

Shaping the digital agenda to drive growth in airlines and travel

Airline and travel companies that have not yet begun their digitization journey are facing competitive disadvantage as their forward-looking competitors move to capitalize on new digital strategies and technology.



Growing demand for travel is challenging current capacity



39 out of 47 aviation megacities are constrained to meet demand.



Airline passenger utilization is increasing, with passenger load factors rising from **70%** in 2000 to **80%** in 2015.

Consumer behavior continues to dramatically shift in today's digital world



Consumers are making informed choices with **66%** of customers considering several providers before booking reservations.

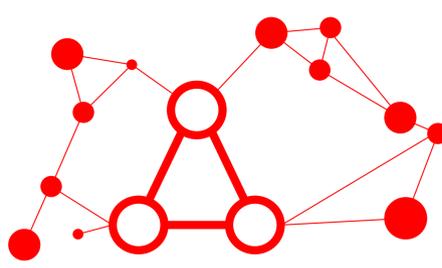


Consumers have low loyalty for services and switching is growing, with only **37%** of customers indicating satisfaction with their providers.

Emerging digital platforms are disrupting the industry and creating new opportunity



The market capitalization of Priceline Group equals the combined market cap of the top 3 airlines or top 4 hotels*, with even higher valuations for travel and transportation sharing platforms.



94% of airline executives say adopting a platform-based business model and engaging in digital partner ecosystems are critical to success.



A new digital model brings new value creation opportunities and can drive improved operations and differentiated customer experiences by:



Crafting seamless experiences. Seamless travel journeys are now enabled by cyber-physical touchpoints and real-time 360-degree information about consumers.



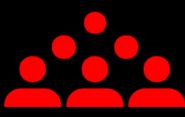
Personalizing loyalty. Effective loyalty programs must be personalized, customizable and valuable to end consumers.



Breaking down siloes. Partnerships are required to transform offerings and operations as collaboration is the new source of competitive advantage.



Digitizing operations. Smart assets embedded with automation, connectivity and intelligence are critical to maximize efficiency and effectiveness.



Enabling the workforce. Creating a multi-skilled, digitally-enabled and digitally-savvy workforce that works along with technology is key to generating the best outcomes.



Technologies are rapidly enabling travel and airline transformation:

- Artificial Intelligence
- Augmented Reality/Virtual Reality
- Data Analytics
- Drones
- IoT
- Robotics
- 3D Printing