

IATA

AVIATION

DATA

SYMPOSIUM

ATHENS, GREECE 25 – 27 JUNE 2019



AI Lab

Sponsored by:





Opening Remarks

Houman Goudarzi, Head of BI & Industry Engagement, IATA





The Air France-KLM case study

Leon Gommans, Science Officer, Air France-KLM



**IATA
AVIATION
DATA
SYMPOSIUM**

AIRFRANCE KLM

A CONSORTIUM GOVERNED DIGITAL DATA MARKETPLACE

Applied research into a trusted, fair and economic way to share
(big) data assets in AI context to unlock value for our industry

IATA ADS AI Lab
June 27th 2019 Athens, Greece

Leon Gommans, PhD
Air France KLM Group IT Technology Office, R&D department
Researcher at University of Amsterdam, Systems & Networking Engineering Lab.

 UNIVERSITEIT VAN AMSTERDAM

 SURF

 ESnet
ENERGY SCIENCES NETWORK

 EQUINIX

 DELL Technologies

 NOKIA

 ciena.

IT Industry

 EXCHANGEWELL
A Program of SAE ITC

Industry consortium

CONTEXT: AERONAUTICAL SYSTEMS

AI GENERATES MANY QUESTIONS CREATING INITIATIVES TO ANSWER THEM

1950 “Can machines think?”

Alan Turing asked the question:

“Can a machine act as player in an imitation game?”

Alan Turing “Computing Machinery and Intelligence”, Mind 49: 433-460, 1950.



Now “Can AI replace the pilot?”

Creg Hyslop, CTO Boeing, asked the question:

“How do we maintain the existing levels of safety with an AI-based system in the cockpit?”

Charlotte Jee, “AI is set to change the aerospace industry - but won’t be flying planes anytime soon”, MIT Technology Review, Sep 13th 2018.

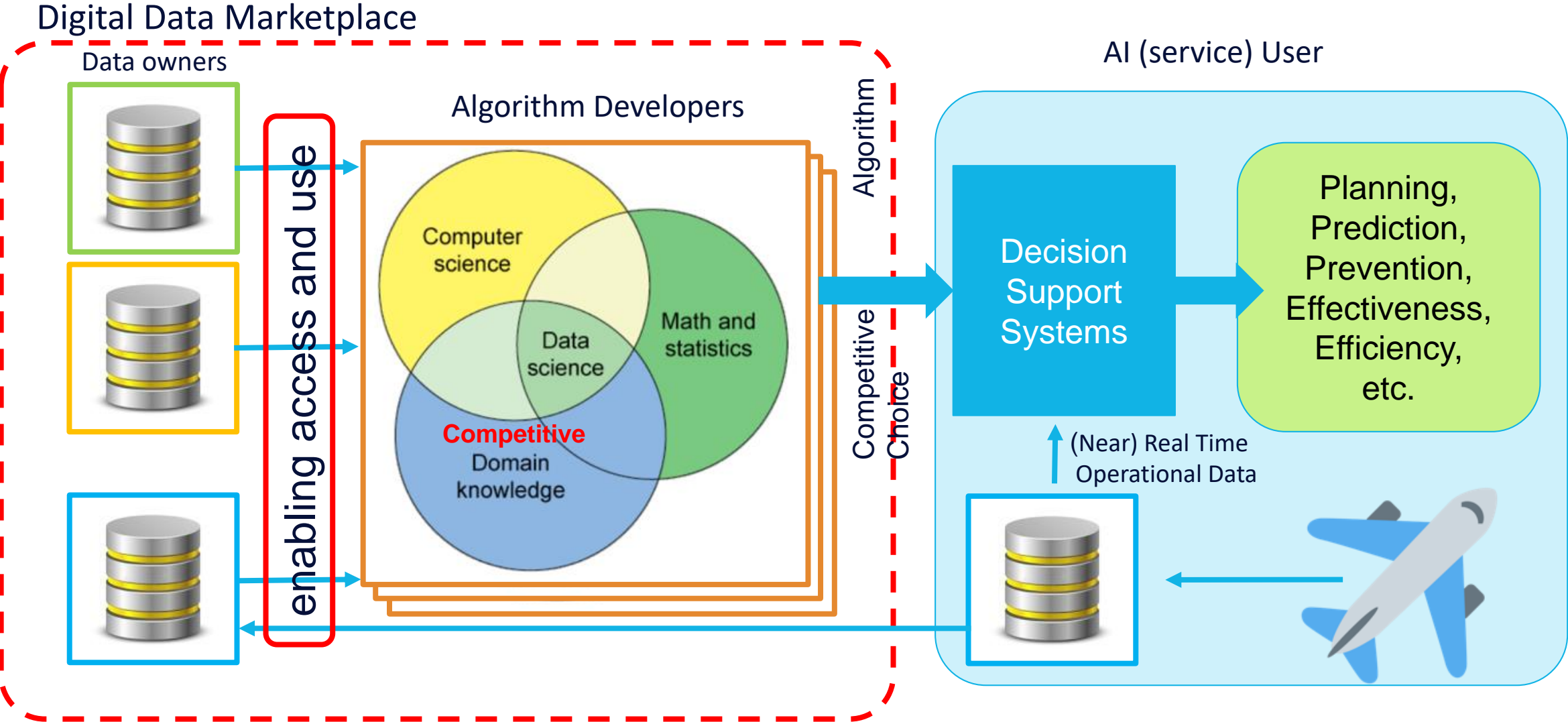
Industry standards bodies are joining to consider the many questions around the role of AI in aeronautical systems and applications considering its (data) needs:

- SAE International: G.34 Applied AI for Flight Critical Systems
- EUROCAE WG-114 Artificial Intelligence
- RCTA
- SAE ITC: ExchangeWell consortium initiative to create trusted implementations.

**Parties need to collaborate: OAMs, OEMs, MRO’s, Operators, Regulatory bodies,..
All have parts of the puzzle. Need more involvement of OPERATORS – Role for IATA?**

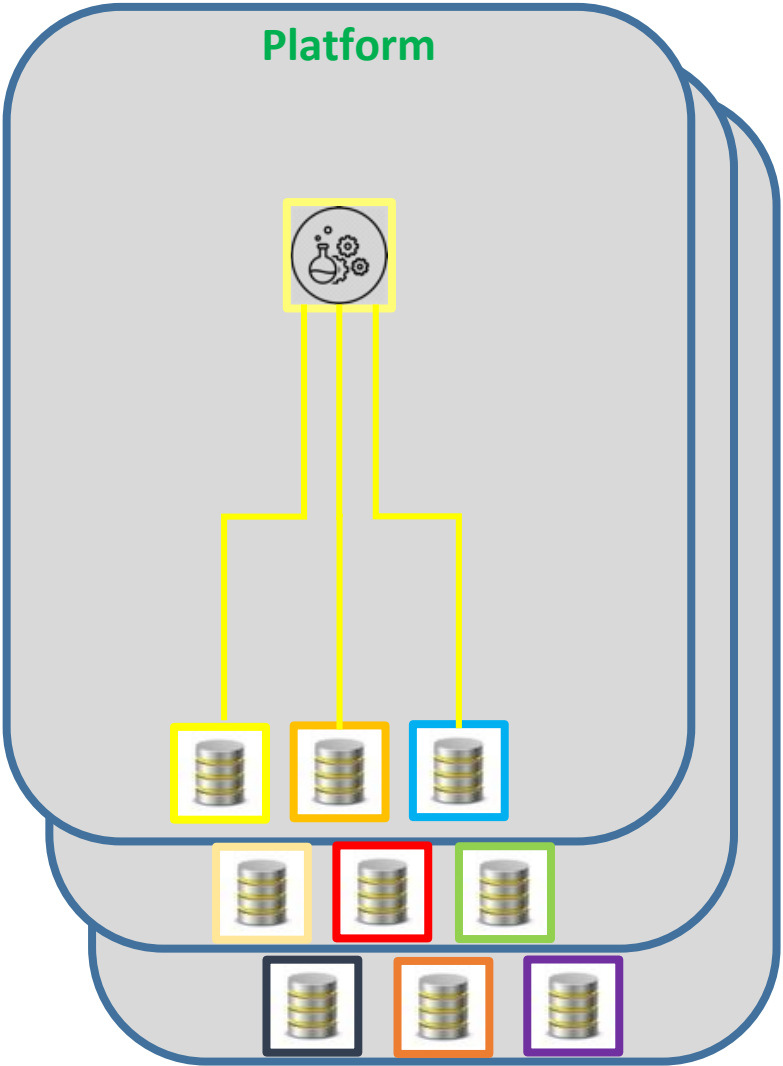
RESEARCHING DATA SHARING SOLUTIONS:

A DIGITAL DATA MARKETPLACE GOVERNED BY AN INDUSTRY CONSORTIUM

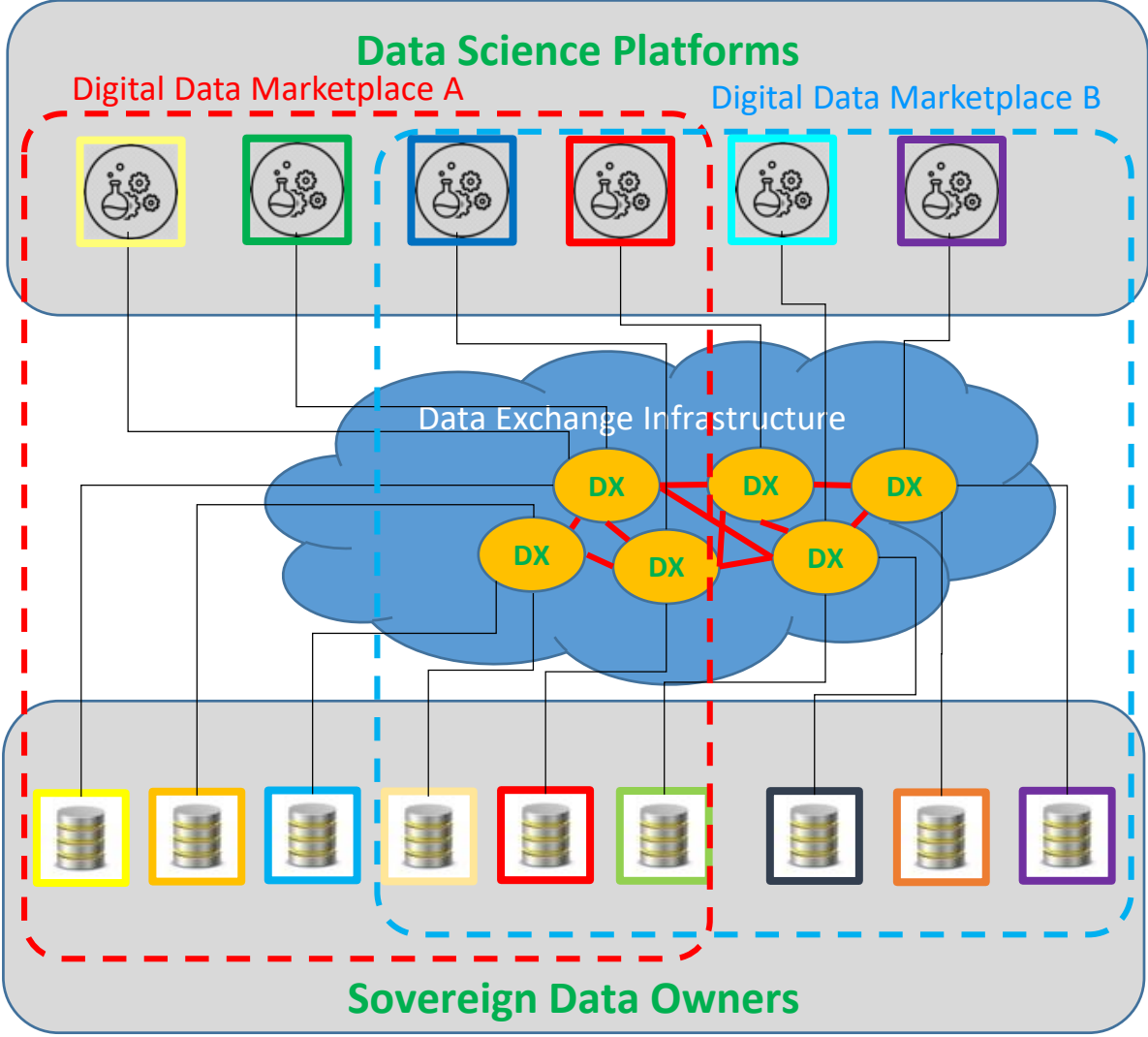


RESEARCH PROBLEM

AI QUALITY DEPENDS ON DATA AVAILABILITY: HOW TO ENABLE ACCESS TO AS MUCH DATA AS POSSIBLE?



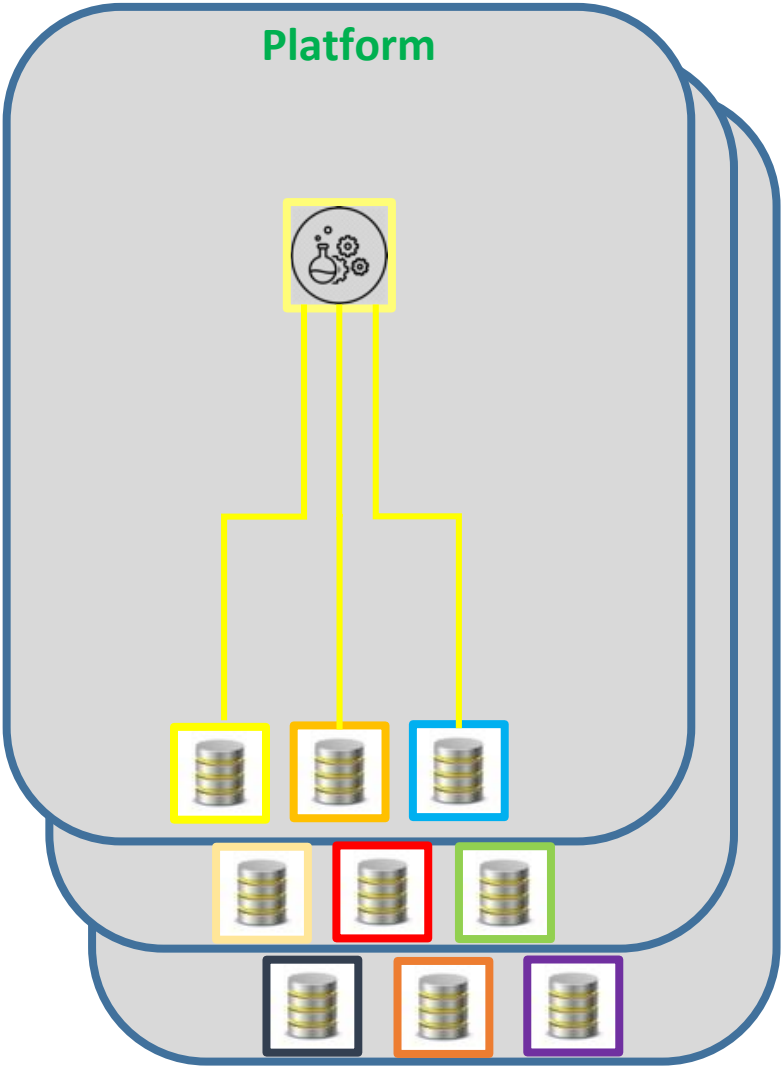
Current solution direction



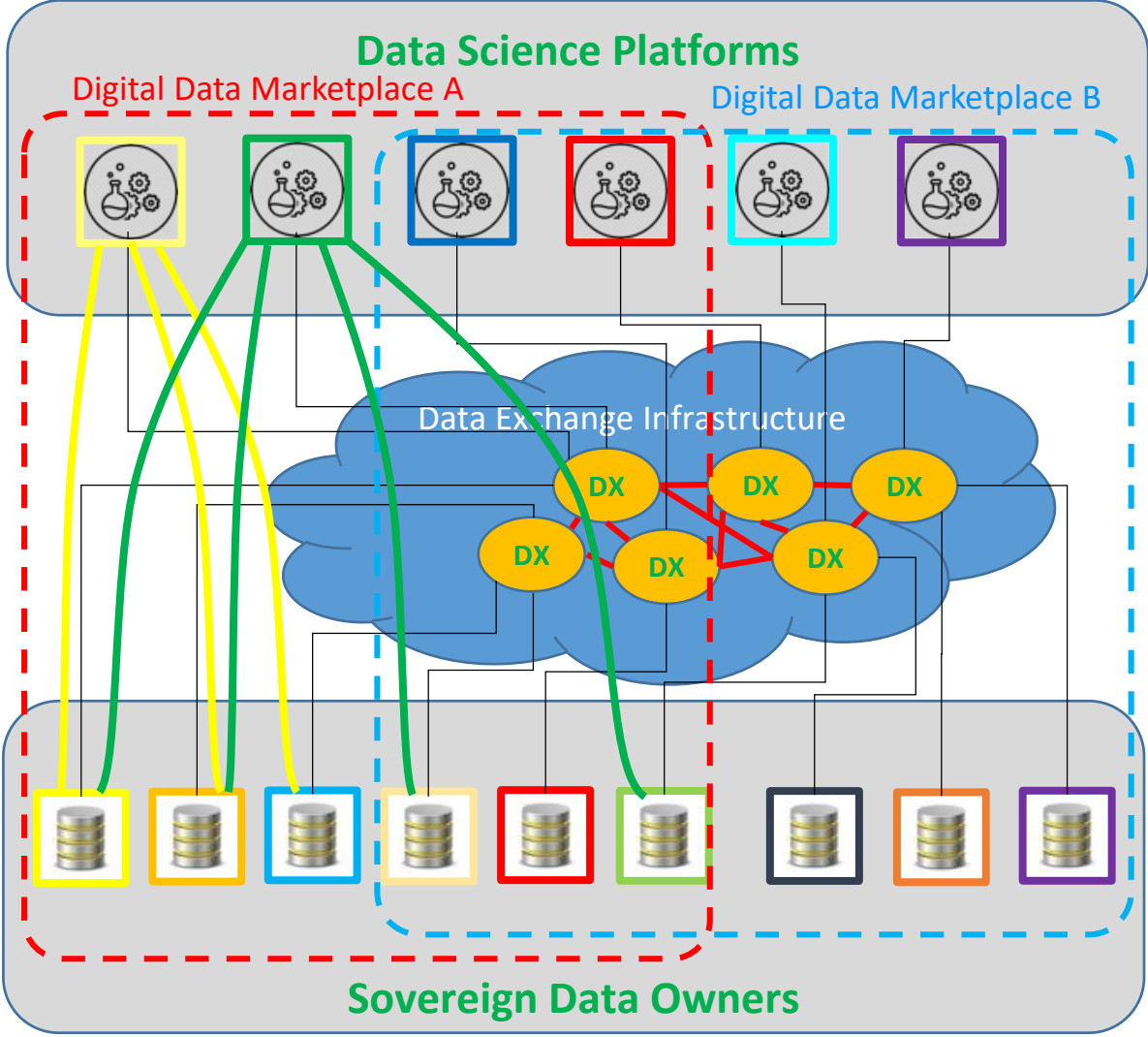
Digital Data Marketplace solution

RESEARCH PROBLEM

AI QUALITY DEPENDS ON DATA AVAILABILITY: HOW TO ENABLE ACCESS TO AS MUCH DATA AS POSSIBLE?



Current solution direction



Digital Data Marketplace solution

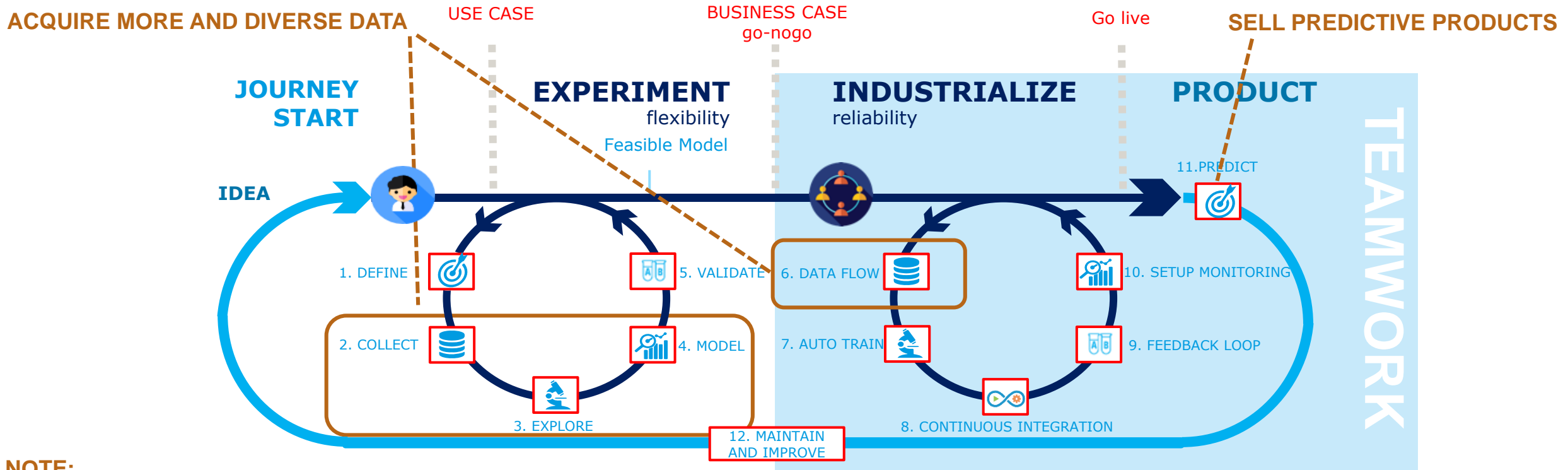
WHAT IS A DIGITAL MARKETPLACE ABOUT?

ORGANIZING TRUST, FAIRNESS AND COMPETITION TO SERVE INNOVATION

- **Serves a common benefit no single organization can achieve on its own.**
- **Is created and governed by an industry consortium as a means to reduce risk, ensuring competition and fairness.**
- **Supply members advertise their assets, contracts arrange asset access and usage by other members.**
- **To prevent data asset exposure, members can use a consortium governed data exchange infrastructure to execute data science scenario's**
- **Allows consortia to implement (digitally) enforceable contracts, whilst supporting dispute resolution by immutable logging.**

JOURNEY OF THE DATA SCIENTIST / ENGINEER

ROLE OF THE DIGITAL DATA MARKETPLACE

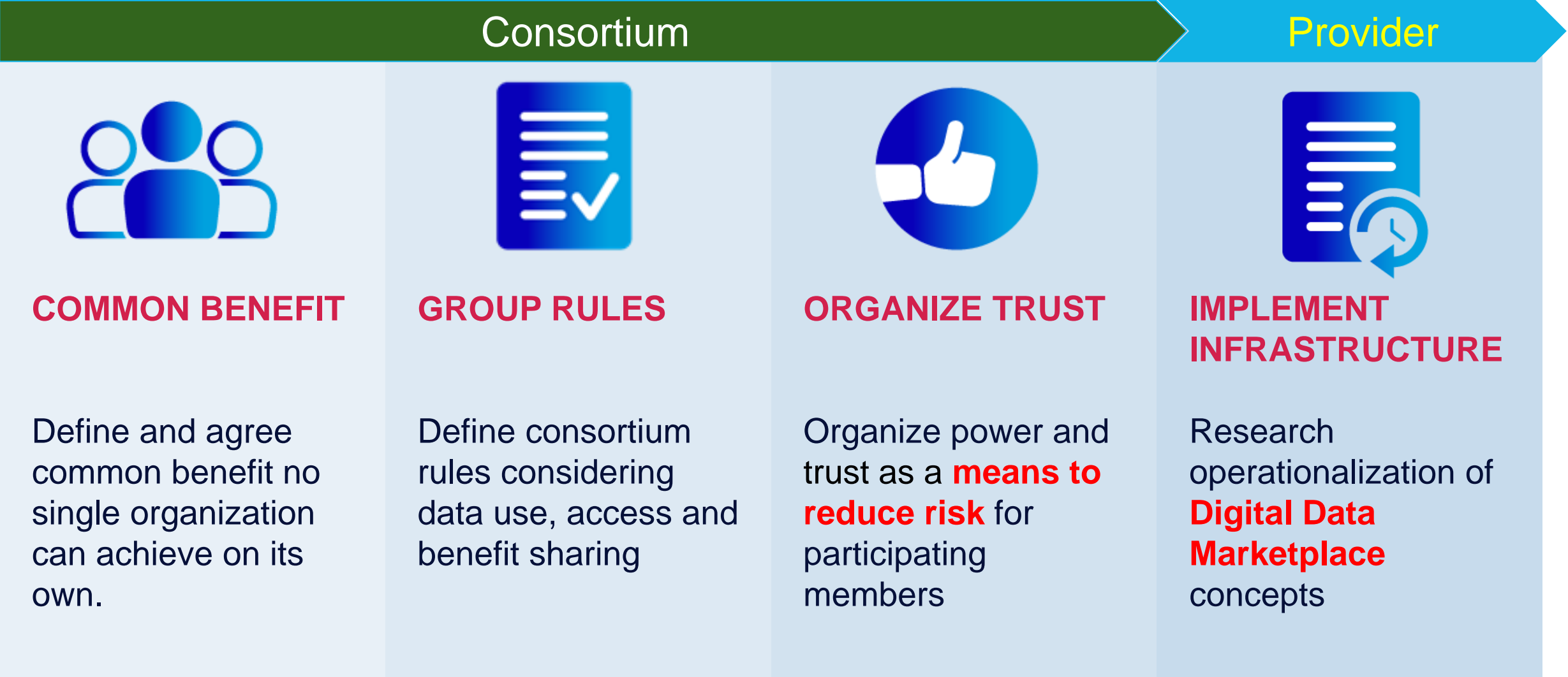


NOTE:
KNOWLEDGE SHARING IN OTHER PHASES (4,7,9,10) MAY ALSO BE A GOALS OF COLLABORATION IN A MARKETPLACE COMMUNITY.



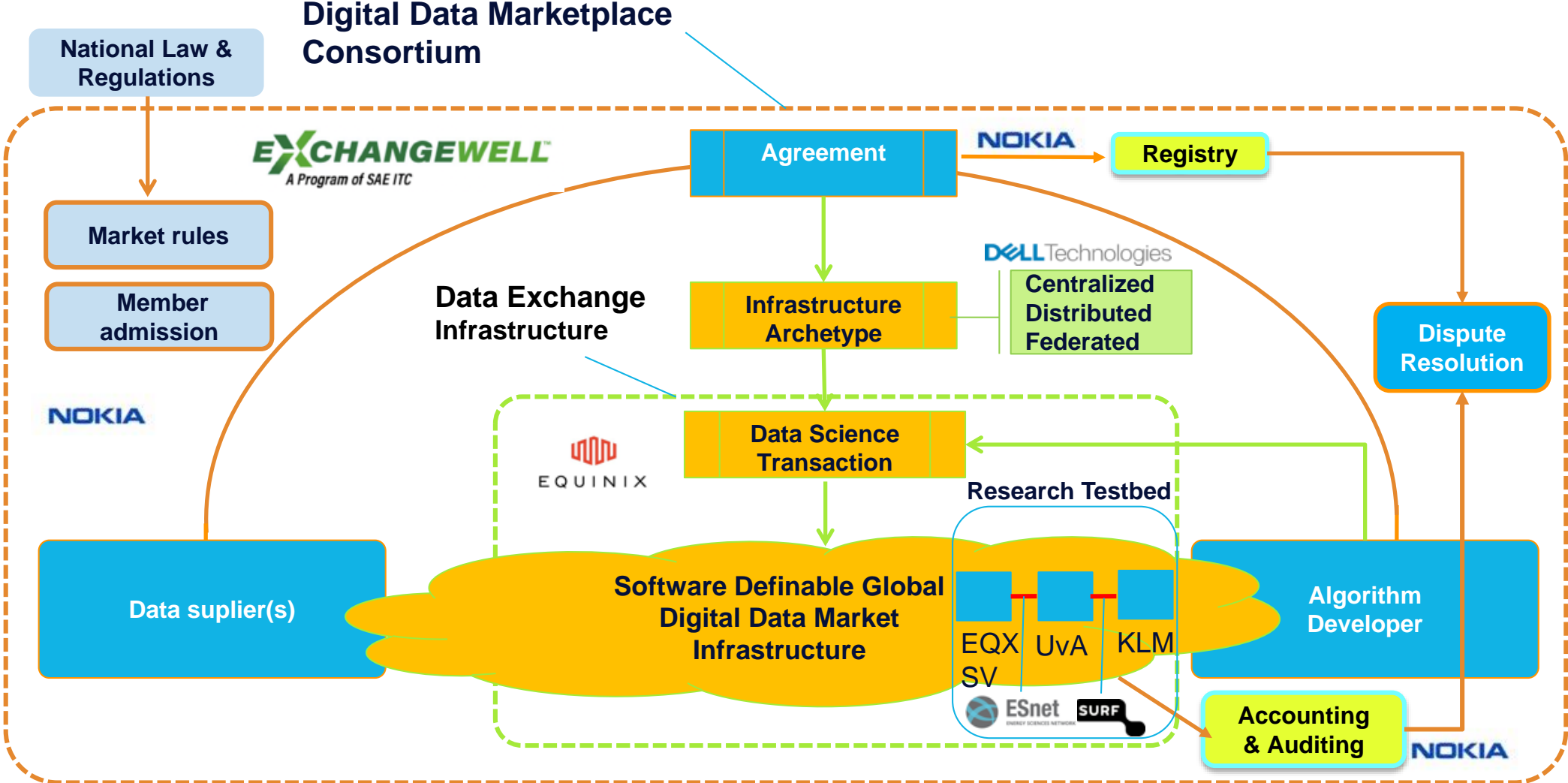
DIGITAL DATA MARKETPLACE GOVERNANCE

IMPLEMENTATION VIA A FOUR STEP APPROACH



DIGITAL DATA MARKETPLACE ARCHITECTURE

IMPLEMENTING ESSENTIAL ELEMENTS

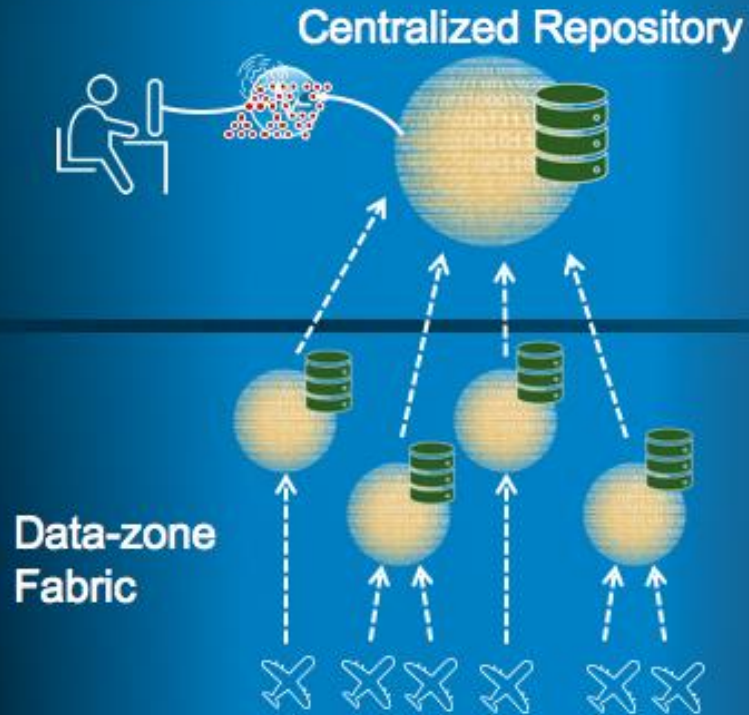


KEY COMPONENT: FEDERATED ANALYTICS

PREVENTS RAW DATA EXPOSURE AS ONLY THE ALGORITHM SEES THE DATA

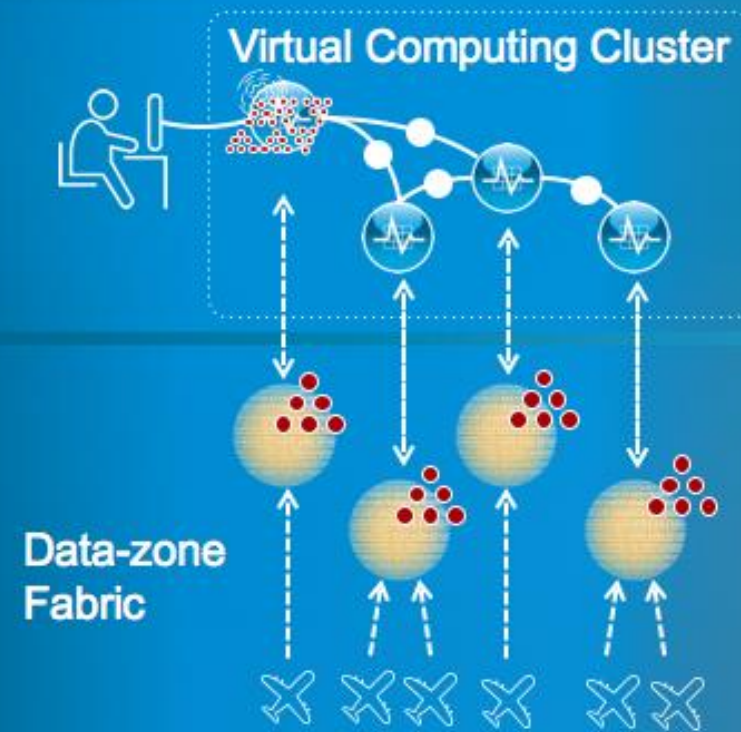
Centralized

Raw data transferred from dispersed data zones to a central repository for analysis



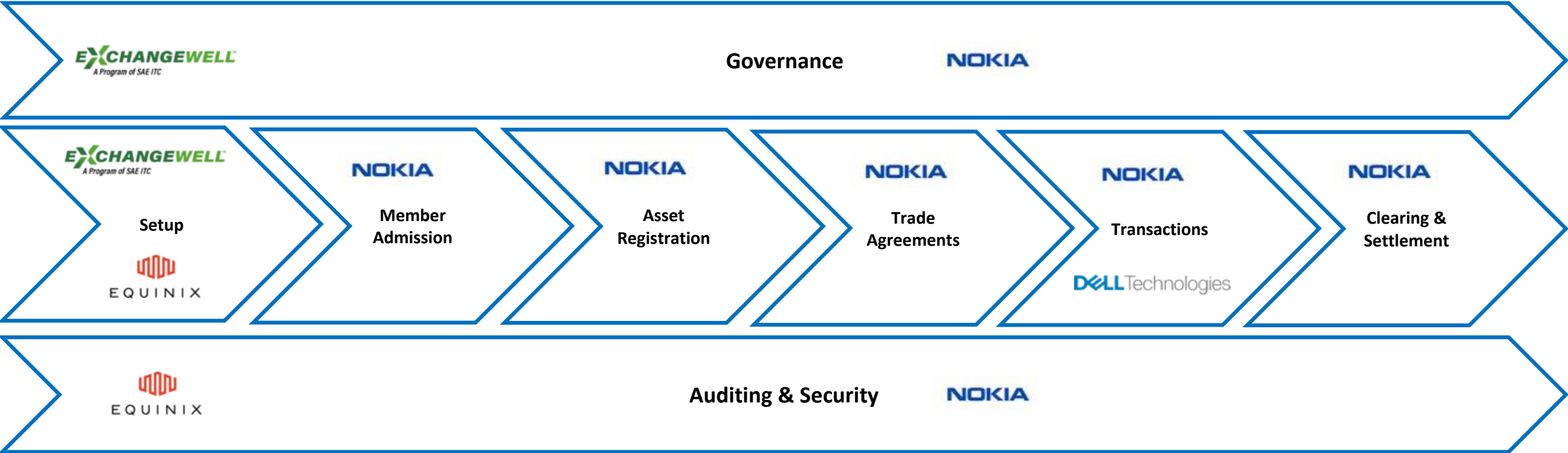
Federated

Raw data stays in place. Model trained through orchestration of local (at each data zone) and global computations



MARKETPLACE WORKFLOW

IMPLEMENTING THE INDUSTRIALIZATION PHASE



NEXT: "EXPERIMENT PHASE" OF THE DATA SCIENTIST JOURNEY

QUESTIONS

*We can only see a short distance ahead,
but we can see plenty there that needs to be done.*

Alan Turing

leon.gommans@klm.com





Improving the Operation, One Model at a Time

Michael Shores, Director of Data Science, United Airlines



Improving the Operation, One Model at a Time

Michael Shores
United Airlines
June 2019

Where we were in 2018

What we changed in 2019

What we're doing

Where we're headed

Agenda

Last year I spoke about machine learning in the personalization context



Departure: Select your flight
Chicago, IL, US → New York, NY, US

Fares are for the entire one-way trip, per person, and include taxes and fees.
Additional bag charges may apply.

