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## **On Your Flight Today – Season 2, Episode 3 – Airline Loyalty & Inflight Entertainment – The IAG Story**

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**Host:** Corinne Streichert

**Guest:** Mark Cheyney, IFEC Strategy, Performance and Operations Manager - IAG Loyalty

{Introduction} As technology continues to advance and the demand for a personalized passenger experience surges, the realms of Airline Loyalty and In-Flight Entertainment and Connectivity (IFEC) are progressively merging. The organizational structure of an airline to support its Loyalty and IFEC lines of business varies by the geographic origin of the airline and the competitive landscape it competes in. Within the International Airlines Group (IAG), the IAG Loyalty business is fundamental in creating the IFEC experience for countless passengers, serving as a technology partner to the IAG group's airlines, that include British Airways, Vueling, Iberia, Aer Lingus, and Level.

On today's episode, I am joined by Mark Cheyney, IFEC Strategy, Performance and Operations Manager from IAG Loyalty. Mark will share some interesting insights into the strategy and operational dynamics of IAG Connect, the team that functions as the technological backbone, seamlessly integrating IFEC solutions with each of the five airlines under the IAG umbrella. This deep dive will reveal the complexities and challenges of managing technology solutions across diverse airline brands and multiple IFEC suppliers.

We talk about tradeoffs; we weigh up the pros and cons of developing in-house IFEC solutions versus vendor solutions. Mark sheds light on the strategic considerations that go into these decisions, including cost, customization, and control over the end-user experience.

Mark also holds the role of Chair for the Personalization Working Group within the Seamless Air Alliance, where he serves as an expert group leader. As the industry's buzz around personalization of the passenger experience continues to grow, we'll also discuss some of the challenges with personalization, including identifying different passenger personas and navigating stringent privacy laws. As you'll soon discover, personalization is a lot more complex than it appears.

*Corinne:* Mark, thank you for joining us. How are you today?



*Mark:* I'm doing good, thanks.

*Corinne:* Really excited to have you on the show. You're currently in the role of IFEC Strategy, Performance and Operations Manager for IAG Group. Now, I admittedly don't know much about it. I've done some research, but based on some conversations we've had in the past, I thought it was really, really fascinating, you know, this whole IAG group, IAG loyalty and how that all comes together. So, for our listeners, are you able to give us some insight into the IAG group and how IAG loyalty fits in?

*Mark:* IAG the group is obviously the parent company of a number of airlines, so British Airways, Iberia, Vueling, Level and Aer Lingus and alongside those as an operating company is IAG Loyalty as well. Now, your listeners will probably better know IAG loyalty as Avios. Avios is the customer facing kind of brand, uh, if you will, and the redemption currency, um, if customers are to purchase a flight, uh, or if they are to purchase something through a rewards store or maybe even convert something through another, uh, loyalty, uh, platform. Um, and, you know, whilst we work closely with the airlines and, you know, as we've covered, we are we're very much our own operating company. And, you know, we've had, we've got a great deal of, uh, you know, knowledge, uh, in the loyalty business, we consider ourselves kind of loyalty leaders, uh, at IAG Loyalty. And we can we can, you know, call back on our, you know, over 30 years experience, uh, you know, in this sector our lineage if you will, of IAG loyalty really goes back to the old Air Miles days, which was definitely over 30 years ago. You know, more recently in 2011, we've become uh Avios. And that was following the, the merger of British Airways and Iberia. And then, you know, coming full circle to today, you know, IAG loyalty, Avios has 40 million members. We have great partnerships with, uh, you know, lots of different brands, um, outside of aviation. So, you know, American Express and many others uh, as well. Um, and then obviously there's IAG Connect, which is kind of our little team within IAG Loyalty uh, as well. And there you know we work closely with the airlines as IFEC subject matter experts providing kind of consultancy type services. Uh in one form you know, so when there are RFPs going on or when there's an opportunity to, you know, add some new technology to the fleet, whether it be in-flight entertainment or in-flight connectivity. You know, we're there to provide a recommendation based on what's happening, you know, within the industry. Um, but we also develop our own platforms as well. Um, you know, we have our own IFE platform, uh, on British Airways, Iberia and Level and we have Connectivity, uh, pretty much across the group, uh, as well across all three connectivity providers as well. So, we develop our own platform services for those, uh, as well, and make sure that we meet the requirements that the airlines set for us as well. So, um, it's a good fit for IAG Connect to be in IAG Loyalty. Obviously, loyalty is a big it's a big thing at the moment. And you know there's a good angle there for kind of using the platform uh to generate, you know new members and engage with existing uh members and maybe those that have lapsed uh, as, as well. So, it all kind of works, works out quite nicely.



