2007

Passenger self-service survey

Highlights

SITA

2007 Passenger self-service survey

SITA's second annual survey examines passenger perspectives of the self-service experience and trends in air travel.

As self-service technologies continue to transform the air transport industry, SITA has undertaken the second annual Passenger self-service survey (PSS) to gauge passengers' experiences and expectations of "do-it-yourself" travel. The results confirm that travelers have embraced self-service as part of their travel routine and it is expected to become the primary method of reserving tickets and performing check-in, whether online or via kiosks.

Giving passengers the ability to plan their own trip online, for example, is rated as a leading factor when making a reservation. Travelers surveyed considered this to be significantly more important than service offered by the airline, previous travel experience and airline loyalty. This confirms last year's findings and shows that offering passengers the ability to make their own arrangements on the web is now becoming increasingly fundamental for airline competitiveness.

An interesting finding from this year's survey centers on passenger awareness and selectivity. As travelers are becoming more aware of the self-service check-in options open to them, results indicate they are exercising different alternatives based on their travel situations and needs – a warm welcome for the multi-channel environment!

The 2007 survey also highlights the challenge facing self-service facilities when it comes to baggage. An overhang from yesteryear – that self-service facilities and baggage do not mix – continues to limit self-service check-in usage. In the 2006 PSS, 19% of passengers surveyed cited baggage as their reason for avoiding self-service check-in, and this figure has increased to 24% in 2007.

It is encouraging to note however that the remote baggage drop service – which enables passengers to complete a total off-airport check-in process – is greeted with considerable enthusiasm among travelers.

Finally, this year's survey bears out an important finding: the more passengers are in control of the travel process, the more control they want, and that self-service is continuing to transform passenger travel behavior end-to-end.

Understanding this change, how it impacts continued adoption of self-service technology and passenger expectations for the future are essential for stakeholders in the air transport industry to deliver value and give travelers the control they are looking for.

It is our aim that SITA's research through the annual Passenger self-service survey offers valuable insights on this evolution and we welcome your feedback.

Francesco Violante
Chief Executive Officer
SITA

Part 1: Survey methodology

- SITA 2nd annual Passenger self-service survey (PSS) — Independent insight into the passenger usage of self-service technology
- Survey was conducted in April 2007 at three of the world's busiest airports:
  - Atlanta
  - London Heathrow
  - Hong Kong International
- The survey was managed by **IATA Business Insight** on behalf of SITA — 1,138 passengers were interviewed at the gate
- The full survey results will soon be published on www.sita.aero

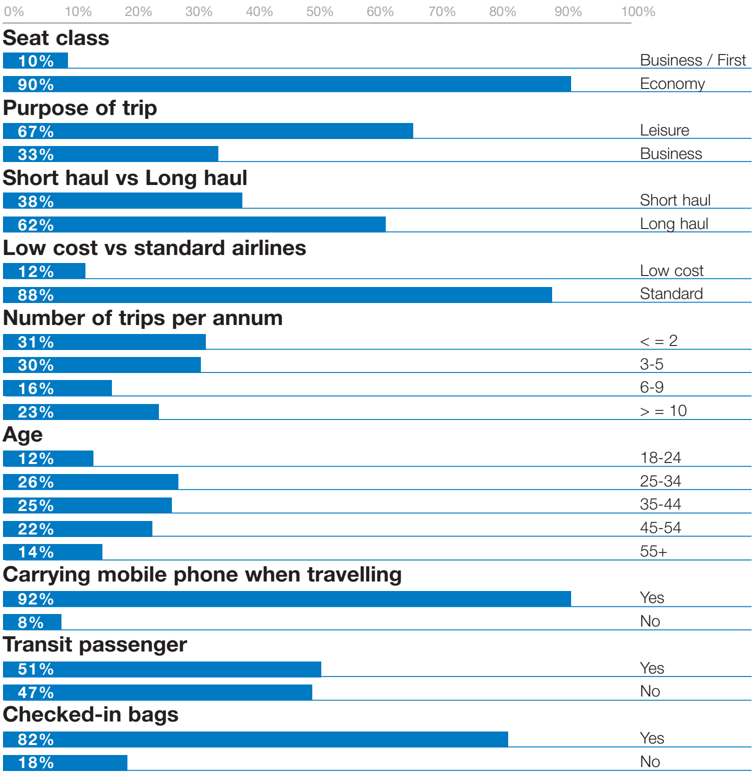
Applicability of the survey

- The sample used is representative for each of the 3 airports covered by the Passenger self-service survey:
  - 349 in Atlanta
  - 402 in London Heathrow and
  - 387 people in Hong Kong
- At each airport, the population is based on a representative and weighted sample of the local traffic between the various airlines flying from that airport.
- When combining the results of the 3 airports, the results are not a weighted average but a simple average over the total population surveyed.
- The results found at an airport cannot be considered applicable for the whole region or country, but give an indication of passengers attitude, usage and preferences.

