

A GOLDEN AGE *of* BUSINESS TRAVEL

From private
three-room suites to
private jets, global
business travelers have
never had so many
intriguing options

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With competition for corporate travel dollars more heated than ever, a number of companies—some decades old, some founded over the last few years in an attempt to reinvent the travel sector—stand committed to reshaping how the business world moves. Whether they are raising the bar on the level of service businesspeople can expect when they fly, or offering previously out-of-reach products to new market segments, one thing is clear: A new golden age of business travel isn't just on the horizon; it is already here.

Headquartered in Abu Dhabi, Etihad Airways has long courted an elite sector of the business travel market by offering an unprecedented level of luxury on a commercial airline, and now it is setting its sights on attracting clientele who would normally fly private jets.

Earlier this year Etihad launched The Residence by Etihad™ on its Airbus A380, an ultra-luxurious private three-room suite that seats up to two—a first in commercial aviation. Measuring 125 square feet, The Residence features a private living room, a separate shower room, a bedroom with a double bed and a private butler—trained at London’s prestigious Savoy Academy—to tend to the needs of its guests.

“The very top end of the market is not usually served by commercial airlines, as they usually fly private,” explains Peter Baumgartner, Etihad’s Chief Commercial Officer. “They are looking for the ultimate in space, privacy and comfort. Etihad Airways’ butlers, in-flight chefs and food and beverage managers are not marketing gimmicks. They are delivering on our guest and brand promises.”

The unique facilities offered by The Residence have also secured Etihad a position at the forefront of the luxury market. “It has differentiated Etihad Airways’ brand from its direct competition in a way that no advertising campaign could have done,” Baumgartner notes.

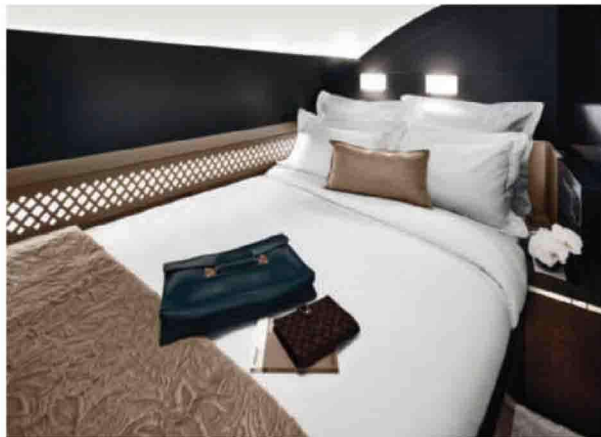
New York was the first U.S. destination for the specially equipped A380, which began flying between Abu Dhabi and New York on Nov. 23, as part of Etihad’s double daily service. The addition of the A380 allows the airline to match capacity with an increase in demand on the popular route.

Etihad’s luxury offerings are not limited to The Residence alone: The A380 also features nine First Apartments and 70 Business Studios. The configuration of the apartments allows for the industry’s first-ever single-aisle cabin on a wide-body aircraft. Each apartment offers a private living space with an LCD TV monitor, a personal vanity and a leather lounge chair and ottoman that open into an 80.5-inch fully flat bed. First Apartments provide a 74 percent increase in space over the airline’s other First Class suites, and flyers gain exclusive access to a shower room.

The Business Studios are located on the upper deck of the A380, and provide guests with a 20 percent increase in personal space, direct aisle access and a fully flat bed up to 80.5 inches in length. The Residence, the First Apartments and the Business Studios are all equipped with in-seat massage and a cushion control system, while

First Class and Business Class guests also have access to The Lobby, an exclusive bar and lounge area.

To take the discerning passenger’s experience to the next level, Etihad conducted extensive consumer research to deliver these finer details. “The A380 is one of the greatest aircraft currently in the skies, and we have invested seven years in creating a cabin interior that delivers what our guests have told us they want when they travel with us,” Baumgartner says. “At Etihad Airways, our goal is to reinvent the future of travel.”



Measuring 125 square feet, The Residence by Etihad is a private three-room suite in the sky, complete with a double bed and living room.



Forging New Paths

Gone are the days when consumers might accept an undistinguished product, particularly when it comes to global business travel. With a wealth of information at their fingertips, travelers require choice, flexibility and an experience tailored to their needs.

Always at the forefront of innovation, All Nippon Airways (ANA) has responded to these demands in a number of ways. Earlier this year, Japan’s largest airline celebrated its inaugural Houston-to-Tokyo flight. At the ribbon-cutting unveiling the new route at Houston George Bush International Airport, Osamu Shinobe, President and CEO of ANA, said: “We aim to provide our customers with greater choice and flexibility for destinations and travel schedules. As a key market for the U.S. oil and gas industry, expanding service to Houston—the 10th North American destination for ANA—emphasizes our desire to make travel more convenient. Additionally, this new route will allow us to improve access between Asia and Latin America.”

