

# Finnair – the new future



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# THE SHORTCUT BETWEEN EUROPE AND ASIA



New Routes 2015:

Chicago

Athens

Dublin

Lanzarote

Madeira

Malta

Split

Eilat

Ho Chi Minh City

- 15 destinations in Asia
- Over 60 destinations in Europe



# Renewed Customer Experience 2014-2015



Sky Bistro & signature menus



Next generation IFE



Fully Flat Business seats



Economy Comfort intercontinental



New & renovated lounges



Co-operation with Marimekko



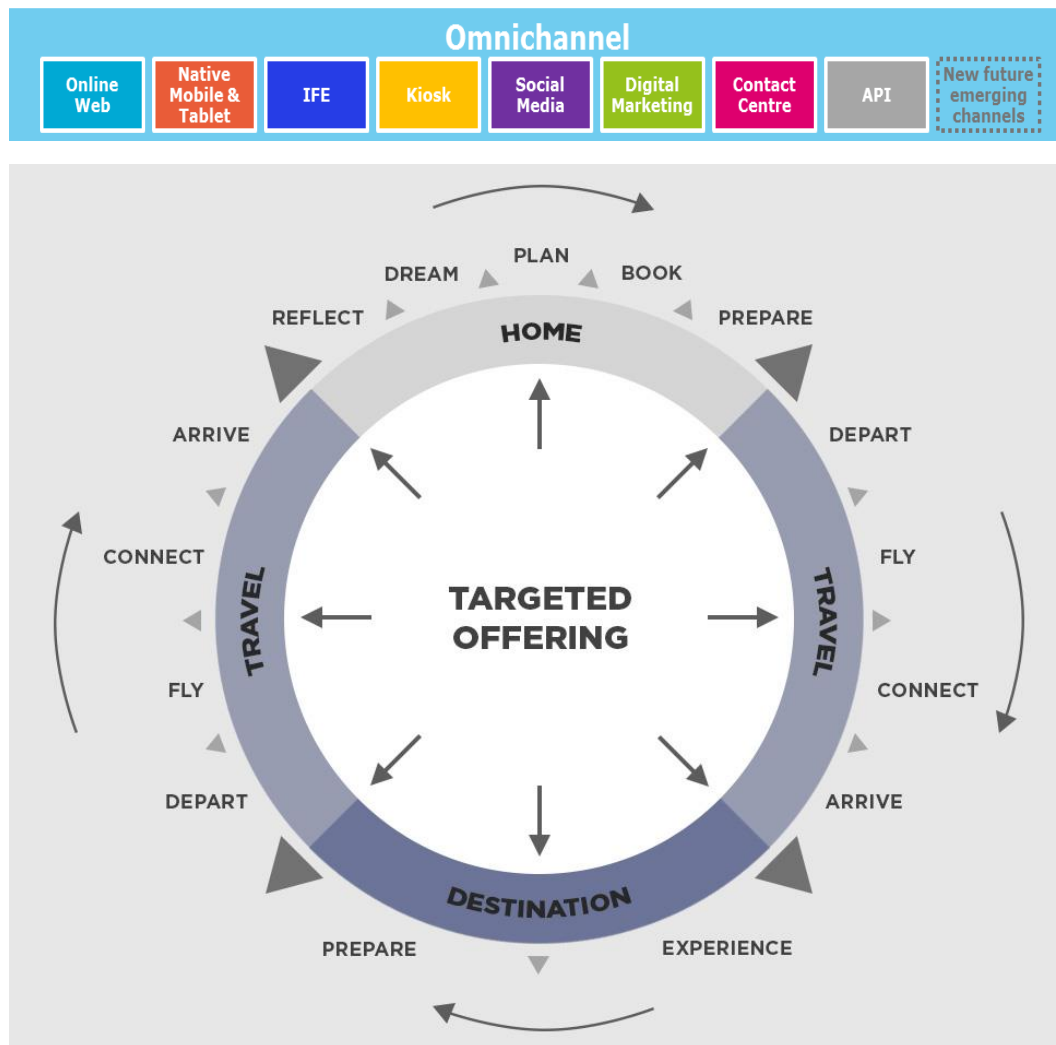
Airbus 350 XWB



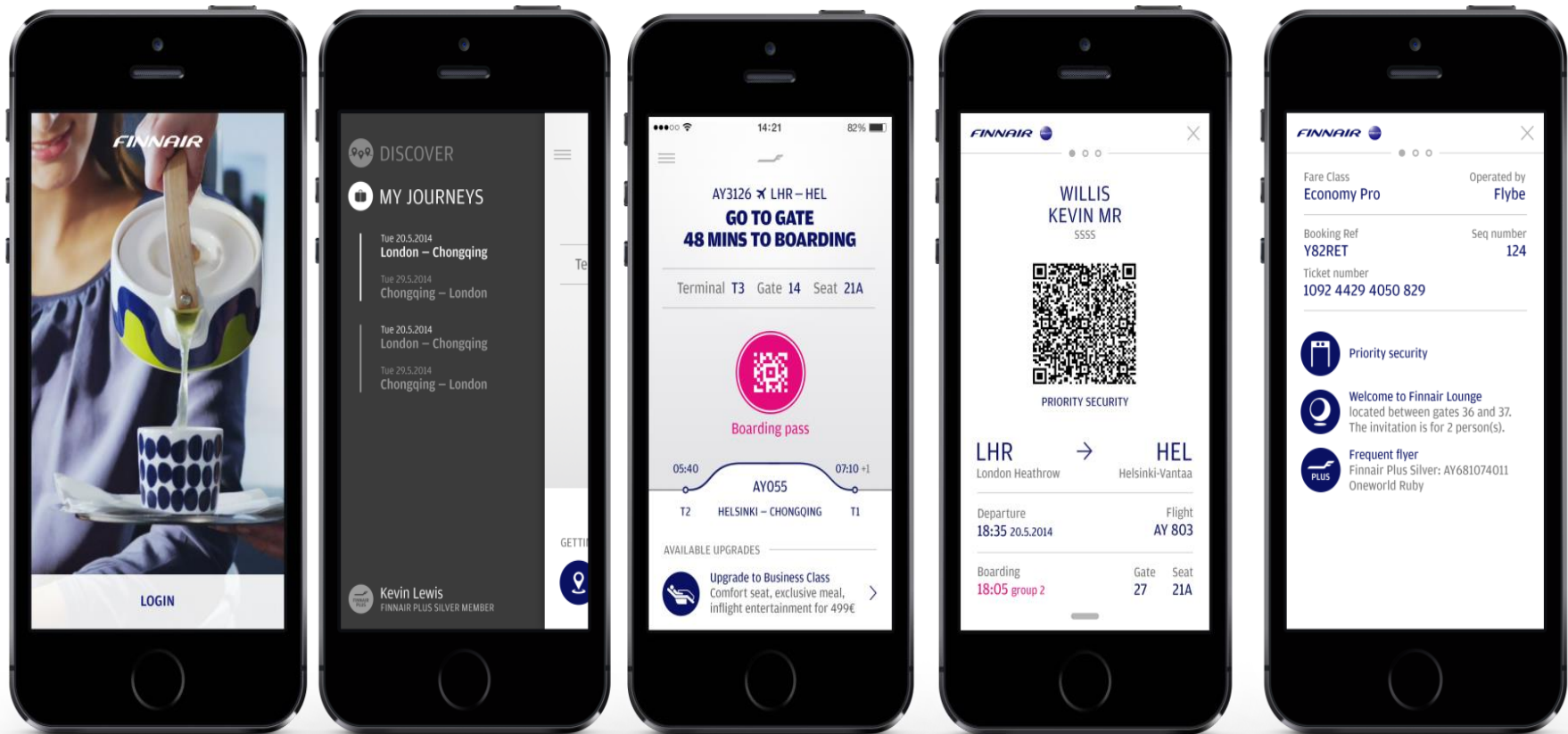
# Focus on Digitalization: Being with people in every phase of the Service experience lifecycle

Finnair service experience lifecycle is a continuum.

