

UPPING THE ANTE:

Competing in the Conceptual Age

by Erin Larem



Increasingly, airlines are bringing “right-brain” sensibilities to “left-brain” processes—adding elegance and beauty to efficiency in the travel experience.

As the child of a consultant, and now one myself, I’ve spent my fair share of time in airplanes. As a kid, my family moved to Brazil, so about once a quarter, the five of us would troop around the airports, taking a total of six planes to get from São Paulo to Indianapolis and back. Fast-forward 25 years and I was armed with a much-abused carry-on suitcase, running the weekly rat race of flying to my clients’ locations and back—some international, most local.

Over the past 30 years, the basic service of “boarding a flying machine to get from point A to point B” has remained the same, but almost every other aspect of air travel has changed. By the same token, how travelers evaluate a good travel experience has changed. Back in the ’80s, my satisfaction with airline travel revolved around which flights offered snacks, but I remember how my parents evaluated their travel experience.

To satisfy the customer, airlines were primarily focused on overcoming logistical problems: trying to add more routes, reduce maintenance issues, handle customer reservations through phone systems, make decisions with limited data, and even manually update arrival and departure boards. For customers, the markers of a good travel experience were being able to find the route you needed at a decent time, not waiting too long to claim your baggage, or being able to make and change reservations without too much hassle.

Skipping forward to today, big data, analytics, software development, and other feats of logistics and engineering have smoothed out those wrinkles so travel is more efficient and predictable. With the lowest common denominator being so much higher, the competition has had to rise to a higher plane (pun intended). As customers, we feel entitled to book flights and switch seats from our smartphones, check in 24 hours before our flight so we can sleep a little more, collect triple points from our co-branded credit cards, and track our luggage from start to finish. Today, this is all standard stuff. We need different qualities to be delighted, let alone turned into loyal customers.

In response to higher expectations, airlines are shifting their focus from the destination to the journey itself. Now, airlines are striving to make trips memorable by incorporating elements that make the flight unique or the experience intuitive. For example, in October 2015, Hawaiian Airlines partnered with West Coast design consultancy Paul Wylde to bring the colors and forms of the islands to the cabin, including wavelike curves, organic textures, and pops of bright color.¹

Is this a better use of money than expanding predictive maintenance capabilities to reduce flight delays and lower aircraft repair cost? Actually, it may be. While airlines still need to be better, cheaper, and faster, there is a particular aspect of psychology in play that is changing what it takes to survive in the competitive landscape.



THE CUSTOMER IS KING

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¹ “Hawaiian Airlines Announces Premium Cabin Redesign of its Airbus A330 Fleet with Lie-Flat Seating,” <https://newsroom.hawaiianairlines.com/releases/hawaiian-airlines-announces-premium-cabin-redesign-of-its-airbus-a330-fleet-with-lie-flat-seating>

This epiphany came to me while I was reading a book called “A Whole New Mind” by Daniel H. Pink, a *New York Times* best-selling author, who writes how, among other things, social psychology can be leveraged to improve business results.² While the book is too complex to do it justice in such a short space, his thesis explains how, over the past 30 years, skills thought of as “left-brain” skills—the rational, logical, linear, and analytical—have been championed as the most valuable business skills.

People were “primed for success” when they aced their SATs, GMATs, LSATs, or MCATs and became lawyers, accountants, or software engineers. While Pink says that these left-brain skills have brought us an untold variety and quantity of services and efficiencies, they’ve now worked themselves out of a job. Now, success in the marketplace will belong to those who can master “right-brain” skills such as intuition, empathy, beauty, transcendence, and big-picture meaning.

I was very skeptical when I first heard this hypothesis, thinking to myself, “Right, so companies will just start earmarking funds to hire a company poet?” No, not exactly. Linear, logical, left-brain skills are still critical to success; they are now just the price of admission in the marketplace. Here is the thinking behind this paradigm shift:

Pink asserts that three forces are changing the skill set that is most valuable in the marketplace, which is changing the fundamental values of our customers. Those forces are abundance, automation, and outsourcing.

ABUNDANCE

We have built fantastic material abundance over the past 30 years, essentially satisfying our material needs, which has boosted the value of the unique, beautiful, and significant. For example, it is no longer good enough to manufacture a high-quality, long-lasting toaster. Now we need to make our toaster chic, quirky, or surprisingly innovative to stand out among more the 1,000 “toaster” results on Amazon.com.

AUTOMATION AND OUTSOURCING

Many of our predominantly left-brain skills and professions, like accounting, legal work, and even some medical work, can now be either automated or outsourced. Need an opinion on troubling physical symptoms? You can visit WebMD or the Mayo Clinic Symptom Checker. Need some routine legal work? You could visit LegalZoom.com or FindLegalForms.com. Need to develop a new mobile app? You could hire someone to do it locally, or hire well-educated software engineers in developing nations at a fraction of the cost. Not long ago, Boeing outsourced some of its aerospace engineering to Russia. The once cutting-edge “left-brain” skills of professionals in developed nations have now largely been automated and outsourced, forcing them to master skills that can’t easily be replicated: creating beauty, narrative, significance, and symphony.

