



Cost reduction for Smaller Airlines:
The Ecosystem of Aviation Business
a Case Study.

18.04.2018

SYNOPSIS

- How big is **BIG** and how small is small?
- Cost reduction for small airlines is just one means to an end.
- Instead of speaking about cost reduction, we should speak about how to utilize a limited budget to improve sustainability by means of smart investments.
- Key factor to improve sustainability is behavior.
- Case study aviationscouts:

HOW CAN *small* PLAYERS BENEFIT FROM THE *GIANTS*



Behavior: BIG fishes

- *The Banana Experiment.*
- BIG fishes are **\$€£ focused** and managed by politicians, book keepers and banks.
- In a highly dynamic society BIG fishes tend to become victim of their own successes.

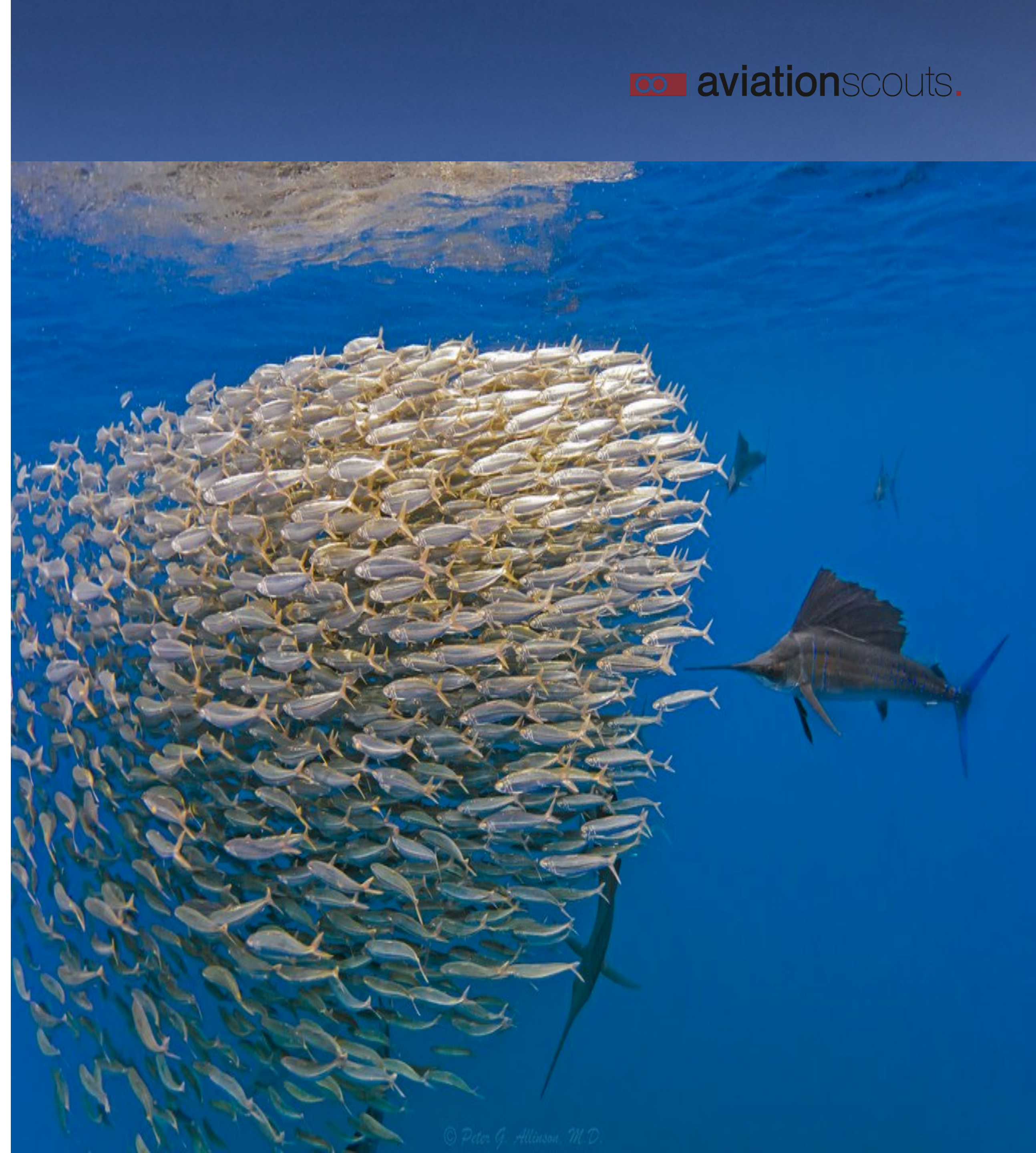


- They 'simply' grow too big to become vulnerable & unmanageable.
- They need ideal economical circumstances to keep themselves sustainable.
- It takes them serious time and effort to recover from temporary disturbances.



Behavior: SMALL fishes

- Small fishes are ***dream driven*** and managed by entrepreneurs, not politicians.
