



WHITEPAPER

Elevating the Airline Experience:

A Practical Guide to Front-Office Transformation

How to navigate changing customer demands and
drive new growth opportunities by leveraging technology





INTRODUCTION

Airlines have a **\$45 billion opportunity** on the horizon as they enter a new era of customer experience, defined by the seamless integration of AI, personalized services, and a strategic focus on modern retailing.¹

This transition is already taking shape. Efforts have been made to clear the runway, rethinking the customer journey by starting to eliminate outdated processes and legacy systems. And 2025 will become a tipping point as a blend of AI and human-centric technology experiences take center stage, redefining the way airlines engage customers across the board – from booking to boarding, loading to customs clearance, and more – to offer seamless, tailored interactions.

This transformation, fueled by long-term investments in AI, real-time updates, and self-service solutions, will enable customers to easily customize their journeys. For airlines themselves, it'll unlock new opportunities to drive profitability and sustained growth by moving beyond selling seats and freight space to becoming a true retailer. Yet achieving this won't be straightforward.

Many airlines have yet to start on their modern retailing journeys. And even among those that have, they're realizing that success depends on more than just technology; it's about creating a culture and strategy that firmly places the customer at the heart of everything they do.

For an industry that typically operates on less than a 2% profit margin, getting this right will be critically important for future growth and long-term success.² **Airlines must put the capability in place to continually adapt and innovate while leveraging disruptive technologies like AI to meet the high expectations customers have for next-generation travel and logistics.**

The question is, how should they go about it?

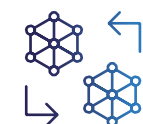
¹Ready for takeoff: The airline retailing opportunity

²Airline Profitability Outlook Strengthens

This whitepaper will cover



The three foundational pillars for reshaping airline customers experiences

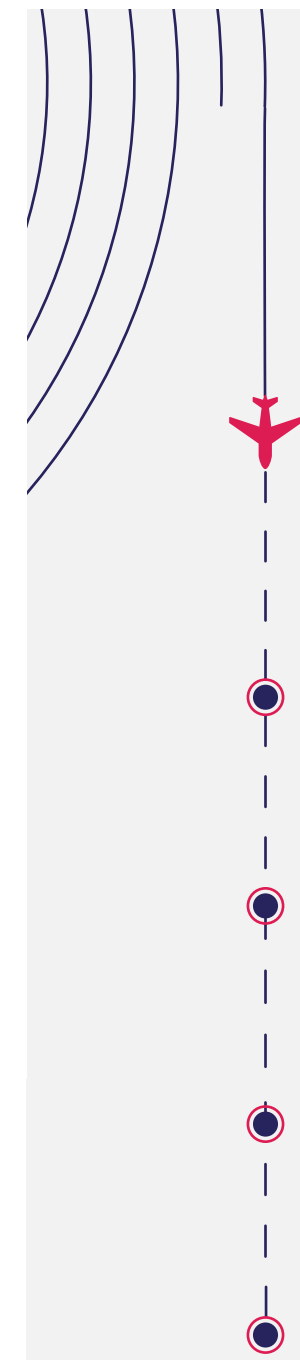


How airlines can capitalize on AI and intelligent automation across key front-office business areas to deliver substantial value



How to optimize for delivering an omnichannel journey across all touchpoints

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SETTING THE FOUNDATIONS FOR RESHAPING CUSTOMER EXPERIENCES

Airlines should focus on three key pillars to help them reshape the customer experience. These steps are the building blocks for a successful front-office transformation that delivers positive business impact and surprises and delights customers.