Key definitions

- **Actual usage:** We asked passengers what self-service options they used for their flight.
- **Current usage:** We asked passengers about their current usage of self-service alternatives
- **Future usage:** We asked passengers about their willingness to use self-service alternatives in the future.
- **Preference:** This is the ratio between the proportion of passengers that knew a self-service option was available to them for their flight and used it versus those who did not use it.

Chart 1:
1,138 persons interviewed: who are they?



Part 2: Online booking

Chart 2:
What do passengers consider most when making their reservation?

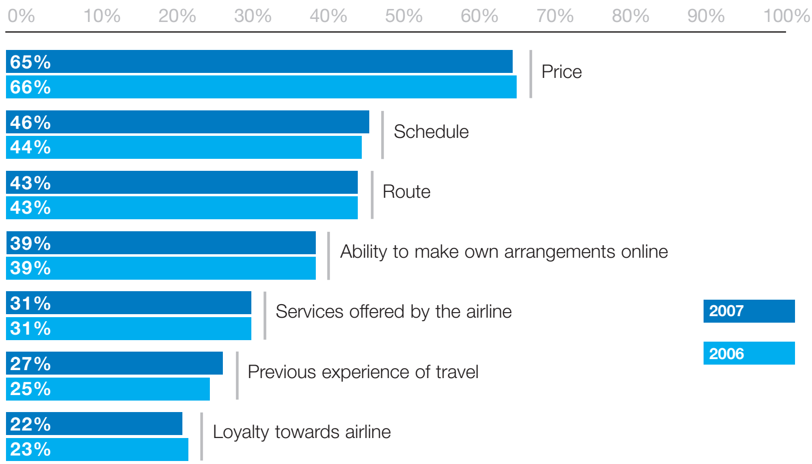


Chart 3:
Online booking - Actual usage

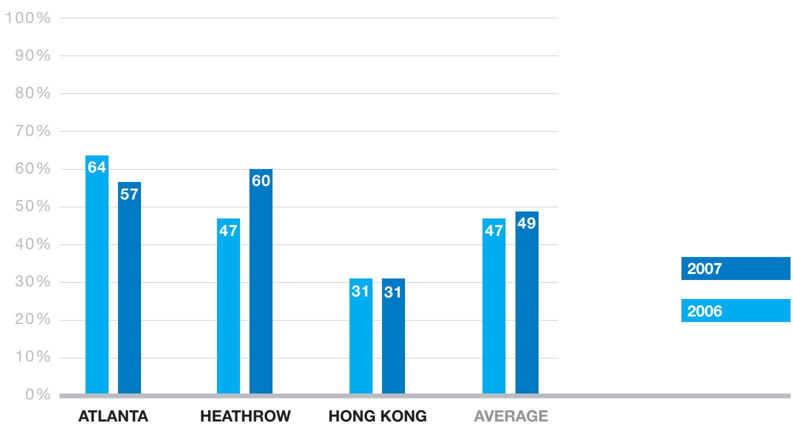


Chart 4:
Preference towards online booking

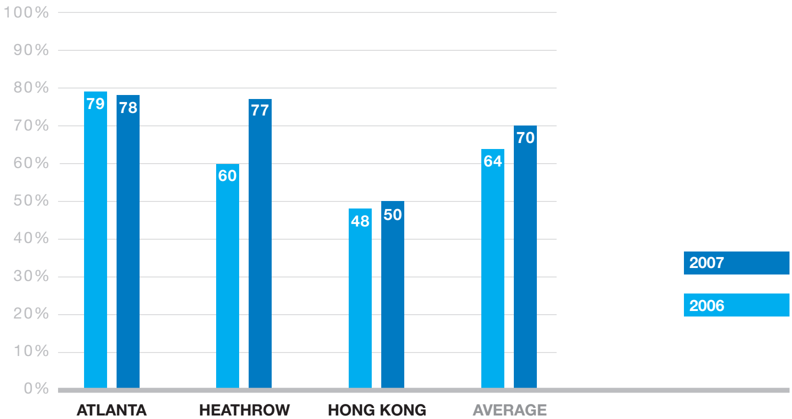
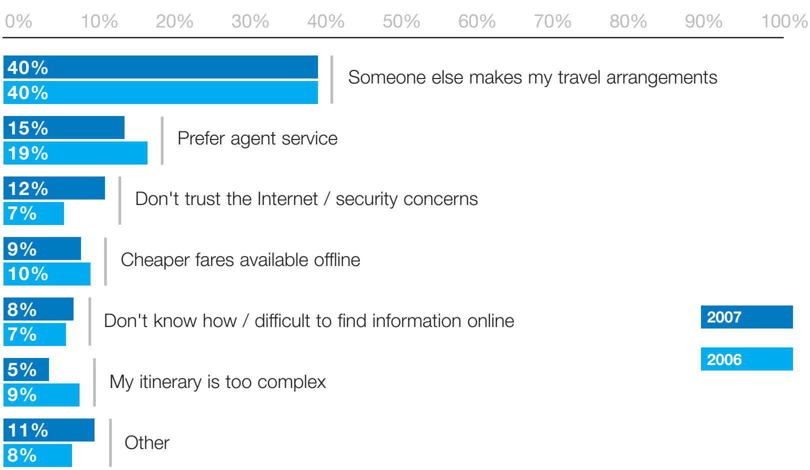


