

# **DIGITAL DISRUPTION TO ENHANCE THE CUSTOMER AIRPORT EXPERIENCE AND GROW REVENUE**

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# Manchester Airports Group Premier Airport Management and Services Company



**Largest** UK-  
owned airport  
group



**55m** passengers  
each year



**Four** airports



**Capacity** to meet UK  
aviation needs



**New economic**  
development  
zones



**38,800**  
Staff employed  
at our airports



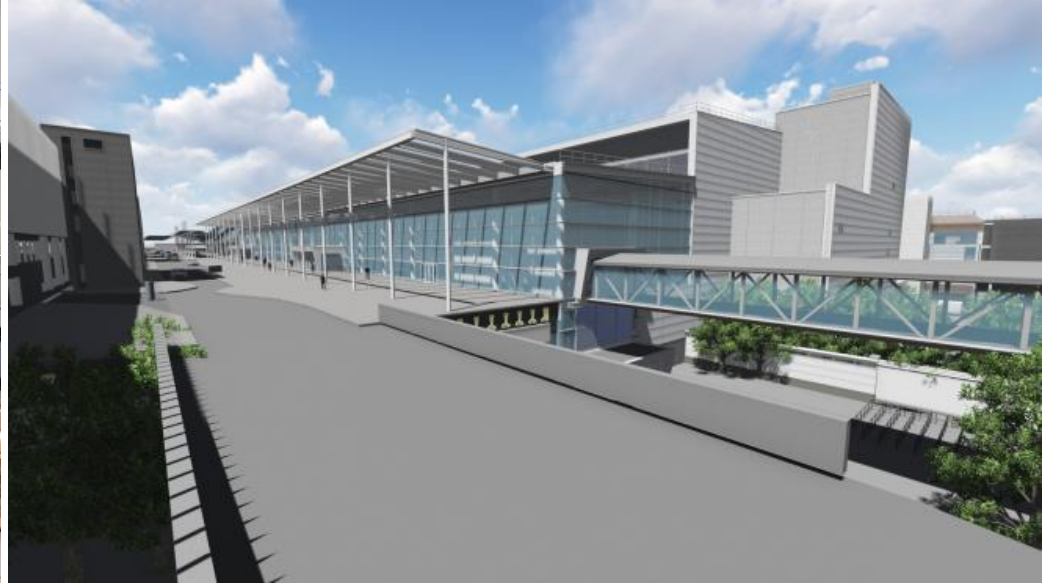
**121,500**  
total UK jobs  
supported by MAG



**£5.6bn**  
in UK gross value  
added

# TRANSFORMATION

Multimillion pound transformation of both Manchester and Stansted Airports



# FUNDAMENTALS OF AIRPORT INFRASTRUCTURE EVOLVE SLOWLY

Whilst underlying technologies have developed, the fundamentals of the airport would be recognisable to passengers from when our airports first opened



# BUT THE WORLD IS CHANGING AROUND US ...

However today customer fundamentals are changing much more rapidly



A mobile phone today has more computing power than the computers used for the moon landing

