

Andrew Haines speech to AOA conference 1 November 2011

The Passenger Experience – Panel AH

(1,806 words = 17 minutes)

Introduction

Good morning. Thank you, Andrew, for your introduction. And thanks too to the AOA for inviting me to speak today.

I'm delighted to be kicking off a session dedicated to the passenger experience.

I think the first thing to acknowledge, is that for many passengers expectation levels are set extremely and increasingly high .Brought home to me by a piece in this Saturday's, Daily Telegraph praising the new Boeing Dreamliner, the writer devoted the last paragraph to say although the aircraft was very nice your overall flying experience is still going to be horrible thanks to the airports.

And you will have noted that regardless of the actual division of responsibility it's airports that are referred to.

Sometimes when we speak to airlines the message we receive is that air passengers are their customers and only they know what they want, need and expect.

But of course it's not as simple as that and, quite rightly I would think you as airports feel you too must have a relationship with passengers. And as a regulator we only exist because politicians have concluded there is a role to protect the public. So we all have responsibilities to passengers and it's this that I'd like to talk about today and what it means in practice.

Key for me is that all the industry players – whether airports, airlines, air traffic control, customs and immigration or car park attendants think of themselves less as individual operators and more as critical components of the total aviation network because it is only when the total system works well that passengers get the experience they deserve.

And in a generation of capacity constraint and a weak economy, passenger experience is so much more important.

The snow example – why coordination is important

Now, with some heroic exceptions this total aviation network wasn't working well when snow arrived last winter. Passengers do understand that aviation can't control major forces of nature or predict exactly where and when snow is going to fall. But they do expect a coordinated response when it does rather than a crisis situation.

There were some superhuman efforts around the UK to keep aviation moving but overall last winter we saw two major industry failings.

Firstly individual failings by some airlines and some airports. In terms of some airports, there were shortages of snow clearing equipment and the procedures and manpower to use it. In terms of airlines, passenger communication was not effective enough in deterring passengers from travelling to disrupted airports. And airlines' performance in terms of providing welfare was highly variable. I can say that, in the main, a significant amount of work has been done in the last 10 months to address these issues.

Where we remain concerned is over the need for more joined up collaboration between all the parties in that total aviation network I referred to earlier.

What does good coordination look like?

Fundamentally, airports and airlines' major disruption plans must be developed in tandem to ensure that everyone is pulling in the same direction.

It requires collaboration that is backed by clear understanding of mutual rights and responsibilities, contracts, and where necessary by agreements and, only where appropriate by regulatory rules and intervention.

In our report on the snow disruption last year we called for just this type of planning. Since then we've seen some evidence of this being put in place for this winter. But this joined-up approach is still not sufficiently embedded in the industry.

Heathrow for instance has done a lot of work on this area and put in place a protocol that now allows them to do their own assurance.

We believe some airports can do more to agree a policy with airlines and ground handlers on dealing with commercial diversions for instance. After suffering significant disruption in previous years due to taking commercial diversions, Manchester Airport, in consultation with its airlines, has put such a policy in place this year.

And of course, how you're going to handle passenger welfare should be a major part of the plan too.

Check how well your airlines will meet passengers' legal rights. If you're concerned about a particular airline, call us, and we'll work with them to sort the problem out.

Yes this is really the airline's job. But, if they don't do it, you may have to step in to maybe, look at options for recouping the costs from the airline – Heathrow is planning to do this if necessary this winter. This may be unrealistic in some cases but not all.

Last but not least, work with airlines to understand how they propose to meet passengers' rights. For instance, if they plan to hand out vouchers at the airport, you'll need to work with them and with the airport retailers to ensure that restaurants and key shops are stocked and staffed to provide food and drinks over what may be a prolonged period; overnight if needs be.

That's not to say that nothing is being done in this area: easyJet held a winter ops meeting over the summer with 30 airports, as well as handling agents and de-icing firms. We've heard praise from a number of airports about how this meeting brought together the key players to share best practice and to kick off what we hope, in future, will lead to proper collaboration on disruption planning.

I want to encourage all airports to participate fully in these sorts of discussions and indeed we would be expecting airports to undertake similar exercises with all their stakeholders.

Whilst these individual initiatives are welcome, it must be the whole industry that takes part. BATA and the AOA have started work to try and achieve better coordination. The desired outcome will not be in place for

this winter and I know that resources to undertake this work are finite but it has to happen to make this process truly cross-industry.

What is the CAA doing to facilitate?

The CAA as regulator also has a role to play.

My preference is not to intervene and that is why we have been encouraging the AOA to work on this. As someone who has worked in the private sector for the last 13 years I have confidence in industry's ability to rise to the challenge if it sees this as a priority.

Of course, the CAA will act to protect passengers if improvements aren't forthcoming. But, just as important, we can help you to co-ordinate and co-operate. And, following SEAT's report, we're chairing the Airport Performance Facilitation Group, to find longer-term solutions. We've also:

- Set out our approach to consumer enforcement.
- Met numerous airports and airlines to find out just how prepared they are.

- Targeted extra resources to seek and sort out issues of non-compliance.
- And last, but not least, we're much better placed to take swift action should things go wrong again.

Need to act as everyone is watching and tweeting!

And what's the possibility of that happening? Well, in the next 12 months airports will face the added opportunity of the London Olympics.

With athletes such as Usain Bolt having over 283,000 followers on Twitter you can imagine how quickly news of a problem they might experience coming through a UK airport next summer could spread.

Of course it's not just the media who are watching. If the perfect storm arrives this winter and industry is un-prepared, Government will be under real pressure to act and with the airport regulation bill expected in Parliament shortly you may find a rather more extensive regulatory framework than currently anticipated!

Conclusion

The reality is that aviation industry players are cogs in a machine, if one is out of sync, or fails to turn at all, then the whole machine fails.

And it could be just one, minute cog that stops all the others from turning if it's not properly in place.

So everyone – from the ATCO to the security screener to the car park operator – has to feel a sense of real responsibility for making sure that the passenger experience is a good one.

If the industry can work collaboratively it can deliver a quality of service that will be a critical component of delivering growth in rough economic times.

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