- They can only succeed when they:
 - are lean, fast and flexible
 - work together with fellows
 - have the talent to change & adapt.
- ***It's not wrong to stay small...***



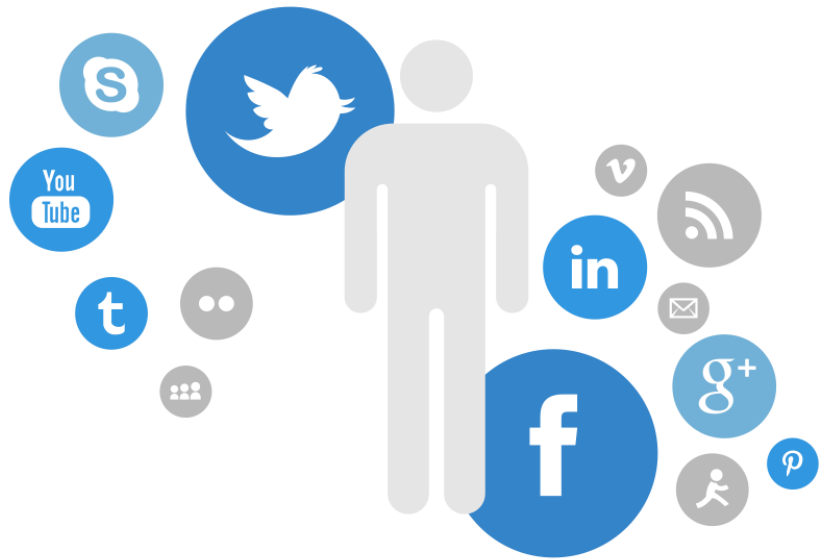
Case Study: aviationscouts

- Niche company close to Nurnberg (D) (1998)
- A 'HOW CAN WE' initiative
- Buy, Refurbishment and Resale of used seats
- 3rd tier airlines, leasing co's, engineering firms & MRO's buy from us as large OEMs are **slow, big & hungry** and therefore only interested in **volume**
- Our response: www.aviationgate.com (2015)
- Goal: WEIGHT & SPARES & LOW NRE & **GREEN**
- $A320/180PAX = -/-360KG \times €250 = €90,000/Year$
- Investment: €160,000. Earn back < 2 Years/aircraft
- **240+ shipsets of seats sold (31 December, 2017)**

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Logistic Excellence



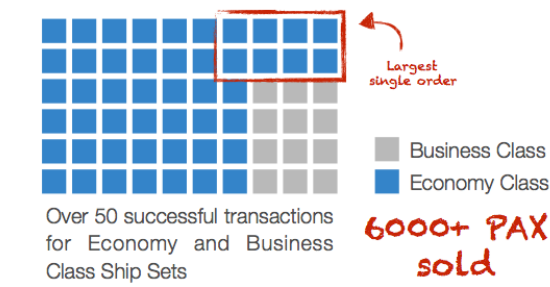
120+ truckloads of
passenger seats

Transport per land, sea and air for over 120 truckloads of passenger seats. From the Hangar to our Warehouse, to our Clients.

