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ascend

Taking your airline to new heights

THE PILOT

A CONVERSATION WITH
TIM HOEKSEMA, CHAIRMAN,
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Prime Partners

Partnering with the right solutions provider presents a long-term business relationship that should be built on common goals and a command for service excellence.

■ By Suzanne Cottraux and Jeanette Frick | *Ascend* Contributors

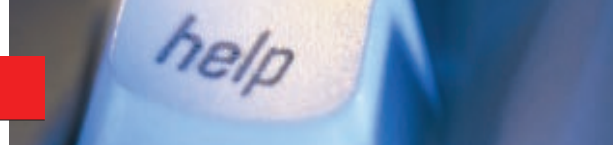


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As economic pressures continue forcing airlines to reduce or repackage the services they offer their customers, while working to maintain customer loyalty, the concept of “service” has never been as relevant or multi-faceted as it is today. And most airline executives probably feel pulled in myriad directions trying to meet the changing demands of customers, employees, shareholders, the community and the government, while striving to manage costs and stay in the proverbial black. How do airlines identify the solutions and services necessary to meet these challenges? More importantly, how do they implement very specific solutions while continuing to operate their day-to-day business smoothly?

The answer can be found in strategic partnership with a solutions provider that can evaluate the business holistically and then combine the right technology, services and expertise to deliver the most value-added solutions. Whether an airline is currently working with a solutions provider or considering enhancing its current capabilities with outside support, it should consider five key points to ensure it selects the top business partner:

1. Does the solutions provider understand the airline’s complex issues?

The airline industry continues to change, driven by external factors ranging from security concerns, government and industry mandates, and environmental sustainability challenges to internal factors including shifts in customer buying patterns, and management of costs and distribution strategies. And while many airlines have restructured their operations and have adapted to the post-9/11 world, the emergence of new hubs, not to mention the debut of new entrants and business models, has further complicated the environment in which airlines operate.

The ideal solutions provider will offer more than a single-dimension understanding of these and other issues; it will offer a comprehensive understanding of how these issues inter-relate and possibly converge to affect short- and long-term business performance. The provider’s ability to address the converging issues impacting an airline’s business should be evident through a review of case studies as well as the depth, breadth and longevity of its service offerings.

2. Does the solutions provider offer a portfolio that is equally broad and deep?

Breadth of portfolio plays a critical role in a provider’s ability to meet an airline’s diverse needs. Because the airline business is integrated from its marketing systems through sales, customer service and operations, a provider that offers tightly integrated solutions can help meet an airline’s challenges more efficiently and effectively than any single-service provider, no matter

how deep its expertise is in one particular area. Working with a total solutions provider translates into greater efficiency, ease of implementation and continuity for an airline’s business.

Sabre Airline Solutions®, for example, brings to its air transport partners industry leadership in airline solutions and services, reservations and departure control, airline distribution, and consulting services. Through a strategic mix of solutions, services and consulting expertise, *Sabre Airline Solutions* helps its aviation partners cut costs, increase revenue, streamline operations, improve workflow, raise productivity and enhance the bottom line. This commitment to service excellence is unmatched in the industry.

3. Does the solutions provider offer a full continuum of support?

Selecting a solutions provider, negotiating the contract and moving forward with the implementation of a solution, service or both represents just one dimension of an airline’s relationship with its solutions provider ... yet for many service companies positioning themselves as strategic partners, this is the full extent of their repertoire. To realize the most meaningful, measurable and lasting impact on business performance, an airline needs a solutions provider that offers a full array of service practice areas so at any given point in the engagement, its issues will be addressed by expert professionals.

At *Sabre Airline Solutions*, for example, the delivery and customer care portfolio is differentiated by eight key service practice areas including: airline business consulting, solution approach, solution delivery, knowledge transfer, quality assurance, customer community, global service centers and customer care. Within each service practice area are proprietary processes and disciplines designed to drive customer-focused results. For instance, airline business consulting comprises a comprehensive array of disciplines that include organizational audit, build-operate-transfer model, benchmark and competitive tracking, best practices and strategic planning, a service bureau, and turnaround consulting. The customer community practice includes an online community portal, customer conferences and councils, solution planning, and a *Sabre Airline Solutions* executive advisory board. The idea is that each practice area is substantiated by processes, systems and people dedicated to achieving the best possible results, and that the practice areas are integrated to provide a full range of support no matter when or why it is needed.

4. Is the solutions provider as results driven as its airline partner?

It’s important to evaluate a provider’s offering to ensure it truly is a solution that contains the right technology and supporting services that will integrate well into an airline’s business environment, as well as deliver value and a timely return on investment. The pro-





vider should have a clear understanding of an airline's business goals and processes and be qualified to provide business consulting and process-change support.