Craft AI-Enabled
Experiences



Embrace Modern
Retailing and Technology
Modernization



Establish Robust
Change Management



Craft AI-Enabled Experiences

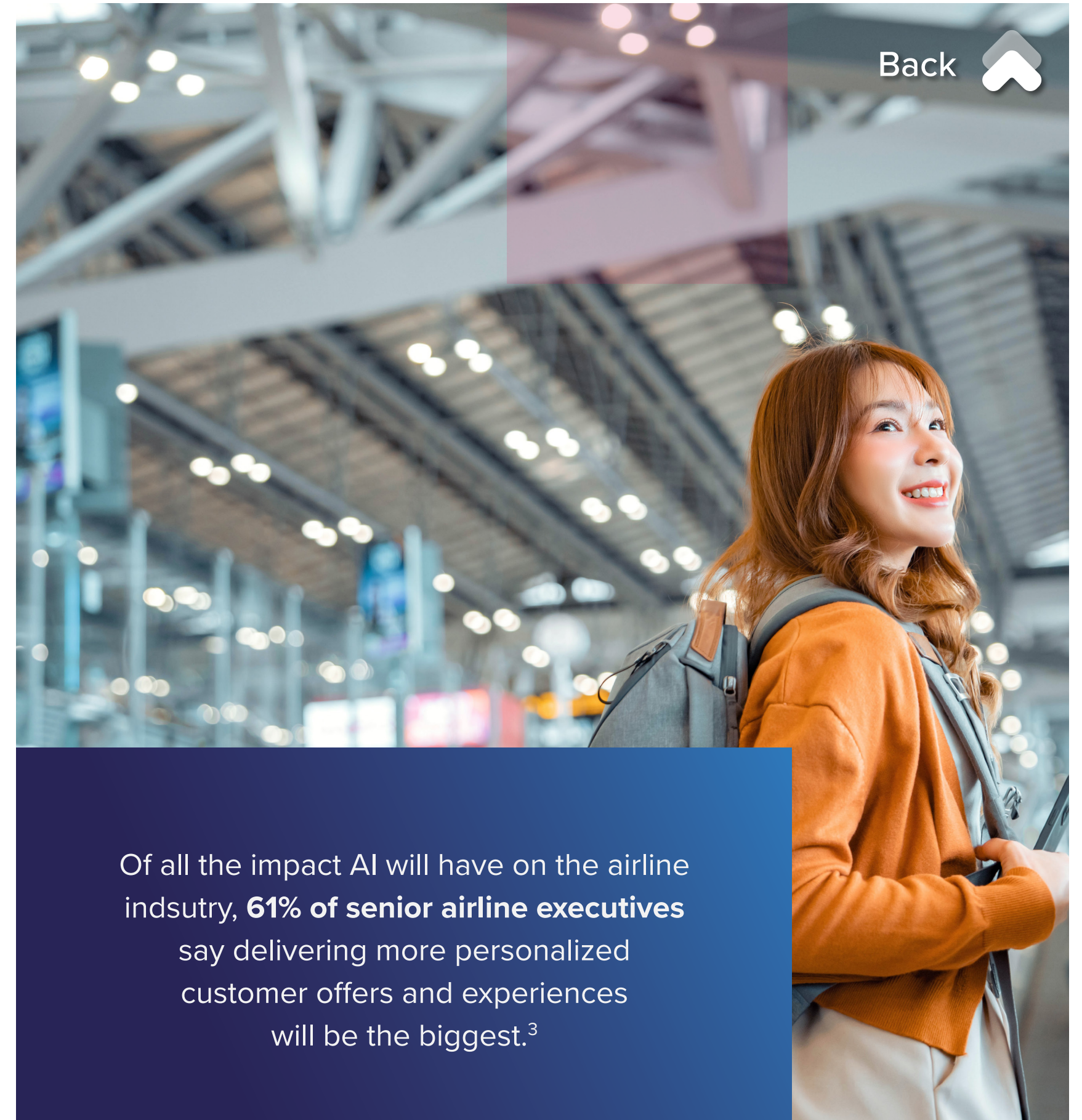
The focus is no longer on just getting passengers or goods from A to B. As consumer expectations change, so too must how airlines think about brand loyalty, and AI-driven personalization will be fundamental to delivering this.

To make this a success, airlines will need to think about integrating AI across every stage of the journey, using data-driven insights to hyperpersonalize service delivery and to anticipate needs in real-time – before customers even have to ask.

For example, at the booking stage, AI can assist in recommending tailored flight options, dynamic pricing that benefits both passengers and the airline, and ancillary services like upgrades or in-flight Wi-Fi. Beyond booking, AI continues to improve the overall experience. From in-flight entertainment tailored to each individuals' interests and viewing history to proactive disruption management and real-time updates on delays, AI-enabled enhancements will allow airlines to reduce friction and deliver a stand-out service from start to finish.

