



Case Study

INNOVATIVE TECHNOLOGY FACILITATES MARKET DIFFERENTIATION FOR CEBU PACIFIC AIR CARGO



DEPLOYMENT: Manila, Philippines



Case Study

Overview

Cebu Pacific Airlines serves 26 international destinations and 37 domestic destinations across the Philippines with one of the most modern fleets in the world. Operating from six strategically placed hubs in Manila, Cebu, Clark, Kalibo, Iloilo and Davao Philippines, Cebu is also the preferred air cargo carrier in the Philippines; linking islands together through exchange of goods. It provides competitive, fast, flexible and straightforward air cargo service to an extensive network including individual shippers and cargo agents within the country and overseas—who operate within the complex supply chain environment.

In Air Cargo, where increased time sensitivity of the products to be shipped is a driving factor, timely access to shipment information is a critical element of customer service. Shipment visibility depends on technology-enabled access to real-time information. Shipment data in real-time means information is immediately actionable—important for both Cebu Pacific and its customers.

Business Challenge

For air carriers who, too often, compete on price alone—Cebu Pacific identified the opportunity for creating much needed differentiation in the marketplace by

increasing visibility throughout the shipment management process. To do so, Cebu Pacific needed a comprehensive, advanced air cargo management solution with an easy-to-use interface to empower its employees, agents and customers with real-time information and shipment visibility.

Whether its shipment tracking and notifications, mobile apps that support customer experience or streamlined operations to better manage costs—Cebu needed a system that could be quickly implemented.

Typically, this kind of technology transformation requires big investments airline IT resources and capital expenditure to create a system that can only become quickly obsolete. Because SmartKargo is built upon the Microsoft Azure cloud-platform, the advanced SmartKargo ERP technology continually evolves as the platform is updated, by Microsoft. This means that the latest technology, such as mobility, big data, IoT and more is always available to the airline.

A Solution – Real time Track and Trace

The screenshot displays the Cebu Pacific SmartKargo tracking interface. At the top, there is a navigation menu with options like Sales, Planning, Booking, Warehouse, Operations, UL, D2D, Track/Audit, Accounting, Reports, Maintenance, and Configuration. The main content area shows the tracking details for AWB 203-39013505. A timeline visualizes the shipment's progress: it was accepted at BXU (Bancasi Airport) on 09/11/2017 at 15:19, departed on 09/11/2017 at 18:40, arrived at CEB (Mactan-Cebu Intl Airport) on 09/11/2017 at 19:30, and was delivered on 09/15/2017 at 09:57. Below the timeline, the current status is 'Delivered at CEB'. A 'Last Activity' section also shows 'Delivered at CEB'. At the bottom, there are two tables: 'Booking and Acceptance Information' and 'Status History'.

Booking and Acceptance Information						Status History										
Status	Station	Dest	Pcs	Weight	Flight#	Event	Date-Time	Station	Milestone	Pcs	Weight	Flight#	Flight Date	Org	Dest	ULD
Booked	BXU	CEB	1	1.00 Kgs	DG6928		09/11/2017 15:15	BXU	Departed	1	1.00 Kgs	DG6928	09/11/2017 18:40	BXU	CEB	
Accepted	BXU	CEB	1	1.00 Kgs			09/11/2017 15:19	CEB	Arrived	1	1.00 Kgs	DG6928	09/11/2017 19:30	BXU	CEB	
								CEB	Delivered	1	1.00 Kgs	DG6928	09/15/2017 09:57	BXU	CEB	

Cebu selected SmartKargo to provide the technology layer needed to fill the customer service and efficiency gaps that existed in their legacy systems. Selecting the right cloud technology platform was a critical decision—as it would be the backbone of their application. Cebu Pacific wanted to ensure that the cloud platform they selected had global presence, high availability, easy scalability, compliance to international standards, high levels of security, and much more.

Cebu’s decision to go with the SmartKargo Cloud, Software-as-a-service (SaaS) ERP solution, meant that their clients would have the ease of use and mobility necessary to self-manage their shipments end-to-end, in real-time.

As the world’s most advanced end-to-end air cargo information solution. SmartKargo simplifies the transactional duties of employees, agents and customers. The solution was quickly implemented out-of-the-box and integrated with existing airline systems, both PAX and Cargo, via APIs.

