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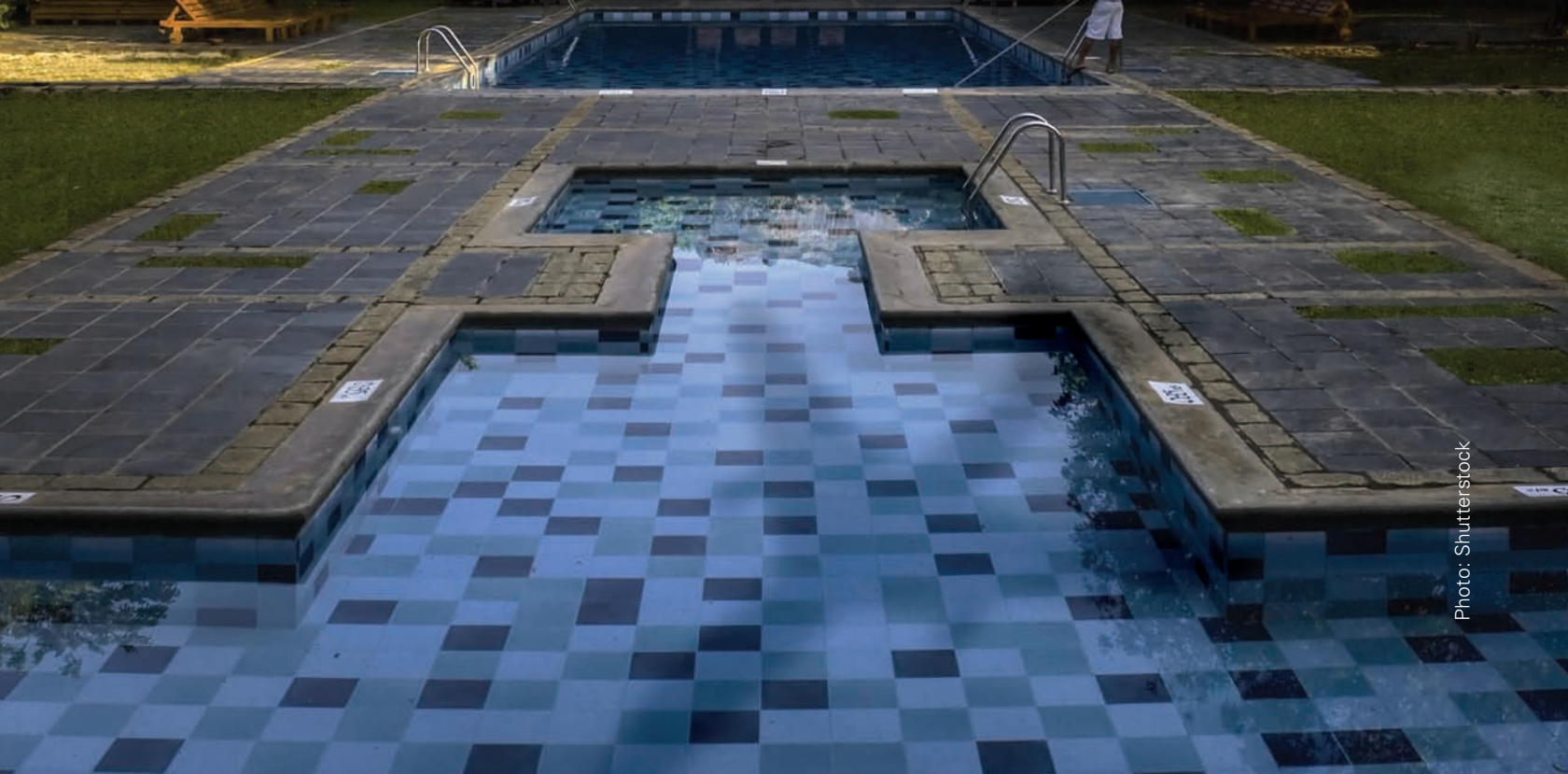
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PEACOCK PROUD



SriLankan Airlines continues making moves to prosper, such as the recent implementation of a revenue integrity system that generated more than US\$11M during the first four full months of use. .

■ By Lynne Bowers-Dodson | *Ascend Staff*



Applause! Applause! The accolades keep coming in for SriLankan Airlines Limited. Last December, the carrier featuring a stylized peacock in its logo was the proud winner of the United States EFFIE award for travel and tourism for its hot-seat marketing campaign. The campaign offered Sri Lankans and friends traveling to and from Sri Lanka the best fares for travel on designated tickets purchased in advance.

This latest award reaffirms SriLankan Airlines' reputation as a leader among Asian airlines in:

- Service,
- Comfort (most seats have 18-channel seat-back televisions, 22-channel audio channels and 16 video games),
- Reliability,
- Punctuality.