Establishing this building block will depend on successful AI integration, but also the data that will enable its success. This will include leveraging machine learning and advanced analytics, not only to structure and process the large volumes of data needed to unlock the full value of AI, but to transform that data into actionable insights.

³Insights From Decision Makers on the Next Phase of the Airline Industry



Of all the impact AI will have on the airline industry, **61% of senior airline executives** say delivering more personalized customer offers and experiences will be the biggest.³



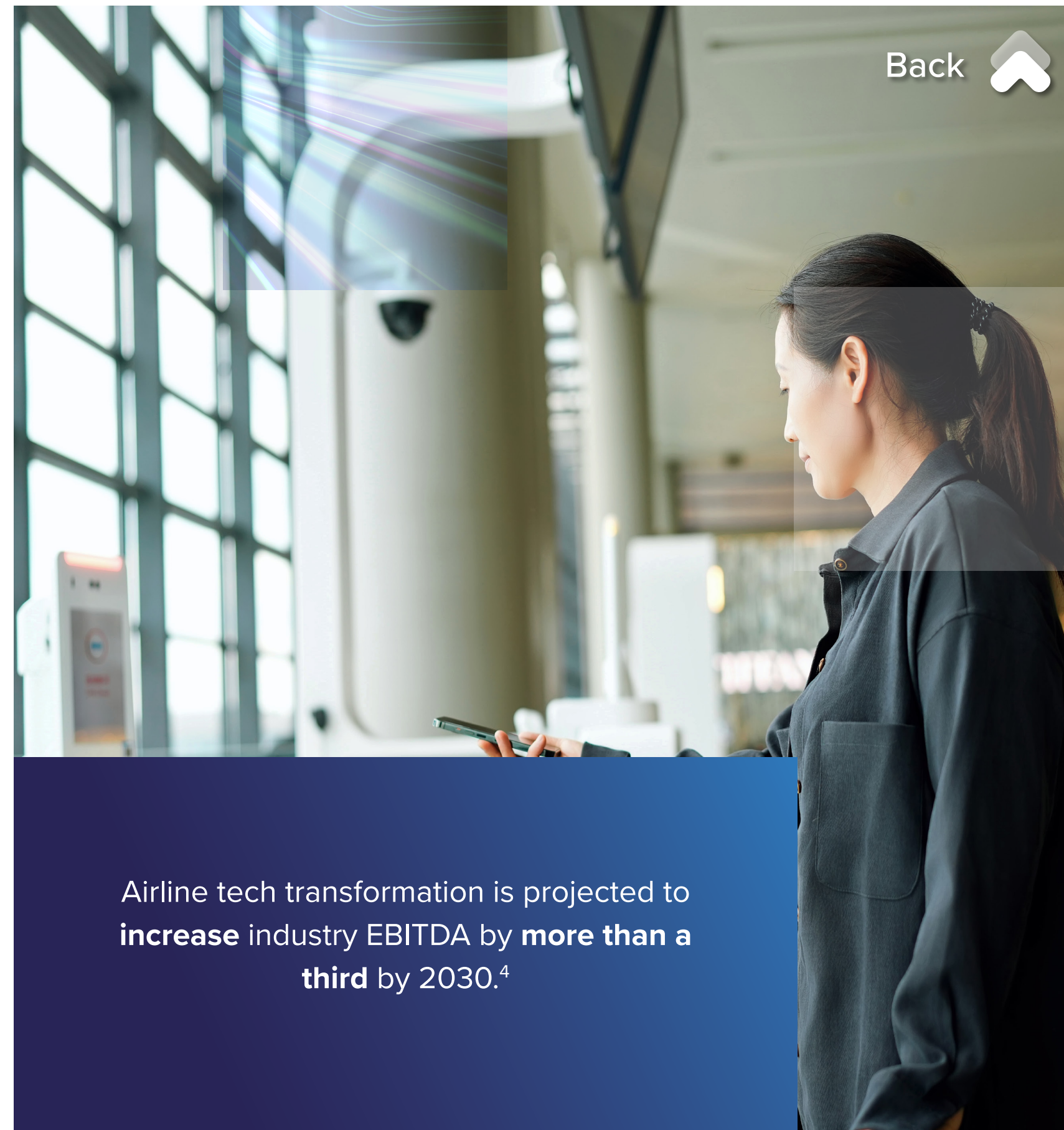
Embrace Modern Retailing and Technology Modernization

Modern retailing will change how airlines sell their services and how they interact with customers at every touchpoint. Broader technology modernization will be needed to deliver on this vision.

