distance flights travel alone or with their wives have little prior travel experience to a destination, whereas travelers on short-distance flights are accompanied by relatives, friends, family, and business partners and have an average amount of previous travel experience (Bianchi, Milberg, & Cúneo, 2017).

In addition, McKercher (2008) highlighted that the spending habits of both types of travelers
differ significantly, with long-haul tourists incurring 4-to-5 times the expense of short-haul travelers. Other factors, such as the traveler's background, conduct, and motivation, are also very different for those who are going on short trips and those who are going on lengthy trips. For instance, the research conducted by Ahn and McKercher in (2015) discovered that long haul markets demonstrated a pattern of behavior that was more consistent across time in comparison to short haul markets. As a consequence of this, and taking into account the fact that the duration of the trip may play a role in the decision to purchase or the desire to purchase airline supplementary items and services, the following hypothesis may be formulated:

**H3:** The duration of the travel influences the passenger's desire to pay for auxiliary features and services (WTP).

**Type of Journey**
Flights are classified as either domestic or international based on where they originate and where they end. A domestic flight is one that travels between two airports inside the same country, whereas an international flight is one that travels between airports outside of the same country (IATA, 2018). According to Lu & Shon (2012), overseas travelers are much more likely to pay more in carbon-offsets than domestic tourists. More auxiliary services such as reserved seating can generate additional money even on domestic flights, according to the study's findings. According to Rouncivell et al. in (2018), the domestic market in the United Kingdom and the European Union (EU) is short-haul, with stiff competition and a wide range of airline types (low-cost and/or full bundle of services). Thus, it is possible to hypothesize that the style of travel effects the desire to pay for supplementary goods and services.

**H4:** Travelers' willing to purchase for auxiliary goods and extra features is influenced by the type of travel they take.

**Willingness to Pay**
The price of the flight is considered one of the most essential features for travelers as advised by Warnock-smith et al. in (2017). Without proper pricing program, airlines miss to capture the attention and preference of the passengers in relation to ancillary products and services. If company’s can correctly estimate the WTP for its products and services, then it can set an effective pricing strategy that fits with the company’s marketing environment and in which it helps to increase the profitability of the offered products (Breidert et al., (2006)). Customers' inclination to pay for extra features or supplementary services is a good indicator of how likely they are to buy them (Li, Li, & Kambele, 2012). It is advocated by Brown et al. (1996) that rather than explicitly specifying a value, it is simpler to ask customers whether or not a particular price is satisfactory. Products and pricing can be presented in a way that allows customers to rate, rank, or choose the best option for them. When it comes to airline, travel purpose, flight length, and flight class, the willingness to pay (WTP) that reflects a buyer's desire may vary.

**Emerging Auxiliary Products and Services**
When new products are in the early stages of development and demand estimations that are used to determine profit and financial feasibility are not yet available, it is extremely vital to have information regarding consumers' willingness to pay (Voelckner, 2006). According to the results of a study done by Williams and O'Connell (2011), carriers can seek additional ways to make money by using effective and competent packaging. This means that they can do more than just ask passengers to book an extra seat or flight; they can also encourage people to do something like water sports while they are traveling to a certain place. At the moment, airlines can make extra money by letting passengers use their cell phones on board and collecting subscription fees. This is called "ancillary income."

**Methodological Approach**
Encompassing questions about the decision to pay (WTP) for ala carte and fee additional products and services are examined in the current research, as well as another concerning consumer desire for prospective new supplemental products and services offered by Middle East Airlines (MEA). It aims to establish whether a passenger's seat class (economy or business), travel purpose (business or pleasure), travel duration (long and short distance), and journey factor (local or international) all impact their willingness to pay (WTP). Following is a discussion of, as well as an illustration of, the research model that Warnock-Smith et al. (2017) developed.

The hypotheses that have been proposed (Figure 1) will be tested in order to determine the relationship between the four independent variables (Journey purpose, Cabin class, Journey type, and flight duration) and the dependent variable (willingness to pay - WTP). As a result, the study is both confirmatory and descriptive in nature. Using the cross-sectional study -sample survey, the data will be collected from a pre-determined sample of 100 Middle East Airlines (MEA) travelers, taken only once, via distributing questionnaire to them. The data considered in this study is a primary (raw) data which is collected originally from the author for the explicit goal of resolving a research topic. The basic data for this study was gathered through the distribution of an online survey to passengers of Middle East Airlines (MEA) in order to determine their purchase intentions for flights that they had previously flown with the airline. The poll was carried out during July and August of 2021, and the results were published in August of that same year. Each and every responder who is taken into consideration for this survey must have past flight experience with Middle East Airlines (MEA). The questionnaire is organized as follows:

- **Part 1:** This section contains information about the respondents' personal and demographic characteristics.
- **Part 2:** This part contains questions regarding the variables discussed in the research, such as the reason for the trip, the type of airline, the duration of the flight, and the kind of trip.

