





08

**Commitment  
to customers**

## 8. Commitment to customers

### HIGHLIGHTS 2011

- › Continued success in the implementation of Altéa Customer Management Solution, increasing the total number of passengers handled by Altéa to 439 million.
- › Study conducted to determine the most effective customer communication channels, implementing as a result a communication action plan.
- › New Businesses unit established with key strategic appointments in the Rail, Airport IT and Hotel divisions.
- › Continuous R&D leadership in the travel industry, ranked first in R&D scores in computer services in Europe

### OUTLOOK 2012

- › Further improve the quality of migration of large airline and travel agency customers.
- › Improved support to all customer segments, helping them achieve their goals.
- › Improve customer satisfaction results and reduce waiting time for standard product implementation.

### KEY FIGURES

- › Number one in two synergistic business lines.
- › 947.6 million total billable travel transactions processed in 2011.
- › Customer operations through 73 Amadeus Commercial Organisations with operations in 195 countries.

Our tagline, “Your technology partner”, reflects the company’s committed approach towards customer relationships. We focus on building and maintaining mutually beneficial long-term relationships. This stability helps us to develop an understanding of how we can maximise our customers’ successes, through the provision of technology.

Our commitment to customers is based on:

- › Understanding business needs and technical requirements of our customers.
- › Dedicating efforts and resources to continuously evolve products according to customer needs.
- › Providing the broadest range of travel provider content.
- › Servicing our customers through motivated and experienced staff with 24 hour-a-day support available globally.
- › Ensuring highest levels of connectivity and operational service of our technical platforms.

## 8.1 Our customers

Understanding the long term needs of our customers is the foundation of our partnership with them.

- > More than 463 million bookings processed in 2011.
- > More than 439 million passengers handled by Amadeus Altéa in 2011.

Amadeus provides a comprehensive offering to the travel and tourism industry. These combine technology in distribution, IT point of sale solutions and more, helping our customers to take advantage of the technology and convert it to business success.

Amadeus customer groups	
Travel providers	<b>Airlines</b> - network airlines, regional airlines, and low cost/leisure carriers
	<b>Hotels</b> - chains, representation companies, and independent hotel companies
	<b>Ground &amp; Maritime</b> - car rental companies, railway companies, ferry lines, cruise lines and insurance companies
	<b>Tour operators</b> - speciality, mass-market and vertically-integrated tour operators
Travel sellers	<b>Travel agencies</b> - including travel management companies, business and leisure agencies, online travel agencies and consolidators
Travel buyers	<b>Corporations</b> - self-booking solutions for companies looking to maximise value from their travel spend



The table below includes information about travel providers and travel agencies using the Amadeus system, as well as information on the volumes processed through the Amadeus distribution platform.

Key customer indicators	2009	2010	2011
<b>Travel providers - Distribution</b>			
Airlines that can be booked in Amadeus	465	436	420
Car rental companies available in Amadeus	26	29	30
Hotel properties available in Amadeus	86,000	87,000	110,000
Rail companies available in Amadeus	107	103	102
Cruise lines available in Amadeus	20	21	22
Ferry companies available in Amadeus	30	30	30
Tour Operators available in Amadeus	190	204	206
<b>Travel Buyers - Distribution</b>			
Travel agency points of sale (locations)*		90,000	91,000
Airlines sales offices (locations)*		59,000	67,000
Air travel agency bookings (millions)	352.4	382.4	402.4
Total bookings (millions)	413.2	441.6	463.8
<b>Airline IT</b>			
Airline IT customers - Reservation	134	142	141
Airline IT customers - Inventory	90	109	115
Airline IT customers - Departure Control	40	61	92
Passengers Boarded (millions)**	237.5	372.3	439.1

\* The definition of travel agency point of sale and airline sales offices changed in 2009, therefore the figures from previous years are not comparable.

\*\* Represents the number of Passengers Boarded onto flights operated by airlines using our Altéa Inventory and, in some cases Altéa Departure Control modules during the year indicated.