**MAG-O**

# CONSUMER BEHAVIOUR IS BEING DRIVEN BY MILLENNIALS

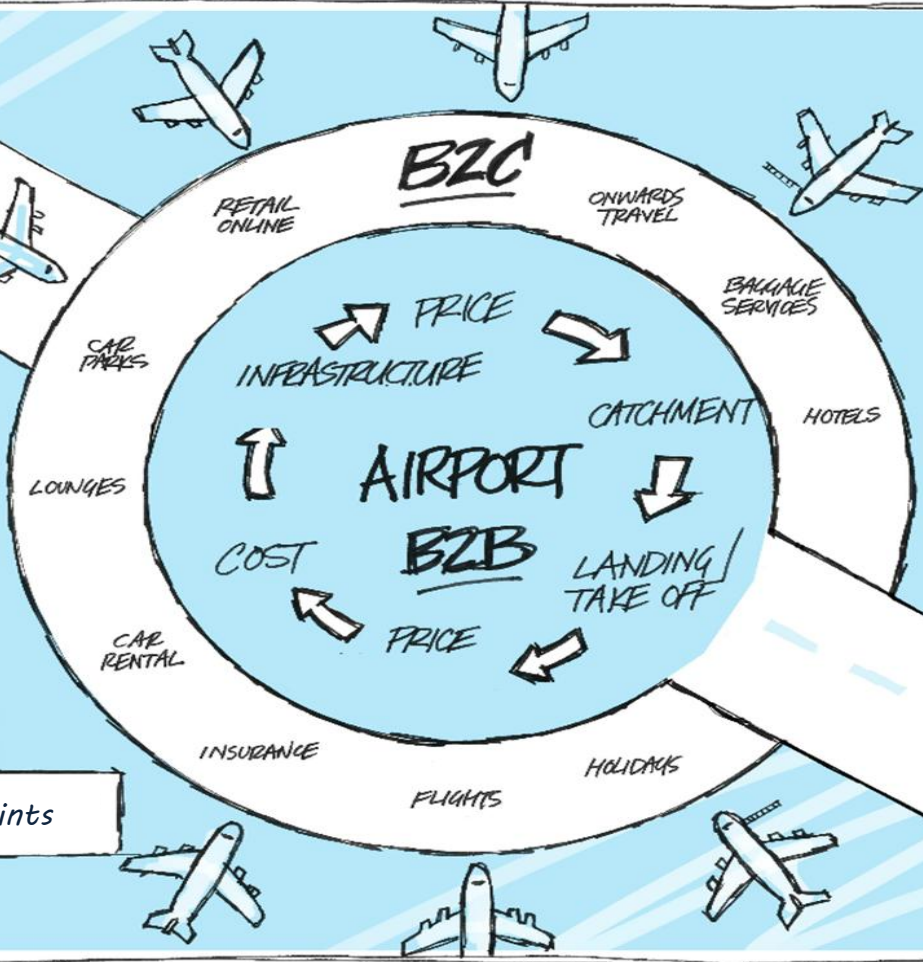
Millennials are a growing consumer segment with different behaviour because of their exposure to technology, which is driving change across all age cohorts

$\frac{1}{4}$  OF THE UK POPULATION ARE MILLENNIALS

$\frac{1}{3}$  of MAG passengers

$\frac{1}{2}$  of Stansted passengers

Building on what we already have and improving all the pain points our customers experience at our airports, achieving the smoothest journey that we possible can across all of our current and new touch points



- ↑ VOLUME
- 
- ↓ UNIT COST
- 
- ↗ YIELD
- 
- ↑ EBITDA

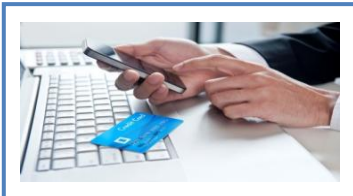
# HOW MAG'S CUSTOMERS PURCHASE IS CHANGING



Full range available on demand as the norm



Customers can do immediate price comparison at airport



Expectation of instant, frictionless payment



Easy, convenient delivery, e.g. to hotel



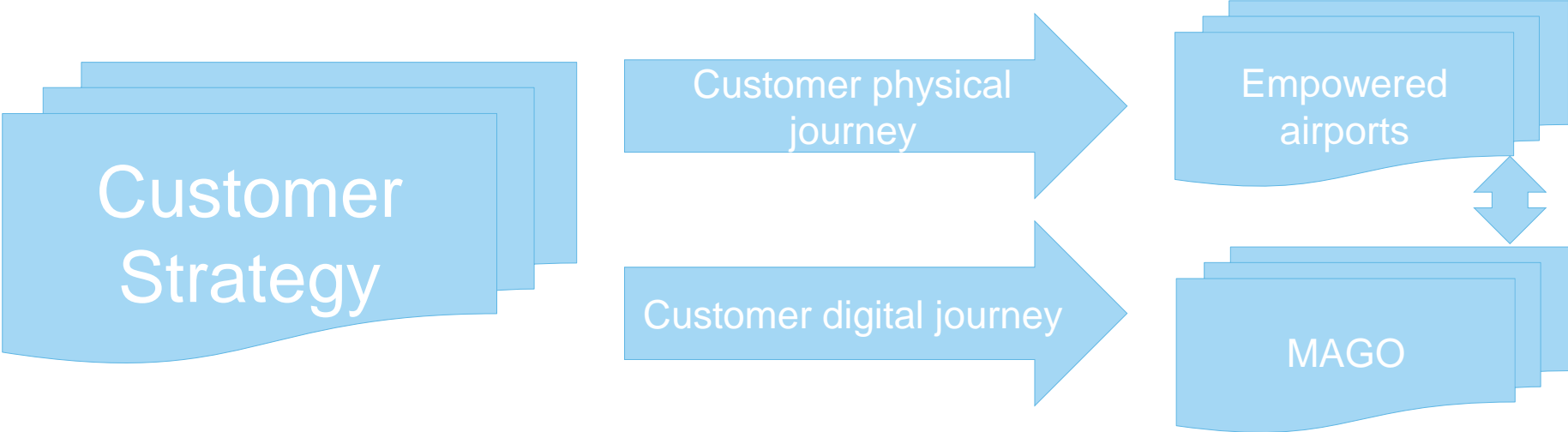
Customers not “captive” – they have lots of ways to fill their airport time





