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The key to ancillary growth: getting the customer experience right

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- Felipe Ocáriz (Volaris)
- Barry Landes (Intent Media)
Agenda

- Overview: Volaris
  - Overview: Intent Media
  - Volaris’ partnership with Intent Media
  - The future for Volaris and Intent Media
Volaris’ snapshot at 30,000 feet

**Highlights**

- 17.7 million passengers (LTM)
- 73 Aircrafts
- 167 routes + 269 (Frontier)
- 67 destinations
  - ✓ 40 MEX
  - ✓ 23 USA + 53 (Frontier)
  - ✓ 4 CAM
Volaris’ flight path for demand stimulation and continued growth

Since its launch, Volaris has stimulated new demand in the Mexican market through an aggressive revenue management strategy that drives lower fares and higher load factors.
Ancillary revenue has seen a long term trend of growth during the last six years.
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Using Machine Learning to Predict User Behavior

The data science company for the world’s leading online travel brands

- Better experience for users
- Maximum revenue and loyalty for travel brands
Real-time Value Curve

The value curve: a de-averaged user

Conversion Rate

Percentage of Traffic (Sorted by Predictive Value)
Create Real-Time Segments
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Monetize Users who have Left your Site via Exit Unit

• How it works
  • User initiates a flight search
  • Unit displays behind the primary window with cross-sell options (i.e. hotel cross-sell on flight)
  • Options are highly relevant - use intent parameters from initial search (i.e. O&D pairs, dates, etc.)

• Revenue is generated when the unit is rendered - no user interaction required
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How Volaris is expanding ancillary revenue in a customer centric way

1. Reduce complexity
   - Improve customer experience
   - Offer relevant products only
   - Eliminate troublesome configurations
   - Simplify administrative and operational processes

2. Focus on top revenue generators
   - Implement product improvements and enhancements
   - Segment communication
   - Customer centric approach

3. Dynamic pricing
   - Create a multi-layered pricing structure based on route and product
   - Incorporate a broader statistical approach

4. Improve customer experience
   - Simplify booking experience
   - Offer the right product mix by moment and channel
   - Validate best user experience through A/B testing

5. New ideas and partnerships
   - Develop and test new business models and ideas
   - Focus on innovative, high impact and fast time-to-market initiatives
Q&A
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