



Corporate Social Responsibility: Issues for Future Development in the Low-Fares Airlines Sector



Insights from members of the
European Low Fares Airline
Association (ELFAA)

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Executive Summary

The aim of this report

This report presents a critical examination of the key business issues associated with the implementation of corporate social responsibility (CSR) among low-fares airlines (LFAs) as revealed by members of the European Low Fares Airlines Association (ELFAA). Progress to date is contextualised by drawing on evidence from other businesses about how they have operationalised the concept. Recommendations are made for ELFAA members and LFAs (as well as other businesses and organisations) that have an interest in further developing their approach to CSR.

What is CSR?

CSR is an approach to business that takes account of issues associated with society and the environment in addition to the more traditional business concerns of shareholders and profits.

What is the low-fares airline sector doing about CSR?

Of the eleven ELFAA members, six have included a 'Corporate Social Responsibility', 'Corporate Responsibility', 'Social Responsibility' and/or a connected environmental section in their annual reporting (easyJet, Flybe, Norwegian Air Shuttle, Ryanair, SkyEurope, transavia.com). None of the ELFAA members produces a stand-alone, annual CSR report.

What are the advantages of adopting a CSR approach?

ELFAA members cited a number of advantages to developing CSR within their businesses, which included cost savings and positive consumer association.

What are the disadvantages of adopting a CSR approach?

The main perceived disadvantages are potential negative public relations due to unfulfilled promises or claims and overhead costs for the implementation of CSR-related activities and management.

How can a low-fares airline implement a CSR approach?

CSR must be applied to all business activity in order to ensure consistency and continuity across the business. Porter's widely-used 'Value Chain' concept (from a CSR perspective) could be a useful means to identify precisely the areas of, and benefits from, a successfully-embedded CSR policy across a low-fares airline.

What are the key issues linked with implementing a CSR approach?

The most successful CSR approaches are strategic, whole-business solutions that are properly monitored and evaluated. The following issues need to be considered if a company is planning to adopt a strategic CSR approach: finance, resourcing, time, staffing, PR, communications, positioning strategies, and partnership relationships.

ELFAA's possible future leadership role in CSR

Currently, there appears to be little sector-wide leadership in aviation regarding the comprehensive adoption and implementation of CSR. While there are some examples of good practice at work, the LFA sector could benefit from clear, strategic advice and support. ELFAA, as a trade association, is ideally placed to provide this.

Box I Recommendations to ELFAA

1. Agree on a policy statement on what CSR means for the low-fares airline sector;
2. Build a relationship with Sustainable Aviation, or sign up to the Sustainable Aviation sustainability strategy;
3. Facilitate the sharing of good practice and signpost sources of advice and guidance;
4. In time, identify and promote airlines with comprehensive CSR policies and elect a CSR 'champion' from among its membership.
5. Commission or support research into the real costs and benefits associated with adopting a CSR approach in order to help dispel myths and establish the full case.



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