Legacy systems are expensive and inflexible. Not only that but they're hard to integrate, creating data silos across the business. And since quality data sits at the heart of the AI-enabled CX initiatives that airlines strive to create, having the technology in place to help them break free from traditional retail models that are fragmented and siloed will be key. This will allow airlines to drive new revenue streams with streamlined operations that enable more personalized offerings, building loyalty while bringing greater flexibility to customers.

Airlines don't need to futureproof their IT systems in one go, especially as this is a time-consuming and expensive transition. Flexible, scalable cloud-based solutions are available that are designed to layer on top of legacy technology; a boon during the inevitable transition period where legacy and modern systems must coexist.

⁴How airline CIOs can turn IT from a cost center to a profit center





Establish Robust Change Management

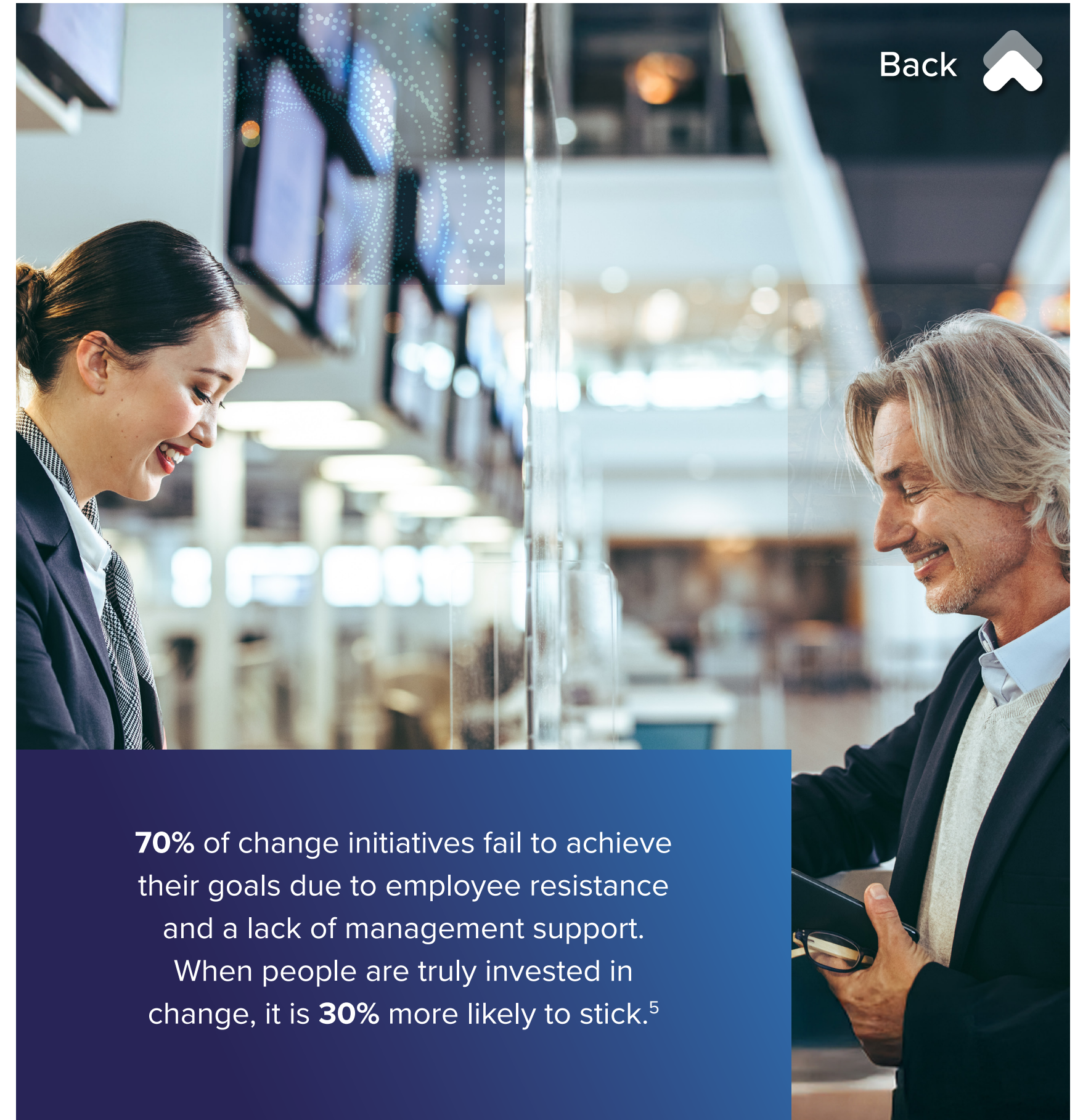
For airlines to unlock the full benefits of AI-enabled capabilities and modern retailing, they will need to establish robust change management practices that can support the long-term success of these initiatives. This depends on a clear strategic vision, long-term planning and, as always, a focus on the customer experience.