In addition to its EFFIE award, SriLankan Airlines has in recent months won a series of international and national awards in fields ranging from passenger transport to marketing and Internet technology. They include:

- The Presidential Award for Airline of the Year;
- The Presidential Award for Outbound Tour Operator of the Year;
- First Runner-up in Global Breakthrough Business Intelligence Initiatives at the CIMA Global Awards;
- Top Airline by Growth in South Asia from Singapore's Changi Airport;
- Foreign Carrier of the Year for South Asia for the fifth consecutive time at the Kuala Lumpur International Airport Awards;

- Platinum Award from the International Air Transport Association as one of the first airlines in the world to introduce a major innovation to tickets;

- A Merit Award at the National Best Quality Software Awards 2010 (NBQSA).

The awards are remarkable considering that its home country has recently emerged from a 26-year-long civil war that ended in 2009. Sri Lanka has suffered a SARS epidemic, survived a terrorist attack at its international airline hub and recovered from the 2004 Indian earthquake that produced a devastating tsunami. It claimed thousands of lives and is one of the 10-worst earthquakes in recorded history.

Paradise Prevails

Despite these overwhelming tragedies, Sri Lanka's economy is expected to grow 9 percent this year — rates usually seen in China. The recovery can be attributed to Sri Lanka's legendary beauty, fragrant spices, precious gems, rare pearls, sublime culture and hospitable people, all of which attract tourists from around the globe.

Sri Lanka is called the Pearl of the Indian Ocean because of its position at the southern tip of the Indian subcontinent. For more than a thousand years, travelers from around the world came upon Sri Lanka or made the happy discovery by accident. Thus, this island paradise was also called SERENDIP, giving rise to the word "serendipity," meaning "making happy discoveries by accident."

Whether by choice or happy accident, 600,000 visitors came to Sri Lanka in 2010, setting a record. Thanks to its "Visit Sri Lanka 2011" initiative, along with its role

as co-host to the ICC Cricket World Cup in 2011, the country anticipates 750,000 visitors this year. The Sri Lankan government doesn't expect the numbers to drop and has declared a target of 2.5 million tourists annually through 2016.

To prepare for the influx of tourists during the next few years, the teardrop-shaped island off the southern coast of India is transforming Sri Lanka into a hub for aviation in the region. Colombo-Bandaranaike International Airport (BIA) is the only international airport located in Sri Lanka.

It's already the finest airport in the region with its modern aerobridges, plush lounges and well-stocked duty-free collection. Even so, it is presently in the middle of a major program to expand and upgrade its facilities. A second international airport is now under construction at Mattala in the southern Hambantota District. It is scheduled to be commissioned in 2012.

Spanning Out

SriLankan Airlines, formerly known as Air Lanka, was set up by the government of Sri Lanka in July 1979 following the closure of Air Ceylon in 1978.

As the country's flagship carrier, SriLankan Airlines is crucial to the country's tourism goals. Shortly after its management changed hands, the carrier began a re-fleeting program in April 2008. It acquired three Airbus A320s in 2008 and 2009 to replace old aircraft.

SriLankan Airlines expects the delivery of seven new aircraft by the end of 2011. They include five Airbus A320s and two



Photo: SriLankan Airlines

EFFIE Award Winner SriLankan Airlines is a leader among Asian airlines in service, comfort, reliability and punctuality.

Twin Otter float planes for the re-launch of its domestic service "SriLankan Air Taxi" this winter.

"The three brand-new aircraft are scheduled to be acquired from May-November 2011, and will sport the latest comforts and entertainment systems, including audio-video on demand (AVOD) in both business and economy classes," SriLankan Airlines Chief Executive Officer Manoj Gunawardena told reporters. "This will allow us to significantly enhance passenger service and give us the ability to fly to more cities in the Subcontinent, Middle East and Southeast Asia, and to also increase capacity to existing destinations in these regions."

The airline is also exploring the possibility of obtaining at least one more long-haul, wide-body aircraft to launch services to more new destinations in Europe and the Far East, Gunawardena said.

In addition to increasing its fleet and destinations, SriLankan Airlines made significant investments in technology. Last year, the carrier contracted with Calidris (since acquired by Sabre Airline Solutions) via a partnership with Mercator for its Jupiter product. Mercator's Jupiter product is a hosted end-to-end passenger services solution that provides a fully integrated real-time revenue integrity system.

Subsequently, Sabre® AirVision™ Revenue Integrity was implemented last July. During the first four months, it generated value benefits of approximately US\$11.7 million from the release of seats back to sales. Mercator has worked with Calidris (now Sabre® Iceland) for several years as a vendor of the real-time revenue integrity solution.

