

# Thinking like a retailer

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Airline merchandising



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# Foreword

## The introduction of new merchandising techniques is fuelling a revolution in how travel is purchased.

Simply put, merchandising is about providing the right product and service to the traveller, delivered through the right channel, and at the right time, in a way that is visually appealing and easy to understand.

Merchandising matters to airlines because it is a vital tool to improve traveller satisfaction and secure competitive differentiation. However, it also matters because it represents a significant opportunity to drive up revenues and yield.

At Amadeus, we are committed to understanding how airlines can deploy effective approaches to merchandising. We welcome this report by Frost & Sullivan as it provides a comprehensive overview of the opportunity for the industry, as well as strategic insights into the components of a successful merchandising strategy.

This study allows every part of the travel industry to better understand the impact of different merchandising techniques. It is this understanding of what works, and what doesn't, that is crucial for our airline partners, and for us, as we prioritise investments to better support merchandising capabilities.

This study also goes one step further. It outlines the key elements that must underpin a successful merchandising strategy, whether that is better knowledge of the customer journey; how to combine different techniques for maximum impact; the importance of tailoring to the channel; or taking into consideration the impact of service and price. This study provides an invaluable resource for all of us interested in making the most of the merchandising revolution.

We have always been focused on helping our airline customers leverage the many and evolving opportunities that are present in the dynamic travel industry.

Today, it is clear that those opportunities can only be maximised by shifting to a retail mind-set. To that end, we will continue to invest in developing the solutions that will support our airline customers to make this transition.

It will be exciting to see how the merchandising revolution continues to change the face of air travel in the coming years, for both travellers and airlines alike.

As we work with the industry to shape the future of travel, we look forward to collaborating with our airline partners to help them execute their merchandising strategies successfully.

### **Julia Sattel**

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# Methodology

Frost & Sullivan combined various research approaches; including airline executive interviews, end-traveller surveys, external industry best practice interviews, in-house syndicated research, and internal expert interviews.

We utilised our internal pool of syndicated research and the expert analysis of Frost & Sullivan's Digital Media and Mobile & Wireless Communications industry research groups. We interviewed 15 airline executives across 6 continents, ranging from low-cost to full-service carriers, and we spoke with a dozen best-practice companies within and outside of the travel space. To conclude, this qualitative research was tested through an end-traveller survey of 306 respondents across 5 key markets around the world – Germany, UK, USA, Brazil, and Singapore.

The survey sample can be summarised as follows:

- Germany – 21%, UK – 21%, USA – 20%, Brazil – 19%, and Singapore – 19%
- 50% messaging generation (20-39 years old) and 50% voice generation (40 or older)
- 41% business travellers and 59% leisure travellers

Retail best practice figures, data from airline interviews, industry data, and survey results are the main inputs used to calculate ROI estimates. With these concrete figures, this study provides a comprehensive view of airline merchandising along with recommendations for airlines to improve their merchandising strategies.

Split by country	OVERALL SAMPLE	Germany	UK	USA	Brazil	Singapore
	306	63	62	61	60	60
Split by generation	OVERALL SAMPLE	Germany	UK	USA	Brazil	Singapore
Messaging generation	152	31	30	31	30	30
20 to 29 years old	47	7	7	9	14	10
30 to 39 years old	105	24	23	22	16	20
Voice generation	154	32	32	30	30	30
40 to 49 years old	69	14	8	12	24	11
50 to 59 years old	41	7	9	4	5	16
60 to 69 years old	37	11	13	10	1	2
70 years old or more	7	0	2	4	0	1
Total sample	306	63	62	61	60	60
Split by type of traveler	OVERALL SAMPLE	Germany	UK	USA	Brazil	Singapore
Business traveller	126	25	24	26	25	26
Leisure traveller	180	38	38	35	35	34
Total sample	306	63	62	61	60	60

# Thinking like a retailer: Airline merchandising

Despite huge growth in the number of travellers carried, airlines are struggling to turn demand into profits. With high fuel and labour costs as well as intense competition and diminishing yields, industry profit margins remain weak at 1 to 2%. With the business of flying under extreme pressure, airlines have invested in additional services to drive revenues. Additional services now contribute an estimated €10 per passenger globally. Without ancillaries, airlines would be losing money from their core seat product. The shift from providing only a core seat product to providing a variety of travel services has been slow and still has a long way to go.

Providing travel services demands a customer-centric attitude based on an understanding of traveller needs and desires. Airlines have traditionally offered a few services such as extra baggage, seat upgrades and some third-party services (e.g. insurance, hotels and car rental). However, this patchwork of services was typically introduced to maximise revenue. It was not part of a broader customer experience strategy, attempting to meet and exceed traveller expectations throughout the duration of the journey and beyond.