ANA recognizes that Houston is an integral gateway to the southern half of United States and Latin America—areas where the airline has previously had less connectivity than it would like. In fact, adding further North American destinations is a key part of ANA’s long-term growth strategy, as the airline continues to bolster the position of Narita International Airport and Haneda Tokyo International Airport as dual international hubs between North America and Asia.

An upgraded and expanded fleet will help to service these new routes. Last year ANA placed an order for 70 new planes—its largest ever—including 20 Boeing 777-9x wide-body jets, six Boeing 777 aircraft, 14 medium-size Boeing 787-9 aircraft and 30 single-aisle

jets from Airbus' A320 family. The 1.7 trillion yen order was partly a response to an increasing number of passengers expected to visit Japan in the run-up to the 2020 Summer Olympics in Tokyo.

ANA's growth strategies are already paying off, and profits are soaring. This year both passenger numbers and revenue exceeded projections, as ANA captured very strong demand for travel to Japan from all regions, as well as increased business demand. In addition to launching the new Narita-to-Houston route in June and Narita-to-Kuala Lumpur service in September, ANA has also improved convenience for passengers using Japan to connect North American and Asian destinations by increasing the frequency of flights departing Narita for Singapore and Bangkok. Flight frequencies were also increased on the Narita-to-Honolulu route in July to capture demand.

Remaining competitive in the current market requires more than simply offering increased convenience, however. Comfort, luxury and hospitality are also key factors. ANA collaborates with some of the best chefs in the world to create a fine dining experience in the sky, with a range of options for the international traveler. The airline has also responded to the growing need for halal-certified meals among overseas passengers by expanding halal-certified in-flight options on certain routes.

This exceptional level of service is a crucial part of ANA's ongoing success. As a Japanese airline, ANA strives to provide service based on the Japanese concept of *omotenashi* (hospitality), as well as the advanced technology and high-quality products for which Japan is known. ANA is also the largest operator of the Boeing Dreamliner 787 (they currently have 42 aircraft in service) and offers fully flat staggered Business Class seats on their long-haul U.S. and European flights.

Committed to the winning combination of continually responding to the practical needs of its travelers, and offering service imbued with the unique spirit of Japanese hospitality, ANA continues to meet—and even exceed—its sky-high potential.

The Uber of Air Travel

For some, the most logical and productive way to travel for business remains to charter an airplane all their own, and that option is now more attainable than ever before. "JetSmarter is unique because we're making private aviation accessible to the masses," says CEO Sergey Petrossov of the company he founded in 2012. "We want private aviation to be accessible, and we want air travel to become fun again."

Simply put, JetSmarter is a mobile marketplace and booking platform that enables the user to charter private jets. Available on both iOS and Android devices, the app provides access to over 3,000 airplanes of all makes and models that fly to over 170

countries. While that alone is an attractive service for the traditional private-jet customer, it's the membership program that has earned JetSmarter their reputation as the "Uber of the skies."

The exclusivity of the product JetSmarter offers makes it much more than just a booking app, Petrossov says. "Our products, which include JetDeals, JetShuttle and JetCharter, are unique to our company," he explains. "We reference ourselves as a market maker because our products—the airplanes—are exclusive to us."

For \$9,000 a year, members have access to more than 30,000 flights that have been pre-purchased by JetSmarter. Members can choose between JetDeals (last-minute one-way trips exclusive to JetSmarter that take advantage of flights that have been chartered and would otherwise make the return journey empty) or JetShuttle (which offers shared scheduled

flights between major cities), both of which are free for JetSmarter members.

"At a minimum, we've lowered the entry-level price 15 times," Petrossov says. "If you look at it in charter value, some consumers fly up to a million dollars' worth of flights annually by simply paying one \$9,000 fee and being open to sharing flights with other people."

While JetSmarter won't disclose membership numbers publicly yet, Petrossov says that they will have operated more than 10,000 flights by the end of the year, with an average occupancy of five passengers per flight. All told, the average member checks the app 3.2 times daily. "Keep in mind that a lot of the same

people are flying over and over again," he adds. "In 2016, we intend to potentially do anywhere between three to five times that passenger count."

Members can also receive discounted prices on the JetCharter service—JetSmarter's most exclusive product—which currently operates in 170 countries and allows the business traveler to create a custom charter itinerary.

In the future, Petrossov expects the company's most accessible products, JetDeals and JetShuttle, to become available worldwide. Currently, JetDeals is available in the U.S. and Western Europe, and will soon be rolled out in the Middle East. The next step is to roll out more JetShuttle flights in the U.S. and introduce them to Western Europe and the Middle East. Next year the company plans to unveil both products in Asia and South America.

"We're focused on global expansion and are slowly starting to ramp that up," says Petrossov, who hints that there will be a big funding announcement early next year. "The most disruptive product that we see down the road is the JetShuttle product, because that's what is going to really provide reliability to consumers as an alternative to airline travel." — *Alice Wasley*



Last year ANA expanded its fleet with an order of 70 new planes; the mobile marketplace JetSmarter makes private aviation accessible to all business travelers.