

# ascend

Taking your airline to new heights

ON THE ROUTE TO RECOVERY

*A conversation with ...*

**James  
Hogan,  
President  
and CEO,  
Gulf Air**

INSIDE

**19**

**Industry Showing  
Signs of Recovery**

**38**

**Low-Cost Carrier Model  
Continues to Evolve**

**79**

**Recent Breakthroughs  
in Revenue Management**



# The User Community

## Working Together to Shape Product Direction

**T**he contract has been signed, the software solution installed and working, and the information technology provider and the airline are celebrating. Now what? This could be a major crossroads for the relationship with the parties either going their separate ways or working even more closely together. Ideally, the moment the contract is signed is the beginning — not the end — of the relationship. After the product is installed, an airline can become a member of a larger community of product users, which provides an opportunity for the relationship to further grow and prosper.

With this goal in mind, an IT provider and its user community should work as a team after implementation to improve and expand the horizon of the software solutions. Through an active user community, the old adage of two heads being better than one is taken to the next level as the members work together to enhance the software for the common good of the whole.

The user community brings together experts from the IT provider and actual users of the solution to continually exchange ideas about the product and how it can best fit the needs of airlines. A successful user community should meet regularly to ensure a constant flow of communication. Design meetings, focus groups and users' conferences held throughout the year bring the community together to address specific product and industry issues. The community also provides an avenue for informal discussion among members throughout the year. Having constantly improving products and savvy users maximizes the benefits of the tools, which is a key to reaping the financial benefits that will help airlines return to, or further increase, profitability.

*The relationship between an airline and its IT provider shouldn't end once the contract is signed. By participating in a user community, airlines not only ensure they have*

**PUT  
|  
A  
TOGE**

# Airline Passenger Solutions

## The Original User Community Continues to Set the Pace

**F**or Aldo Borg, head seat control and distribution for Air Malta, being part of a larger community of airlines provides reassurance in a turbulent industry.

"We've been implored to think globally and act locally," he said. "This brings to mind our forming part of the Sabre Airline Solutions community. The fact that we form part of some 100 airlines gives me, at least, the strong feeling of being part of a big, large group of airlines. We interact quite frequently also among airlines of the same region for the benefit of the community.

"We have long been feeling the first tremors of deregulation and keen competition especially from the low-cost carriers," he said. "Our joining the user community is facilitating us in reviewing our business model and adapting to a radically different world."

Formed more than 25 years ago, the user community for Airline Passenger Solutions includes representatives from more than 100 airlines from 23 countries around the world who help define product strategy for the reservations, inventory and departure control systems. During the past three

decades, the administration of the products has evolved into a well-defined community governance structure and process to ensure the collective priorities of airlines are reflected in product plans.

"Having been with Sabre Airline Solutions for 10 years and participated in previous customer-focused events, the new governance process is an improvement," said Monica Ornellas, director of information technology at Hawaiian Airlines. "Events are

**continued on page 72**

# TING T LL THER

■ By Dave Roberts,  
Sanjay Sathe and  
Elayne Vick  
*Ascend Contributors*

*a product that meets their needs now and in the future, they can draw upon the expertise of fellow professionals to better leverage the products they use.*

Being a member of a user community offers several benefits for airlines:

- By working closely with the IT provider, users can ensure that the product solves real-world issues.
- It provides a forum for representatives from airlines of different sizes, from different regions, using different operating models, to provide feedback, making for more robust systems.
- Members have an opportunity to interact with their peers to learn how they use systems to tackle various challenges.
- Working closely with the IT provider enables users to help shape future product direction to meet changing industry needs.
- The constant flow of information helps improve the usability of the product as well as ensure it contains the necessary functionality to solve industry challenges.
- Communication improves between the provider and the airline's analysts.

Beginning with its first product — the computerized reservations system — Sabre Airline Solutions has teamed with its technology users to develop strong user communities that work closely together. The model has been copied across the product portfolio, customized to fit the unique needs of each community. And, where appropriate, user communities work together across product lines to help push integration.

Two user communities — passenger solutions and flight operations — provide ideal examples of the ways airlines can benefit from participating in a user community with their IT provider. **E**

## Flight Ops Community

### Meeting the Complex Needs of a Vital Operational Area

Once aviation officials decided to decrease airway congestion by reducing the vertical separation between aircraft, airlines realized they would need an enhancement to comply with the new reduced vertical separation minimum, or RVSM. Well before going into effect, however, the updated RVSM guidelines were incorporated into Sabre Airline Solutions' flight operations suite of products. Members of the flight operations community were able to successfully comply with the revised RVSM on time and with a reliable tracking program —

all because airlines worked closely with the flight operations product team to prepare for the new government mandate.