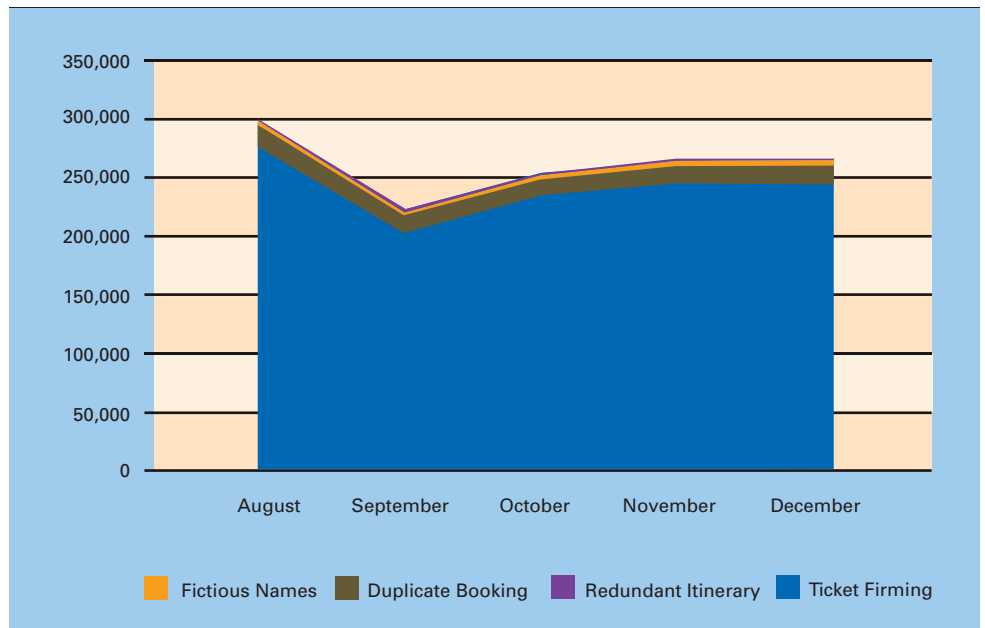
"The partnership ensures that Mercator has the best revenue integrity solution for our customers on the Jupiter platform," said Mercator Vice President Duncan Alexander. "Our airline partners work in challenging markets, and they need the best revenue integrity solution in place to handle all deliberate revenue abuse."

Revenue Integrity, a process automation system, removes bad bookings from the carrier's inventory to help ensure seats are not occupied by false or spurious bookings. The solution looks at business problems including:

- Ticket time limits,
- Fake names,
- Duplicate bookings and duplicate segments within a booking,
- Fake or duplicate ticket numbers.

Performing this in real time ensures that all new and changed bookings are pushed to Revenue Integrity at the end of a transaction. Using the solution, carriers typically see significant decreases in no

Seats Returned By Sabre AirVision Revenue Integrity



1,047,809 Seats During the first four full months of using Revenue Integrity, SriLankan Airlines returned more than a million seats to sales.

shows as well as increases in load-factor percentages on their critical flights. In addition, there is better discipline enforced through their travel agents, and various costs savings are seen through reduction in specific areas such as:

- GDS booking fees from unproductive bookings,
- Denied boarding compensation,
- Push-back penalties,
- Churn,
- Meal wastage,
- Employee costs.

However, the real value the solution delivers is normally calculated on the number of seats that it returns back to sales. During the first four full months of using Revenue Integrity, SriLankan Airlines returned 1,047,809 seats to sales, resulting in an estimated value benefit of US\$11.7 million.

This does not even take into account the numbers of warnings the system sends that are acted on by agents or other airline staff.

"Choosing the correct partner for our upgraded revenue integrity solution was important for SriLankan Airlines," Alexander said. "Not only was the airline looking for maximum value generation from a solution, but ongoing service support was also something it considered to be very important for future success."

"Working with the best-in-class real-time revenue integrity solution with the support of Mercator and Sabre Iceland gives SriLankan this peace of mind ...

knowing its inventory is as clean as possible."

An Iridescent Future

In 1998, SriLankan Airlines replaced the name Air Lanka. The logo featuring the peacock bird was redesigned to better suit the airline's new identity as a modern, progressive carrier.

Due to folklore and superstition, some Sri Lankans believed that the new SriLankan Airlines logo — featuring the peacock flying away from the aircraft — would bring misfortune to the airline, as opposed to the old logo that showed the peacock facing the direction of the aircraft in flight.

Despite the direction in which it is flying, Feng Shui practitioners maintain that the peacock motif signifies growth, fame and abundance. If its recent successes and awards serve as a bellwether, SriLankan Airlines has a future as iridescent as its mascot's spectacular plumage. [f](#)

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