**Result and Analysis**

i. **The Assessment of new Potential Products in Light of Current Purchases or Intentions to make Purchases.**

In the course of their most recent trip with Middle East Airlines, respondents were questioned
regarding the supplemental things and services that they had originally bought or even that they intended to acquire in the near future. The most frequent groups that the participants had either already purchased or were planning to purchase are displayed in Figure 2. Wi-Fi on board 47.37%, seat selection 40.35%, sales on board 36.84%, lounge access 36.84% and excess baggage 35.09% are the most services intended to be purchased by the respondents and all of them got more than 35% of willingness to purchase. While the products like cake and drinks, snack bar, car rental have less percentages. The following table shows these percentages in details.

![Willing to purchase services](image)

**Figure 2:** willingness of respondents to acquire new auxiliary products and services.

### ii. Hypothesis test results

**Hypothesis 1:** The willingness to pay (WTP) for auxiliary services is influenced by the purpose of the travel.

Figure (3) depicts the leading auxiliary products that travelers in this study were willing to purchase are Wi-Fi on board, Seat selection, Sales on board, lounge access and excess baggage.

According to the findings in Table (1), there is a substantial relationship between the reason for the journey and the level of readiness to pay for commission-based items, extra weight, and priority boarding (car rental and hotel package). As a consequence of this, we concur with the idea that the purpose of the trip has an impact on the amount of money that travelers are prepared to spend for additional services such as extra luggage, seat selection, and combined vehicle rental and hotel bookings.

| Service                      | Chi-Square Value | df | P-value |
|------------------------------|------------------|----|---------|
| Hotel package                | 7.111            | 2  | 0.029   |
| Seat Selection               | 7.127            | 2  | 0.028   |
| Excess Baggage               | 6.039            | 2  | 0.049   |
| Sales on board               | 0.922            | 2  | 0.631   |
| Upgrade to business class    | 0.433            | 2  | 0.805   |
Wi-Fi access on Board  |  1.164 |  2  |  0.426  
Priority baggage handling |  0.536 |  2  |  0.765  
Drinks |  1.384 |  2  |  0.501  
Cake |  1.384 |  2  |  0.501  
Visa service fee |  0.373 |  2  |  0.830  
Annual travel pass |  4.780 |  2  |  0.092  
Lounge Access |  3.429 |  2  |  0.180  
Mobile phone on board |  0.061 |  2  |  0.970  
Penalty fees (from reschedule) |  1.051 |  2  |  0.591  
Snack bar |  0.035 |  2  |  0.982  
**Car rental** | **6.499** | **2** | **0.047**  
Unaccompanied minor |  1.131 |  2  |  0.568  

***Table 2: Statistical results of flight purpose and WTP for ancillaries.***

On the other hand, the H₀ hypothesis is not rejected for the remaining auxiliary items and features because the statistical values for those features in the preceding table are more than 0.05. As a consequence of this, there is no discernible relationship between the reason for the flight and the amount of money people are ready to spend on these things.

![Figure 3: The respondent's expenditure on auxiliary goods and services, determined by the objective of the flight.](image)

To summarize, business travelers value seat selection, excess baggage, and lounge access more than leisure travelers do. WIFI is also more important to those who are traveling to see family and friends, according to one study. Travelers on vacation are more interested in having Wi-Fi available on board, as well as the option of purchasing a snack.

**Hypothesis 2: The type of cabin class a passenger is in affects how much they are ready to pay (WTP) for extra features and services.**

Figure 4 illustrates the disparity between the intentions of passengers traveling in business class and those traveling in economy class with regard to the purchase of additional goods and services. Among the business class passengers, more than 50% does intend to purchase seat selection and lounge access, while passengers in economy class had the most options for spending their money, the most popular expenditures were seat choices, an upgrading to business or first class, and on-board internet network. Whereas business class travelers are far fewer than economy class passengers, they are more likely to pay or intend to acquire additional items and services.
According to the findings that are presented in Table 3, there is a significant correlation between the passenger's flight class such as whether they are seated in one of the cabin classes (Economy or Business), and their desire to make a purchase in order to gain access to the lounges. This willingness to purchase can be seen as a measure of the passenger's overall satisfaction with the airline (P-value less than 0.05). As a direct result of this, the following hypotheses in reference to these two facets have been proven correct: There is a connection between the class of the aircraft and the level of independence in spending money on things like lounge access. Regardless of whether they are flying economy or business class, there shouldn't be a big difference in how willing the passengers are to pay for the other items and services that are considered to be additional features.