*Corinne:* I've got a million questions I want to ask you about that. But just for our listeners, you know, looking at your background, you're quite a veteran in the IFEC space, if I can use that word veteran. Some people like it. Some don't. Can you give us, in terms of your career spanning obviously, how many years is that? 15, 20?

*Mark:* Too many {laughing}.

*Corinne:* Obviously...

*Mark:* But yeah, something like that.

*Corinne:* Yeah. Quite a lot of history in the IFEC space, I guess just, you know, your own thoughts. How have you seen the industry change over the years? And, um, you know, you've been doing this for quite some time. What are you kind of glad to see the back of? And what's kind of exciting you about what lies ahead in general? Not necessarily, you know, as it applies to IAG group, but just from an industry perspective.

*Mark:* You know, I think I think it's been a good innings so far at, uh, you know, working in the IFEC industry throughout my kind of various different touchpoints, whether that was doing IFE at British Airways or, um, you know, IFC at Virgin Atlantic or, you know, being within the IAG group, whether that was a IAG or IAG Loyalty, you know, doing product and Strategy. So basically, what I'm what I'm doing now, it's been good. I'm glad to have seen the technology kind of change over the years. When I first when I got into this as a as a fresh faced, I don't know how old I was now, but as a fresh faced 30 something year old, {laughing} if you can be fresh faced at that age {laughing}

*Corinne:* Um, you mean 5 year old {laughing}

*Mark:* So five year old yeah {laughing} yeah, when I was, when I got into it, um, when I got into it then, you know, you know, IFE was was very different from, from what it is now from a hardware perspective, you know, we had a fraction of the capacity that's offerable, uh, today, which meant you could only carry so many titles. And the screens were, were tiny. They were resistive touch. You had to, you know, you had to give them a good whack to get them to do anything. Uh, and that's the technical term.

*Corinne:* Yeah {laughing}

*Mark:* Uh, um, so, so I'm glad that we've kind of seen, you know, those heavier legacy systems from, from what was flying, you know, ten plus years ago, you know, moved to, you know, crisp, you know, 4K. We're talking about OLED, QLED monitors now. You know, we've got terabytes of capacity from an IFE perspective. You know, all the redundancy, uh, that, that we, we could ever wish for. So, it's really positive to see that kind of step change in the hardware



now. And also, those systems being, uh, you know, open as well and allowing airlines like ourselves. And there are plenty others as well to kind of develop their own, their own vision of IFE, uh, on them as well, and on the connectivity side, I think that's probably where, at least in my own view. And I look at connectivity with kind of rose-tinted spectacles. So, I'm a bit I'm a bit biased towards it, but I think that's where the biggest change has been. You know, speed. Speed has increased, capacity has increased. We're about to go into a period of time when there's going to be, you know, more capacity than there is the demand for it. You know, with the introduction of LEOs, the cost per megabyte, uh, has come down dramatically. You know, I, I got into this and it was \$2 a megabyte. Um, now we're talking cents, and I have a conversation with, with Peter Lemmy from Seamless. And, you know, he reminds me of the time when it was \$10 a megabyte. So, we're playing in we're playing in different periods of time, but, you know, to see it come down from dollars to, to mere cents, um, you know, is great. And that only unlocks the potential of, you know, what we can do with these services that we thought we could do ten years ago, but actually was somewhat restrictive, both in actually the ability to deliver that speed for whatever that service may be, and then the financial kind of OPEX that sits underneath it. So, you know, it's been great to see those changes, both in IFE but particularly in IFC, um, as well. So, you know, long may it continue.