Chart 5:
What are the reasons for not using online booking?

As a proportion of those who said it was available



Part 2: Online booking Continued

Chart 6:
Online booking - Current usage

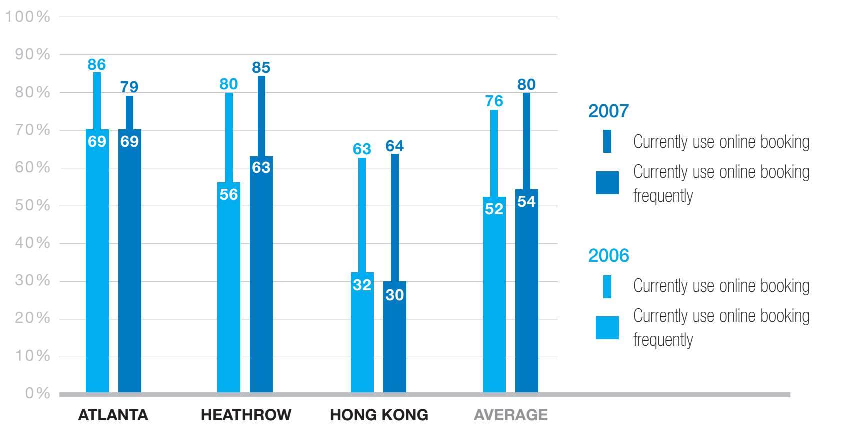
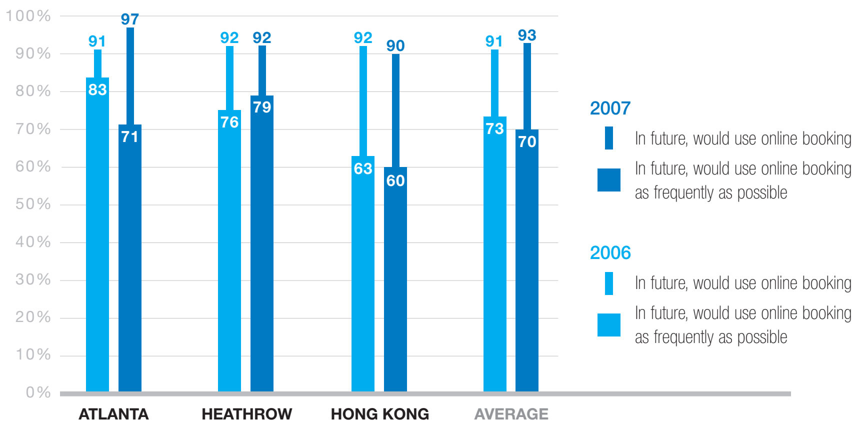


Chart 7:
Online booking - Future usage



Part 3: Trip Planning

Chart 8:
How much does past travel experience influence passengers' choice of future travel arrangements?

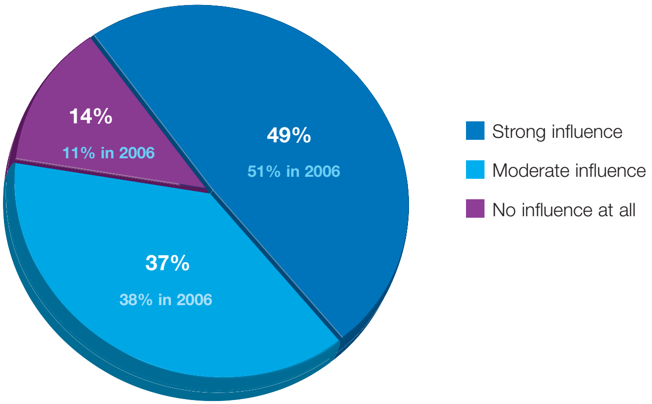


Chart 9:
What do passengers associate most with a pleasant trip?

