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A Web Site Hiccup but Westjet Blazes a Trail

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The Facts

WestJet cut over its Passenger Service Systems from Navitaire to Sabre over the weekend of October 17/18 2009. On Monday 19 October the airline's web site suffered a three-hour outage according to press reports. There were also reports of problems with airport kiosks and some advance seat reservations.

Analysis

This cutover is noteworthy as it is the first significant fulfilment of a phenomenon that we have been observing over the past two years. A successful low-cost airline has determined that its continued success depends on the ability to add complexity to its business model in order to improve its revenue. In the case of WestJet it has been unable to implement code-share relationships with major international carriers until it could improve on the functionality provided by Navitaire's OpenSkies or NewSkies systems. It has also agreed to enter a code-sharing relationship with the world's biggest low-cost airline, Southwest. Westjet's management clearly could not contemplate taking on that challenge unless they were completely confident in the technology they would bring to bear.

Sabre's management deserves congratulations for spotting this trend early. In the spring of 2008 Sabre published a report showing that low-cost airlines that achieve a certain level of maturity tend to move towards a more hybrid business model in which they incorporate elements of traditional airline functionality. Based on that research the company allocated substantial investment to its SabreSonic Customer Sales and Service (CSS) solution, specifically with a view to capturing a substantial share of this market. The first fruits of the investment were the wins of WestJet and JetBlue in quick succession [earlier this year](#). These two carriers are archetypes of the move towards hybridisation and with 36 million boarded passengers between them in 2008 they represent a significant shift in market share towards Sabre. The cutover last weekend is the first fulfilment of Sabre's strategy.

But what about the web site outage and the problems with kiosks and seat assignments? Do they indicate a lack of quality control by Sabre and WestJet? The brutal answer is probably yes but in this respect they are little different to every other player in the industry. It is very easy to find examples of glitches in service following the change of such major commercial systems.

Why this should be is probably a more interesting question than exactly what went wrong in Dallas and Calgary last weekend.

WestJet's migration from Navitaire to Sabre involved the conversion of approximately 850,000 Passenger Name Records between radically dissimilar database systems. It required the reconfiguration of hundreds of terminal devices and the adoption of new user interfaces by hundreds of airline staff. Changing a PSS has often been compared to a heart transplant for the airline and while this metaphor is probably a little tired by now it does give some indication of the complexity of the task.

Given the challenges most suppliers would have been very pleased to have had so little disruption following the cutover and indeed it is very unlikely that WestJet or Sabre will suffer any long-term consequences. But this should not be good enough for Sabre. The organisation needs to learn from its experience at WestJet to ensure that the JetBlue cutover will be even more successful. History is on its side. Rival Amadeus suffered an enormous, and expensive, outage within weeks of taking responsibility for British Airways' systems in 2001. As a result it improved its processes to the extent that subsequent cutovers have gone largely without a hitch. There is no reason to suppose that Sabre is a less capable learning organisation.

The Speculation

WestJet is the first of several major airlines that will be migrating to the Sabre systems over the next few months. JetBlue, Vietnam Airlines and Volaris of Mexico will all be following the same path. Lessons learned at WestJet will be applied to those airlines and successive cutovers will be even cleaner.

The WestJet implementation uses the legacy SabreSonic Web plus in-house developed applications rather than the new generation solutions for which Sabre acquired specialist provider eb2 at the end of 2008. Integration of the new products will no doubt have its own challenges but in the longer term their cleaner architecture and modern components should allow improved performance as Sabre spreads its influence amongst the new generation of hybrid airlines.