



Connected Aircraft / Disconnected Airlines, Part II:

The Strategic Imperative of eEnablement

WHITE PAPER

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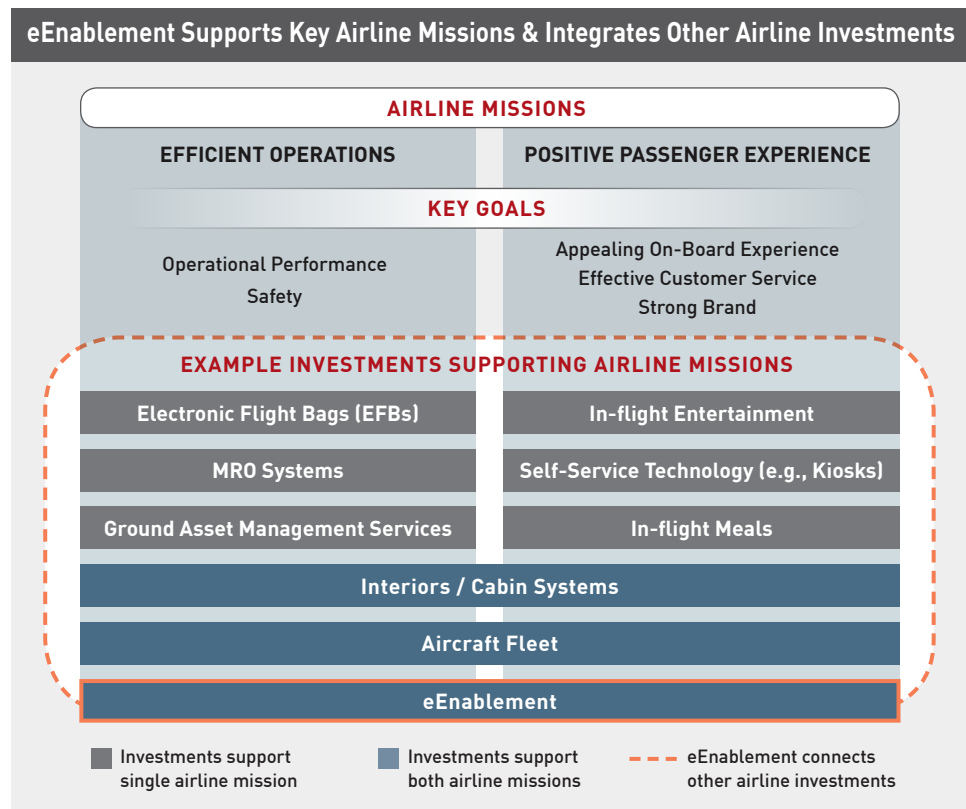
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On the heels of “Connected Aircraft /
Disconnected Airlines, Part I” comes an
additional look at eEnablement’s cross-
cutting impact on an airline’s operational and
passenger engagement missions. Elevating
eEnablement from a mere technology
investment to an enterprise-wide strategic
imperative will be critical if airlines and
suppliers alike are to succeed in an
increasingly connected environment.

Connected Aircraft / Disconnected Airlines, Part II: The Strategic Imperative of eEnablement

Introduction

As discussed in the May 2015 Closed Loop/Avascent white paper, the advent of eEnablement (eE) is poised to revolutionize the aviation ecosystem by using “data creation, subscription, analysis, consolidation, and value-added capabilities” to help airlines more effectively achieve inherent *operational* and *customer engagement* missions. Furthermore, eE will ensure an airline’s ability to integrate into the broader airline environment, where sharing data is vital to future success. In light of eE’s tremendous impact, it will be critical for airlines and industry to elevate eE as a strategic imperative and devote proper resources and attention to its successful design and implementation. This is not unlike other critically important investments that have a dual impact on both an airline’s operations and customer engagement strategies, such as the aircraft themselves and cabin interiors.



Many assets and services that are inherently tied only to one mission or the other – not both – remain routine decisions that can be made effectively within

the multitude of individual business units. A handful of other investments, however, have cross-cutting impact on both an airline’s operations as well as the customer’s travel experience, and therefore require greater attention by senior leadership given their far-reaching strategic importance.

Airlines and industry alike continue to treat eE as an aircraft-centric technology acquisition, ultimately leading to numerous project difficulties and failures that have been costly for airlines and suppliers alike. In reality, eE is an enterprise-wide strategic investment, because the benefits of eE heavily underpin both operational and customer engagement goals of the airline.