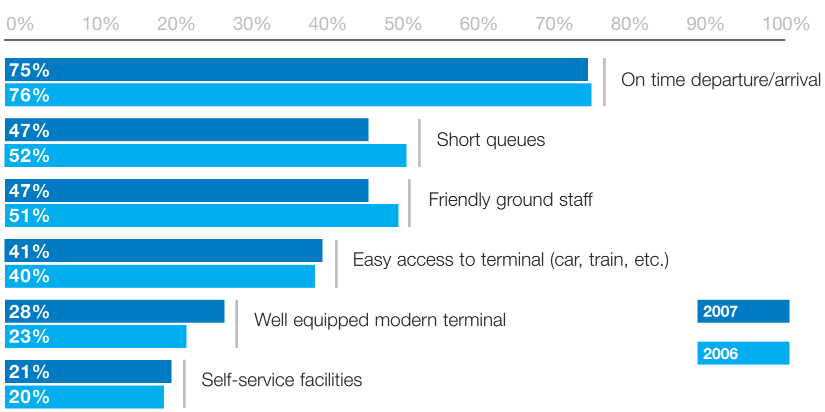


Chart 10:
What do passengers consider the most annoying experience, other than flight cancellation?

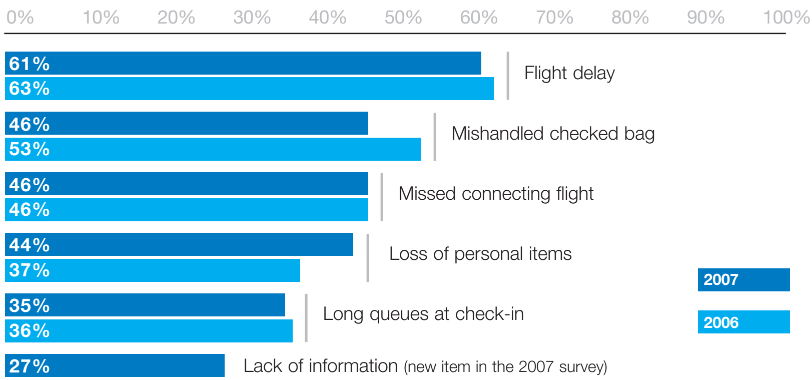
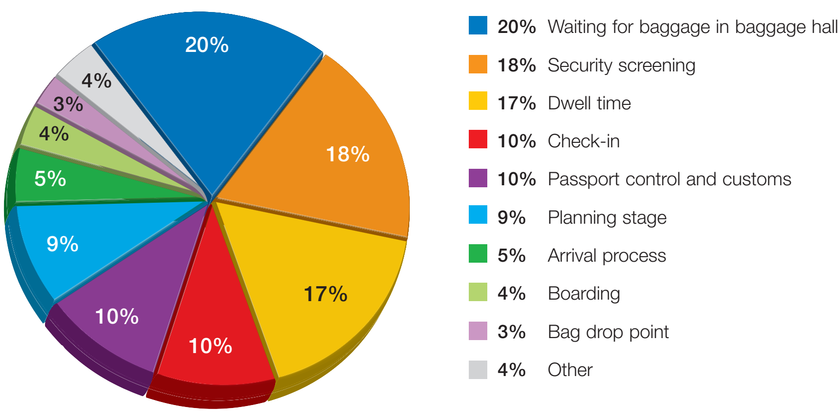


Chart 11:
Which step of the journey would passengers most likely change?