Sabre Airline Solutions' highly experienced consultants work with its airline partners to ensure that new solutions or service integration conforms to their current business processes, paving the way for a successful implementation, full adoption of a solution and optimal realization of the solution's business value.

When talking with a solutions provider, the discussion should center on the airline's business needs and how best to measure its success. For instance, in catering, product overages or shortages can cause budget and customer satisfaction issues. And in revenue management, small changes in the management of load factor can have significant impacts on profitability. A true partner and solutions provider will be focused on these business issues and assist in measuring the success of the implemented solution.

Post-implementation support and follow up is also critical. A provider should always follow up on its promise to deliver value. It should have the business expertise necessary to ensure that an airline's continued usage fully leverages industry best practices, that its users are proficient and that the expected ROI is achieved. In addition to providing a full-service support function, a top provider brings relevant industry and business information to the table through additional business consulting services, advanced training and networking opportunities across the airline community so all airline partners have ready access to new information with which to continue to evolve their businesses.

5. Does the solutions provider have a company culture based on the same principles it's trying to sell?

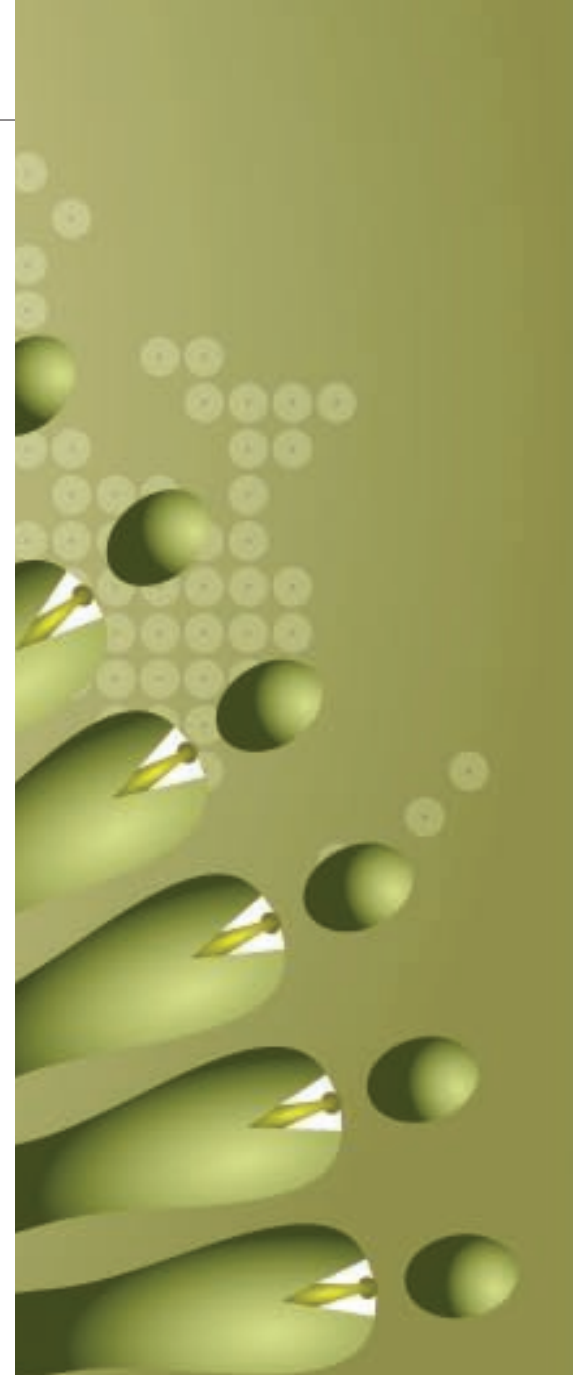
A provider can design solutions to address an airline's problems. It can also acquire expertise to provide a competitive edge to its airline partners. Innovative technology is an enabler. Smart algorithms are differentiators. But as solutions providers, each employee within a provider's organization must think and act as a business partner to their airline customers. The provider should proactively evaluate problems and opportunities from an airline's business perspective. It should look beyond its broad range of solutions and collaboratively partner in an airline's unique success.

The service journey with a provider is a long one, beginning with the sales process through delivery and into maintenance and enhancement, when needed. A provider's attention needs to be clearly focused on how it's anticipating an airline's needs rather than merely responding to them.

Selecting a solutions provider is a decision that should be made deliberately, with an eye toward a long-term partnership based on mutual success as measured by an airline's improved performance. **F**

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+count it up

2017

The year by which the airline industry aims to use 10 percent alternative fuel sources for aircraft fuel needs, according to the International Air Transport Association.

315 million

The percentage representing IATA's goal to improve fuel efficiency (and CO₂ emissions) between 2000 and 2010, which was already ahead of schedule two years ago.

1.5 million

The weight in tons of CO₂ saved last year by Middle East and North Africa airlines as a result of IATA's fuel efficiency initiative, according to the International Air Transport Association.