American Airlines: Opportunities to Bolster Business

Top Three Insights from Web-Scraped TripAdvisor Customer Reviews

Audience: American Airline Management

American Airlines Executives

Doug Parker



Chairman and Chief Executive Officer
Read Doug's bio »

Robert Isom



President

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Elise Eberwein



Executive Vice President

People and Communications
Read Elise's bio »

Stephen Johnson



Executive Vice President

Corporate Affairs

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Derek Kerr



Executive Vice President and Chief Financial Officer

Read Derek's bio »

Maya Leibman

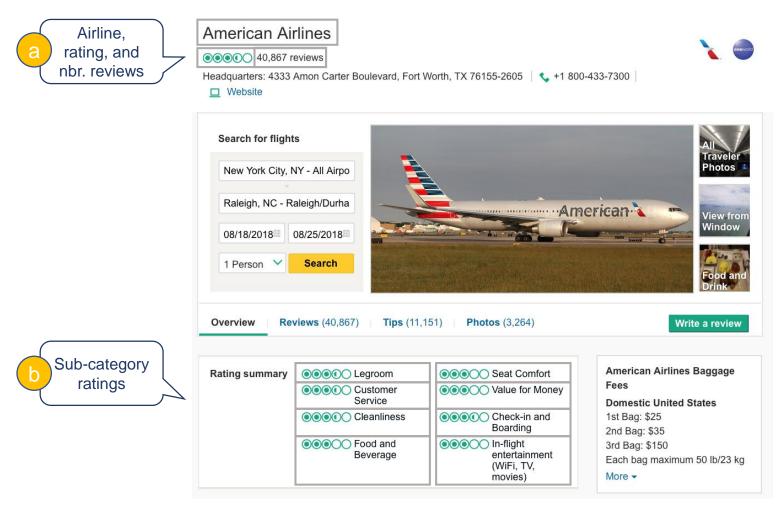


Executive Vice President and Chief Information Officer

Read Maya's bio »

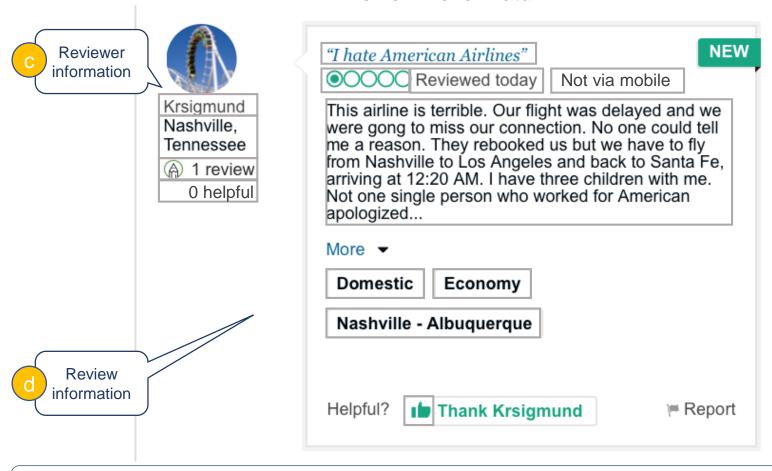
Web scraping customer reviews on TripAdvisor yielded data to improve American's service

Airline-Level Data



Web scraping customer reviews on TripAdvisor yielded data to improve American's service

Review-Level Data



Data pulled: 1) aggregate data for ~30 of the most reviewed airlines & 2) all 2018 YTD reviews for American, Delta, SouthWest, and United (4 largest U.S. carriers) (~10k reviews each)

Where does American Airlines stand according to TripAdvisor reviews?

American Airlines has a higher proportion of 1-stars and lower proportion of 5-stars than do Delta and SouthWest, on par with United



Web-scraping customer reviews yielded three key insights

Recommendation 1

Recommendation 2

Recommendation 3

Prioritize Customer Experience **Drivers** for Greatest ROI

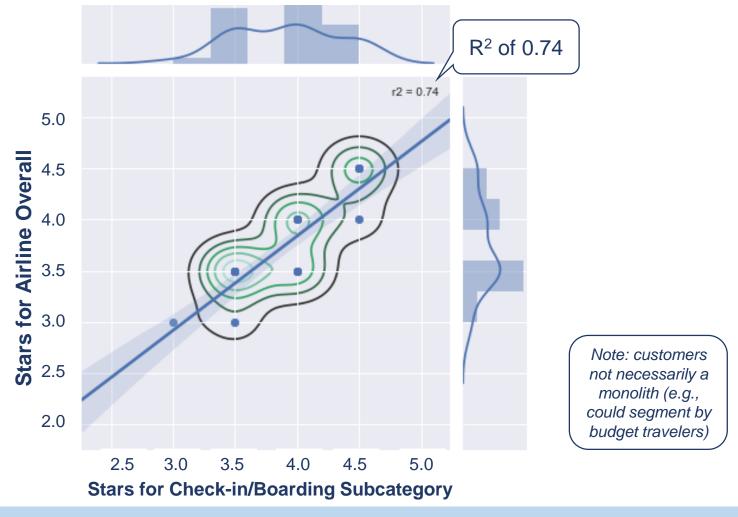
Win the Mobile-First Movement

Optimize Partnerships (with Airlines & Airports)

