Next-gen loyalty CX
Use AI and data to personalize loyalty offerings and build an advanced customer journey

Understand customers through personalization

Traditional travel loyalty programs based on transactions and accumulated miles are no longer enough to create genuine customer loyalty. Modern travelers seek individualized experiences that align with their preferences, behaviors and journey stages.

Leveraging Generative AI (GenAI) and data allows the aviation industry to transition to a more personalized approach, identifying "segments of one." This granular view enables the development of highly specific offers and experiences for each customer's needs.

Predictive analytics take personalization a step further by enabling airlines to anticipate customer needs and behaviors. By proactively delivering relevant recommendations or services, airlines can significantly boost their customer satisfaction and loyalty.

Target promotions with precision

Personalization doesn't stop at experiences: It extends to promotions, which are most effective when they're timely, relevant and precisely delivered. With Generative AI, airlines can analyze vast amounts of customer data to identify behavioral patterns, enabling highly targeted and effective promotions.

By using GenAI to track customer triggers — such as upcoming trips, travel preferences and frequent bookings — airlines can deliver individualized promotions that resonate at just the right moment for each customer. For instance, a traveler about to embark on a journey might receive an offer for lounge access or additional miles for their upcoming flight. Targeted promotions drive engagement and loyalty.

Respond to changes in customer behavior

Customer behavior is constantly evolving, influenced by generational preferences, travel patterns and emerging trends.

According to the OAG 2023 North America Traveler Survey[1], clear generational differences are evident across travelers: Gen Zers and millennials value cost and flexibility, while (baby) boomers demonstrate brand loyalty. AI-driven strategies enable airlines to cater effectively to these varied preferences.

On-time performance and disruption management are key preferences across all age demographics, but younger travelers are more inclined to use technology for rebooking.

To engage younger travelers, airlines can develop AI-driven mobile apps offering real-time price comparisons, personalized promotions and automated rebooking. Loyalty programs for this group can balance digital rewards with traditional benefits like mileage upgrades, for those valuing stability and brand loyalty.

For older travelers, implementing customer-centric systems like dedicated telephone hotlines and priority boarding ensures efficient support.

AI-driven systems can detect subtle changes in travel behavior — like a frequent business traveler shifting to leisure travel — and then automatically adjust loyalty offerings. A traveler transitioning to more vacation-oriented journeys could receive vacation-related rewards instead of business-focused perks.

These dynamic adjustments keep loyalty programs relevant and engaging, helping airlines maintaining strong connections with travelers over time.

Build an omnichannel, unified experience

A seamless, omnichannel experience is key to delivering a cohesive and personalized customer journey. Accordingly, airlines must unify all customer touchpoints — from apps and websites to in-flight services and loyalty programs — into a single data ecosystem.

By integrating these channels through AI-powered omnichannel orchestration, airlines can provide personalized interactions that enhance the customer experience.

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[1] https://www.oag.com/traveler-survey-2023#sec-one

Case Study: Singapore Airlines' KrisShop platform

Singapore Airlines' KrisShop and KrisConnect[2] platforms exemplify how a unified omnichannel experience can enhance customer engagement.

By leveraging APIs and IATA's New Distribution Capability, Singapore Airlines seamlessly integrates third-party platforms, allowing access to bookings, flight status and loyalty data. This real-time orchestration delivers consistent, tailored experiences across all touchpoints.

However, transitioning to a unified data ecosystem is not without its challenges. Airlines must address fragmented legacy systems, siloed data and regulatory constraints, while ensuring scalability and operational efficiency.

As overcoming these barriers is crucial for delivering a seamless customer experience, adopting sophisticated data management approaches — such as unified customer data platforms — is essential.

Unify with customer data platforms

Customer data platforms (CDPs) unify customer interactions across all touchpoints, from bookings to in-flight entertainment, enabling personalized experiences through real-time data and ensuring regulatory compliance. Airlines like Singapore Airlines, AirAsia and Lufthansa[3] use CDPs to deliver personalized experiences.

By leveraging CDPs, all airlines can refine services and targeted promotions effectively, using first-party and third-party data to enhance customer experiences and generate ancillary revenue. Real-time insights also streamline operations, from prioritizing frequent travelers to enabling dynamic pricing.

A robust omnichannel strategy powered by CDPs empowers airlines to enhance customer satisfaction, optimize operations and maintain a competitive edge.

Generative AI's role in omnichannel consistency
GenAI plays a critical role[4] in ensuring consistency across customer channels by mapping the entire journey and providing contextually relevant content. GenAI ensures uniform messaging as customers transition between platforms — whether booking

[2] https://developer.singaporeair.com/ndc

[3] https://dxc.com/us/en/insights/customer-stories/lufthansa-accelerates-the-progress-of-travel-innovation

[4] https://blog.adobe.com/en/publish/2023/06/22/consumers-marketers-see-role-responsible-generative-ai-in-customer-experiences

online, checking in through an app, or engaging on social media. This guarantees a cohesive brand experience that boosts satisfaction and loyalty.

Furthermore, GenAI is transforming[5] customer experiences by automating human tasks and creating personalized interactions. AI-driven chatbots and digital assistants streamline trip planning by offering real-time itinerary suggestions and quickly resolving inquiries.

This frictionless service covers every aspect of the traveler's journey, from biometric security screenings to personalized in-flight experiences, ensuring a consistent and cohesive experience from booking to post-flight engagement.

By integrating an omnichannel platform powered by CDPs and enhanced with GenAI capabilities, airlines can deliver a cohesive, personalized journey to their travelers — one that builds lasting loyalty and also improves operational efficiency, enhances customer satisfaction and drives sustainable growth.

Embracing AI and data-driven strategies allows airlines to craft emotionally resonant journeys with customers that surprise, satisfy and foster long-term loyalty. This transforms customer interactions into experiences where loyalty is not just earned but deeply felt.

[5] https://www.phocuswire.com/airlines-generative-ai-future-predictions-lufthansa-finnair-sabre-ibs-united

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