Service experience lifecycle model helps to identify the customer needs in different phases of the lifecycle and to target the service offerings



# Finnair IOS App launched, Android/Windows Phone app released later this year



# Finnair is the first European airline to receive the modern A350 XWB



## 19 A350 XWB –aircraft on firm order

- 4 A350 delivered 2H 2015
- 7 during 2016–2017
- 8 during 2018–2023
- **Introduction: October 2015**
- **Competitive advantage:**
  - **Up to 18% more capacity:** from 270 seats to 310-320 seats
  - Estimated **seat cost -30%** compared to Airbus 340
  - Improved revenue position with superior product
  - Increased cargo capacity with 16-20%





# First aircraft under assembly in Toulouse

- **Entered assembly on 4 DEC 2014 at Airbus in Toulouse**
- **By February 2015, four our aircraft enter assembly line**
- **First test flight in August 2015**
- **Commercial fam flights in October 2015**



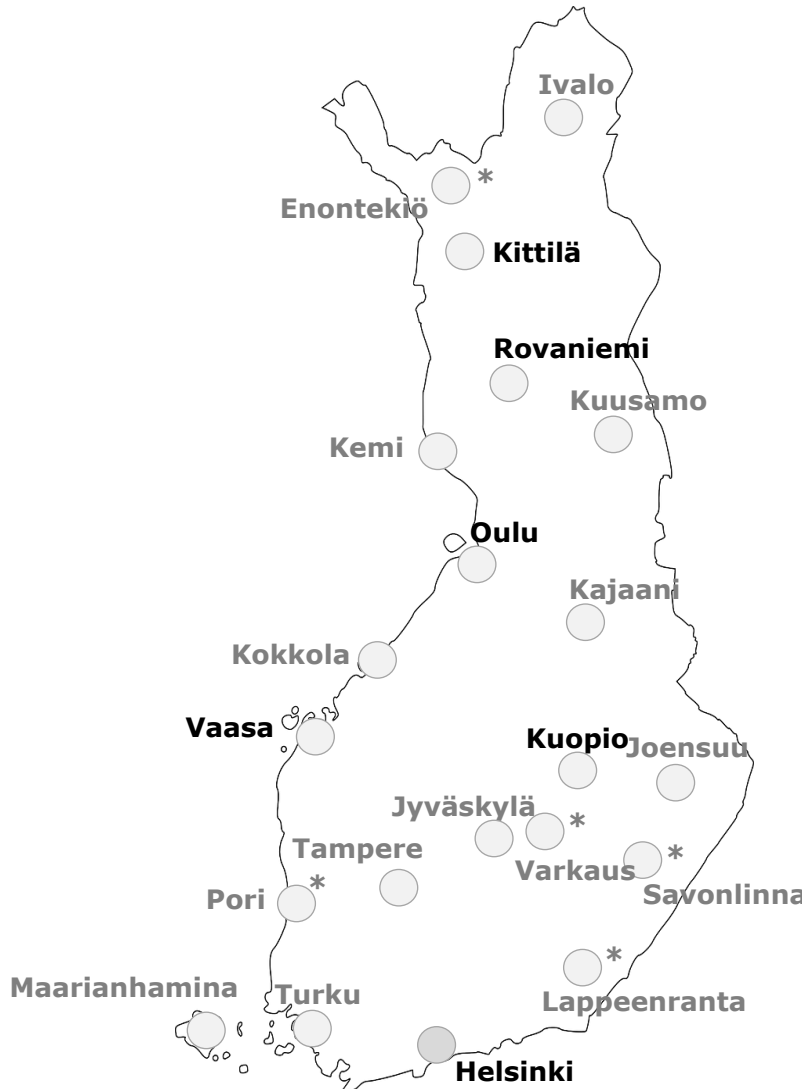




