

A growing tourism sector

Mark Anzur, who joined Air Montenegro as CEO this summer, will take part in the senior panel discussion on the power of a collaborative approach at this year's ERA General Assembly. *Regional International* speaks to him about this and the important role the flag carrier plays for the country.

Air Montenegro established its first regular commercial flight between Podgorica and Belgrade in June 2021, following the previous national carrier's suspension of flights at the end of 2020. In its first year of operation, with only one Embraer 195 aircraft in the fleet and five regular destinations, 110,000 passengers were transported. Today, carrying regular traffic to 14 destinations, Air Montenegro owns two Embraer 195 aircraft, as well as leasing an Embraer 190 and Airbus 320, and is expected to reach half a million passengers this year.

What have been your key priorities since joining Air Montenegro as CEO?

One of the key priorities, aligned with national interests, is enhancing connectivity by expanding air routes to various destinations, fostering better accessibility for both tourists and citizens. This increased



connectivity holds significance for the country, strategic partners, citizens of Montenegro, and of course, for our customers.

Considering that tourism constitutes approximately 25 per cent of Montenegro's total GDP, and the fact that accessibility of the country is crucial for tourism growth, the emphasis is on fostering the development of a strong national airline company. By providing reliable and efficient air transportation, the national airline contributes to the growth of the tourism sector and economy in general.

My personal priorities are to help the airline grow and expand in accordance with market trends in a stable, safe and professional manner.

What are Air Montenegro's development plans for the future?

Currently, Air Montenegro is achieving good financial and operational indicators, financial profitability, and commercial viability in the aviation industry. Air Montenegro's strategic development and commercial policy implies dynamic development in the future, which, among other things, includes the acquisition of new aircraft and the expansion of both the flight network and the base of stable clients. Air Montenegro needs to have a fleet that can and will service the Montenegrin market and should be a priority for any government. We also need to have well-trained, experienced staff, and educate and invest in new staff who can lead a commercially stable and operational company, based on optimal principles.

In order to achieve this, we are currently developing a long-term company strategy for the next 10-year period. The strategy will, among other things, include so-called 'self-standing' operations, with the aim of securing a significant market position, achieving favourable financial and operational indicators, profitability, economic viability, and commercial sustainability within the aviation business.



You recently obtained your IATA code, what will this mean for the airline?

Air Montenegro received its IATA code in August 2023 and since this is an important component of an airline's identity and operations, it will additionally contribute to efficiency, visibility, and credibility of our company within the aviation industry, our partners and among passengers.

The IATA code enables the establishment of codeshare and other international-level agreements, as well as allow passengers to transfer smoothly when it comes to interline agreements between us and other airlines. Furthermore, as an airline with an IATA code, Air Montenegro will integrate with global distribution systems (GDS) used by travel agencies and online booking platforms. This integration enhances the airline's visibility and accessibility to potential customers.

Furthermore, as IATA members we will accurately track and report on performance and statistics to industry bodies, regulators, and analysts.



Can you describe the importance of a national airline for Montenegro and its tourism sector?

In short, it is of invaluable importance. Our country's size, its geographical position as a distinct tourist destination dominated by seasonality, and the influx of capital, are only some of the reasons why Montenegro must have a national airline.

The existing infrastructure and rail and road traffic in Montenegro require that the State should, first and foremost, rely on the market/commercial business policy of domestic airlines instead of foreign ones, which cannot provide stable support for the country's economy, especially in the off-season.

An adequate investment plan will define the marketing and commercial strategy following market requirements. Also, the State tourism policy is such that it focusses on making Montenegro a year-round tourist destination, rather than seasonal, which in turn, supports Air Montenegro and its operations. Bearing in mind that tourism's share in Montenegro's GDP is about 25 per cent, we are confident that the action plan – which will be an integral part of the strategy and its implementation – will bring multiple economic benefits to the State, economy, and citizens alike. I am also sure that developing tourism as a strategic economic branch is impossible without relying on a strong and stable national airline.

A strong and stable airline can positively impact the national economy by stimulating trade, investment, and business activities. It also contributes to the overall attractiveness of the country as a destination for foreign investment. An efficient airline network aids in promoting international business relations and diplomatic engagements. It allows for easier movement of officials, business executives, and delegates, fostering stronger ties with strategic partners.

By providing reliable and efficient air transportation, the national airline contributes to the growth of the tourism sector and economy in general

How can industry work in partnership with key stakeholders to deliver an efficient and sustainable air transportation system and meet consumer demands?

I believe that, with professional co-operation with the Montenegro Government, we will achieve an optimal solution, considering the needs of the company on one side and the government as its owner and founder on the other side, all in the common interest related to dynamic growth and development for the benefit of tourism and other industries, citizens, the State, and of course, Air Montenegro.

Working closely with tourism boards and industry partners, Air Montenegro is successfully identifying and developing routes that align with both tourism interests and passenger demands. Partnering with tourism authorities (such as the Ministry of Tourism or National Tourism Organisation) can lead to mutually beneficial outcomes. By co-ordinating marketing efforts and promotional campaigns, Air Montenegro can attract more travellers to the country, thereby driving demand for its services.

Joining aviation alliances and for example obtaining our IATA code, will allow Air Montenegro to expand its reach through codeshare agreements and co-ordinated schedules with partner airlines.

Collaborating with airports for infrastructure improvements, streamlined procedures, and optimised ground services could contribute to operational efficiency. This ensures smooth operations and enhances the customer experience.

Engaging with customer feedback and preferences would help tailor services to meet consumer demands. Regular surveys, reviews, and data analysis can guide adjustments to flight schedules, amenities, and onboard services.

Ongoing partnering with tech companies lead to innovative solutions for ticketing, booking and check-in processes. Embracing digital trends enhances convenience and passenger satisfaction.

Collaborating with travel agencies, corporate clients, and loyalty programmes, offering incentives, discounts, or exclusive deals encourages repeat business and strengthens customer loyalty.

By actively engaging with these stakeholders and adopting a collaborative approach, Air Montenegro can build a robust and adaptive air transportation system that not only meets consumer demands but also contributes to sustainable growth in the aviation industry. ■