

# SKIFT MAGAZINE

Megatrends Defining Travel in 2016





## 9. BUILD YOUR OWN PASSENGER EXPERIENCE IS THE FUTURE OF FLYING

by Marisa Garcia

*For decades, flying has been predictable, reliable but a bit boring. Limited reservations systems, and long lead times to adopt change, kept airlines stuck in a sales rut, offering customers little or no flexibility*

**M**arket shifts, customer demand and the emergence of new technologies are changing that model to a fully customized experience.

Airlines have broken up their total product costs, selling anything beyond the right to fly as add-ons. The urge to reap profits from unbundling has forced changes to reservations systems, allowing airlines to sell unique product combinations. They can now offer ancillaries at the time of booking, and closer to the date of travel through email and SMS promotions.

Airlines like Finnair increase send well-timed emails to Economy ticket holders offering limited-time upgrades to business class. This is an effective work around to premium "sticker shock" at the time of booking.

Airlines are also beginning to use apps to sell products and services at the right time, during the journey, when passengers are less price sensitive and more open to suggestions that solve specific problems.

The next step is digitally driven. As reservations and sales systems become more sophisticated, on-the-spot solutions via mobile and with apps could allow better ancillary sales onboard.

### ► SKIFT TAKE:

**BYO** doesn't have to be a bad thing and the best airlines will convince passengers its even better than old-school frills.

JetBlue is already ahead of this trend, making it easier for passengers to buy in-flight food and beverages with Apple Pay on their Apple Wallet or through the airline's app.

On passenger's personal electronic devices and even on airlines' in-flight entertainment systems, airlines can sell more ancillaries including last minute upgrades to empty premium seats, lounge access during connections, duty-free items shipped home, in-flight meals, comfort products, premium entertainment, hotel reservations, ground transport, special events, tours—nearly endless combinations.

Some of personalization is already becoming part of the airline passenger experience today. Airlines will offer new features at an accelerated rate as they profit from these new sales models, and technology makes it easier.

Despite initial consumer resistance to unbundling, everyone wants to have a better trip and they want control. If what airlines offer their customers solves a problem, and enhances the flying experience, passengers will dig into their wallets.