*Corinne:* Yeah. Cheers to that. I mean, totally agree I think. Yeah, the costs have come down, you know, with competition coming into the industry and obviously, you know, the LEOs taking off and all of that and the players I think it's it's only great things - It's going to allow the airlines to, you know, have more access and more affordability to really offer a really great passenger experience. But it is a very complex industry. Thank you for sharing that about your background and, you know, your vision of the future and what's exciting.

{Double Chime}

*Corinne:* Let's really focus in on the IAG connect. So it's a IFEC kind of consulting group that sits under the IAG Loyalty. So your consulting your group is consulting to these five airlines in all areas of IFEC. So, your partnering with their teams and kind of driving strategy. Are you overseeing consistency or is there a different kind of aspect to that?

*Mark:* Yeah. So we very much we've we very much provide, you know, a recommendation, you know, to them based on, you know, what's happening as I mentioned, um, you know, we specialise in this area – we are subject matter experts. We have the time to dedicate ourselves to, you know, what's happening here in connectivity. You know, what's happening with LEOs, for example, or what's happening in the IFE space. What's the latest and greatest? So, we, we we put those recommendations when, when it's appropriate to, to the respective airline bearing in mind their needs as an airline. And we have a very range of airlines in our group as well, uh, from Full service to low-cost carriers. Uh, so they all have varying different needs. But we can't, we can't kind of unilaterally make that decision, you know, for them, you know, so, you know, our recommendation goes along with theirs, uh, to the, to the right levels within the



business, uh, for, for approval. And it kind of nicely keeps us all aligned when we're presenting those recommendations back to the, to to the business, uh, as well.

*Corinne:* So I'm just going to go through each airline here, um, based on publicly available information. So, let's start with Air Lingus. Air Lingus from a IFEC perspective, they've got seatback IFE and Wi-Fi. They've got some really great features with the seatback IFE. Sounds like they've got like a type of companion app going there that allows you to program your playlists, listen, control the screen. Uh, they also offer the Aero mobile network. So quite a variety of offerings on that compared to British Airways that has, you know, a High Life entertainment seatback system that offers a casting feature. It's got the .Air Wi-Fi portal. Now, based on what I'd seen when looking at, uh, Iberia and the other airlines in the group, that seems to be the common portal.

*Mark:* Yeah, that's correct. The majority of the portals, um, deployed in the fleet are, is the the IAG Connect Air uh, portal.

*Corinne:* And so that portal is built internally within the IAG connect Group.

*Mark:* Yeah. That's exactly right. You know we, we work closely with the, with the airlines to define, you know, their requirements for uh for that portal experience. Um, but ultimately yeah we build that internally and we deliver that, uh, to them through the appropriate, you know, channels, you know, with our connectivity providers, uh, as, as well. And that's kind of a that portal, you know, I think was first, first developed back in 2017 for, for Level, uh, when we launched uh, with, with Level and Level's first long haul flight. And, you know, we've been kind of updating that up up until today or ever since, really. And that is the portal that is kind of leveraged out across, across the rest of the group.

*Corinne:* Okay, so I haven't flown. I have flown in British Airways and Aer Lingus a few years ago, but not the others. So I guess, can you give us some insight from the Wi-Fi portal perspective? Obviously you've got a portal across five different brands. What are the features that would be consistent, and where does it kind of, ties more into the airline's branding and their product strategy?

*Mark:* So I think the one thing that kind of, kind of binds them all together is obviously the ability to sell Wi-Fi through the through the portal, and that experience is consistent. Uh, you know, pretty much throughout all the all, the all the airlines, sorry. and across all the connectivity providers, um, because that's the one thing that they, that they all have in common. They, they have the ability to sell sell Wi-Fi where it starts to diverge, uh, airline, two airline and where kind of strategies start to kind of play out in terms of, uh, features is, is pretty much kind of everything over and above, over and above that, you know, selling of Wi-Fi. So, for example, uh, on, on Iberia, uh, we recently or recently, as in last year, June, we launched the



