Mit- first air crm

Customer relationship programs are particularly essential when it comes to service based industries. The Airline industry is a service based industry which can greatly benefit from an established web based CRM option. The following report highlights the importance of a CRM system for FirstAir, while depicting the needs of the customers, the management and the cabin and flight deck crew. The report also provides the CRM options that are suitable to FirstAir airline based on the target market and the operationgoalsof the company.

The CRM options that are listed can help the company better attract customers while retain its current customers for future business. Benefits of Customer Relationship Management The main target of the customer relationship management progr4ams are the customers. Any company wants to attract new customers while retaining its current customers for repurchase through committedloyaltyto the brand. Airlines can benefit from the CRM by using data warehousingtechnologycombined with CRM based software.

The combination of the two can sufficiently support online management of resources, queries, capacity planning, load, schedules, customer requests, and the transfer of relevant information about the customer and current trends to all the business units of the company. The management of the company can make use of the information gathered by the CRM to conduct an analysis of the asset utilization, determine the activities and efficiency of the agents, identify the trend for air traffic by category of customers as well as determine the performance indicators of the various agents and customer booking options.

" The airline receives other indirect benefits too. The main one is detailed information about customers' travel behavior. This information is enriched with other information about customers and their buying behavior, analyzed to identify customer segments and used for targeted direct marketing. A modern airline knows so much about its customers' travel behavior that it can identify if a customer who regularly flies from A to B stops returning with the airline, can make the customer a bonus points offer for the next time they take a return flight on the same trip and can monitor the customers' response to the campaign.

" (Hill, 2009) Customer based CRM programs aim to identify the needs of the customers and provide them with specialized features and facilities that can enable them to be stay loyal to the airline. The popular CRM options that are provided to the customers by airlines include online booking for tickets, joint booking for hotels, transport, air travel as well as discounted offering on tourist attractions in the destination in city. Amongst these is also the famous frequent flyer program with which the customers are rewarded for every mile that they travel with the airline.

The frequent flyer program that has been used by the American Airlines since the a980s makes use of a point based system according to which " customers earn points for flights flown, for stays in hotels, for cars hired, for credit card usage and for a wide range of other purchases. They can redeem the points earned for yet more flights, hotel, stays, hire cars and other purchases too. At the last count, an AAdvantage customer had more than 1, 500 different ways to earn and spend points. And that is not all.

The more flights customers earn, the more benefits they receive from American Airlines. These benefits include the same VIP ticket booking, check-in, fast-track security and airport lounge access that was described earlier. These benefits are of real value to the frequent flyer and greatly influence their choice of airline. " (Hill, 2009) One CRM success story is that of the KLM Royal Dutch Airlines. This CRM took a project based approach while aiming at the simultaneous training of the management staff towards customer relationship building initiatives.

" In September 2004, SkyTeam combined the network of nine allied carriers: Aeromexico, Air France, Alitalia, Continental Airlines, CSA Czech Airlines, Delta Air Lines, KLM Royal Dutch Airlines, Korean Air and Northwest Airlines. Passenger benefits included more, easier, and quicker connections, single check-in, consistent assistance at any of the partners' reservations centres, airport service counters or ticket offices, and access to more business lounges. Also, frequent flier members with any of the Alliance partners could earn and redeem frequent flier program miles over the whole SkyTeam network.

" (Viaene ; Cumps, 2005, p4) Customer Needs The service offerings that are provided by the FirstAir to the customers are of unique nature. FirstAir caters to a highly specialized and elite clientele who need to be at their destinations in a shirt amount of time. Therefore catering to this the company provides shuttling of passengers through supersonic aircrafts with first class service to all its customers along with pick up and drop service from and to their homes/ offices.

The service is highly customized with major emphasis on priority and premium based customer service. As a result the needs of the customers for the FirstAir Airline would include the following. The customers of FirstAir would be traveling for business as well as pleasure, however regardless of their purpose of travel the customers would need their travel/flight preparations to be handled in a quick and efficient manner. This means that the customers would be looking for booking their plane tickets online along with the customization of their flight particulars.

They would require the schedule of the flights to be made available online stating the times the flights takeoff for their respective destinations, the route they take and the type of aircraft for the respective flights. Aside from this the customers would also be requiring a hassle free handling of their travel and procedure for booking. This means that the customers would seek to book for a flights, transport at the destination city and accommodation for stay in the destination city all through one portal.

Being such busy, high profile customers who are paying a premium for their flight and related air travel based services they would require hassle free check in option, pre check in option and multiple options to choose from for in flight dining and drinks. They can require the menu of the respective flights based on seasonal travel to be made available on the portal for their inspection and selection. Similarly they would also require that they be provided entertainment options when traveling alone, or with kids to keep them preoccupied and entertained during the trip.

The premium paying customers of the FirstAir airline would also require the company to provide them with privacy options for their travel especially if

they are travelling for business. All requirements of the customers would need to be met in a prompt and efficient manner such that the customers do not have to contact FirstAir representatives or agents again and again for resolving travel issues. They would need all aspects to be taken care of well before takeoff, if possible at their convenience through an online portal.

Management Needs Similar to the customer needs from the CRM, the needs of the Management at the FirstAir n airline would also be significantly different than those of a normal commercial airline company. The management of the FirstAir airline would be interested in identifying how they can best cater to the customer. For this they would be interested in determining a trend from current customers to offer services and products to customers before they can express their desires or identify their lack through complaints.