In fact, during a 2001 focus group, airlines identified the new RVSM as their top product enhancement request, and it was introduced within months, giving airlines plenty of time to update their procedures before the new rules were in place.

Such cooperation between airlines and the flight operations product team ensures that products stay ahead of the curve, anticipating industry changes and incorporating

them before they take effect. Through various organized events throughout the year such as design committees, focus groups and users' conferences, airlines are able to help shape future product generations.

Since the inception of the product suite, both the flight operations team at Sabre Airline Solutions and system users have realized the value of working together. For more than seven years, the flight operations user community has benefited from a

**continued on page 73**

**continued from page 70**

scheduled in advance allowing us to plan ahead and increase our number of participants. Events are structured and focused to address both global and regional challenges. And, whenever possible, processes have been made available to us online, making participation convenient."

The guiding principles of the Airline Passenger Solutions community governance place a strong emphasis on airline involvement and input by:

- Involving them in defining and setting product priorities,
- Incorporating their deep industry knowledge and expertise,
- Ensuring regional needs are met through leadership of local airlines,
- Leveraging a shared-systems environment.

By helping shape the future product direction, the members of the user community play a vital role in making sure products continually evolve to meet their changing needs.

Last year, Cyprus Airways had an idea for a way to improve the reservations system. The airline noted that when a travel agent rebooks an itinerary on a canceled passenger

name record, the reservations system created a new PNR in the host partition rather than inserting the new itinerary in the original PNR. Because of that, the airline did not have all the information contained in the original PNR.

Cyprus Airways recommended an enhancement that would eliminate this situation and avoid the auto-cancellation of these records as not ticketed. After a vote by the Airline Passenger Solutions community, the enhancement was included in the 2004 product plan.

Throughout the year, airlines come together at various events to help provide recommendations about product direction and discuss ways to better utilize the products. Four primary forums facilitate collaboration among members of the user community:

- Customer conferences — A forum for airlines and the Airline Passenger Solutions team to discuss product plans and industry needs, gather input from airlines about their product and service needs, conduct roundtable discussions about industry trends, hold interactive product demonstrations, and interact with representatives from other airlines.
- Reservations review net conferences —



Sabre Airline Solutions employees demonstrate the Sabre® eMergo® Web-enabled and dedicated network solutions during a regional planning session in Bangkok, Thailand, last year. Delegates from eight Asia/Pacific carriers attended. Similar events were held for the Americas and Europe/Middle East/Africa.



Attendees at a recent Airline Passenger Solutions users' event enjoyed an evening of socializing at the Lone Star Park horse track in Grand Prairie, Texas.

Online conferences conducted four times a year to keep members of the community updated about quarterly enhancements.

- Product working groups — Community meetings designed to discuss existing and proposed functionality in detail, share and identify requirements for new and enhanced functionality, review designs for upcoming enhancements or new development, and conduct product demonstrations.
- Advisory board — A leadership meeting to discuss and review strategic product direction and set regional priorities. During the annual gathering, the 12 airline members, representing all regions, discuss product and service strategies.

"As a part of the Airline Passenger Solutions community, Jet Airways is able to interact with other airlines and understand how various products have been deployed in global markets with different practices," said Gaurang Shetty, vice president of marketing for Jet Airways. "It also provides a forum for airlines to discuss industry problems that are similar in nature across markets and seek solutions from Airline Passenger Solutions in a cost-effective manner."

Keith Smith, vice president of IT services for Air Jamaica, also said the user community provides an excellent forum for his airline to help shape future product direction.

"As a hosted customer, it is important for Air Jamaica to have some influence over the direction, technology choices and application enhancements," he said. "We do this in a few ways, all of which we have found beneficial to us such as regular involvement in the

**continued on page 74**



continued from page 71

symbiotic relationship. Sabre Airline Solutions relies on product users to validate the functionality of the product and its adaptability to the changing environment. The product users in turn rely on Sabre Airline Solutions to provide the technical expertise to develop leading solutions to make their jobs easier.