Economy (lowest)

<	Sat 12/9	Sun 12/10	Mon 12/11	Tue 12/12	Wed 12/13	>
	\$106	\$106	\$71	\$51	\$45	

Show fare type comparison ?

Depart	Arrive	Stops	Duration		Basic Economy (most restricted)	Economy	Economy (flexible)	First (lowest)
7:30 am	10:40 am	Nonstop	2h 10m	Details Seats	\$130 Select	\$155 Select 2 tickets left at this price	\$387 Select	\$436 Select 1 ticket left at this price
8:00 am	11:10 am	Nonstop	2h 10m	Details Seats	\$130 Select	\$155 Select 3 tickets left at this price	\$387 Select	\$340 Select 2 tickets left at this price

Select Offer	Choice Offer
1. Economy Plus®	1. Economy Plus®
	2. Extra checked bag
+ \$205 per person	+ \$290 per person
Select	Select

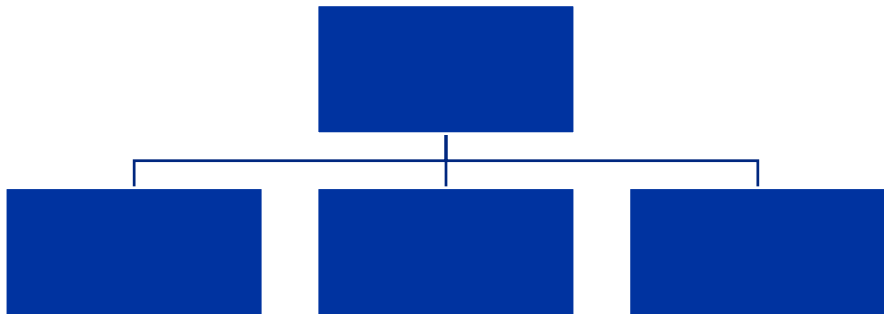
But something big was noticeably absent....

The Operation



After careful thought, we made a few changes

Team Alignment



Technology



Domain Knowledge

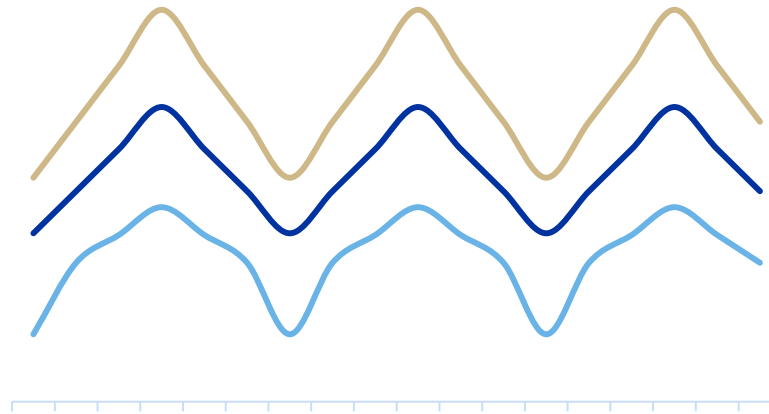


We used machine learning to drive quicker responses to our customers

The screenshot displays the United Airlines Co-pilot system interface. The main section is titled "AIRPORT EXPERIENCE" and shows a "Coding Entry" form for a "Complaint". The form includes fields for "Type" (Complaint), "Department" (1-Flight Operations), "Primary" (Delay-Controllable - 21%), and "Issue Location" (ORD - Chicago, IL). A "Compensation" section shows a "Category" of "MILES" and a "Compensation Value" of 7500. A "Recommendation" box indicates a range: "Min: 6250", "Avg: 7500", and "Max: 8750". A "Notes" table shows a date of 4/17/19 and a note "note 1". Below the form is a "CONCERN - AIRPORT EXPERIENCE" section with a "Customer Text" area. The left sidebar shows customer information, including "Customer" (OC), "UA Status Non-Elite", "Mileage Plus #", "Member Since", "Lifetime Miles", "Balance", "Contact Information", "Address", "Phone Number", "Email", and "Itinerary" (Record Locator UA881, Flight UA881, Scheduled Flight: 12:45 PM - 3:55 PM, From-To: ORD-NRT, Duration: 13hr 10m, Connections: NONSTOP, Passenger: Non-Elite, Mileage Plus #: 38C, Class: H).

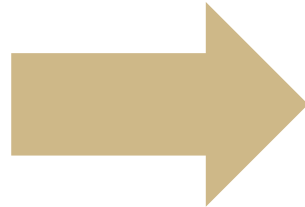
- **Why:** Reading and understanding customer feedback is critical but time consuming
- **What We Did:**
 - Automatically identify the topic customers discuss
 - Predict how to compensate a customer
- **Result:** Responses per hour up nearly 2x
- **What's Next:** We're building a sentiment analysis tool to help with case prioritization and routing

Time series modeling helped our Polaris Clubs plan more efficiently



- **Why:** The Polaris Clubs are a unique experience for our customer which presents unique logistical challenges
- **What We Did:** Built a time series model to predict the number of customers coming to our Polaris Clubs over the next week
- **Result:** Improved ability to manage staffing and catering requirements
- **What's Next:** We're looking at better long term forecasting and expanding our model to other clubs

We leveraged text analytics to help understand maintenance trends



- **Why:** Mechanics carefully detail airplane issues but it's hard for analysts to read so much text
- **What We Did:** Used text classification to identify the ATA chapter corresponding to the Log Page
- **Result:** Better trending and trouble shooting of aircraft issues
- **What's Next:** Predicting which parts will be needed to remedy particular issues

What's Next?

- More to come in Operations
- Accelerate model sharing and deployment
- Image? Video? Voice?
- Catch my team at ODSC India in August!



Google's application of Machine learning for Flights Data

Allan Fraser, Manager, Software Engineering, Google





Google's Application of Machine Learning to Flights Data

Allan Fraser

Manager, Software Engineering

allanfraser@google.com

Mission

Our mission is to be the **trusted** place where travelers go for the most **useful** information to make **fast, effortless decisions.**

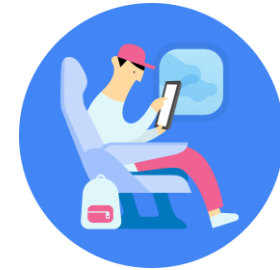
Google Flights Pillars



Flight Search

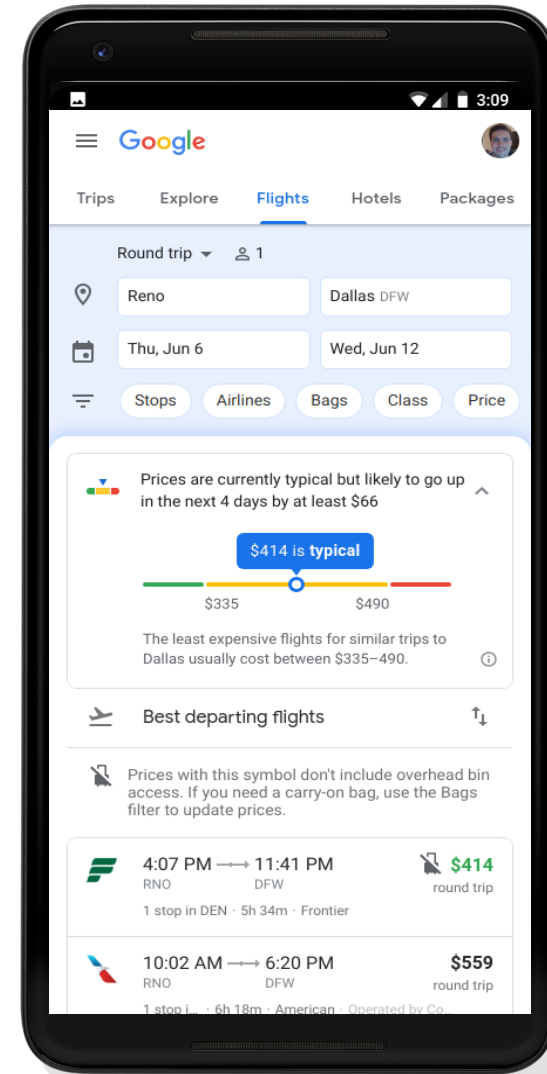
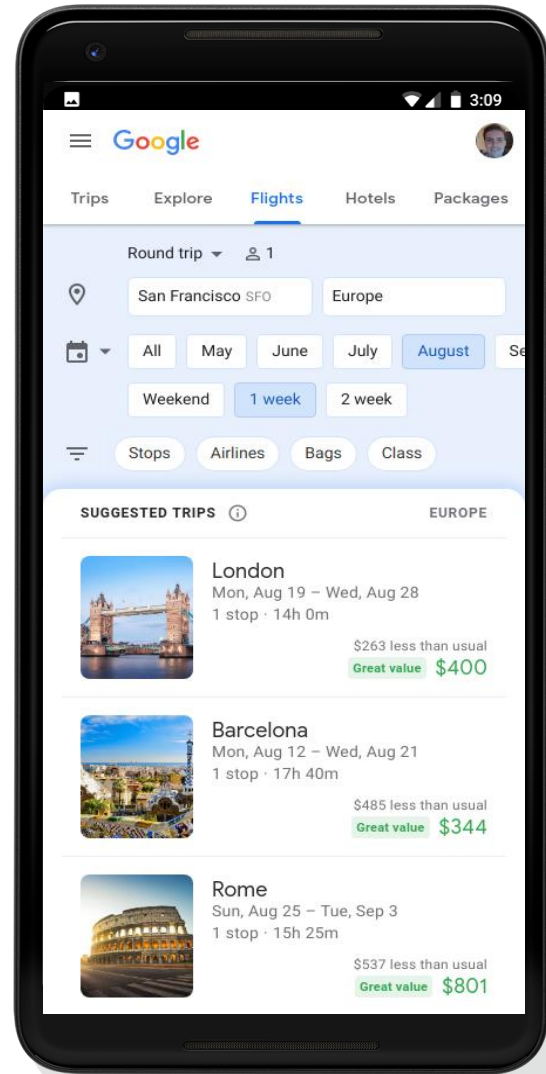


Airline Partners



Intelligent Assistance

Flight Price Insights - Know when to book your flights



Flight Status - Know if your flight is on time

Search

Delta DL 4841
2 flights found

WED, JAN 10 THU, JAN 11 FRI, JAN 12 SAT, JAN 13

Minneapolis to Cleveland – DL 4841
SCHEDULED 3:05 pm → 6:10 pm

At least 30m delay likely
Incoming flight DL 4636 is delayed, which may affect this flight

Arrive at gate for originally scheduled departure time and confirm flight status on an airport monitor. Status may change.

Updated 15m 16s ago

MSP → **CLE**

Minneapolis · Thu, Jan 11	Terminal	Gate
Scheduled departure	1	C11
3:05 pm		
Cleveland · Thu, Jan 11	Terminal	Gate
Scheduled arrival	-	B2
6:10 pm		

Cleveland to Minneapolis – DL 4841
SCHEDULED 6:45 pm → 8:05 pm

Showing local airport times Feedback

Assistant

my flights

Alright, here are your upcoming flights.

Barcelona to Oakland
SCHEDULED Mon, Jun 4 · 11:00 AM


Norwegian Flight 7075
At least 15m delay likely
Incoming flight VX 4526 is delayed, which may affect this flight. Arrive at gate for originally scheduled departure time.

BCN → **OAK**
Barcelona → Oakland
11:00 AM → 5:30 PM

Terminal: 2 Terminal: 3
Gate: 56A Gate: H8

Passenger 1
SURNAME/NAME Boarding
Confirmation # 10:10 AM
PVHCPS Group

Seat -



[View on Gmail](#)

Oakland to Barcelona **SCHEDULED**
Thu, Jun 12 · 16:00 PM

[Search](#) [Directions to BCN airport](#) [Weather](#)

Assistant

Card Examples

No Prediction	Predicted Departure Delay
<p>SWISS LX 52 SCHEDULED</p> <p>ZRH → BOS Zürich → Boston 5:30 PM → 7:55 PM</p> <p>Terminal: - Terminal: E Gate: - Gate: E9</p>	<p>Iberia IB 3435 SCHEDULED At least 30 min delay likely</p> <p>ORY → MAD Paris → Madrid 12:40 PM → 2:46 PM 3:06 PM</p> <p>Terminal: W Terminal: 4 Gate: 10F Gate: -</p>
<p>Air China CA 404 ON-TIME</p> <p>CTU → INC Chengdu → Yinchuan 10:15 PM → 12:45 AM 11:42 PM</p> <p>Terminal: T2 Terminal: - Gate: - Gate: -</p>	<p>United UA 1790 ON-TIME At least 30 min delay likely</p> <p>EWR → FLL Newark → Fort Lauderdale 3:00 PM → 5:51 PM</p> <p>Terminal: C Terminal: 1 Gate: 103 Gate: C4</p>
<p>China... MU 2997 DELAYED 29 MIN</p> <p>WUX → LHW Wuxi → Lanzhou 5:30 PM 6:00 PM → 7:45 PM 8:30 PM</p> <p>Terminal: T2 Terminal: T2 Gate: - Gate: -</p>	<p>China... MU 2997 DELAYED 15 MIN Delay likely to increase to at least 30 min</p> <p>LHW → URC Lanzhou → Ürümqi 8:35 PM 8:50 PM → 11:10 PM 11:25 PM</p> <p>Terminal: - Terminal: 2 Gate: - Gate: -</p>

Route Coverage Tool - Leverage insights from user queries



✈️ **Flights Route Coverage Tool (Beta)**
v1.0 - Demo Data

Opportunity Finder: Last 90 Days

Filters

Account	Volume	Opportunity Score:...	Covered: Yes
Language	Device	NDOD	Nonstop Service
Origin	Country	Region	DMA
Destination	Country	Region	DMA
			City
			City

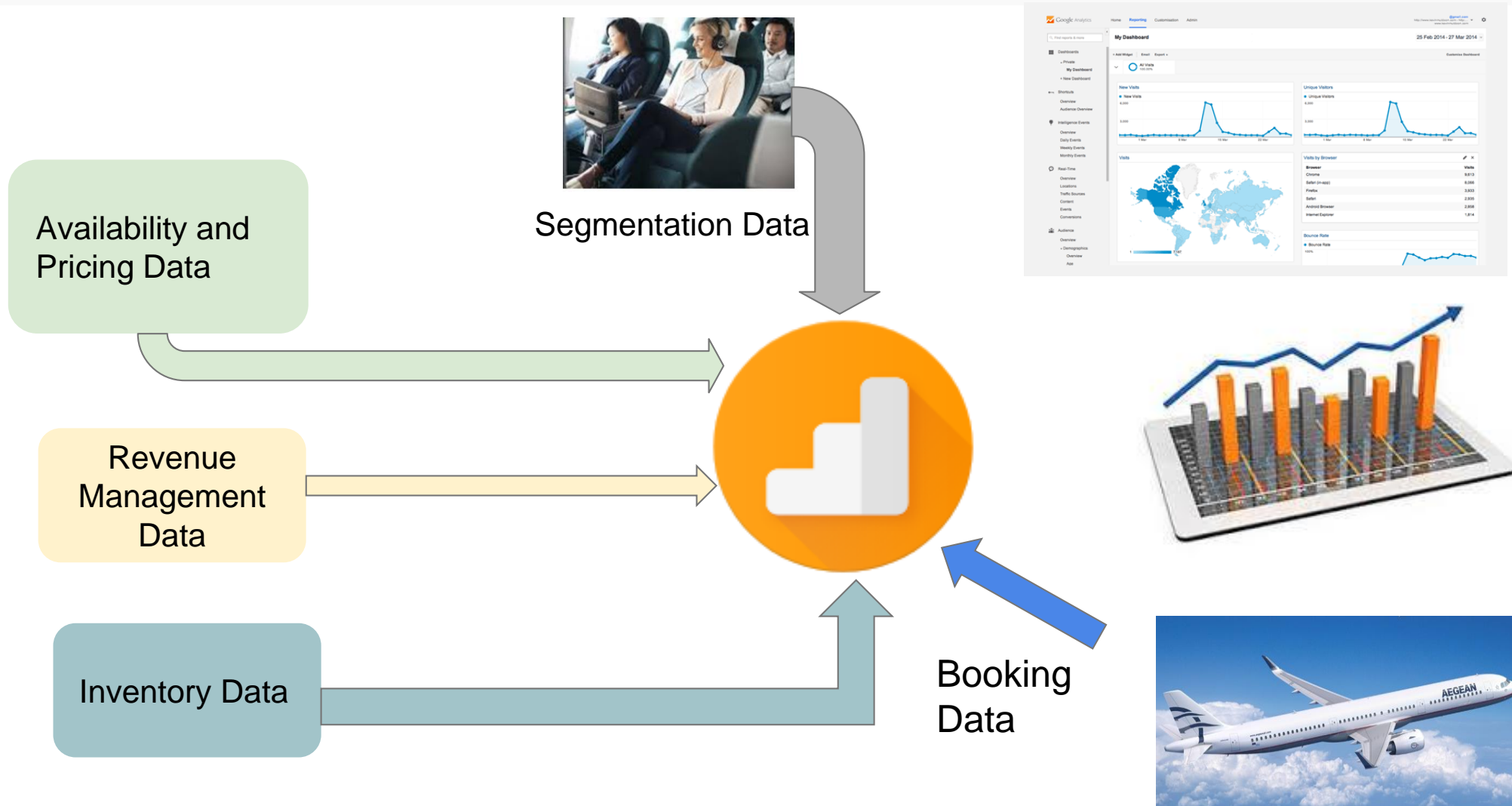
Competitive Routes

Performance over last 90 days for in-network routes limited to 0 and 1 stop flights. 2 stop flights are included if they have a circuitry of 1.6 or less and a duration rank of 50%. Only routes with 5 or more operating carriers are displayed.

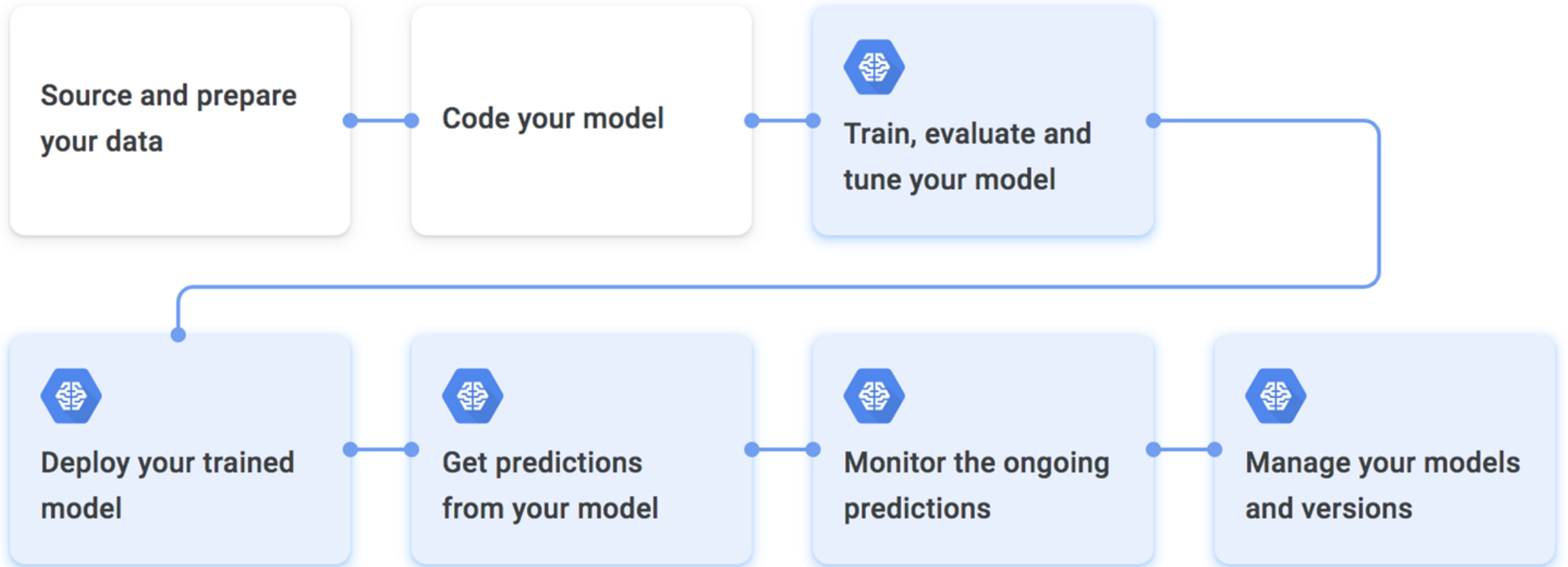
	Origin City	Destination City	NDOD	Routes	Queries (R)	Impression Coverage	Click Coverage	Capacity Share	Click Gap
1.	Perth	London	LON-PER	PER-LHR, PER-LON	80,000	0.2%	+0.0%	9.2%	9.2%
2.	Boston	Chicago	BOS-ORD	BOS-CHI, BOS-ORD	60,000	0.9%	0.6%	7.3%	6.7%
3.	Boston	Los Angeles	BOS-LAX	BOS-LAX	60,000	1.4%	1.2%	19.3%	18.1%
4.	London	Sydney	LON-SYD	LGW-SYD, LHR-SY...	50,000	12.4%	0.8%	17.4%	16.6%
5.	Chicago	Boston	BOS-ORD	CHI-BOS, ORD-BOS	50,000	0.7%	0.4%	7.0%	6.6%
6.	Warsaw	London	LON-WAW	WAW-LGW, WAW-L...	50,000	2.8%	0.5%	6.2%	5.7%
7.	Dubai	Manila	DXB-MNL	DXB-MNL	50,000	3.9%	1.9%	8.6%	6.6%
8.	Paris	Bangkok	BKK-PAR	CDG-BKK, PAR-BKK	50,000	0.1%	+0.0%	5.9%	5.9%
9.	Paris	Los Angeles	LAX-PAR	CDG-LAX, PAR-LAX	50,000	15.5%	5.7%	31.1%	25.4%
10.	Guadalajara	Tijuana	GDL-TIJ	GDL-TIJ	40,000	8.6%	1.0%	22.5%	21.5%
11.	Brisbane	London	BNE-LON	BNE-LHR, BNE-LON	40,000	1.1%	0.3%	57.9%	57.5%

1 - 50 / 2325 < >

Carriers May Apply Machine Learning to Gain Business Insights



Google Cloud Machine Learning Workflow



Flights Data & Google Cloud Infrastructure

Flight Data

- Fares, schedules, availability, pricing, flight status.

Big Query

- Enables storage of petabytes of data and slicing & dicing data across many dimensions.

Cloud Data Flow

- Fully managed service for developing and managing and executing a wide range of data patterns.

Cloud SQL

- Query petabytes of data to find answers to questions like, which markets have the lowest rate of selling, or order markets and flights legs by load factor.

Cloud ML

- Lets developers and data scientists build and run superior machine learning models in production.

Cloud AutoML

- Enables developers with limited machine learning expertise to train high-quality models specific to their business needs.

Conclusion

Machine learning is making a difference for Google Flights users and airline partners.



Leveraging AI to drive commercial success

Jaime Zaratiegui , Director Data Science, Accelya Group



Leveraging AI to Drive Commercial Success

Jaime Zaratiegui

Director Data Science @Accelya

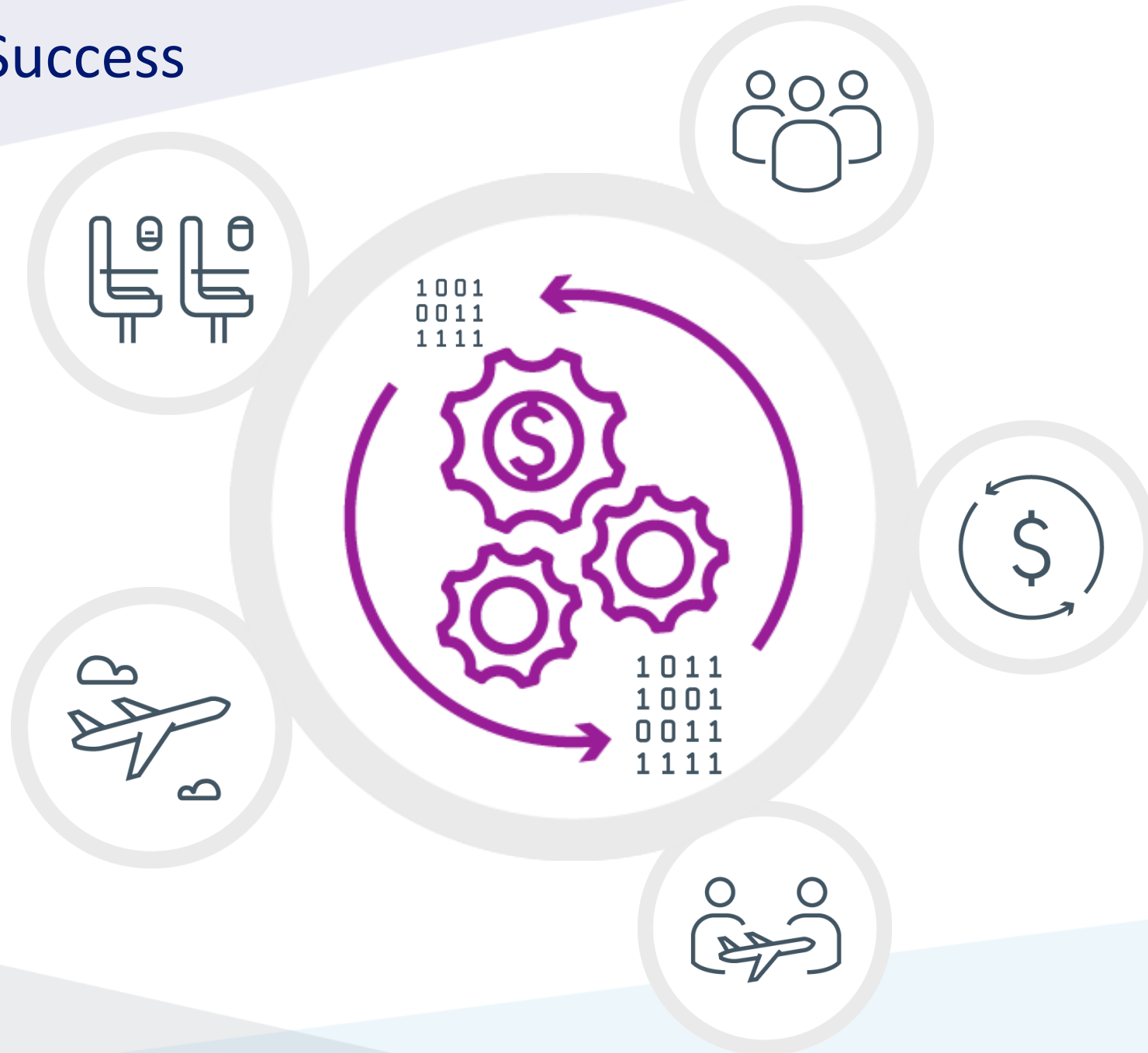
IATA ADS 2019

27 June 2019

Commercial Success



Commercial Success



Know Your Customer



Know Your Customer?



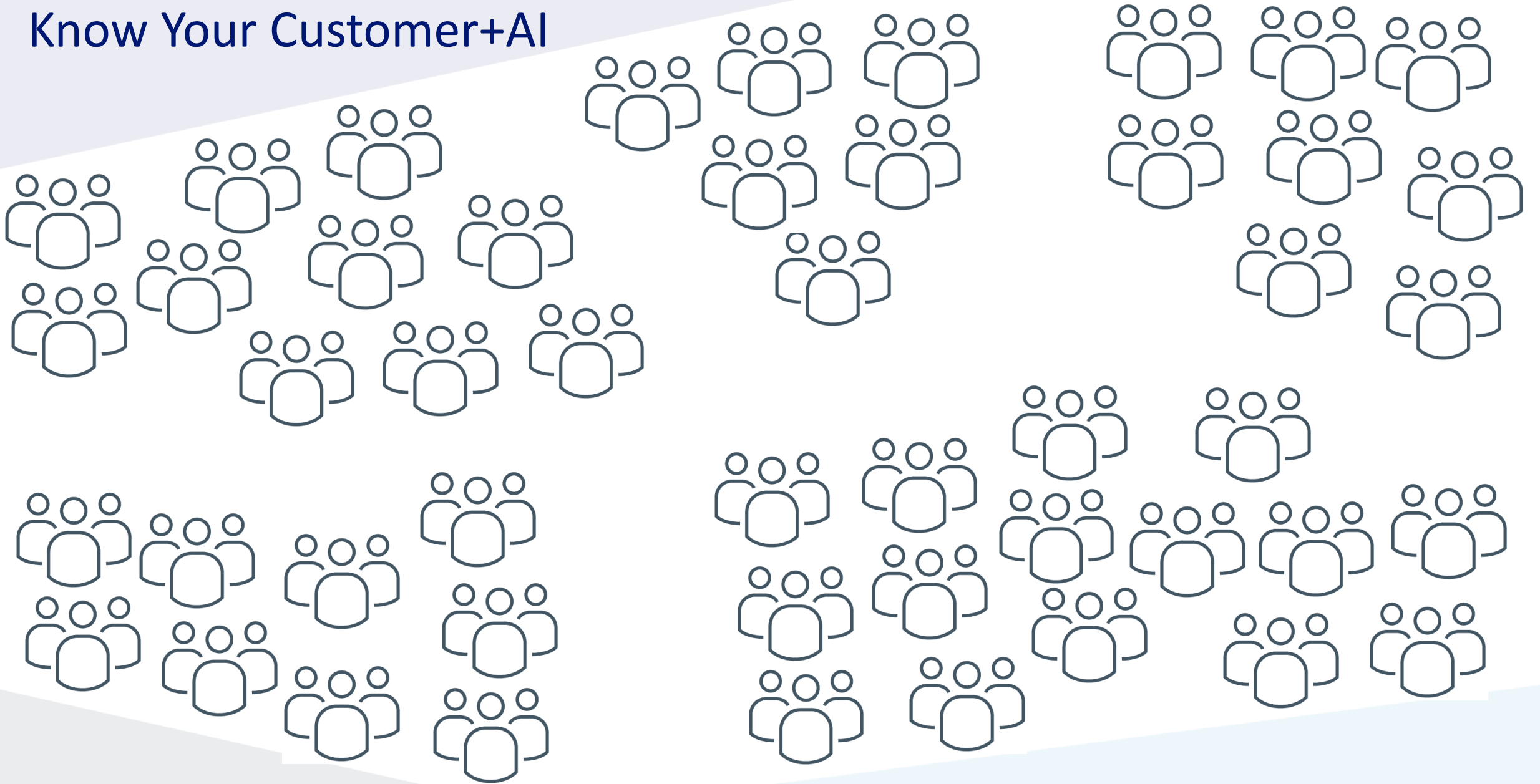
4.3 bn passengers 2018 worldwide

Know Your Customer?

