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ascend

Taking your airline to new heights

A man in a dark pinstriped suit and tie is smiling and holding a small white model airplane. He is standing in front of a window with horizontal blinds. The lighting is soft, highlighting his face and the model airplane.

World's Happiest Airline

A Conversation With ...
Enrique Beltranena, Volaris
Chief Executive Officer
and Managing Director
Page 10.

6

Afriqiyah Airways knows when and where to expand

32

Significant improvements to air traffic control systems

80

Effectively diagnosing MRO issues and prescribing solutions



Chatter Box

Social media vehicles such as Facebook and Twitter have given airline customers a voice, and carriers with the right social media strategy can benefit from these conversations.

■ By Lauren Lovelady | *Ascend Staff*

Not so long ago, an airline customer encountering less-than-satisfactory service on the ground or in-flight had little recourse except to relay the experience to family and friends and file a complaint with the carrier's customer service department — after the fact. And “acts of nature” — flight delays, cancellations and reroutes due to bad weather and other natural disasters — often left flyers feeling stranded and alone hundreds of miles from home and waiting for information from equally frustrated airline and airport personnel. On the other hand, little was heard from passengers receiving top-notch service, especially after the trip had occurred.

All of that has changed with meteoric rise of Web 2.0, or social media, including Facebook, Twitter, YouTube, Flickr and millions of personal, professional and special-interest blogs. These social media vehicles are producing an enormous amount of consumer “chatter,” which businesses such as airlines can either choose to ignore, react to randomly or engage in wisely.

The Changing Face Of Marketing

Traditional marketing techniques (advertising, public relations campaigns, sponsorships, branding, tradeshows, websites) have always been and still are an integral part of most airlines' strategic plans. These techniques generally focus on a one-way, top-down approach, with companies carefully defining their brands and then pushing those products and services to their customers in ways that attempt to control their brand image. The primary goal is to generate sales and increase revenues for the business. There's little room for customer response.

With the rise of social media, consumer-oriented businesses in particular are finding they are being increasingly defined by conversations — what consumers and potential consumers are saying and hearing about them — in real time. Why should an airline take note? Because after years of declining face-to-face communications and the move to automation, consumers are now clamoring for the human interaction and community building promoted by vehicles such as Facebook and Twitter. The once faceless consumer now has an instantaneous platform and a voice.

Social media marketing is an extension of traditional marketing. It encourages multi-way dialog, enabling companies to talk to customers, customers to talk to companies and, perhaps most importantly, customers to talk to each other. Most of the content and connections found in Web 2.0 are user-generated rather than company-created.

Social media vehicles were not initially created as sales tools, but as a means for building trust, creating relationships, enhancing reputations and generating introductions. They function as a magnet, drawing customers to a business, but when used improperly or ignored completely, these same tools can repel current and potential customers.

“A presence on social media cannot be created with a view to quickly turn it into a revenue stream,” according to a new report by the Innovation Analysis Group titled, ‘The Airline Industry and Social Media — A Must Have Strategic Guide for Airline Marketing and Sales.’ Social media is about relationships first. These systems work on referrals.”

HIGHLIGHT

Social media vehicles were not initially created as sales tools, but as a means for building trust, creating relationships, enhancing reputations and generating introductions.

Follow Their Lead

Several airlines have already proven that in the right hands, social media can be a powerful tool. While brand awareness is often the initial goal, there are certainly additional uses and benefits as well:

- Virgin America's Facebook page is designed similar to a website, allowing visitors to click links to search flight schedules; check flight status; and check-in for, change or cancel flights. The page also connects to fan photos and videos, customer reviews, surveys and a discussion board, enabling the airline's customers to easily interact with one another.
- Travel is undoubtedly a very visual experience, and JetBlue's sizable Flickr group has more than 21,000 photos and videos posted by customers, fans and employees of the airline. Members of

the group can comment on each other's photos and add each other as friends. There are also discussion boards.