| Service                     | Chi-Square value | df | P-value |
|-----------------------------|------------------|----|---------|
| Hotel package               | 0.278            | 1  | 0.598   |
| Seat Selection              | 2.747            | 1  | 0.097   |
| Excess Baggage              | 1.329            | 1  | 0.249   |
| Sales on board              | 0.999            | 1  | 0.318   |
| Upgrade to business class   | 0.010            | 1  | 0.922   |
| Wi-Fi access on Board       | 0.530            | 1  | 0.467   |
| Priority baggage handling   | 1.604            | 1  | 0.205   |
| Drinks                      | 0.268            | 1  | 0.604   |
| Cake                        | 0.268            | 1  | 0.604   |
| Visa service fee            | 1.304            | 1  | 0.253   |
| Annual travel pass          | 0.506            | 1  | 0.477   |
| Lounge Access               | **7.353**        | 1  | **0.041** |
| Mobile phone on board       | 2.363            | 1  | 0.145   |

**Figure 4:** Journey-type-based ancillary goods and service distribution.
Penalty fees (from reschedule) & 1.741 & 1 & 0.231 \\
Snack bar & 2.651 & 1 & 0.142 \\
Car rental & 3.662 & 1 & 0.321 \\
Unaccompanied minor & 1.254 & 1 & 0.171 \\

**Table 3:** Flight class and ancillary product and service WTP are tested using a Chi-square test.

**Hypothesis 3:** The duration of the travel influences the passenger's desire to pay for auxiliary features and services (WTP).

![Graph](image)

**Figure 5:** Product and service distribution based on flight duration.

As shown in Figure 5, when flying short distances, most people will acquire a seat reservation, whereas most people flying long distances will purchase an in-flight Wi-Fi connection.

| Service                                | Chi-Square value | df | P-value |
|----------------------------------------|------------------|----|---------|
| Hotel package                          | 6.278            | 1  | 0.041   |
| Seat Selection                         | 3.741            | 1  | 0.097   |
| Excess Baggage                         | 2.328            | 1  | 0.349   |
| Sales on board                         | 0.899            | 1  | 0.418   |
| **Upgrade to business class**          | **7.010**        | **1** | **0.039** |
| Wi-Fi access on Board                  | 0.630            | 1  | 0.567   |
| Priority baggage handling              | 1.704            | 1  | 0.305   |
| Drinks                                 | 0.288            | 1  | 0.614   |
| Cake                                   | 0.268            | 1  | 0.604   |
| Visa service fee                       | 1.314            | 1  | 0.263   |
| Annual travel pass                     | 0.507            | 1  | 0.479   |
| Lounge Access                          | 5.353            | 1  | 0.063   |
| Mobile phone on board                  | 3.363            | 1  | 0.175   |
| Penalty fees (from reschedule)         | 1.621            | 1  | 0.331   |
| Snack bar                              | 2.751            | 1  | 0.132   |
Table 4: Flight class and ancillary product/service WTP are tested using a Chi-square test.

| Service                     | Chi-Square Value | df | P-value |
|-----------------------------|------------------|----|---------|
| Car rental                  | 6.662            | 1  | 0.039   |
| Unaccompanied minor         | 1.274            | 1  | 0.181   |

According to Table 4, there seems to be a strong connection (Significance value is less than 0.05) among the duration of the flight (Short vs. Long) as well as a passenger's desire to spend more for business or first-class upgrades, while paying for hotel and vehicle rental bundles. Consequently, travelers' readiness to pay for an upgrade to business or first class as well as fee items such as automobile rental and hotel package deals has been verified to be accurate as a finding of our study. Due to the fact that the p-values for the other auxiliary features in Table 5 are more than 0.05, it is possible to draw the conclusion that there is no significant link between the duration of the flight and the travelers' desire to pay for such supplementary commodities.

