

Quo vadis, airline customer experience?

The revival of the digital passenger journey post-pandemic



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New technologies enter the airline industry at fast pace. Airlines need to adapt and upgrade their product to stay relevant. Passengers prefer to fly with an airline that finds the right balance between digital and human touchpoints. In a fast-moving environment, making the right investment decisions becomes increasingly challenging. With digitalisation gaining momentum, airlines need to follow the call for a more digital customer journey. **Africa's airlines have entered the path of recovery and embarked on the journey of digitalisation with many good examples leading the way.** Systematic assessments help to adapt to ever evolving customer needs by identifying and prioritising investment areas.



Airlines are forced to enhance their product experience with new innovations entering the industry

Rising up from the severe impact caused by the COVID-19 pandemic, the airline industry is sure to find its way back to pre-pandemic standards. According to AFRAA's Annual Report 2022, the year 2021 heralded a period of recovery with traffic continuously increasing. OAG data confirms that as of March 2023, overall seat capacity (in terms of available seat kilometres) in 2023 are projected to reach almost pre-pandemic levels.

This, and former crises (e.g. 1973 oil crisis, 9/11 and the 2007-2008 financial crisis), show that the industry always manages to find its way back to recovery and growth. Still, in the phase of recovery, many airlines, especially European carriers, had to face chaotic ramp-up and challenging operational environments during last-year's summer operations.

So, what is there to take away at this stage? The industry seems resilient and with a lot of energy, it will get back on track. However, trends that were urgent pre-pandemic are still valid or have even gained importance. One of these trends is the call for a more seamless and hassle-free travel experience. Airlines around the world have recognised this trend and are upgrading their product experience by driving digital development. Hawaiian Airlines and airBaltic are entering the latest stage in highspeed inflight connectivity by teaming up with Elon Musk's Starlink. Star Alliance encourages its members in the usage of biometrics and many airlines follow the call for digitalisation by introducing self-service digital touchpoints. African carriers are also embarking on the journey of innovation. Ethiopian Airlines partnered with Immfly, a Spain-based provider for digital on board software and solutions, to bolster up the inflight e-commerce and connectivity experience. Together with Clickatell, a frontrunner in chat commerce and mobile messaging, FlySafair offers a convenient payment solution via WhatsApp through a pay-by-link capability. Customers can checkout their purchase by receiving a secure link directing them to a payment page. In times of high popularity of mobile messaging and mobile payment this solution provides an enhancement to the digital travel experience.



The industry is not standing still. Extended reality (including virtual and augmented reality) and robotic assistants are just two of many fascinating innovations which will impact the future passenger journey – all with the mission to smoothen operations and improve customer satisfaction.

The aviation industry experienced a paradigm shift within the last 12 months. Disrupted processes and slow ramp-up around the world impacted passengers' satisfaction and trust. With recovery underway starting last year, the strategic focus shifted from financial survival and rigid cash management to stable operations and improved customer experience. And, it is now time for airlines to revamp their product, in order to not fall behind the competition.

Africa's digital ecosystem embarks on a journey of growth

Whilst traffic projections give reasons to be optimistic, other factors also indicate a promising future. The Agenda 2063 by the African Union provides a clear way forward – also in terms of digitalisation and connectivity. Aiming to have a world-class infrastructure across the continent, the agenda targets ambitious growth in internet connectivity, broadband access and mobile penetration. Paired with a young demographic structure (median age of <25 years) and growing digital affinity, the information and communication technology sector will play an increasingly important role.

Africa's tech startup scene pictures this development well. With more and more Africans gaining access to the internet and mobile phones, a wave of startups has emerged across the continent.

According to a recent article on disrupt-africa.com, in 2022, a total of 633 African tech startups emerged, which is already double compared to 2019, as reported by the German Institute for Global and Area Studies in 2022. Last year, techcabal.com posted that the continent is now home to seven unicorns. Whilst the tech scene is still nascent and small compared to worldwide heavyweight ecosystems like the US, the dynamic in Africa is evident and the ecosystem is amongst the fastest-growing in the world, Financial Times published in its 'Africa's fastest growing companies 2022' ranking. This evolution also taps into the airline industry. With an increasingly digitally savvy population and new technologies emerging, African airlines need to recognise the change in customer behaviour and adapt their product experience accordingly to meet expectations. Airlines that do not

acknowledge the importance of an increasingly digital customer journey and challenge their current digital maturity may risk falling behind in mid-and long-term.

