

# Flying through check-in with Ryanair

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## Overview

### Customer challenge

With plans for double digit growth for the next three years Ryanair, Europe's largest low fares airline, needs to constantly seek ways of driving cost out of its business to keep fares low.

### Solution

To reduce the costs associated with airport check-in, IBM worked with Ryanair to introduce one of the world's first implementations of Chip and PIN enabled airport kiosks.

### Customer benefits

- Number of check-in desks and associated costs reduced by 75% at Stansted airport
  - Average time taken to process each customer at the airport can be reduced by as much as 50%
  - More efficient use of airport resources due to 24/7 centralised access to real-time business information
  - Flexible, scalable kiosk solution accommodates future change and growth.
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Ryanair, one of Europe's first low fares airlines, is familiar with blazing a trail. Its strategy of low basic ticket prices with an increasing selection of optional extras has proved extremely successful and is already transforming how other airlines operate around the world.

Experiencing phenomenal levels of growth, Ryanair has 42 airport bases, more than 1,100 routes and is set to carry 65 million passengers this year and close to 75 million next year making it one of the largest airlines in Europe. With plans for continued double digit growth each year for the next three to four years, the company expects to be the largest airline in the world.

Ryanair's success in offering low fares to popular destinations is underpinned by operating a low cost business model. Michael O'Leary, CEO at Ryanair saw kiosks as the way forward. He says: "This was clearly the way forward for air travel for two reasons. One, passengers prefer to use kiosks. It's simple, it's quick and by having multiple kiosks you can avoid queues at the airport. And two, from the airline's point of view, it helps us to get rid of check-in desks, and the expensive costs associated with those facilities at airports. So it's a win win for the passenger and for the airline."

## A partnership of innovators

The airline needed to find a supplier with proven technology and a reputation for service delivery. After researching many different kiosk solutions, Adrian Dunne, Deputy Director of Ground Operations at Ryanair, says "We chose IBM as our partner in this project because of the leadership the company has demonstrated in designing self-service airline kiosks. Ryanair provided input into the design of an IBM kiosk built specifically to meet the needs of low cost carriers. We wanted to be one of the first airlines in the world with a self-service Chip and PIN payment facility and felt confident that IBM was the right company to help us introduce that innovation," continues Dunne.

Currently the kiosks enable passengers to complete the normal Ryanair check-in procedures and pay any outstanding charges without having to visit a check-in desk. However, Ryanair prefers its customers to check-in online and, very shortly, it will be compulsory to do so. At that point the kiosks will complement the move to 100% online check-in by providing self-service processing for passengers who have forgotten their boarding cards, for example, or have unpaid fees such as charges for excess baggage.



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Michael O’Leary, CEO at Ryanair

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### Transparent goals, honest relationships

While the Ryanair kiosks and the customised applications that run on them were built by the IBM Self-service Centre of Excellence in Canada, a local team from IBM Ireland worked closely with Ryanair to determine how the solution should be integrated into existing business processes and how it would meet all of Ryanair’s specific needs.

IBM had to work with several stakeholders and third parties, including a number of airport authorities and banking authorities, to ensure a successful outcome. Chip and PIN was being introduced on an unattended terminal and the banking authorities had to approve the processes used.

According to Dunne: “The IBM team mapped out how all our kiosk related processes would work and how information would flow around our organisation. Everything was clearly documented which meant all the interested parties understood and agreed on the solution before development work started. There was little risk of us wasting money on developing a solution that would be rejected further down the line. IBM proved very nimble and flexible, responding quickly to our demands and keeping the project moving at the pace we required.”

Summarising the experience, O’Leary says: “With IBM, we have their professionalism, we have their IT skills, and their world wide brand in delivering cost efficient IT solutions for rapidly growing companies like Ryanair. They’ve been great to work with, we have a very good relationship and that’s why the kiosk rollout has been so successful. We plugged it in, switched it on and IBM did the rest.”

### Tracking trends

Ryanair has already deployed around 160 kiosks in five European airports and a total of 250 will be in place by the end of the year. Ultimately the kiosks will be installed in 150 airports and will be managed through one central point in Dublin. This enables Ryanair to have round the clock, instant information about check-in for flights.



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Adrian Dunne, Deputy Director of Ground Operations at Ryanair

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With clear visibility of trends connected to passenger reporting patterns at the airport, Ryanair can make more intelligent use of its available resources; opening kiosks and bag drop desks to match demand in real-time.

IBM managed the initial kiosk installations with a third party which now works directly with Ryanair to provide further installations and 24/7 maintenance. Through the Internet, the maintenance company is given access to a specially tailored view of what is happening on individual kiosks, highlighting when action is needed – whether it’s something simple like replacing paper for the printer, or a more complex issue requiring technical support.

### **Lower costs, lower fares**

“Times are tough economically at the moment,” says Dunne.

“Nevertheless, Ryanair’s offering is particularly attractive when budgets are tight and we’re still growing year on year. We aim to drive down our costs per passenger by 5% this year so that our average fares can continue to fall. The self-service kiosks IBM has helped us introduce should play a significant part in helping us achieve that.”

At Stansted airport, Ryanair’s largest hub, the airline has been able to reduce its check-in desks by 75% from 80 to just 20 following the introduction of kiosks. This represents a significant saving.

Kiosks have reduced the time taken for Ryanair to process passengers at the airport, cutting queues for customers and helping them reach the departure gate on time.

The kiosks also allow Ryanair to apply any additional passenger charges in a fair, transparent and consistent manner according to a pre-defined set of rules.

### **A new future for airline customers**

Kiosks offer Ryanair a flexible, scalable solution which helps increase the throughput of customers while continuing to drive down costs.

In the future, Ryanair plans to help customers manage missed departures and flight disruption through the kiosks. If bad weather means a flight is cancelled or a passenger turns up too late, the aim is that they will be able to rebook themselves onto another flight or receive a refund, if appropriate, without joining a lengthy queue at an airport ticket desk.

There is also the possibility of partnering with other companies to offer customers the opportunity to purchase bus or train tickets, book hotel accommodation or select discount vouchers appropriate to their journey’s destination through the kiosks.



“Eventually we’d like all interaction between Ryanair and our customers to take place through our web site or a kiosk at the airport. That way our operations become streamlined and consistent. We have a vision of customers walking into an airport, specifying their journey details, paying by credit card at a kiosk, receiving their boarding card and heading off to the departure gate,” concludes Dunne.

### For more information

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IBM Ireland Limited  
Oldbrook House  
24-32 Pembroke Road  
Dublin 4

Tel: 1890 200 392  
[ibm.com/services/ie](http://ibm.com/services/ie)

United Kingdom Limited  
PO Box 41  
North Harbour  
Portsmouth  
Hampshire  
PO6 3AU

Tel: 0870 010 2503  
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