## Global reach

The table below illustrates the geographic spread of the bookings processed through the Amadeus distribution platform.

Geographic spread Amadeus Air bookings	2009	2010	2011
Western Europe	172.8	183.2	190.6
Asia-Pacific	47.9	53.3	57.1
Middle East and Africa	42.1	48.3	49.8
Central Eastern and Southern Europe	34.2	38.3	40.5
North America	31.9	34.7	37.1
Central and South America	23.5	24.6	27.3
<b>Total Air travel agency bookings</b>	<b>352.4</b>	<b>382.4</b>	<b>402.4</b>



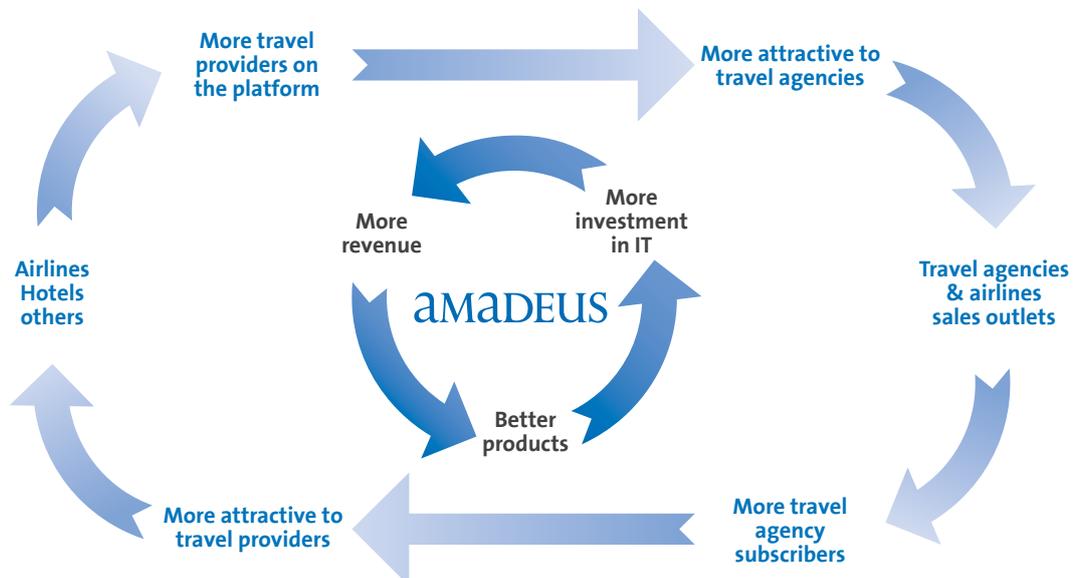
Amadeus distribution technology & services	
Travel providers	Travel agencies
Airlines	Travel management companies
Insurance companies	Business travel agencies
Cruise and ferry lines	Leisure travel agencies
Tour operators	Online travel agencies
Hotel properties	Consolidators
Car rental companies	Single-site agencies
Railways	Travel search companies
	Airlines sale offices
	Websites connected to Amadeus direct sell technology

### Distribution customers

Distribution customers include travel providers and travel agencies.

Amadeus' two-sided distribution business operates at the nexus between travel providers, who make their wide range of travel products available to Amadeus' system, and travel agents and airline sales offices that use the system to make reservations for individual travellers.

The wide range of travel content available in Amadeus creates a powerful network effect, attracts a wide geographic spread, a large number of travel agents and airlines sales offices. In turn, the more travel agents connected to the sales network over many countries, the more attractive our network is for travel providers to be connected to this sales network. Therefore the larger the network, the more attractive it is for all participants and the more transaction revenue is generated. This enables us to invest more in research and development to provide better products within the network, further increasing its attractiveness.



### Amadeus Commercial Organisations

Amadeus Commercial Organisations (ACOs) are our local offices that support both the distribution and IT business areas on the ground, providing local knowledge and improved access to customers, with special focus on travel agencies, while also benefitting from economies of scale through a shared customer support infrastructure. Thanks to ACOs, we can be both geographically and culturally closer to our customers, with more people on the ground managing accounts and looking after customers every day, and thus in touch with local needs and concerns. Currently we have 73 Amadeus Commercial Organisations covering 195 countries.