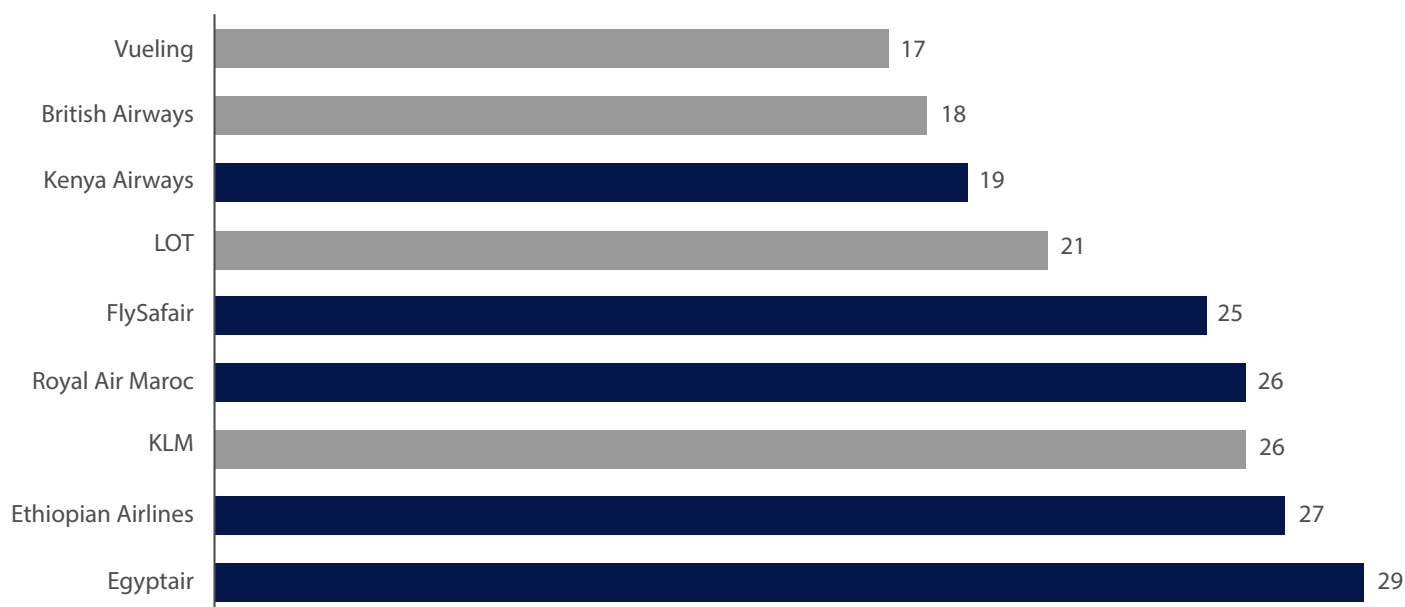
Africa's airlines catching up in digital product experience

Africa's main carriers understand the importance of digitalisation and have already taken the first steps. The number of African social media users has risen continuously amounting to 384m users as of 2022, Statista released in its 'Social media in Africa – statistics & facts'. Facebook is still predominant with a market share of >80% as of 2022. Social media is a crucial channel along the customer journey as it provides content for marketing purposes but can also be used as an effective platform for interaction and social selling. A well-managed social media platform

provides a focal entry point into the customer journey. Africa's top airlines are present on Facebook and other channels with considerable follower bases (e.g. Ethiopian Airlines: 3.1m, Egyptair: 1.7m as of March 2023).

A smooth and seamless booking flow improves conversion and retention rates. An efficient online booking process can be, for example, assessed through the number of clicks required to book a flight. This metric goes into the core of digital experience. Simplistic and intuitive booking flows are the essence of a successful user experience. The Spanish airline Vueling has mastered the process, offering the most convenient and seamless online booking experience with only 16 clicks required to book a flight (see figure). Compared to this benchmark, Kenya Airways performs extremely well (19 clicks), outpacing industry leaders such as LOT or KLM.

Ease of online booking by number of 'clicks' required to book a flight





Assessing digital maturity requires a comprehensive view

Contrary to common perception, achieving digital maturity is more than introducing digital features. Whilst these certainly are visible from the customer perspective and impact customer satisfaction, the topic is much broader since non-visible factors are equally important. Internal enablers are crucial to drive digital maturity. Digitalisation and innovation require an environment in which each and everyone involved is eager to challenge and push the boundaries. In a fast-paced environment, flexibility, the willingness to acquire new digital skills and a culture of innovation are key. In a cross-industrial survey amongst UK companies, the Learning & Work Institute in 2021 stated that 76% of employers acknowledge that a lack of digital skillsets will affect their future profitability. Visionary leadership with a clear goal and roadmap is a first step in the right direction, but only worth a fraction if not put into practice. Empowerment and forward-thinking need to be promoted to encourage employees to carry out the vision in their work routine.

To drive digital maturity along the customer journey, airline managers need to critically reflect and examine three core areas:

1. Does the digital experience already reflect current industry standards and opportunities to address today's and future passenger expectations? What areas along the customer journey require product investments?
2. How deep is digitalisation anchored into the organisation and strategic agenda? Do we have a vision and clear targets defined for the future?
3. Are our employees equipped with the right skills and tools? Do we have an innovative culture and work environment?

A step-by-step status quo assessment along the customer journey is the first phase in the process. It helps to identify gaps to industry best-practice as well as competitors and supports the definition of a desired target picture and concrete actions. And whilst the digital experience is significant and shapes the overall customer journey, the target picture for each airline may look different.



A digital customer journey helps airlines to meet the expectations and positively impact customer satisfaction.

Considering elements such as business model, operational environment, or even macro- and socio-economic factors is essential in painting the future picture.

Choosing where to invest becomes increasingly challenging

In this highly dynamic environment, airlines need to continuously re-assess their digital strategy. New technological innovations force airlines to adapt their product experience to stay relevant, since passengers prefer to fly with an airline that combines best digital and human service elements. Strategic decision-making becomes increasingly challenging. Knowing which investments to prioritise helps to make smart and efficient decisions to position the airline ahead of the competition. Time is a valuable asset in this context, as changes and turnarounds will not materialise overnight. Undergoing digital transformation unlocks a rewarding return. According to an MIT Sloan study, companies undergoing digital transformation achieve net margins of 14.0 percentage points above industry average. Methodologies and tools exist to understand where to start and which steps to take first.

Digital maturity assessments help to identify improvement potentials and defining next steps

Systematic approaches exist to identify improvement potentials in consideration of industry best-practice. Digital maturity assessments are no new invention but have already proven themselves in various sectors and provide a framework to determine the individual maturity and improvement areas. By applying scoring and clustering methodologies, these assessments provide an effective and transparent diagnostic. Given the dynamic industrial pace, regular status-quo analyses help to determine next steps, prioritise investments and make timely strategic decisions in order to stay ahead of the competition.

Finding the right balance

Passengers call for a smooth and hassle-free experience. A digital customer journey helps airlines to meet the expectations and positively impact customer satisfaction. However, the individual digital maturity level also depends on several external factors. Despite the accelerating trend of digitalisation, passengers do seek human interaction in the form of individual attention, courtesy and helpfulness in certain moments. Nonetheless, digitalisation is on top of the strategic agenda and a crucial differentiating factor. The developments prove that Africa's carriers have embarked on a promising journey of digitalisation with many good examples leading the way and it will be pivotal to persevere along this journey. Reviving digital customer experience therefore remains key to overcome the challenges of the modern airline world and pave the way towards a successful and sustainable future. [🔗](#)