

Reinventing Traveler Experience with New Age Technology

Airline Mobile Apps Changing the Face of Business

WHITEPAPER

by Kanishka Sharma

Abstract

Airlines must engage with passengers throughout the journey lifecycle—right from when a traveler starts planning a trip to giving feedback post arrival. Every touchpoint offers an opportunity to increase loyalty and at the same time create new revenue opportunities by delivering an excellent customer experience (CX). Comprehensive and easily accessible mobile apps may just be the answer to achieving customer delight and staying on top of customer expectations.

Mobility Takes the Driver's Seat

The smartphone and the concept of mobility have become central to business transactions today. Customers are depending heavily on their smartphones to interact with businesses and purchase goods and services. From booking flights, purchasing goods, hiring taxis, and even pre-ordering food—the smartphone is everywhere. This is driven by the constant technology upgrades and the focus on convenience and accessibility. eMarketer has predicted that there will be two billion smartphones worldwide in 2016—about a quarter of the world's population and a little over 60% of the number of people online.

As an extension to this growing trend of mobile dependence, the airline industry is also witnessing a paradigm shift in transaction processing. According to industry estimates, by 2017, 10% of airline sector revenue will come from mobile channels, accounting for \$70 billion. According to Juniper Research, over 1.5 billion boarding passes will be delivered via mobile by 2019, representing 1 in 3 boarding passes issued by airlines. This is a staggering number compared to the estimated 745 million mobile boarding passes to be delivered this year.

Customer Delight is Fundamental to Growth

Passengers have started expecting more from their airline mobile applications and this sense of entitlement is brought about by the innovations and high standards set not just by innovation in the sector, but also by the innovative applications across industries. Airlines have to necessarily think about improving the passenger experience beyond mobile boarding passes and message alerts. It is critical to ensure that the passenger is not left feeling stranded or without information at any point during the journey. As passengers become increasingly tech-savvy, they expect more and more services to be at their fingertips.

To deliver consistent and exceptional service to the customer, airlines need to know:

- a. Which phase of the journey lifecycle the passenger is at (planning, booking, pre-travel, on the day of travel, at the airport, in-flight, at the destination, post flight)
- b. A 360-degree view of the passenger—business or leisure traveler, first time or frequent traveler, traveling alone or with family/friends
- c. Probable disruptions, if any

Having sound and quantifiable knowledge of customers is essential to delivering the right services through the journey lifecycle. It allows airlines to assist passengers accurately and deliver an experience that makes them 'feel special.' Air travel is not necessarily a smooth experience and what passengers really want is for airlines to make their journey as easy and stress-free as possible. A reliable and comprehensive mobile app can do just that. It can save time, give weather and flight updates, destination and travel advisory information, help check-in, navigate airports, track baggage, and a lot more.

Customers can be made to 'feel special' only when the airline can help address the following three pillars of an exceptional mobile experience:

- a. Remove stress
- b. Create delightful experiences
- c. Offer personalized 'know me' services



Mobile Applications are at the Core of Exceptional CX

Other than just using mobile apps for checking in or downloading the boarding passes, more and more passengers have started using their mobiles to manage their loyalty account. From viewing and redeeming miles, purchasing seat upgrades, meals, in-flight entertainment and purchases, social media integration to rebooking cancelled flights/missed connections, to checking status on the upgrade/standby lists, and to tracking baggage, the mobile is being used for multiple airline-related transactions. Airline mobile apps often use ‘gamification’ to keep the customers engaged. Gamification could be in the form of bidding for premium/business seats or linking to the airline loyalty program.

Mobile-based purchases are more frequent when relevant data and features are pushed to the customer at the right time based on the customer’s location. Mobile apps are used more readily by tech-savvy passengers, business travelers, and travelers pressed for time and in need of quick information. An efficient mobile app that provides all the necessary information helps increase and retain loyalty. Airlines must also ensure that leisure customers are made aware of the mobile app and the its functionalities.