# MAG'S CUSTOMER STRATEGY

MAG developed a Customer Strategy in the round, resulting in empowering airports to deliver quality in the physical space and working on the need MAG has for a capability to effectively engage customers digitally



## DEPARTURES

UNKNOWN CUSTOMERS

PHYSICAL

UNMET NEEDS  
CUSTOMER JOURNEY

HEADWINDS  
TECH CONSTRAINTS

INFRASTRUCTURE

PAYMENT



TECHNOLOGY

WAYS OF WORKING

## ARRIVALS

KNOWN CUSTOMERS

OMNI CHANNEL

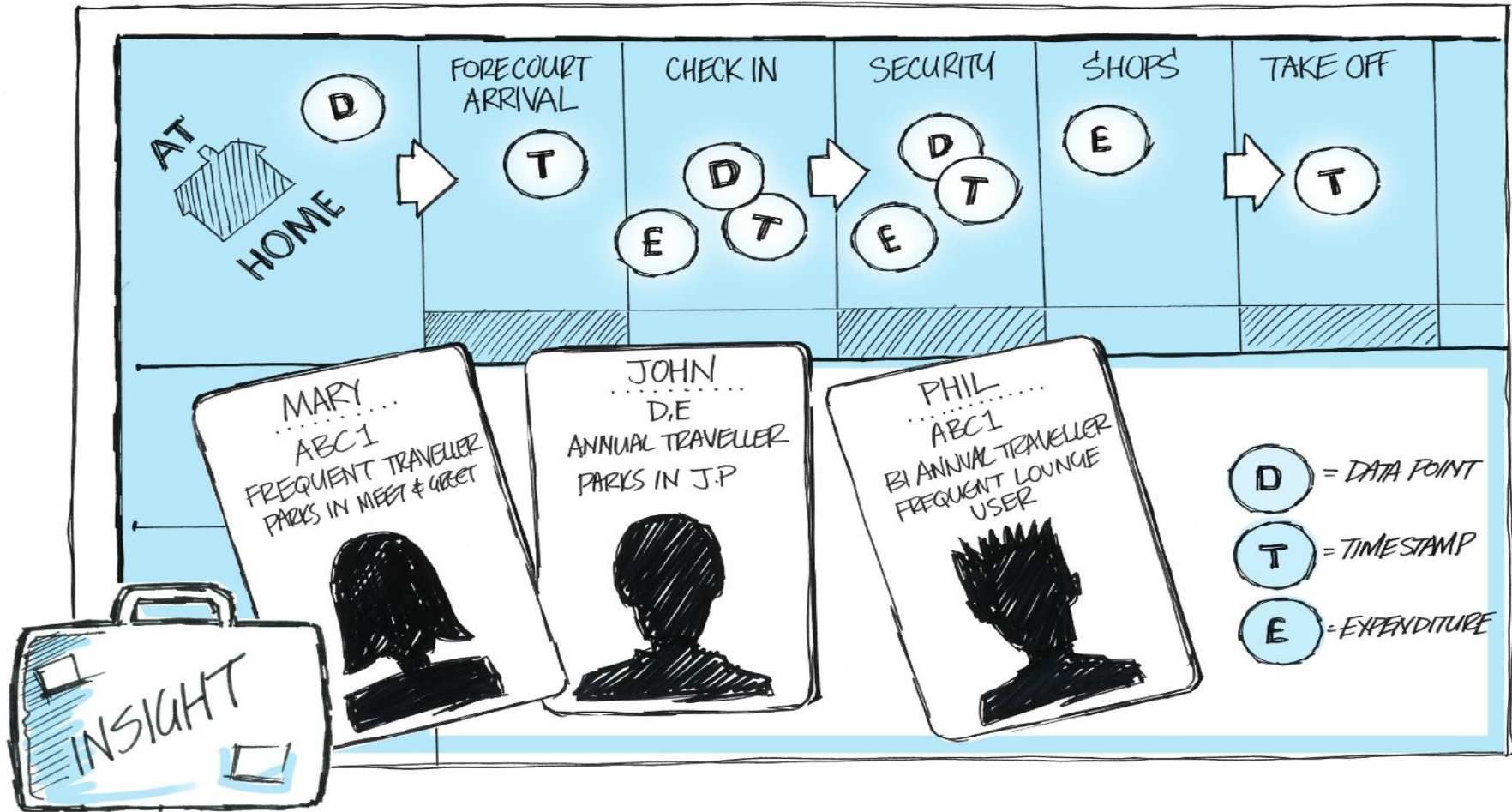
DIGITALLY  
ENABLED

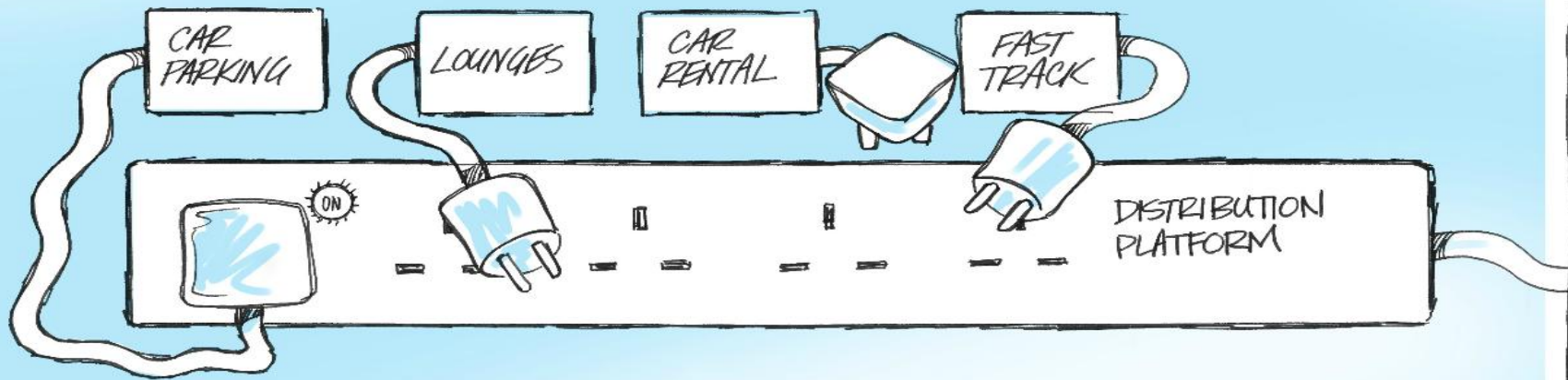
AGILE

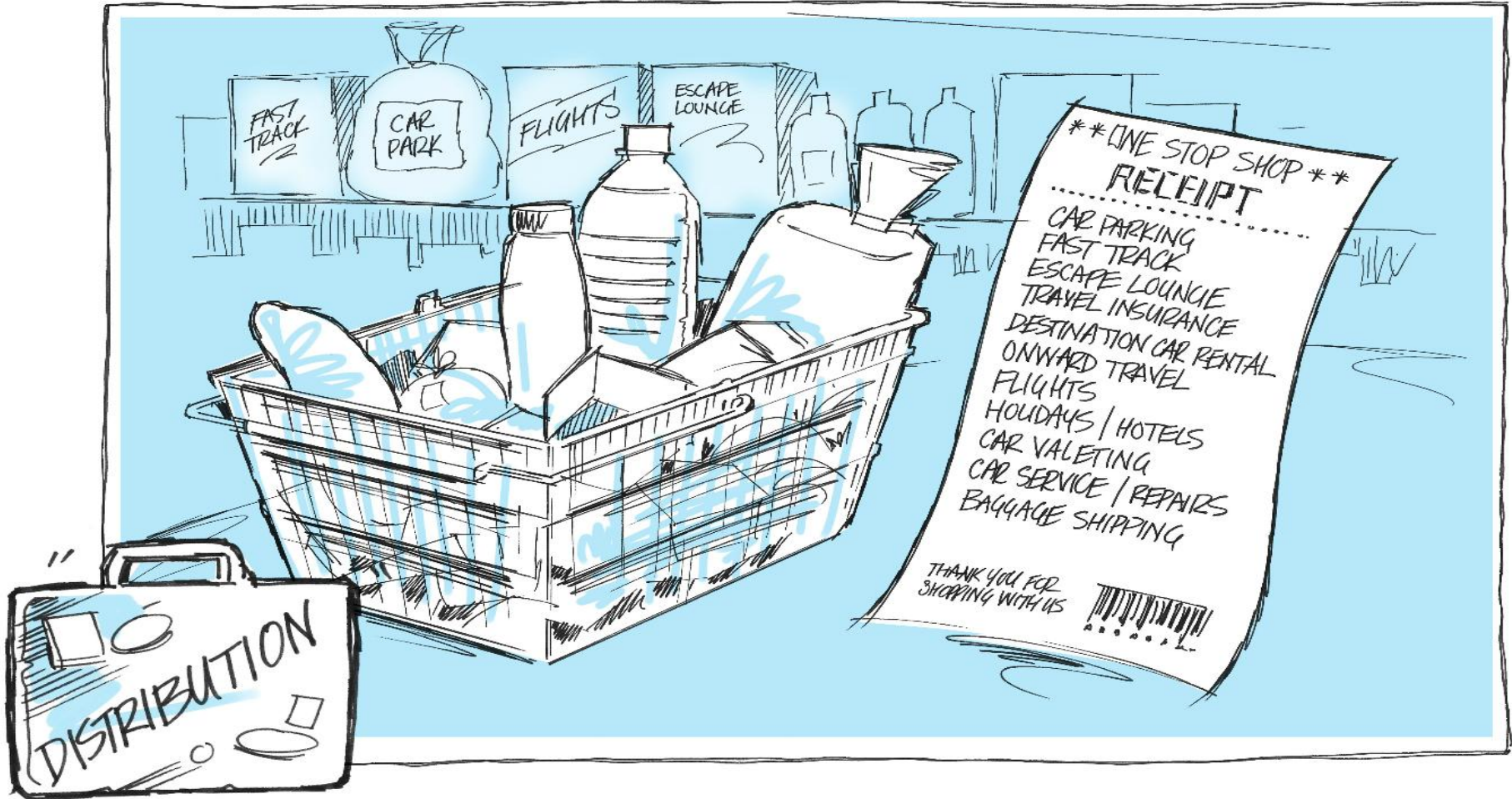
CONSUMER  
BUSINESS

FAST FACED

EVER CHANGING







FAST TRACK 2

CAR PARK

FLIGHTS

ESCAPE LOUNGE

