Differentiated Service Support
Competitor Orientation

Airline MRO’s (LHT, AFI, DTO)

Other Independants (SRT, GAMCO)

SNT

MRO organizations linked to a manufacturer (AIB / Boeing)

OEMs
Market Orientation

- A reduced number of players (compared to other industrial activities)

- High level of awareness from Customers and a lot of interactions with Provider

- Long and intricate decision process involving a lot of actors (CTO, CFO, ……)

- MRO Market: a complex environment
  - Thousands of equipments/Aircraft types/Technologies/Providers in a fast moving technical world

- Traditional marketing tools not adapted to provide a solution or a « turn-key product »

- We found
  - References in services marketing
  - References in industrial marketing
  - Few references on industrial services marketing

Search for differentiation is being made with few existing references in a complex environment
Success conditions for differentiation

- Be unique compared to competition
- Has to be important for customer
- Justifiable and sustainable in the long term
- Explainable
- Financial sound
Customer Orientation

The search for differentiation in the customer support is organized around the full understanding of the customer’s

=> expectations (basic and specific)

=> perceived risk

It allows:

– to design and market new appropriate offers (savings in time and money in the development of new services)

– to innovate in the process of delivering the services

– to anticipate on market evolutions

– to propose new high end services
Example of differentiation

Product: Component full support on PBH for a fleet of A320 or B737
Very basic offer, today price per FH is the key decision driver for Customer

Existing package
Pool access and repair PBH, service level, customer quality plan, warranty administration, AOG coverage, transportation door to door, loans,……

Differentiating goodies
Internet tool, mod embodiment in PBH, extended supply chain, kitting, related parts (gaskets, nuts & bolts,….), risk & efficiency sharing pricing
Example of differentiation
Risk & efficiency sharing

We had to develop a very complex pricing system

- Pool access
  - Function of return time of counterparts from customer (Cust. Performance)
  - Function of removal rates on key components
  - Function of number of FH per year, of contract length

- Repair fees
  - Function of number of FH per year & aircraft maturity
  - Function of FH / Cycles ratio
  - Function of NFF (Cust. Performance)