The importance of the local presence can hardly be overestimated, and it goes beyond strictly regular business support. As an example, when in May 2011 many airlines started to cancel flights due to an ash cloud from an Icelandic volcano, our ACOs understood there would be major disruptions to the travel agencies and airline industry through mass flight cancellations and with travel agents desperately trying to have passengers rebooked onto alternative services. The unpredictability of the ash cloud led to even rebooked services being cancelled, leading to further chaos.

Our ACO in the UK set up an ad-hoc and exceptional support system by which the team of trainers were on hand for first level functional helpdesk to transfer ash cloud related calls to the available trainers, freeing up our first level helpdesk to ensure that we were still able to offer reasonable service levels to our customers regarding call waiting time. Ticket reissuance was the major call driver related to the ash cloud. As tickets reissues can be lengthy calls, this solution enabled our first level helpdesk to transfer the call to trainers and then attend further calls.



### IT customers

Amadeus offers travel providers (mainly airlines) an extensive portfolio of technology solutions which automate certain mission-critical business processes, such as reservations, inventory management and other operational processes, through our IT Solutions business area.

Additionally, we are expanding our IT Solutions business area to include offerings for other travel providers, such as hotel and rail operators. In fact, by the end of 2011 the commercial businesses of Amadeus were reorganised and we now have a customer-facing unit fully dedicated to new businesses, with special focus on rail, airport and hotel IT solutions.

Our core Distribution and IT Solutions business areas exhibit strong technological synergies. In addition to the sharing of technology and product development across our Distribution and IT Solutions business areas, which gives our customers the benefit of common IT and software applications and platforms, both business areas also benefit from sharing a data centre and communications network.

Moreover, we are able to leverage our organisational structure to support both business areas. Our global network of local ACOs supports both business areas on the ground, providing local knowledge and improved access to our customers, while we also benefit from economies of scale through a shared customer support infrastructure. Being present in two closely linked businesses allows us to use deep industry knowledge gained in one area of business to benefit the other.

### New Businesses unit

Reflecting the evolution and growth of both Amadeus and the industry, Amadeus underlines its commitment to growing its New Businesses portfolio, with the creation and development of the New Businesses unit including the Airport IT, Rail and Hotel divisions.

Amadeus IT solutions
Airlines
Airports
Ground handlers
Hotels
Rail operations

## 8.2 Commitment to deliver innovation to our customers

Innovation is one of the principal drivers behind Amadeus' progress and growth, which has allowed the company's technology to achieve an outstanding competitive position within the market. Total investment since 2008 stands at more than €1.1 billion.

Amadeus has sixteen R&D centres around the world (Nice, London, Sydney, Antwerp, Aachen, Frankfurt, Boston, Miami, Toronto, Strasbourg, Istanbul, Tucson, Bangalore, Bogota, Warsaw and Bangkok), which currently house a team of over 4,000 people.

We understand technology evolves extremely quickly and we need to continuously investigate to improve our solutions and enhance our value proposition for customers.

In terms of technology, Amadeus' R&D efforts have been particularly focused on:

- > High performance transaction processing under stringent system availability and dependability requirements.
- > Information mining from very large data-bases.
- > Super-responsive travel search engines.
- > Multi-channel customer servicing applications (agent desktop, web, kiosk, mobile, tablets).

The graph below compares the level of R&D investment by net sales of the companies included in the EU Industrial R&D Investment Scoreboard by country, to the same ratio for Amadeus in 2010.

