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Jetera Betting on In-Flight Receipts as an Ad Medium

Start-up Hopes On-Board POS Units May Provide Access to 1.2 Billion Travelers

By [Michael Bush](#)

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NEW YORK (AdAge.com) -- Startup Jetera may have found an on-plane advertising method that won't drive passengers to fits of air rage. At the very least, it will give fliers a little something back when they hand over credit cards for in-flight meals and beverages.

The venture-capital-funded company introduced its new ad platform, Precision Ads POS (point-of-sale), two weeks ago on low-cost carrier Spirit Airlines but could eventually provide marketers with uncluttered access to more than 1.2 billion travelers on 40 different airlines a year. The platform, a combination of direct marketing mixed with digital and couponing components, allows marketers to segment air travelers based on airline, location, date, gender, the class of service they're flying in and whether or not they have family traveling with them.

It works as follows: When a traveler makes an onboard purchase, the flight attendant, before printing a receipt, enters relevant demographic information into the mobile credit-card processor. The consumer then gets a receipt with three targeted ads printed on the front and two pre-printed ads on the back.

One development that's made the attempt more feasible is the move by most airlines to quit accepting cash in the cabins, thereby guaranteeing that every purchase of a snack-box or can of beer will generate a receipt—that and all those extra fees.

"The important thing to keep in mind is that all airlines are embracing ancillary fees and revenue," said Norm Rose, president of Travel Tech Consulting. "There are going to be all sorts of things sold onboard and since a receipt will most likely be needed since everything has gone to credit or debit card, placing an ad on those receipts makes sense to me."

Jetera and its strategic partner GuestLogix, a mobile transaction technology provider, are currently working with Hilton Hotels, Madame Tussauds and the New York Golf Center. Jeffrey McChesney, president-CEO of Jetera, said it will announce a new major airline partner in the next month.



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Chicken Caesar Salad	\$7.00
Coors Light	\$4.00
Snack Box	\$6.50
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Mr. McChesney said once more marketers sign on and the ad inventory grows, the ads will compete to be delivered to the demographics input by flight attendants. He said algorithms will be used to provide "maximum" engagement with the right audience and that each person will get completely personalized ads delivered to them on the fly. Ideally Jetera is looking to partner with marketers from verticals that are relevant to travelers, such as food, shopping, transportation and attractions.

For now Jetera is targeting seven airlines in the U.S., among them American, United, Continental, Delta, Southwest and U.S. Airways. Guest Logix, maker of the onboard purchasing devices, works with nine of the top 10 airlines in the U.S. and partners with 40 airlines across the world. GuestLogix's partnership with those seven airlines being targeted by Jetera represents 512 million passengers flying into and out of 11 major cities such as New York, Chicago, Los Angeles and Dallas. Spirit currently has seven million passengers a year

"Out of those 512 million passengers, our modeling shows us that 10% of them buy something on the airline, which equates to 51 million targeted receipts that get delivered, which equates to 250 million targeted ads that get delivered," Mr. McChesney said. "We believe that 10% is low because we are already far exceeding that on the planes flying for Spirit. We went in and verified paper usage for receipts and it's over 10%."

Globally, GuestLogix's partnership with 40-plus airlines equates to over 1.2 billion passengers. Most importantly, Jetera will be able to measure the success of the ads, a vital selling point for marketers being asked to test new ad platforms.

"We will track the response and usage of the ads through promo codes or the 800 numbers on them," Mr. McChesney said. "We can tell the effectiveness of the targeting and how many ads were delivered by which city."

The Precision Ads POS system is actually a little less advanced than the platform Jetera originally wanted to put out in the marketplace. In the fall of 2008 it was ready to go to market with an in-flight entertainment-based platform that would deliver ads to interactive seatback screens. Those ads were meant to be based on the traveler's data and activity.

But the recession put that effort on hold.

"The airlines themselves were quite interested but didn't want to spend any money to modify the user interfaces," said Mr. McChesney.

This, along with the fact that there would be a minimal monetary investment on the part of the airline to implement the Precision Ads POS system, pushed that platform's development to the forefront.

"We created a stepping stone in a lower threshold for the airline to say yes to putting targeted ads on their planes and in cabins," he said. "If they like the results of the point-of-sale system then we can eventually provide them with the in-flight entertainment capability."