By redefining the airline business as a travel experience business, airlines can significantly enhance the revenue opportunities generated by satisfied travellers, over time. Flights should be viewed as just one of many products. Services should be offered to meet both the practical needs and the more emotional desires of travellers, for example, airport discounts and destination activities. Airlines offering services designed around the travel experience really differentiate their brand. To be successful, airlines must think like retailers and critically focus on adopting effective merchandising techniques.



## The merchandising opportunity

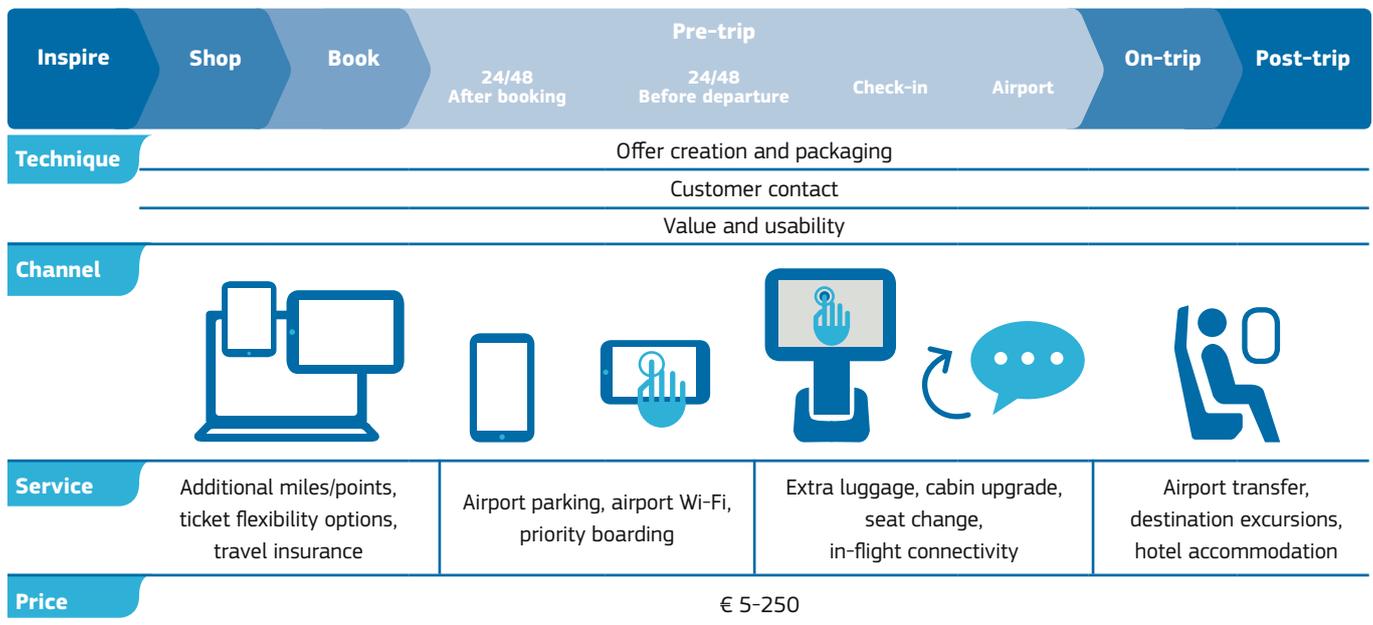
79% of travellers prefer to buy services from the airline directly

Retailers have developed sophisticated merchandising techniques to better serve their customers. Considering the needs of customers as a priority over short-term profitability should be the starting point when applying any merchandising technique. If needs are met, revenues will follow. Customers must feel that they are deriving value from a transaction, not that they are being exploited. With excess baggage and seat charges, many airlines have made the traveller feel like they are being squeezed rather than served.

To maintain a customer-centric focus, it is vital that both revenue generation and customer satisfaction be measured rigorously. KPIs for revenue generation (e.g. ancillary revenue per passenger, basket size, and conversion rates) should all be used. Likewise, KPIs should be designed around customer satisfaction (e.g. net promoter score, awareness, attitudes, usage (AAU) metrics and customer price sensitivity).

KPIs for digital success should also measure session length, retention rates, active users and load times.

The good news for airlines is that as they move into the travel experience space – currently occupied by hospitality companies, travel agents, and tour agencies – they have a huge competitive advantage. Our research shows that 79% of travellers prefer to buy services from the airline directly rather than a third-party. The airline commands a very high level of trust, which can be leveraged to sell additional services. Airlines must develop a merchandising strategy that brings together five critical elements – customer journey, technique, channel, service, and price – all of which should be integrated with an airline's personalisation strategy and techniques. Airlines must use the traveller data they collect to personalise every offer made to individual travellers. Personalisation of offers increases relevance, conversion and revenue.