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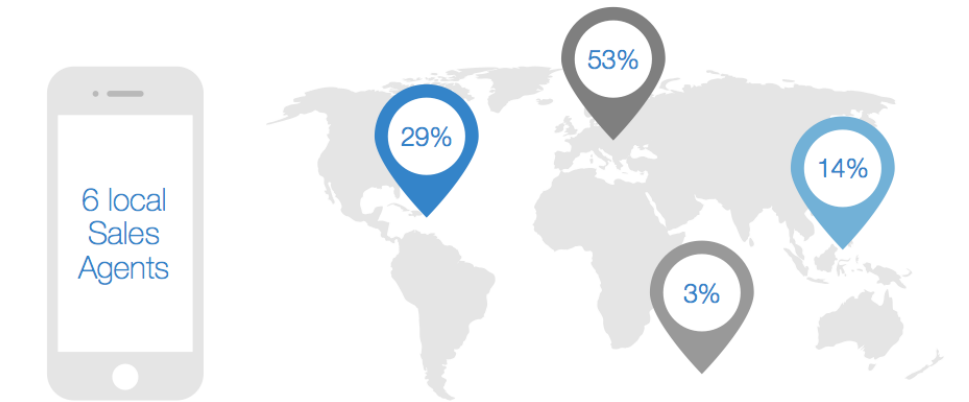
Successful Transactions



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Global Reach



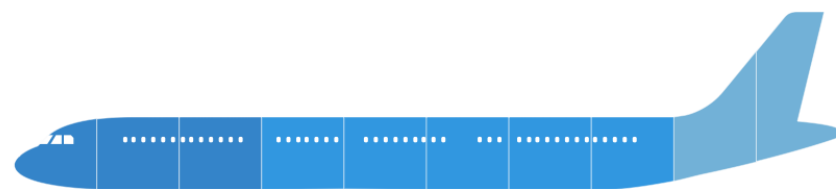
● Europe ● Americas ● Asia / Pacific ● Others

Over 65% Leasing Companies, Airlines and MROs

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Available Seat Models



30%

36 seat models for
Business and First Class
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62%

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Tourist Class
(250+ Ship Sets)

8%

10 other models
(Premium Economy,
VIP...)

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Performance

S	M	T	W	T	F	S
29	30	31	1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	1	2
3	4	5	6	7	8	9

Fastest Performance included a turnaround time of 10 days from the day of advertising in aviationgate.com, over aircraft removal of seats to airfreight delivery and acceptance of seats.

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Email Marketing

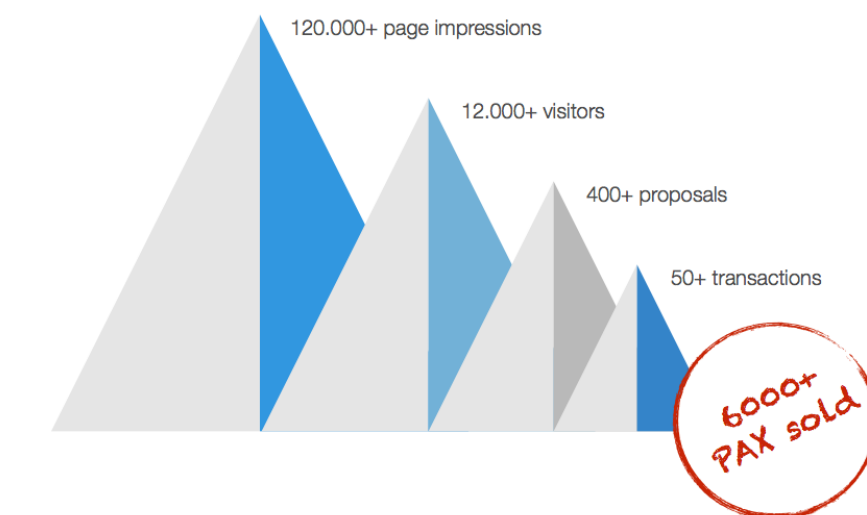


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Success Story



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