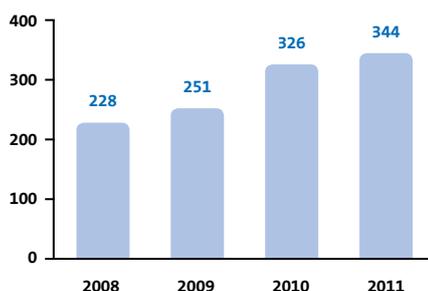
Examples of the impact this has had on innovation in Amadeus products and services in recent years include:

- > Continued development of the Amadeus Altéa Customer Management Solution (CMS), our community-based airline IT platform that consists of three solutions covering reservation, inventory management and departure control. The Altéa portfolio has marked a technological and functional breakthrough in the airline industry
- > Development of the Amadeus Hotel Platform, a solution for hotel chains which combines central reservation, property management and global distribution systems into one fully integrated platform. This recently-launched platform is designed to support hotels in the current age of globalisation and expansion, enabling them to respond to changing traveller demands.
- > Development of sophisticated search engines with new parameters, such as the recent launch of Amadeus Extreme Search for online travel agencies worldwide. Extreme Search

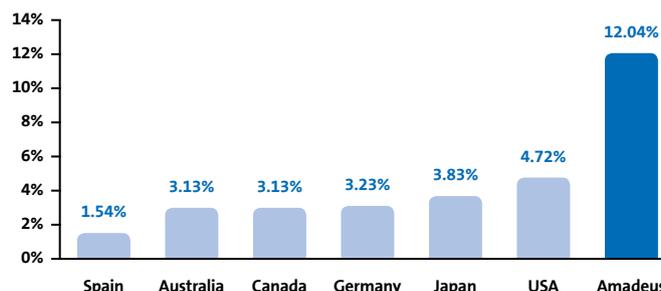
is an inspirational shopping tool that offers an intuitive search solution that revolutionises the way consumers search for air travel online, allowing them to search by budget, type of activity or geography, rather than searching by traditional criteria such as origin and destination.

- > Development of ancillary services solutions as part of our commitment to helping airlines adapt and evolve their ancillary services strategy so that customers can move their focus from pure revenue to delivering profitability. Amadeus Airline Ancillary Services is an end-to-end solution which enables airlines to distribute (display, book, price and pay) services across all channels in full compliance with industry standards. Amadeus has developed a unique interactive catalogue which clearly displays the range of additional airline services available allowing travel agencies to view, book and up-sell ancillary services quickly and efficiently. At the moment, more than fifteen airlines have already signed up for Amadeus Airline Ancillary Services. The solution has already been implemented both for the online and the travel agency channels in key markets, including France and Scandinavia.

Amadeus investment in R&D (million €)



R&D / Net Sales in 2010. Top 1,400 World R&D investing companies<sup>18</sup>



<sup>18</sup> Source: Own elaboration based on The EU Industrial R&D Investment Scoreboard, available at <http://iri.jrc.es/reports.htm>

## 8.3 User experience research

Producing user friendly and satisfying products results from a thorough understanding of user needs. Highly innovative software companies have understood that User Experience Research, also called Ergonomics or Human-Computer Interaction, is key to gathering invaluable insights from their users to drive design from the earliest stages of development, resulting in highly efficient IT tools. Also, we implicitly review requirements relative to health and safety.

At Amadeus, User Experience is crucial and goes alongside product functionality and performance. This is why we have set ourselves an ambitious goal for our next generation business-to-business and business-to-customer products: to develop the most usable graphical interfaces based on the findings of research carried with end-users around the world.

The Amadeus User Experience research team follows a four-step reiterative approach to answer Product Management requests, from Research to Guidelines:

### 1. Build Tests

Target users are identified and protocols are built which include the research techniques to be used and the material to be tested; including live products, interactive prototypes and conceptual mock-ups.

### 2. Collect Data

User sessions are run either in our state-of-the-art user lab or directly at the user's premises (ex. airline office, travel agency). To guarantee neutrality, a large number of sessions are run by a third-party Usability Expert company.

### 3. Analyse Data

User's reactions and expectations as well as errors and misunderstandings are analysed to evaluate the screen layouts, workflows and general interaction.

### 4. Produce User Interface Guidelines

As a result, the findings of the research are translated into usability rules and recommendations which are known internally as User Interface Guidelines. The Amadeus community as a whole is responsible for making sure that products comply with these guidelines.