The management needs from the customer relationship management option would include gathering information on the customers, and making customer profiles. They would need to know how to best market to the customers through mass media, BTL branding and schemes (Jiang, 2003). The management would need to know about the traffic levels top their destinations to identify the trend of the travel of their market. Their needs would also include determining which in flight services are popular amongst the customers and which need to be improved upon for maintaining good relationships with their customers for retention.

Similarly they would also be interested in determining the booking capacity, efficiency and performance of their various customer interaction points. The management needs highlighted above can allow the management to operate

the business in a much efficient and effective manner . By gathering in depth data on their current customers, the management would be able to make strategies for attracting new customers while also striving to retain customers using retention and relationship building strategies. Cabin and Flight Deck Crew Needs

The cabin and flight deck crew at the FirstAir airline would be specialized and trained personnel who would be there to provide service to the customers and maintain good atmosphere in the cabin. The facilities that would be provided by the cabin flight crew to the customers would take the form of personal assistance, help service, medical aid, security, comfortable dining and trouble free journey on the supersonic aircrafts. Therefore in order to properly cater to the high end customers of the airline, the needs of the cabin and flight deck crew from the e-CRM to be implemented at the FirstAir Airline Company would include the following.

The cabin and in flight crew at the FirstAir would need access to the flight schedule in terms of any linkages, or possible emergency stops that can take place during the journey. The crew is often bombarded with how long the flight would take till it touches down on the destination city and what time s being kept by the flight and for this purpose the in fight crew needs to have access to real time data about the flight schedule. Similarly the in flight crew would also be needing information about the route being taken for the flight and respective stops that are possible for customer awareness and assistance.

The cabin and flight crew would also need access to the real time customer seating chart, specifically with the names of the customers. This would be

helpful in order to assitat the customers to their seats, and to provide them with personalized service during the trtip based on their needs and stated requirements. Similarly the crew will also need to have access to the list of preferred or loyal customers of the airline who are prioritized in terms of service and their demands

Aside form all of this the cabin and flight crew will also need to have access to information pertaining to the customers' specific requirements for the flights. These requirements include data about the dining preferences of the customers, their privacy preferences, their entertainment choice and their purpose of travel where provided. The respective information about their transit flights and their destination transport where available for the customers will also need to be provided to the crew in order to enable them to better service the customers and provide them assistance on their queries.

CRM Option The CRM option that is proposed for FirstAir is a web based CRM solution which would provide different portals for the customers, the management and the in-flight cabin crew. The reason for the proposition of a web based solution is to provide the customers easy access top the system and to enable the company to reach their customers with an appropriate and a direct interaction point. The web based e-CRM solution would be backed by a data warehouse which would gather historical as well as current data about the customers and their specific travel requirements.

The customers would be able to access the e-CRM system through the internet. They would by provided by a customer portal through which they can enter their personal particulars, their flight destination, number of

people travelling and their desired route. The customers would also be provided options to make personalised/ customized entertainment schedules for their trip along with in fight dining selection. In addition to this the customers will be able to select the level of privacy they want during the trip, the purpose of their travel, and the kind of service they would prefer.

Through the identity number the system would determine the priority level of the customer based on the customers commitment and loyalty to the airline for activation of the frequent flyer program and prioritized customer service. In addition to this the e-CRM portal for the customers will also allow them to schedule the pick up and drop timings for their travel dates along with booking of air travel, accommodation and transport for the destination.

This can be conducted through alliance based marketing and joint proposition of services with hotels and private transport service providers. The management would be able to access the same e-CRM solution through a separate assigned portal which they can access through their respective authorized logs. The management would be able to conduct trend analysis and data mining on the information gathered by the CRM on the customers for making reports devising marketing and advertisings strategies.

Aside from this the management would also be able to determine the efficiency of their operations through the recorded bookings. The cabin and flight crew would be able to access their respective portal on the e-CRM on the aircraft which would provide them with the required information for properly providing the customers with their selected services regarding entertainment selections, dining preferences, privacy [preferences, seating selection on the plane, and transit travel. References

Hill, G. , (2009), The Sky's The Limit With Airline CRM, GCCRM, retrieved May 26, 2009 from http://www. gccrm. com/eng/content_details. jsp? contentid= 1950⊂jectid= 101 S. Viaene, B. Cumps, (2005), CRM Excellence at KLM Royal Dutch Airlines, Communications of the Association for Information Systems, Volume 16 539-558, retrieved May 26, 2009 from http://74. 125. 153. 132/search? q= cache: ZxE0IpXdwLQJ: mis. ucd. ie/courses/KLMCRMcase. pdf+benefits+Airline+CRM&cd= 7&hl= en&ct= clnk Jiang, H.

, (2003), Application of e-CRM to the Airline Industry, retrieved May 26, 2009 from http://ausweb. scu. edu. au/aw03/papers/jiang/paper. html Boland, D. , Morrison, D. , O'Neill, S. , The future of CRM in the airline industry: A new paradigm for customer management, IBM Institute for Business Value, retrieved May 26, 2009 from http://74. 125. 153. 132/search? q= cache: tneuNx4HydoJ: www-05.   ibm. com/e-business/fi/pdf/highlights/integration/crm_airline. pdf+Airline+CRM&cd= 1&hl= en&ct= clnk