Although modernizing legacy systems and adopting new disruptive technologies may seem costly in the short term, the long-term benefits will outweigh the initial up-front investment – provided airlines can plan and work towards a structured, well-managed transformation process that evolves culture and operations across the organization.

Airlines will need to stop departments from operating in isolation. Modern retailing will depend on cross-functional collaboration, not least to ensure that customer-facing initiatives are backed up with the right technical infrastructure and advanced analytics capabilities on the back end.

By extension, this will depend on equipping employees with the knowledge and skills needed to embrace new ways of doing things. For example, customer service teams will need training on how AI-driven insights can help them deliver context-aware support to passengers and shipping customers.

⁵Changing change management



70% of change initiatives fail to achieve their goals due to employee resistance and a lack of management support. When people are truly invested in change, it is **30%** more likely to stick.⁵

Taking a Holistic Approach to Transformation Success

Given how interlinked they are, it's clear that these three pillars must be approached holistically for airlines to succeed in reshaping the customer experience.

Integrating the power of cloud, data analytics, and AI by embracing technology modernization will help establish a digital core designed for modern retailing. In turn, this will help airlines craft new AI-enabled, seamless journeys and unlock growth opportunities while supporting the shift to more efficient operating models.





NAVIGATING CHANGING PASSENGER DEMANDS

As airlines embark on their modern retailing journeys, they must respond to the ever-evolving expectations of customers today. Meeting these demands will mean finding ways to manage and deliver personalization at scale. This will require airlines to leverage technological capabilities, data insights, and new ways of working unlocked through the three foundational pillars to deliver an enhanced customer service pre-flight, during the flight, post-flight and beyond.

Let's look at how this will play out in three key areas.



Offer and Order Management



Order Delivery



The Omniexperience Passenger and Cargo Journey



Offer and Order Management

Offer and order management is the backbone of the modern retailing experience. Yet in many cases, customers currently have to work with rigid and limited pricing options, alongside a complex and time-consuming booking process, made worse by airlines having a lack of useful insights into individual preferences and needs.

Airlines need a way to move beyond rigid, static systems that handle each customer interaction using a one-size-fits-all model to instead treat each interaction individually based on passenger likes, dislikes, booking history, and other inputs from previous trips. This will remove friction and minimize passenger frustrations while presenting them with a range of tailored, easy to book travel options.

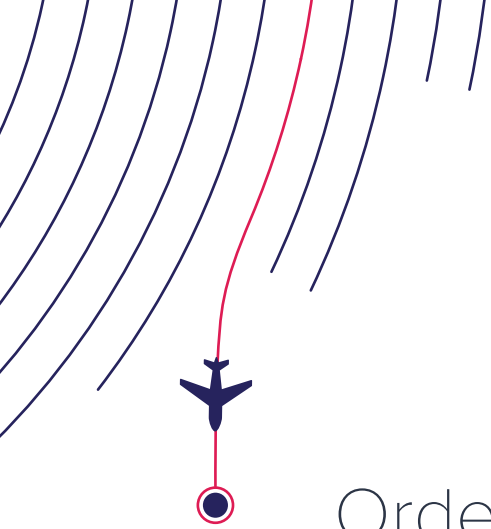
Transformation Benefit

By leveraging AI and advanced analytics, and adopting flexible, cloud-based technologies to seamlessly integrate their existing systems, airlines can introduce a dynamic offer order engine that can adapt to fluctuating demand and customer behavior in real-time. This will enable dynamic pricing, truly tailored offers, and personalized suggestions for ancillary services. The net result is a sales process that's relevant and engaging, increasing sales conversions while boosting customer satisfaction.