Let’s look at these assertions in the context of the airline industry. Over the past 30 years, so-called “left-brain” aptitudes (sequential, linear, analytical thinking) have driven major improvements in

travel: complex algorithms have allowed airlines to offer vastly broader route schedules; logistical analysis has allowed airlines to reduce the turnaround time from touchdown to takeoff; data and analytics have allowed customer purchase patterns to drive optimized pricing; and software engineering has allowed the construction of mobile platforms so we can purchase anywhere.

These improvements have led to vastly more flight options and a more streamlined, automated travel experience. In the past five years, however, the newsworthy improvements have changed to elements that reflect more “right-brain” aptitudes. Let’s look at a few below:

MOOD LIGHTING

In November 2015, Finnair debuted its A350-900, which incorporates image projections and mood lighting throughout the cabin.³ Boarding passengers are greeted by a relaxing scene of clouds drifting across a blue sky. The lighting schemes include a warm orange glow to represent the Far East and cool blue shades to resemble the northern lights as planes land in Helsinki. Finnair uses the lighting schemes to change the mood of the passengers, making it easier to work, sleep, or wake up, as well as avoid jet lag. Beyond its functional purpose, the lighting speaks to our “right-brain” sensibilities by engaging us visually and eliciting emotion (whether it be interest, calm, alertness, or amazement), which deepens the impression and significance of our flight.

² Pink, Daniel H. *A Whole New Mind: Moving from the Information Age to the Conceptual Age*. New York: Riverhead, 2006. Print.

³ “Finnair’s new A350 features a host of innovative passenger experience elements,” <http://www.airlinetrends.com/2015/11/11/8-innovative-touches-onboard-finnairs-new-a350/>



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TALKING PERSONAL ASSISTANT

There is a lot of buzz around so-called “high-tech, high-touch” features being key to connecting with customers, but what does that mean? Keeping Pink’s thesis in mind, you could roughly translate this phrase as, “still appeals to the left brain, but now appeals to the right brain, too.” The “high-tech,” logical features we are accustomed to are still critical for success, but now they have become baseline requirements for competition.

For example, almost all major airlines have a mobile app, but what gives one a competitive edge over another? Now, companies are enhancing the high-tech products with high-concept features, such as stories, artistic beauty, emotion, or empathy to differentiate themselves. China Eastern Airlines, for example, has incorporated the ultimate “high-tech, high-touch” feature: In 2014, Microsoft created an intelligent personal assistant for the airline named “XiaoIce,” or “little ice.”⁴ XiaoIce can help you send drink requests to the crew, send your updated arrival information to your pickup party, let you chat with other passengers, or just converse with you directly. Apparently, it also has a sassy sense of humor:

(Translated from Chinese):

XiaoIce: *Ms. Wang wants me to tell you to get to T2 at Beijing Capital Airport by 18:25. Remember, it’s MU5117. If you don’t come then, prepare for a breakup!*

XiaoIce: *Ha-ha, Ms. Wang is nodding off and dribbling. Too bad I can’t send a picture to you.*

XiaoIce: *Ms. Wang’s flight MU5117 will be arriving at 18:25 at Beijing Capital Airport. Where are the flowers and cheering?*

XiaoIce: *Just got a message saying that the flight arrived early at 17:58. Hurry up, hurry up!!*

The left-brain appeal of XiaoIce is that it quickly gets you information and services when you need them. The

right-brain appeal is that it engages you socially to create an experience that makes your China Eastern flight amusing and memorable.

BOARDING

Everyone knows it would be more efficient to board planes from back to front. The airlines know this, too, but I’d wager most of us haven’t done that in a while. Even though “zones” and “boarding groups” were introduced a number of years ago, boarding schemes keep changing because airlines are continually improving their ability to emotionally engage customers.

Many airlines use boarding zones to reward loyal customers by eliciting feelings of privilege and importance. Delta, for example, recently changed its policy to allow Diamond Medallions to board with First Class instead of waiting for Sky Priority. Why? To ensure Diamond Medallions’ feeling of importance is proportional to their status, and to give Platinum and Gold Medallion customers something to aspire to. This emotional engagement increases the switching cost and improves the attractiveness of the airline to aspiring frequent fliers.

The future Pink talks about is clearly already here. Airlines are putting a higher value on right-brain aptitudes to create beauty, fun, and meaning in the mundane and capture the hearts of customers. What I hoped to convey is why these tactics are emerging, and why they make sense. Being mindful of the psychology will better allow airlines to actively pursue new initiatives, gauge “value” using the new criteria, and think more consciously about how to add “right-brain” appeal to “left-brain” products and processes. ■

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⁴ “China Eastern Chatbot Flight Takes Off: Will “XiaoIce” Raise In-Flight Services to Unprecedented Levels?” <https://talkairlines.wordpress.com/2015/01/24/talktech-china-eastern-chatbot-flight-takes-off-will-xiaoice-raise-in-flight-services-to-unprecedented-levels/>