Microsoft’s Azure Cloud complies with the highest industry standards and is among the most secure. This, combined with the data residency option available from Microsoft Azure in many countries, meant that Azure was just the right fit for Cebu Pacific.

The solution provides real-time access to shipment data from any browser and mobile apps to track and manage shipments from booking to delivery. In addition, Self-service kiosks, like the ones customers have grown to expect as airline passengers, are available to Cebu for streamlining warehouse processes.



means actionable management of our business operations is possible.”

— Alex Reyes, VP Cargo, Cebu Pacific Airlines

Rapid Deployment of Advanced Features

The implementation was completed in 3 months—from *blueprinting to go-live*—and the launch unfolded with no interruptions in cargo handling. The SmartKargo team stayed onsite for two weeks following the launch to monitor and answer questions—however, no issues or delays were encountered.

The Cebu team also reported satisfaction with the training and support given to them during the first week of the launch—and noted that the ease of use of the interface that allowed the team to master it quickly, as compared to others. Cebu also noted the advantages of the interface for direct customer use. The easy-to-use, browser-based interface enables customer access from any computer or mobile device. SmartKargo Booking functionality can be deployed as a customer-facing system that enables shipper self-registration, self-management, contact management, booking and real-time tracking and notifications.

Direct access to Capacity and Bookings, with pricing by product or flight, is especially beneficial to Freight Forwarders and Shippers. The PAX style booking interface provides templates for repetitive bookings, real-time confirmations, TSA validations, automatic notifications and ability to upload documents in a e-pouch the portal does it all.

The SmartKargo Mobile App provides a comprehensive set of mobile capabilities

that can be easily configured based on an Airline's requirements. In addition, connection with external devices is simple—including barcode label printing at the piece level.

Mobile capabilities are available through an app on iOS and Android platforms and are available out-of-the-box. In addition, functionality that enables Door-To-Door B2B or B2C capabilities—including driver management—are available for the facilitation of eCommerce by an airline or its customers.

The SmartKargo Approach

SmartKargo is an integrated system of modules that work together to meet the varied needs of all partners in the cargo chain, from shipper to recipient. Although airlines are the principal users, the system is beneficial for ground handlers, sales agents, and eCommerce retailers who will find that the system is designed to increase revenues, lower costs, and improve customer service across the cargo chain.

SmartKargo was developed by Airline and Cargo industry experts, based on IATA standards, and is configurable to address unique business scenarios for global air cargo operators. The developers of SmartKargo, a team of IT engineers and experts trained at MIT, worked closely with airline cargo veterans to build a system that leverages three pivotal factors—Cloud computing, mobile platforms, and data analytics.

As a cloud-based, Software as a Service (SaaS) solution, SmartKargo customers pay only for what they need and use. After a modest implementation fee, customers pay based on their air cargo volumes—a simple and transparent approach.

SmartKargo's system architecture is flexible, which yields two key benefits.

First, it can be easily and quickly adapted to meet specific carrier needs; and second, it will evolve to meet the future needs of both the industry and specific customers.

Exceeding Customer Expectations

SmartKargo delivers visibility and transparency enabled by real-time data and simple user interfaces—from shipper to recipient. The easy-to-use, browser-based interface enables customer access from any computer or mobile device. After implementation, SmartKargo provides a package of additional programming per year, as needed. SmartKargo's existing customers report significant improvements in ROI and key performance indicators, in three main areas:

- **Higher yields**, resulting from SmartKargo's more accurate capacity utilization and dynamic pricing control
- **Higher tonnage**, resulting from real-time interfaces with the passenger system, as well as GSA ability to access the system for bookings
- **Higher flown as booked (FaB)**, because better information produces greater accountability

We invite you to join the forward-looking airlines in North America, South America, Europe, and Asia that are seeing how SmartKargo can increase cargo revenues and improve customer service. Bottom line, SmartKargo delivers greater efficiency, more flexibility and increased revenue opportunity via real-time, actionable data.

We would be delighted to answer your questions and demonstrate how SmartKargo can help drive your business to new heights. Because SmartKargo is so advanced, it helps to see it in action.

For more information or a demo, please contact the SmartKargo sales team at sales@smartkargo.com or www.smartkargo.com.