Automating Tailored Offers

Whether it's suggesting a particular seat, a certain time to fly, offering targeted up-sell ancillaries for airport parking and onward travel, or other extras such as eSIMs, these personalized touches all contribute to making passengers feel recognized and understood. This not only enhances the overall experience, but helps build brand loyalty.



Order Delivery

In the context of modern retailing, seamless fulfillment is essential for delivering the next generation of travel that customers expect. Again, the focal point here is evolution. Airlines need the capability to deliver real-time updates and more easily coordinate across all departments involved in the fulfillment process – from ground staff to flight crews. In other words, moving beyond siloed systems to create integrated, cross-functional processes that can bring the promises made at booking to life.

Collecting and structuring data from previous interactions pre-, during-, and post-trip will create a bank of information that can be layered and analyzed using AI to generate contextual, relevant insights. These insights can be used to deliver personalized experiences at all stages of the journey.

Transformation Benefit

Airlines can use AI and machine learning to their advantage. These technologies can help streamline the experience. For example, airlines are already starting to leverage past viewing history to provide passengers with customized recommendations and the ability to continue watching movies across flights.



AI-Enhanced Disruption Management: Personalizing Passenger Experience

Air travel disruptions are inevitable, but agentic AI can help airlines manage them more effectively. By integrating passenger data, weather updates, and booking systems, agentic AI can provide passengers with self-serve personalized re-booking and refunds. Alternatives can also be fine-tuned to passenger preferences and integrated with local event calendars to have better insights into the potential reasons for travel. If passengers prefer speaking to a human, agents receive the same AI-driven insights, allowing them to speed up resolutions and avoid compounding what is already a painful travel experience.



The Omniexperience Passenger and Cargo Journey

It's not just passengers organizing their own travel today who expect to be able to interact through multiple channels. Customers looking to ship goods rapidly and safely around the world do too. Influenced by the seamless interactions they've had in other industries, customers demand a joined-up, consistent experience – no matter what platform it's being delivered on.

This is especially important for the airline industry as the average customer will book flights online, check in via a mobile app, and interact with customer service function in-person across multiple touch point and channels; shipping customers, on the other hand, also typically manage shipments and tracking through various channels.