Part 4: Self check-in

Chart 12:
Self check-in - Actual usage

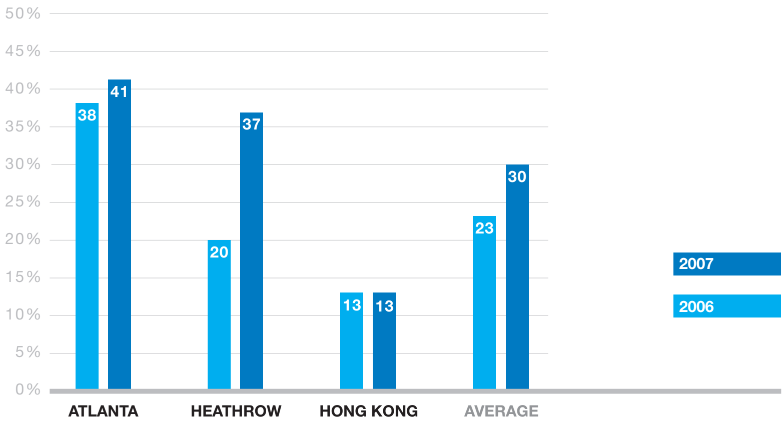


Chart 13:
Preference towards self check-in

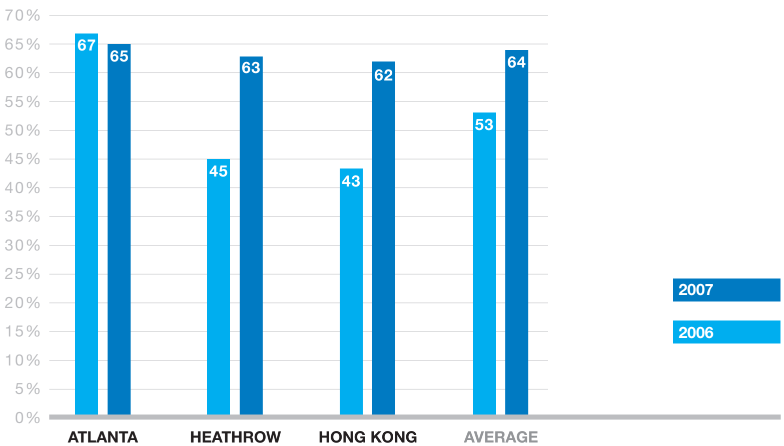


Chart 14:
Which self check-in option did passengers use?

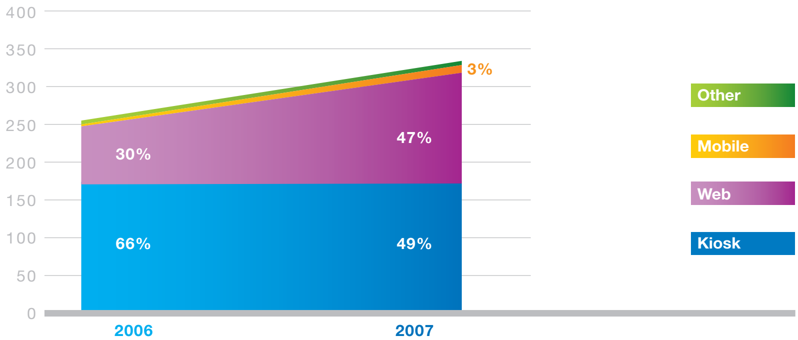


Chart 15:
What are the reasons for not using self check-in?