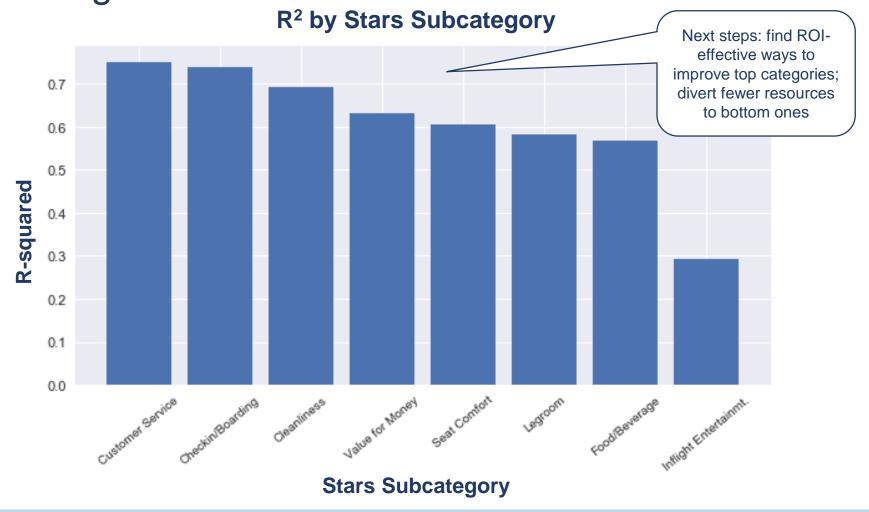
Recommendation 1: Prioritize Customer Experience Drivers for Greatest ROI

Correlation calculated and depicted for each of the eight star-subcategories vs. total stars, to determine





Customer service and check-in/boarding have the highest R-squared values of the eight subcategories



Recommendation 2: Win the Mobile-First Movement

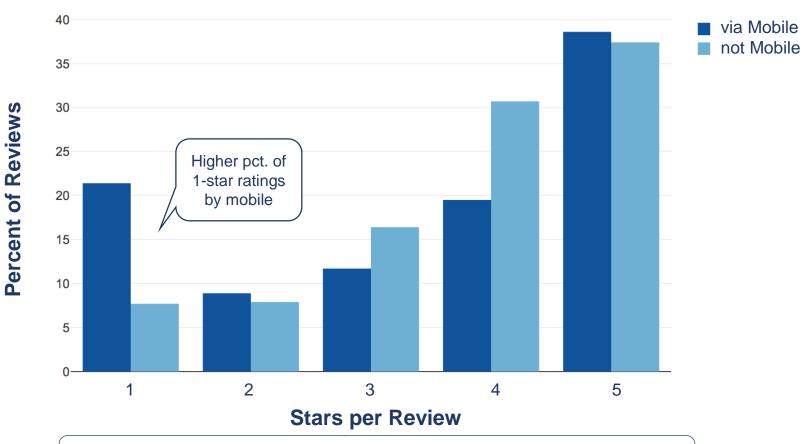
We're moving further into a mobile-first world

Percent of Reviews Over Time, by Mobile



Mobile users generate higher proportion of 1star reviews

Stars Distribution by Mobile Status

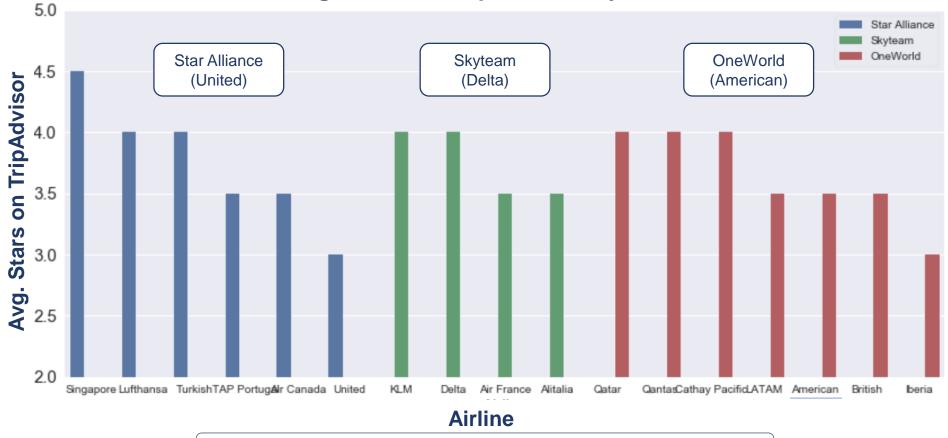


Further analysis: comparison of 1-star mobile and non-mobile reviews, incentives for mobile brand ambassadors

Recommendation 3: Optimize Partnerships

Use reviews to optimize your partnerships: current alliance members

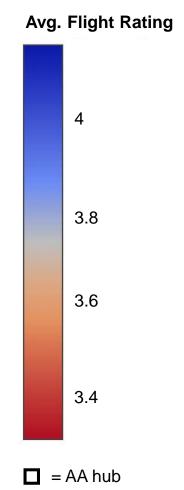




Action: establish standards and shared metrics across Alliance

American can utilize reviews categorized by originating airport (proxy) as negotiating chip with airports





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Further analysis: multivariate regression on star subcomponents, mobile-first and airport NLP

Next steps: working session to brainstorm and actualize improvements

APPENDIX

Customer experience research reveals revenue and customer acquisition opportunities in airline industry

Revenue Opportunity

\$1.4b

"According to Forrester Research, on average each US airline is leaving as much as \$1.4 billion in annual revenue on the table by not making improvements to their customer experience (CX)."

Customer Acquisition

61%

61% of global flight purchasers visit TripAdvisor before booking travel; the figure is 66% for U.S. travel purchasers. (Note: this is based on a TripAdvisor study.) Customer service theory suggests accentuating the positive and preventing the negative

Don't just satisfy your customers, delight them.





If you make customers unhappy in the physical world, they might each tell six friends. If you make customers unhappy on the Internet, they can each tell 6,000.

Good customer service costs less than bad customer service.



PREVENT NEGATIVE

ACCENTUATE POSITIVE