By investing in User Experience Research, we are ensuring our products can reach the level of productivity and user-friendliness expected by our users and customers. Moreover, by applying this upstream reiterative process, we are able to creatively explore ideas before big technical investments are made, thus avoiding expensive and time-consuming redesigns later on.



## 8.4 Global, regional and local customer service

Amadeus Global Customer Services provide learning and support services to our customers by leveraging the company's technology, people and processes.

First level customer support services for travel agency customers are generally provided by the Amadeus Commercial Organisations locally in each market. This is the backbone of our service organisation, the closest possible to the customer, supporting local language and market specific products. In the Americas however, the Global Customer Services organisation operates the Amadeus Customer Service Centre based in San Jose, Costa Rica and Buenos Aires, Argentina as the sole point of contact for all travel agency customers in North and Latin America. These functional and technical support services are provided in both English and Spanish. In addition, Amadeus Brazil provides front line support to travel agency subscribers in the Brazilian market in the local language.

In most cases, airlines and other travel providers provide their own first level support to their organisations. However, ten airlines have selected Amadeus to provide this first level support on their behalf, in particular for Airline IT system support.

Second level support is provided by Service Management Centres, a virtual support organisation located in Bangkok, Miami, Nice, London and Sydney. This 'Follow The Sun' organisation provides seamless 24 hour coverage, seven days a week. This concept has always been at the core of Amadeus' operations as a tried and tested way of providing seamless global support to customers. Service Management Centres are comprised of specialised global teams dedicated to each business area such as Airline IT, Distribution, and New Businesses.

As an example of our efforts to get closer to customers and to be able to respond faster to their regional needs, parts of our training organisation have been regionalised by creating regional training centres. We have dedicated training centres in Buenos Aires specifically to provide training services in Spanish to airline customers in Latin America as well as in Bangkok where new facilities will be inaugurated early 2012 to continue supporting our growth and better respond to the needs of Amadeus airline customers, often in local languages, in the Asia-Pacific region.

Amadeus has also invested in innovative online self service solutions for its customers. Today, more than 55,000 customers in 60 markets are serviced online via the Amadeus e-Support Centre.

## 8.5 Customer satisfaction measurement and follow up

Customer satisfaction measurement is complicated in Amadeus by the different business units and customers groups affected. Our Global Marketing Research team is therefore coordinating the customer satisfaction survey programme with the following objectives:

- > Coordination of all Customer Satisfaction Surveys (CSS) at Amadeus.
- > Support to CSS managers within each business line.
- > Ensuring consistent methodology.
- > Consolidation of results and presentation.
- > Development and maintenance of reporting tools.

In 2011 the following customer groups were included in the CSS programme:

- 1 Distribution business:** Travel agencies and airlines.
- 2 Airline IT:** All airline IT customers.
- 3 New Businesses:** Hotel distribution customers.

Once CSS results are obtained, each commercial business unit follows a systematic plan to build and implement an improvement plan.

In 2012 the objective is to expand the scope to include corporations and on-line travel agencies in the Distribution business.

## 8.6 Data privacy and responsible marketing

Our relationship with customers relies to a large extent on trust and delivery on our commitments; consequently the reliability and robustness of our technology is a key objective in all phases of our relationships with customers.

We are committed to the total reliability of our world class technology operations. The Amadeus security framework complies with the Cybertrust Security Management Programme (SMP) Perimeter Certification and also meets the strict standards of ISO/IEC 27002:2005 on best practice recommendations for information security management. Operations at our data processing facility is ISO 9001:2008 certified, and regular audits ensure that security levels are maintained. We were the first GDS to be awarded ISO 9000 certification in 2000 for the quality of our services.

We strictly manage communications security at every level with multiple firewalls, the very latest security patches and virus protections and separate network modules for production, test and office traffic. The global Amadeus wide-area network is built with high resilience in mind. It is based on the concept of 'no single point of failure'. Each customer has two different routes to the Amadeus system – two separate fibre channels, provided by two distinct providers and travelling over two physically separate routes.

