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# ascend

Taking your airline to new heights

## THE PILOT

A CONVERSATION WITH  
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# Great Minds Think Alike

Airlines can take a “customer community” approach — using emerging technology — to collaborate and help develop the exact solutions and services they need to thrive.

■ By Phil Johnson | *Ascend Staff*

It used to be that any given supplier company’s marketers were pretty certain of where the “traditional” marketing cycle begins and ends.

Marketing had always been involved in helping the company position itself in the greater marketplace — including such key items as the messaging in advertisements to try to interest and persuade potential customers to buy. But as to making sure the solutions and services actually fulfill specific customer needs, that was usually

for customer service — or the customers themselves — to worry about.

Today, there’s a new customer reality emerging in the marketplace that affects how companies market and sell their solutions and services in a technologically connected business world that seems to be morphing into something just a little different all the time.

Business customers now want and demand direct input into the development of suppliers’ lineups of solutions and ser-

VICES. They no longer enjoy the luxury of waiting to find out what suppliers come up with year to year, then see if and how the solutions and services address their current needs.

In the 21st century, companies tend to realize, or at least they have a pretty good idea, what solutions and services they need, and they want to define where they go in the marketplace. That’s good, because the technology is now available to enable buying companies to take a

major hand in helping design and develop those solutions and services, working right alongside the suppliers' "idea" people and designers.

A case in point involves airlines, which need software and equipment solutions to help them effectively and efficiently address complex challenges. And airlines today are no longer comfortable allowing someone else to dictate to them what their business needs and priorities should be year-in and year-out.

The airline industry moves too fast for that. Most industries, in fact, move too fast for that — and the individual company either has to be nimble or lose its competitive edge.

Airlines now desire and demand access to the software solutions they're going to use in day-to-day operations. Furthermore, many airlines want direct input into the development of that software. And they're getting both access and input through a new concept called "customer community."

Customer community is a spin-off of sorts from another current trend called "community marketing," in which the emphasis is not so much on figuring out ways to sell more widgets to more new customers, but rather how to interact to better meet the real everyday needs of current as well as future customers.

There's a vintage marketing principle that revolves around knowing the customer and understanding precisely what that customer needs and wants. And the customer-community concept takes the principle even further.

Customers today want to do much more than just tell a supplier what they want, and they're willing to apply much greater effort than simply participating in a focus group to try to define their desired solutions and services. Those customers would prefer to have the opportunity to actually run parts of the businesses they work with — to sit right beside developers and instruct them in inserting features they want and need.

Benefits of the customer-community model include shorter time to market in creating solutions and services that customers have called for, with much better product quality as well as lower overall cost that results from on-the-spot customer input as the product is being developed.

These capabilities fit right in with the Web 2.0 communications and interaction technologies of today: *MySpace*, *Facebook* and *LinkedIn* — even "virtual" worlds such as Linden Lab's *Second Life* — all provide connectivity and capacity to interact in substantive business processes



A customer community approach enables carriers around the world to work together to help develop next-generation solutions necessary to optimally run an airline.

that were never even dreamed of just a few short years ago.

The customer-community movement has gained particular momentum in the business-to-consumer space. For instance, Procter & Gamble, one of the most successful consumer-products companies the world has ever known, delves deeply into business/consumer interaction.

"Our vision is simple," said A.G. Lafley, president, chairman and chief executive officer of Procter & Gamble. "We want P&G to be known as the company that collaborates — inside and out — better than any other company in the world.

"I want us to be the absolute best at spotting, developing and leveraging relationships with best-in-class partners in every part of our business."

Or as eBay's savvy former President and CEO Meg Whitman said, "When we hire people, they often don't understand what eBay is. Often your instincts — coming from more traditional companies — are wrong.

"We have to enable the community, we can't direct them. Our community

is people, not wallets. The people who end up not being as effective as they otherwise might be are the ones who try to control and direct, as opposed to listen and enable."

So it's clear that the customer-community philosophy is very much attuned to learning. It's based solidly on listening to what customers want and to what others who have a vested interest may be able to contribute.

NBC Universal's Beth Comstock may have summed it up best when she said, "In the digital age, community is all about gathering people with shared interests and giving them a platform to interact with each other, to engage in relevant content and to create something new."

This is the essence of customer community, and its value can be felt in numerous industries. It is, in fact, being put to very good use in the business-to-consumer arena at many companies. Fewer, however, have so far succeeded in putting customer community to the test in business-to-business dealings.

Among airlines, that situation is changing. For example, *Sabre Airline*



*Solutions*® now maintains an online portal devoted specifically to customer community among its global array of airline clients.

And that bodes well for opportunities within that customer community to benefit from the technological and software best practices that are being devised and developed for and by various members of the community at any given moment around the world.

It is the goal and intent of *Sabre Airline Solutions* to provide tools, resources and support in fostering customer interaction — to help make sure each and every customer has the greatest possible opportunity to provide input in the conception and development of its solutions and services.

Solution development is an area in which huge industry impact may be realized. On the *Sabre® Community Portal*, a *Sabre Airline Solutions* product group now encourages customers to suggest product ideas, then to register their votes on a list of those customer-proposed solutions, which will then be used to apportion funding on the various solution selections.

Essentially, then, *Sabre Airline Solutions* customers are collaborating by participating in solution concept and development, then essentially apportioning its new-product budget to aggressively pursue the solutions customers say they most fervently need and want.

Such a “customer-selection” process — again, enabled through technology — is a quantum leap beyond traditional business practices that have previously relied on internal teams of marketers and production people trying to figure out which solutions and services they think might be most important to develop.

None of this, of course, means that there aren't still other challenges to be addressed and overcome in the process of showing airlines the multitude of collaborative possibilities through customer community to provide airline constituencies with the latest and finest solutions and services available in the industry today.

But as the years pass, addressing and overcoming those challenges will be well worth the effort — particularly to the airlines' consumers, who will be the

ultimate beneficiaries of solutions and services that are greatly improved thanks to a massive technology-enabled leveraging of collaboration within the industry.

And with today's common trend toward shortening or compressing product-development cycles, it's more important than ever to apply all the brainpower available to quickly develop as many new and useful solutions and as much advanced functionality as possible. Industry collaboration, among airlines as well as between the airlines and their primary service providers, can play a major part in that equation.

So the customer-community movement — empowered through technologies that continue to emerge more rapidly than ever — figures to be of ongoing and lasting value throughout the airline industry for decades to come. ■

*Phil Johnson can be contacted at [wearelistening@sabre.com](mailto:wearelistening@sabre.com).*

## +count it up

### 1.6 million

The number of passenger flights that were delayed by at least 15 minutes during the first 11 months of 2007, according to the *Washington Post*.

### 170 years

The equivalent of flight delays for the first 11 months last year, up steadily from 98 years lost on 1 million flights during 2003, according to the *Washington Post*.

### 56 minutes

The average delay of a late flight during the first 11 months last year, which has grown from 49 minutes in 2003, according to the *Washington Post*.

### 19,000

The number of transactions that are processed through the *Sabre®* global distribution system every second.

### 1 million

The number of travel transactions processed each minute through the *Sabre®* global distribution system during peak times.

### 50+

The percentage larger the *Sabre®* global distribution system is than Visa. It's the largest transaction engine in the world.