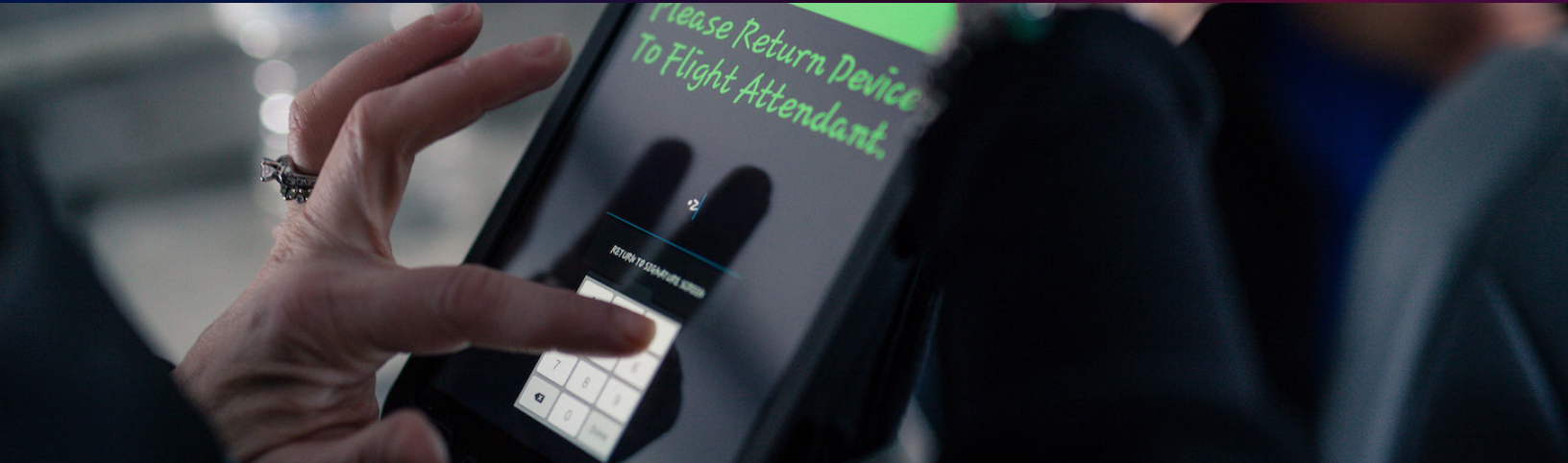


Making In-Flight Sales Easier, More Efficient With Samsung Galaxy Tablets



Overview

Customer Need

Frontier Airlines processes a high volume of in-flight point-of-sale (POS) credit card transactions on its many routes. In an effort to improve the overall passenger experience, the airline needed an easy way for flight attendants to bundle and upsell items, and to open tabs for customers. Frontier also wanted a quicker way to process transactions and recognize revenue from in-flight sales. With its existing POS technology, it often took weeks for transactions to process, and the airline wasn't alerted to bad credit card transactions until it was too late to ask for alternative payment methods.

Samsung Solution

Frontier outfitted each of its nearly 1,300 flight attendants with 8-inch Samsung Galaxy tablets. While in the air, flight attendants use these devices to process credit card transactions via a custom-built POS application, as well as to access company apps and HR manuals. During off hours, flight attendants can take them home for personal use. Running on the Android platform, the Samsung tablets offer a familiar user experience and flight attendants needed minimal training to use them.

Results

The flexible new tablet-based POS solution has helped the airline to better meet passenger demands while increasing catering revenue by making it easier for customers to pay. Because the tablets have a 4G data plan, all transactions post as soon as flight attendants upload them. Providing flight attendants with personal tablets has also boosted employee morale. Given these results, Frontier expects its initial investment to pay for itself in six months.



Frontier Airlines offers “Low Fares Done Right” to more than 60 destinations in the U.S., Mexico, Costa Rica, Jamaica and the Dominican Republic, on more than 270 daily flights. An ultra-low-cost carrier, Frontier minimizes expenses and maximizes revenue on extra services in order to offer passengers fares as low as \$15.

Headquartered in Denver, Colorado, Frontier’s aviation professionals pride themselves in delivering the company’s signature Rocky Mountain hospitality to customers. Now the company is expanding nationally, building focus cities on the East Coast and in several other major U.S. cities. Over the next five years, Frontier plans to nearly double the size of its 56-aircraft fleet.

The Customer Need: Maximizing Profits to Minimize Prices

As an ultra-low-cost carrier, Frontier Airlines has a unique business model. While most large commercial airlines make money from ticket sales, Frontier has built a model that allows for greater flexibility. By charging passengers for checked luggage, carry-on baggage and in-flight refreshments, in exchange for unusually low fares, passengers can travel for much less and still receive the services they deem necessary.

“We have a different mentality than legacy carriers,” says Andrew Brandess, manager of special projects at Frontier. “Catering is a value-add for them. But we need a profitable catering program.”

With this different business mentality comes different business needs. Frontier’s existing in-flight POS technology — the same system used by most airlines — wasn’t flexible enough to meet the smaller company’s demands. Because of the high volume of POS credit card transactions Frontier processes, customers experienced numerous lengthy and sometimes unsuccessful transactions.

While the existing system offered plenty of functionality Frontier didn’t need, it wasn’t agile enough to meet the airline’s catering goals. For example, bundling or upselling items required flight attendants to go through an arduous checkout process. And there was no way for customers to keep an open tab.

