

# FUTURE OF AVIATION

## PODCAST TRANSCRIPT

0:00

**Josh:** This is my favorite part about traveling out of Iceland. I've just come up to security, and there is no line ... Which is, after years of doing JFK, absolute bliss.

**MUS**

**Elise:** Earlier this summer, my fearless co-host Josh embarked upon a multi-stage trip from Iceland, where he lives, to the UK and then on to continental Europe. We asked him to document it. Turns out, he's a big fan of Reykjavik's airport.

**Josh:** Okay, literally two minutes later, and I'm through security, which is awesome. With my belt on, even!

**Elise:** Josh was keeping an eye out for pain points in the air travel experience, and new tech that made the experience smoother. It was smooth sailing... until it was time to board the plane.

**Josh:** People keep going into a preliminary area and then coming back out, looking confused ... seems like at this point in human history we should have figured out how to line up to board a plane in the optimal way, but apparently not.

1:00

**Elise:** The clunky boarding process is just one of a million points along a traveler's journey where issues can arise. Airlines and airports are constantly trying to address these types of problems. And, to complicate things further, every passenger has a unique set of needs...

**Josh:** Alright, so I got on the plane. It was a discount flight, but seat's got enough room, which is fine ... I have one roller bag, but there's a lady just came on, looked like she's going to the beach.

**Elise:** And every travel itinerary is different. It's never just a flight. There's connections, layovers, rental cars, hotel bookings... even after a quick, direct flight, Josh still had a long way to go.

**MUS out**

**Josh:** Next up is landing, then there's finding a bus, getting into the train, then riding the train into town, and then I'll meet my contact and head off to some meetings.

**Elise:** Making every step as smooth and painless as possible is going to be crucial for the future of the aviation industry. On his trip, Josh encountered some tech designed to do just that...

**Josh:** Got off the plane,

2:00

and we're now all racing towards border control, where there are some really scenic lines. However, I am noticing e-passports. If they have those, this might be a lot faster. We'll see.

**Elise:** But those technologies aren't perfect, just yet.



### THEME in

**Josh:** So the e-passport service didn't work for me. Instead, I've been sent off to talk to a human being again. We had a pretty long line of people who had the same problem

**Elise:** The industry is changing, and fast, but there's plenty more work to be done.

**Josh:** So apparently the reason why the e passport system kicked me out was because, and I quote, "it was the way I put it in."

**Elise:** Don't worry, I'm sure you'll get the hang of it soon, buddy.

I'm Elise Hu. My cohost is Josh Klein, and this is Built for Change, a podcast from Accenture.

### THEME

Today, we're talking about the future of flying. The aviation industry

3:00

is at an interesting moment in its evolution: More people are flying than ever before, but, as we saw over the summer, the tech underpinning the global aviation network is far from perfect. Airlines and airports are doing a lot of work to keep customers satisfied... but there are obviously still challenges. So how can these be overcome? And what will that mean for travelers?"

As we answer those questions, we'll be checking in with my jet-setting co-host, Josh, to get his insights into the passenger experience:

**Josh:** Alright, so here's a note to all you budget airlines out there: If I have to remove the in-flight magazine, menu, and barf bag just to get my knees into the seat, you're getting too small.

But now, for an insider's perspective on the aviation industry, let's go to Accenture's Emily Weiss.

### THEME out

Emily is Accenture's Global Travel Industry Lead.

4:00

She says that customers have flocked back to airports in recent years, which is good news. But there's still work to be done.

**Emily:** The business model is sustainable, sure, but there's a lot of opportunity to improve it.

**Elise:** She says that customers' expectations of the industry are higher than ever before. In fact, "expectations" might not be the right word.

**Emily:** I would almost call them demands at this point in time.

**Elise:** As longtime listeners know, consumers across the board are looking for more personalization. They want experiences that are tailor-made to their preferences. And that's just as true when it comes to flying — from the airport experience, to your time in the air. But between those customers' expectations and the current reality, there's a technology gap.

**Emily:** There's a lot of technical debt that still resides in the industry that they are needing to address at the moment. A lot of aviation is still stuck in historical technology and so needs to move their technology to more cloud operations ...

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## MUS

**Elise:** That technical debt of outdated infrastructure and software is costly to replace. But not replacing it only means falling further behind.

**Emily:** The industry has a ton of data, but a lot of the data resides in silos.

**Elise:** Emily says that getting data out of silos and into the cloud is a necessary first step on the way to the long-term goal: creating a smoother experience for air travelers.