\*Not in order of importance

# The importance of the customer journey



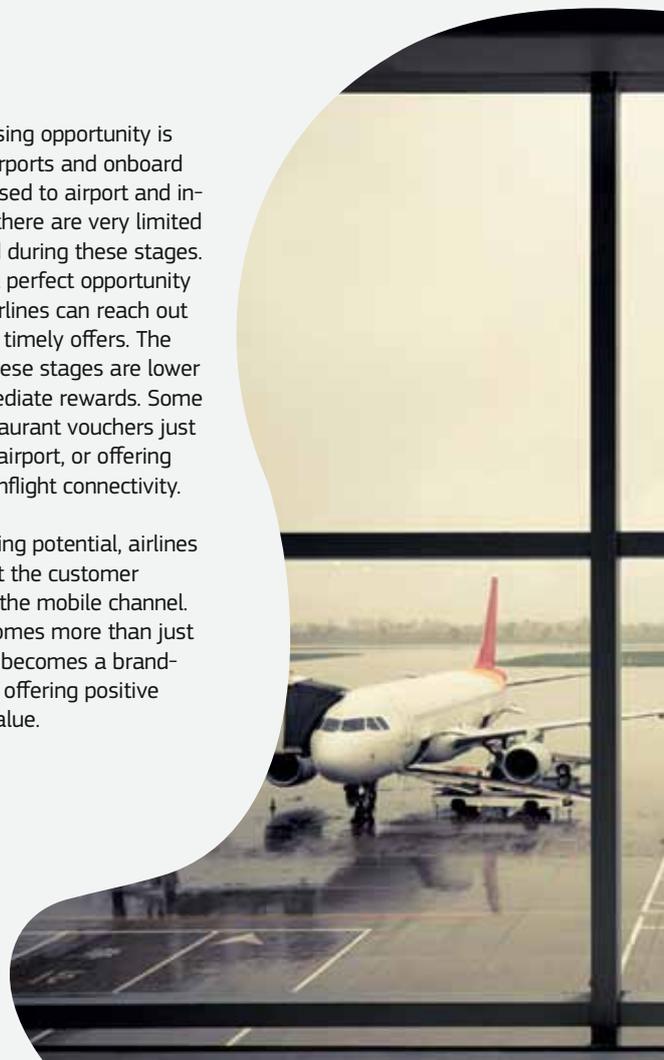
Timing – the time during the customer journey at which an offer is made – is the first key consideration. Timing is important because travellers are more open to offers (and need more help and guidance) at certain stages of the journey.

Our research shows that the best time to reach a traveller depends on the specific offer. There are, however, certain moments in which travellers are in a purchasing mind-set, thinking about their trips and the different components they will need. This typically happens during the booking stage and 48 hours before departure. The booking stage is the ideal time for airlines to approach the traveller with big ticket items that require thought and comparison such as hotels, insurance and entertainment. Two days prior to departure is when travellers begin to focus on airport parking, transfers, luggage and other logistics of their trip.

A quarter of travellers are open to receiving offers when they are back at home, considering their next trip. This is a need that very few airlines are currently meeting and a great growth opportunity, especially with frequent travellers.

Another significant merchandising opportunity is the time travellers spend at airports and onboard flights. Airline customers are used to airport and in-flight duty-free shopping, but there are very limited other types of services offered during these stages. The mobile channel provides a perfect opportunity to change this. With mobile, airlines can reach out to travellers with relevant and timely offers. The best services offered during these stages are lower priced services providing immediate rewards. Some examples include offering restaurant vouchers just before travellers arrive at the airport, or offering flight-based services such as inflight connectivity.

To maximise their merchandising potential, airlines must offer services throughout the customer journey, effectively employing the mobile channel. If an airline can do this, it becomes more than just a commodity flight provider. It becomes a brand-differentiated service provider, offering positive experiences and adding real value.



# The importance of merchandising techniques

Timing combined with the appropriate merchandising technique will optimise customer engagement. Merchandising techniques can be grouped into three categories:

1. Offer creation and packaging
2. Customer contact
3. Value and usability

## Offer creation and packaging techniques

With base fares being forced ever downwards through competition, the industry has coalesced around the idea of bundling services to increase revenue per passenger. Bundling is not necessarily at odds with customer satisfaction; the key is to offer simplification and choice. The traveller wants the ability to pick individual services both à la carte and in a bundle that offers tangible value. Airlines must focus on ensuring they clearly communicate that value to the traveller.

### Value-added bundles and a la carte

With 50% traveller interest, the most popular way to purchase services is in a value-added bundle, in addition to the flight, in this case not personalised, and comprised of airline and/or third-party provided services. The traveller is clearly looking for a solution or bundle that improves the overall travel experience.

Our survey results show that travellers have no preference as to the number of different services

offered in a bundle: 33% would prefer two, 32% would prefer three, and 35% would like to see as many as possible. Instead the value can be added either in terms of price by making it cheaper to buy in a bundle than individually, or by improving the travel experience by simplifying the purchasing process meal, which is or allowing for more flexibility.