Along with a more flexible POS application, Frontier needed a quicker way to process transactions and recognize revenue. “The old system used proprietary devices without 4G connectivity,” says Brandess. “We couldn’t process transactions until those devices went back to either the Denver or Cleveland catering station for data uploading. If an aircraft was out of the area for a while, it could take two to four weeks to process transactions, which is unacceptable, both for customers and for us. If there was a bad credit card transaction, which happened with about one percent of purchases, we wouldn’t know until it was too late.”

After seven years using the old POS technology, Frontier began searching for a new solution.

The Solution: Providing Unique Technology for a Unique Business Model

Rather than investing in another proprietary POS hardware solution, Frontier wanted to use tablets that would also enable flight attendants to access other company apps and resources.

After a careful review, Frontier chose to outfit each of its nearly 1,300 flight attendants with 4G-enabled Samsung Galaxy tablets. "We chose Samsung for three main reasons," says Brandess. "Samsung already had key FAA approvals we needed, and the price was fantastic for a very high-quality device. Also, it was imperative we had substantial customer support. Samsung stepped up and told us what they envisioned for this to work, and they were absolutely right."

For the POS software, Frontier selected Aspex POS, a Colorado-based vendor that built a custom app for the airline. With this tablet-based solution, flight attendants can now quickly and easily complete in-cabin transactions, bundle items and open customer tabs.

While in the air, flight attendants use the devices to process credit card transactions and to access company apps and HR manuals. During off hours, they can take them home

for recreational use. "We want flight attendants to make these as personal as possible," explains Brandess. "At home, they can jump on Wi-Fi and surf the Web or use company-approved consumer applications. On the aircraft, the 4G is locked down so they can only access company apps. By making these personal tablets, we hope flight attendants will take good care of them and get very familiar with using them."

Because the Samsung Galaxy tablets run the same Android OS as the consumer mobile devices that flight attendants already know how to use, Brandess says training for the new solution was a breeze. After a 30-minute training session, flight attendants boarded airplanes ready to use their new tablets.

Durability and easy handling were also key considerations for the deployment. Frontier chose to deploy the Galaxy tablets with a custom casing and hand-strap designed by nCLOSE. According to Jimmy Durham, president of nCLOSE, the tablets in the custom casing were drop tested up to six feet to ensure they could withstand potential knocks during in-flight use, as well as being optimized for cellular connectivity.

Samsung Galaxy Portfolio

Galaxy Tab S2 9.7" and 8"

A smartly designed, enterprise-ready productivity tool for mobile professionals.



Galaxy Tab A 9.7" and 8"

A powerful business tool for improving mobile workflow efficiencies.



Galaxy Tab E 9.6" and 8"

4G LTE connectivity to stay connected on the go.



See the full Samsung tablet line-up
at samsung.com/b2bgalaxy

Galaxy S Series

Flagship smartphone line for enterprise productivity, performance and security.



Galaxy Note Series

Large-format display and innovative S Pen technology for multitasking



See the full Samsung tablet line-up
at samsung.com/b2bmobilephones



The Results: Boosting Profits and Morale

Frontier became the first U.S. airline to adopt a tablet-based POS solution for its entire fleet of planes. Within a month of deployment, the airline had already noticed some key benefits, including:

- **Increased revenue:** The new solution is helping to increase in-flight sales by making it easier for customers to pay, and making it easier for the airline to meet customer demands. The new system also makes adding new products quick and painless. “To carry a new product, we can send a push through our MDM platform and update the menu across all tablets,” says Brandess. “With our old devices, we had to wait for all the devices to come into a catering kitchen and upload the new menu.”
- **Instant revenue recognition:** With the 4G data connectivity, flight attendants can upload data when planes return to the gate. All transactions post the same day, and staff are alerted to bad credit card transactions while passengers are still on board.
- **Improved reliability:** In the past, POS devices weren’t working on between five to 10 percent of flights, due to dead batteries and other technical issues. “With the personal tablets, reliability is substantially higher. Flight attendants charge them at home and are required to carry external battery charging units. This means we’re covering more flights.”
- **Quality at lower cost:** Stephanie O’Connor, managing partner for Aspek, says this is the first time her team has worked with Samsung devices, but plans to do so again with future clients. “These devices are much more cost-effective than other tablets on the market,” she says, “and the displays seem to be better, too.”
- **Improved customer experience:** The flexible new solution enables flight attendants to serve passengers more quickly, and the ability to open tabs makes refreshment service more convenient throughout the flight. Plus, credit card transactions now process immediately, rather than showing up on customers’ statements weeks later.
- **Better employee morale:** Brandess says one tertiary benefit of the project has been a morale boost for the

airline’s employees. “They’re getting company-bought tablets that are, for all intents and purposes, theirs. It’s like Christmas morning for them right now.” Frontier also hopes to have a digital version of the 150-page HR manuals all flight attendants are required by the FAA to carry. This will lighten the load for both staff and aircrafts.

Brandess expects the solution to pay for itself in less than six months, due to increased sales and instant recognition alone. “Our revenue per passenger is up significantly from our pre-December rollout,” he says, “which is pretty impressive considering that it’s almost overnight.”

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– Andrew Brandess
Manager of special projects
Frontier

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