- While taped safety demonstrations generally don't attract much attention, Delta Air Lines caused quite a buzz by posting a recent in-flight safety video on YouTube. According to FoxNews, admirers dubbed the 33-year-old woman hosting the video “Deltalina,” a combination of the carrier's name and Hollywood actress Angelina Jolie, whom they say she resembles. Delta also uses the site to showcase its new in-flight services and aircraft features and host video travel guides created by the carrier's employees to popular destinations.
- Southwest Airlines utilizes Twitter extensively, especially for issuing travel advisories and addressing customer service issues. The carrier estimates its Twitter page is growing by 7,000 followers each day. The airline's blog, “Nuts about Southwest,” is timely, interactive and features podcasts, internal news, surveys, videos and photos. Approximately 30 Southwest employees contribute to the blog, which receives more than 60,000 unique visitors monthly.
- MySkyStatus is a service provided by Lufthansa that posts by request the current location of a passenger's flight on any number of airlines to Twitter or Facebook so friends and family can track his or her whereabouts at any time.
- What's more exciting and engaging than a contest, for both the participants and spectators? After creating a video called “Bare Essentials of Safety from Air New Zealand” and posting it on YouTube, the carrier's flight attendants and crew members, who wore only painted-on uniforms for the video, challenged Southwest Airlines to join them in producing the world's first airline safety musical. While Southwest employees weren't quite ready to sport only painted-on attire, they did create a “greatest hits” video in response featuring rappers, an Elvis impersonator providing safety instructions and a flight attendant doing backwards flips down an aircraft aisle. The contest even caught the attention of local television stations in Southwest's hub in Dallas, Texas.
- A number of airlines, including JetBlue and American Airlines, use social media tools to offer special discounts. Fans of American's New York Facebook page received 10-percent-off coupons when the page reached 10,000 fans last May. JetBlue rewards its followers while boosting revenues by posting last-minute flight deals, known as

JetBlueCheeps, on Twitter. The carrier's Twitter page has well over a million followers, and it tracks about 120,000 of them. United Airlines also offers Twitter-only fares called "twares."

- Carriers have also begun using network sites to target and develop key market segments. After conducting focus groups with African-American customers, American Airlines launched a social network called BlackAtlas.com. Users can search for fares and vacation packages on the site and find destination information tailored for their interests. AirTran Airways utilizes airtranu.com to offer 18- to 22-year-old students standby fares while Lufthansa has launched GenFlyLounge.com, a social networking site where students who love to travel internationally can meet and connect. KLM's Club China and Club Africa are virtual business communities for passengers conducting business within those regions.
- Mergers have become increasingly commonplace within the airline industry in recent years, as mounting financial losses force some carriers to join operations. Merging two different corporate cultures is tricky at best. When Northwest Airlines merged with Delta Air Lines, Delta utilized its blog, "Under the Wing," to welcome Northwest

employees and help customers with the transition. The blog replaced the traditional list of frequently asked questions.

With few exceptions, most of these carriers, as well as others, have quietly entered into the world of social media, actively participating in only two or three of the most popular vehicles on a limited scale. The reason: much of the technology behind the tools as well as airlines' use of them is largely experimental and may be short-lived.

"We're seeing a lot of testing by airlines," said Forrester Research analyst Henry Harteveltdt. "They are trying to figure out, given limited staff and limited budget, what's going to get them the best return from social media."

Proceed (With Caution)

Social media offers airlines an almost unlimited number of opportunities at minimal costs.

"It can be essentially cost-free to get started, since all one needs to do is open a Facebook, Twitter or YouTube account and get creative," said Adam Ostrow, editor-in-chief of the social media guide Mashable.com. "In a down economy, the low cost of entry certainly makes social media even more attractive than it might have already been otherwise."