A well known example is the McDonalds Extra Value Meal, which is cheaper than the burger, fries and drink purchased individually. The TV industry has been very successful with packaging as well. They create channel bundles based on the varied interests of their customers, (e.g., movies, entertainment or sports) and these bundles add value and simplify the buying process. To airlines, this simplicity could mean a bundle of services that improve the travel experience (such as reducing waiting with priority security, priority boarding, and airport transfer), or increases comfort with extra legroom, premium in-flight headphones, and a destination spa experience. The value the traveller gets from a particular bundle must be completely clear.

Investing in value-added bundles will increase basket size by €14-19. While this technique does not offer the highest ROI of all the packaging techniques, it does provide the best balance between revenue generation and customer satisfaction.

A la carte is the second most popular way to purchase services, with 34% traveller interest. Airlines understand the traveller desire to have services offered individually. Despite the fact that bundling generates greater revenues, airlines should also offer their services à la carte, as it gives choice and flexibility to their customers.

Value-added bundles will increase basket size by €14-19

Technique	Traveller interest	Airline interest	ROI
<b>Value-added bundles</b>	50%	98%	Increase basket size +€14-19
<b>A la carte</b>	34%	95%	Increase basket size +€5-10
<b>Personalised packs</b>	22%	83%	Increase basket size +€30-35
<b>Subscriptions</b>	28%	62%	Increase ancillary revenues by 2%
<b>Options/bidding</b>	25%	50%	Increase ancillary revenues by 2%
<b>Fare families</b>	11%	40%	Increase basket size +€19
<b>Branded fares</b>	15%	25%	Increase basket size +€12-15

### Personalised packs

Personalised packs is a packaging technique by which tailored bundles of both airline and partner services are offered to travellers based on known, observed, or assumed personal preferences. There is a huge interest from airlines (83%) and relatively little interest from travellers (22%) in this type of offer. The ROI for this technique is an increase in basket size of up to €30-35 – the highest increase of any packaging technique.

Some elements of personalised packaging are already in place, using data such as frequent flyer tier and cabin class. However, truly personalised offers using granular customer relationship management (CRM) data, purchasing history, social media, clickstream data and location-based data will significantly improve customer response. There is still much apprehension from consumers around personalised services. To improve customer take-up and to avoid a customer backlash, there must be widespread education of the market as to what sort of data is being collected. But the trend will not be reversed. Retailers are tooling up for the personalisation competition in which the most effective tool will be data.

### Subscriptions

Subscriptions are a pricing model whereby a single service or group of services are offered for a monthly, yearly or seasonal fee. Subscription packaging offers value to some business travellers and frequent flyers because the value of a subscription is tied to frequency of use. A monthly gym membership is valuable if you visit the gym twice a week, but if you only go once a month then the membership is not the right option. The same is true of airline subscriptions. The limited appeal of this model means that it can only increase additional revenues by 2%.

### Branded fares and fare families

The least popular types of packages are branded fares and fare families. Only 11% of travellers are interested in fare families, purchasing the flight and services/conditions together, and just 1.5% in branded fares, selecting a pack of services/conditions separately from the fare. Such low interest from travellers suggests that they do not see the value-add in these types of packages. Airlines perfectly understand the distinction between packages because they are heavily invested in these methods, whereas travellers not appreciate the nuances between different packages. Airlines need to remove complexity and be explicit about the value of each bundle.

It is possible that travellers are uninterested in branded fares and fare families because their value has not been well communicated to the market. Branded fares and fare families can offer simplicity and consistency. Short videos, infographics and visualisation tools should be used to help the traveller understand the offering, rather than showing a long list of tick boxes as is often seen today. If communicated more effectively, packaging services in a fare family bundle will increase basket size by €19, compared to €12-15 for a branded fare bundle.

- Personalised packs increase basket size up to €30-35

- 76% of travellers feel that a context-aware email could persuade them to make a purchase
- Open rates and click through rates increase by 100% with context aware emails

### Customer contact techniques

The way in which the traveller is made aware of an offer is sensitive, as striking the balance between a relevant customer contact and irritation can be difficult to achieve. 51% of travellers stated they only want to be contacted if they have specifically authorised it, and 16% of travellers stated that they do not want to be contacted directly at all. These percentages vary significantly between regions. Of the customer contact techniques, context-aware email and push notifications are the most effective.

#### Context-aware email

76% of travellers feel that a context-aware email could persuade them to make a purchase that they otherwise might not have considered. The relevance of email is always being questioned, as newer more fashionable communication tools emerge such as Twitter, Facebook and Snapchat.

Today, however, these tools primarily serve communication needs, not yet acting as robust sales channels. Over time, these platforms may develop into more robust sales channels, but traveller preferences will take longer to change. In a foreseeable future, email will remain dominant.