\*\*LINE STOP SHOP\*\*  
RECEIPT

- CAR PARKING
- FAST TRACK
- ESCAPE LOUNGE
- TRAVEL INSURANCE
- DESTINATION CAR RENTAL
- ONWARD TRAVEL
- FLIGHTS
- HOLIDAYS | HOTELS
- CAR VALETING
- CAR SERVICE | REPAIRS
- BAGGAGE SHIPPING

THANK YOU FOR SHOPPING WITH US

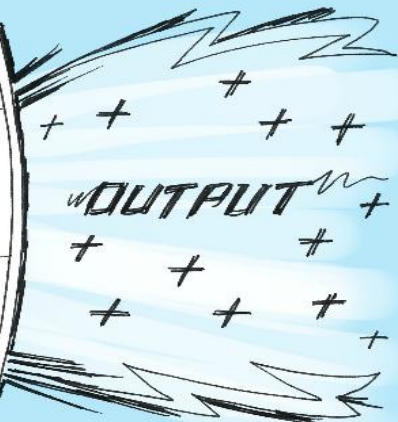
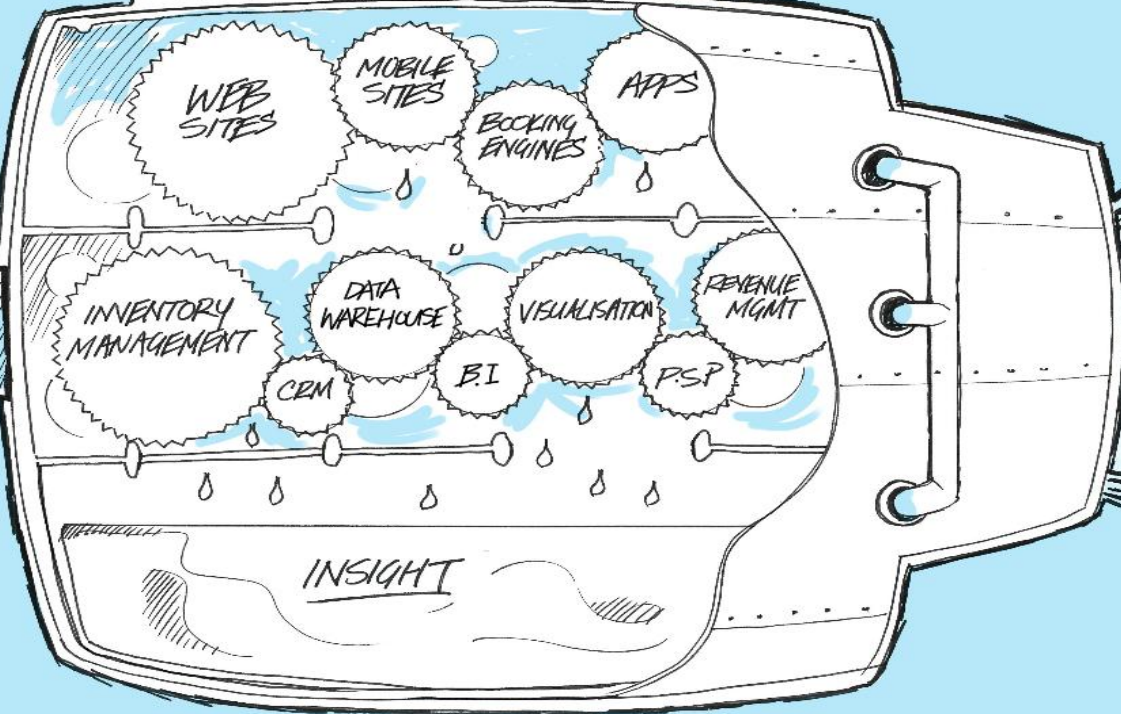