“User group meetings have enabled our airline to preview new functionality before it’s finalized in the product,” said Tom Powell, manager of operations control at Gulf Air. “We are able to make recommendations at that point that will make the product more efficient and usable. In addition, as a group, we must agree on the direction of the products by establishing priorities for development. The group participation has proved very beneficial to us in terms of operational efficiency and cost reduction.”

The interaction across the user community leads to direct improvements in the product. Input from a focus group led to the implementation of a safety feature in the Sabre® AirOps™ Movement Manager that helped curtail inadvertent disruptions in operations. The introduction of the concept of authorization created user access levels such as “no access,” “read only” and “read/write,” which ensured that only designated users could change specific data.

**Evolution of the Flight Operations User Community**

The original flight operations user community was formed when it became clear that much could be gained by working together to determine the direction the product should take, and users and the flight operations product team soon realized that



Photo by Elayne Vick

**During the annual flight operations users’ conference in Dallas, Texas, last year, eight attendees won a drawing in which they received an aerial tour of Dallas aboard a vintage WWII-era DC-3. More than 80 representatives from more than 35 airlines around the world attended the seventh annual event.**

everyone would benefit by pooling ideas and experiences.

As the product suite grew, additional product-specific user groups, or focus groups as they are known today, were formed at the request of airlines. These various groups began to meet concurrently at a single, pre-selected location, an event that has grown to become the annual flight operations and crew management users’ conference.

During the flight operations and crew management users’ conference, the

community reviews pertinent and relevant trends in the industry that are of interest to the entire group. This time together enables airlines to exchange information and ideas among the many attendees that represent other airlines, different geographic locales and different products.

The number of attendees at focus groups and users’ conferences has grown from seven or eight in the beginning to more than

**continued on page 75**

THE HIGH • LEVEL  
view

News Briefs from Around the Globe

**Who**

EgyptAir

**What**

Signed a consulting agreement to help enhance its business performance and develop management expertise in key areas.

**Why**

Consultants from Sabre Airline Solutions will work with the airline to improve financial and business performance through hands-on tactical changes and improvement in core commercial

functions. The engagement will focus on improving the effectiveness of the carrier’s network planning and scheduling; pricing and revenue management; and sales, marketing and distribution processes. [a](#)

## continued from page 72

quarterly net conferences, attendance and participation in the regional planning workshops, and participation in the global advisory board. This level of participation helps to improve our perception of the organization and its ability to both meet our long-term needs and resolve our immediate concerns when they occur.”

Outside of these meetings, members of the user community have several communications opportunities. The customer support Web site provides 24-hour-a-day, seven-day-a-week access to:

- Product information,
- Product plans,
- Overviews of upcoming enhancements,
- Enhancement rollout schedule,
- Documentation,
- Information about upcoming and past events and supporting materials,
- Training information and curricula,
- Help desk,
- Electronic submission and review of service requests,
- Resolutions guide,
- Frequently asked questions.

Members of the user community also receive *The Airline Passenger Solutions Insider*, a bimonthly electronic newsletter

that includes tips on how to more efficiently use passenger solutions, answers to frequently asked questions, updates on product development, the latest information on upcoming events and training classes, and discussion of industry issues.

The key to a successful product development community is a collaborative process that results in clear, relevant product direction. By gaining access to innovation and thought-leadership from airlines around the world, and by spreading the cost of enhancement across the community, each airline secures innovative, industry-leading capabilities at reduced costs.

Customer participation is key in the annual product planning process, which has been in place for more than six years. Product plans are created annually for all of the core applications within Airline Passenger Solutions to guide investments for the coming year. The product plan is evaluated each year through an iterative process of discussions and reviewed with customers at both the global and regional levels.

Airline Passenger Solutions gathers information for the product plan from multiple sources including direct input from the user community, data on product issues received by the help desk, and feedback from Sabre Airline Solutions account directors and devel-

opment groups. The product plan is compiled throughout the year and submitted to all airlines in the user community in June for their input. Airlines then vote on their top product-enhancement priorities.

Voting on the product plan is concluded by July, and regional meetings are held thereafter. The projects with the most votes are considered global needs and become top priorities in the product plan. All other projects receiving votes are divided by regions, and the regional meetings — for Asia/Pacific; Europe, Middle East and Africa; North America; and Latin America and the Caribbean — establish local priorities that will be funded regionally. Each region has 10 percent of the overall budget to spend on local projects.

A final list of global and regional projects is presented to the governing advisory board for its approval. The final global and regional product plan is completed and distributed to customers in early December. Product plan progress is reviewed throughout the year at several community forums.