Post-click metrics show that email creates a conversion rate of 3.19%, compared to 1.95% for search and 0.71% for social media. The shift to mobile has not diminished the relevance of email, with 65% of emails read first on a mobile device. An email triggered by context enjoys a 50% open rate compared to 28% for non-context email. Likewise, the click-through rate for context-aware email is 10% against 5% for non-context emails. Implemented effectively, context-aware email notifications will lead to a 5% improvement in conversion.



Technique	Traveller interest	Airline interest	ROI
<b>Context-aware email</b>	76%	83%	+5% conversion
<b>Push notification</b>	49%	95%	+10% conversion
<b>SMS reminder</b>	33%	25%	<2% improvement in conversion
<b>Social media</b>	33%	40%	<1% improvement in conversion

## Push notification

Push is a permission-based mobile application customer communication technique and a hugely important marketing channel. Airlines show a 95% interest in this technique, clearly understanding the importance of push for their future. However, only 49% of travellers feel this technique would persuade them to make a purchase. This number will increase as travellers become more comfortable with the medium, and apps are able to find a better balance between notification frequency and the point of traveller irritation. We already see a 540% increase in daily app openings compared to not pushing out the notification and see three times faster response than email. As the push notification delivery system becomes more intelligent and learns to prioritise notifications, the push notification experience will significantly improve.

The best push notifications are personalised, contextual, timely, and relevant. Push notifications should not be used as mobile email replacements. If push notifications are overused, the traveller will disregard, disable or even delete the app. If airlines use push notifications to deliver authorised, personal, contextual, timely, and relevant offers they will drive a 10% improvement in conversion. This is greater than email, and second only to user interface optimisation. As we begin to develop more sophisticated push notification functionality such as one-click purchasing and anticipatory notifications, we are likely to see even higher conversion rates.

## Value and usability techniques

These types of techniques improve conversion by providing clear value and ease-of-use. User interface optimisation must be the cornerstone of any merchandising strategy. Not only is user interface optimisation the single most important driver of conversion, it is also an important tool for brand-building. Travellers are most interested in user interface optimisation followed closely by promos and third-party deals.

- Push notifications increase daily app openings by 540%
- Push notifications are responded to 3 times faster than email

Technique	Traveller interest	Airline interest	ROI
<b>User interface optimisation</b>	73%	98%	+10-20% conversion
<b>Promos and third-party deals</b>	72%	71%	Increase repeat sales 60-70%; increase in ancillary revenues by 10-15%
<b>Paying with miles</b>	39%	82%	Increase repeat sales 40-50%
<b>Photo/video integration in flow</b>	48%	57%	Increase conversion by 69%; Increases basket value by an average €45
<b>Peer recommendation</b>	24%	45%	<2% improvement in conversion. Very small opportunity



— User interface optimisation must be the cornerstone of any merchandising strategy

### User interface optimisation

Travellers and airlines agree that user interface optimisation is very important. This is the technique of employing a variety of tools to make it easier for travellers to find and discover the content they want, in order to deliver an engaging customer experience. This technique is much more than just improving the website, it is about focusing on front-end development and meeting traveller needs. Travellers increasingly use Airbnb to book accommodation and Hipmunk to find flights, and these sites make it easier than traditional sites for travellers to find what they are looking for or discover something new. Travellers may not have the patience to look around to interpret information and locate what they need.

Every detail on the website or app is important. Expedia found that by removing one superfluous

question on the booking form, they were able to bring in an extra €9m in revenue. The website remains the dominant digital storefront, making it the most important tool an airline has, to engage meaningfully with travellers. On average, optimising the user interface drives between 10-20% improvement in conversion.

Travellers want to be able to access information and make a purchase across a range of devices. Airlines should ensure that they offer those capabilities in a way that is optimised for the device. Conversion rates for tablets are currently a bit above PC, and this gap is likely to increase as apps become more sophisticated and in-app purchasing becomes commonplace. Therefore, an airline that does not have a tablet-optimised website and a dedicated tablet app may be leaving money on the table.



Whilst this technique may seem like a hygiene factor, it obliges more than just technical capabilities. Succeeding in user interface optimisation requires a deep working relationship between product, sales and marketing to ensure the organisation has a customer focus. To retail effectively, the user needs to become the first consideration in product development.

### Promos and third-party deals

Promos and third-party deals are the second biggest opportunity for airlines in this group of merchandising techniques. Promos refer to airlines discounting their own offers, and third-party deals cover a large scope of offers. With 72% traveller interest and 71% airline interest, the value of this technique is clear. Execution will be difficult with third-party providers, as it will require commission deals with retailers and other service providers like airport restaurants. Non-personalised promos and third-party deals offer clear value to the traveller and will increase additional revenues by 10-15%, whereas personalised offers oblige airlines to collect and aggregate more traveller data to improve targeting. If that can be done, the airline is likely to see an even greater increase in revenues.