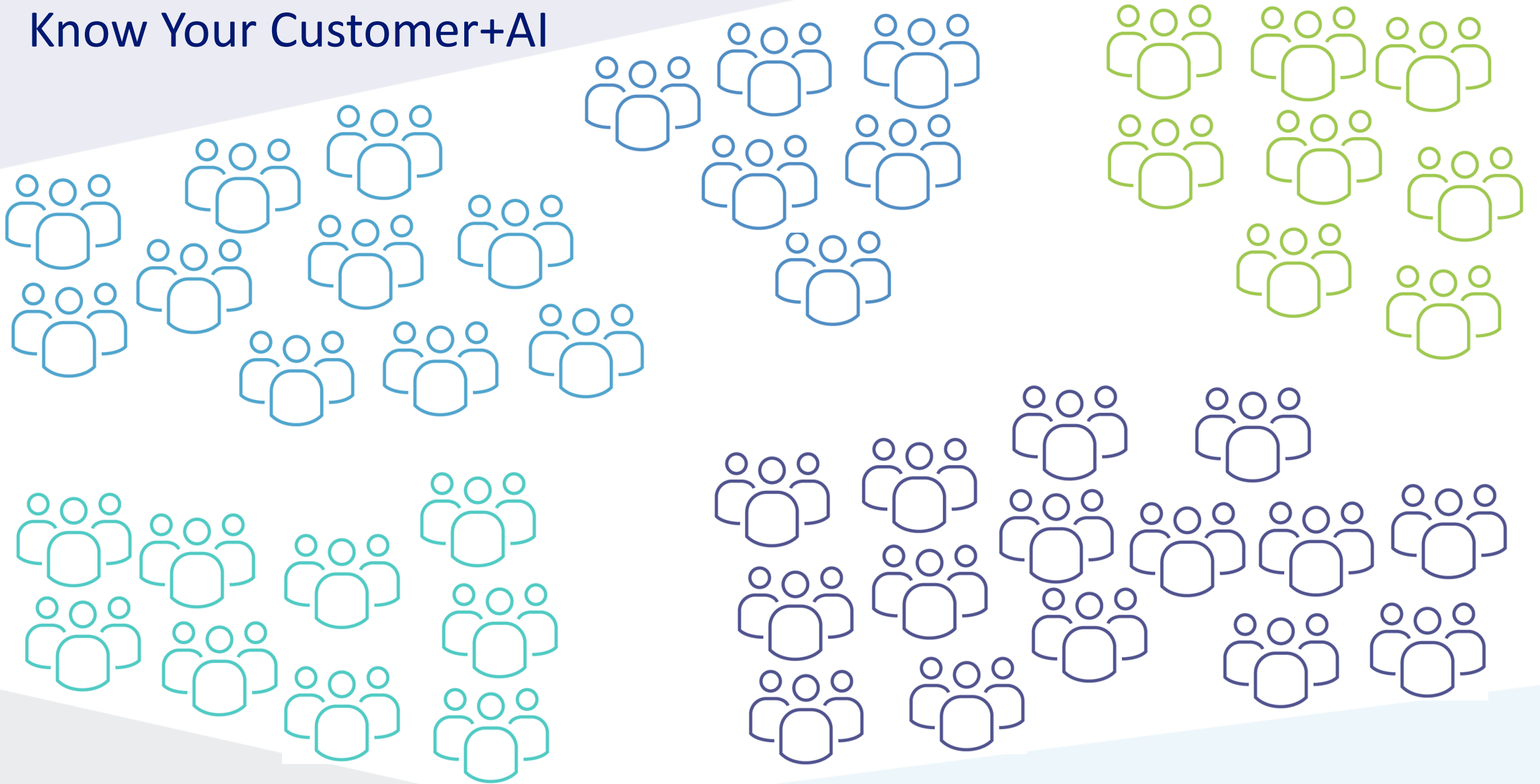


4.3 bn passengers 2018 worldwide


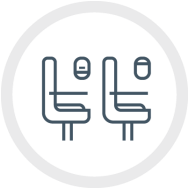

































Know Your Customer+AI



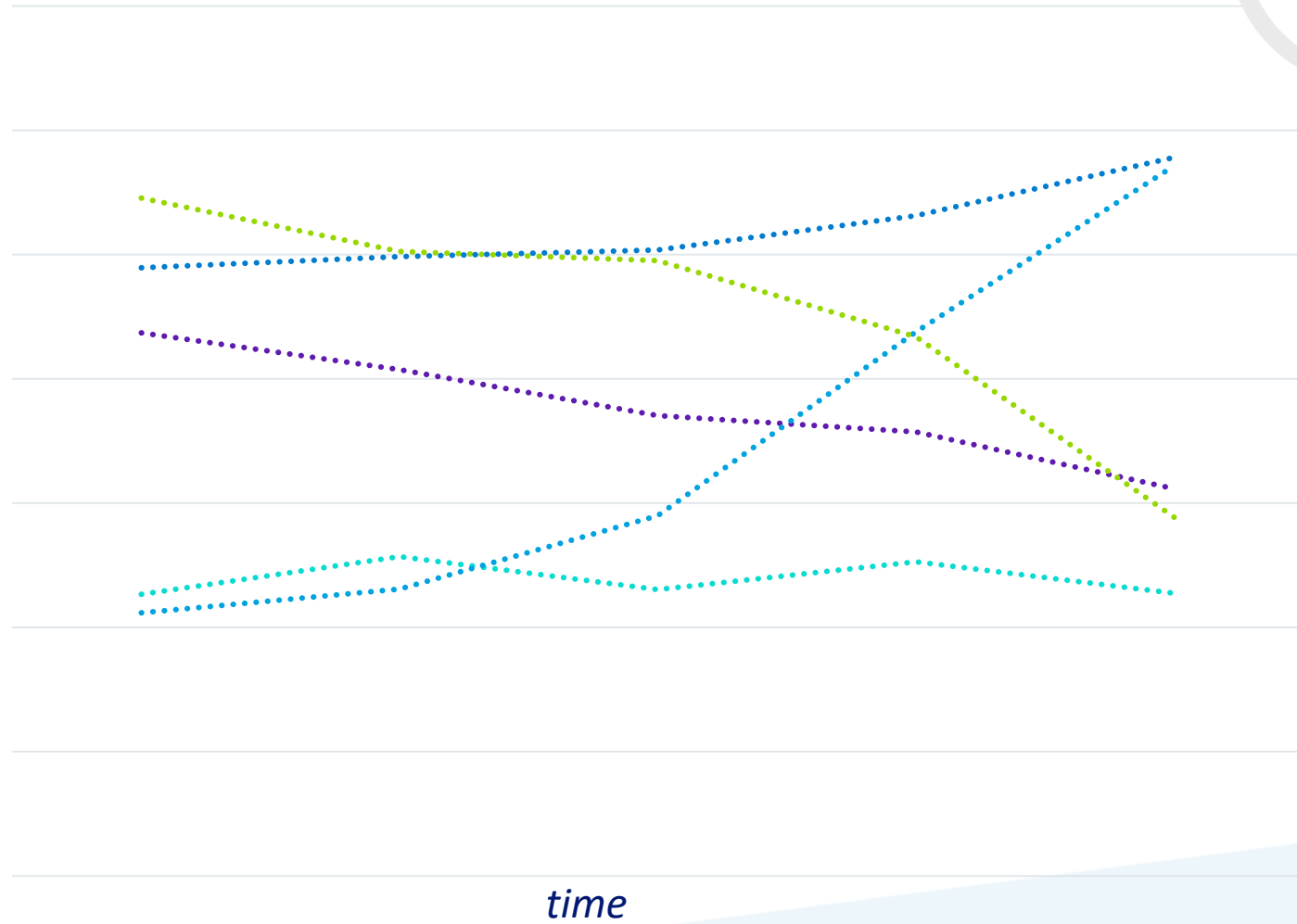
Know Your Customer+AI



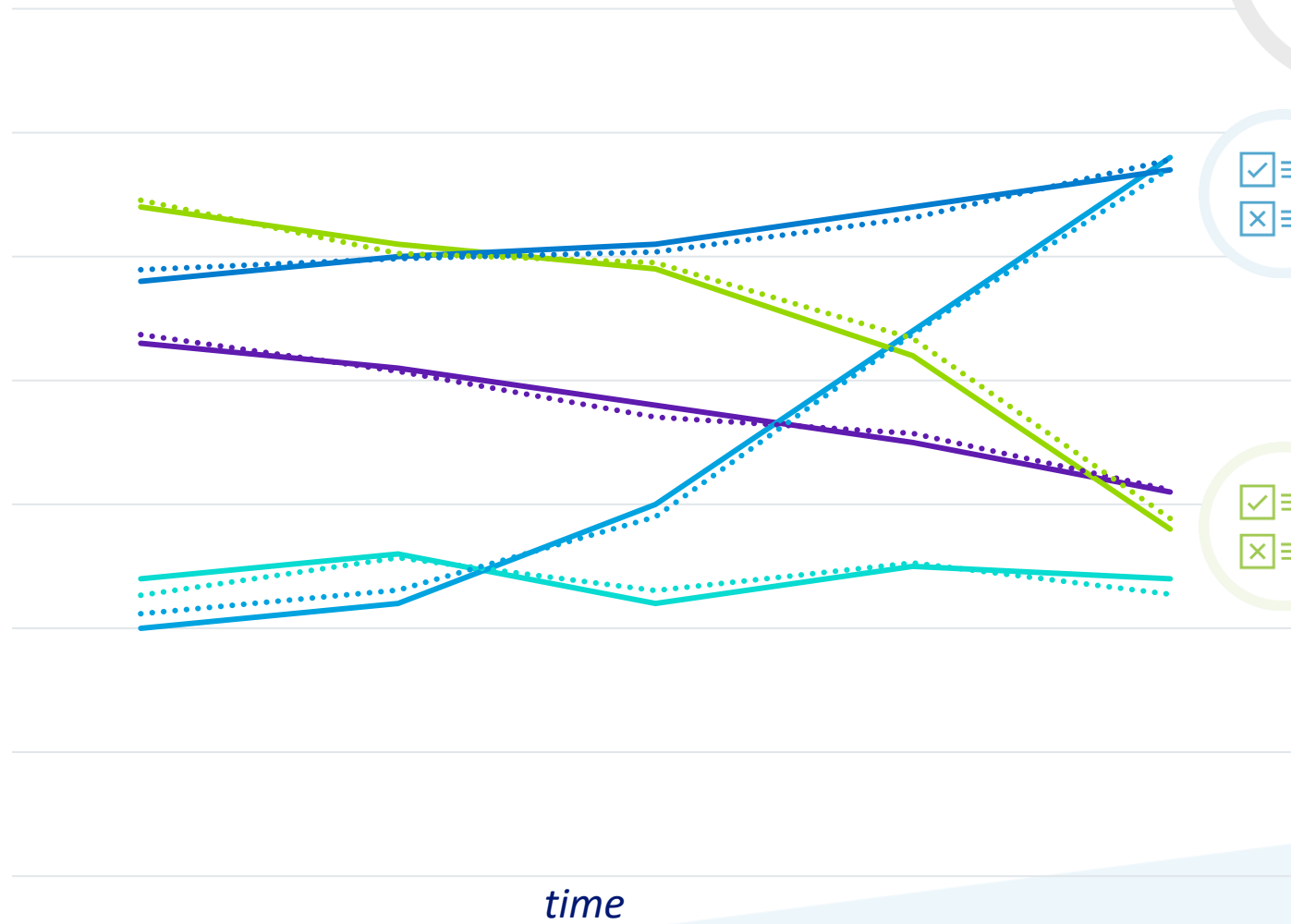
Know Your Customer+AI

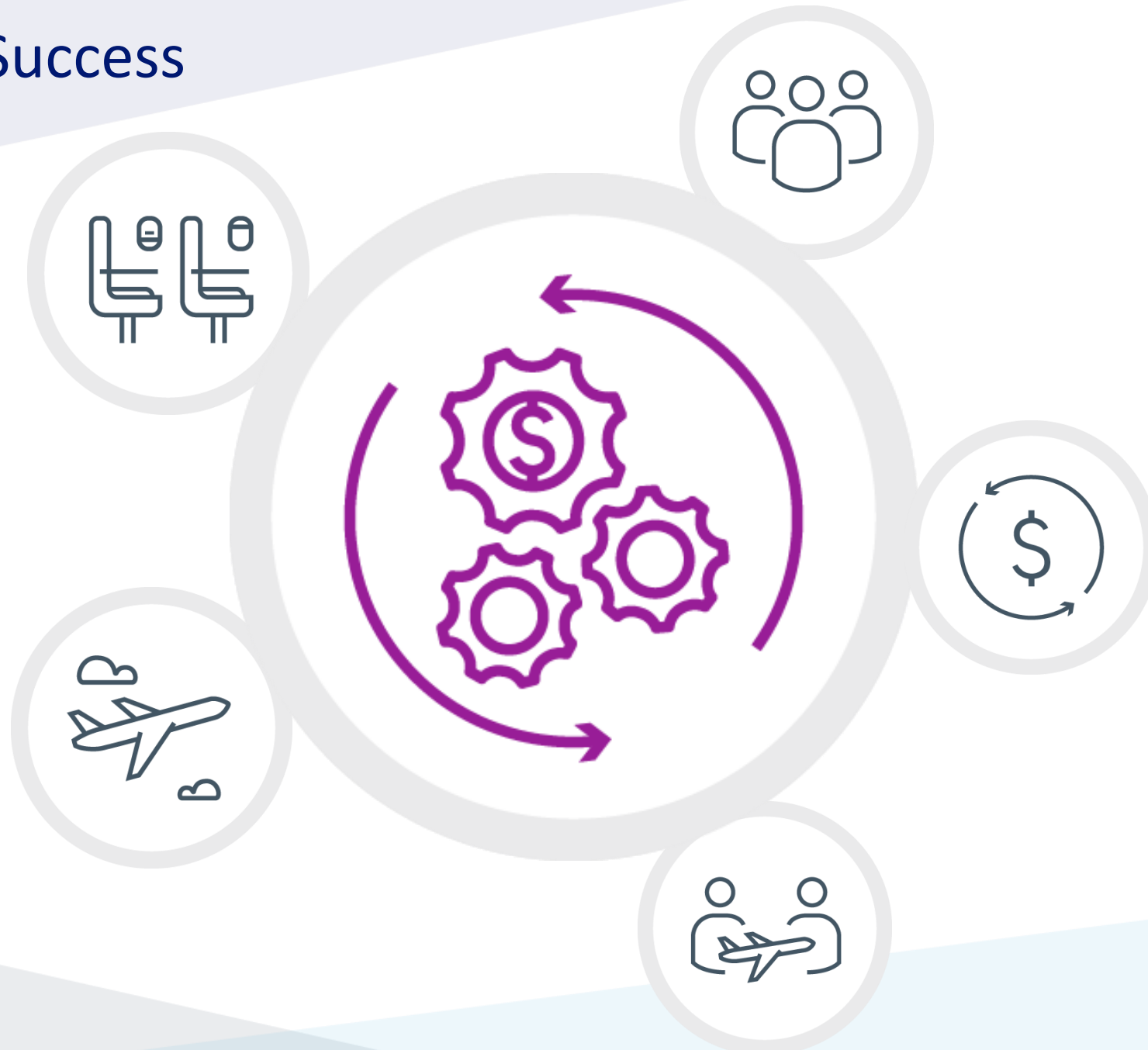
Predict with AI



Predict with AI



Commercial Success



Commercial Success





Thank you for your time

IATA

AVIATION

DATA

SYMPOSIUM

ATHENS, GREECE 25 – 27 JUNE 2019



AI Lab

Sponsored by:





High-performance Computing: Aviation Use Cases

Massimo Morin, Head, Worldwide Business Development, Travel, AWS



A wide-angle photograph of the Theatre of Orange in France, showing the semi-circular stone seating and the ruins of the stage and facade. The background shows a town and a hill under a clear sky.

The Power of Data: HPC & ML/AI Use Cases

Massimo Morin, Head, AWS Travel

27th June, 2019



Long time ago...



**The airline industry
is a complex business**

AWS is Here to Help: The Amazon ML Stack

AI SERVICES

Easily add intelligence to applications without machine learning skills

VISION | DOCUMENTS | SPEECH | LANGUAGE | CHATBOTS | FORECASTING |
RECOMMENDATIONS

ML SERVICES

Build, train and deploy machine learning models fast

DATA LABELING | PRE-BUILT ALGORITHMS & NOTEBOOKS | ONE-CLICK TRAINING & DEPLOYMENT

ML FRAMEWORKS & INFRASTRUCTURE

Flexibility and choice, high-performing infrastructure

SUPPORT FOR ML FRAMEWORKS | COMPUTE OPTIONS PURPOSE-BUILT FOR ML

AWS is Here to Help: The Amazon ML Stack

AI SERVICES

VISION



REKOGNITION
IMAGE | TEXT



TEXTTRACT

SPEECH



POLLY



TRANSCRIBE

LANGUAGE



TRANSLATE



COMPREHEND

CHATBOT



LEX

FORECASTING



FORECAST



PERSONALIZE

ML SERVICES



AMAZON SAGEMAKER

BUILD

Ground Truth
ML/AI Marketplace

TRAIN

Discrete training & tuning
Neo model compiler
Reinforcement Learning

DEPLOY

One-Click Deployment

ML FRAMEWORKS & INFRASTRUCTURE

FRAMEWORKS



INTERFACES



INFRASTRUCTURE



EC2 P3
& P3N



EC2 C5



FPGAs



GREENGRASS



ELASTIC
INFERENCE

Qantas' Constellation

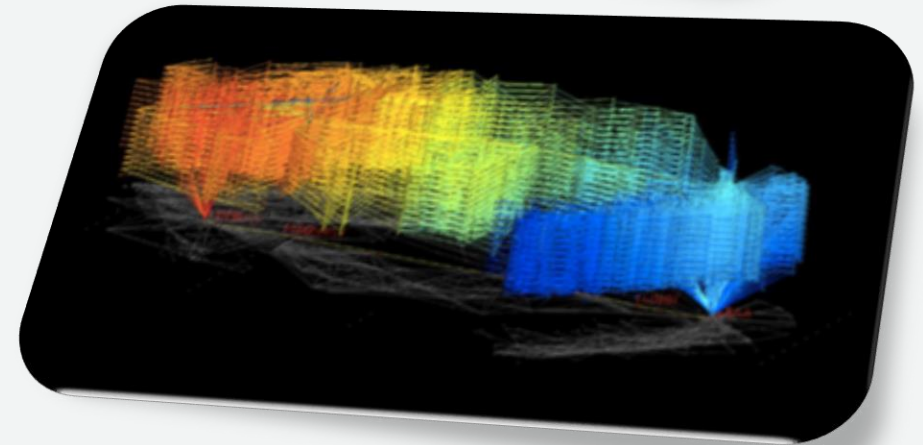
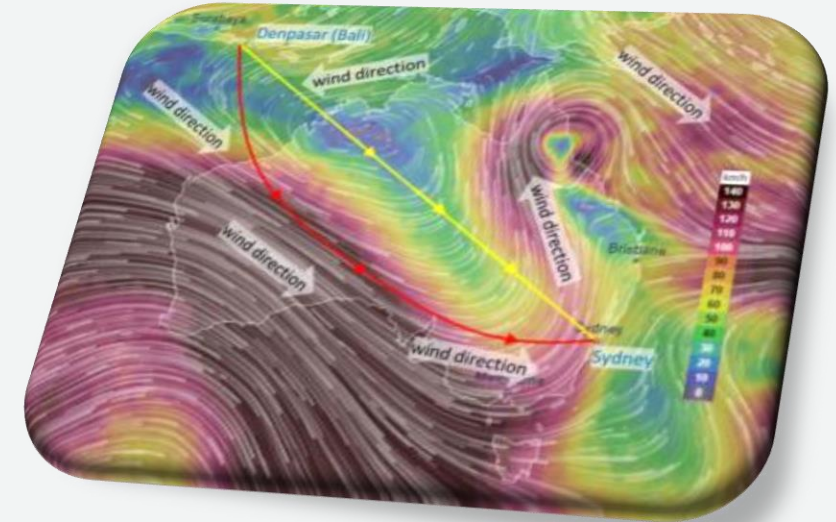


The **scalability of cloud computing**, and ingestion of rich datasets from external sources, allows Qantas to continually assess and adjust planned paths en-route.

This delivers **increased safety** through more **accurate fuel prediction** and **efficiency via fuel savings**.

Results to date for Qantas include **0.6 percent lower fuel burn per flight**, leading to lower carbon emissions.

Ben Vogel,
Editor, Jane's Airport Review



[Qantas' cloud-based flight sim saving millions in fuel](#)

[The results are in...the winners of the Jane's ATC Awards have been revealed](#)



Fuel Saving

Reduce Turbulences

**Improve On Time
Performance**

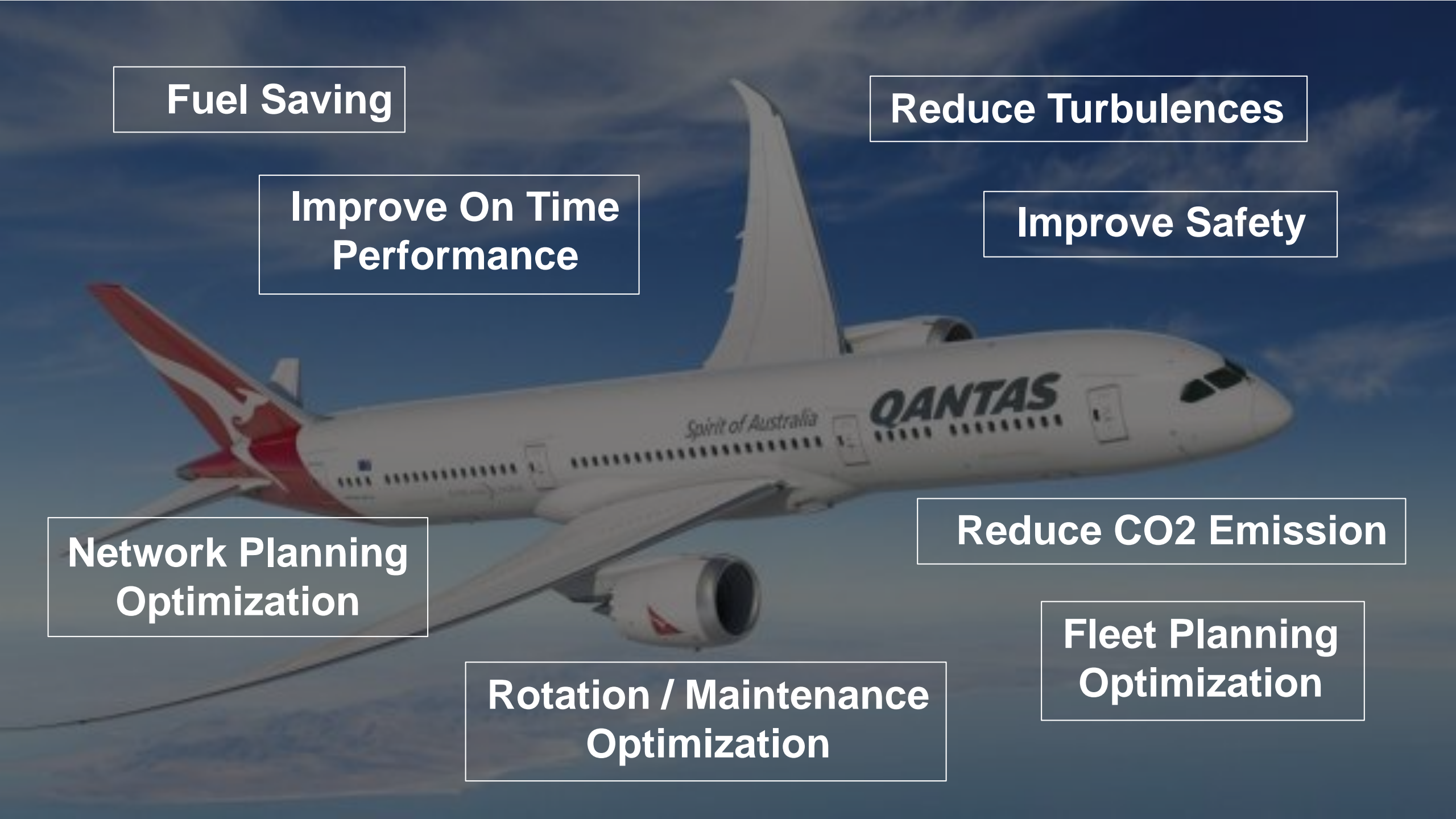
Improve Safety

**Network Planning
Optimization**

Reduce CO2 Emission

**Rotation / Maintenance
Optimization**

**Fleet Planning
Optimization**



Air New Zealand's Carma



... this allows us to move more than ever before with the same amount of aircraft (adding more than 40 tonnes of capacity a day).

Jonathon Dale
Manager Commercial Insight, Air
New Zealand



- Flag carrier of New Zealand
- 65 planes serving 51 destinations
- **Cargo Advanced Revenue Management Assistant (CARMA):** model predicting the likelihood of cargo freighting showing up on day of freight
- AWS enabled to *leverage the managed services to carryout the data science models, from the ingestion, ETL, Modeling, Database to the output results.*
- **Carma:** *the real reward is seeing how we can expand volumes for supply chains of our Exporters across the world, providing more **accessibility** and **reliability** – Jonathon Dale*

<https://www.linkedin.com/feed/update/activity:6473266710744039424/>

**Revenue increase
by shipping more
and being more
efficient**

**Marketing and
Promotions to shift
demand**

Forecasting and Planning

Delivery turn around



Capitalize on Your ML/AI R&D



Machine Learning & Artificial Intelligence

Build intelligent applications with machine learning and data science software

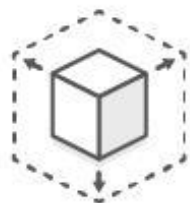
Algorithms & Models - NEW

Data Solutions

Machine Learning Solutions

Intelligent Solutions

Benefits of Machine Learning in AWS Marketplace



Scalable



Accessible and Fast



Pay-as-you-go



Conclusion

1. Airline business is complex = lots of opportunities
2. AWS has the most comprehensive ML/AI ecosystem
3. Start small and experiment a lot
4. Capitalize on your investment
5. We are here to help

Leveraging Data & Machine Learning



Moderator: **Tanya Beckett**, Presenter, BBC News

Kevin O'Sullivan, Lead Engineer, SITA Lab

Ian Painter, CEO and Founder, Snowflake Software

Ido Biger, Chief Data Officer, EL AL Israel Airlines

Virender Pal, Chief Digital & Innovation Officer, flynas





Ingredients to enable efficient and effective use of AI

Minna Kärhä, Head of Data, Finnair



WE BOARD

40 000 PASSENGERS  40 000 BAGS
ON A NORMAL FRIDAY

WE TRANSFER

25 %
OF THESE
PASSENGERS

WE LOAD

430 000 kg
CARGO EVERY DAY INCLUDING



KING CRABS



SALMON



MEDICINE

WE HAVE

 660 CABIN CREW

 240 PILOTS

150 HELAP AGENTS 

100 MECHANICS 

40 OPS AND
MAINTENANCE CONTROL
EXPERTS 

WORKING DAILY FOR
SAFETY AND
CUSTOMER
EXPERIENCE

AND AFTER ALL THIS...

