



## **GuestLogix Eyes European Expansion with New Offices**

By Trevor Lloyd-Jones, 6 September 2011

**Based on strong growth in onboard solutions for airlines and rail operators in Europe, Middle East and Africa, GuestLogix on Friday opened its new regional headquarters based in Bracknell near London.**

Airline partners and press were invited to the unveiling as the Canadian group prepares ambitious plans to service major onboard technology tenders of European airlines and what it terms the current "explosion" in sales of destination merchandise through its OnTouch solution.

**Richard Cushing**, SVP & General Manager of GuestLogix Europe said that the new regional headquarters are a statement of intent to the European market with technicians and service personnel being relocated from Toronto to be closer to regional customers. The location was chosen, he said, considering the IT corridor in the area to the west of London with also easy access to London Heathrow Airport.

*"There are many rail franchises coming up in the next few years,"* commented Cushing, former head of the British Airways onboard sales operation. *"Rail operators are really understanding the opportunities [for sales] onboard."*

He said that as a company that serves POS solutions for 40% of the world's airlines, GuestLogix is very conscious of the size and shape of the current airline retail business and it is focussing on growth areas.

*"We realise there is a certain ceiling on what an airline sells, in terms of the numbers of cups of coffee or bottles of perfume,"* said Cushing. *"But research carried out by the company in 2009 showed that passengers were asking for destination based products. This is the future. Several trials are currently ongoing in North America with airline-affiliated staff in OnTouch uniforms selling onward travel tickets such as Heathrow Express or VisitBritain tickets and other destination products from the airport departure lounge. From New York this programme has expanded to Dallas and we are looking at another major Asia Pacific airport."*

*"Selling theatre tickets in the Asia Pacific region is a complex operation which requires a sophisticated hub to feed back the sales to the theatre operators, but we are very close to achieving that,"* said Cushing. *"The whole industry is starting to get more passenger-centric,"* he said, adding that sales of Oyster cards for travel on the London metro system and other new ticket types are also in the pipeline for sales onboard.

GuestLogix is holding its 2011 User Group Conference in Toronto on 3-5 October. This is an opportunity to speak with representatives of the passenger travel industry including senior personnel responsible for in-flight entertainment, mobile, customer support, marketing, merchandising and IT. Delegates can exchange stories from the frontlines of onboard retailing with colleagues, and debate new products, technologies and strategies.

GuestLogix will soon begin the first live trials of sales onboard conducted directly by the passenger from the IFE touchscreen. Further details will be announced on this soon together with developments on its analytical tool which will assist airlines in planning duty free for route-specific loading of the assortment, currently an extremely time consuming process.

In Asia the company is expanding its operation from its other regional base in Singapore and by October it expects to reveal details of its new passenger interface, a mobile app that will

cover sales in the passenger's hands, with travel information and a whole new suite of m-commerce opportunities.

GuestLogix is leading a group of companies that are currently competing to take this market position as the 'Amazon for the travel world'.

*"GuestLogix is committed to opening up more and more retail opportunities for airlines, which have less risk than currently,"* said Cushing.

*"The industry is evolving in many different directions with the low cost airlines hungry for ancillary revenues and with legacy airlines looking at more customer service. It is about getting up that mountain and moving down the other side. The new analytics can be the next wave. Airlines already know very well about their top-selling routes, whether it is Lagos or Tokyo. But the most interesting part is actually in the middle ground. Forward-thinking airlines and especially the low-cost carriers are looking at us more and more for inspiration."*

**According to the latest published Generation data, Airlines sales continued to go steady to be up +5.3% in the first quarter of this year, compared to the same period in 2010, the slowest growth seen in any sales channel. For April the share of Airlines represented 6.5% of the global DF&TR market compared to 6.7% for 2010 and 7.2% for 2008. Sales in April were +13.9% up to reach almost US\$ 226 million for the month.**

**On a monthly basis, Airline DF&TR sales rose +4.7% in January, +4.7% in February, +6.4% in March and +13.9% in April, when there was a healthy rise in European passenger traffic compared to a year ago.**

**The statistical content above is as up-to-date as its availability and compilation allowed at the time of publishing. All data are subject to revision in subsequent articles and charts as additional source material becomes available.**