Iberia Plus, uh, Free Messaging, uh, session. Uh, so if you were a member of Iberia Plus or you enroll in flight, you can claim, uh, a free messaging session. Now, that isn't something that BA has. Um, nor nor does, um, you know, Aer Lingus or Veuling, um, or Level. So, you know, that's where they've kind of gone on their separate route around what they want to do to, you know, reward loyalty for their, uh, you know, their frequent flyer program customers, their Iberia Plus customers. Um, and they've made that decision to then say, hey, IAG Connect, you know, we want to do this. How do we deliver this? Can we, can we deliver this? Um, whereas on BA, probably the closest example of that, but which is different is that they want to reward their most kind of premium flying customers. So those flying in first uh, with a free uh, uh, internet session for the entire flight. So again, uh, kind of similar but different and, you know, rewarding, rewarding their customers, uh, depending on that, that that cabin, um, there's a variant of that in Iberia. They give, uh, free messaging for their business class customers. Um, but again, you only see that on Iberia. You don't have a business class alternative on, on British Airways, they have their first class one and then level doesn't have anything and neither does, uh, Vueling at this time. So, you know, that's kind of clear examples where things have started to kind of diverge. And we've had to do kind of bespoke development or bespoke developments to achieve that for them. But we also know that those developments have a lot of carryover if, if another airline wants to do, um, you know, I want to reward my frequent flyer program with free messaging, uh, as well. So, there's a lot of carryover that we can take from those developments as and when it becomes appropriate for the different airlines, uh, as well. So. So that's kind of how it's how it starts to diverge. And there are other things as well. Others take others you take the benefit of, um, kind of 'permitted lists', uh, as well. And, you know, the things that we can add to that, whether it be a digital magazine or link to the ground for a service, um, you know, so again, not everyone takes that up. But, you know, we start to see kind of differences and, uh, differences across the airlines there. And sometimes it's easier than others. Um, sometimes we have to get into kind of a full, full planning and discovery phase around, you know, how how do we deliver this feature? Um, but, you know, the product team are absolutely great at doing that. Uh, IG Connect and working with our with our colleagues at the airlines. So, you know, we get that information and we, we make it come to life for them.

*Corinne:* That's really interesting as you're speaking and I'm kind of getting my head around it more, IAG Connect really is like a technology partner that partners with these five different airlines, that you have a common goal from a Avios loyalty perspective. And that's kind of,...is that what ties them together with the purchasing the process for Wi-Fi? Because you said aside from Wi-Fi, it diverges. So I'm just trying to understand your relationship with each of the airlines and how that fits under IAG Loyalty for effect.

*Mark:* Yeah. So it's not a direct link into to IAG loyalty. You know, ultimately I think longer term you can clearly see that there's a being part of loyalty. You know, and you know the play that's going on in the industry at the moment around loyalty. You know there's definitely some synergies there. And I think we're in the we're in the best place you know, to to realize that. But



ultimately yes we're a technology partner. Um, but we want to enable what the airlines want to, to enable first. And they have, you know, a long list of requirements and features and things that they, they want to get through, uh, as well. And so it's kind of a balancing act of, you know, what do we want to do for, for ourselves that kind of enables us to be a bit more joined up with IAG Loyalty. Um, but also, what are the airlines need to do to evolve their own propositions and drive NPS or greater revenue or a slicker service for their cabin crew, potentially through whitelisting? Um, or 'permitted listing'? Sorry. So, you know, it's that balancing. Is that a balancing act between between the parties? Not everything - Because we're in IAG Loyalty doesn't mean that everything we do is focused around Avios and the accrual and redemption of, of Avios by customers. But, you know, that's something that, you know, obviously, we definitely want to explore and we just have to find the appropriate time where we think it makes sense to do those, to do those things.

{Double Chime}

*Corinne:* One of my questions originally was to what extent does the loyalty drive the product strategy? Having said that, is there the vision that in-flight entertainment and connectivity is more a tool for loyalty than it is to entertain the passenger on board?

*Mark:* Oh, that's a that's a deep question. Um.

*Corinne:* There is opportunity through those partnerships to really do some great stuff and loyalty, because I imagine you probably share a lot of the same customers as well.

