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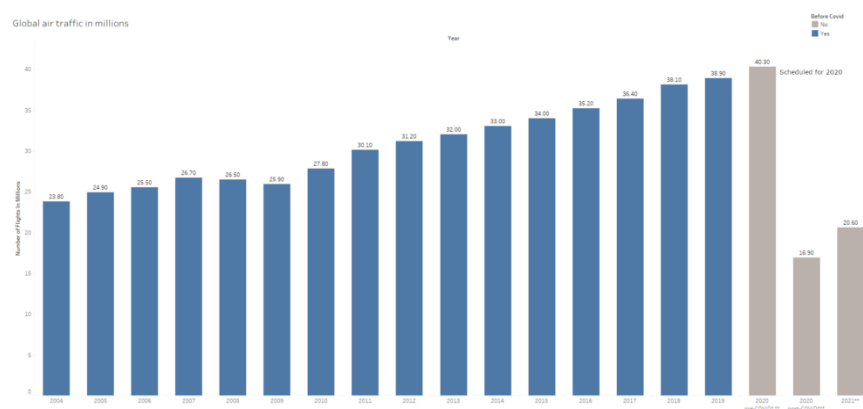
DSC640 - Project Task 3 - Blog Post

Tough time for the airline industry

Covid Impacts and Safety Concerns

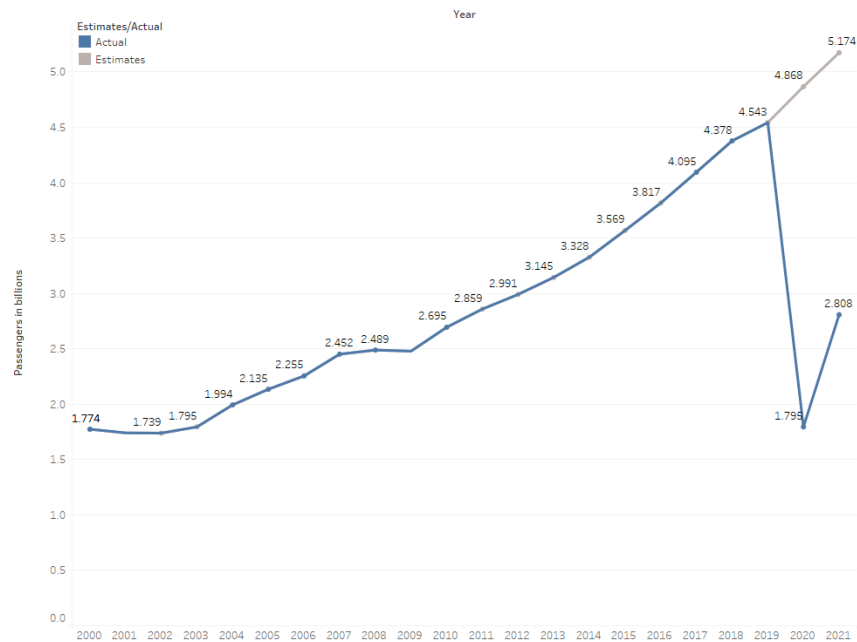
Covid Impacts:

The number of flights performed by the global airline industry increased consistently since the early 2000s from 23.8 million yearly to 38.9 million by 2019. The covid-19 pandemic severely impacted the airline industry. For the year 2020, before the covid pandemic, roughly 40.3 million flights were scheduled for the year. Because of covid impacts and travel restrictions, the number of flights taken off is reduced to only 16.9 million.