DISTRIBUTION



# TECHNOLOGY

## ENGINE



## OUTPUT

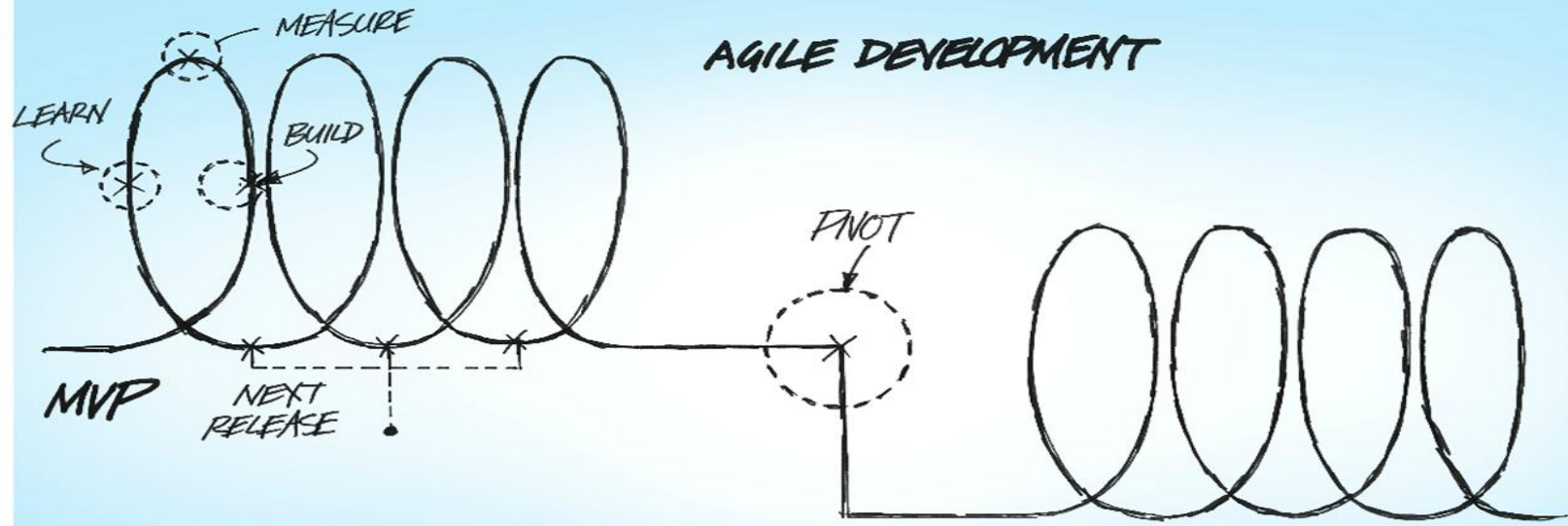


# WAYS OF WORKING

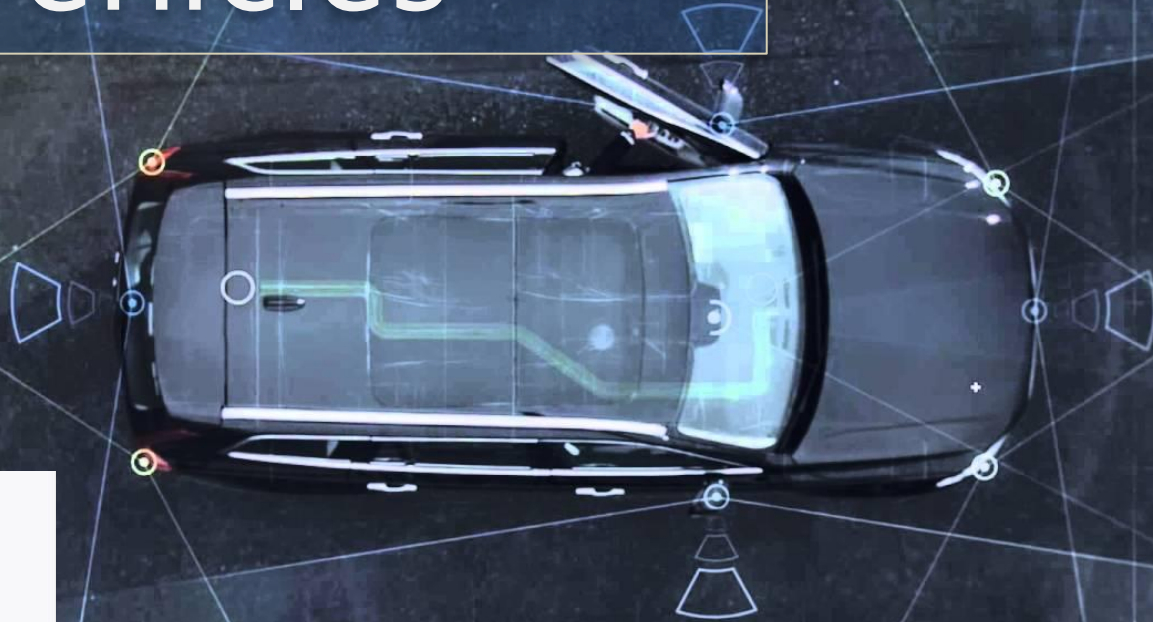
## INFRASTRUCTURE PROJECTS



## AGILE DEVELOPMENT



# Autonomous Vehicles



**UBER**



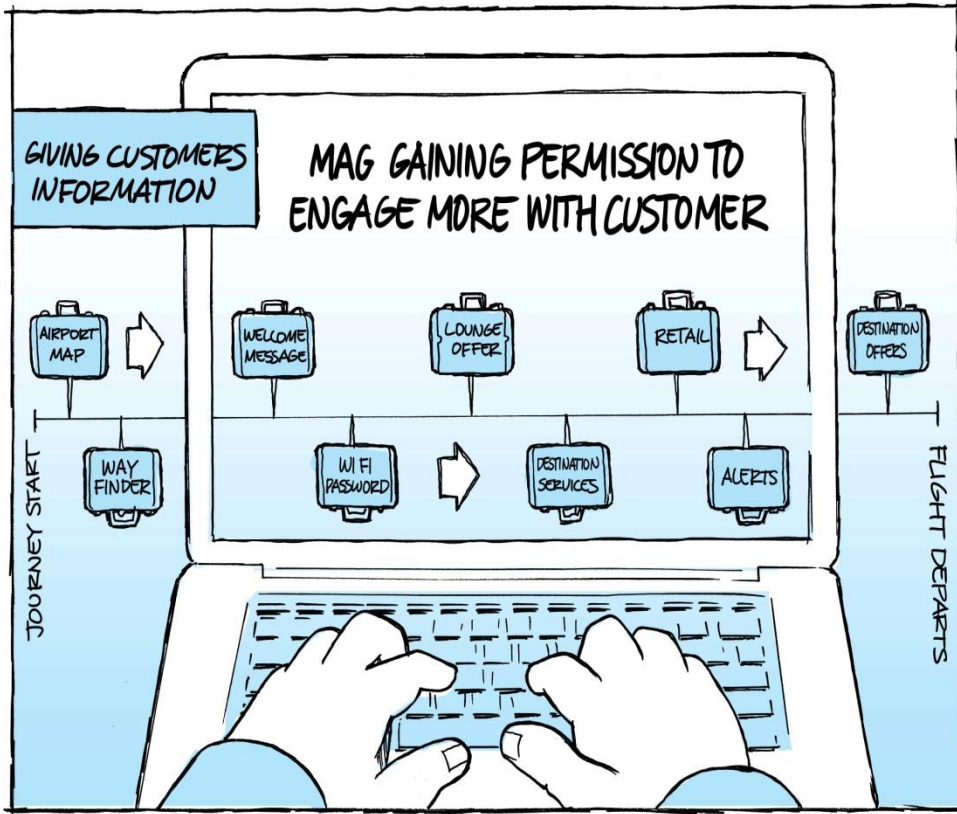
# LEARNING FROM THE BEST

Data and new technology have changed the customer experience at the Levi Stadium in San Francisco, using data, apps, beacons and digital innovation to improve operations and many aspects of the overall fan experience.

- Venue of Year for 2015 at Stadium Business Awards.
- Dubbed world's most high tech venue, boasts 1,200 Wi-Fi access points and 2,000 beacons as well as 2000 IPTVs and 400 miles of cabling.
- Purposefully located in Silicon Valley, best-in-class digitally enabled fan engagement.
- Close integration with San Francisco 49ers (home team) so seamless fan experience, as opposed venue and team (airport and airline) being separate entities.