*Mark:* There is an there is absolutely an opportunity there to kind of, you know, do something in that loyalty space and, you know, use those relationships that that we have and that we could have, uh, as IAG loyalty in its more broader perspective and, you know, leverage those, you know, inflight, you know, with a captive audience, you know, a range of destinations. And there's definitely, definitely value um, in, in in doing that. We do also have to you know, bear in mind though, that, you know, if a customer is, you know, inflight and they're, you know, they want to, you know, use the IFE, wants to watch the latest and greatest, uh, content, you know, then first, you know, we obviously have to give them that mechanism to get them there and make sure that they are enjoying that content and then see how we can kind of augment that experience to try and bring in those, those loyalty pieces and those engagement pieces. It's definitely Wi-Fi, IFE you know, they're definitely drivers of engagement for customers, it's then just trying to kind of, you know, build in, right, 'How do we then promote this service without it being kind of, you know, too in-your-face or too kind of, you know, very pushed, pushed messaging type approach'? Um, as well. I think there's always a fine balance to those things. You know, it's probably, you know, in some ways kind of linked into a kind of a discussion around personalization as well in some ways. But, um, you know, it's again, it's striking that balance around how do we do the core things of keeping the customer entertained and getting them engaged in these services but at the same time, how do we bring in a range of different



things that may that may not exist today and ensure that they are, you know, contextual and relevant to that customer in that moment of their journey and, and knowing who they are uh, to a certain extent, um, as well.

*Corinne:* That makes sense. Following on from that question, I'm curious. There's a lot of different vendors from what I could tell, just in terms of looking at the equipment, for example, seatback, I think you've got Panasonic and Thales hardware for seatback IFE and for Wi-Fi, you've got the EAN, you have Panasonic. So you've got a number of providers. Who owns that? Are you able to share who owns that relationship with the actual vendor? Is it at the airline level or does IAG Connect actually kind of manage and own that relationship on behalf of the airlines?

*Mark:* So I think this is a this is a funny one depending on when contracts were struck. Um, when, when the agreements were made. So originally, they were at the airline level. Um, but, but now when we're doing these things because we're looking at these things from a group perspective, and obviously when we're whether it's procuring aircraft or sign, you know, renewing our, you know, IFC deals or buying a new IFE, um, system, you know, obviously we want to do it with as many aircraft as possible to kind of realize the volume, realize that the savings that the volume brings. Um, so now we're kind of we do, we do a lot of that at the group level. Uh, and as such, because we are the kind of the direct interface into, uh, the, the connectivity providers and the ISP providers, you know, we own, we own and maintain that relationship. That's not to say that the, the, the airlines are completely cut out of it at all. Um, you know, they have their they have relationships just like we do with all the same people, um, at, um, at the IFEC suppliers. So, you know, they're more than welcome, you know, so to have a conversation with them if they've got, you know, burning questions about upcoming hardware, you know, changes or changes in the marketplace, if you will, um, you know, it helps keep them informed, uh, and helps us all kind of be kind of honest when we're, uh, you know, making recommendations at the end of the day. But, you know, given it given from a platform perspective, you know, we integrate, you know, with our connectivity providers or if suppliers, you know, we have we have that relationship, you know, on a on a day to day, um, and a good example, a good example of that was, um, AIX, it wasn't just wasn't just IAG Connect at ICS. Um, we attended a number of meetings with British Airways, Iberia in the room level in the room, uh, Aer Lingus and Vueling as well. So kind of all went round as one big family if you will.

*Corinne:* And so they don't see themselves directly competing with each other when it comes to IFEC.

*Mark:* No, no, not really. At the end of the day, um, you know, we're all we're all part of the IAG group and, you know, we, we are pulling in, in, in that same, same direction. Of course, you know, we want to do the best for, you know, our customers and the airlines want to do the best for their customers, whether it's BA, Level Iberia, but they don't see themselves um, competing





as such. Uh, for, for that when we're, when procuring systems. Sure. They want to differentiate themselves and they, you know, Iberia doesn't want to be BA and BA doesn't want to be Iberia. And that's completely understandable. Um, and they don't have to be, um, so they can they can set their own product strategies and they do.