**Emily:** And so the aviation industry is really, really needing to find a focus on placing the passenger at the center of the end-to-end traveler experience. That's really focused about developing stronger, deeper, more trusted relationships with the passenger, as well as providing hyper personalization across the entire traveler journey

**Elise:** Think about it from the perspective of someone trying to book a trip. You can fly anywhere in the world. But the system you're using to book that journey? Today, it probably can't even handle some basic, common situations. Like, what if you're not all coming from the same place,

6:00

or leaving at the same time?

**Emily:** You cannot do that on a single ticket. It's just not an option ... If you want to travel with your partner and you're going to stay on for a business meeting and your partner is going to return home, you cannot do that on a single ticket. And a lot of that, they're technological limitations, and some of it is also process and some of it is policy ... Those are the types of use cases that will be addressed.

## MUS out

**Elise:** These sound like little annoyances, but there's a serious cost here, to the consumer and the airline.

For the consumer, it means extra headaches. For airlines, it means potential customers walking away because they couldn't find what they needed. Emily tells us the industry understands these pain points. She says that a more flexible approach to booking is a huge part of the overall reinvention that the aviation industry has to undergo.

7:00

## MUS

**Emily:**... the ideal future is that the customer, as I said, will be at the center. of the journey from inspiration all the way through servicing...there is no doubt in my mind and from everybody I talk to, the need to move in this direction, but how and when still remains to be seen.

**Elise:** Let's start with what Emily calls the "inspiration phase." Someone, or something, inspires you to travel. So you think, "Ok, how am I going to do this?"

**Emily:** When I think about inspiration. That's the trip planning. That's the marketing. That's pushing personalized offers, really, really putting the customer in the center of that inspiration phase. And again, I talked about technology previously, but there's lots of opportunities to leverage technology to do that.



**Elise:** To evolve, airlines need to start thinking of themselves more as all-encompassing travel services companies — a one-stop shop for the customer. The kind of service that doesn't just react, but partners with you as you make a plan.

**Emily:** So it will be much more of a personalized experience.

8:00

So the airline will know who you are. They'll know your interests. They'll know your travel patterns. And they'll be able to leverage technology and data to provide much more personalized experiences for you so that when you're making decisions or when you're in even the early phase of trip planning, they can make recommendations for you based on your experiences or based on your interests.

### **MUS out**

**Elise:** Emily refers to the next phase, where the customer actually books their tickets, as "retailing."

**Emily:** That's the search, that's the booking, that's shifting more to a shopping cart mentality, so much more of a retailing mentality. There's lots of talk about one order, the offer order transformation that's coming, that is, you know, focusing on providing additional bundling capabilities or partnership capabilities.

**Elise:** Emily means giving customers the ability to plan their whole itinerary in one go, via one company.

9:00

Think about the last time you planned a big trip. If you're anything like me, you had fourteen different windows open, trying to monitor the fluctuations in ticket prices as you search for the best hotel and dining options and try to figure out what you're actually going to do when you get there. A manageable, personalized alternative to that chaos is the holy grail of the aviation industry.

Then, finally, there's the most important phase of the journey. Emily calls this "servicing," and it's crucial because in aviation, of all industries, disruptions are par for the course. An airline that can't service its customers in those situations, isn't going to be getting their business again anytime soon.

**Emily:** Servicing is everything about Gen AI enabled customer service, much more personalized experience, disruption management.

### **MUS**

**Elise:** Any seasoned traveler knows what it feels like to experience this kind of disruption. There's a sense of helplessness, just waiting around in the airport. You may spend an hour on hold, or wait in an endless line full of other frustrated people, before you even know what your options are.



10:00

But it doesn't have to be that way. Airlines can get much smarter about how they handle customers in these situations.

**Emily:** When you have any kind of disruption they could potentially just reschedule you without, you know you having to go stand in line at the airport or sit on hold for a very long time calling into customer service or if you do need to call into customer service they will enable you to uh, perform that from a self-service capability.

**Elise:** The opportunities for next-gen technology to improve this phase of the experience feel endless. For one thing: Josh's e-passport issue would be a thing of the past if the airport could simply access and confirm his biometric data as he went through passport control.

**Emily:** Think about biometrics, right, and contactless operations. I mean, it's been amazing. I could just have my face scanned and I board my plane, without having to pull out my phone or, you know, have a paper boarding pass.