In addition to traveling with loved ones, acquaintances, and colleagues, long-distance travelers tend to lack prior travel experience and rely more on the company of others. Long-haul clients may be more likely than short-haul passengers to pay more for commission-based add-ons like car rental and hotel packages. Long-distance tourists can save time and effort by placing their hotel and car rental orders through the airline's webpage or distribution network rather than making separate reservations. To put it simply, long-distance hotel costs are much more expensive than those for shorter trips.

**Hypothesis 4: Travelers' willing to purchase for auxiliary goods and extra features is influenced by the type of travel they take.**

According to descriptive statistics, the most frequently purchased supplementary products and services on domestic routes were extra luggage, priority boarding, upgrading to business/first class, and onboard internet access. Excess luggage and on-board Wi-Fi were the most often purchased auxiliary products and services by global route travelers. Every single thing purchased or intended to purchase on either sort of aircraft is an unbundled product.

According to the findings presented in Table 5, there is no clear relationship between the kind of flight, such as local or global, and the passengers' inclination to pay for supplementary or extra features and services. A significance value of more than 0.05 is assigned to each and every auxiliary good and service. As a direct consequence of this, none of the theories can be accepted. As a consequence of this, there does not appear to be any clear connection between the kind of hauler and WTP for additional features and amenities.
Conclusion and Recommendation

A premium economy class on long-haul aircraft is expected to be introduced by many more airlines in the future, allowing them to attract both the price-conscious business traveler and the comfort-seeking leisure customer. Even more optimistically, Cindy and O’Connell (2015) believe that premier economy class will very likely become a decent option in the landscape of long-distance travel in the not-too-distant future. According to the findings of this survey, air travelers are willing to spend an additional fee to move from economy to premier economy class. Several hypotheses support the initial hypothesis, according to the conclusions of the model’s analysis, however one other hypothesis does not. It was tested and verified that passengers' willingness to pay for supplemental goods and services differed depending on factors such as the class of travel (economy versus business), the distance traveled (short versus long), and the primary purpose of the trip.

Statistically important variances were discovered for the purchase of excess luggage, priority boarding, access to the airport lounges, and upgrading ticket to higher class, with business trip travelers on economy class being considerably more inclined to pay for extra luggage and priority boarding. East Airlines (MEA) passengers traveling on longer trips are far more likely to value the convenience of an upgrade to business or first class as well as a package deal including a car rental services or travel allowance.

According to the findings of the research, it has also been noted that unbundled products and services are more likely to be used as supplemental items and services than some commission-based additional items and services. It would appear that the unbundled products that are purchased the most frequently are those that involve more baggage, seat choices, upgrading to business or first class, and on-board access to Wi-Fi (if available). In spite of the fact that middle-east Airlines (MEA) at this time includes free luggage in the cost of the ticket, the supplemental product that is purchased by customers the most frequently is additional baggage.

Furthermore, when determining travelers' WTP, the following elements were taken into consideration: hotel package, seat selection, excess baggage, car hire, and lounge access if traveling in business class. Other than vacation visitors, business travelers are more ready to pay for a hotel package, seat selection, excess baggage, car rental, and lounge access than other types of passengers, such as vacationers. Therefore, we advise airlines in both short and long-distance travel to provide such services, as well as to develop new services for business passengers in order to enhance supplemental income.

According to the findings of this study, there is a stronger readiness on the part of passengers for long-haul travelers to pay more money to fly business class than on shorter flights or for longer
journeys. Therefore, in order to maximize the number of travelers who upgrade from economy class as well as the revenue that is obtained from such upgrades, we suggest that airline companies use travel durations of short, medium, and long as the foundation for service level classifications. This is because short-, medium-, and long-distance flights take less time than longer ones.

**Limitations & Future outlooks**
Some of the present study's shortcomings must be addressed before it can be considered complete. First and foremost, the fact that this study's sample was limited to general travelers may have an influence on the generalizability of its findings.

Future research should include a broader range of participants, including both citizens and foreigners, to ensure that the results of the study can be more broadly applied, which can be compared with one another. Second, due to time constraints, this study will not be able to conduct a long-term and continuous questionnaire; instead, this will be a cross-sectional study that will not examine the impacts of the intervention on subsequent behavior. A longitudinal methodology, rather than a cross-sectional one, might be more effective in future research in order to provide a comprehensive picture of passengers' requirements. Finally, because of the COVID-19 outbreak, as well as time and financial restrictions, this study was limited to solely Lebanon's population. Future surveys will be conducted in many countries and at a wide variety of international airports with the cooperation of appropriate organizations, and the results will be used to help airlines gain a more complete understanding of their passengers.

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