# DIGITAL CUSTOMER ENGAGEMENT



# KEY ELEMENTS



**Solve don't Sell** – Stickier product if we remove friction for customers



**Be Relevant** – Understand there are different customer segments each with different needs and preferences to be met



**Disruption** – Competitive advantage doesn't last forever; sometimes the best solution is to change the model because if we don't, someone else will



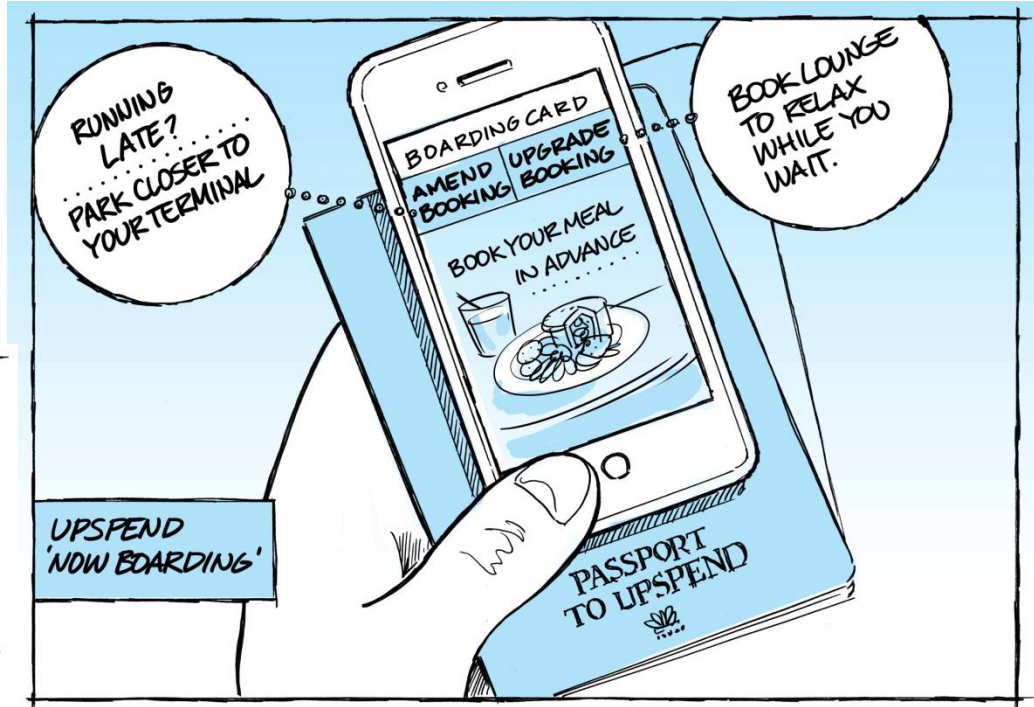
**Test, Learn & Co-create** – All team members can make a contribution and help to test and learn

# CREATING VALUE FROM INSIGHT

Earlier “golden time” of night before travel, providing information customers want e.g. flight update, weather, travel, queue times...



# CREATING VALUE FROM INSIGHT



Personalised real-time communication providing information and offers based on time, distance & preference e.g. free FastTrack if capacity

# CREATING VALUE FROM INSIGHT

Influencing customer behaviour in real-time, e.g. delay passengers landside, use of timed-security windows

OPERATIONAL EFFICIENCIES

VALUE FROM INSIGHT

DATA LAKE

EVENTS

FORECASTING

HEAT MAPPING

SECURITY REQ.

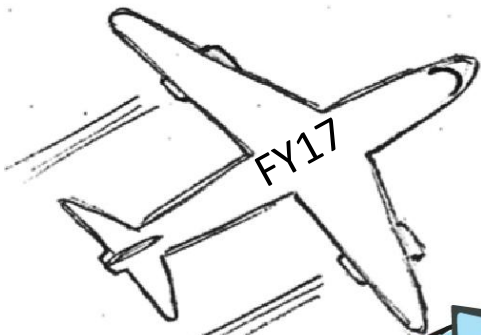
INTELLIGENCE TO OPTIMISE OPERATIONAL EFFICIENCY



Broader value from insight, e.g. utilisation of data to inform & improve operational efficiencies, terminal space utilisation, design, queue management...



# Horizons



*Local: MAG-O division established, deliver revenues to airports.*



*Enhanced: Foundation systems, insight extraction, conversion; income.*



*Optimisation, personalisation, innovation leader in systems development.*



THANK YOU

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