**Elise:** Emily told us she believes that the coming transformation is going to be an historic one.

11:00

## MUS out

**Emily:** it's massive. This is probably the largest transformation the airline industry will have gone through in over 30 years, I would say ... It's a very exciting transformation, it's a very complex transformation, but it's really a wonderful and exciting time to be part of the aviation industry.

## MUS

**Josh:** So now I'm skipping past all the baggage claim because, oh my god, who travels with checked baggage? And we're gonna try and find a bus to the train station soon. We'll see how that goes

**Elise:** For those of you wondering, Josh did eventually get through passport control.

**Josh:** Alright, I've actually exited the airport, and I'm now supposed to be finding a shuttle. But there's about 15 different shuttles, and they're all marked differently, and the signage isn't very good. So, I'm just sort of wandering around and I'm glad I got a little extra time to look.

**Elise:** Now, as airlines double down on a bespoke approach to customers, we may soon see some serious personalization...

12:00

like taking the guesswork out of Josh's search for ground transport. Improvements like that...

**Josh:** So I walked far enough and eventually found that there's a different line for the shuttle to the train station.

**Elise:** ...may help avoid situations like these:

**Josh:** [footsteps echoing] I'm now walking through an eerily abandoned stairwell because apparently everyone takes lifts except me. Personally, I like the chance to move a little bit between sitting all day in different transports.

**Elise:** I'm guessing Josh is in the minority when he says he prefers eerie, abandoned stairwells to elevators. But hey, every traveler is different!

So, as we heard from Emily, there's a lot of technical debt in the aviation industry. For an inside look at how the industry is tackling these issues, and the technology that's already reinventing the way airlines operate behind-the-scenes, let's go now to Decius Valmorbidia, president of travel for Amadeus IT Group.



13:00

You may not have heard of Amadeus. But their platforms underpin so much of the travel industry, Decius says you've probably used an Amadeus-powered product without knowing it.

### **MUS out**

**Decius:** And Amadeus is the software company that powers travel. So, if you have traveled around, on an airline, on a hotel, on a rail company, most probably you have been processed by Amadeus technology on the background and you just don't know as we are a B2B company ... Today Amadeus processes 100,000 transactions per second. That would be the same as any of the leading search engines that exist in the world.

**Elise:** Decius sees the same trend as Emily: Across the industry, enterprises are realizing

### **MUS**

that there's enormous value in providing a single, streamlined experience that covers all of a traveler's needs.

14:00

**Decius:** More and more, you are seeing the emergence of travel brands that would like to be a one-stop shop for the traveler ... because the traveler is not buying just one element of travel. They're buying a full trip.

**Elise:** So Amadeus' goal is simple: Be there for every step of the customer's journey.

**Decius:** you can start from the very beginning of the process to doing your booking, processing your payment and delivering the service be it in flight, be it in destination, all the way to the loyalty, which is accumulating your points, earning your points, burning your points, and hopefully getting inspired to your next trip. So this is how we define the customer journey

### **MUS out**

**Elise:** As we've seen, that means a lot of pain points that need to be addressed.

**Decius:** On a typical trip, if you do an international travel, you may have multiple airports involved.

15:00

You may have multiple airlines involved. You're going to have multiple hotel providers involved, plus ground transportation, plus activities. So this really becomes a orchestration of an ecosystem and in this ecosystem, you're talking about no global standards on them. And so how do you interact with each other and how do you carry information?

**Elise:** Like Emily, Decius says personalization is going to be key as the industry evolves. Understanding your customers, he says, is vital to maximizing an airline's revenue:

**Decius:** Everyone has a different need and everyone has a different size of wallet. So the question is if you create the minimum common denominator for everyone, You're leaving money on the table of people who would like more service and would like and are willing to pay for more convenience.

Airlines know people fly for all sorts of different reasons, and each traveler has their own preferences.



16:00

A group of friends taking a trip over a long weekend and a CFO flying solo to a meeting halfway around the world are going to expect — and prioritize — very different things from their travel experience. Decius says airlines can satisfy flyers and maximize profits by presenting consumers with individualized offerings that make sense for them.

### MUS

**Decius:** Depending on your motivation of your trip, you can add a number of other ancillary services that are not necessarily related to transportation ... It can be the last mile, it can be normal things, as you already see today, a car rental or a hotel. But now you're starting to get into destination content. You're trying to get into tours, excursions, tickets. And you are talking about maybe the travel product not being sold by the provider, but in fact in other points of sale that are not traditional in selling travel.