In addition to the product plan, there are opportunities to pursue private or joint development. Because many carriers want to pursue products and services to differentiate themselves, they can initiate private development or joint development on an exclusive or non-exclusive basis.

The community continues to grow and evolve, and recent improvements include online submission of new ideas, weighted voting for carriers based on carrier size and regional planning sessions.

Based on airline feedback, there will be two rounds of regional planning sessions this year in place of an annual global users' conference. Although the objectives and agenda are similar to that of the users' conference, the planning sessions enable airlines to work more closely with other carriers in their region to prioritize region-specific product needs.

The user community enables the customers' voice to be heard, ensuring that products are customer-driven and meet the needs of a dynamic market. **E**

*Sanjay Sathe is Airline Passenger Solutions' director marketing strategy and product governance at Sabre Airline Solutions. He can be contacted at [sanjay.sathe@sabre.com](mailto:sanjay.sathe@sabre.com).*



**Representatives from various airlines team up to try to solve the mystery presented at the Mystery Dinner Theater in the Dallas, Texas, area. The trip to the dinner theater was a nice change of pace from the productive users' community meetings held earlier that day.**



continued from page 73

100 at the users' conferences. At present, Sabre Airline Solutions has focus groups representing flight planning and dispatch, movement control, and crew management. Because the focus groups, chaired by elected airline representatives, are designed to be administered by the airline user community, a formal charter has been developed to outline the flight operations group procedures. The focus group charter describes its specific objectives and goals:

"The users' group exists to enhance the performance of the (flight operations products) and provide a means for communicating product functionality within the industry. Through this formal organization, the product development process will receive vital input from all members. The objective of the group is to steer the product development to meet the needs of the industry."



Photo by Roland Hollis

During the users' conference, participants enjoyed an evening social event at a local flight museum.

Through joint meetings, community members share their needs and agree on a priority system to direct the annual development of the product, helping determine how best to direct investment dollars.

During the past several years, the focus groups have taken on different shapes and appearances to accommodate different industry and user needs. Today, in addition to the users' conference, many of the focus groups meet at least twice a year and are attended by the majority of airline users that participate in the maintenance program.

"The focus group concept provides an opportunity, as part of the wider flight planning user community, to be able to influence the strategic direction and development of the (Sabre® AirOps™) Dispatch Manager," said David Forbes-Dawson, flight dispatch manager for Air New Zealand, who has been a member of the flight planning focus group since its inception. "Also, it's a great opportunity to network with other Dispatch Manager users sharing ideas, problems and solutions."

Complementing the focus groups, design committees are newly formed groups that meet quarterly to review Sabre Airline Solutions' integration of its flight operations products into a common database and look and feel for system operations control centers. These quarterly meetings are held in person or via an Internet-based conference. During these meetings, users make recommendations about the direction of the next generation of flight operations solutions and provide feedback about the integration effort.

One of the most critical functional areas of an airline, flight operations plays a key role in making sure flights remain as close to schedule as possible, in compliance with legal and contractual obligations, and safe for departure.

Photo by Elayne Vick



Seven members of the flight operations steering committee led an interactive discussion during the users' conference.

The goal of the user community — to meet the needs of airlines — has been achieved through the exchange of industry information and the sharing of ideas to expand each product. Because aircraft and associated technology change rapidly, government flight regulations change rapidly also. To remain legal, airlines must adhere to these regulations or face grounding by government inspectors. The flight operations user community shares this information and works with Sabre Airline Solutions to ensure software modifications are timely and accurate. **E**

*Dave Roberts is director of flight operations, and Elayne Vick is a marketing advisor for Sabre Airline Solutions.*

*They can be contacted at [dave.roberts@sabre.com](mailto:dave.roberts@sabre.com) and [elayne.vick@sabre.com](mailto:elayne.vick@sabre.com).*

# THE HIGH • LEVEL view

News Briefs from Around the Globe

## Who

duo Airways

## What

Installed the Sabre® FliteTrac system to facilitate the airline's business and regulatory requirements for monitoring flight status, which will help the

airline's operations personnel readily monitor the status of flights in line with business and regulator requirements.

## Why

"We are extremely impressed with this product," said Richard King,

operations manager for duo Airways. "All too often software packages fail to deliver against expectations. The FliteTrac system is an exception to this industry norm — not only does it deliver what we wanted, it does more." **E**