83 %
OF FLIGHTS
ARRIVE IN
SCHEDULE

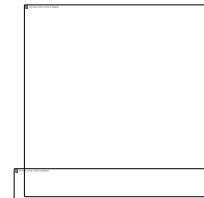
7 BAGS
IN 1000
ARE LEFT
BEHIND

OVER
100,000
FLIGHTS IN 2017

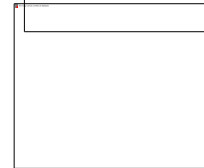




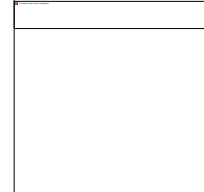
The Ingredients



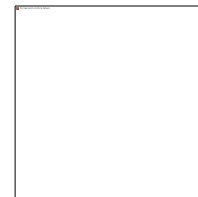
Awareness



Data



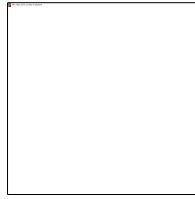
Culture



Value



Awareness



Understanding what AI is AND what it is not, to prevent unrealistic expectations and disappointment

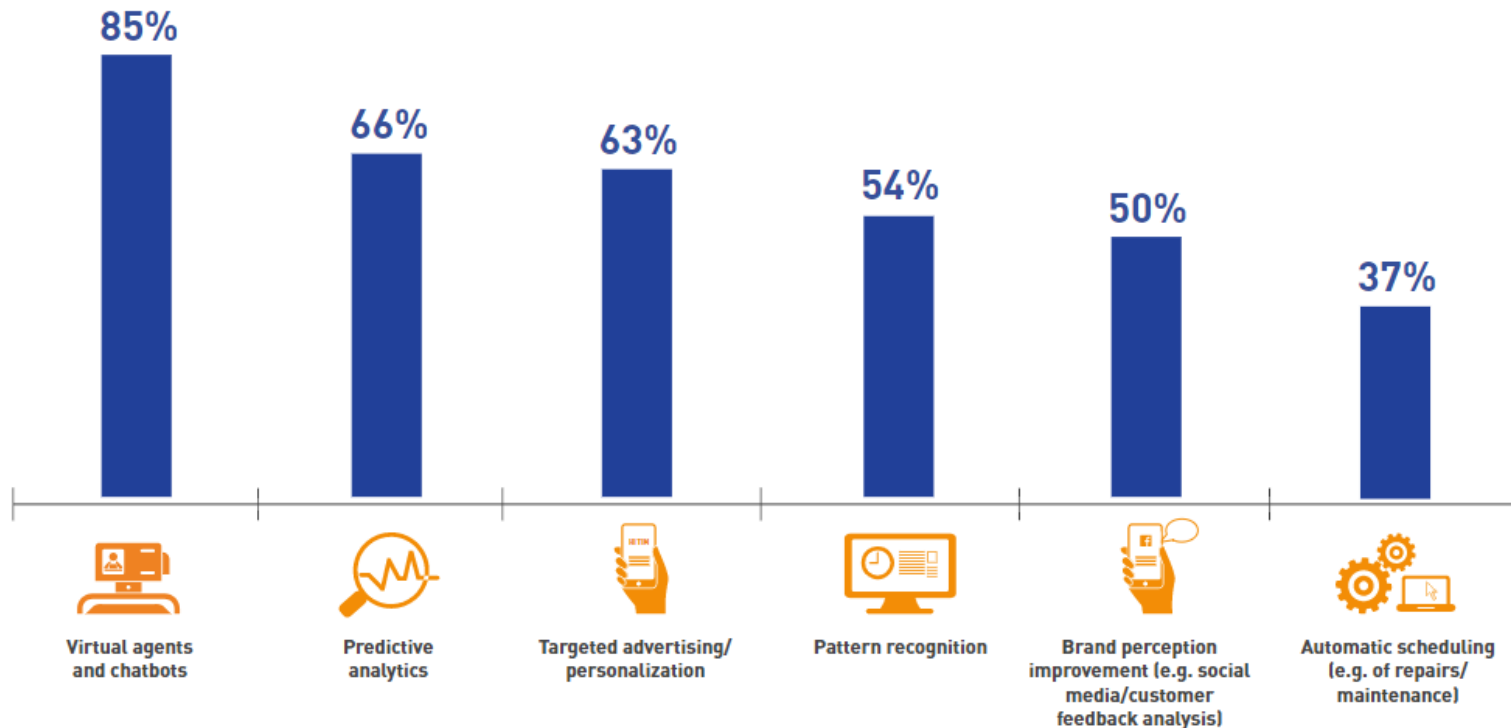
Understanding the potential – by knowing the real business challenges

Understanding the required working methods – data science work cannot (*usually*) be done in a waterfall project and gaining real results will take time





Airlines are actively looking for opportunities around AI



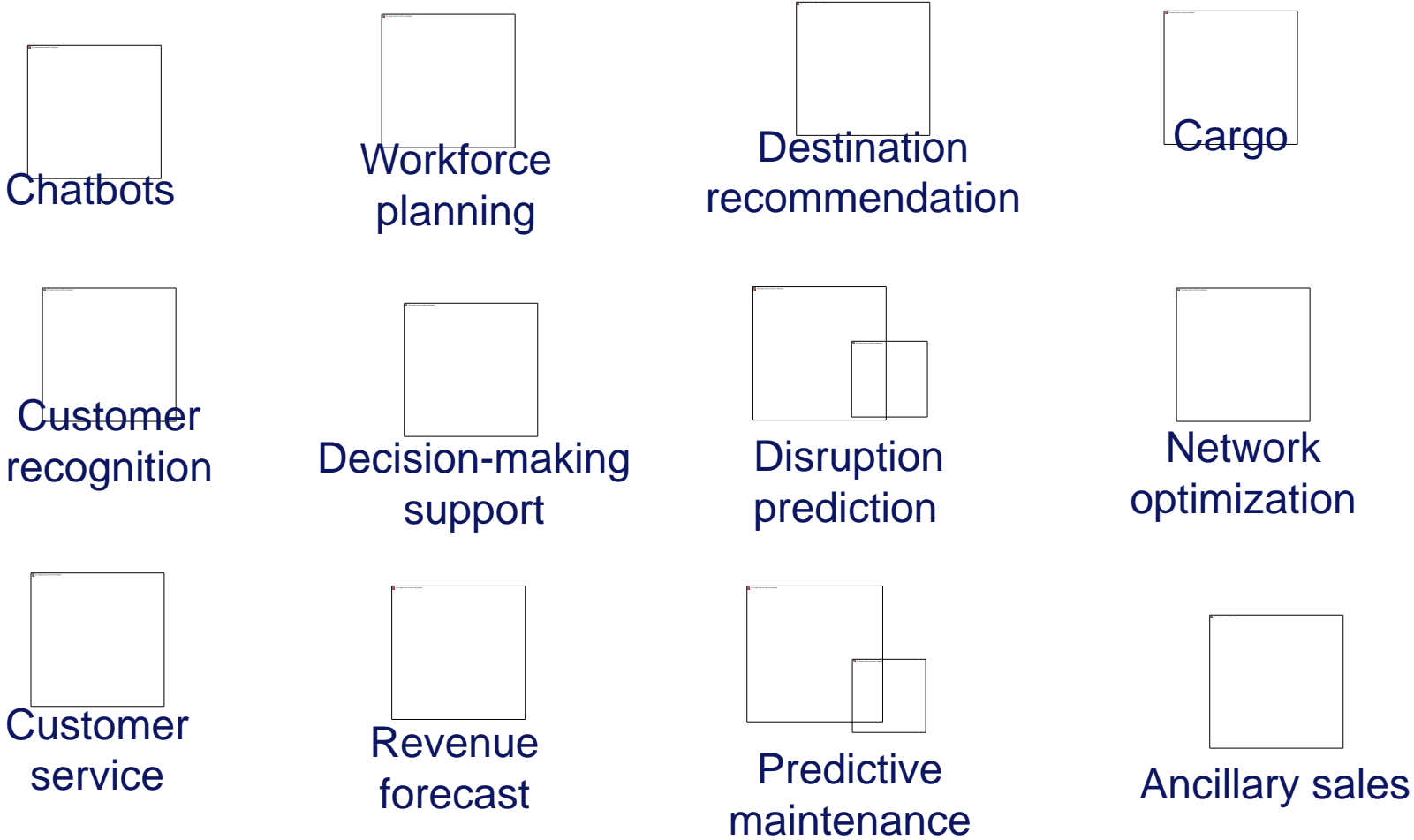
of airlines with AI use cases currently implemented or planned by 2021.

AI solutions used by industry:

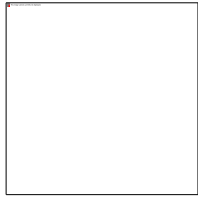
- ✓ Price optimization
- ✓ Market discovery
- ✓ Predictive maintenance
- ✓ Feedback analysis
- ✓ Customer comms automation
- ✓ Crew fatigue analysis
- ✓ Delay prediction
- ✓ Fuel optimization
- ✓ Catering optimization
- ✓ Social media analysis



Identified potential for Finnair



Data

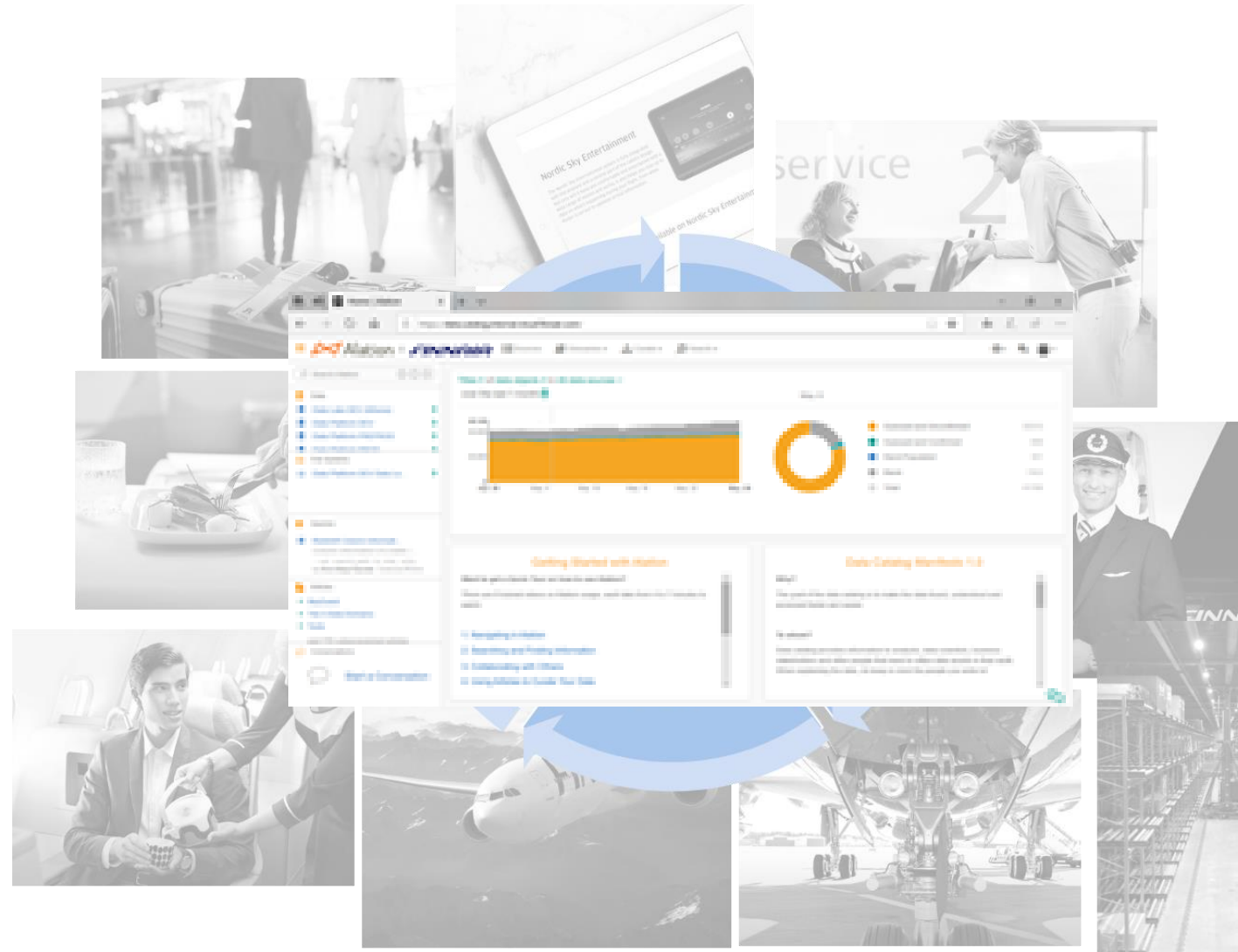


Identifying **what data is** – it is more than the Data Warehouse

Knowing **the inventory** – what do we really have

Governing the data assets to ensure there is **enough quality data**

Ensuring **data is accessible** for anyone who needs to use it (in a **secure and compliant way**)



Various forms of data is created in daily operations for example



- Flight planning- & operations



- Workforce
- Employee development and -feedback



- Fleet
- Capacity
- Maintenance



- Network planning and – operations
- Partnerships



- Loyalty profiles
- Customer's transactions



- Baggage
- Cargo

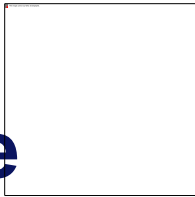


- Digital channels usage
- Marketing activities



- Customer service

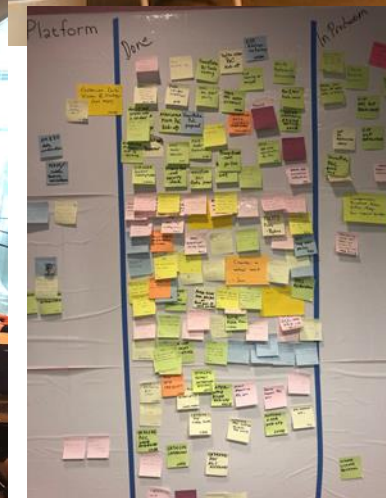
Culture



Data Science cannot be built in a separate "Data Science" –silo. The work needs to be embedded to the core business processes – and organization needs to be open for these new roles (data scientists, data engineers, visual story tellers, service designers...) to invest on them – and to learn from them

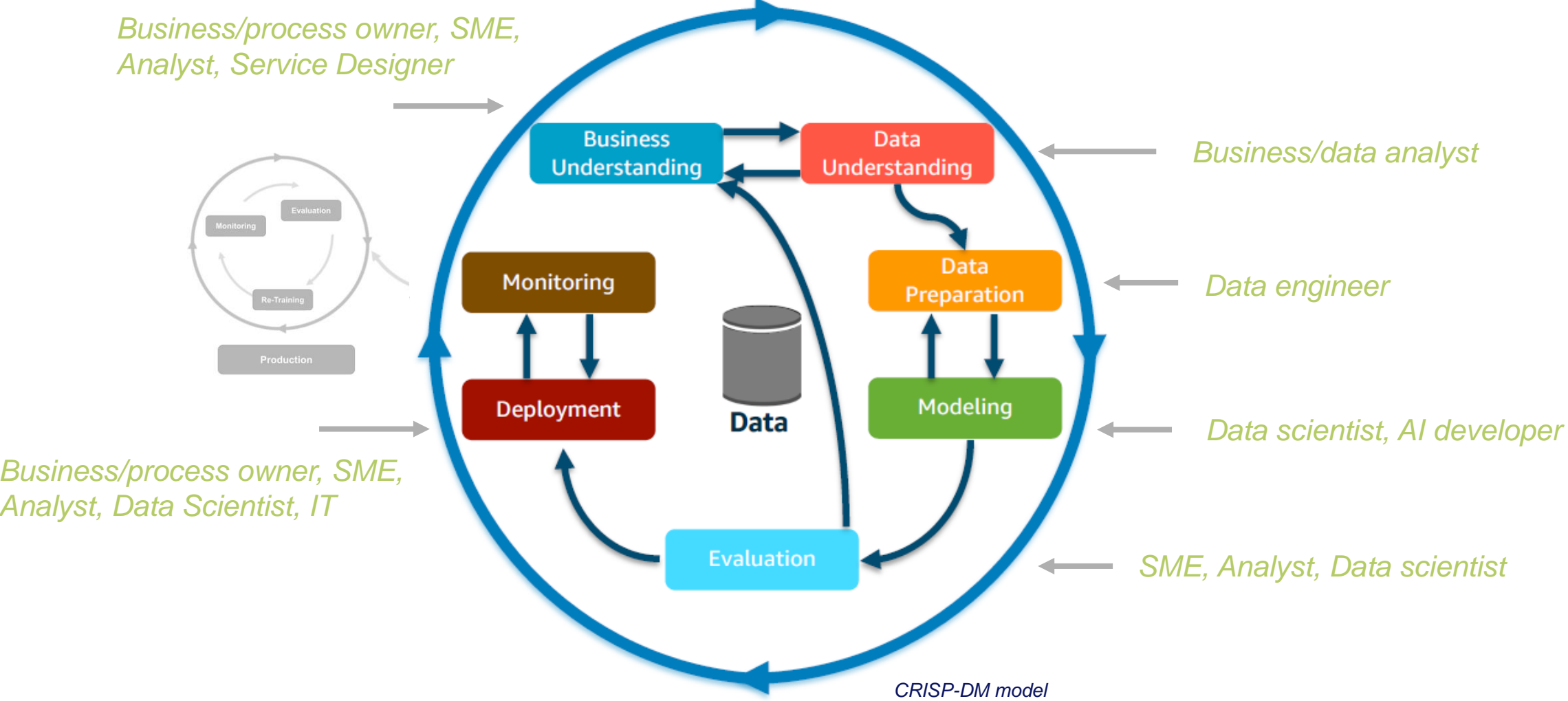
Data Science is a continuous, cross-functional journey – company culture (and governance) needs to be ready for agile experimenting

Reusability provides agility - Data Science community needs to also collaborate across projects

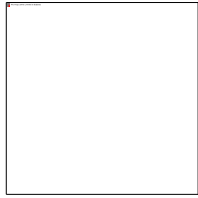




AI development lifecycle



Value



Value of AI is only realized when the solutions are in active use and provide business value in forms of **efficiency, better decisions, smoother journey for customers or employees...**

Value also comes in a form of **company brand and public image** – AI needs to be compliant, ethical, transparent and continuously monitored

← → ↻ 🏠 | <https://silo.ai/finnair-silo-ai-improve-situational-awareness-of-air-traffic/> | 📖 ☆ ⚙️ ↻ 🔗 ⋮

SILO.AI | SERVICES ABOUT RESEARCH BLOG CAREERS CONTACT

SILO.AI

FINNAIR AND SILO.AI IMPROVE SITUATIONAL AWARENESS OF AIR TRAFFIC WITH ARTIFICIAL INTELLIGENCE

👤 Paullina Alanen 📅 May 23, 2019 🏷️ AI for business, Announcements, Machine Learning

↑

🔄 Tietosuojavastuu - Endot



To summarise: **AI provides opportunities for advanced use of company's data asset for business value**

Only well managed data asset can provide quality results – the existing data inventory might surprise

Like any tool, also advanced analytics requires people with appropriate skills to use it – and organization that welcomes these new skills

Focus on the real business challenges – embrace agile and be brave to get started with small experiments

IATA

AVIATION

DATA

SYMPOSIUM

ATHENS, GREECE 25 – 27 JUNE 2019



AI Lab

Sponsored by:





Predicting Passenger Choices considering Irrational Behavior

Rodrigo Acuna, Head of AI Research, Amadeus





**IATA
AVIATION
DATA
SYMPOSIUM**

ATHENS, GREECE 25 – 27 JUNE 2019



Predicting Passenger Choices Considering Irrational Behavior

*IATA ADS, June 26, 2019
Rodrigo Acuna-Agost
Head of AI Research, Amadeus*

amadeus

Credits:

Collaboration Academy + Industry



AMADEUS









from Nice to Santiago (SCL) leave Sunday staying 1 week in economy class for 1 adult

We found 166 flights

Stops ▾

Duration ▾

Price ▾

Departure time ▾

Airlines ▾

Sort by: Price

AIRFRANCE Sunday, Oct 9th **20:40** NCE **09:00** SCL +1 17h20 1 stop **2344 €**

AIRFRANCE Sunday, Oct 16th **13:35** SCL **13:40** NCE +1 19h05 1 stop

Flight details

Add to plan

Select

American Airlines Sunday, Oct 9th **07:15** NCE **08:03** SCL +1 29h48 2 stop **1041 €**

American Airlines Sunday, Oct 16th **21:15** SCL **12:15** NCE +2 34h00 2 stop

Flight details

Add to plan

Select

DELTA Sunday, Oct 9th **17:10** NCE **08:55** SCL +2 44h45 2 stop **705 €**

DELTA Sunday, Oct 16th **20:40** SCL **08:45** NCE +2 31h05 2 stop

Flight details

Add to plan

Select

Alitalia Sunday, Oct 9th **11:50** NCE **08:10** SCL +1 25h20 1 stop **1336 €**

Alitalia Sunday, Oct 16th **11:45** SCL **11:00** NCE +1 18h15 1 stop

Flight details

Add to plan

Select

Which one?
Cheapest?
Fastest?

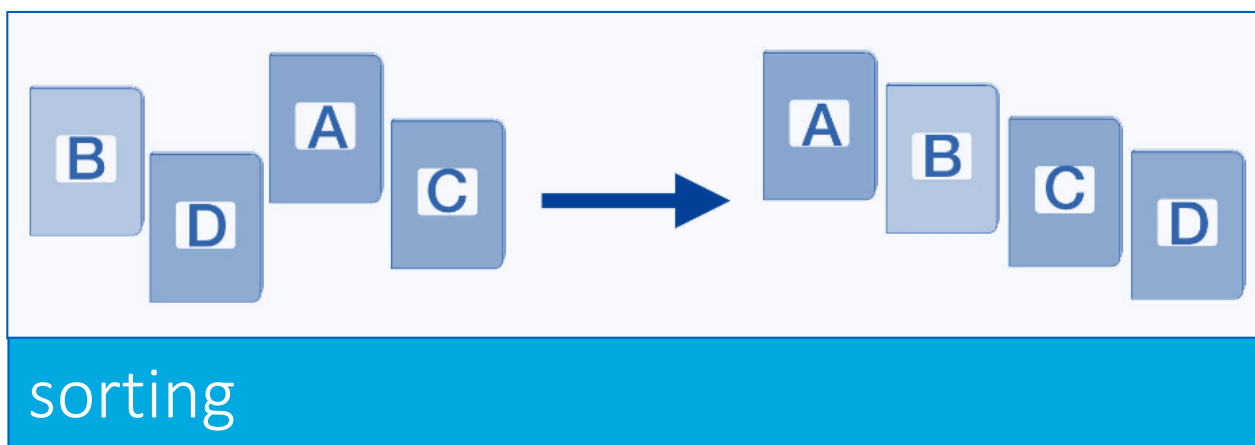
I am not sure,
so how Airlines
can be?

imagine an airline's **CEO** when
we tell her

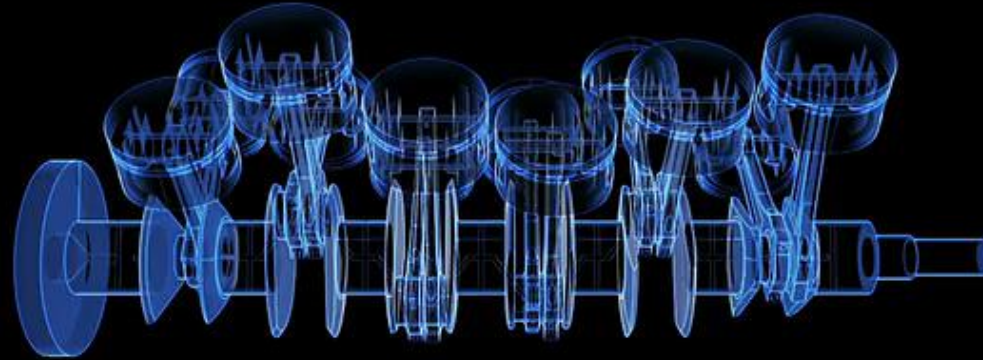
*“we can predict travelers’
choices”*



Some applications



our engine



Solved

More is better



30%

25%

20%

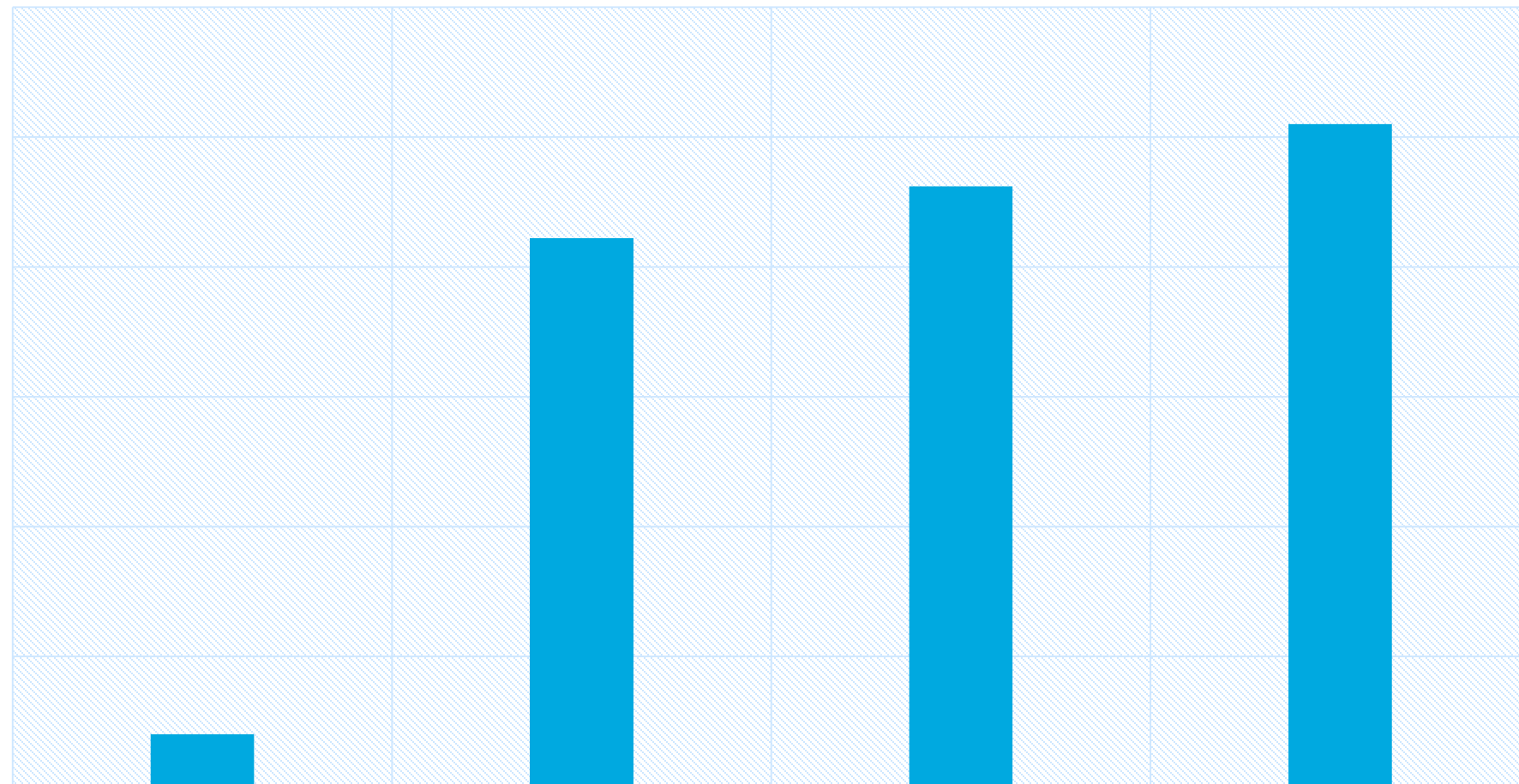
15%

10%

5%

0%

Accuracy of predicting the preferred alternative (among 50 options)



Random

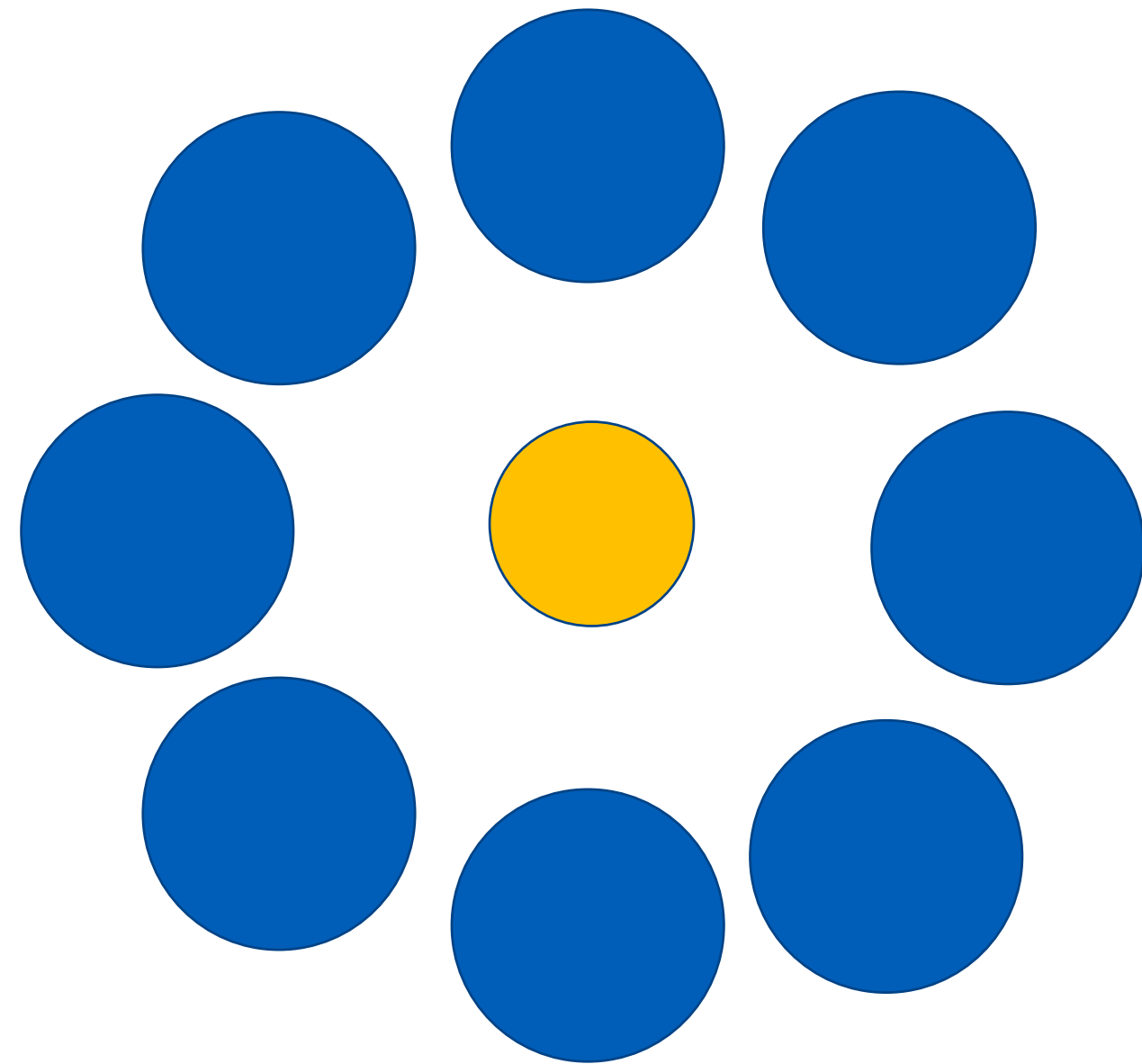
MNL

ML: Random
Forest

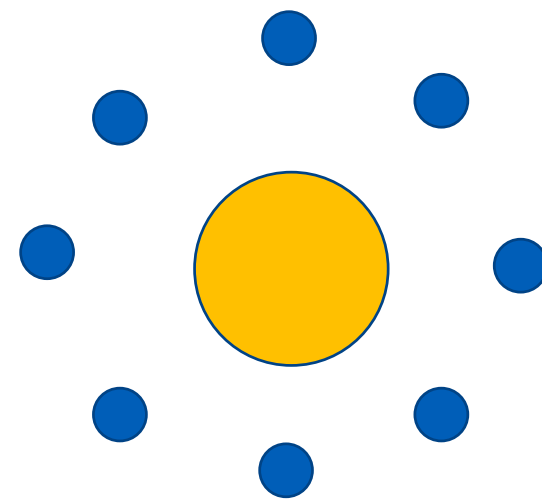
DL: Pointer
Networks



why we cannot
reach 100%
accuracy?



40% bigger!



Brain

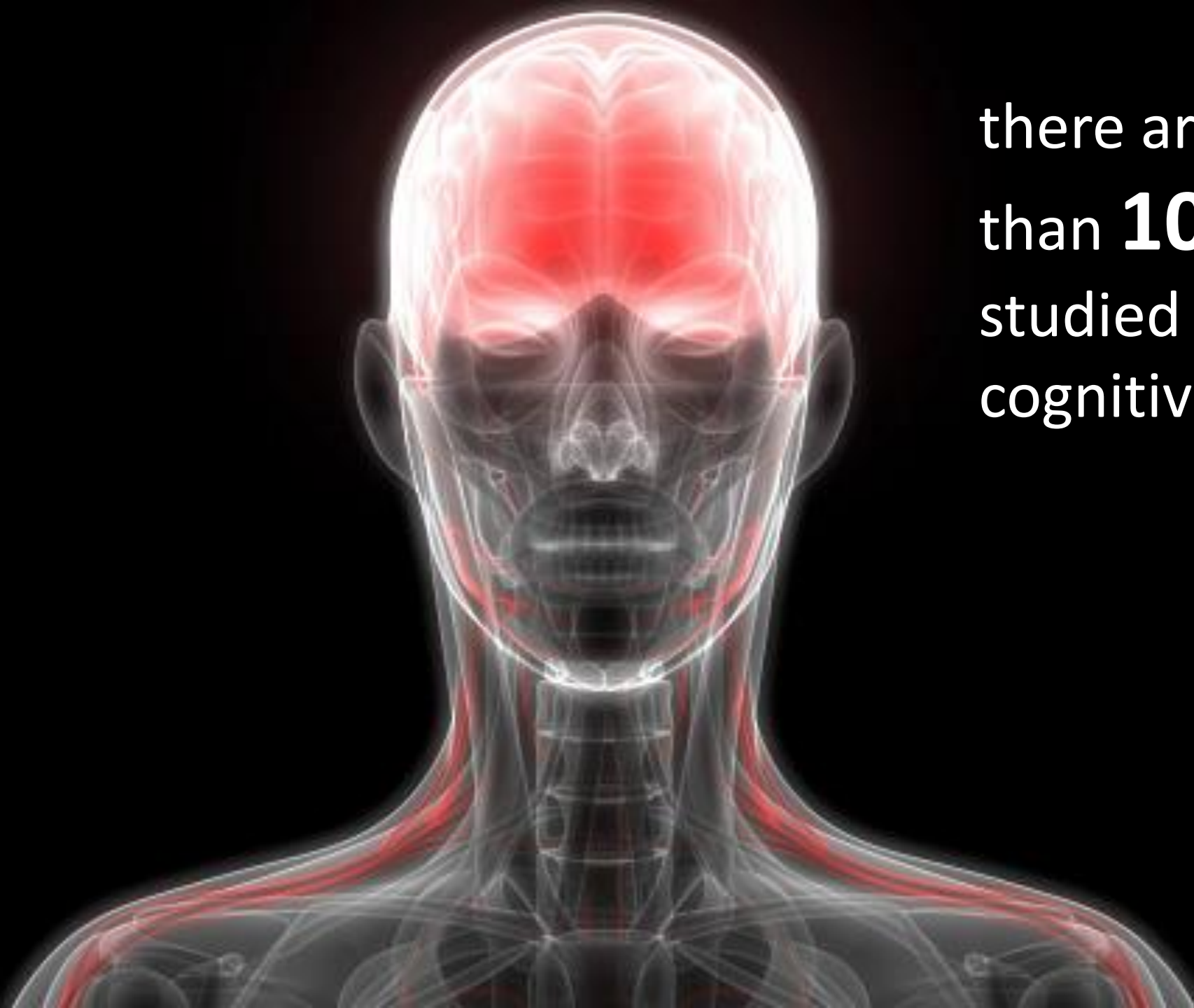
An error has occurred. To continue:

Press Enter to return to Windows, or

Press CTRL+ALT+DEL to restart your computer. If you do this,
you will lose any unsaved information in all open applications.