### Photo/video integration in the booking flow

Photo or video integration in the booking flow is important to 57% of airlines against 39% of travellers. The purpose of this technique is to improve the experience of the booking flow, driving conversion and further purchases. Vidyard, a video marketing company, found that embedding videos increases conversion rates by 69%, and adding a video onto the website also increases the time spent by the traveller on the site by 100%.

Video and photo content becomes even more important on a mobile device as there is strong correlation between photo-video integration and impulse spending. However, videos and photos should only be added if they do not adversely affect speed and performance. Executed correctly, airlines can expect up to a 69% increase in conversions.

### Paying with miles

Airlines may be overestimating traveller interest in paying with miles, with as little as 29% of travellers wanting this option. If the vast majority of travellers do not see the value in using miles to pay for flights or services, this may be a reflection on the availability and usability of these offers today. Many frequent flyers perceive the value of miles earned in airline loyalty programmes to be diminishing. In order for this to change airlines must better communicate the value of paying with miles to both high and low-frequency travellers. Airlines must make it easy to collect, track, and spend miles using mobile apps, and enable travellers to use miles to make smaller value purchases (e.g. meal upgrades or in-flight connectivity).

Reducing the transaction cost and the friction associated with miles will prove popular with lower-frequency travellers. Otherwise, shopping in miles will be limited to a small segment of high frequency travellers of whom 70% participate in two or more programmes. We believe that those travellers who shop in miles will increase repeat sales by 40-50%. From this perspective, it can be a very lucrative technique if executed well.

— Embedding videos increases conversion rates by 69% and time spent on the site by 100%



# The importance of channel

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## Conversion rates:

tablet: 2.6%

PC: 2.51%

smartphones: 0.79%

## The PC should not be forgotten

With the emergence of mobile as a direct sales channel, airlines now have the ability to reach travellers at every point during their journey. Despite the growing importance of smartphones and tablets, travellers still overwhelmingly prefer to use the PC to purchase additional services. For planning-based services, 63% of travellers prefer to make a purchase on a PC versus 56% of travellers for destination-based services. Predictably, the number falls slightly for airport and flight based services, but the PC is still the dominant channel.

These findings do not suggest that the PC will always remain the most important channel and that travellers are reluctant to use other channels. Rather the findings suggest that the experience and services offered through other channels are still relatively weak. The PC – and the web interface – is what travellers know and are used to, but as more sophisticated experiences and apps are provided by airlines, the mobile channel will become more compelling. The importance of the PC may diminish, but it will remain an important channel for airlines. It is unlikely that the smartphone will replace PC usage simply because of the smaller form factor and complexity of many of the services offered. However for cheap and simple airport and flight services, the smartphone offers real-time engagement that can tap into impulse behaviours.

It is critical, when designing a merchandising strategy, to understand the different purchasing behaviours and the relevance of merchandising techniques to different channels. What works for the PC will not automatically work on a tablet and what works on a tablet will not necessarily work on a smartphone. Airlines must collect usage data to understand how their customers interact on a PC, on a tablet, and on a smartphone; and they must design experiences based around this understanding.

