



AIRLINES AND AIRPORTS LOOK BEYOND THE INDUSTRY TO IMPROVE DIGITAL RETAIL

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At the recent International Air Transport Association (IATA) World Passenger Summit in Hamburg, **airlines** and **airports** discussed the challenges posed by emerging technologies and the solutions or models which could be found outside the industry to help drive change.

Brian Cook vice president and General Manager for the Global Practice Travel and Transportation Industry at HP Enterprise, said North American airlines are now actively hiring innovators with fresh “outsider” perspectives.

“We’re seeing a trend in North America where the traditional airline CIO is now coming from a more retail or non-airline background,” he said. “There’s enough experience inside the airline to run the systems they need to run but there’s a lack of real innovation in the IT organizations to get us towards that Amazon-like look and feel that true retail or immersive retail experience and getting us into that storefront.”

Motivating that search outside the industry for more creative approaches is what Cook identified as an issue of “trust,” or lagging consumer confidence in airlines as retail outlets for their services.

“A simple example of where we don’t provide trust today is that the average consumer is spending something in the range of four to six hours looking for leisure travel. They’re checking all the different sites, over and over again to make sure they get the best value,” Cook said. “I think addressing that, bringing a digital storefront to the consumer where he can actively see the product, immerse himself in the product, and understand what’s different about the product and that the product that’s being offered to him is a product that he wants. So it’s personalized and tailored to him.”

While recognizing the importance of building that trust with consumers, the airline industry confronts technical difficulties managing change to accomplish its goal of an improved, personalized passenger experience. Technology grows, and disruption happens, at speeds that exceed the development capabilities of many in-house IT departments.

Sharing an airport-airline collaboration perspective, Heathrow’s CIO, Stuart Birrell, also said getting outside help is essential.

“You look at the complexity of what the consumer wants. It’s shifting so much none of us can match and provide everything they need,” he said. “My attitude and my approach is letting the ecosystem do their work on our behalf. They’re much better at it. They can maintain it and develop and publish it.”

To a degree, airlines are trying to leverage group expertise to speed these capabilities along.

For example, during the World Low Cost Conference in London this year Vueling’s CEO Alex Cruz [credited hiring digital natives with part of the airline’s success at digital innovations](#). He also said that the IAG Digital group helps members rapidly deploy innovations.

Dennis Tierney vice president membership and customer experience for the oneworld alliance, of which IAG airlines are members, said at the IATA World Passenger Summit that the oneworld alliance is also focusing its know-how on helping partners improve back-end systems.

Because oneworld brand airlines have strong and distinctive brands, Tierney explained, the group does not tamper with members customer-facing platforms but it does facilitate systems improvements and integrations.

“We’re doing work behind the scenes to help members do things, across with their partners, so that [their partners] have access to APIs..[and] can provide the service. But it will be through their own brands right now.”

Cook believes that airlines can adopt best practices from leading airline retailers to become strong retailers themselves.

“I think it’s absolutely doable. The technology is there today. There’s been proven models,” he said. “Uber is somewhat of an innovative retail model. Amazon is not so much innovative as a de-facto norm, but there’s no reason why this industry can’t pursue those visions and get to it if we adopt the technology and support the business in the direction that they want to go.”

04 NOVEMBER 2015

SOURCE: SKIFT

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