



WORKING PAPER

WORLDWIDE AIR TRANSPORT CONFERENCE (ATCONF)

SIXTH MEETING

Montréal, 18 to 22 March 2013

Agenda Item 2: Examination of key issues and related regulatory framework

Agenda Item 2.7: Economics of airports and air navigation services

DEVELOPMENT OF BEST PRACTICE IN CUSTOMER RELATIONS

(Presented by the Civil Air Navigation Services Organisation (CANSO))

EXECUTIVE SUMMARY

Understanding customer requirements and meeting their needs is the basis for a more productive provider-customer relationship. It is for this reason that CANSO has developed guidance material, including key principles and supporting tools for effective Customer Relationship Management (CRM) in collaboration with IATA and a number of individual airlines.

Action: The Conference is invited to agree to the recommendations presented in paragraph 4.

References: ATConf/6 reference material is available at www.icao.int/meetings/atconf6.

1. INTRODUCTION

1.1 Establishing and maintaining effective and mutually beneficial relationships with customers is simply good business. The Civil Air Navigation Services Organisation (CANSO) Member air navigation services providers (ANSPs) recognise that in order to meet the challenges of improving aviation safety, service, cost-effectiveness, and environmental/fuel efficiency, it is vital that they work with their customers and other stakeholders in the industry.

1.2 Effective Customer Relationship Management (CRM) lies at the heart of successful collaboration with customers because it enables improved understanding of what is required to better meet customer needs and expectations and support good performance.

¹ Arabic, Chinese, French, Russian and Spanish versions provided by CANSO.

2. CANSO GUIDE TO CUSTOMER RELATIONSHIP MANAGEMENT

2.1 The CANSO Guide to CRM serves as a reference document for CANSO Member ANSPs seeking to understand and apply the principles that underlie effective customer relations. As part of this initiative, CANSO encourages its Members to share experience of how different ANSPs have addressed the need to work and communicate with their customers.

2.2 CANSO Members believe that effective customer relations and consultation should be founded on the following fundamental principles, which can be applied to any kind of customer, for example any category of airspace user or airport operator:

- a) **Mutual trust & understanding:** Relationships should be founded in an environment of mutual trust and understanding. It is important that ANSPs openly share information related to their future plans and current performance with customers on a regular basis. It is equally important for customers to share information about their plans so that ANSPs can take this into account when developing their own future plans;
- b) **Early involvement of customers:** Customers who may be affected by a policy or plan should be engaged from an early stage, and throughout its development. Sufficient time should be allotted for ANSPs to consult with their customers;
- c) **True consultation:** Effective consultation should ensure that customers have the opportunity to have their say and know that their interests have been considered in policy decisions;
- d) **Clear & focused agenda:** Issues should be discussed informally with customers to establish an agenda and focus the formal consultation process;
- e) **Clarity of proposals, the rationale and their impact:** Customer consultation should make clear the nature of proposals; the parties most likely to be affected; the business case for proposals; specific questions on which feedback is requested; and the time schedule for responses;
- f) **Clear communication:** Consultation documents should be concise, clearly laid out and should make use of simple language wherever possible;
- g) **Tailored processes:** Consultations should use methods appropriate for the subject matter including seminars, working groups and oral briefings as well as standard written consultation exercises;
- h) **Constructive participation:** Reasoned responses should be provided by interested parties; responses should be acknowledged and all respondents should automatically receive copies of the final decision document; and
- i) **Convincing rationale shared following final decisions:** Decision documents should contain clear reasons for the chosen outcome(s), and should show how responses have been taken into account.

2.3 Though the airlines are typically the first party that springs to mind when addressing customers, these principles of CRM are equally applicable to other stakeholders, i.e. airport operators.

2.4 The CANSO Guide to CRM is founded on the belief that each relationship is unique. This means that the customer relations arrangements and tools must be tailored to the specific situation or environment. The nature of interaction between an ANSP and its customers can be affected by a range of influences:

- a) **Level of development of the parties involved in the relationship:** The level of development of an ANSP and its customers is determined by a number of organizational enablers, including leadership, customer orientation of people, policy and strategy, processes and resource management. In order to improve the relationship between an ANSP and its customers these enablers have to be developed. ANSPs and airlines with a high level of maturity will be able to develop a more sophisticated relationship;
- b) **The complexity of the industry environment:** The level of interaction with customers should be tailored to match the prevailing environment and needs of the parties. It is recognised that complex and intensive consultation processes can be costly. The nature and complexity of processes used to support the management of customer relations must be proportionate to the industry context in which an ANSP operates and the needs of its customers;
- c) **Cultural influences:** Cultural traits can have a profound impact on the nature of a relationship. There are likely to be variations in views on the characteristics of good customer relations and on how to build or manage them; and
- d) **Characteristics of the customer and ANSP:** Individual customers will have different needs, which result from the nature of their operation (e.g. scheduled versus charter) and/or the size of the operation. Clearly, variations in operational requirements will influence the nature of the relationship that is required by a customer from an ANSP. ANSPs may find that there is a need for a closer strategic relationship with certain customers by nature of their operation.

3. CONCLUSIONS

3.1 CANSO's Guide to CRM serves as a reference document for ANSPs seeking to implement an effective CRM system. It has been developed and validated in collaboration with the International Air Transport Association (IATA) and a number of individual airlines.

3.2 The CANSO Guide on CRM provides fundamental principles, a toolkit to support implementation, and examples of best practices. It recognises that each provider-customer relationship is unique due to a variety of circumstances and influences, and does not advocate or prescribe a single approach for how an ANSP should relate to its customers. However, for customer relations and consultations to be mutually beneficial, there are a number of fundamental principles, processes and tools that should be observed and incorporated into a CRM system.

4. **RECOMMENDATIONS**

4.1 The Conference is invited to:

- a) note CANSO's work in developing a Guide to Customer Relationship Management, and
- b) consider CANSO's Guide to Customer Relationship Management as best practice for the establishment of a permanent, regular and mutually beneficial consultation process between ANSPs and their customers.

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