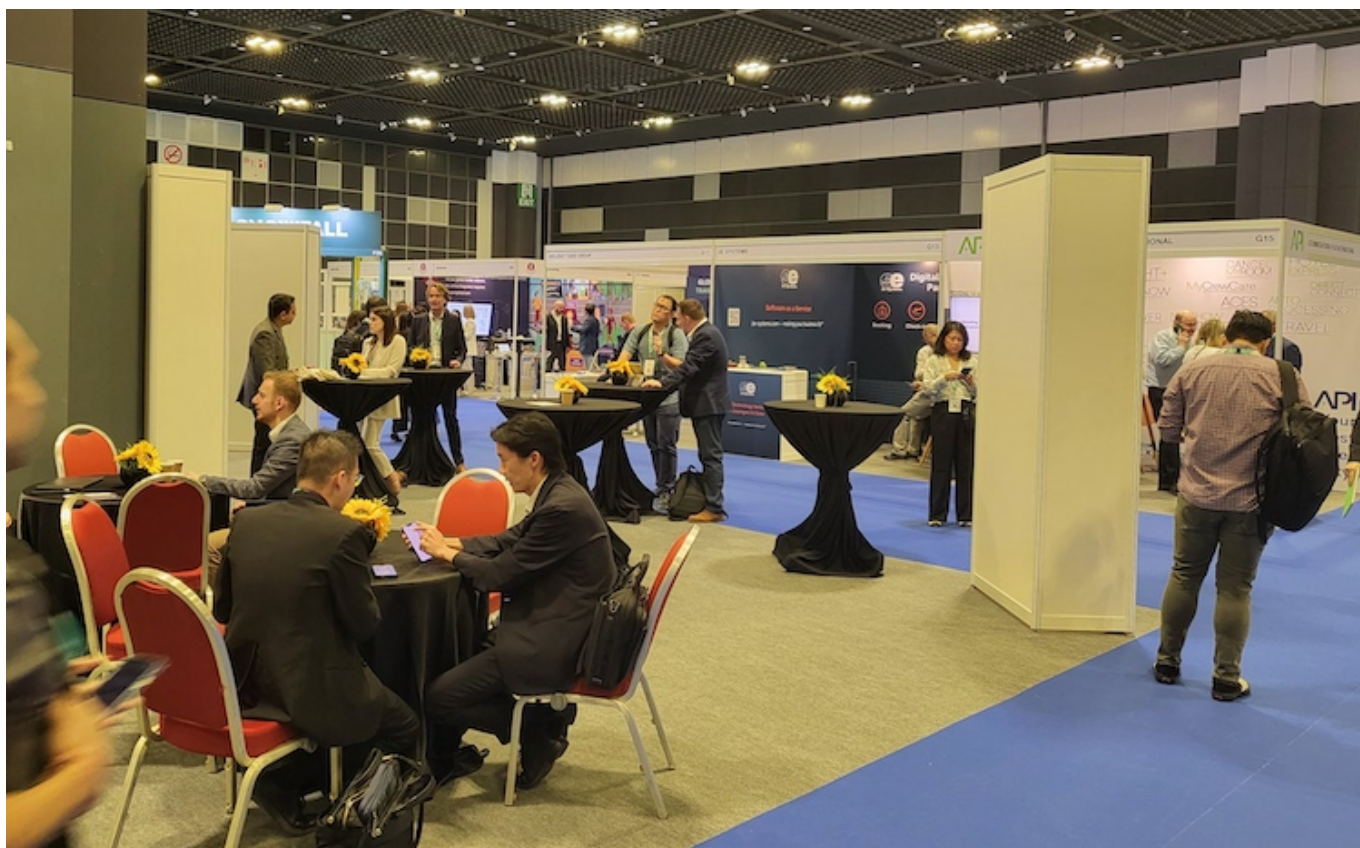# Aviation Festival Asia returns after two-year absence

A look inside the 2023 Aviation Festival Asia

After a two-year absence, the [Aviation Festival Asia](#) made its comeback in Singapore earlier this month. I went along for *PAX International* to interact with some of the key players, look at what companies are offering and see what this new post-apocalypse period holds in store.

I am unsure why it was called a "Festival." The atmosphere was professional but not exactly festive and I don't feel we are at that "Let's parrtaayyyy!" stage quite yet.

The big players in this region are still the legacy carriers and the large low-cost operators but a rash of new start-ups is challenging the survivors to do some major re-thinking. In the opening keynotes, we heard from [Air Asia](#)'s CEO Tony Fernandez, [Virgin Australia](#)'s COO David Emmerson and the CEO of [Thai Airways](#) Chai Eamsiri.