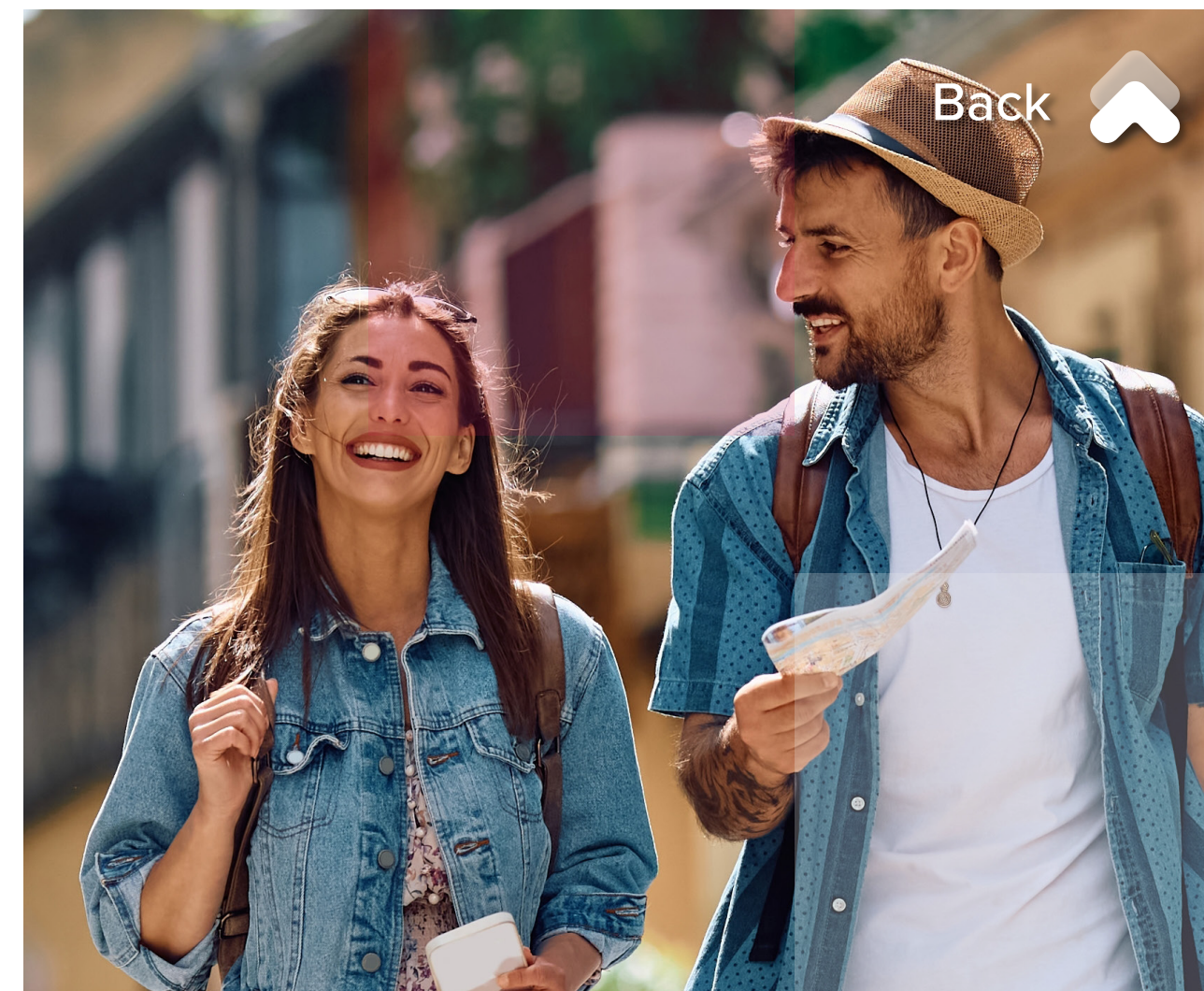
So, in other words, the customer journey is multi-channel by nature. Making this a success depends on seamless data integration. Airlines must have a 360-degree view of each passenger and cargo consignment, which means centralizing customer data from every channel and making sure it's available across every touchpoint.

For example, if a passenger books a flight through the website or mobile app, the same details and preferences must carry over to the check-in desk. The same principle applies to cargo consignments: the detailed account of goods being transported needs to carry over from booking and packing to customs clearance and delivery. This will help to minimize disruption as passengers and shippers won't have to hand over the same information multiple times, streamlining the overall experience.

Transformation Benefit

AI plays a key role in delivering omnichannel customer journeys by ensuring that data can be collated and shared across systems in real time. Pairing AI capabilities with fully integrated back-end systems will ensure that orders, offers, and passenger or shipper data are all seamlessly available and consistent across all touchpoints, further reducing friction and helping to build greater loyalty.

