



# AVIATION CIOs RAMP UP DIGITAL TECHNOLOGY INVESTMENTS TO MEET DEMANDS OF SWIFT RECOVERY

News / Airlines, Airports / Routes



Faced with increased disruptions, baggage mountains, and staff shortages, airports and airlines are ramping up their investment in technology to digitalize their operations and speed up the passenger journey by offering more self-service options. SITA [2022 Air Transport IT Insights](#) report reveals that with the post-pandemic recovery CIOs want to ensure operations are as agile and resilient as they are efficient, with IT solutions seen as central to their success. This has spurred an acceleration of digitalization, with airlines and airports looking to key technology solutions to fortify their operations against disruption while automating the passenger experience.

The industry's IT spend is projected to continue its steady year-on-year growth trend since 2020 to support this push for digitalization, with a full 96% of airlines and 93% of airports expecting their IT spend to stay the same or increase in 2023 compared to 2022. Last year airline and airport IT spend rose to an estimated 37 billion USD and 6.8 billion USD respectively.

David Lavorel, CEO, SITA, said: "Air travel has recovered faster from the pandemic than anyone in

the industry had initially expected, particularly in Europe and the US. While the recovery is welcome, airports and airlines have found themselves on the back foot with staff and resource shortages. This has put strain on operations, resulting in an increased risk of congestion, delays, cancellations and mishandled baggage. Digitalization is seen as key to addressing these challenges, providing more scalability and flexibility.”

### **Digitalizing operations to achieve more with less**

Airlines are placing great emphasis on IT tools to manage irregular operations and provide the best passenger experience possible even amid staff shortages. Over the next three years, 90% or more of airlines are investing in IT service management enhancement and disruption warning systems, as well as business intelligence initiatives for aircraft turnaround management, passenger processing, and baggage processing.

Business intelligence solutions are at the forefront of airport IT investment priorities too, with 93% or more planning business intelligence initiatives for asset management and flight operations by 2025. The emphasis on agility, adaptability to disruption, and prompt communication with customers and stakeholders is clear; by 2025 half of airports are seeking to implement automated predictive alerts prior to flight disruption events as well as business intelligence initiatives to enable scaling of operations based on demand.

### **Streamlining the passenger journey with smart technologies**

Both airlines and airports are investing in key technologies to smooth the passenger experience across every step of the journey, to help curb bottlenecks and in turn allow redistribution of key staff resource to focus on more complex tasks. Biometrics and self-service technologies are seeing major emphasis.

Airlines have identified self-service technologies as key to helping manage irregular operations, and this remained their top investment priority in 2022, with touchless solutions and biometric ID management following closely.

To support effective baggage management and empower passengers following a period of significant disruption, a majority of airlines plan to provide real-time baggage tracking information to passengers by 2025.

Airports are similarly prioritizing self-service initiatives, placing strong emphasis on self check-in and self-bag drop, with 86% planning implementation by 2025. Airports' implementation of a secure single biometric token across all touchpoints has surged from just 3% in 2021 to 39% in 2022, with over half planning implementation over the next three years. This signals a strong commitment to the next-generation travel experience where passengers can breeze through the airport using their face as their boarding pass.

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