Error: 0E : 016F : BFF9B3D4

Press any key to continue _



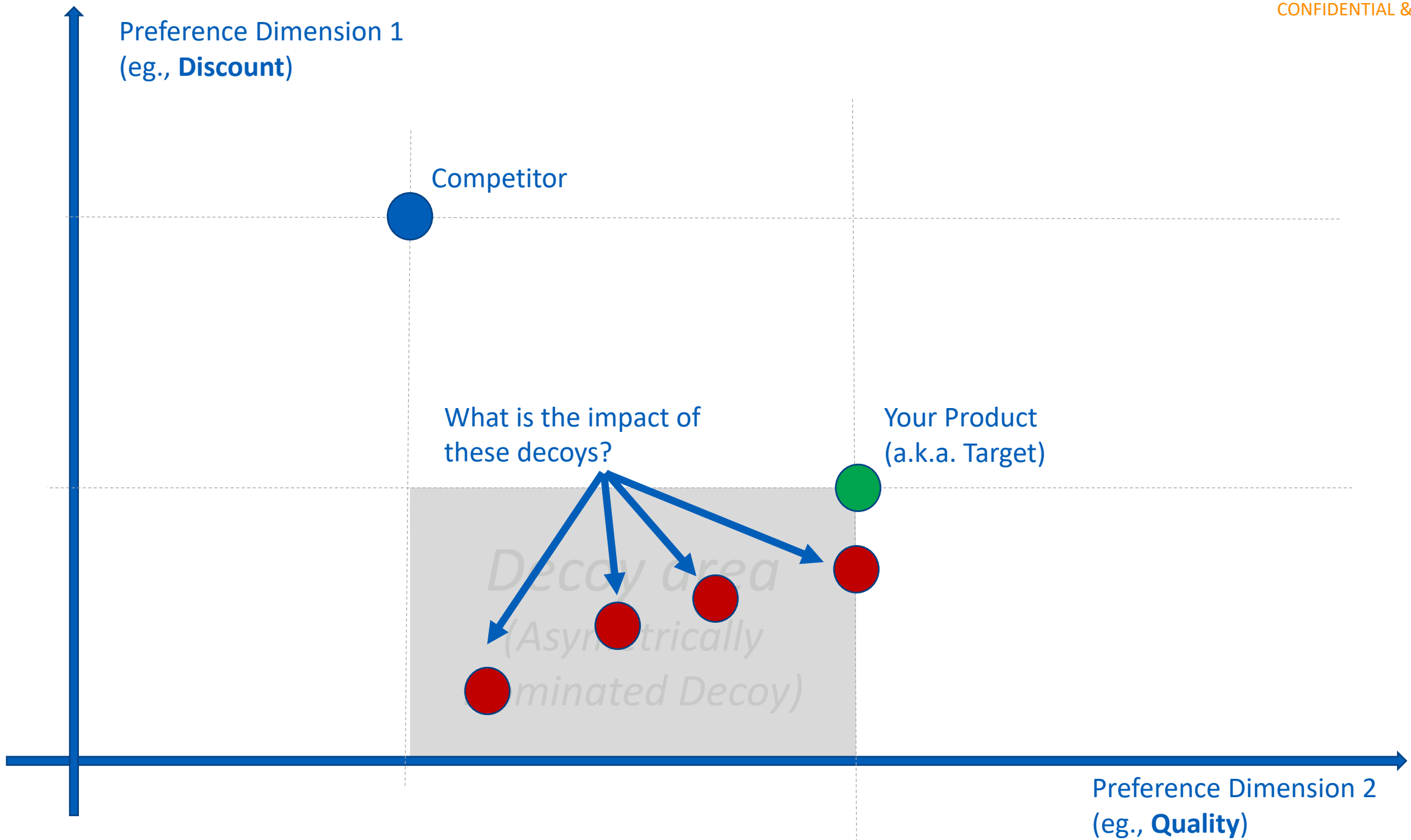
there are more
than **100**
studied
cognitive biases



Decoy Effect



Reference: Adding Asymmetrically Dominated Alternatives: Violations of Regularity and the Similarity Hypothesis
Joel Huber, John W. Payne and Christopher Puto
Journal of Consumer Research, Vol. 9, No. 1 (Jun., 1982), pp. 90-98



Three Experiments

Surveys: Fare Family Choice

*Impact in Choice Prediction
accuracy?*

Survey Data
400k data points



Online users: Itinerary Choice

Impact in Conversion?

Online users
30000 user sessions



Live Lab: Flight Choice

*Understanding better:
Fully controlled experiment in
the lab*

Experimental Economics Lab
100 people

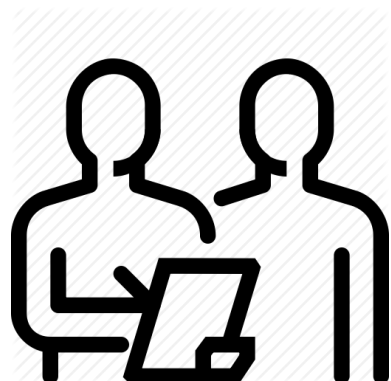


Three Experiments

Surveys: Fare Family Choice

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Experimental Economics laboratory
100 people

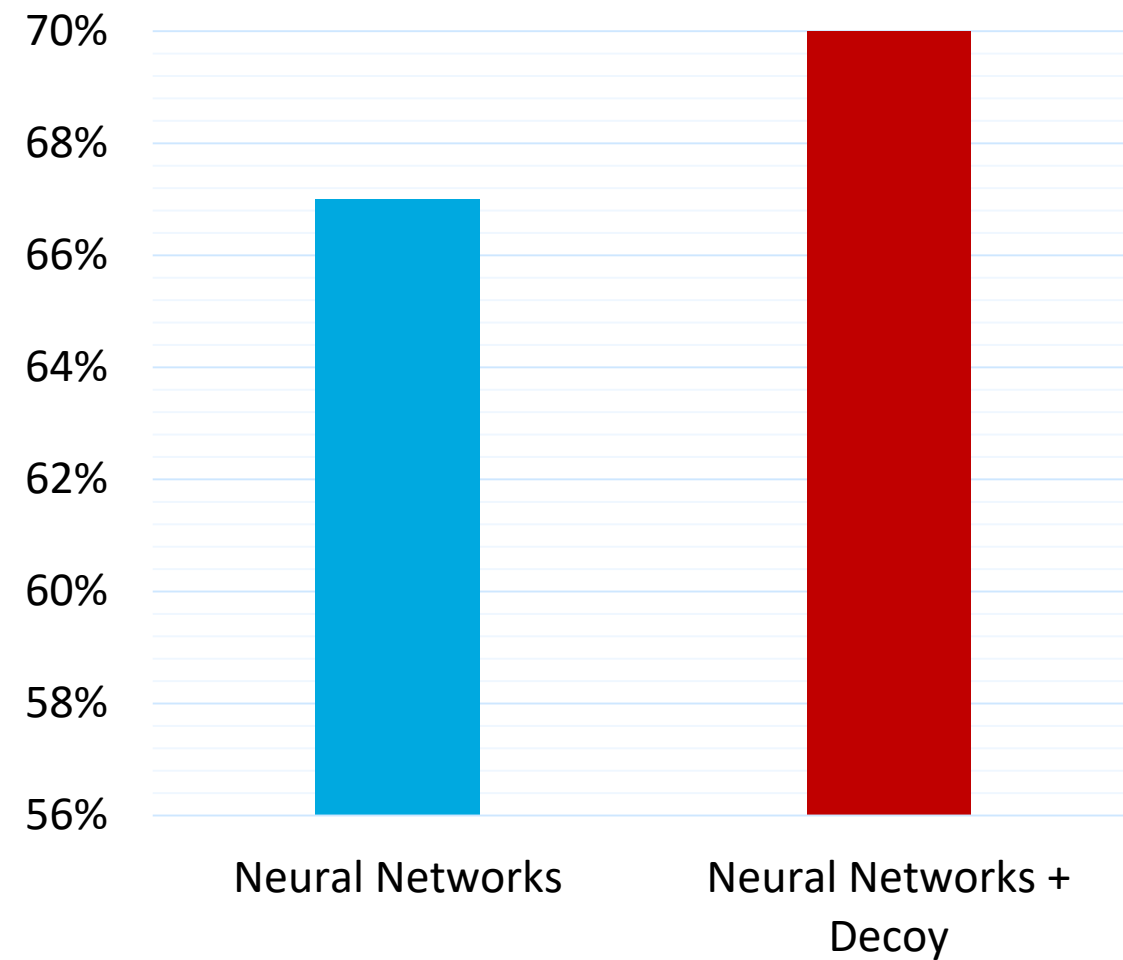
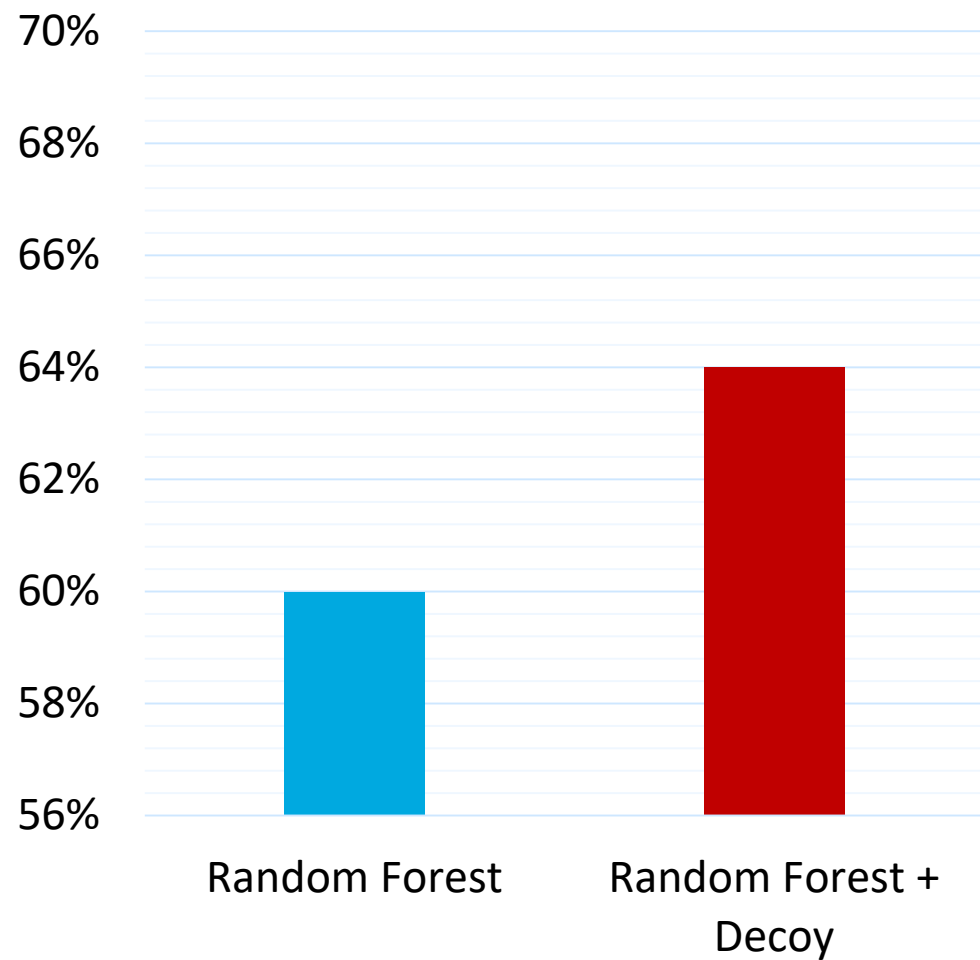


1) Fare Family Choice

Impact in Choice Prediction Accuracy?



Results: Classification Accuracy of Predictions



Three Experiments

Surveys: Fare Family Choice

*Impact in Choice Prediction
accuracy?*

Survey Data
400k data points



Online users: Itinerary Choice

Impact in Conversion?

Online users
30000 user sessions



Live Lab: Flight Choice

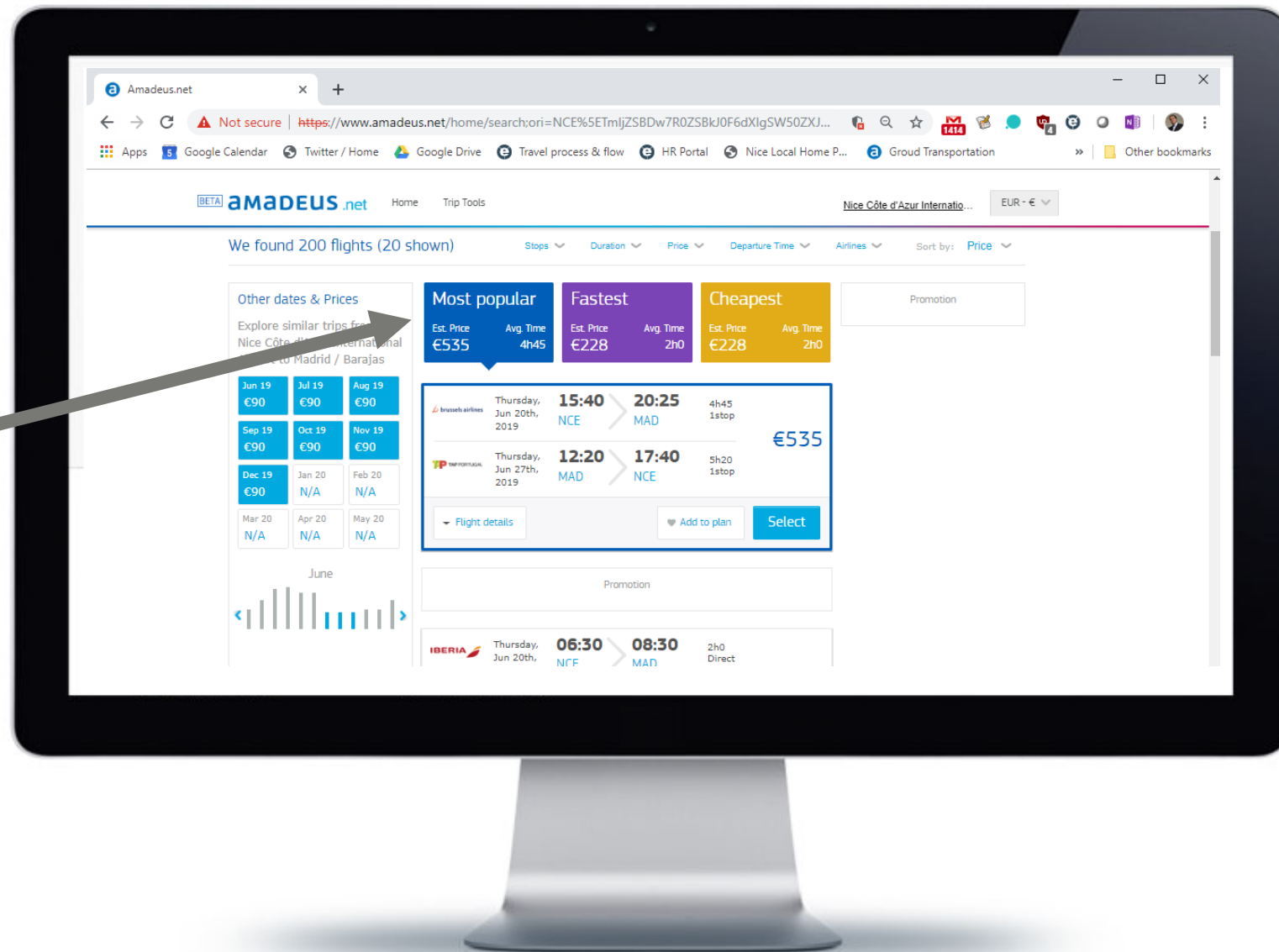
*Understanding better:
Fully controlled experiment in
the lab*

Experimental Economics laboratory
100 people



2) Impact in Conversion? (website)

two variations for
this banner





Two variations

A

versus

B

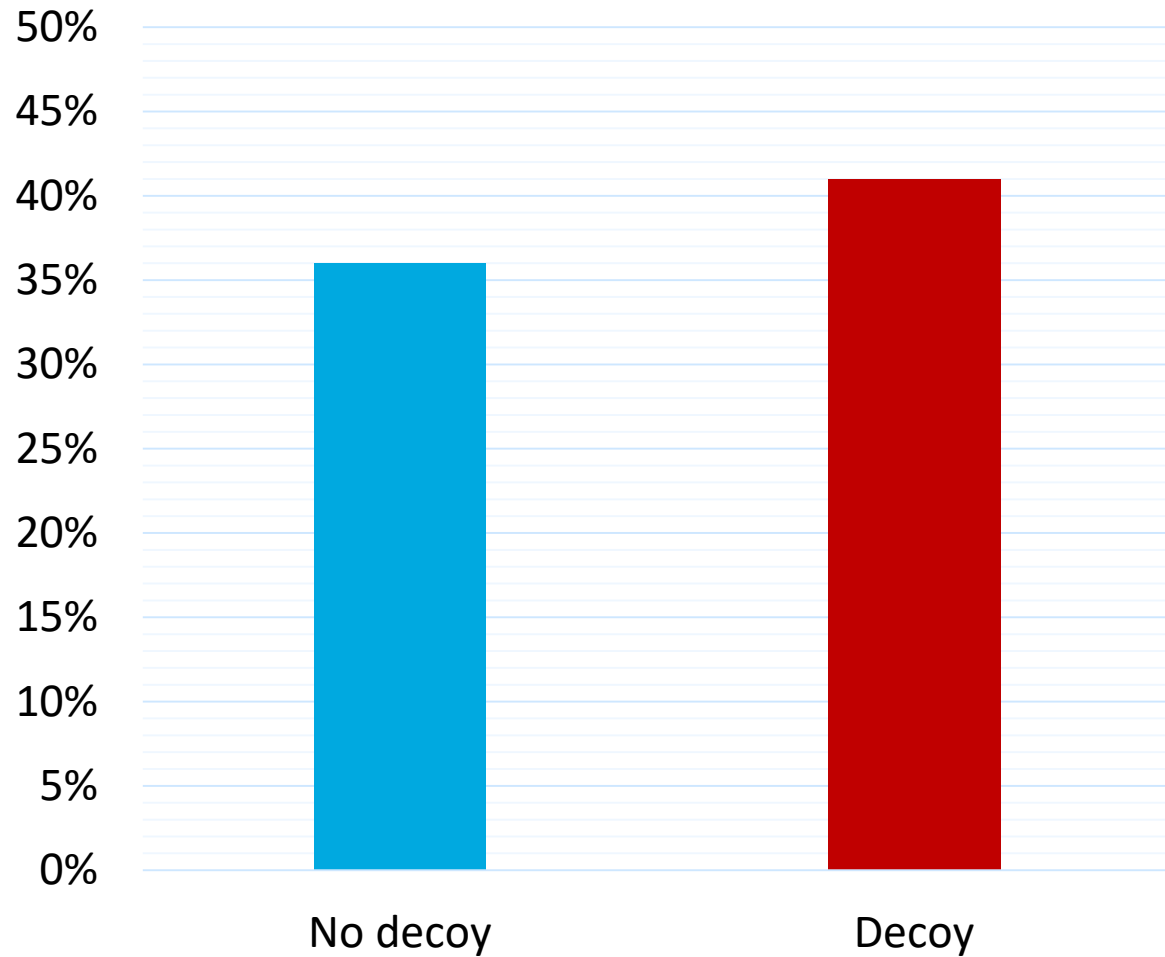
Cheapest		6h00	\$ 200
Fastest		2h00	\$ 350

Cheapest		6h00	\$ 200
Fastest		2h00	\$ 350
Featured		2h00	\$ 400

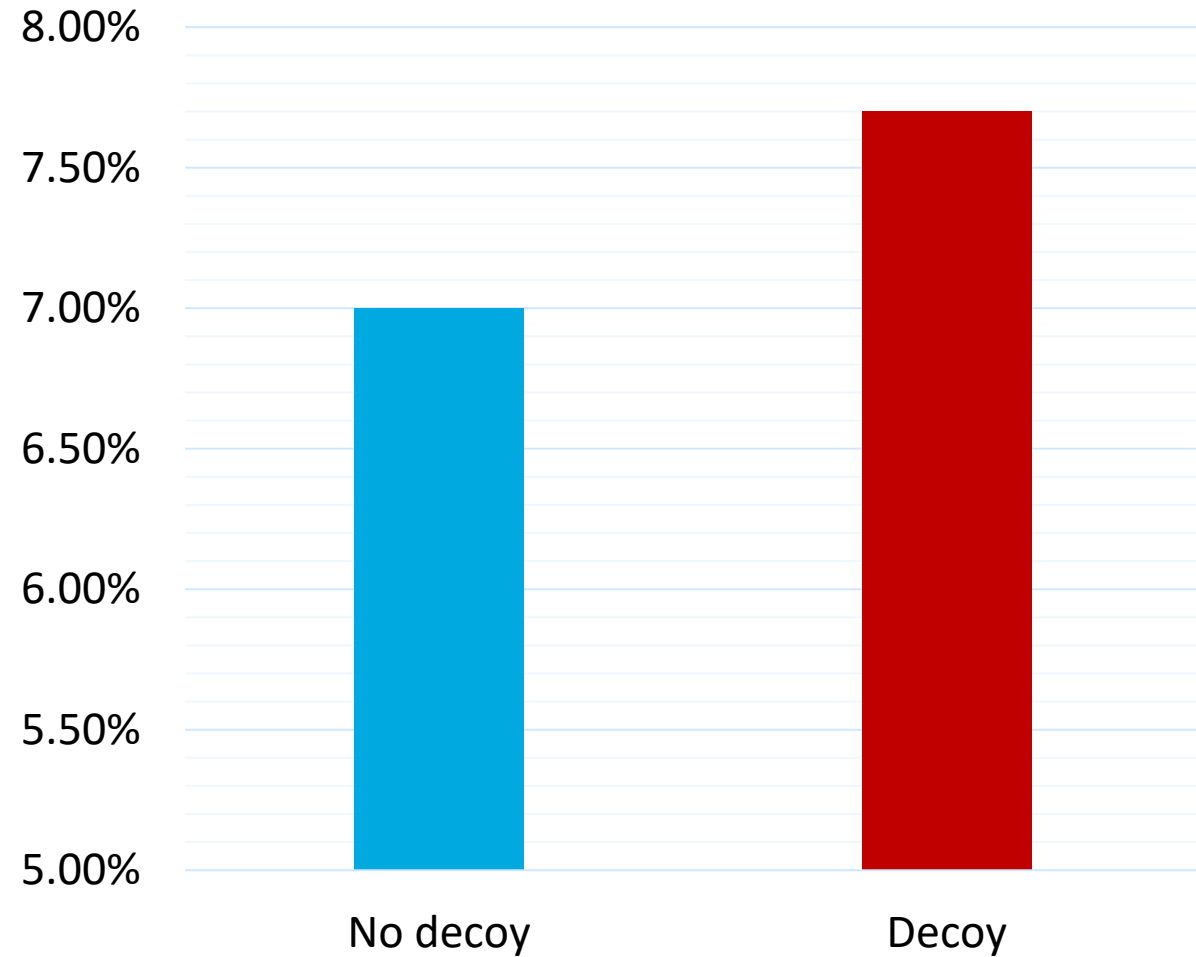
↑
decoy

Results: does decoy improve conversion?

Click on "Highlight" Panel



Conversion Rate



Three Experiments

Surveys: Fare Family Choice

*Impact in Choice Prediction
accuracy?*

Survey Data
400k data points



Online users: Itinerary Choice

Impact in Conversion?

Online users
30000 user sessions



Live Lab: Flight Choice

*Understanding better:
Fully controlled experiment in
the lab*

Experimental Economics laboratory
100 people



3) Experimental Economics Lab



Setup:

- Experimental Economics laboratory (University of Cote d'Azur)
- 1 hour sessions

Data:

- 10 repeated choices x 100 people = 1000 observations
mostly students

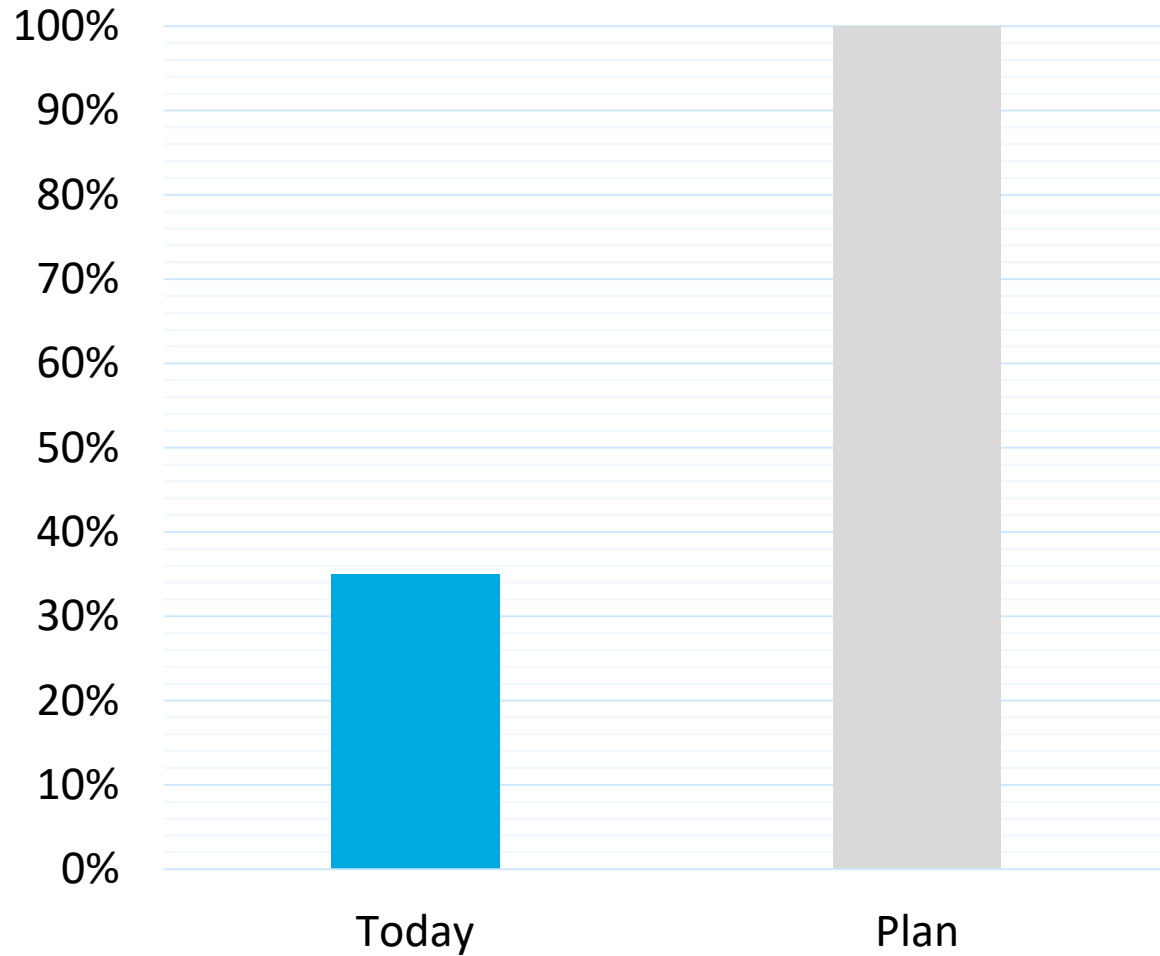
Incentives:

- 1/10 participant is paid (100-200€)
- Selected candidates “live” the flight experience they choose to get paid. Ex: come in 2 weeks to wait 1 hour in a room without cell phones, etc

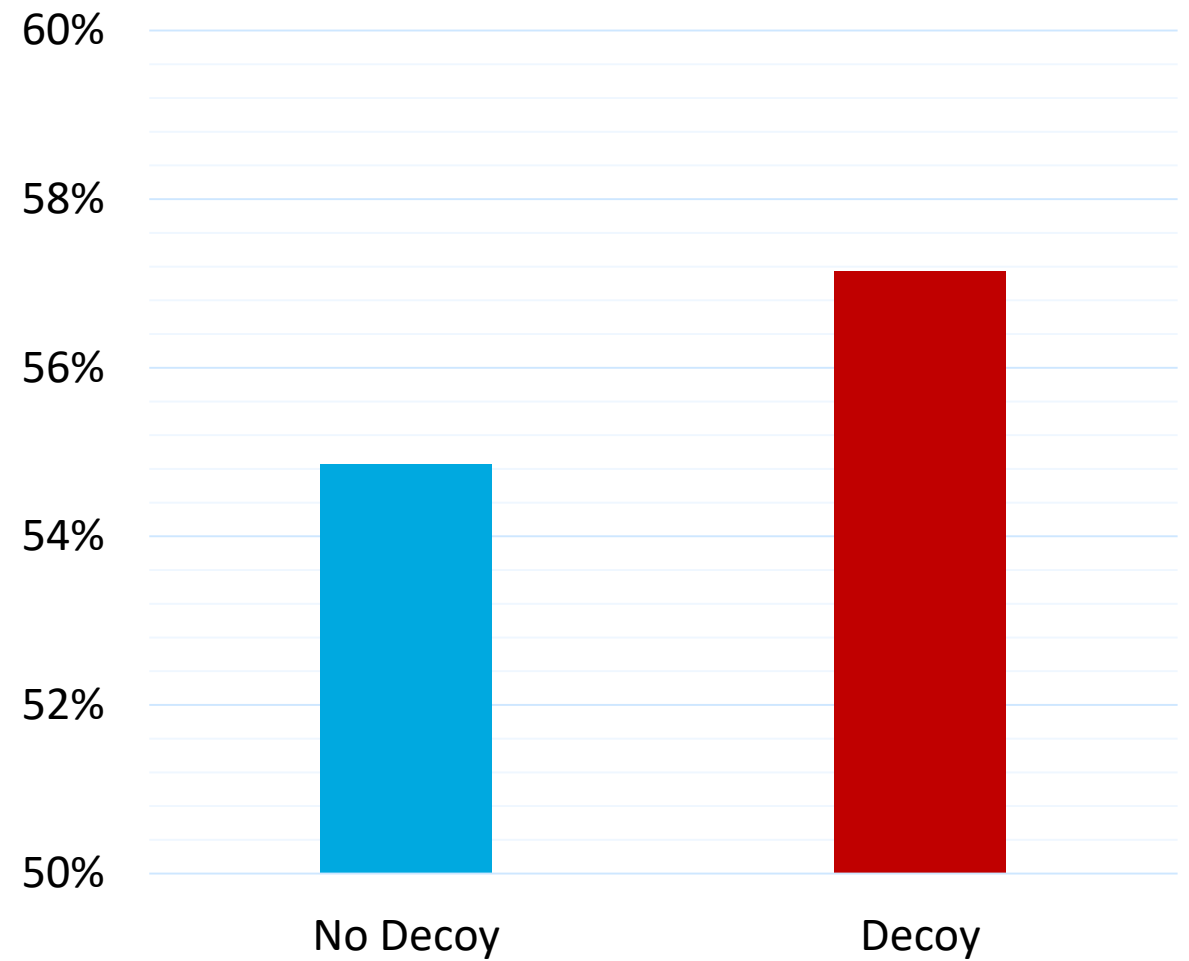
3) Preliminary Results

Preliminary results are not conclusive
(35% of data collected)

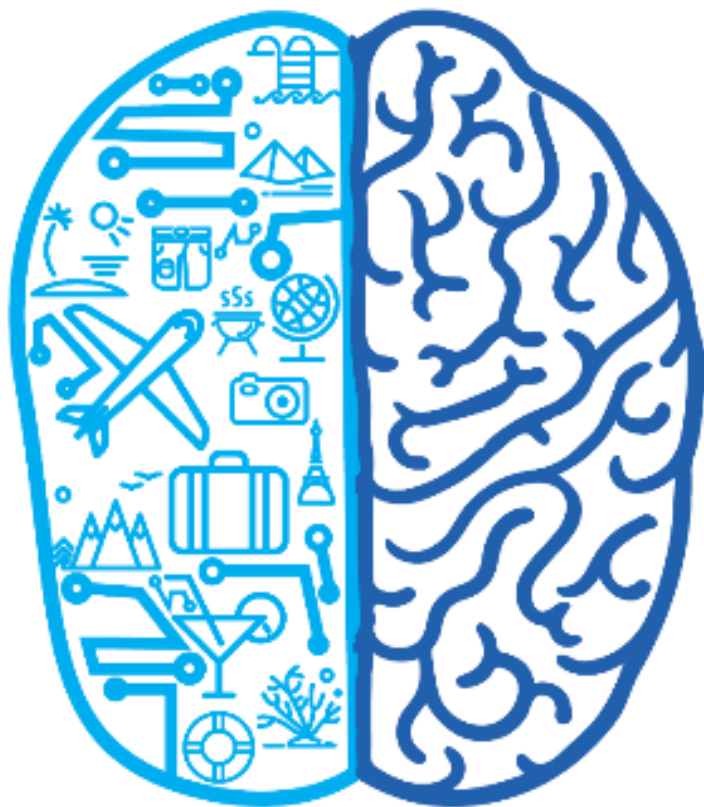
Collected Data



Conversion Rate(*)



(*): note that the experiment is calibrated to obtain relative high values of conversion rates.