To take full advantage of social media, a carrier should develop a plan for success, taking into account the fluid nature of these tools and the associated challenges:

- Study the landscape — It's best not to dive in without first understanding the various social media tools and how other companies, not just airlines, are utilizing them. Take advantage of what is already established and easily accessible, such as Facebook and Twitter, and realize the "next big thing" is yet to come.
- Develop a plan — For a social media plan to be truly effective, it must clearly align with a carrier's business strategy. Review current issues and future marketing campaigns to create an approach that supports the objectives already in place. Don't view social media simply as a trend or gimmick. "A smart, strategic approach," said Ted Kohonen, vice president of interactive marketing for Stein, Rogan & Partners, "can protect and accelerate your brand, position your company and people as thought leaders, improve natural search engine rankings and serve as a quality lead-generation channel."
- Keep the pace — By nature, the airline industry is conservative. Decisions are often made after much deliberation and review by various departments such as legal. Social media moves quickly — very quickly. A consumer issue can literally travel several times around the world via cyberspace before an approved response is given by an airline. By that time, an issue may be long forgotten or may have become an enormous problem. Learn to take risks. Determine where the relevant conversations are taking place.
- Empower employees — It takes manpower to monitor and participate in social media, and in today's still-struggling economy, most airlines are unwilling to invest in resources that are not directly related to operational needs. It's critical that existing employees clearly understand the carrier's business strategy and that the carrier divvies up responsibilities, giving employees ownership over specific social media tools and enabling coordinated responses.
- Engage and continue engaging — While many airlines are willing to begin a social media conversation, customers often complain that few respond in a timely and effective manner once the talk turns to consumer-service issues. Often the issues "fall between the cracks" when carriers fail to assign specific employees or departments to investigate and respond to them. As a result, customers are less likely to engage in



With the growth of social media, many airlines find they are being increasingly defined by conversations — what current and potential customers say and hear about them — in real time. As a result, airlines can take advantage of this method of interacting with customers through vehicles such as Facebook and Twitter.

conversations again and more likely to express their displeasure. Essentially, this approach backfires on airlines.

- Learn from successes and mistakes — As the saying goes, “Not all Tweets are created equal.” Given limited resources, there’s no feasible way airlines can effectively listen and respond to every conversation. Learn to recognize, often through trial and error, which “chatter” is significant and which is not. Sudden or gradual shifts in customers’ perceptions — either positive or negative — merit further investigation. Realize from the beginning some consumers will never be happy — no matter how many times an airline converses with them or tries to improve a situation.
- Determine metrics — One of an airline’s primary objectives should be to accurately hear what customers are saying. How will an airline know if its social media strategy is reaching its target audience? What is the overall perception of the airline and its services? How will this impact its business? Are the discounted fares the carrier offered on Twitter boosting revenues? Is the safety

video the airline posted on YouTube attracting more viewers than a typical in-flight safety video? While gathering and accurately interpreting this information appears to be a daunting task, there are individual consultants and companies now offering social media monitoring and analysis services and training. In addition, tools that automate, filter and centralize customer feedback from the Web are now being developed and marketed.

- Review strategies often — Social media vehicles are developing rapidly and companies must be agile enough to advance with them.

It’s easy for businesses such as airlines to become overwhelmed by the rapid growth of social technologies and the sheer volume of accompanying conversations occurring every minute of every day. These businesses are finding they are no longer in control of their brands — their customers are. But thanks to the unique opportunities offered via social media, an airline can engage its customers and guide its brand. It can have a voice in the conversation. And that’s important because the

latest Nielsen Global Online Consumer Survey of more than 25,000 Internet users from 50 countries found that 90 percent of people trust the reviews and recommendations of people they know and a full 70 percent trust consumer opinions posted online. People are talking, and people are listening. Is your airline? **F**

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+count it up

217 million

The number of additional travelers expected to travel via air within the Asia/Pacific region by 2013.

According to IATA, the Asia/Pacific’s prospects are “improving faster than other regions, but it urged regional leaders to ensure that liberalization and air traffic management unification allow growth to continue.”

2.2+ billion

The number of passengers each year that are transported via the airline industry, about one-third the population of the entire planet.

2009

The year in which intra-Asia/Pacific travel eclipsed North America as the world’s largest aviation market, reaching 647 million compared to 638 million within North America (including domestic markets), according to IATA.