**Finland  
Potential**

***FINNAIR***  
DESIGNED FOR YOU

# Domestic Route Network

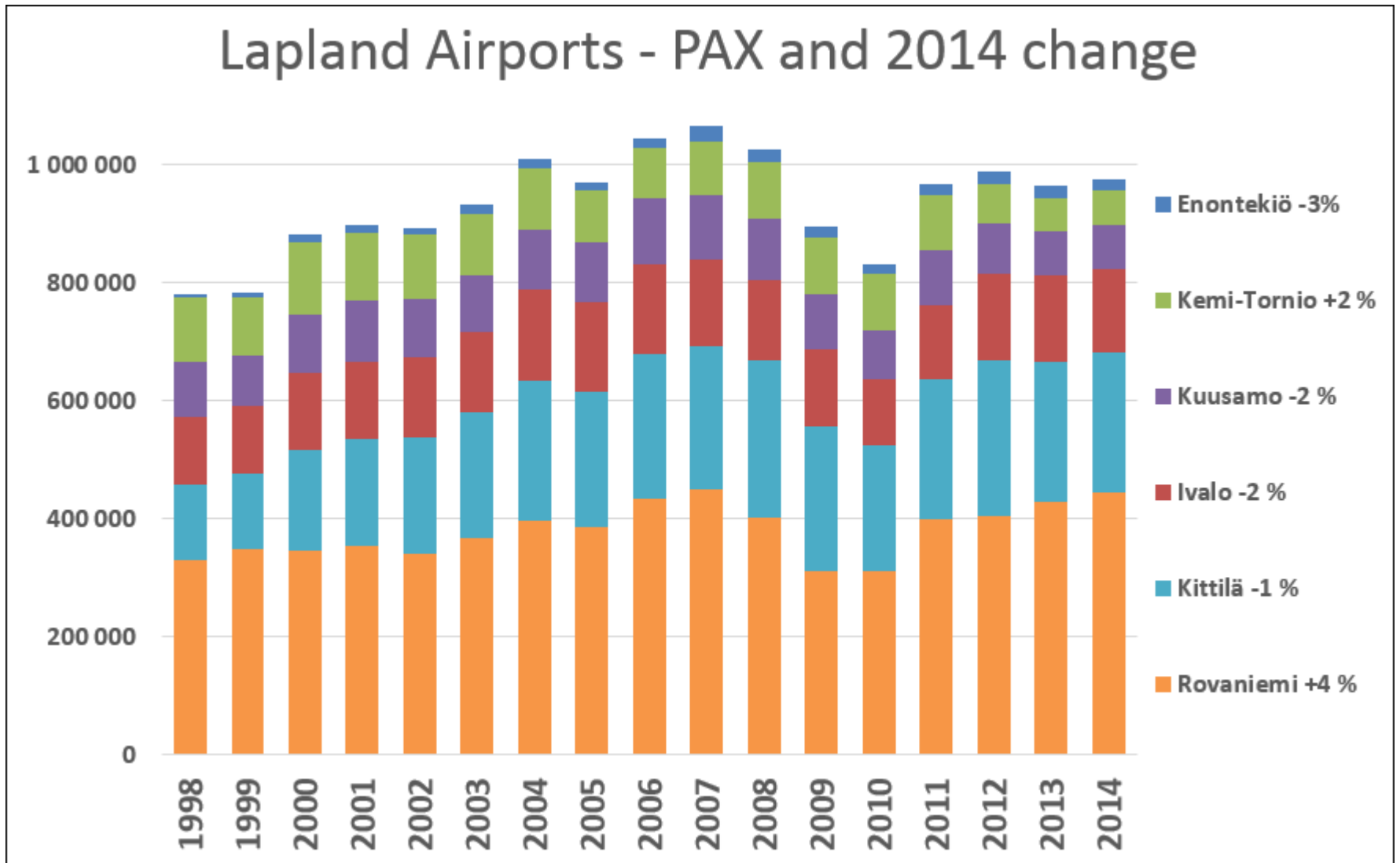


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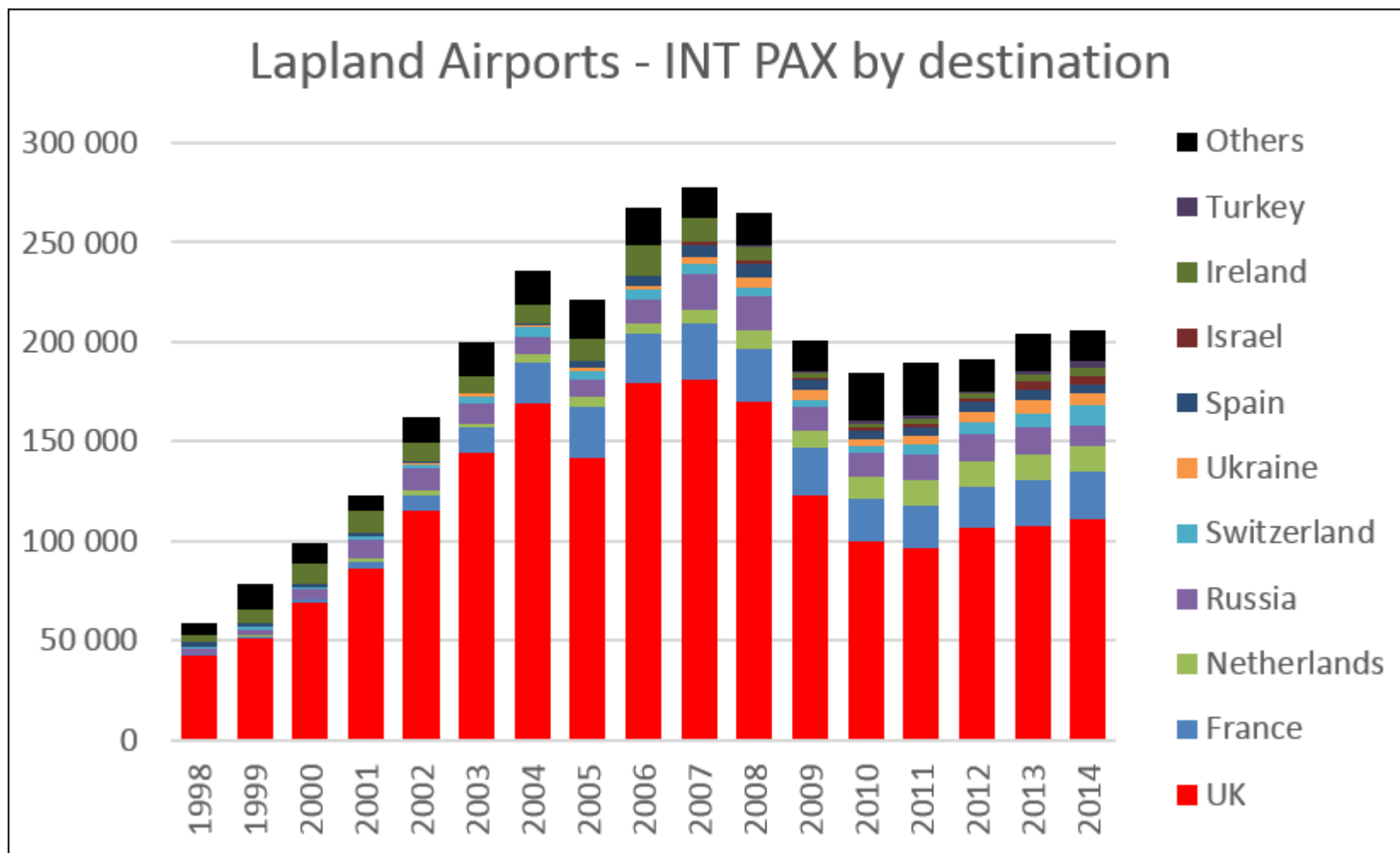
Currently inactive routes

- There are limited number of routes which are commercially stronger and have largest growth potential
- Finnair believes in importance of domestic network coverage, with international connectivity
- But domestic route profitability is major concern