AI RESEARCH aMADEUS



Rodrigo ACUNA AGOST
Head of AI Research



Turnaround Management Optimization using AI

Stephane Cheikh, AI Program Director, SITA



Turnaround Management Optimization using AI



Stephane Cheikh
AI Program Director
SITA, Geneva

\$39b = flight delays cost to airlines

\$7.4b is related to turnaround

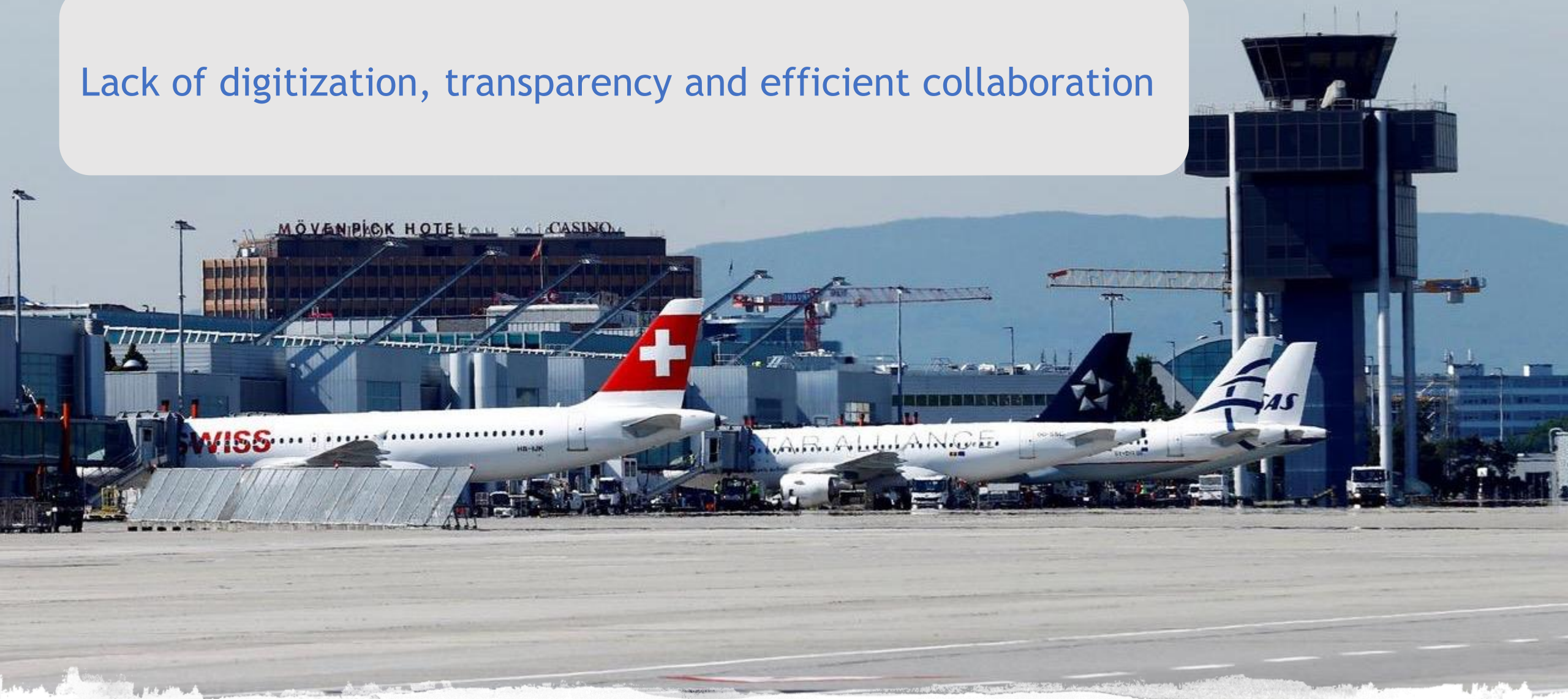
\$420m saved directly by airlines, with technology & collaboration*



Turnaround Costs

Why should the industry care?

Lack of digitization, transparency and efficient collaboration



Turnaround Black Box

Where is the issue coming from?


 **Baggage Loader**
transports/loads single bags to/from
the airplane cargo hold

 **Water Supply Truck**
supplies water to the aircraft

 **Cabin Cleaning Truck**
used to clean passenger cabin and
replace blankets, soap etc.

 **De-icing Truck**
transports and sprays de-icing
solution on leading and trailing edges

 **Lavatory Truck**
used to pump waste from
aircraft lavatory tanks

 **Snow Plough**
clears snow from the runway,
taxiways and terminal area (tarmac)

 **Catering Truck**
transports and delivers food and
beverages to the aircraft

 **Container/Pallet Transporter**
used for transporting freight containers

 **Container Loader**
used to load/unload freight

 **Fuel Truck**
transports and delivers fuel
to the aircraft

 **Fire Truck**
is always on standby to fight fires

 **Tow Tractor**
tows luggage/freight dollies and equipment,
and serves as general transportation

 **Ramp Supervisor Vehicle**
transports ground support and
services supervisors

 **Aircraft Taxi**
directs airplanes to/from runway
and terminal

 **Push Back Tractor**
pushes aircraft away from the gate
to the taxiway

 **Passenger Bus and VIP/Crew Transport Vehicle**
transport passengers to/from the airplane

 **Ground Power Unit**
powers aircraft when engines are
shut down



Automate timestamps gathering
A single source of trustable data



Turnaround Timestamps
Using Computer Vision to extract "accurate" timestamps

Smart annotation Timestamps confidence levels

aircraft 1.000



Current Status:

Aircraft	●
Pax Boarding Connected	●
Baggage Connected	●
Tug/Chocks Connected	●

Time Stamps

Aircraft	00:23:03
Pax Boarding Connected	00:23:03
Baggage Connected	00:23:03
Aircraft	00:43:03
Pax Boarding Connected	00:43:03
Baggage Connected	00:43:03
Aircraft	00:18:03
Pax Boarding Connected	00:18:03
Aircraft	00:17:03
Aircraft	00:26:03
Pax Boarding Connected	00:26:03
Baggage Connected	00:26:03

Turnaround Timestamps
Using Computer Vision to extract "accurate" timestamps

DASHBOARD

< MAY 2019 >



41 min
Average
Turnaround Time

< MAY 2019 >



19min
Average Time to
Un-board passengers

< MAY 2019 >



23 min
Average Time to
Board passengers

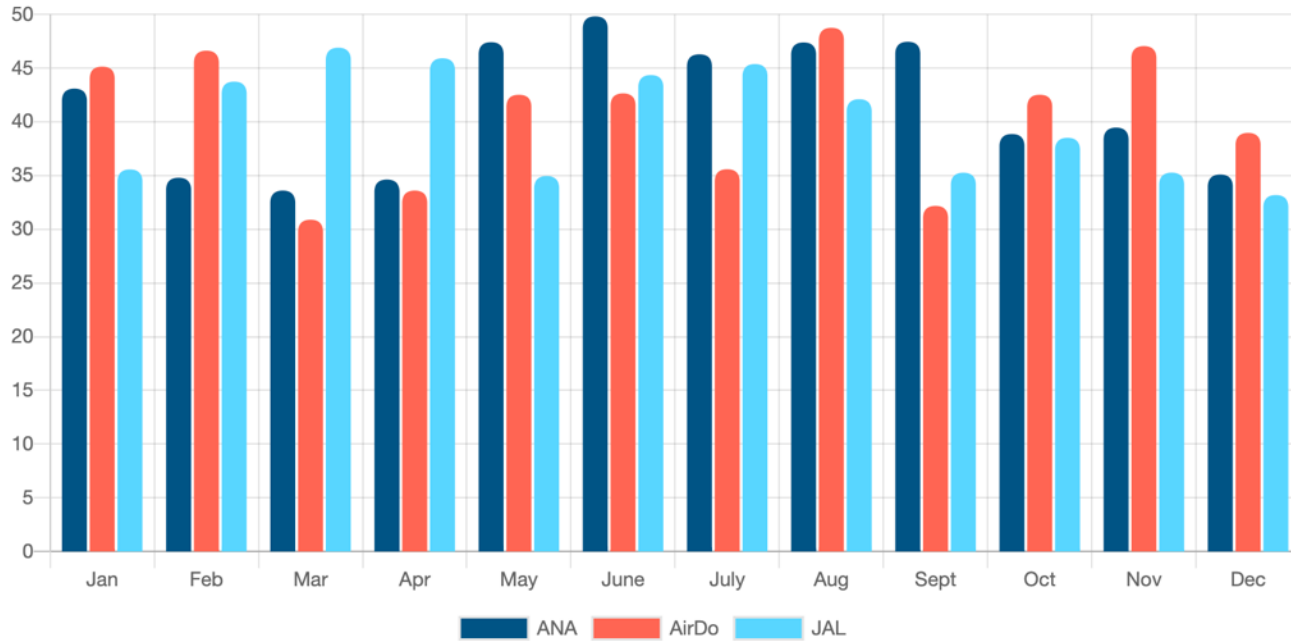
MAY 19: TURNAROUND BY AIRLINES



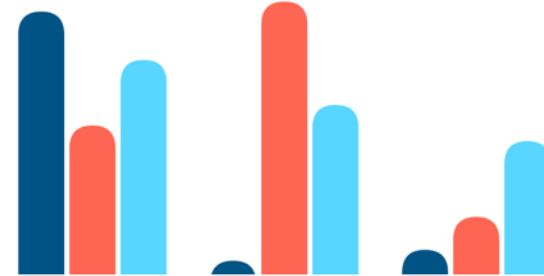
ANA AirDo JAL

AVG TURNAROUND TIME BY AIRLINES (Min)

Week Month

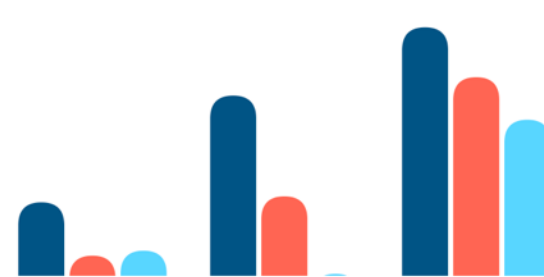


< MAY 2019 >



14min
Average Time to Unload bags

< MAY 2019 >



18min
Average Time to Load bags

- Aircraft movement (AODB)
- Passenger journey at airport (check-in, security, boarding)
- Baggage tracking (bag check-in, processing & loading)
- Fix and mobile resource allocation (AMS)
- Air traffic control messages

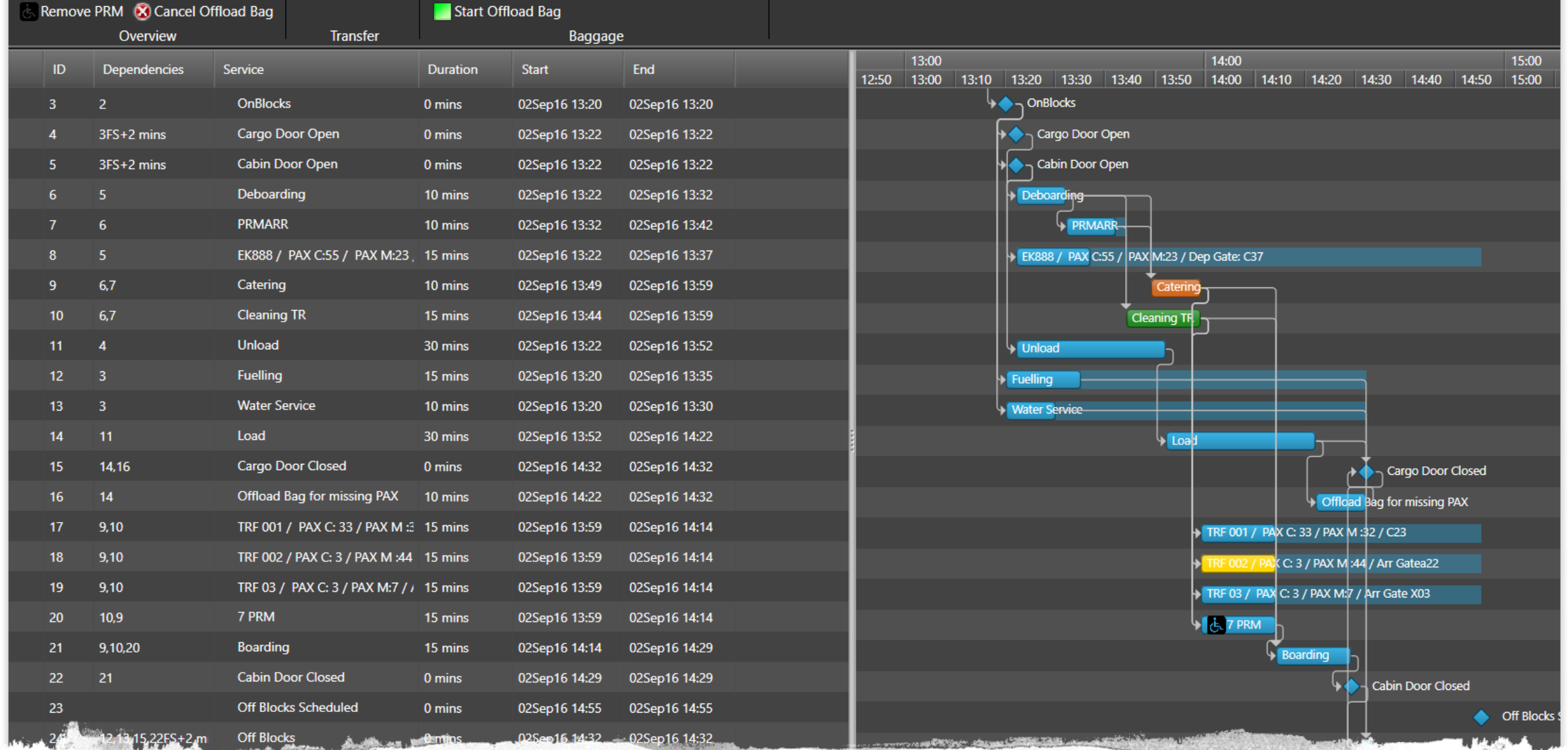


Turnaround Timestamps

SITA is well positioned – access to diverse data to be meshed with timestamps



Turnaround Digital Twin
Ability to view live turnaround via an immersive platform



Turnaround Manager – Activity Flow

Delivers aircraft operation overview for Airlines operating a Hub or FS GH



Value-add integrator for turnaround data

Generating / capturing "raw" turnaround events data, cleansing / normalizing / aggregating data, enriching these data, transforming these data into insights / information

Historical: A single source of trustable data.

Real time: Transparency, collaboration efficiency, support quick decisions

Future: Predict patterns, avoid disruptions and delays before they happen.

Turnaround Optimization

How are we going to address this challenge?

Questions?



Stephane Cheikh
AI Program Director
SITA, Geneva



Alaska's Transition to Real-Time Algorithmic Personalized Experiences

Matt Hahnfeld, Software Engineering Manager, Alaska Airlines

Xavier Lucas, Software Engineer III, Alaska Airlines





Alaska's Transition to Real-Time Algorithmic Personalized Experiences

Matt Hahnfeld, Software Engineering Manager
Xavier Lucas, Software Engineer III

June 27, 2019

Highest in Customer Satisfaction Among Traditional Carriers in North America, Twelve Years in a Row.



Feb 24, 19, 9:44 pm

#1

StephanP37

Original Poster

Join Date: Dec 2018
Programs: Alaska MVP Gold
7K, MARRIOTT PLAT
PREMIER WITH
AMBASSADOR
Posts: 38

Considering Alaska Airlines MVP Gold Tattoo

So I obviously have been known like all of us to be an Alaska junkie. I had the idea recently to get an Alaska MVP Gold seventy five K tattoo. Thinking maybe also adding underneath my first year at the status with a dash and then leave it blank for however many years I am fortunate enough to keep the level.

Am I insane? Cool idea, dumb idea? I won't be offended please let me know your opinions and if anyone wants to get one with me let me know lol!

Quote

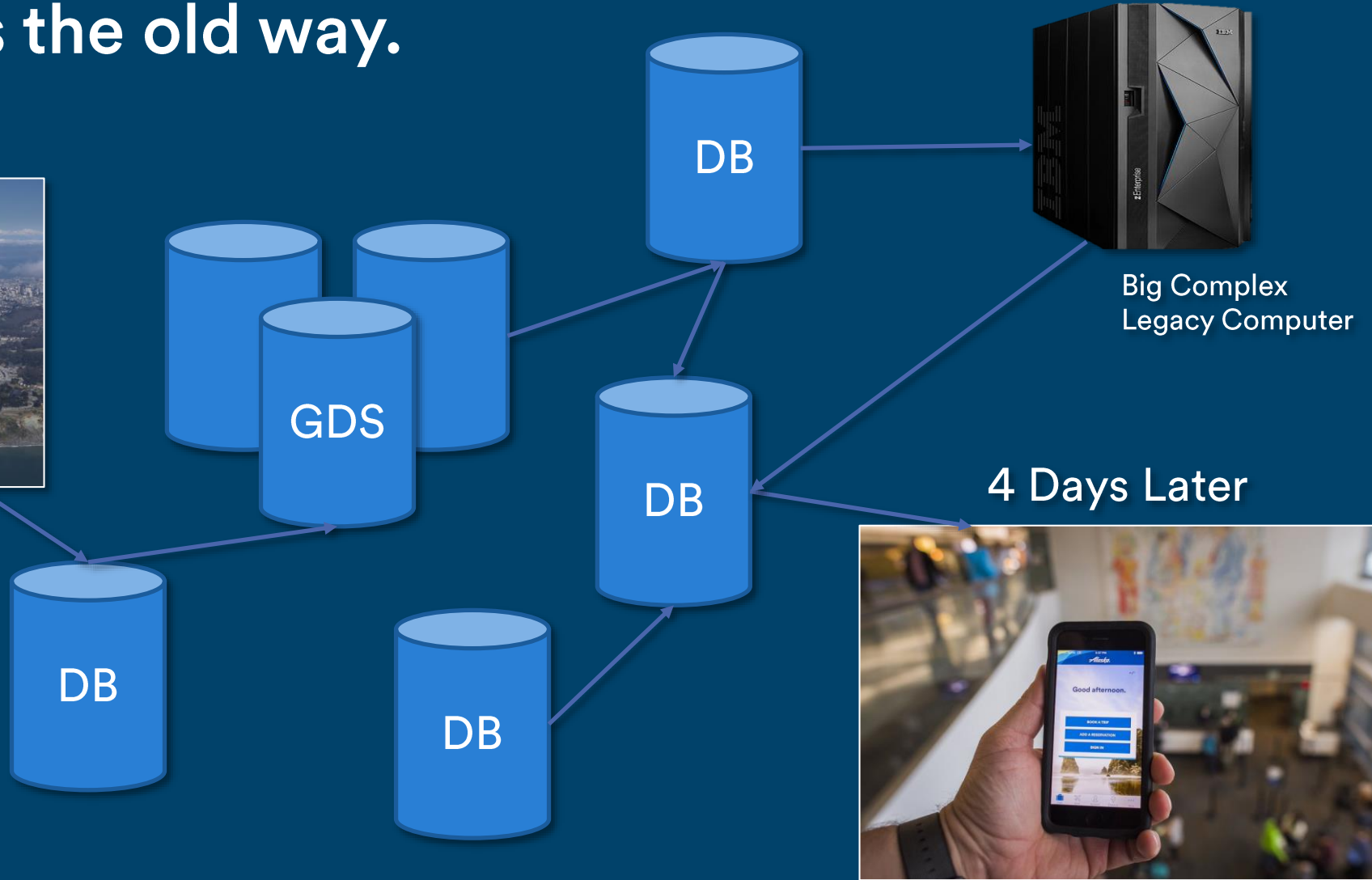
Alaska
AIRLINES



Tech at Alaska is...

Earning miles the old way.

Today



Contact	Last Name	First Name	Middle Name	Gender	Date	Member Status	E-mail	Primary	Suffix
1-24J...	LUCAS	XAVIER		Male	6/1...	Active	DEA...	<input checked="" type="checkbox"/>	

Public Notes

+ 1 - 3 of 3

Created	Created By	Type
10/19/2015 11:42:32 PM	SADMIN	Archiving
10/19/2015 08:59:52 PM	SADMIN	Archiving
10/8/2015 10:28:45 AM	SADMIN	2008 CNV

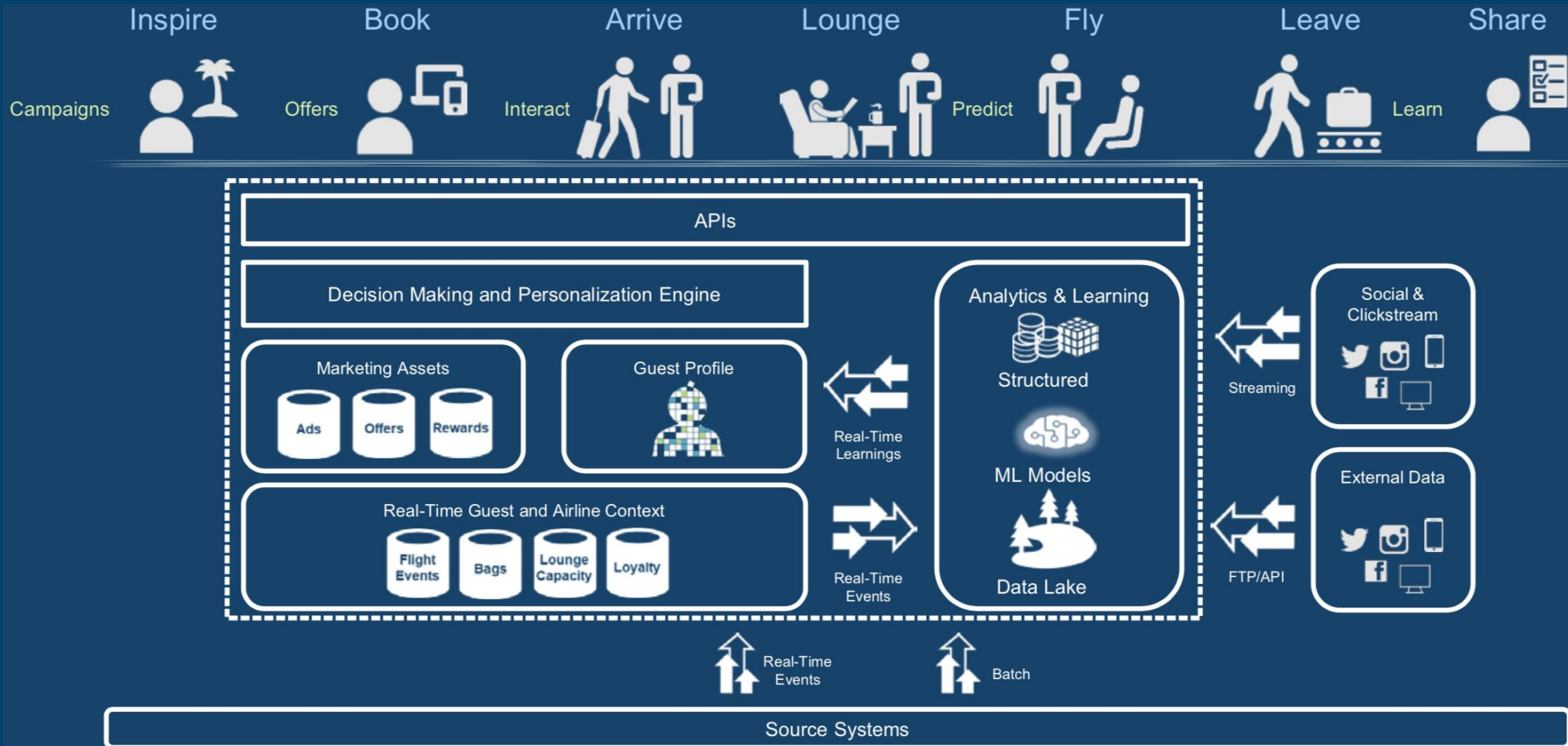
Legacy Public Comments

1 - 7 of 7

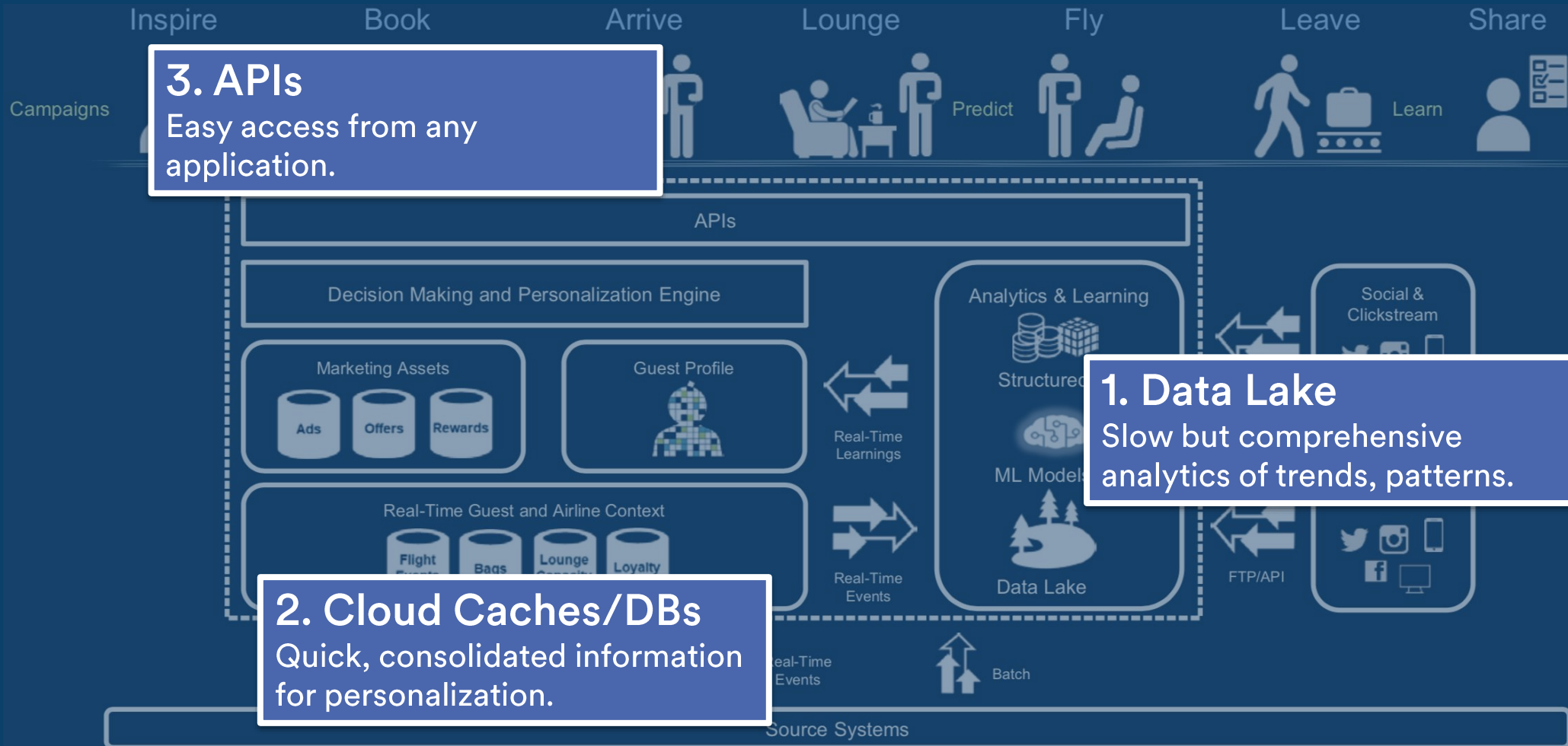
User	Created Date Time	Comment Text
FFX91520	3/7/2008 05:45:13 PM	ACT=00000000 ACC=00000000 RED=00000000 NET=0
FFCRDEXT	3/25/2007 12:37:20 PM	CREATED ALASKA MVP CARD, EXPIRES 2008/12.
FFX08010	3/25/2007 01:15:06 AM	2007/2008 MVP MEMBER BASED ON 2007 AS/QX/NW
MMCMULL	3/23/2007 01:41:50 PM	mbr angry that he did not receive mvp bonus miles for
MMCMULL	3/23/2007 01:41:50 PM	anc-sea fit Mar20, 2007. hba he would not receive
MMCMULL	3/23/2007 01:41:50 PM	bonus miles until listed as mvp by computer. however,
MMCMULL	3/23/2007 01:41:50 PM	for css, i added 1448 miles to his acct.

From the archives.

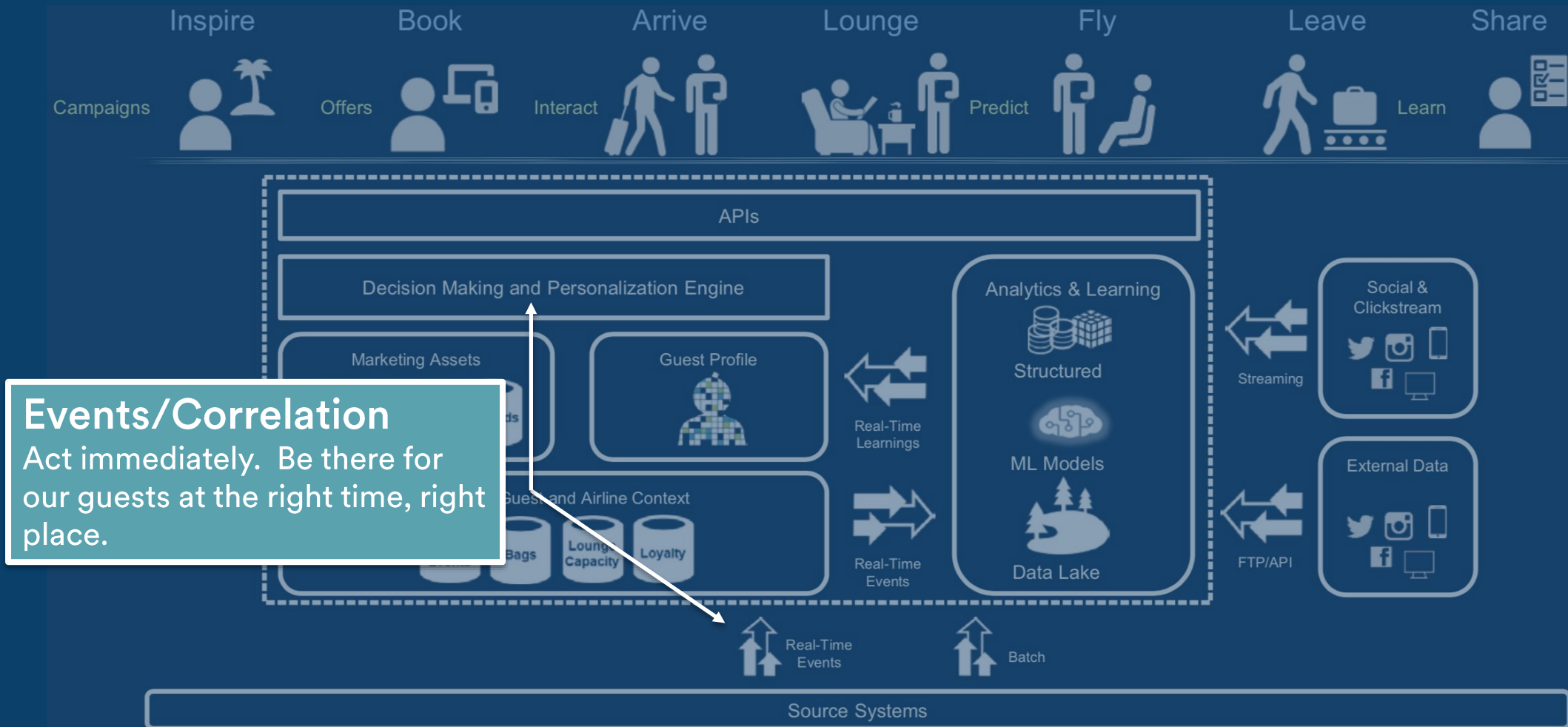
Two years ago in Miami.



On-demand personalization.



This is where we started to have fun.



Events/Correlation
Act immediately. Be there for our guests at the right time, right place.

Instant Gratification Requires Thinking Differently

2019 Merkle HelloWorld Loyalty Report Reveals 54% of Consumers Want Swifter Reward Redemption

Home > News & Press Information > Press Releases >
2019 Merkle HelloWorld Loyalty Report Reveals 54% of Consumers Want Swifter Reward Redemption

February 25, 2019
Southfield, MI

HelloWorld, a Merkle company, and a leading digital marketing solutions provider for the world's largest

Instant Gratification Requires Thinking Differently



Instant Gratification Requires Thinking Differently

Markets

Citigroup Kills Some Card Perks as It Unveils New Reward Options

By [Jennifer Surane](#)

June 25, 2019, 5:04 PM GMT+3

Updated on June 25, 2019, 7:00 PM GMT+3

- ▶ Citi will end price-protection, trip-insurance benefits
- ▶ Bank to introduce real-time rewards redemption for some cards

“A recent Citigroup survey of 1,000 cardholders found that customers were 86% more likely to redeem rewards points if they could be used in real time.”

