

IFS 2025 Commercial Aviation Predictions

Top trends driving the digital transformation in the Commercial Aviation sector



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Industry Challenges

- Climate change
- Meeting ESG/ sustainability goals
- Legislations and regulations



- Increasing demand
- Rising customer expectations



- Skills shortage
- Employee retention



- Aging infrastructure and supply chain



2025

Accelerate Digitalization

Prepare for take-off: 2025 is bringing a host of opportunities for commercial aviation. Gaps are opening up in the aircraft manufacturing industry as the twin titans of Boeing and Airbus wobble, a new AAM rulebook opens the door for eVTOL to take off in big way, and industrial AI gets serious for MROs.

- Cracks begin to show in aircraft manufacturer duopoly – time to fill the \$641.6 billion market void created by Boeing and Airbus wobble.
- The FAA's first new category in 80 years opens the door to eVTOL entry-into-service in North America as soon as 2025.
- Over 20% of MRO organizations will use AI in 2025 as they join the Industrial AI race.

Prediction #1

Cracks begin to show in aircraft manufacturer duopoly – time to fill the \$641.6 billion market void created by Boeing and Airbus wobble

Market leader Boeing has faced major challenges following the incident earlier this year when a large section of their 737 MAX 9 aircraft broke free after take-off. This resulted in the Federal Aviation Administration (FAA) halting the production of the 737 MAX, due to production quality issues. This led to many airline organizations switching to Airbus whose market share increased to 60.4%. Unfortunately, Airbus themselves are struggling to match demand due to supply chain issues for engines, aerostructures, and cabin equipment when manufacturing their A320 Family aircraft.



The Role of Technology

Time to reinvent – the tech is ready to go.

Previous gaps in the market have been difficult to fill as new entrants would either be bought out or forced out by the big two. However, with the duopoly facing their own problems, and demand outstripping production there is less concern for new aircraft manufacturers and some are already taking the opportunity to fill the innovation gap. Take Boom Supersonic's 'Overture' aircraft which is being developed to be twice as fast as current aircraft and run off 100% Sustainable Aviation Fuel (SAF). Boom has already received 130 preorders from the likes of United Airlines, Japan Airlines, and American Airlines.

How could an all-encompassing ERP System provide a digital backbone as these new aircraft begin to take flight?

Providing support for prototyping

Creating smart manufacturing operational excellence

Visibility of test flight operations

Seamless maintenance and engineering execution

Intelligent supply chain forecasting

Prediction #2

Coming soon to the sky near you:
The FAA's first new category in 80 years
opens the door to eVTOL entry-into-
service in North America as soon as 2025

Helicopters are in for some company – while new long-haul passenger aircraft take flight, for shorter trips the Advanced Air Mobility (AAM) sector may welcome its first air taxis into service in 2025.

Electric vertical take-off and landing (eVTOL) aircraft have recently overcome a major hurdle as the FAA reverted their original plans which required eVTOL pilots to be commercial pilots before they could become eVTOL certified. The commercial aviation industry is predicted to be short by 80,000 pilots by 2032, so the FAA decision is pivotal for the industry to grow.



The Role of Technology

In 2024, the FAA altered course and for the first time in 80 years since helicopters in the 1940s, they created a new category for Powered-Lift vehicles which paves the way for AAM. The regulations adopt a Special Federal Aviation Regulation (SFAR) for a period of ten years which covers pilot qualifications, training, and operational requirements for eVTOLs in the U.S.

This is good news for early industry leader and IFS customer, Joby Aviation, as certified pilots who pass testing without failure will be available to fly aircraft and keep Joby on course for entry-into-service for its electric air taxi in 2025.



\$38.24 billion

Growth of eVTOL market
at a CAGR of 12.58% to
\$38.24 billion by 2032

**Read the eVTOL Aircraft
Industry Prospective**

Prediction #3

Over 20% of MRO organizations will use AI in 2025 as they join the Industrial AI race

The Maintenance, Repair, and Overhaul (MRO) industry has been hit hard over recent years with the COVID-19 pandemic, supply chain issues, and shortage of new aircraft. As demand balloons for commercial air travel to go beyond pre-pandemic levels, MRO organizations are being stretched as many airlines are forced to extend the life of their existing aircraft due to supply shortfalls.

Until now, the MRO industry has been slow in adopting AI and digital tools, however, following new guidance on AI by the FAA the future is looking bright. The guidance highlights how AI can be used in maintenance stating, “An AI application can conduct a thorough comparison, considering multiple factors beyond predefined triggers, particularly when the system is allowed to learn over time.”



The Role of Technology

Industrial AI helps MROs bridge the skilled labor gap and an ageing workforce

According to multiple surveys of our customers, the main issue facing the MRO industry is the shortage of skilled maintenance technicians and this is expected to get worse, as highlighted in an [Oliver Wyman report](#) which stated the MRO market is predicting a shortage of 43,000 aviation maintenance technicians in North America alone by 2027.

IFS Blog

The rise of Industrial AI:
What it is and why it matters

How can Industrial AI be leveraged against the labor shortage?

Extend capabilities with Extended Reality (XR):

Junior technicians can use virtual reality for training giving them virtual hands-on experience

Optimize Maintenance Planning:

AI-enabled optimization engines help maximize maintenance yield, task scheduling, and resource allocation to reduce non-productive time

Increase hands on metal:

AI-equipped mobile devices with access to approved technical documentation can speed up the technician

Arm junior technicians with legacy knowledge:

AI copilots can guide junior technicians when diagnosing a maintenance fault

Navigating what lies ahead

It's definitely seatbelts fastened and tray tables in their upright and locked positions for commercial aviation

2025 presents huge opportunities for organizations to embrace—with gaps in the aircraft manufacturing industry opening as the industry's two titans face their own problems, eVTOLs step closer to entry-into-service, and the MRO sector fast forwards its Industrial AI journey.

The technology, supporting software, and digital tools are there for organizations to capitalize on. Organizations that act swiftly will be those that prosper in 2025 and best position themselves for the future!

Watch this video to find out how IFS can prepare you for the future of flight



About IFS

IFS develops and delivers cloud enterprise software for companies around the world who manufacture and distribute goods, build and maintain assets, and manage service-focused operations. Within our single platform, our industry specific products are innately connected to a single data model and use embedded digital innovation so that our customers can be their best when it really matters to their customers – at the Moment of Service.

The industry expertise of our people and of our growing ecosystem, together with a commitment to deliver value at every single step, has made IFS a recognized leader and the most recommended supplier in our sector. Our global team of over 7,000 employees every day live our values of agility, trustworthiness and collaboration in how we support thousands of customers.

Learn more about how our enterprise software solutions can help your business today at ifs.com.

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