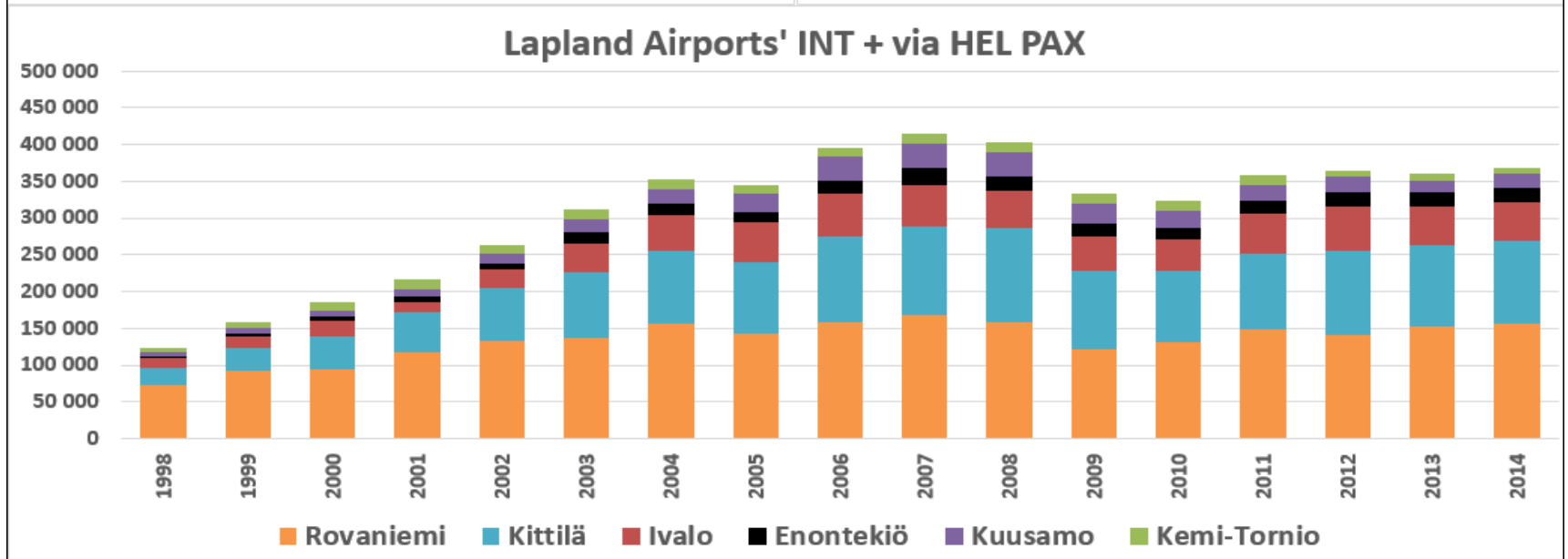
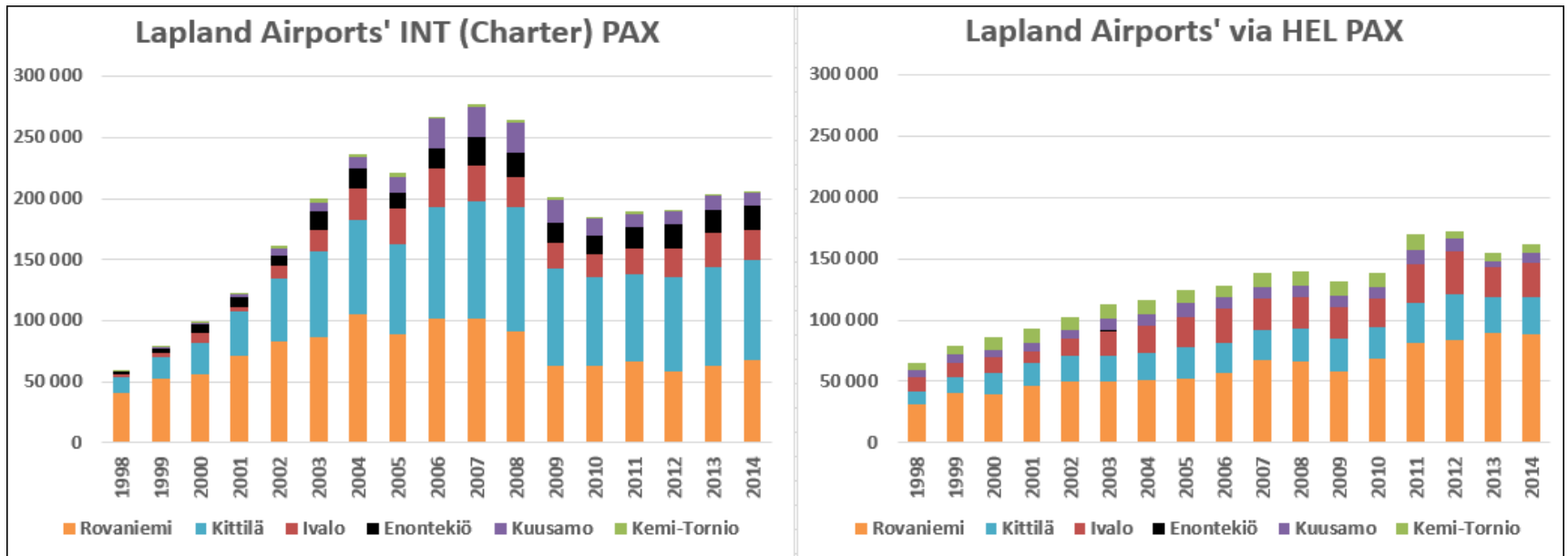
# Lapland Airports PAX development