## A tablet is more like a laptop

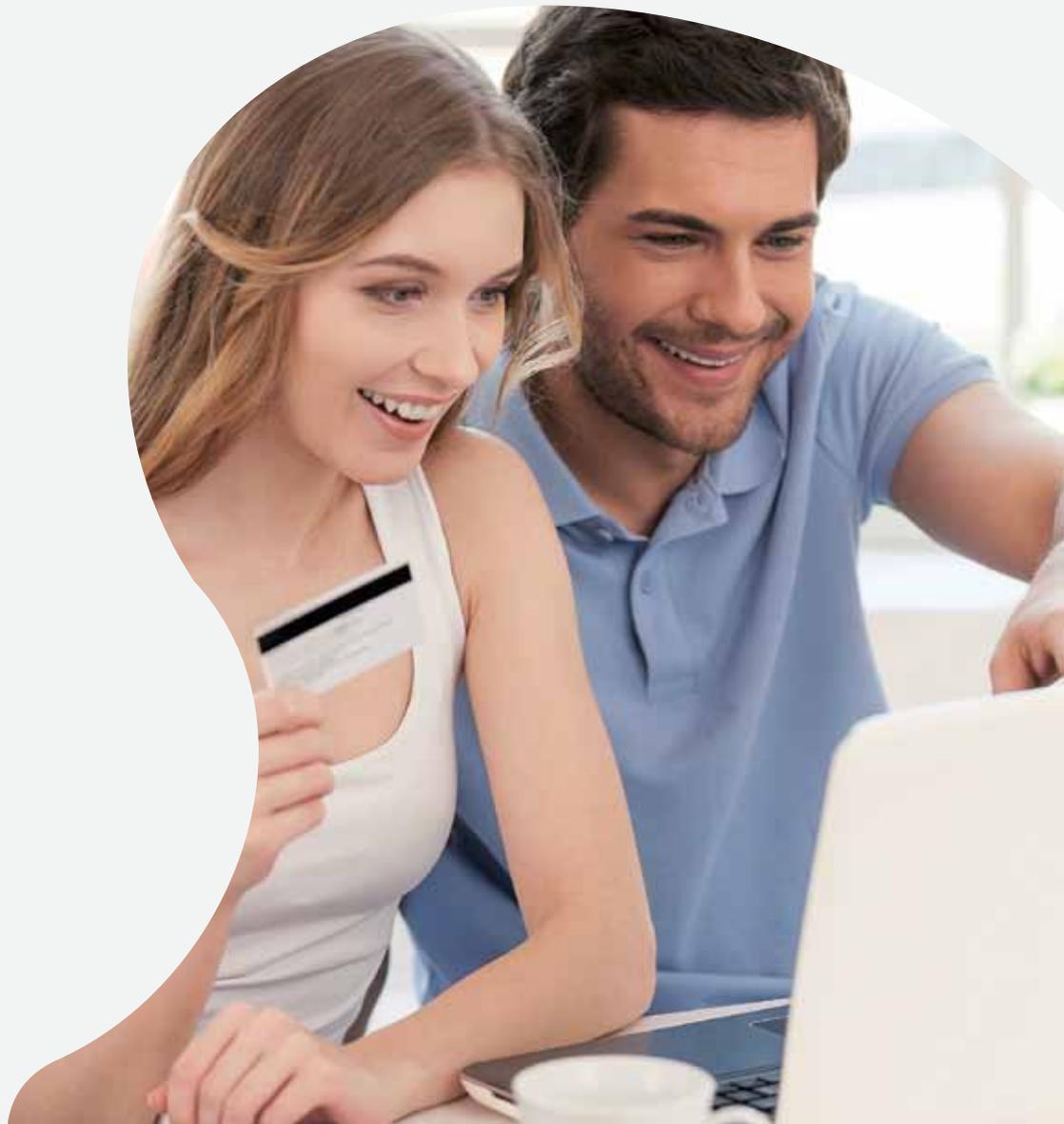
Tablets, despite being classified as part of the mobile channel, should be considered more like a laptop. Tablets are more portable than laptops but are used in much the same way. Just as laptops replaced many desktops, tablets are replacing laptops. They are used predominately in the home, mainly with Wi-Fi connections. Unlike smartphones they are not always connected to the internet or always with the user. Tablets (at 2.6%) have higher conversion rates than PCs (at 2.51%) and smartphones (at 0.79%), making it crucial to develop tablet apps with full purchasing functionality and simple transaction flows. Tablets are the ideal channel for larger purchases that are complex and expensive, such as rental cars, hotels, and travel insurance.

# Using personalisation to drive sales

With airlines able to collect and analyse more and more traveller data (including mobile app and social media behaviour, session history from in-flight connections, travel history and previous purchases), it is essential that this information be captured, stored and shared, to create a single unified traveller profile which will enable targeted merchandising. Just as Amazon disrupted the publishing industry with a big data approach to retailing, and Netflix disrupted the video-on-demand market to provide personal video recommendations, an airline must use the

data it collects to provide a more personalised experience to its customers. As airlines begin to move deeper into the end-to-end travel experience space, personalisation becomes even more important. Using big data tools, travel companies such as Airbnb and Kayak are personalising search results around user preferences, social connections, rental history and other web footprints such as reviews. In the competition for additional service revenues, airlines must compete against data-centric travel companies.