*Corinne:* So interesting point and leads me to my next question with IAG Connect, does that kind of, you know, limit the airline's choice of vendor. Like not you know obviously they're free to choose whoever they want and where they get the best deal. But given the support that you guys have in the relationships that you've got, is it in their best interest to kind of align that strategy in terms of the procurement of services, getting it from the one spot? Obviously, there's cost savings for that, but from a development perspective and more consistency and who knows what the future for the group will be, do you feel that it's in their best interest to kind of align all together?

*Mark:* Um, I mean, obviously, you know. So, I don't believe it limits the choice of, of the, the airlines and selecting, um, you know, a provider, whether it be for IFE or IFC. You know, when we, when we do the RFP with procurement, you know, we've got a vast range of sort of there's a range of suppliers, you know, the usual suspects, if you will. But that form, those form those RFPs, um, you know, you know, and you know, as such, you know, any, any one of those can be could potentially be, you know, selected. Um, you know, we obviously have to then justify, you know, internally, you know, why we think these suppliers shouldn't, you know, those suppliers shouldn't. Um, but. You know, if there's a strong case for a specific supplier and it makes sense, then we we're not going to stand in the way of that. And the group certainly wouldn't stand in the way of that. It's just a case of it just needs to make sense for the group from a procurement perspective, from a, from a strategy perspective. I mean, IFE is an easy one to talk about really, because, broadly speaking for the, for the airlines within the group, it's very much around content at the moment. And you know, surfacing that that up to to customers, those those things that we rely on the IT system to do. You know, a lot of the suppliers do that. Um, where it starts to differentiate then that's on IAG Connect to develop those services uh, as well. But um, but yeah, I don't, I don't think it limits necessarily the choice of, of suppliers. If there's, if there's a good enough reason to have them in the RFP then, then that stand, then they stand there on, on their own merit. Um, and we'll consider them, you know, in the same way that we consider, you know, the other participants as well.

*Corinne:* From a content perspective, each airline is kind of independent in their content selections and curation and doing aligning that with their brand? Does IAG connect play any part in content and curation of content?

*Mark:* No, we don't we don't play any part in in content. I think you've summed it up quite nicely really in your in your description. It's, it's very much a decision between the airline and the CSP about how they create, how they curate their content and what content they want to



take. Um, you know, that best meets their, their customer demographic. So, we don't we don't play a part in that. We just make sure that customers can access that content and the breadth of that content as well.

*Corinne:* And I'm thinking the benefits to each of these airlines, if IAG Connect, you know, wasn't providing that support, each airline would need to go get that level of expertise or potentially be driven to accept the supplier's solutions and have them develop it and build it and lose the ability to customize and the flexibility that can come with that.

*Mark:* Completely, completely. Um, you know, I think over the years. My own personal is I've seen a kind of that that IFEC knowledge kind of creep out of the industry for for one reason or another. You know, airlines are the airline industry is a tough industry anyway. Throw in a pandemic, um, you know, and it makes it even harder. And, you know, a lot of that expertise has kind of disappeared, unfortunately. So, you know, within the group, you know, where we're fortunate that, you know, the IAG Connect is there to offer that, um, you know, offer that, you know, as I said earlier, that kind of consultancy type service and that expertise around Connectivity, you know, we can then also impart our knowledge onto other members within the individual airlines and kind of upskill them, if you will, just by interacting with them and kind of sharing our knowledge and our expertise as well. Um, you know, thus building up a level of knowledge, you know, locally within the airline, um, you know, so, so, you know, it's it's, it's good that we're, we're here to, to kind of help, you know, in, in those functions and, you know, give airlines or give the, the airlines in the group, you know, a different alternative to just kind of accepting, you know, the supplier recommendation or, or what's, what's offered. And in turn, you know, potentially, you know, lose some of that flexibility, consistency in offering and so on and so forth.

*Corinne:* You did touch on a really great point with your knowledge slowly leaving the industry. And aside from knowledge, what do you feel are a couple of the biggest challenges facing the IFEC industry from an airline perspective at the moment? Not necessarily your airlines, but just in general?