As a proportion of those who said it was available

Chart 16:
Kiosk check-in - Current usage

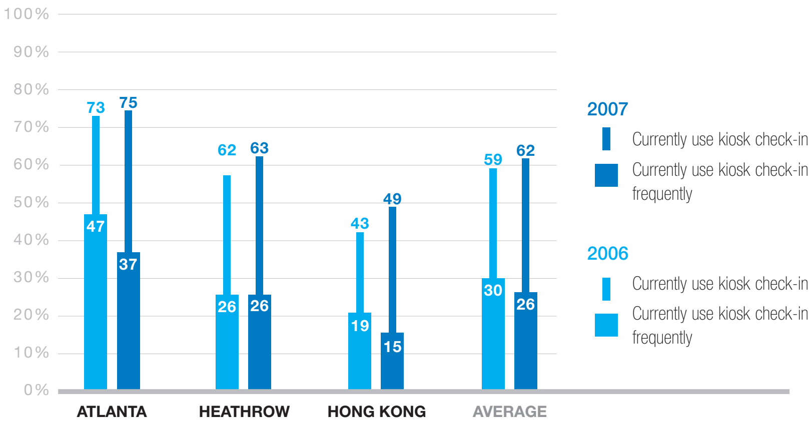


Chart 17:
Web check-in - Current usage

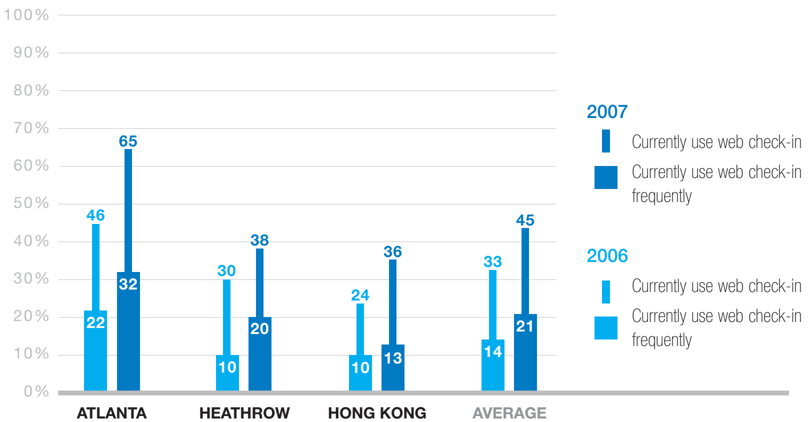


Chart 18: Kiosk check-in - Future usage

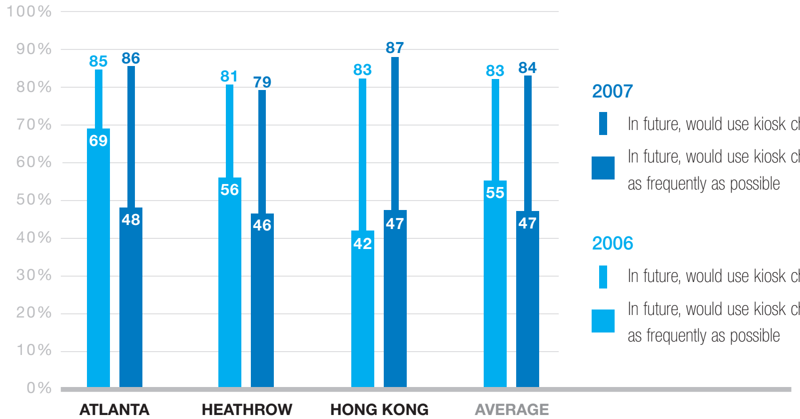


Chart 19: Web check-in - Future usage

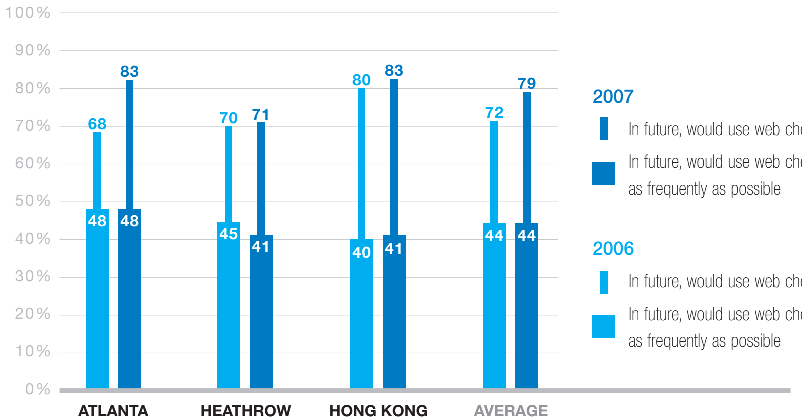


Chart 20:
Mobile check-in - Future usage

New question in 2007 survey

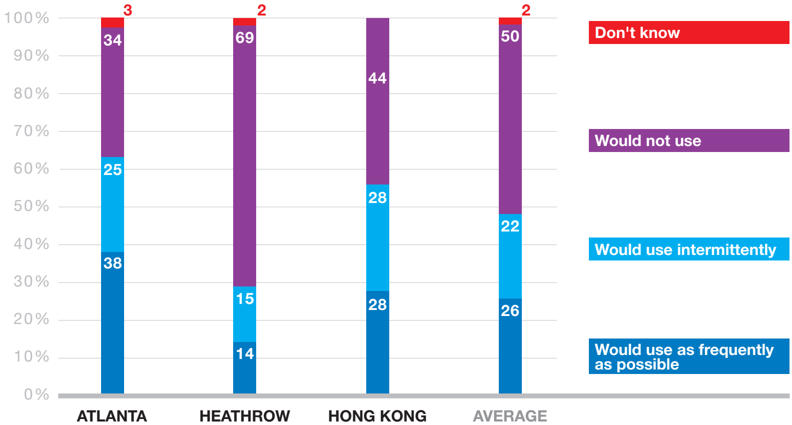
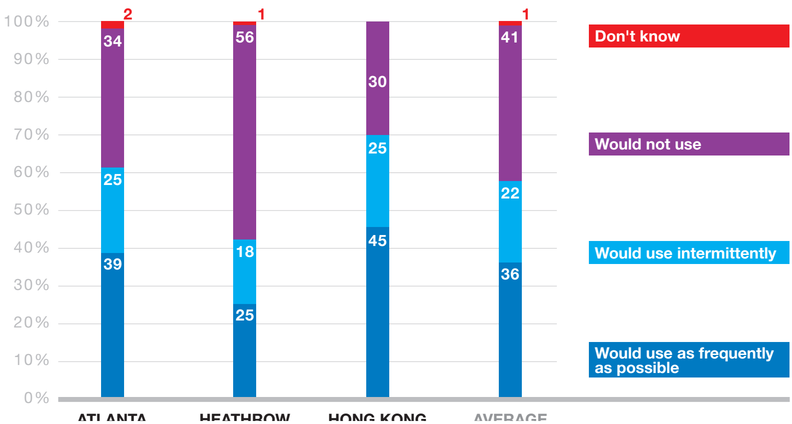