Airlines are investing heavily in mobile apps in an attempt to offer a comprehensive set of capabilities that customers would need. The objective should be to make the mobile apps as functional and reliable as possible, so as to make the passenger self-reliant with low dependence on contact centers or any other agent/ manual intervention.



Customer Engagement is the Way Forward

Mobile innovations are increasing as more and more airlines are starting to take a more holistic view of the customer journey lifecycle and engaging with the customer at every possible touchpoint. Airlines need to empower the customer as much as possible and make the mobile experience enriching and satisfying. For end-to-end customer engagement, it is critical to ensure that the mobile experience is simple, user-friendly, engaging, intelligent, and conversational.

Another very important factor that airlines must take into account is getting regular customer feedback. Customer feedback needs to be elicited all along the journey lifecycle. This will help the airline understand what their customers need and want from the mobile app. What better way to service your customers?

Let them tell you what they want!



Leveraging the Technology Right

Technology advancements will help airlines take their mobile app to the next level with more context-aware, real-time, and personalized interactions.

Real-Time Business Analytics and Machine Learning

Customer data is already present with the airlines and has to be used in a way that makes the mobile channel as effective as possible. Airlines must start utilizing customer data to hyper-personalize the customer experience. This also needs to be integrated with reservation systems and other operational systems to be able to create a seamless experience for the passenger. This goes a long way in making the passenger feel special and increasing the ancillary revenue opportunity across various journey points.

Contextual Intelligence

Airlines have to start using contextual intelligence, advanced push notifications, location and context awareness, Google Maps API integration, geo location services, and iBeacons to know exactly where the passengers are, what they need, and how to service them better. This in turn also implies offering them services at the right time and the right place.

Mobile Travel Assistant

To create a lasting positive experience, it is critical to engage with the customers as soon as they are thinking of planning a trip. For the airline and the passenger, it should not be just about the experience of flying but the experience of traveling. Engage with the customer from the first search, provide travel suggestions, and keep moving along the customer journey lifecycle as a preferred travel partner. A virtual travel assistant can be of great use in this process. Virtual travel assistant can take into account contextual intelligence, conversational user experience, location and context awareness, Google Maps API integration, hyper-personalization, and simultaneously create monetizing moments. This mobile travel assistant will help guide the passenger along every step of the journey, giving relevant tips and suggestions based on the customer's preferences.

Mobile Payment

According to eMarketer, digital travel-related transactions are estimated to rise to \$762 billion by 2019. Airlines should be able to support multiple payment methods and wallets like Apple Pay, Android Pay among others, prepaid cards and more to make it easier for the passengers to make purchases. Enhanced security is also important and measures like biometric authentication and voice recognition among others will help provide greater security to passengers.



The Coforge Thought Board:

Reinventing Traveler Experience with New Age Technology

How is the Smartphone Impacting the Airline Industry?



Convenient for customers to use



Preferred channel for purchases



Increased accessibility for travelers



Centrality to multiple business transactions

What are the Prerequisites for Delivering Exceptional CX?



360-degree view of the customer



Understanding customer needs and expectations



Handholding customers through the journey lifecycle



Contingency plan for all probable disruptions

How can Airlines Employ Mobile Apps for Customer Engagement?

Dynamic use of gamification

Push notifications for updates and alerts

Offer self-service option to customers

What Technology Enhancements Increase Mobile App Functionality?

Business analytics and machine learning for hyper-personalization

Contextual intelligence to offer the right services at the right time

Mobile travel assistants to guide travelers through the journey

Mobile payment option for anytime, anywhere purchases



Mobile Apps Flying High

Aligning technology along with systems and processes to business strategy will enable mobile applications to scale new heights and lead to an improved customer experience and increased customer satisfaction. An increase in both these indexes translates to increased loyalty and brand recognition. And that is just one half of the story. Airlines will also experience an increase in revenue due to higher ancillary sales.

About the Author

Kanishka Sharma is a Business Consultant at Coforge. He is working with the Travel and Transportation Practice and specializes in the Airline and Travel Distribution sub-verticals.

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