In recent years, our network has been migrated to the latest IP (internet protocol) technology. The project took five years and included all 80,000 connections worldwide, with almost no impact on customers as a result of the on-going work.

Amadeus, which hosts the Amadeus Payment applications at Amadeus Data Centre, is compliant with the Payment Card Industry Data Security Standard (PCI DSS). The PCI DSS aims at protecting cardholder and authentication data to avoid fraudulent use of payment cards.

With respect to customer privacy, there were no reported incidents in 2011.

In relation to marketing practices, we strive to uphold the highest standards. The brand image Amadeus distributes both internally and externally reflect Amadeus' diversity and multicultural workforce, promoting values of gender and race equality. Amadeus also ensures that internal videos, messages and images reflect local culture, so that employees are aware of the diversity present throughout the company.



## 8.7 Thought leadership and awards

Delivering inspiring market research and travel industry insight is central to Amadeus' position at the cutting edge of the world's largest business sector. As part of this commitment to innovation and thought leadership, last year a number of reports on market trends and predictions for the future of the travel industry were published, many of which generated debate in the international media. All of the below reports are available for download from the Amadeus website.

- **The always-connected traveller:** how mobile will transform the future of air travel revealed changing traveller attitudes to airline mobile services whilst also highlighting the specific, emerging mobile technologies that are going to revolutionise each stage of the travel experience.
- **Transform Your Growth Strategy Now:** this report was published in conjunction with leading hotel industry expert Robert Cole and advised hotels to align strategic business and IT priorities now in order to secure growth over the next three years. The report identified gaps that exist between hotel technology, marketing and operations that are currently blunting growth strategies and ambitions.
- An analysis published by the market intelligence solution Amadeus Total Demand by **airconomy** showed that Asia-Pacific and the Middle East, followed by Europe, have become global hot spots for inter-regional long distance air travel. The review looked at trends in worldwide passenger demand between regions over the last two years, comparing the first quarter of 2009 to the first quarters of both 2010 and 2011.

- A pan-European survey of over 7,000 rail passengers, which was commissioned by Amadeus and conducted by **YouGov**, highlighted how European high-speed rail must evolve to meet changing traveller demands. Almost 60% of rail travellers want the opportunity to reserve "connecting rail travel and other modes of transport" (e.g. one ticket for a journey involving a flight followed by a train). It also showed that significant opportunities for rail exist, as 77% of rail travellers would prefer an international high speed train journey instead of another mode of transport, if the cost were competitive.
- For the second year running Amadeus worked together with **IdeaWorks** to produce the Amadeus Worldwide Estimate of Ancillary Revenue for 2011. The report estimated that ancillary revenues will soar to \$32.5 billion worldwide in 2011, an increase of 43.8% on 2010. This revenue lifted the airline industry from a loss making position and continues to provide a very effective hedge against increasing fuel bills. The report highlighted the 'Ancillary Revenue Champs', which are carriers that generate the highest activity as a percentage of operating revenue. Examples include AirAsia, Aer Lingus, easyJet, Ryanair, and Spirit Airlines. The average achieved by this group was 19.8%, which is slightly up from 19.4% for 2010.

### Awards

- For the second year in a row, Amadeus was named "Most Admired Technology Provider" in the 2011 **Readers' Choice Awards for The Beat**, the industry-leading travel business newsletter. Amadeus was among the winners selected in six industry categories by The Beat readers, representing an audience of over 6,000 people from over 250 companies worldwide.
- Amadeus Asia-Pacific won the prestigious 2011 Airline IT Solutions Provider of the Year Award from **Frost & Sullivan**, which recognises innovative best practices in the aerospace and defence industry.
- Along with its partners Microsoft and American Express Global Business Travel, Amadeus was awarded the "**Travel Team of the Year**" at the 2011 Business Travel Awards.
- For the third consecutive year, in the UK Amadeus was awarded Best Technology Provider at the **Travel Weekly Globe Awards**.