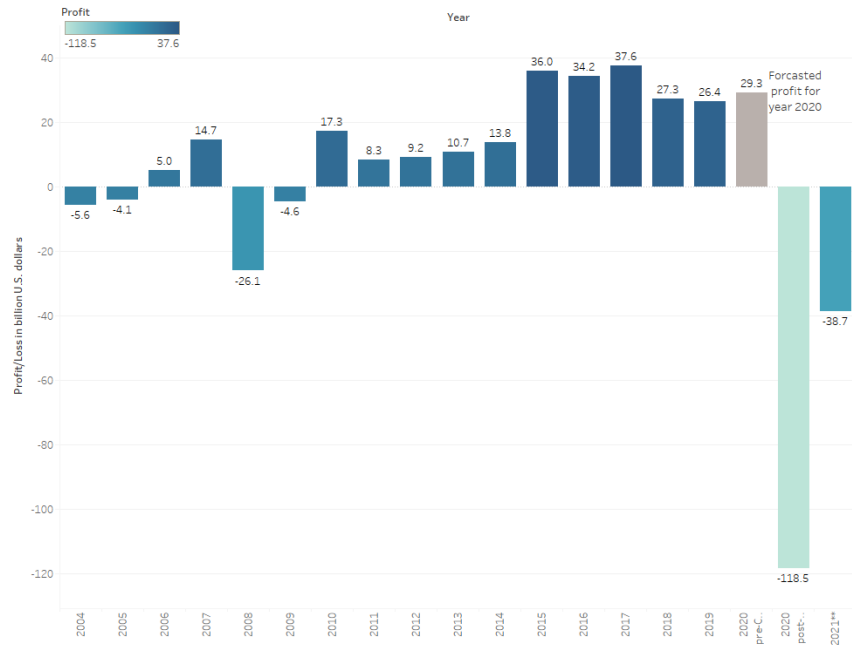
The number of passengers who used air travel consistently increased from the year 2000 through 2019 from 1.38 billion passengers to 4.54 billion passengers. Similar to flight stats shown above, the number of passengers that traveled in the year 2020 is significantly dropped to 1.79 billion. Things are improving in the year 2021; the first quarter showed some positive signs. Due to new variants of covid US government has imposed some new restrictions that can impact these early good signs.

Global air passengers(2000-2021)



In the past few years(2015 through 2017), profit margins were pretty consistent, around 35 billion US dollars annually for the global airline industry. From the year 2018 onwards, fuel prices negatively impacted airline profit margins. The profit margin was reduced to 30 billion US dollars annually for the global airline industry. With this trend, for the year 2020, profit margins of the global airline industry were forecasted as 29.3 billion US dollars. However, due to covid impact and travel restrictions, the global airline industry suffered an enormous loss of 118.5 billion US dollars. This loss trend continues in the year 2021 with a loss of 38.7 billion US dollars in the first quarter.

Profit/Loss of Airline Operators worldwide(2004-2021)

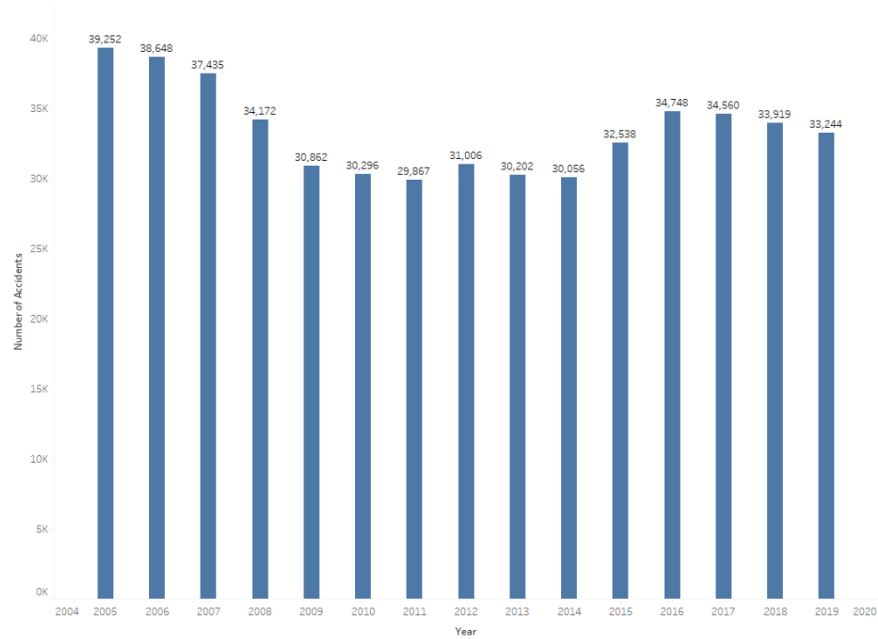


Safety Concerns:

Due to recent unfortunate airline crashes, the media has been promoting statistics stating air is no longer a safe way to travel. The news and media outlets have been bombarding the public with reports and figures about the trends of airline safety and that things are not looking good. Air travel was previously thought of as the safest way to travel, especially when compared to automobiles. Air travel is now being presented as one of the most dangerous to the public. Based on accident data, we tried to analyze the truth behind all the safety questions raised by the media.