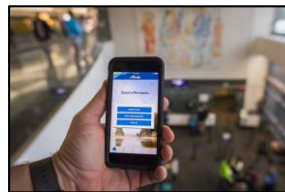
Real-Time Requires Thinking Differently

Earning miles the new way.



Correlate

Validate / Post





**Real time.
Real guest wins.**

- Trips
- Acquisition
- Inflight
- First Class Upgrades
- Revenue Mgmt

“Just a note of thanks as I’ve noticed credit for my flights getting added to my account and visible on the app much sooner than it had in years/months past. I appreciate the improved turnaround as it reinforces (even if just subliminally) customer loyalty. Nicely done!”

- Actual Customer

The future is bright.



Thank you.

Matt Hahnfeld, Software Engineering Manager

Xavier Lucas, Software Engineer III

Loyalty and Non-Flight Partners





How to use AI and modern architecture to create an automated agent

Brian Lewis, Chief Technology Officer, OpenJaw



How to use AI and modern architecture to create an automated agent

Brian Lewis
Chief Technology Officer

brian.lewis@openjawtech.com



OpenJaw Technologies



6 Offices across the globe



350 Staff



30+ Customers

Dublin – Group HQ
Dalian – China HQ
Hong Kong – Asia Pacific HQ
Krakow – Delivery Centre
Madrid – Delivery Centre
Galway – Delivery Centre



Global Customer Base



OpenJaw: three platforms

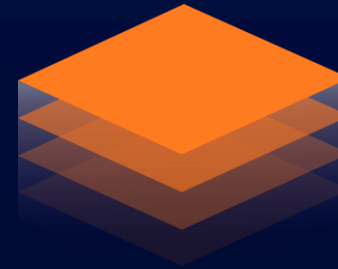
Data Driven
Customer Centricity



Dynamic Offer
Creation

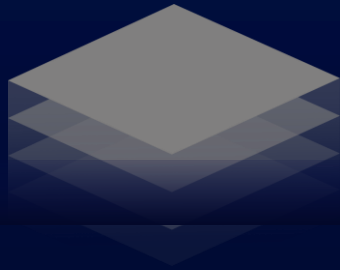


Intelligent Chat
Interfaces

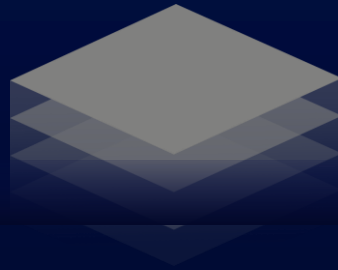


OpenJaw: three platforms

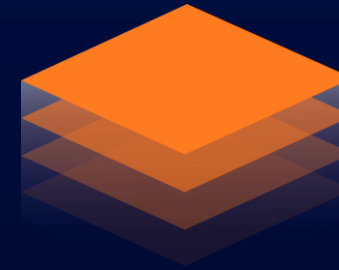
Data Driven
Customer Centricity



Dynamic Offer
Creation



Intelligent Chat
Interfaces

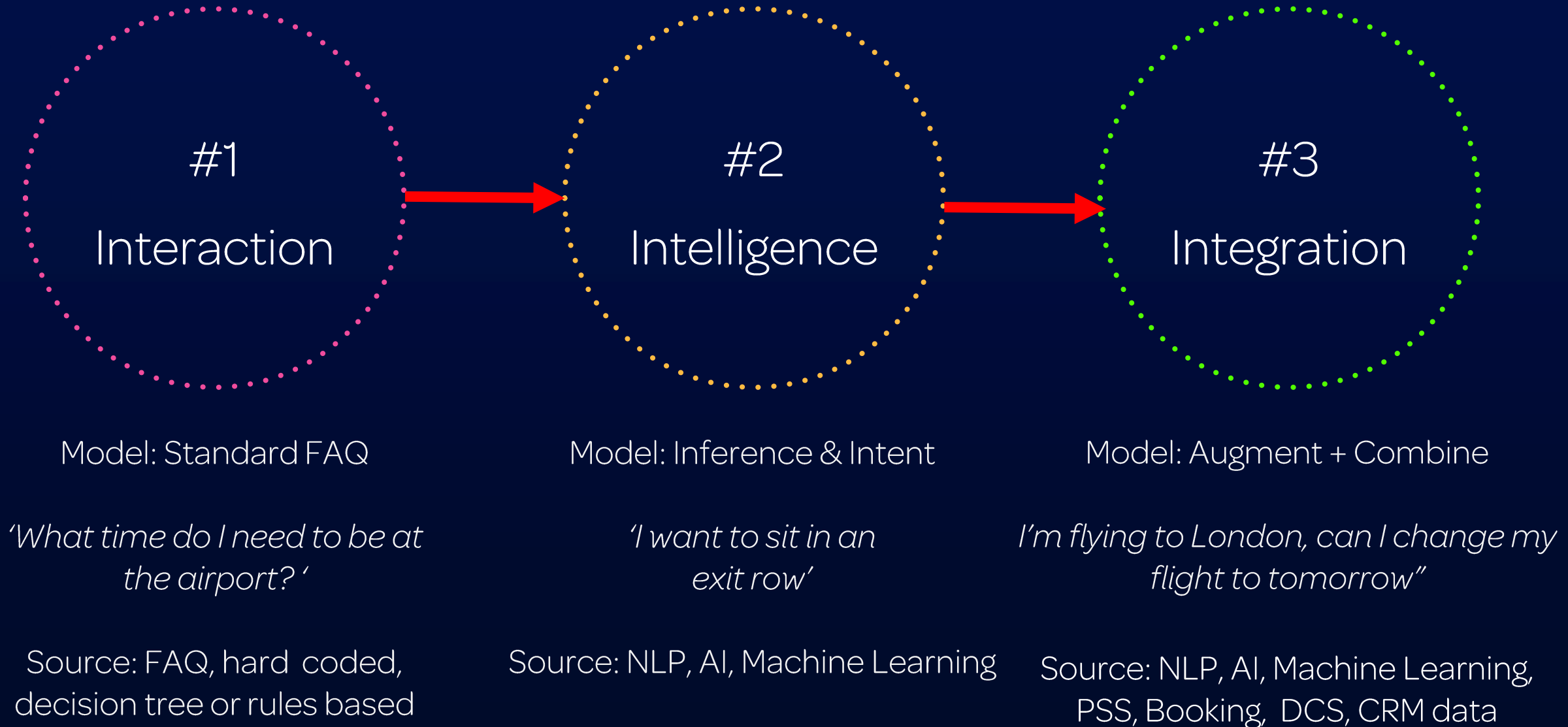


'Intelligent Conversational Interfaces' ?

The Roadmap for Conversational Intelligence



3 Stages of Maturity



#1 Interaction

Feature

Value to Organisation

Value to Passenger

General Advisory (FAQ)
Agent w. Escalation

Decrease volume to call centre

Quicker response time

Flying with Us

Brand experience

Quicker response times to
common questions

MMB

Decrease call centre volumes

Quicker response times to
common questions

Help FAQs

Decrease call centre volumes

Quicker response times to
common questions

Contact Us

Route calls to appropriate agents,
cut down wastage

Find correct agent more quickly.

#2 Intelligence

Feature

Deep linking system to generate URLs to link to MMB, Check-in and Flight Sales

MMB Conversational Flow

Online Check-in Conversational Flow

Flight Selling Conversational Flow

Value to Organisation

Increase conversion by directing to correct web page.

MMB handled via a conversation interface

Check-in via conversation interface

Enable flight selling with specific offer page

Value to Passenger

Precise answers

Friction reduction; fast results

Faster and easier to find complete check-in experience

Engage customer with natural language in a private message flow

#3 Integration

Feature

Value to Organisation

Value to Passenger

Check-in w/ Ancillary Sales

Decrease volume to call centre, provide conversational opportunity for upsell

Ability to check-in online via Facebook Messenger or WhatsApp

Flights Status, FIFO, and Regulatory Details

Reduce call centre volumes

Quicker response to queries.

MMB Baggage and Seat Upsell

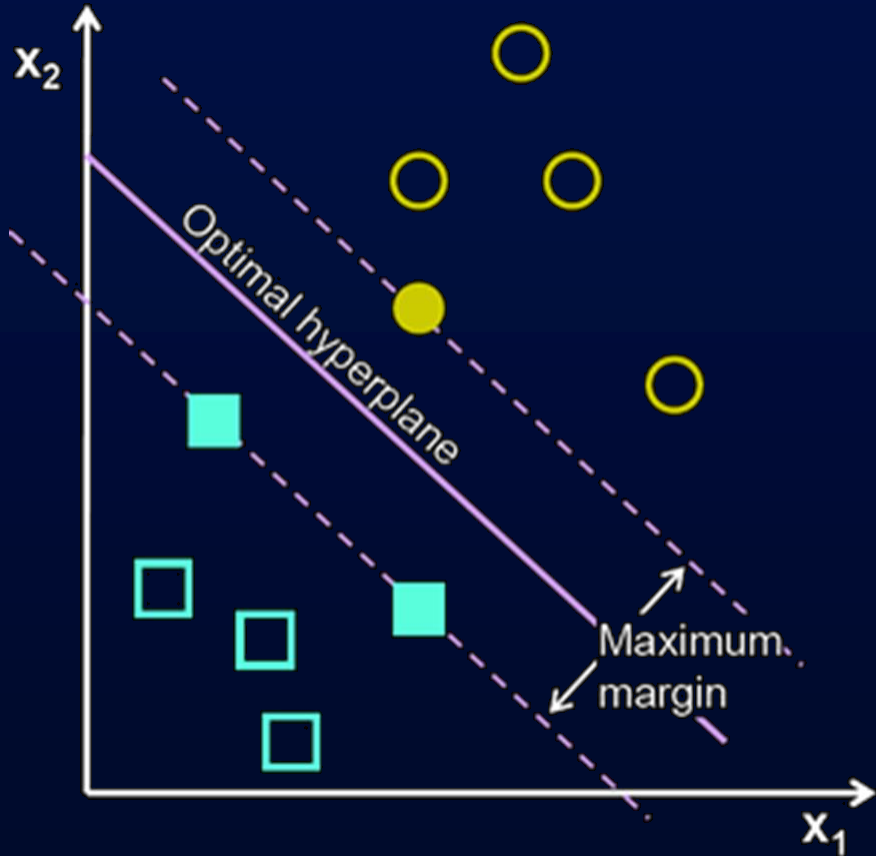
Decrease call centre volumes and increase baggage and seat sales

Reduce friction in seat sales bag sales

How do we use AI?

Teach not tell

Machine Learning

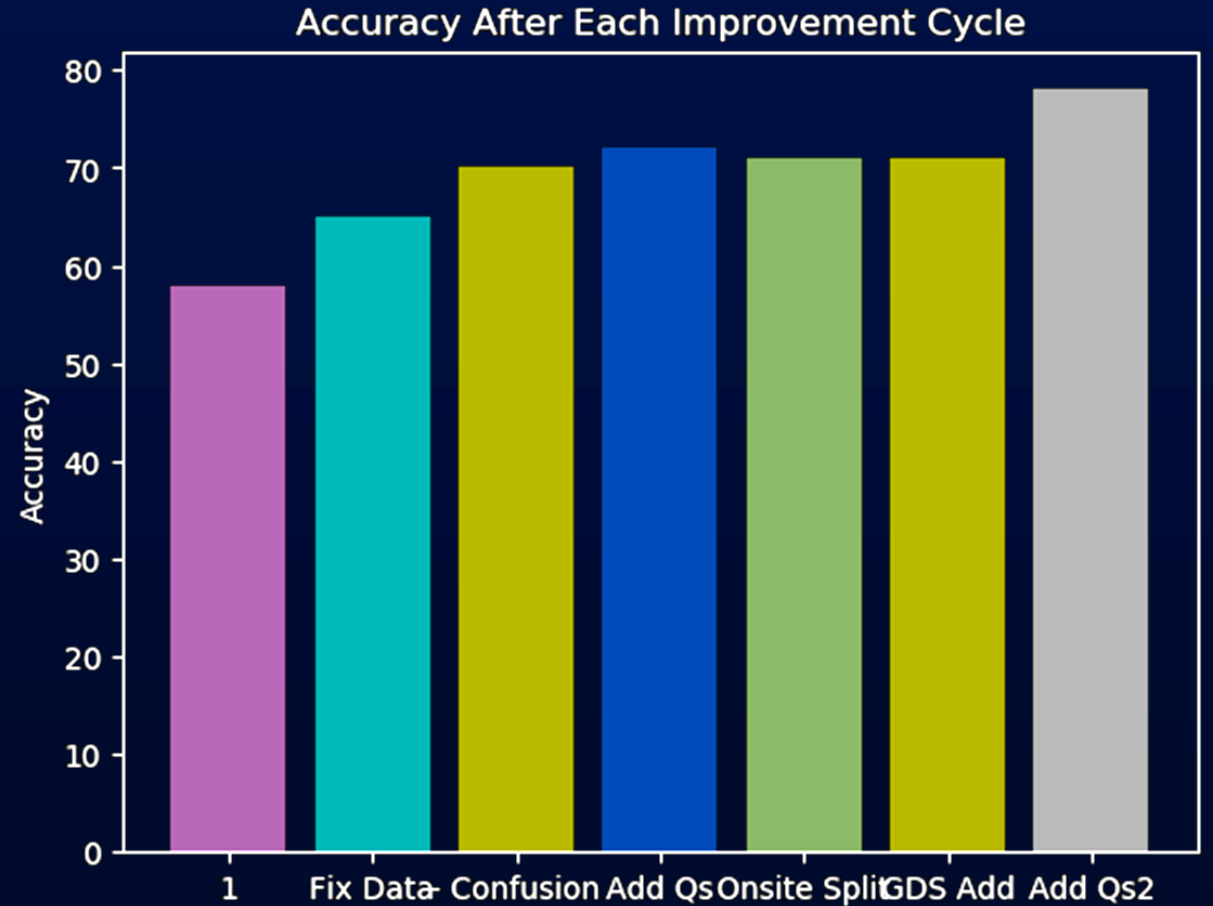
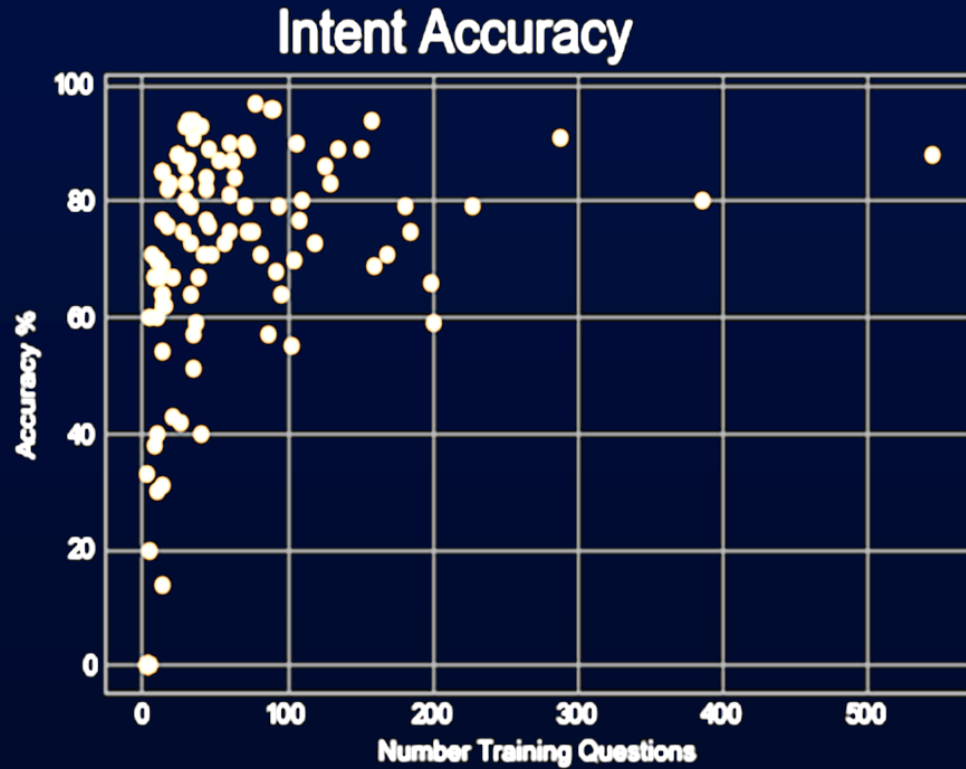


Programming

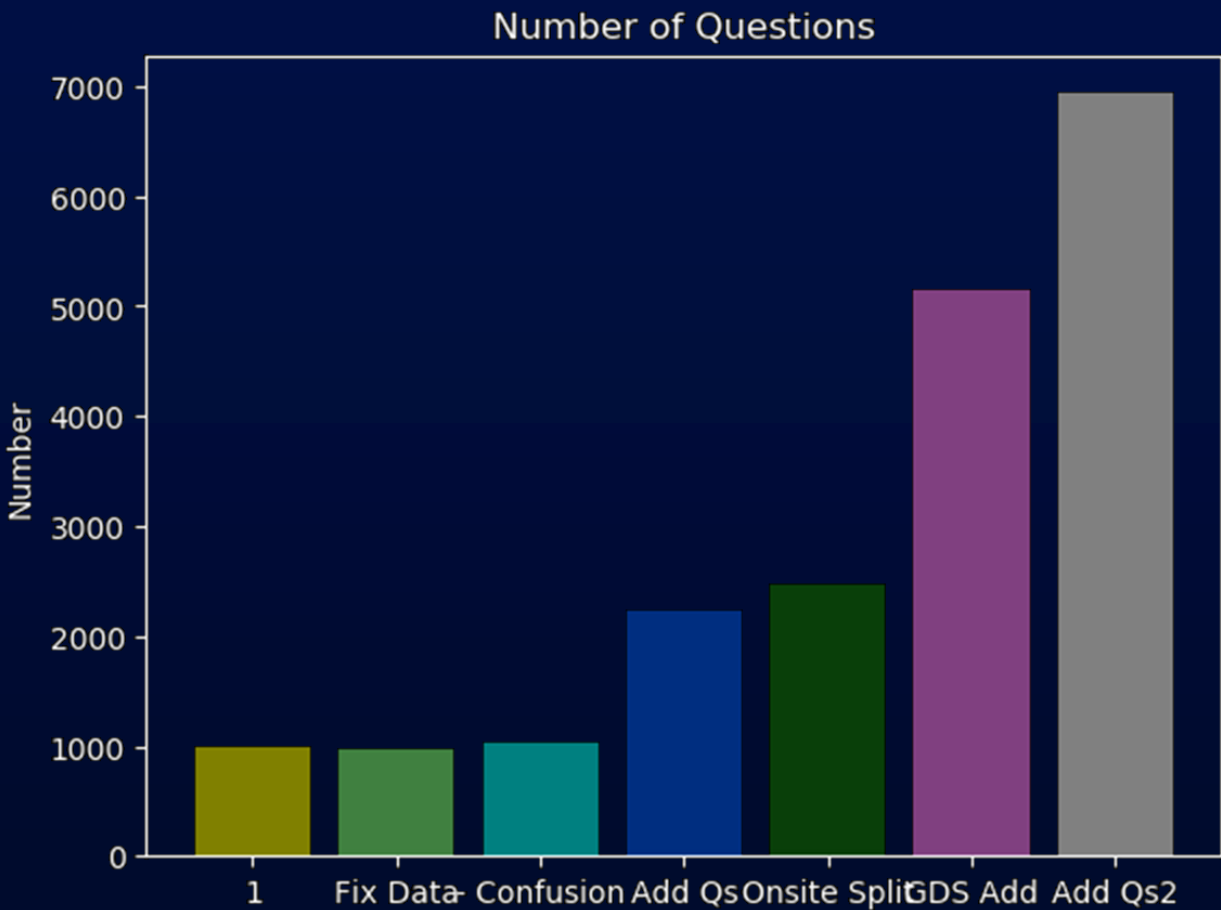
23. Rewrite the following **switch** statement as a nested **if** statement using a series of **else...if** statements:

```
string birdName;
switch (birdName)
{
    case "Pelican":
        Console.WriteLine("Lives near water.");
        break;
    case "Cardinal":
        Console.WriteLine("Beautiful in the snow.");
        break;
    case "Owl":
        Console.WriteLine("Night creature.");
        break;
    case "Eagle":
        Console.WriteLine("Keen vision");
        break;
    case "Flamingo":
        Console.WriteLine("Pretty and pink.");
        break;
    default:
        Console.WriteLine("Can fly.");
        break;
}
```


Measure and monitor accuracy

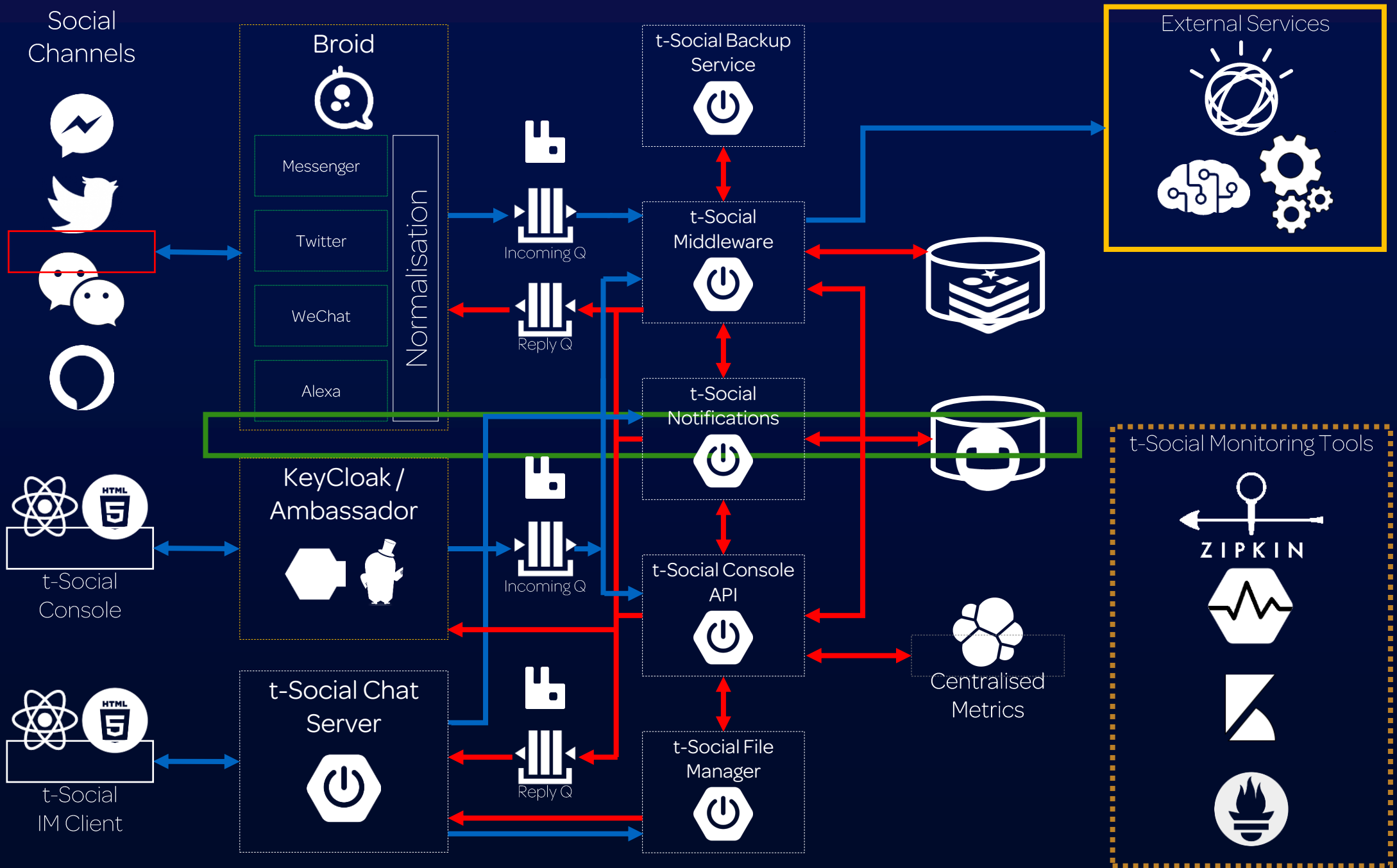


Improve the data, fix misclassifications



<u>cluster_id</u>	<u>size</u>	<u>z_score</u>	<u>mad_scores</u>	<u>to_check</u>
客票变更_改期_TRI 自动改期_问题类	228	2.208183	0.037072	True
客票变更_退票_咨询类	386	4.264052	0.067110	True
报销凭证_打印方查询	287	2.975881	0.048289	True

Architecting the eco-system



Middleware

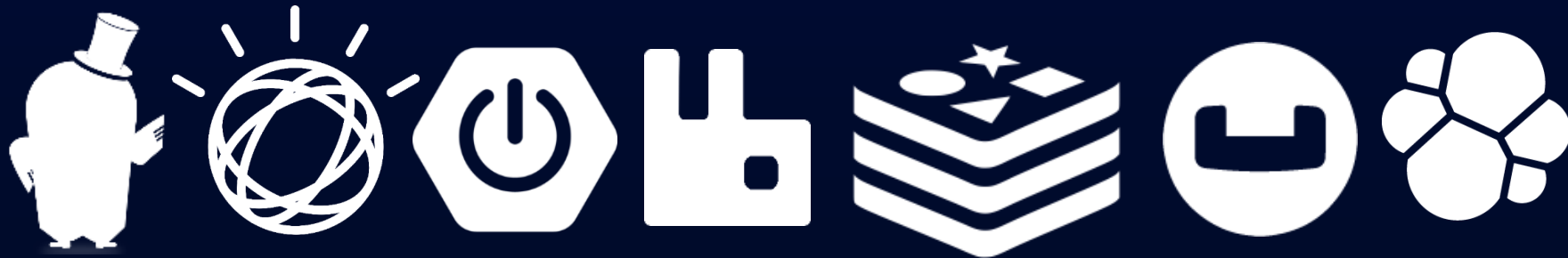
Spring Boot based.

'Core' of the system

Integration and orchestration layers

Configuration

Queuing, Databases, Caches

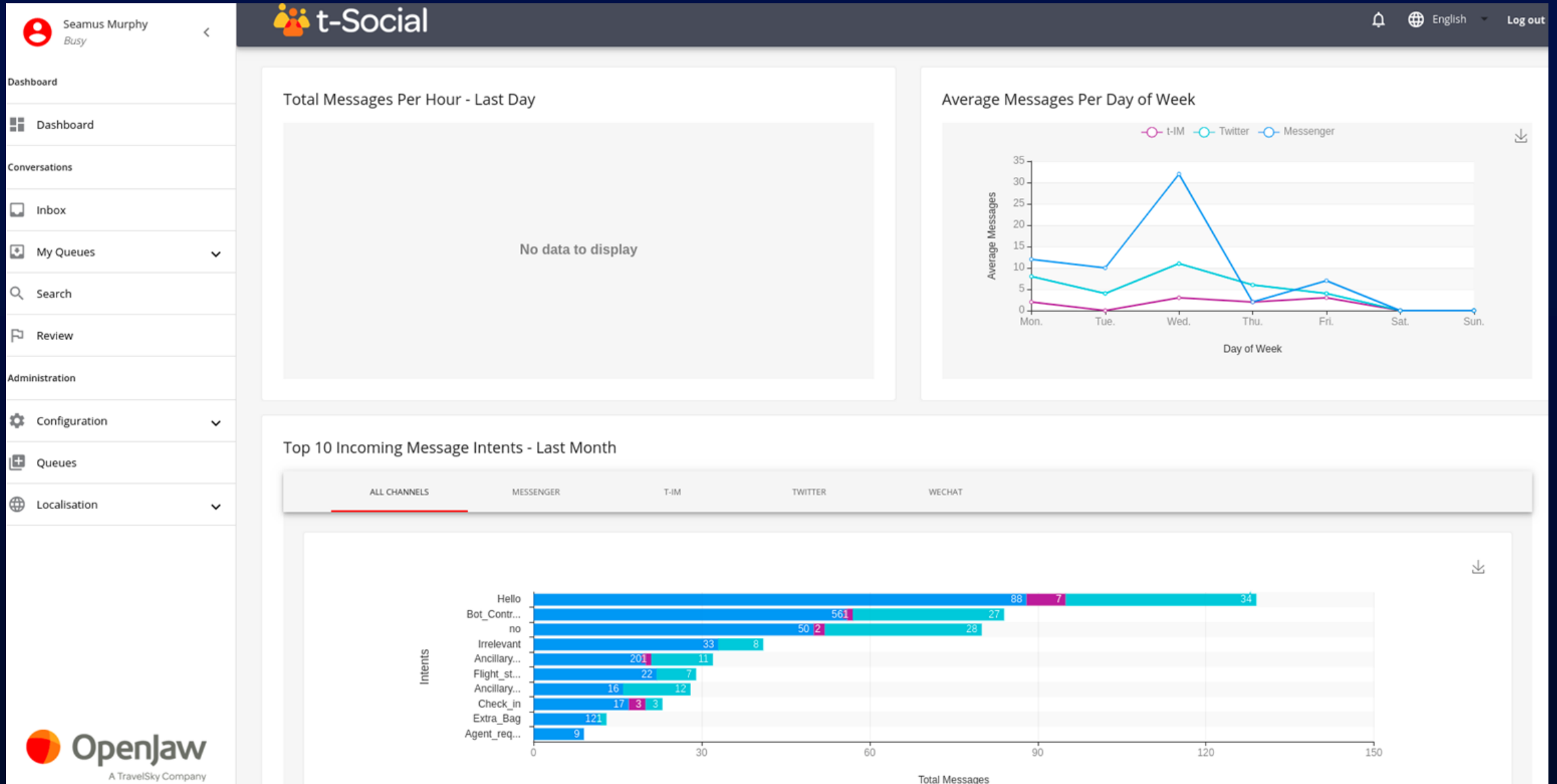


Console UI

Built using React & Redux
ECharts visualisation framework
Material UI

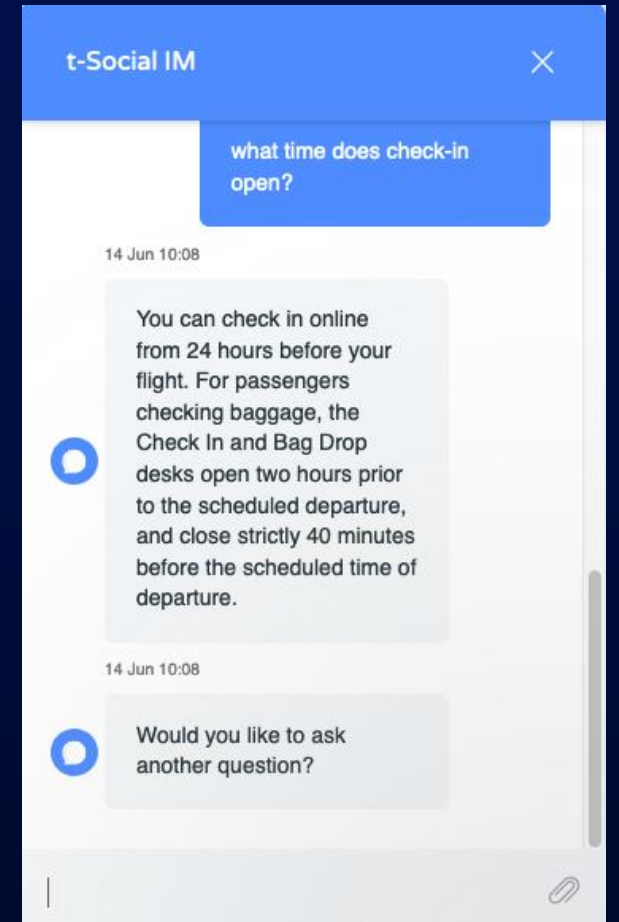
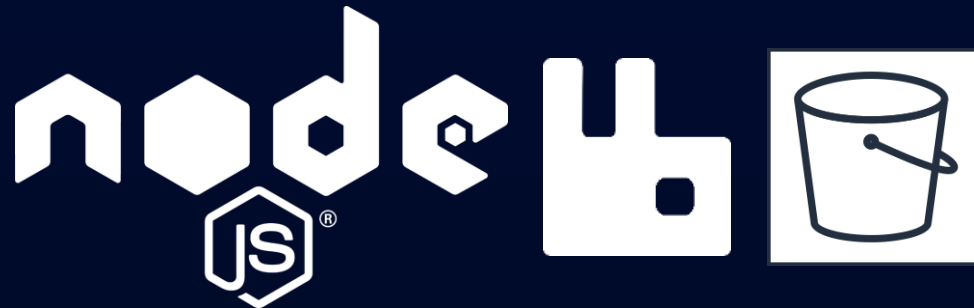


Console UI



Chat Server

Built in Node JS
Simple to embed
Supports attachments
Connects via Rabbit MQ



Deployment

Deployed in Kubernetes in AWS.

Currently migrating to EKS using Helm & Tiller.