Chart 21:
Remote bag drop services - Future usage

New question in 2007 survey



Part 5: Self-service & disruption processes

Chart 22:
Registration to SMS notification services - Future usage

New question in 2007 survey

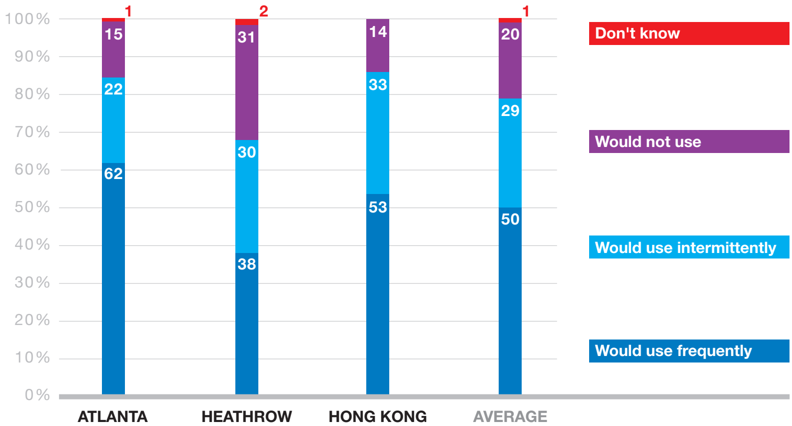


Chart 23:
Online reservation change - Future usage

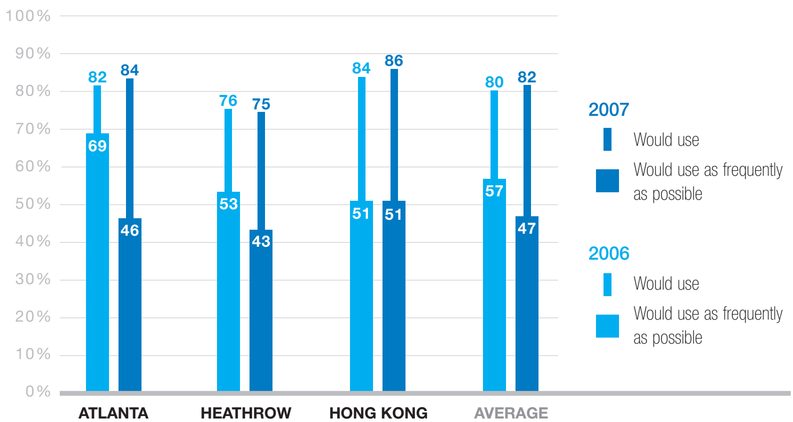


Chart 24:
Self-service transfer kiosk - Future usage

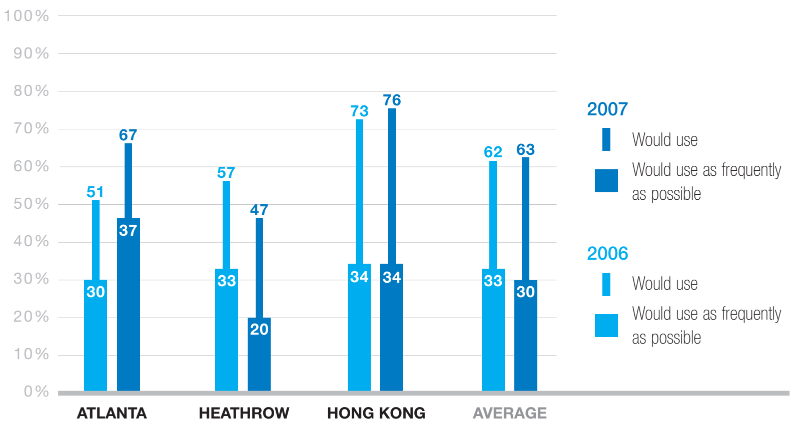
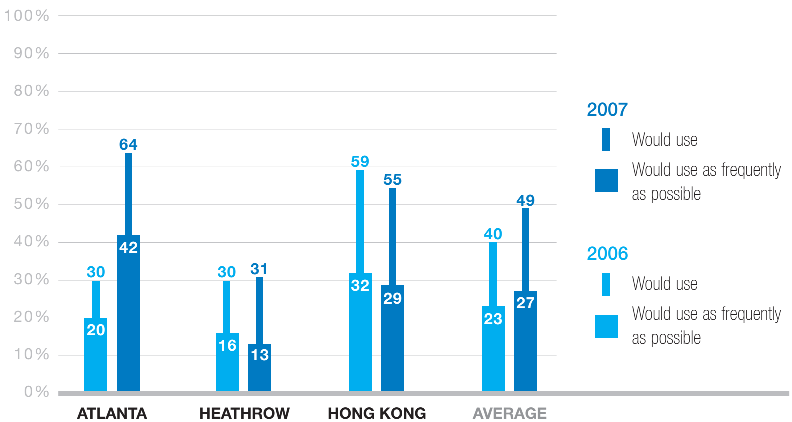