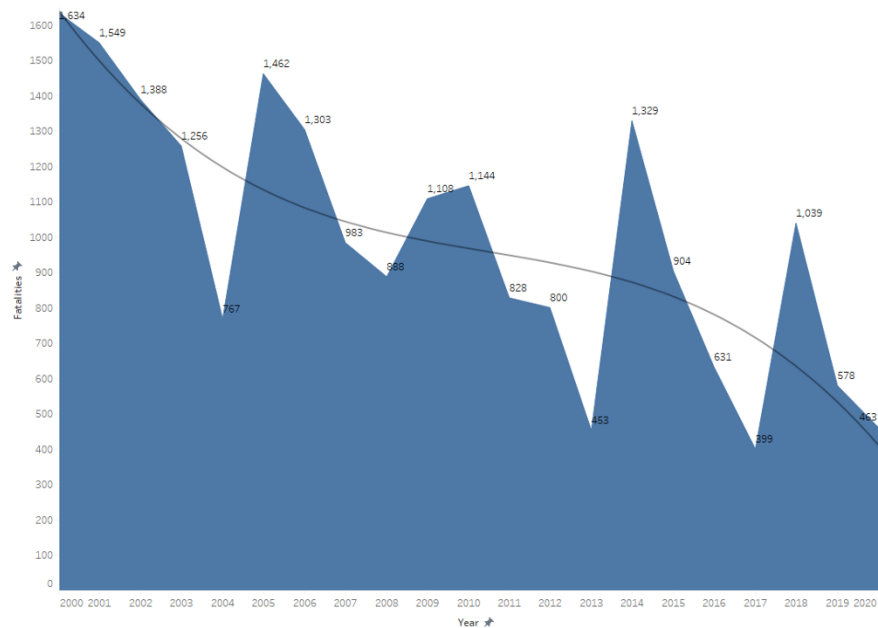
For comparison, if we consider fatal road accidents that happened in past years, we can see on an average 33 thousand fatal accidents occur in the United States every year. The numbers are very much consistent in the past 15 years.

U.S. Fatal Road Accidents (2005-2019)

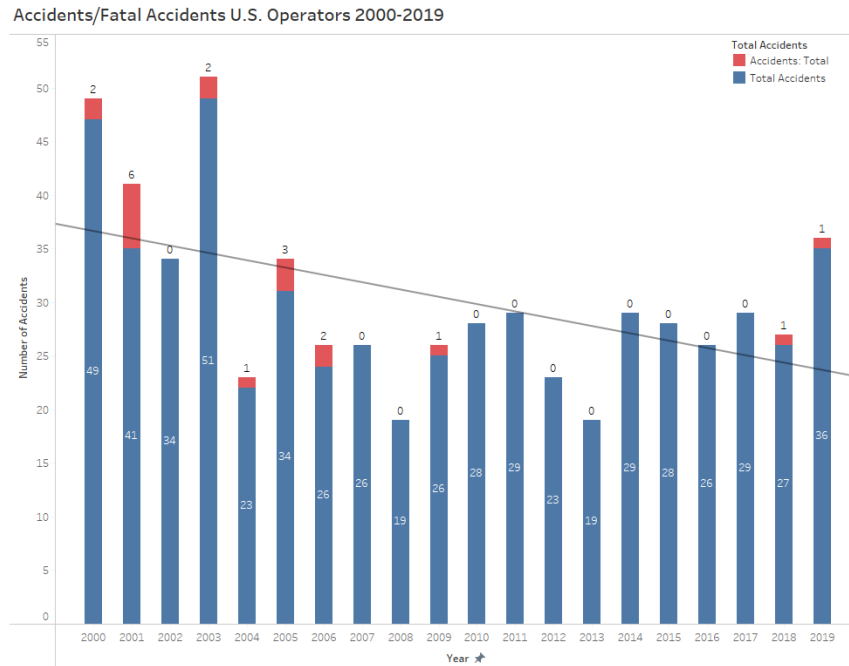


If we compare these numbers with airline accidents, we can see that the airline industry is continuously trying to become safe. On average, 956 fatalities in airline accidents happened in the whole world when compared to 33 thousand average fatal road accidents in the United States in the past 20 years. Though the number of accident numbers increased from 2015, the overall trend indicates it is going down.

Air Travel Fatalities - U.S. & International Operators (2000-2020)



If we consider airline operators from the United States, the number of fatal accidents is far less compared to road accidents. In the past 20 years(2000–2019), US operators were involved in 19 fatal accidents out of 603 total events. This ratio of deadly accidents is considerably meager, around 3%.



Conclusion:

The airline industry is going through a tough time, and it will need some time as well as support from governments. The Covid-19 pandemic has severely affected the airline industry; the loss they are suffering is a huge one. As responsible citizens, we should not trust the propaganda done by the media blindly. The airline industry is still a safe medium of travel as before. To come out of the current troublesome time airline industry need support from all of us.

References

Sources

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