*Mark:* Oh, that's a good question. Um, yeah. I mean, obviously, you know, knowledge is, you know, by far, by far and away probably one of the big, the biggest, the biggest impact since the pandemic was it was hard on all airlines, um, you know, and even even myself personally kind of felt the, felt the impact of, of, of that. But I was fortunate enough to still, still remain in the job, um, you know, on the other side of it. But, you know, others were others were less fortunate, um, across the whole industry globally. So, you know, you know, that knowledge is that knowledge has kind of, of left and, you know, creates that void, uh, potential void in an airline or, you know, now new teams are in new teams in the airlines now have to kind of try and fill that void. And, you know, trying to kind of work through the minefield of, you know, what's possible, the technical challenges that these systems bring, the states that the systems



kind of persist in, particularly on connectivity, like the the amount of times I've heard kind of flippant comments, uh, the oh, {laughing} "It's just, just a web page, just like developing a web page, isn't it?", Yeah, but but no, um, you know, but there's a, there's a the truth behind that is that there's, you know, there's a those, those the states that an IFC system is in that whether it's, it's on but no connectivity. It's connected but then loses connectivity. It's off. It's, you know, and you know the varied the the varied states in between. And all of that understanding, you know, is absolutely crucial when you're building these services. Um, you know, I'm, I'm fortunate enough to have, you know, a limited understanding knowledge of understanding in that. But I have an amazing technical team at IAG Connect, and, you know, if that's not there, it makes developing these systems kind of challenging, time consuming, costly. Um, so it's absolutely crucial that, you know, that that knowledge is kind of somehow brought back into the, uh, brought back into the industry. And, you know, the industry kind of collectively leans on, leans on their, their suppliers to, to share a bit of that knowledge, uh, as well maybe that's a, maybe that's a utopia or a, I don't know, a step too far. I hope it's not. But, you know, some of that knowledge sharing would be, would be really beneficial, kind of, you know, in the, in the longer term. And, you know, aside from that, I think it just suppliers being a bit more open with things. I think, you know, sometimes sometimes, you know, suppliers can be a bit closed in and a bit guarded. And I completely understand that. Um, but, you know, being being a bit more open and kind of demonstrating the art of the possible. And, you know, I think that can only be a good thing in terms of, at least for airlines, kind of helping them have their eyes opened to, you know, what is possible, uh, you know, beyond the realms of, well, here's a catalog and you can just pick from these things, um, you know, not that not that that's a bad thing. Uh, and, and that might completely work for airlines, but it can be limiting. At the same time. And if you really want to see the breadth of of what's possible and, you know, understand that, then you know, if suppliers are a bit more open, then, you know, I think that I think that's probably a good, a good thing as well.

*Corinne:* Yeah, I kind of say both ways as well. I know that the pandemic hit the suppliers hard too. So they've lost a lot of people.

*Mark:* Yeah it did, it did.

*Corinne:* And you know for different, it's a different market. And obviously it's very competitive. What they do and how they do it. They've got to, they've got to protect their intellectual property as well. And you know it's very, very competitive space. But I think a lot has got to do with who you work with as well. And I've been fortunate in the past to have a really good team to work with.

*Mark:* Yeah, that's very true.  
{Double Chime}



*Corinne:* At APEX Tech, you spoke about personalisation and how the aspiration of personalisation in airlines still exists, and using Wi-Fi as a carrot to create the account. I just want to quickly talk about personalisation, how IAG sees it evolving and the challenges that you face with GDPR.