⁶Iata One Record Presentation



Pairing AI With Digital Data Models

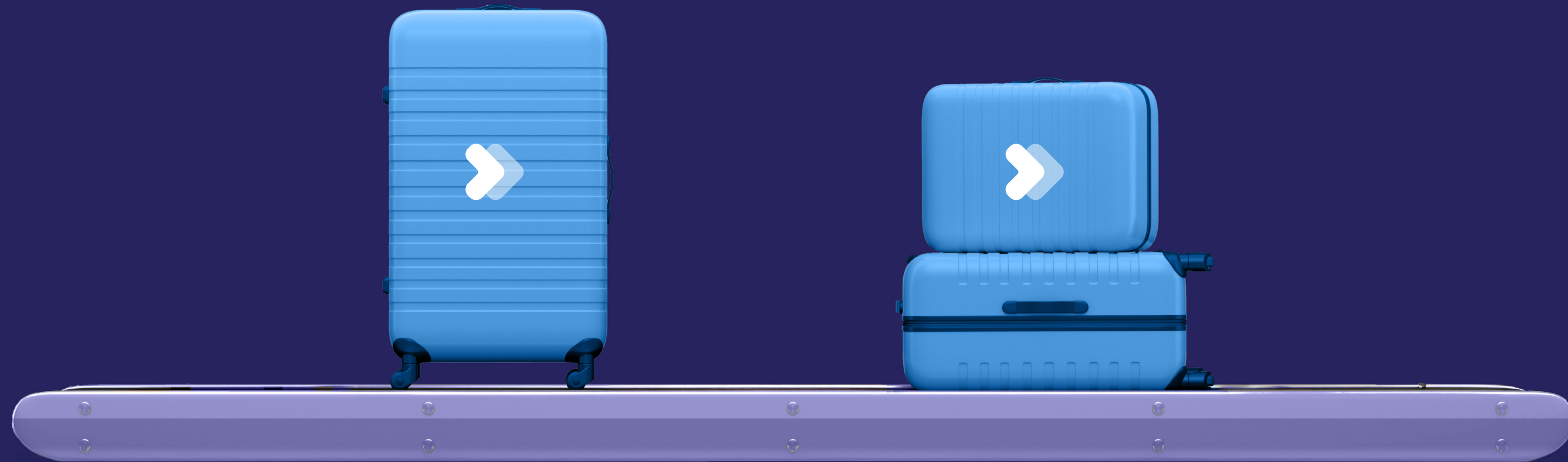
Over 7,800 tons of paper documents are processed each year, equivalent to 80 Boeing 747 freighters filled with paper.⁶ IATA's Digital Cargo initiatives streamline operations by creating digital twins of physical assets, reducing paper use, and enhancing real-time tracking and data accuracy.



OPTIMIZING FOR ADOPTION: CREATING AN OMNICHANNEL CUSTOMER JOURNEY ACROSS ALL TOUCHPOINTS

After priority use cases have been established, it's important to set a roadmap for realizing these ambitions. This depends on a robust approach to change management, as technology alone isn't enough to deliver on the promise of next-generation travel from passengers to cargo.

Instead, airlines should think of AI as augmenting human capabilities with machine intelligence, which means investing in organizational change. This requires two things:



Clear Strategic
Vision

Evolving The
Employee Experience



Clear Strategic Vision

Employee resistance can derail any transformation effort. This makes talent, more than anything else, the component that will make or break the success of any such initiative. Routing around this means optimizing for employee adoption from the start.

This is driven by business leadership that's clear on its objectives, ensuring everyone is on the same page and headed towards the same goal. Leadership must not only explain the “why” behind transformation efforts, but empower teams to understand their role in making it happen.

Change Management Checklist

- ✓ Understand the sources of resistance to tailor intervention strategies and training
- ✓ Communicate the wider vision and benefits of change
- ✓ Involve and empower employees, providing training and coaching
- ✓ Manage the transition, implementing changes in phases to scale AI adoption
- ✓ Build collaboration, instigating a cultural shift that embraces change



Back



Evolving The Employee Experience

Using Human-in-the-Loop training models which combine AI capabilities with human expertise – and improve the learning of humans and AI at the same time – will be important for how airlines deliver use cases that will elevate passenger and shipping interactions. This depends on having all employees pulling in the same direction.

Getting employees to think differently – and to embrace experimentation and agility in their roles – will be fundamental to achieving this, and for evolving the employee experience in a way that optimizes for digital adoption.

Supported by comprehensive training, re-skilling, and up-skilling programs, this approach will equip employees with the skills they need while helping manage resistance and build competency for a smooth transition. Embedding the principle of continuous learning will also be important so that airlines can keep pace with new technological advancements.



CONCLUSION

As expectations continue to shift, putting the passenger first is no longer an option – it’s a necessity. Advancements in AI will define the next era of travel, minimizing friction and bridging the gap between consumer expectation and delivery.

The Sutherland ultra® suite makes this AI-driven transformation easy, helping you meet both today’s needs and tomorrow’s requirements. With industry-leading domain expertise, Sutherland is a trusted partner to global brands delivering tailored, outcome-driven transformations that unlock digital performance and deliver measurable results.

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Unlocking Digital Performance. Delivering Measurable Results.

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