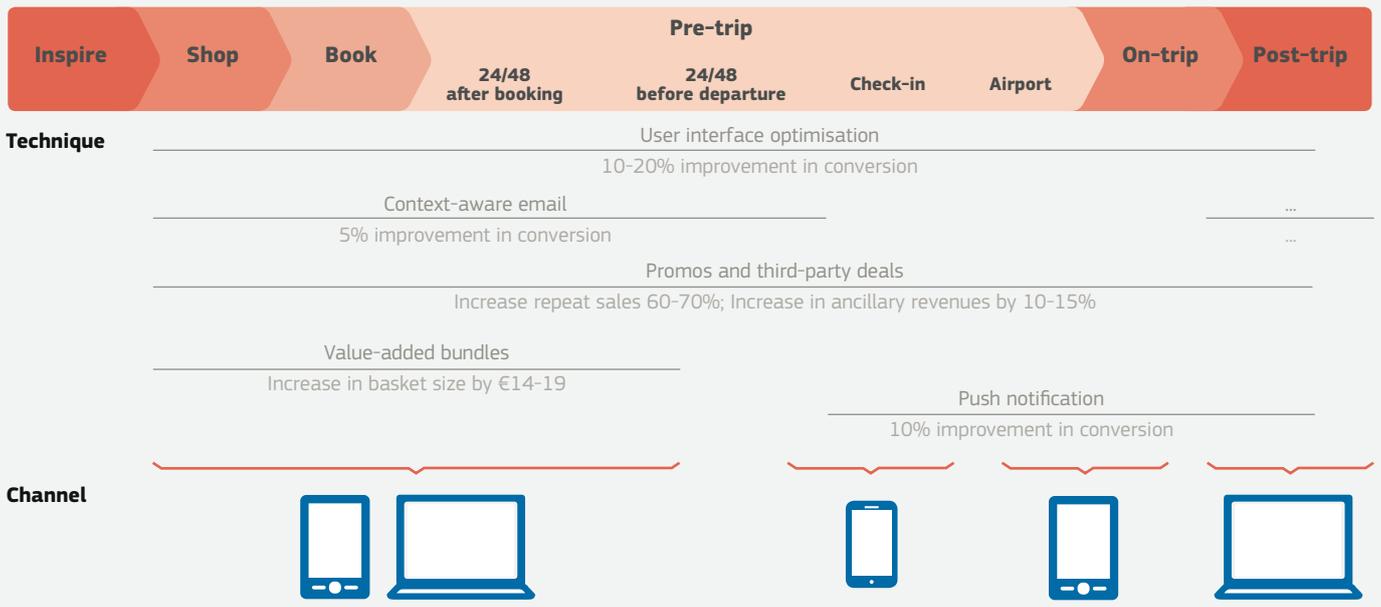
- 26% of travellers are more likely to respond to messages tailored to personal interests
- 22% of travellers are more likely to respond to promotions that are specific to their location



# High priority merchandising techniques

Frost & Sullivan has identified five merchandising techniques that airlines must treat as high priorities, if they are to meet the needs of travellers and drive profitability. The following diagram shows each of the high-priority

merchandising techniques, the ROI improvement, the best time during the booking flow for the techniques to be implemented, and the best channel to reach the traveller.



\*Not in order of importance

# High priority mobile opportunities

With an average of 49%, the most important factor for travellers when purchasing services on a smartphone is ease of use and good navigation. This is followed by easy payment process with 42% and strong security with 41%. Brazil shows some regional variation in motivations, with 38% of travellers stating that a variety of payment options would motivate them to make a purchase compared to the average of 23%.

Frost & Sullivan has also identified the most important opportunities for airlines through the mobile channel. The diagram below shows each opportunity and the ROI airlines can expect.



# The last word: Brand and merchandising for improved profitability

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Airlines are exploring new types of travel services to add value to their customers and improve profitability, but they are selling these services with a traditional airline mind-set. Instead, airlines should behave like retailers, meaning that merchandising must be core to their strategies.

Airlines have a strong competitive advantage with a wealth of traveller data and the trust of their customers. They must leverage this data and trust to deliver personalised and relevant services. Airlines must embrace merchandising techniques that strike the right balance between yield and customer satisfaction. The key to future success lies in brand development and the delivery of real value that will create customer stickiness. By broadening the product portfolio beyond flights and just a few high-yield services like excess baggage, airlines have the opportunity to move up the value chain, away from price-driven flight products, towards brand and experience-driven travel services.

Moving up the value chain requires investment in five key merchandising techniques: user interface optimisation, context-aware emails, promos or third-party deals, value-added bundles, and push notifications. Each of these techniques must be personalised to the traveller using as much data as possible, to ensure relevance. The mobile channel provides an opportunity to target the unmet needs and desires of travellers during the airport and on-trip stages of their journey. If airlines adopt a retailing mind-set to merchandising and invest in the techniques and opportunities that we have identified, we believe airlines can become leaders in the travel experience market and usher in an era of profitability.



## About Frost & Sullivan

Frost & Sullivan, the growth partnership company, works in collaboration with clients to leverage visionary innovation that addresses the global challenges and related growth opportunities that will make or break today's market participants. For more than 50 years, we have been developing growth strategies for the Global 1000, emerging businesses, the public sector and the investment community. Is your organization prepared for the next profound wave of industry convergence, disruptive technologies, increasing competitive intensity, Mega Trends, breakthrough best practices, changing customer dynamics and emerging economies? Contact Us: Start the Discussion (link to [www.frost.com](http://www.frost.com))

## About Amadeus

Amadeus is a leading provider of advanced technology solutions for the global travel industry. Customer groups include travel providers (e.g. airlines, hotels, rail and ferry operators, etc.), travel sellers (travel agencies and websites), and travel buyers (corporations and travel management companies).

The Amadeus group employs around 10,000 people worldwide, across central sites in Madrid (corporate headquarters), Nice (development) and Erding (operations), as well as 71 local Amadeus Commercial Organisations globally.

The group operates a transaction-based business model.

To find out more about Amadeus please visit [amadeus.com](http://amadeus.com)

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