Impact on Operations & Customer Engagement

Integrating the plethora of aviation data ‘touch points’ (such as maintenance teams, flight ops, and airport crews) can provide real-time, actionable intelligence that drives enhanced situational awareness and improves decision-making, which ultimately supports operational efficiency and customer engagement goals. In an eEnabled environment, touch points that were once stagnant and stovepiped instead become data-driven and dynamic.

eEnablement’s Cross-Cutting Impact



OPERATIONS

- Synchronous and multi-directional cockpit / airport / flight ops processes such as load data, performance metrics, journey log, fuel planning, navigation and maintenance information to reduce congestion and improve airport utilization and efficiencies
- Improved information sharing with ANSPs, enhancing airspace design, management, and utilization





PASSENGER ENGAGEMENT

- Extension of customer loyalty data to and from the cabin, helping airlines improve value capture by individually shaping customer experiences from check-in to mid-flight to baggage claim
- Enhanced brand by displaying a willingness to embrace cutting-edge technology that delivers a more positive travel experience

Such far-reaching benefits therefore require airlines to elevate eE decision-making processes such that executives develop enterprise-wide eE requirements. Suppliers meanwhile must think beyond just installing boxes on aircraft, and instead look to understand what technical solutions can best meet these cross-cutting airline needs.

Airline Investment Case Studies

 AIRCRAFT	 INTERIORS/CABINS
<p>The aircraft is of course the existential lynchpin to an airline, and therefore triggers major due diligence efforts carried out by both internal groups and external support teams. For any aircraft purchasing decision, executives must maximize operational and customer outcomes on new and potential routes, as well as estimate the aircraft's integration into complex, day-to-day operations. Passenger engagement is a factor as well, and can be strengthened by new technologies that enhance comfort (e.g., Boeing and Airbus' 787 and A350, respectively, offer improved cabin pressurization and air humidity) and contribute positively to an airline's safety image and overall brand.</p>	<p>Balancing cabin space optimization against on-board comfort is critically important in a new era of airline cost-consciousness. Airlines are beginning to invest a significant amount in due diligence to understand how slim seats, creative monument layouts, and greater usage of composite materials can maximize capacity and minimize weight, improving aircraft efficiency. At the same time, these example options must be balanced against heavy, costly passenger comfort amenities such as IFE and lie-flat seating that can entice increasingly conscientious customers.</p>

Conclusion

For airlines and suppliers' to remain competitive in a world increasingly defined by constant connectivity, eE must be given a chance to succeed by recognizing its far-reaching impact on airlines' operational and passenger engagement missions. Just as the aircraft itself and cabin interiors demand significant attention given their tremendous impact on an airline's success, eE now obligates both airline and suppliers to reconsider how they are allocating both internal resources and external support teams to this transformative investment area.

For airlines, near-term goals begin with developing thorough, enterprise-wide eE requirements that drive clear business outcomes. Similarly, suppliers must assess how their technology solutions can help airlines achieve key eE goals; this begins with a careful evaluation of the airline community's diverse eE needs and acquiring an understanding of how legacy and upstart competitors alike are jockeying for airlines' attention.

As outlined here and by other thought leaders in the aviation community, the path to an eEnabled airline clearly goes well beyond just installing boxes and antennas to the aircraft alone. In reality, it requires a substantial investment of time and resources to understand how new data streams across the enterprise can support essential airline missions. While this can be a daunting and largely uncharted new area to explore, bringing a measured and dedicated approach can allow the industry to break new ground and usher in the next era of aviation transformation. ❖

About the Authors

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Philip Benedict is a Principal at Closed Loop focusing on customer eEnablement and EFB strategies. With over 30 years of industry experience, Phil previously worked at Jeppesen where he participated in many of their digital data initiatives, and he was the GM at Spirent Systems who introduced the airborne server and EFB applications at several airlines. More recently Phil worked for Teledyne Controls and Cobham where he was VP of Strategic Development. For more information, please contact: Phil.benedict@loopclosed.com.au

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About CLOSED LOOP

Closed Loop Consulting is a niche global aviation consultancy focused on the successful delivery of financially sound, strategically conceived, business driven and sustainable project, program and change outcomes for the operational divisions of the aviation industry.

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Avascent is the leading strategy and management consulting firm serving clients operating in government-driven markets. Working with corporate leaders and financial investors, Avascent delivers sophisticated, fact-based solutions in the areas of strategic growth, value capture, and mergers and acquisition support.

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