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# Our business is driven by Asia growth, benefits Finland

We have outgrown our natural home market size, great opportunity for tourism industry in Finland

Enabler for  
Stopover and  
Incoming  
Tourism  
growth

Co-operation  
with Nordic,  
Baltic &  
Russian  
regions

# China's new middle class



- A huge wave of increasingly affluent consumers – **the upper middle class** - will constitute China's urban majority by 2020.
- By 2022, it is estimated that the upper middle class will account for **54 percent of urban households and 56 percent of urban private consumption.**
- They are **prosperous, digitally savvy, individualistic**, class of consumers who are willing to pay a premium for quality. They are **loyal to the brands they trust**, and **prefer niche over mass brands.**
- **The Generation 2** are typically teenagers and people in their early 20s. In ten years' time, their share of urban consumer demand should more than double, to 35 percent.

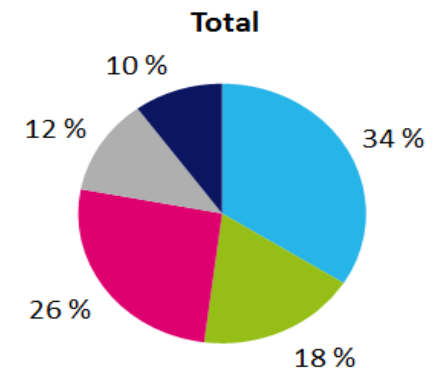
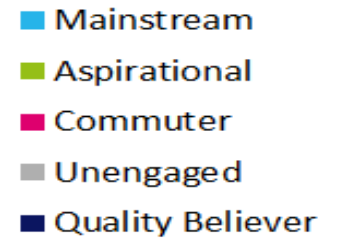
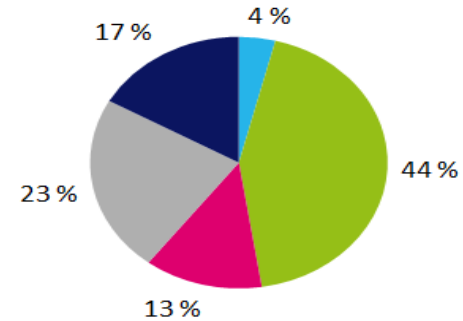


# Customer value drivers and requirements



Finnair traveler segmentation

## China (incl. HKG)



### GROUP TRAVELERS

- Price
- Safety
- Sense of security
- Convenience
- Food and entertainment
- Chinese language
- Cultural experiences
- Shopping possibilities
- Culturally sensitive service
- Status symbols

### INDEPENDENT LEISURE TRAVELERS

- Price
- Safety
- Food and entertainment
- High quality attentive service
- Mobile app, WI-FI
- Chinese language
- Unique experiences
- Shopping possibilities
- Culturally sensitive service
- Status symbols
- Themed packages

### BUSINESS TRAVELERS

- Direct flight, travel time
- Competitive fare
- Reputation, safety
- Flexibility
- High quality services
- Tier-based benefits
- Efficiency, privacy
- Personal recognition, respect
- Mobile app, WI-FI
- Arrival lounges
- Free upgrades





# Key messages 2015



China focused  
HERO activity  
'Impossibly Fast'



# Key for Success

**Finnish tourism stakeholders and  
companies need to work together**

**Lapland needs to work together**

**Finland will lose to its neighbouring  
countries, if we don't speed up**

**Finnair is looking for incoming tourism  
partners for Asian, European, and North  
American markets**

**Finnair will enable tourism  
growth through Helsinki hub  
Who is onboard with us?**