Deployed from GitLab repo proxy

Dashboard UI to see status of deployment/pods.

Errors/problems sent as messages to slack.

Prometheus metrics server & Grafana for visualization.



Conclusions

Maturity level - Decide where to start

Implement Training Metrics

Fully Instrument the solution

Gateway approach to handle new channels

Architect for the complete eco-system

Plan to deploy and run at scale

Brian Lewis, Chief Technology Officer

Thanks for listening!



brian.lewis@openjawtech.com



BrianLewis68



[@BrianLewisCTO](https://twitter.com/BrianLewisCTO)



www.linkedin.com/in/brian-lewis



A TravelSky Company



Project DeepSky: A playful approach towards Reinforcement Learning in Aviation

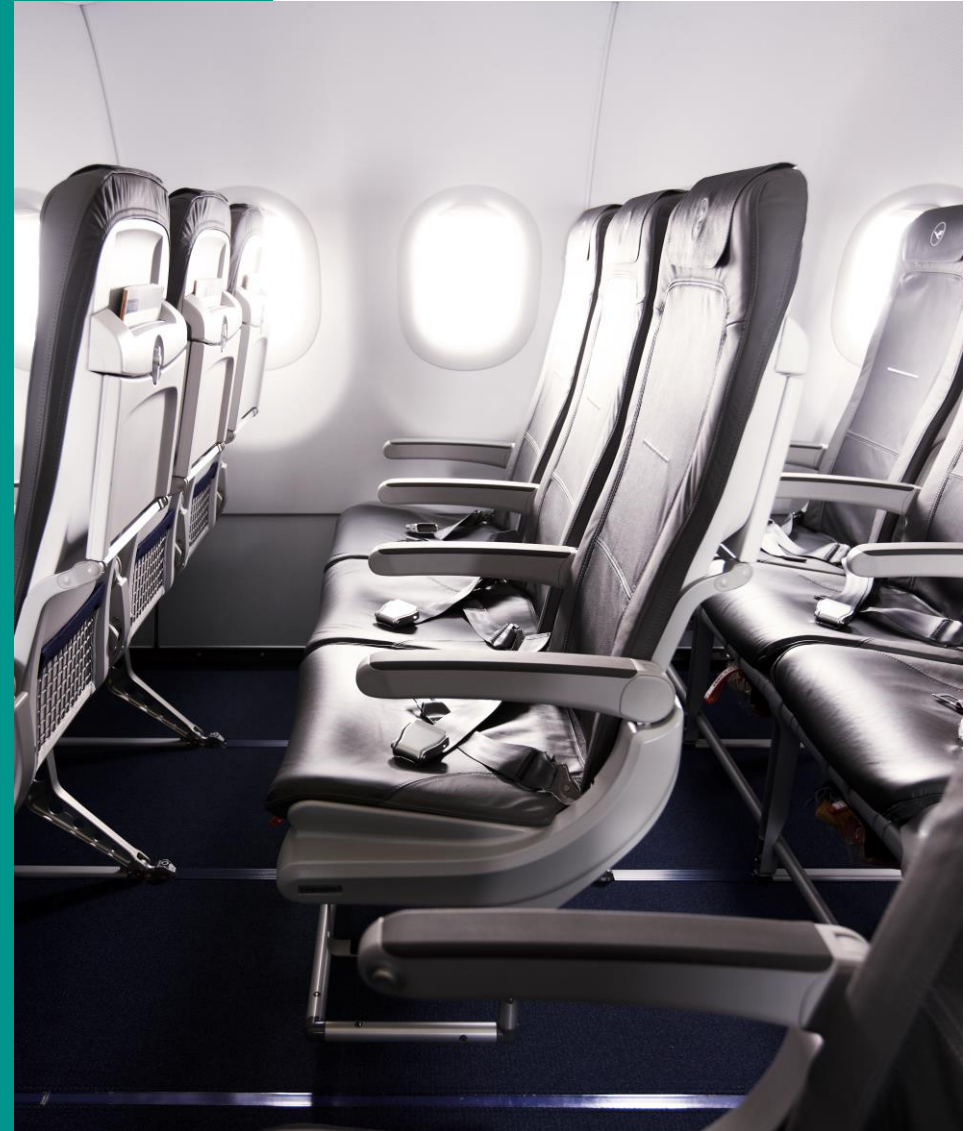
Dr. Dr. Mussie Beian, Senior Data Scientist, zeroG



Project DeepSky: A playful approach towards Reinforcement Learning

*IATA Aviation Data Symposium 2019
Greece, Athens*

Dr. Dr. Mussie Thomas Beian – Senior Data Scientist



Combining the best out of two worlds: zeroG & Lufthansa Systems

2015

**Founded by
Lufthansa Systems**

Dynamic start-up to keep up
with technical developments

>50

People work at zeroG

With a very diverse and
international background

>20

**Assignments within the
aviation world**

Working in both commercial
and operation areas

ZERO **G**



zeroG: a new breed of digital tech start up. We help airlines turn their data into value through advanced analytics and digitization. Our team comprises of young, dynamic & highly international technology professionals who bring along airline know-how & analytics expertise like two sides of a coin. In a nutshell, we support airlines through their digitization journey by unlocking the intrinsic power of data.

AI within Aviation

How game-like situations will transform the aviation world

What is Artificial Intelligence?

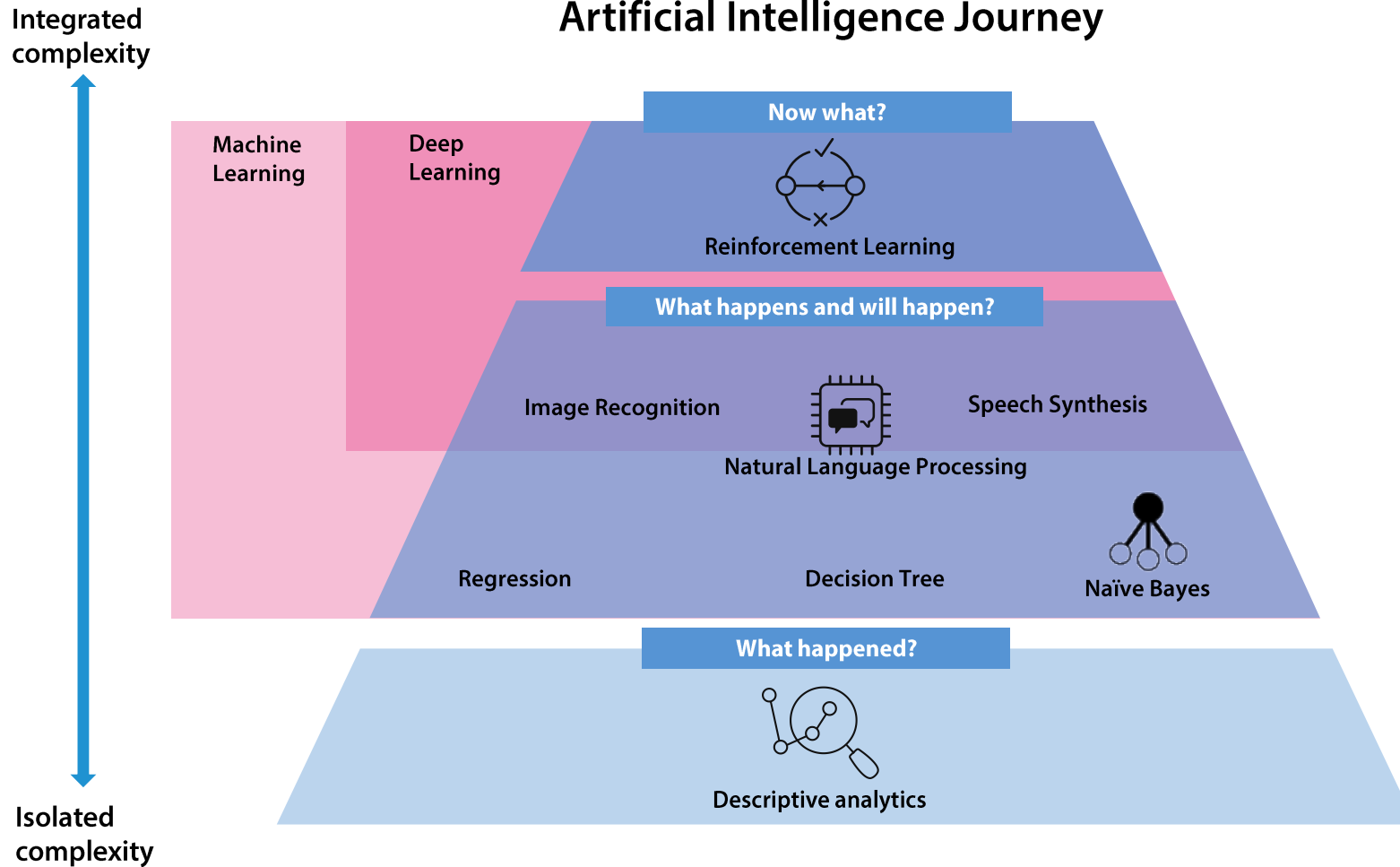
What is Artificial Intelligence?

*A set of analytical
technologies that
augment human
cognition.*

The next step in AI

Increased computer power and data availability enables AI to go beyond insight and foresight, towards systems that act, learn, and adapt on the user's behalf.

We take you on an AI Journey: Towards systems that act, learn and adapt on the user's behalf



Current status of AI in aviation

***Many isolated AI use cases
have been realized within the
aviation world, but
Reinforcement Learning is a
revolutionary green field!***

How does Reinforcement Learning work?

Key Elements

AI Agent

Autonomous system that will teach itself through trial and error.

Environment

World in which the agent acts, learns and aims to influence.

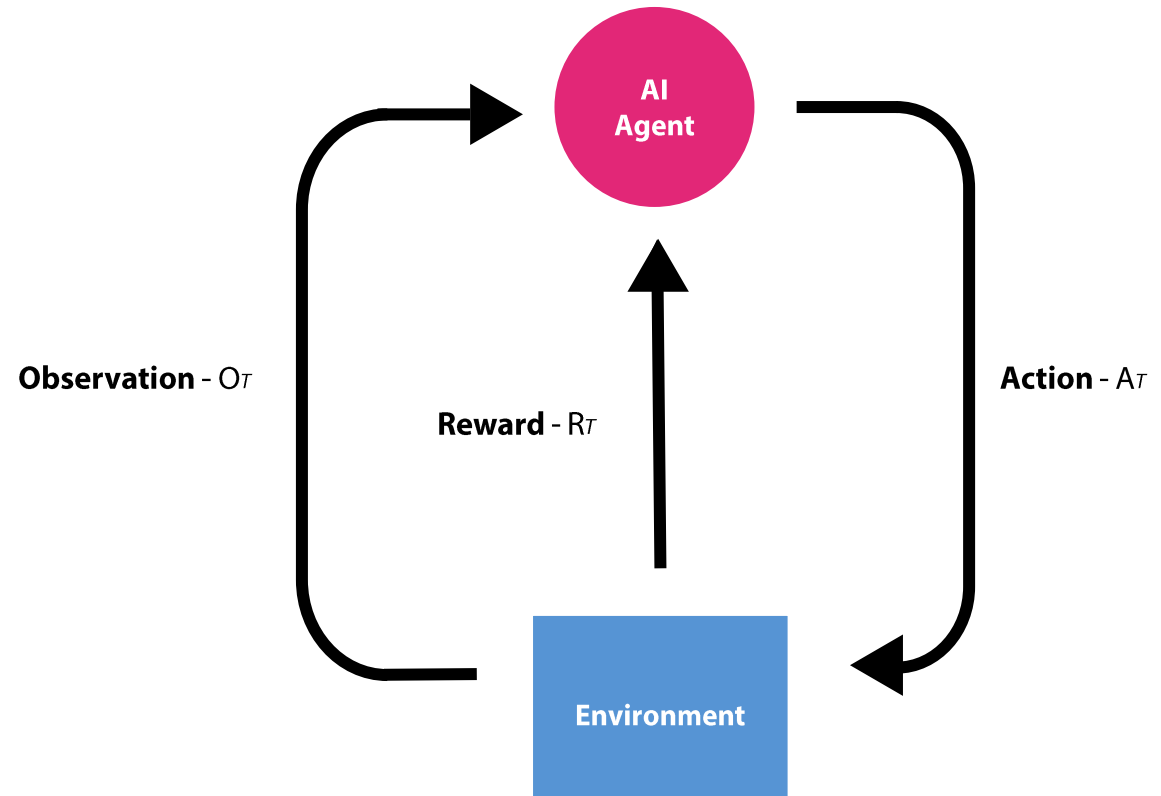
Observation Input

Representation of environment that serves as the basis for the agent's decisions.

KPI Driven Reward System

Essential KPI's/goals that teaches Agent how well he is performing through reward and punishment.

Situational Sketch



IMPACT: agent independently develops strategy to optimize actions towards highest possible result

Example 1: Alphabet's (Google's) AlphaGo

Key Elements

AI Agent

Alpha Go

Environment

Chinese game Go – the most complex game in the world!

Observation Input

Game environment, position of stones on the board, previous moves

KPI Driven Reward System

Beat opponent!

Situational Sketch



AlphaGo now beats the best human Go-Player in record time

Example 2: zeroG's DeepSky

Key Elements

AI Agent

DeepSky

Environment

Air Bucks – an airline management computer game.

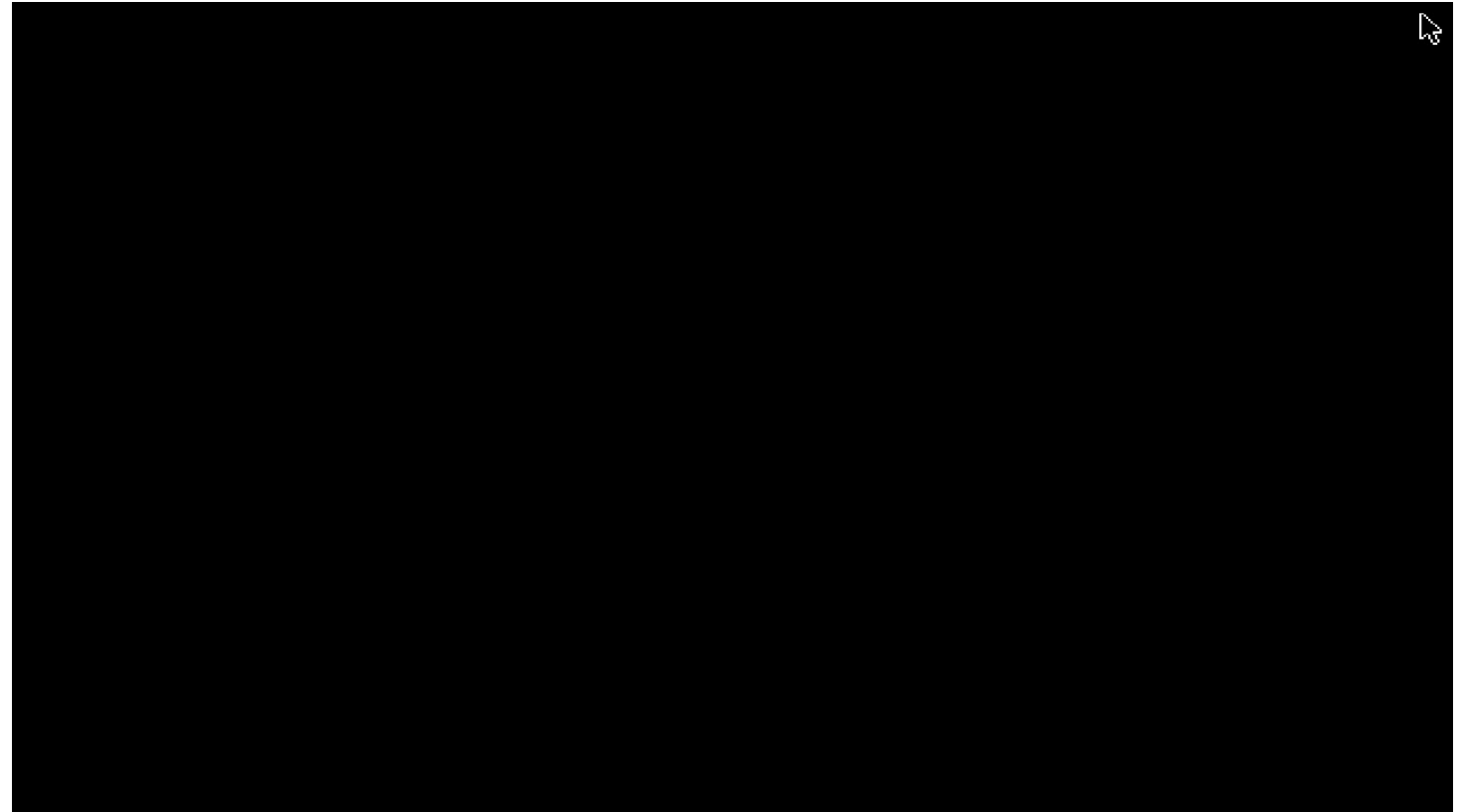
Observation Input

Bank balance, fleet size, landing rights, date, available airport, company worth, etc.

KPI Driven Reward System

Build an airline that will generate biggest company worth within four (game) years.

Situational Sketch



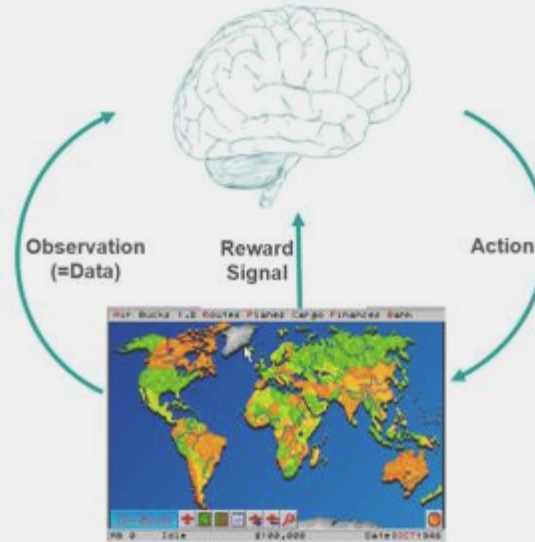
DeepSky now beats every human airline manager in Air Bucks

After basic research and developing an own AI, zeroG is about to implement the first use cases

Step 1: play



Step 2: translating game towards reality



Step 3: Transfer learnings to reality



aiOCC





ZERO G

Thanks for your attention!
zerog.dero

Contact



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Linkedin: Dr. Dr. Mussie Beian





AI driving Revenue Streams

Maria Toso, Manager, Pricing and Revenue Management Intelligence (PRMI) group, Copa Airlines



AGENDA



COPA AIRLINES

History and growth of Copa Airlines



COPA AIRLINES + AI

How is Copa Airlines using AI?



AI DRIVING REVENUE STREAMS

What have been the tangible results of these AI applications?



105 AIRCRAFT
+15 MM PAX CARRIED
\$2.7 BILLION REVENUE

80 DESTINATIONS
32 COUNTRIES

SAN FRANCISCO
LOS ANGELES

LAS VEGAS

CHICAGO

BOSTON

NEW YORK

MEXICO DF

MIAMI

HAVANA

QUITO

LIMA

BRASIL

SANTIAGO

ARGENTINA

ARTIFICIAL INTELLIGENCE

What is Artificial Intelligence?

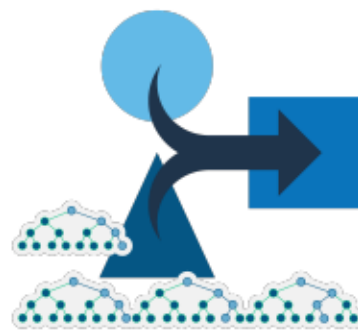
" Any type of computer software that engages in humanlike activities, including learning, planning and problem solving"



1950-1970s

Neural Network

Early work in neural networks



1980s-2010s

Machine Learning

Machine Learning becomes popular



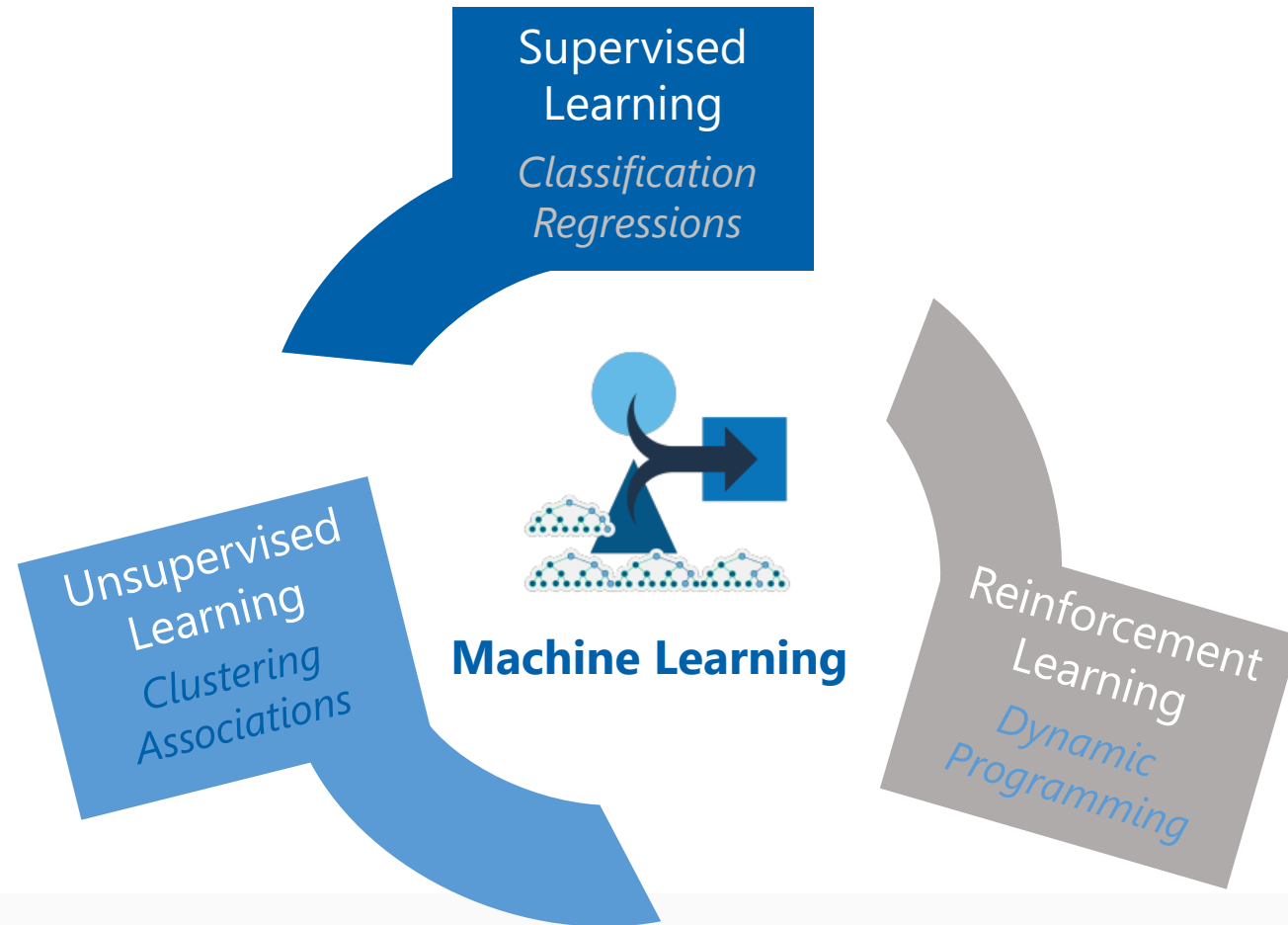
Present Day

Deep Learning

Deep Learning breakthroughs drive AI boom

COPA AIRLINES + MACHINE LEARNING

Machine learning is one of the most common types of artificial intelligence in development for business purposes today



CLASSIFICATION ALGORITHMS

Let's understand how classification algorithms work



With the characteristics of an apple determined, we can classify if any fruit is an apple or not

CLASSIFICATION BUSINESS CASES



Classification of sold-out too soon flights



Co-Brand credit card acquisition in loyalty

PREDICTING SOLD-OUT TOO SOON FLIGHTS

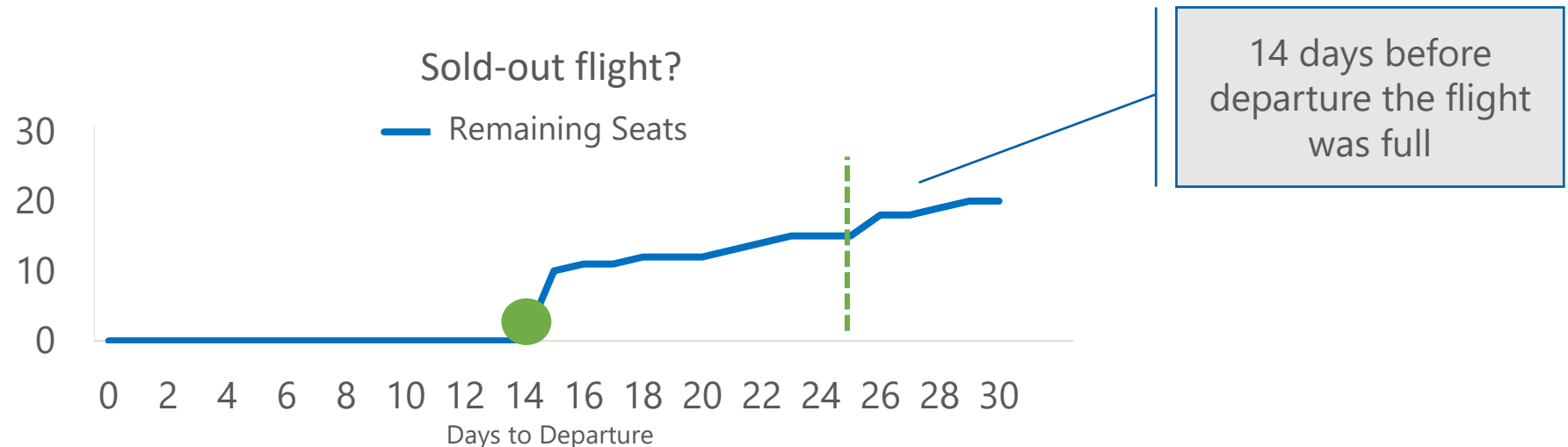


PREDICTING SOLD-OUT TOO SOON FLIGHTS

Extrapolate the classification and instead of an apple imagine a flight
What would you need to predict if a flight will sell out or not?

Flight No	Origin	Destination	Departure	Remaining Seats	Sold-out flight?
1200	PTY	SFO	08/01/2019	0	1

- Define a sold-out to soon flight
- Manipulate training set so it can easily aid in prediction of future sold-out flights



PREDICTING SOLD-OUT TOO SOON FLIGHTS

Determine the characteristics of a sold-out too soon flight. These characteristics can include anything related to a flight or even complex relationships between variables



Current Booking



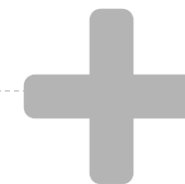
Bid Price



Bookings Velocity



Remaining Seats

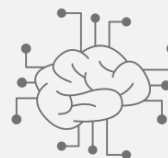


Many more.....

Once the variables are selected, test several classifications algorithms:



Random Forest



Neural Networks



Gradient Boosting

With current characteristics of a future flight, it is expected that the flight will sell-out too soon

PREDICTING SOLD-OUT TOO SOON FLIGHTS

A look into the implementation and results

2017
ALGORITHM IMPLEMENTED

+\$1MM*
MONTHLY REVENUE OPPORTUNITY



~70%
ACCURACY



DAILY ALERTS ARE SENT
TO PRICING AND RM



PERSONALIZATION
& SENSITIVE
INFORMATION



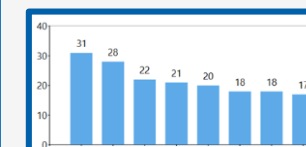
RELEVANT
TARGETING
ALONG THE
JOURNEY



ENCOURAGE &
DRIVE ANALYST
ENGAGEMENT

PRM OPERATIONS RESEARCH TEAM			
--	Endangered Flights	Today vs Yesterday	--
	34	5	
--	New Endangered Flights	--	
	19		

DAILY ALERT



Market	DOW	Average Class	Average Bid Price	Endangered Flights
MIA	Mon	M	157	2

CO-BRAND CREDIT CARD ACQUISITION



CO-BRAND CREDIT CARD ACQUISITION

Copa Airlines launched its own loyalty program: **ConnectMiles** designed to strengthen Copa's relationship with its frequent flyers



PREFER MEMBER PROGRAM

Award our loyal and frequent customers with the most exclusive benefits: preferential access, waivers, upgrades, and much more



EARN MILES

Embark on a mile-earning journey every time you fly on Copa Airlines and our partners



PARTNERSHIPS

Earn miles from non-airline activities such as hotels stays, car rentals and credit card purchases



USE MILES

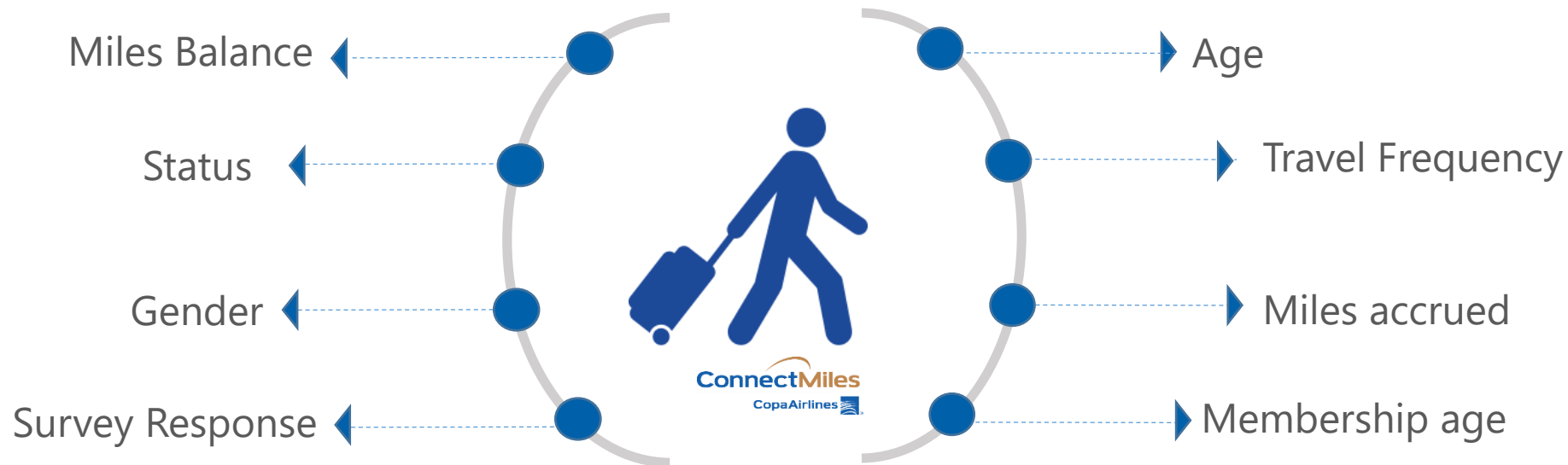
Use miles on flights operated by Copa Airlines and on selected flights operated by Star Alliance member airlines

CO-BRAND CREDIT CARD ACQUISITION

Supervised look-alike-classification model that:

- Identifies potential credit card holders in the countries where Copa Airlines offers a co-brand
- Creates acquisition tool to accelerate growth for new partners
- Identifies potential co-brand expansions where Copa Airlines does not have presence

The first step is to understand the customer



CO-BRAND CREDIT CARD ACQUISITION

The second step consists of developing a model that identifies potential customers




Low probability of acquiring a credit card



High probability of acquiring a credit card

Email marketing 

Accelerate growth with new partners 



CO-BRAND CREDIT CARD ACQUISITION

A look into the implementation and results

2018

ALGORITHM IMPLEMENTED

~500K

ANNUAL INCREMENTAL REVENUE



EMAILS ARE SENT TO CUSTOMERS



IMPROVE PARTNERSHIPS



EXPANSION OPPORTUNITY IN NEW MARKETS



INCREASE PRESENCE IN COUNTRIES WITH NO PRESENCE




ENCOURAGE & DRIVE CUSTOMER ENGAGEMENT




ALIGNING BUSINESS STRATEGIES AND GOALS

AI DRIVING REVENUE STREAMS

Artificial intelligence gives us the ability of not only generating revenue streams but also:

 Increase productivity and operational efficiencies
Save time and money by automating routine processes and tasks

 Make faster business decisions
Avoid mistakes and 'human error'

 Achieve cost savings
Increase revenue by identifying and maximizing opportunities



THANK YOU!

CopaAirlines 

Maria Agustina Toso
mtoso@copair.com



Key Takeaways and Closing Remarks

Houman Goudarzi, Head of BI & Industry Engagement, IATA



IATA

AVIATION

DATA

SYMPOSIUM

ATHENS, GREECE 25 – 27 JUNE 2019



AI Lab

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