*Mark:* So I think, you know, I think now more than ever, you know, we're at this point where personalisation is probably, you know, if it's if it's going to be possible, now is now is probably the best time, the best time in in in the years that we've, that we do it. And boy do I know um how difficult personalisation um can be. As I, as I alluded to at APEX Tech, um, everything's starting to go the right way to allow these things. Cost of data is coming down. You know, these, uh, IFE systems are becoming more open, uh, for airlines like our groups and airlines like ourselves to kind of do our own developments. Um, and that means kind of linking into our own own systems, you know, potentially, uh, as, as well. And the whole loyalty play is just that kind of extra layer on top that kind of makes it, you know, all a bit, all a bit more, um, achievable and, and, and possible. Um, so, you know, with, with all of that in mind, you know, I think we're going to start to see, you know, personalization and, and I don't mean, like, you know, I don't mean personalization in a big way, kind of, uh, either. But I think we're going to start to see levels of personalization start to kind of creep into the industry, you know, in the coming in the coming years, um, as well, particularly where, you know, you've got, you know, Wi-Fi as a, as a means of engagement, uh, to to kind of entice customers in to either re-engage, um, you know, with, with their, their account, create a new profile or link a profile, you know, all of those things that we kind of see, you know, on the ground and take for granted, uh, very much to today. Um, so I think, you know, with, with those things, we'll start to see a, you know, a greater level of, uh, you know, things happen on, on personalization. Um, you know, like I said, they won't be big, they'll probably be small. And, you know, there'll be trials or we're going to trial this because we think it might drive engagement. You know, that didn't work. Maybe we'll trial this. It's probably be focused more around service at the to begin with. Um, and then maybe later, you know, go on to the more ancillary side of things, you know, and help, help drive, you know, incremental, incremental revenues or offset some of the cost of, of, uh, free Wi-Fi, um, if you will. But, um, you know, it won't be without its challenges. Obviously, there's the technical challenges that we've got to overcome, you know, not least with the connectivity providers. And, you know, IFE providers, but also airline, airline owned systems as well, uh, particularly particularly ones that are, are legacy in nature, uh, if you will, um, you know, those, those those will be kind of challenges that will need to be faced internally. And then, you know, as you start to get into the, you know, the customer side of personalization, you know, the challenges around - "Who are you actually, who are you actually kind of promoting to? Yes, there's a profile of Mark or Corinne, but, you know, is that your work persona? Or is that your personal persona or your leisure persona? Sorry. Um. And the two, the two might be very different. Um, when you're when you're, when you're starting to go down the route of personalization and you're starting to get into this kind of, right so we're going to



start up selling to a customer. Um, and we're going to start selling um, or promoting services in their location. Well, actually, who is it that you are? Who is it that you're actually promoting to? Is it is it, you know, Peter, that's going on business or is it Pedro who's going on holiday? And the two are very different personas. And that's so, you know, that's another kind of challenge in the in the mix that needs to be kind of understood and, you know, overcome and, and and I think lastly, as you said, as you mentioned, GDPR again is is another big challenge there as well, you know, - How do we shelter that identifiable information of that customer until we absolutely need to share it with them? And, you know, make sure that we don't contravene any kind of rules and regulations that are in place, whether it's GDPR or another regions kind of data privacy policies, um, if you will. And you know, I don't I don't have the answer on that. But, um, but it's something that we absolutely have to adhere to. Um, because the last thing we want is data breach on our hands or, or anything of that ilk. Um, you know, and the and the associated authorities knocking on our door saying, well, you know. Yeah, well, you know, how that conversation goes. So, you know, and we don't and we don't want that. So, you know, we have we have to adhere to those, those, uh, those, those rules and regulations. How are we going to do that in, you know, within the scope of personalisation? I don't think we don't think we've really got to that point yet. But, um, you know, I think it's all part of all part of the kind of discovery and learning, um, as we get into this and as we start to put these kind of personalisation features kind of out into the wild.

*Corinne:* You've touched on some really great points, but I think, you know, to sum it all up, I think we need to, as an industry, tread carefully with personalisation. As you said, there's a Peter and a Pedro. I think we've all got a Pedro in this at some time when we traveling.

*Mark:* Definitely.

*Corinne:* And there's also Peter as well, and that might become a thing. But you know we're not going to solve that today. But very interesting. I thought your comments were quite interesting in terms of personalization at APEX, and I'm grateful to have the opportunity to hear you talk more about it and the challenges of it, which I think there's a lot more to it, and it's not as easy as it may sound to someone that probably is relatively new to the industry, I think, oh, that's a great idea. Let's do it. There is a lot of complexity behind it, and thanks for bringing that up. So I thank you so much for joining us today and I wish you well.

*Mark:* Thank you so much for having me.



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