BOUNDING

PAL has partnered with Sabre Airline Solutions to implement Sabre AirVision Commercial Analytics, which analyzes historical and future revenue trends through integrated air fare, ancillary offerings and partner revenue metrics with predictive intelligence.

PAL will apply Commercial Analytics to more consistently and accurately monitor daily revenue performance, as well as make quicker, more informed decisions.

Commercial Analytics is the only solution on the market that can measure the impact of passenger behavior, enabling PAL to become more customer centric. This broader technology will empower the airline to drive new insights across all of its commercial-planning departments. It will also use the new technology to gain unique and actionable insights designed to create a competitive advantage.

Other departments under PAL's commercial group will be able to view the same information at the same time, resulting in consistent actions across sales, revenue-management, pricing and related departments.

Fresh Vantage Point

Rather than relying on fare-purchase data, PAL can examine customer segments, providing it better insight into customers' purchase tendencies, as well as giving it the ability to recommend actions that best suit the airline's business needs.

Commercial Analytics will enable PAL to optimize revenue per passenger instead of relying on revenue per seat. This will allow the airline to move toward greater customer centricity and total revenue optimization.

Commercial Analytics solves business challenges through a combination of intuitive role-based user experiences, advanced analytics and integrated data. It can integrate with multiple reservations systems, and PAL management views this advanced solution as a major competitive step up in the global airline industry.

"We are proud to partner with Sabre to help us identify new revenue streams and improve efficiencies," said Dina May F. Flores, PAL vice president for revenue management. "This will provide us with relevant insights to help us better understand our customers' buying behaviors. It will also help us attain our goal of becoming a five-star airline."

Components Of Change

PAL's business outlook is founded on four primary elements, all of which are built into Commercial Analytics including:
1. Maximizing revenues,
2. Extending the competitive advantage,
3. Empowering better decision-making by continuously offering real-time data across the airline,
4. Improving PAL's commercial group's efficiency and productivity.

Commercial Analytics will give PAL's decision-making executives market-differentiating capabilities not typically available from vendors or developed within any individual carrier's airline-technology department.

The parameters of Commercial Analytics encompass various capabilities, each of which will benefit the greater business objectives of Philippine Airlines, helping make the carrier a stronger, more intuitive retailer. These capabilities include:
- Integrated market metrics,
- Proration engine,
- Customer-segment analyzer,
- Predictive intelligence.

Integrated Market Metrics

Integrated market metrics will promote collaboration among PAL's sales, marketing, revenue-management and planning departments in achieving customer goals, enabling consistent and uniform network- and market-level key performance indicators across all commercial-planning departments.

Commercial Analytics' user interface effectively links specific insights into a guided narrative to explain the detailed reasons underpinning the data. The solution's user elements are fundamentally intuitive, with the look and feel of common user interfaces in today's communications devices and other personal technology products.

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COMMERCIAL ANALYTICS, THE ONLY SOLUTION ON THE MARKET THAT CAN MEASURE THE IMPACT OF PASSENGER BEHAVIOR, WILL ENABLE PHILIPPINE AIRLINES TO STRENGTHEN ITS CUSTOMER-CENTRIC STRATEGY. THE NEW TECHNOLOGY WILL ALSO OFFER DISTINCTIVE, ACTIONABLE INSIGHTS, GIVING THE AIRLINE A COMPETITIVE ADVANTAGE.

Philippine Airlines Aims For Increased Revenues Per Customer Through Real-Time Commercial Analytics

Philippine Airlines (PAL) will implement a new solution that is customized to enhance revenue per customer (instead of revenue per seat) by providing better commercial analysis and improved performance on a broad range of services.

By Phil Johnson

F RWARD

Proration Engine

All commercial airlines have traditionally been challenged by an innate and collective inability to accurately present a complete revenue landscape that captures insight into projected revenue from codeshare and alliance partners.

The Commercial Analytics proration engine can overcome this problem using PAL's latest ticketing data. It also calculates more complete and accurate revenue estimates, taking into account the potentially substantial mathematical effects of revenue-sharing agreements between the airline and its partners, thus providing a much more realistic overall revenue picture.

Customer-Segment Analyzer

The Commercial Analytics customer-segment analyzer broadens PAL's understanding of its customers and their buying behaviors, helping the airline accurately identify the various market segments into which its customers fit.

Through evaluation of airline transactional data, customer-trip segmentation is a viable factor, enabling natural and realistic groupings of PAL customers based on typical traveler behavior.

Airlines have previously used booking classes as proxies to capture unique travel traits. However, the customer-segment analyzer will enable much clearer visibility and help better identify current Philippine Airlines' customer purchasing tendencies, thus more accurately predicting an individual customer's likelihood to invest in various purchase options.

Predictive Intelligence

Constantly changing market conditions and circumstances make accurate predictive capabilities essential. Commercial Analytics predictive intelligence will help PAL effectively manage those changing circumstances.

Because of its archive of recommended actions that match up with various performance scenarios, Commercial Analytics will also help the airline predict and identify the best resolution in any given situation.

Root-cause analysis and recommendations are designed to identify key performance metric patterns, execute root-cause analysis and provide the airline's management team the best recommendations or options to move quickly to address various identified issues.

Also, it will enable PAL to configure the patterns and recommendations to fit its needs and objectives, and drive guided analysis and workflow based on the recommendations.

Making A Difference

The primary objective underpinning the principles of Commercial Analytics is to help airlines become more accomplished retailers, better serving customers and identifying missed revenue opportunities.

Today's airlines can apply Commercial Analytics to more consistently and accurately see and properly discern the reasons behind daily revenue performance.

A Significant Move Forward

Commercial Analytics can be a difference maker in real economic results. With Commercial Analytics, airlines are poised to establish significant standards in the marketplace. Working as the beta partner with Sabre for the rollout of Commercial Analytics will give PAL a significant competitive impact, now and in an ever more intensely competitive future. ASCEND

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USING COMMERCIAL ANALYTICS, PAL CAN EXAMINE CUSTOMER SEGMENTS AS OPPOSED TO RELYING ON FARE-PURCHASE DATA, GIVING IT GREATER INSIGHT INTO CUSTOMERS' PURCHASING BEHAVIORS. IN ADDITION, COMMERCIAL ANALYTICS WILL ENABLE PAL TO OPTIMIZE REVENUE PER PASSENGER RATHER THAN RELYING ON REVENUE PER SEAT, LEADING THE AIRLINE TOWARD GREATER CUSTOMER CENTRICITY AND TOTAL REVENUE OPTIMIZATION.

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