The Jewel in Changi’s crown

While adding retail attractions is important, Changi is also thinking ahead to Terminal 5 and using smart technology to future-proof its role as a leading airport in the world.

Jochen Wirtz
For The Straits Times

Equipped with more than 300 shops and restaurants, a hotel, a multi-screen cinema and a kids’ indoor air-conditioned gardens, Changi Airport’s new Jewel terminal has been designed as the new concourse – both physically and metaphorically – of the award-winning airport. It is also a $7 billion glass-and-wood-domed commitment to keeping Changi’s position as the global leader among the world’s airports.

But, some might say, why bother? An airport is an airport, right? Who knows that you haven’t been through or why it was at a spot of shopping a few minutes ago?

Why do airports need to be competitive?

The short answer is that the air travel industry is changing rapidly, and many other airports in the region are not cooling off. Dubai’sBU is now, Changi may find its eminent position challenged.

For Changi, building on its culture of service-oriented and customer-centered opening the Jewel is a key part – strategy apart of its overall strategy is to keep travelers and airlines coming to Singapore.

CHANGI OVER THE YEARS

Since its opening almost 4 decades, there is no doubt that Changi has revolutionized the airport. It is regularly voted the best in the world, and traverses around the world with a passion for efficiency, ease of use and cleanliness.

It has also built a reputation as a leader in service innovations, rethinking every aspect of the customer experience by pioneering the use of technology in areas such as automated check-in, baggage handling and even low customer feedback on the cleanliness of its bathrooms.

In large part, Changi has built it up high standards, Tanzania – competitive, linear and rise the bar, moving beyond being a transport service and logistics facility for passengers and cargo, and rethinking what it means to be an airport in the 21st century.

The 10-storey Jewel complex is one part of this drive, intended – according to the airport’s publicity – to position Changi as a “flavours destination”.

As Singapore’s main airport, you might not think Changi faces much in the way of competition. For the business of airports is highly competitive, driven by changing passenger expectations and the fast-evolving business of aviation itself.

Airports compete for passengers, but also for airlines which select airports based on a combination of factors, including passenger demand as well as the efficiency and cost-effectiveness of the airport’s various handling services.

REGIONAL COMPETITION

Another element is the number of other airlines serving that airport – particularly airlines in the same alliance – which allows them to offer passengers a wider network of destinations.

As a major Asian hub, Changi competes with nearby airports such as Kuala Lumpur, Bangkok and Hong Kong. But it is also facing fierce competition from airlines and airines in the Middle East, among them Dubai and the huge new airport in Istanbul. The latter, when completed in 2023, will be able to handle up to 200 million passengers annually, well over twice Changi’s current capacity.

Elsewhere, airports in China are also growing rapidly and developing new hubs, with the massive Beijing-Tianjin airport handling more than 100 million passengers annually, due to open towards the end of this year.

At the same time, the air travel industry itself is changing and becoming more competitive. Developments, such as the boom in business travel and the emergence of new generations of aircraft, are two factors shifting how people travel.

For decades, Singapore Airlines has been a key Asian air travel hub and a prime stopover point on the so-called “kung-fu routes” between Europe and Australia. Recently, however, advances in airport technology have led to the development of new long-range, ultra-high-fares aircraft, opening the prospect of planes no stop-over hubs beyond Singapore anymore.

Last year, for example, Asian airline Qantas launched the first non-stop flights between Perth and London. Such routes are especially appealing to business passengers who are willing to pay premium for quicker, more direct journeys.

Building on that, Qantas has challenged Boeing and Airbus to come up with an aircraft capable of flying non-stop between Sydney and London by next year. It is one of the challenges that Changi needs to find solutions to.

That is not to say that the hub model of airport is becoming obsolete. It remains the most efficient system for airlines to manage their network strategy and deliver value to customers.

But as competition intensifies from other airports and passenger traffic shifts to new ultra-long-haul routes, Changi must update its game to attract travelers and airlines more reason to pass through. The Jewel is designed to strengthen Changi’s hand.

SMART NATION, SMARTER AIRPORT

Yet, it is not just about the Jewel alone. Construction is underway on Changi’s new terminal, Terminal 4, which is due to open in the late 2020s and promises to become one of the largest and most advanced terminals in the world.

By offering increased capacity – and therefore more network carriers – as well as efficient aircraft handling and interactive passenger facilities to reduce, waiting and improve the overall experience, the addition of Terminal 4 in Changi’s strategy to remain the leading airport for airlines and passengers.

Andrea Frisch, Terminal 4 will incorporate a range of innovations, many of which Changi is already testing in its existing terminals, sensors, analytics and artificial intelligence to make the customer experience as seamless and efficient as possible.

Systems include facial and fingerprint recognition designed to check-in at speed and boarding, and technology that monitors baggage handling to reduce errors and sewage bags are moved quickly and accurately between aircraft to avoid delays.

Another system is designed to provide real-time data on taxi demand across the airport, allocating taxis where they are needed most.

Such customer-centric innovation has become part of Changi’s culture and, in its own teaching at the National University of Singapore Business School, frequently used as a case study of a business organisation with an intrinsically observable excellence.

One recent initiative, for example, is the Changi Airport Living Lab. Launched in 2017, it partners established companies and start-ups to test and develop technologies that improve the airport’s efficiency, productivity and convenience – including costs for airlines, lowering emissions and improving the passenger experience.

Another initiative, the Smart Airports Programme, is making use of sensors, analytics and artificial intelligence to improve services across the airport’s operations.

One example is an AI-driven system designed to predict aircraft arrivals and increases in the number of passengers in advance, helping to optimise the deployment of ground service crews and reduce aircraft taxi time. This also helps cut delays, lowering costs for airlines, speeding up passenger transit times and reducing carbon emissions.

In short, the Jewel is part of Changi’s ongoing innovation and investment to position the airport as a destination for passengers – somewhere that airlines and passengers specifically choose to visit.

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