17:00

**Elise:** Amadeus aims not only to answer those questions, but to allow airlines to sell the best possible experience, directly to their customers.

**Decius:** Having the airline associating destination content, merchandising, and other elements that are associated with travel on an airline website. This is very much the trend of this airline retailing ... on this idea that you're going to the connected trip and selling much more than just your product.

**Elise:** Let's be real: If we're talking about pain points in air travel, we have to talk about flight delays. Disruptions — delayed or canceled flights — are simply a fact of life in the travel industry. Travelers get that... but when things go wrong, they still deserve better solutions than what the industry has traditionally offered.

### MUS out

**Decius:** Whatever is the logistical reason on the operational side, from a traveler point of view, the only thing you know and you understand very well, is that your flight is delayed. And that you're not going to make to your appointment

18:00

that you very much want it to be right? So, you're getting a customer that is on the peak of their stress.

**Elise:** We all know what that stress feels like. Any delay is annoying, but it's about so much more than just a wasted hour or so. For many travelers, a single flight disruption has a cascading effect that could affect everything else about their trip.

**Decius:** Any disruption, it is not only the disruption of service. It is the disruption of the full agenda and appointments that were related to, to where you wanted to be at. So the question is, how do you handle that disruption? Because I think that up to the point, of explaining to customers that the disruption might happen, that a storm may happen in Dallas, that a snowfall is going on in New York, and thus there is disruption. I think that up to that point, people can be understanding. The thing is, how do you heal, and how do you correct, and how you provide options to the problem that has been created, which is me not getting to the place that I want to be on time?



19:00

**Elise:** Before, the solution here was pretty unsatisfying: Go to the help desk, stand in line with a bunch of other disgruntled travelers, and wait to see if the airline offers you a new flight, or maybe to put you up in a hotel. But Amadeus' platform automates and personalizes that process. It helps travelers identify the least-disruptive solution for them.

**Decius:** And the product, essentially, that we have, which is Schedule Recovery, would make available those options on the cell phone of every client. So essentially you would receive a message and ask you to follow a link, and that link will say, "You have been disrupted, we apologize for the inconvenience and here are several options, for you to be reaccommodated. Would you like a later flight? Would you like to be carried by another airline on another day? Would you like to stay and get a cash bonus, a hotel, a meal and a taxi for to bring you back to the hotel? And you're gonna take that same flight tomorrow or in two days' time?"

20:00

Which of the three do you prefer?"

**Elise:** Delays will happen. But proactive problem-solving is a completely different — and way better — customer experience than just waiting in line for a voucher. And Decius says that the extra care the customer receives is exactly the kind of thing that creates brand loyalty. Even a flight delay can be an opportunity to win a traveler over.

**Decius:** And then people don't have to queue. They can select their option...we believe that there is a greater chance that people will understand the disruption and will actually believe that they have been treated with care.

**Elise:** The way Decius tells it, the aviation industry is about to enter a new era.

## THEME

**Decius:** This future is going to be built and supported by technology. Who can be the technology company and the invisible force that make all of those links possible, uh, we believe. That that is our mission and that is our ambition.

**Elise:** Josh, you've made it back in one piece.

21:00

Listeners, we can report Josh is back from all of his travels. Thanks for taking us along with you.

**Josh:** Absolutely. My pleasure. I hope you like the stairwell. The highlight.

**Elise:** [laughs] And this summer, this past summer, we saw the global systems outage that affected so many different airlines and had cascading effects. I guess you just didn't happen to be on the road that day?

**Josh:** It didn't affect me, but just because of dumb luck, I just didn't happen to be traveling that day or on an airline that had knock-on effects, but yeah, that impacted what almost one in four travelers for a week?

**Elise:** Yes, I was traveling the next day. So I was lucky to avoid the particular day of travel. So I didn't get stuck in an airport. But there were delays throughout the next day too, as a result of trying to catch up from the previous one.

**Josh:** Yeah, the knock-on effects are massive, right?





To learn more about the trends in today's episode, check out the Future of Aviation report at [Accenture dot com slash Built For Change](https://www.accenture.com/built-for-change). It talks about other issues in the industry, like meeting sustainability goals, next-generation customer loyalty programs, and much more.

22:00

**Elise:** Thank you to Accenture's Emily Weiss.

**Josh:** And to Decius Valmorbida for talking to us.

**Elise:** Built For Change is a podcast from Accenture.

**Josh:** And more episodes are coming soon. Follow, subscribe, and if you like what you hear, leave us a review.

**THEME out**

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