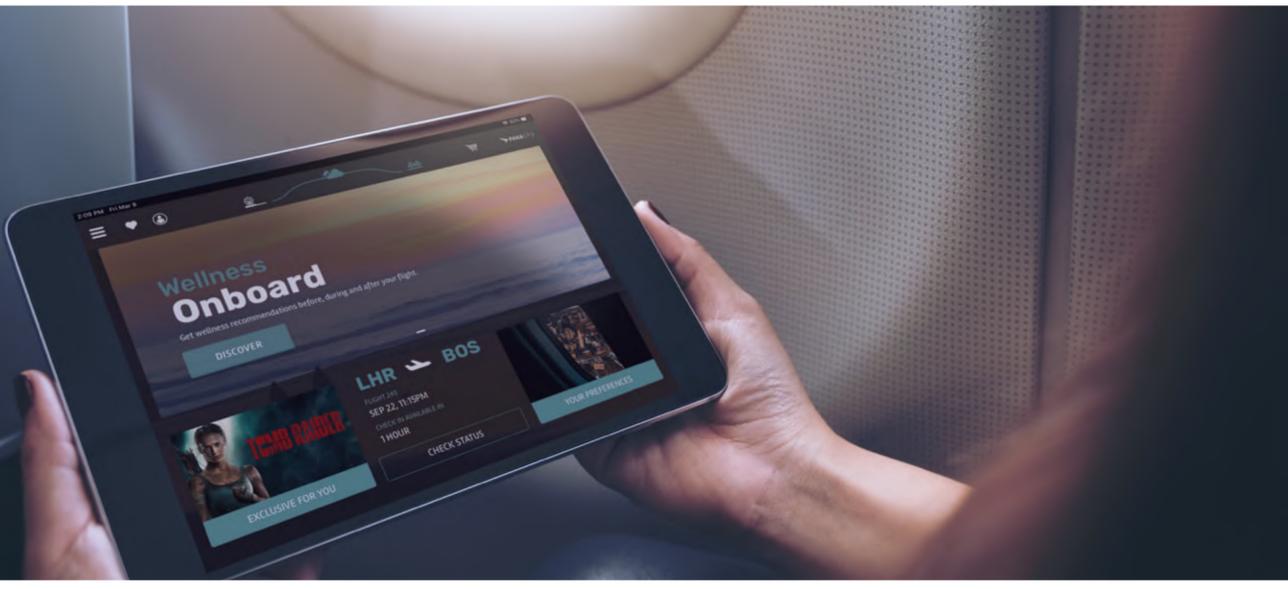


Increasing Revenue & Passenger Satisfaction

By leveraging price optimization, a major airline decreased customer complaints and increased connectivity revenue in just two weeks.



Company Profile

In recent years, a major Latin American carrier was experiencing explosive growth—to the point that its inflight Wi-Fi strategy wasn't keeping up. Nearly half of total passenger complaints were about reaching their data limits while traveling. The airline turned to Panasonic Avionics for help in understanding how to revamp its connectivity packages.



The Challenge

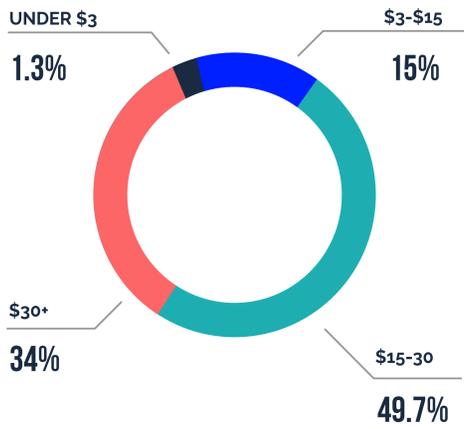
The airline had Wi-Fi packages of one hour, three hours, or "full flight" that capped out at 110 MB. However, the airline's most popular routes are more than 10 hours long. Business and high bandwidth users were blowing the limit less than halfway through their flights. This mismatch meant passengers had to repurchase additional packages to cover their entire flights. That negatively impacted the passenger experience—and the airline's NPS.

Panasonic's Approach

Panasonic's business intelligence unit crunched the airline's numbers using advanced analytics, and found some surprising details as well as untapped opportunities. First, nearly 30% of customers were spending more than \$30 per flight on Wi-Fi and texting, which exceeded the most expensive package on offer, implying passengers were willing to pay more than the airline expected to stay connected.

Panasonic also identified a cultural miscommunication: Latin Americans understood "social" to mean texting, whereas non-Latin Americans thought it meant social media. The latter group was blowing through their data caps by loading Instagram or Facebook. The airline now has more universal messaging—and pricing—around inflight texting.

PASSENGER SPENDING ON WIFI

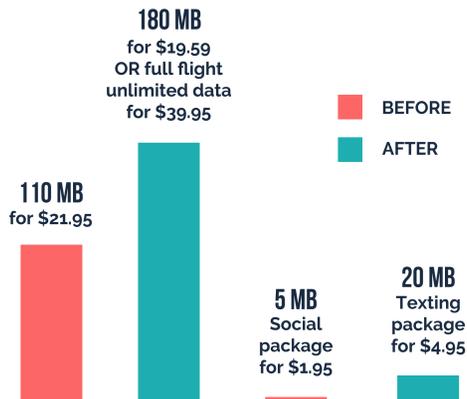


The Solution

Panasonic analyzed customer complaints to identify the root causes of customers' biggest pain points. We used advanced analytics to understand passengers' inflight spending patterns and how much data is used per flight. Then we used data to shape a new suite of Wi-Fi/texting package options at competitive price points. Finally, we introduced universal messaging and pricing for inflight texting.

The Results

By more accurately matching usage to pricing and package size, the airline experienced an 88.2% increase in year-over-year Wi-Fi revenues. Better yet, zero complaints about data caps have been lodged against the airline since its new pricing structure was introduced.



The airline saw these year-over-year increases:

