

Parallel Reality at Southwest Airlines¹



As you get settled in your office for another day of work at WizConsult, the consulting firm you have recently joined, you sip your morning coffee and start your computer. Surprisingly for this early hour, your boss walks in and asks you to follow him immediately. You take one last sip of your coffee and go. Your boss is on the phone with the CEO of Southwest Airlines, Bob Jordan, the third largest airline in North America by number of passengers.

They quickly bring you up to speed: Southwest has been quietly evaluating a large investment in Parallel Reality,² a technology that allows up to a hundred viewers to share a digital display while showing each person completely different and personalized content.³ Coincidentally, you were at Detroit Metropolitan Airport (DTW) last week flying with Delta on your way back to WizConsult headquarters and experienced the technology first-hand. Southwest is investigating a roll out of Parallel Reality screens in its North American airports.

Delta Airlines pioneered the application of Parallel Reality technology at DTW. In June 2022, Delta deployed one large screen in its dedicated McNamara Terminal (four concourses, with 129 gates). Guests scan their boarding pass at the exhibition kiosk, while entering the terminal, and opt-in to the Parallel Reality experience. A private viewing zone provides a sample of what the experience is like throughout a terminal equipped with Parallel Reality screens. Overhead cameras recognize the shape of each traveler and track them so that, when viewing any screen, the content can be customized based on

¹ This note was created by professors Gabe Piccoli and Joaquin Rodriguez for exclusive use in class.

² Parallel Reality is the commercial name of a technology pioneered by MisappliedSciences

³ The pixels in a Parallel Reality display can project up to millions of lights rays of different colors and brightness. Each ray can be software-directed to a specific person, allowing for personalized viewing experience.

the customer location. Suddenly, screens no longer display standard information (e.g., all the flights departing in the next 5 hours). Rather, the screens only display information relevant to the passenger: tailored messages, specific directions to the gate, information about their individual flight, such as changes of gate or delays. Moreover, the information is presented in the traveler's preferred language.

The efforts at DTW are part of a \$12 billion commitment by Delta to the enhancement of their airport hubs throughout the nation over the past decade. Delta's strategy encompasses notable transformations, including the \$1.5 billion investment at JFK. Partnering with JFKIAT, the owner operator of the airport, Delta contributed to improve passenger experience and terminal infrastructure. As part of the agreement, Delta received exclusive use of the remodeled terminal (Terminal 4) for several years.

Just yesterday you had recounted to your boss how you thought that Parallel Reality was an astonishing experience. Matt Muta, VP of Innovation at Delta was quoted as saying: "with the technology, we saw an opportunity to transform another aspect of the airport journey into seamless, personalized and wholly unexpected." Delta envisions a future where the entire customer journey within airports is personalized, encompassing individual messages that welcome travelers from the instant they arrive at the airport and guide them through every stage of their experience until their departure.

Your experience last week was the likely reason you found yourself being pulled into this meeting. But this was a great opportunity, working directly with Southwest Airlines CEO! Your boss explains that Delta doesn't expect to earn money initially from this service. He quotes an interview with Ranjan Goswami, SVP of Customer Experience: "We can't wait for customers to experience the ease and convenience this technology can bring to their journeys. Parallel Reality means customers will no longer have to search for flight and gate information."

The approach that Southwest is considering is very similar to the one introduced by Delta at DTW. Southwest CEO tells you that they are monitoring the situation carefully, but they are unsure how to evaluate the situation from a strategic standpoint. Jordan does not want to miss out on improving customer experience and making extra revenue, as every bit helps. However, he does not want to waste money on the latest high-tech gizmo just for the sake of staying on trend with the major airlines. You are now on the hot seat as your boss and Bob Jordan turn to you for a recommendation – make the most of this opportunity.