Fernandez mentioned how the past couple of years have forced a change in strategy and that AirAisa now has three freighters in the fleet, something they would never have considered previously.

Thai Airways has also had its share of woes with a more than 50 percent reduction in the workforce and at one point flying only three percent of 2019 volumes.

Interestingly, Thai Airways is focusing on the recovery of its core image of being a premium service carrier — (good news for us) and is looking to revamp the airline to its previous levels.

Eamsiri made the point that "In previous times, Thai was always considered as a luxury brand and we

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want to revisit that image." The goal is to be in the world's top 10 list of "best" airlines and it is looking at service improvements to do that.

Eamsiri went on to say that the last two years gave them the opportunity to restructure from the bottom up and reduce costs. He admits that the airline has the reputation of being overstaffed — very typical of the older state-run legacy carriers, but aims to address the challenges with a leaner and more efficient workforce.

Asked if Thai has plans to return to the US, Eamsiri indicated this was unlikely in the immediate future but instead focuses on regional and European business.

Virgin Australia is already at 100 percent of 2019 domestic numbers after implementing "five years of changes in five months" and they anticipate 50 percent growth in the Pacific Islands and Indonesia in the next two years.

David Emmerson meanwhile has concerns about fare levels. Talking about pricing and route optimization, Emmerson says that fares could be higher in the current climate. Fleet optimization is also high on the agenda. Tony Fernandez is adamant that single-type operators have the advantage over airlines operating multiple aircraft types and says AirAsia is maintaining its Airbus relationship. Virgin meanwhile looks to expand to Japan using 737-8 and the next generation Max 10.

At the expo, a lot of the talk was all about loyalty programs and how they can be optimized and the usage of data. The recent tsunami of loyalty passengers losing their status is triggering serious re-thinks on how they can be better used. After three years of extensions, airlines are now no longer retaining the status of Elite members. The estimate from Mark Ross-Smith, CEO of Statusmatch.com is that 400,000 people are likely to lose Gold or Platinum status in the next three months alone. Lounge costs are a major factor in airlines' considerations on extending or granting easy attainment of status and many passengers are now considering using this opportunity to switch loyalty.

In other discussions, there was much talk of the digitization of the airport experience. This has been on the lips of most in the industry for the past decade and frankly will continue unchanged as we move glacier-like in that direction. Listening to speakers Sanjeev Kumar, Technical Director at SITA and Malaysia Airports' Vijay Kuma, one would think that it's practically already here. The truth is that it isn't and it is unlikely ever to be given the challenges.

A conversation I had with Vietjet Thailand's Business Development Manager Nitkorn Komkris who is working specifically on this reveals that it is a long way from reality. In a later interview with Jesse Jalleh, Star Alliance Director of Customer Experience, I asked how the integration of the multiple agencies involved at any airport can possibly be harmonized. He admitted that "The reality of the digital airport will be restricted to the major hubs — and even then it will be a serious challenge to get all of the various entities to agree."

So don't lose that boarding pass!

Another reason lot to lose your boarding pass was demonstrated by i-Coupon. The UK-based company lows airlines to credit passengers with all manner of benefits via a simple bar code on the boarding pass. As the company's Technical Director Adam Beasley explained, "The idea originates from the simplification of providing compensation in the form of vouchers for airport outlets in the case of delayed or cancelled flights."

I asked if this goes beyond a free sandwich or a beverage for a delayed flight. "This can be extended to subsidized parking fees or any form of credit with a participating outlet," says Beasley. "It completely removes the admin of issuing individual vouchers and speeds up the process by simply

enabling the voucher value via the passenger's boarding pass."

This event was pretty high profile and I was surprised not to see a bigger influence on the proceedings being made by the big names. Despite the location, I saw no speaker or representative from Singapore Airlines, Eva, JAL, Cathay Pacific and no one from SATS, HK Airports or other big Asian airports other than KLIA.

Finally, on the issue of passenger service and convenience, I was able to corner executives from both Star Alliance and Sky Team, who have just welcomed Virgin Atlantic into their group. As my readers will know, not being one to hold back I came straight out with the question "When are the Airline Alliances going to get some, indeed any, form of cohesion within their groups and between their members? From interlining bags to booking parity across member websites, the reality is far from being an alliance rather than a collective of reluctant participants who allow passengers (perhaps) to earn and use miles on each other's programs. When can we expect something better?"

Without naming names, I can tell you they readily admit that the challenges of managing the alliances is dictated primarily by the stubbornness or unimaginative policies of the dominant airlines in each of the groups.

We know who they are — and they were conspicuous by their absence in a significant form at events like this. It's almost like they knew we might ask…