440

The number of passengers KLM, the world’s oldest airline, carried during its first full year of operation. KLM carried 22 tons of freight during the same period. Today, it carries 23 million passengers and 657 tons of freight a year.

3.5 trillion

The estimated economic impact, in U.S. dollars, created by the aviation industry, equivalent to 7.5 percent of world gross domestic product.

One in seven

The number of passengers worldwide who use *SabreSonic*® Check-in, more than any other check-in solution in the world.



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The statistics speak for themselves — social media is today's fastest-growing marketing and communications tool, both personally and professionally. More than 80 percent of Americans alone participate monthly in some form of social media through blogs, forums and networking sites, with the greatest growth occurring in the 39-year to 54-year age category. The percentage is slightly less globally, but recent studies report that worldwide one in every 11 minutes spent online is now accounted for by social networking and blog sites.

While most social media vehicles were not initially established for business purposes and are still largely experimental, they have quickly become a means for individuals worldwide to relay their experiences and opinions about every conceivable subject from toothpaste to travel in real time, 24/7. And businesses, including airlines, are increasingly turning a listening ear to this online chatter.

A rundown of today's five most popular social media vehicles includes:

1. Social networking websites — The largest site is Facebook with more than 350 million active users worldwide — approximately 70 percent are outside the United States. At the end of 2009, the site reached a milestone, logging more than 100 million active American users. If Facebook were a country, it would now have the third-largest population in the world, encompassing more than 70 languages. Among other well-known general social networking sites are MySpace, Bebo, Friendster and hi5. These sites are proliferating at an astounding rate and are becoming increasingly segmented by interests.

2. Professional networking websites — With more than 50 million users globally, LinkedIn is growing at approximately one new member per second. When this business-oriented site was initially launched in 2003, it took 477 days to sign up its first million members. This last million took only 12 days to reach, due in large part to the recent economic downturn and staggering job losses worldwide. Approximately half of LinkedIn's membership is outside the United States. Europe has 11 million members alone, and India, with 3 million members, currently has the fastest-growing membership rate. LinkedIn and competitors such as iXING and Spoke allow registered users to

maintain contact lists of business people they know and trust. In addition, employers can post available jobs and search for potential candidates, and job seekers can review jobs and hiring managers searching for possible links on their contact lists.

3. Image and video hosting and sharing websites — Perhaps many people remember the old saying, "A picture is worth a thousand words." Apparently, this holds true when it comes to social media as well. Flickr is one of the most popular sites available for users to share personal photographs and host images embedded in blogs and other social media. As of last October, the site hosted more than 4 billion images in eight languages. YouTube is the dominant provider of online video in the United States, although three-fourths of the material on the site is uploaded from other countries. It's estimated that 20 hours of new video are placed on the site every minute. While individuals have uploaded most of the content on YouTube, media corporations and other businesses are now offering their materials via the site as well. YouTube has made it possible for anyone with an Internet connection to post a video that can be viewed worldwide in a matter of minutes.

4. Web logs — Blogs, in short, are sites that provide commentary or news on particular subjects through the use of text and images and give readers an interactive format to post comments in response. Initially, blogs were primarily maintained by individuals and were often personal online diaries, but many interests groups and businesses are now actively "blogging." A February 2009 survey estimated there were more than 215 million blogs in existence.

5. Combination services — The most popular service in this category is Twitter, a mobile social networking and micro-blogging site. Users send and receive text-based messages of up to 140 characters, known as tweets, via the Twitter website, short message service or external applications. In February 2009, Twitter had a monthly growth rate of 1,382 percent. However, the service only has a 40 percent user-retention rate.

Perhaps the fragility of Twitter's user base is indicative of one of the major pitfalls of social media vehicles. In addition, the technology empowering them is advancing rapidly, guaranteeing that today's popular mediums will either continue to evolve or slip into cyber-afterlife.

"But there will always be something coming up behind it," said Steven Frischling, founder of TheTravelStrategic.com and author of the blog, 'Flying With Fish.' "Airlines need to be there when that something shows up." **F**