

Leading Asia-Pacific Airline: Pricing Innovation

Client context	Approach	Impact
<p>Client description</p> <ul style="list-style-type: none">Leading, innovative Asia-Pacific airlineLeading airline in domestic market, with significant presence in regional and long-haul routesLeading airline from commercial expertise perspective, across P&RM, sales, and other topics <p>Challenges</p> <ul style="list-style-type: none">Saw innovation and disruption occurring in consumer market (e.g. Amazon, Uber) and worried that eventually similar disruption could occur in airlinesDissatisfaction from domestic customers on large price differential that can occur for same flightWants to stay ahead of potential disruption by innovating new pricing offerings <p>Objective</p> <ul style="list-style-type: none">Explore a more “customer-centric” pricing model that would maintain RASK but help “disrupt” the market <div><p>Client name: X</p><p>Team set-up: X</p><p>Fees Structure: X</p></div>	<ul style="list-style-type: none">Collect case examples and trends from across airlines and outside airlines<ul style="list-style-type: none">Developed a pre-read pack of innovative pricing options, e.g. Uber, Delta, Amazon, AT&T Disneyland, Best Buy, Starbucks and SPGProvided more than 30 use cases as thought-generators and to facilitate a workshop with key stakeholders to decide on a short-list for further investigationSetup a collision workshop<ul style="list-style-type: none">Explored and evaluated trends across industriesMore than 200 ideas were generated over 16 themes17 ideas were built out to advanced state of details8 detailed concepts were conceived with leaders identified and tangible follow-up actions mapped outSynthesized findings, including development of team for rapid prototyping of a specific solution <div><p>What was unique: X</p></div>	<ul style="list-style-type: none">Developed 8 new pricing innovations around 5 themes, including<ul style="list-style-type: none">Subscription modelsLower fares with trade-offImproved customer experienceImproved transparencyExplored new business modelsInitial concept launched to explore subscription and bulk buying modelsPlan to introduce more solutions and scale