Chart 25:
Self-service lost baggage claim kiosk - Future usage



Part 6: Key findings

- **Online booking actual usage is up overall since 2006** – Confirming that booking via the Internet is becoming the norm, the proportion of travelers that purchased their tickets online for flights on the day they were questioned – ie actual usage – rose from 47% in 2006 to 49% in 2007.
- **There is a preference for online booking when passengers know it's available** – Across the three airports surveyed, the ratio between people who knew online booking was available and used it against those who did not is 70:30 (64:36 in 2006), indicating a distinct preference for the online option when passengers know of its availability.
- **Rising concerns on Internet security** – The 2007 survey highlights an increased lack of trust in the Internet, coupled with negative perceptions of web security. The percentage of passengers who knew they could self-book but didn't use the online option for that reason almost doubled from 7% in 2006 to 12% this year. This links to results from the 2007 Airline IT Trends survey which showed that 'lack of payment security and risk of fraud' is the number one business issue that airlines associate with online travel sales.
- **93% of passengers surveyed are positive towards booking online in the future** – Nine out of 10 passengers interviewed in London Heathrow and Hong Kong and almost 97% in Atlanta reported that they would use online booking engines in the future.
- **More bags checked-in as security tightens** – A particularly noteworthy outcome of the 2007 PSS is the increasing proportion of people that had to check-in one or more bags for their flight. Overall, nearly 83% of the passengers interviewed had to check-in at least one bag for their flight, with a 7% increase at London Heathrow from the 2006 survey and an 8% increase in Atlanta.
- **Self check-in: growing adoption** – The survey highlights a sharp jump in the actual use of self check-in options at those airports – up overall from 23% last year to 30% in 2007, with business/first class travelers opting for this facility more than their leisure counterparts.
- **Baggage is still the number one reason respondents don't use self check-in** – Baggage is once again cited by passengers as the top factor for declining self-service check-in, with a marked rise from 19% in 2006 to 24% in 2007, according to passengers who said it was available.

- **An encouraging sign on remote bag drop services** – It is encouraging to note however that the remote baggage drop concept – which liberates the passengers through enabling a total off-airport check-in process – is greeted with considerable enthusiasm among travelers, especially in Hong Kong (70%) and Atlanta (64%) with a lower result for London Heathrow (42%).
- **Online bookers use web check-in more** – Online bookers know much more about self-service check-in and use it more frequently than passengers who didn't reserve their flights via the web. This finding is even stronger in 2007, with 71% (compared to 60% in 2006) of those who frequently book online actually using self-service to check-in, compared to 38% of passengers that did not book online using self check-in.
- **New in 2007 PSS: Mobile phone check-in** – While mobile phone check-in is still in its infancy and unfamiliar to most air travelers, the 2007 PSS aimed to gauge attitudes to this new technology. In Atlanta, 63% expressed a positive attitude to mobile phone check-in, compared to 48% in Hong Kong. In contrast, 69% of passengers interviewed at London Heathrow were unfavorable to its adoption.
- **Most passengers welcome self-service expansion** – There is a marked increase in the number of travelers who would utilize kiosks for lost baggage notification – up from 40% in 2006 to 50% this year, while nearly 80% of participating passengers are positive towards registering for a notification service dispatching flight information such as flight delays or gate change. Also, both surveys report that two thirds of respondents are favorable to using kiosks for transfer purposes.

About SITA

SITA is the world's leading service provider of IT business solutions and communications services to the air transport industry. SITA manages complex communication solutions for its air transport, government and GDS customers over the world's most extensive communication network, complemented by consultancy in the design, deployment and integration of communication services. Its extensive range of airline and airport applications and services includes airport operations and integrated baggage services, common-use and desktop services, flight operations and air-to-ground communications and end-to-end airline distribution and fares services.

SITA has two main subsidiaries: OnAir, which is leading the race to bring in-flight mobile telephony to the market, and CHAMP Cargosystems, the world's only IT company solely dedicated to air cargo. SITA also operates two joint ventures providing services to the air transport community: Aviareto for aircraft asset management and CertiPath for secure electronic identity management, and sponsors the Internet's top level domain reserved exclusively for aviation – .aero.

SITA covers 220 countries and territories and the head office is in Geneva, Switzerland. SITA had aggregated revenues of US$ 1.48 billion in 2006 (€ 1.14 billion).

In addition to the Passenger self-service survey, SITA also carries out two other benchmark industry surveys each year, the Airline IT Trends survey and the Airport IT Trends survey.

For further information, please visit www.sita.aero or contact SITA at selfservice@sita.aero

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