

ISSUE 2

NEW DIRECTIONS

The newly established Changi Airport Group (CAG) aims to grow Changi Airport to even greater iconic status in the international aviation arena.



Changi Airport may have been corporatised, but the world's seventh busiest airport for international traffic is still intent on keeping its time-tested formula of unparalleled service and facilities while at the same time, looking at new directives and areas of growth. With a tighter focus, Changi Airport Group (CAG) will now be able to fully concentrate on developing Changi Airport into an icon in the international aviation arena. Lee Seow Hiang, CEO, CAG, shares some of his plans for the airport's future.

Corporatising in the midst of the economic downturn must have presented various challenges for CAG. How did the move affect the group?

Lee Seow Hiang: Changi Airport was corporatised during a particularly difficult period for the aviation industry. On hindsight, however, it was fortuitous that the corporatisation took place then. The move not only ensured that the formal regulatory framework was made robust against the downturn, but also compelled us to focus on our fundamentals – understanding our customers and our core values.

The Changi Airport Growth Initiative (CAGi) was launched to grow a vibrant air hub in Singapore. Under this directive, CAG will work closely with airlines, freight forwarders and ground handlers to boost passenger and cargo traffic, as well as strengthen Changi's air traffic network.

What are some of CAG's accomplishments to date?

Lee Seow Hiang: In the past 29 years, Changi Airport has been awarded more than 340 Best Airport titles. Last year, we won 27 awards, including *Best Airport in the World* by Business Traveller (UK/Europe) for the 22nd consecutive time.

These accolades are a powerful affirmation by our customers and partners that Changi continues to be on the right track.

Further to that, the Changi Airport Growth Initiative (CAGi) was launched to grow a vibrant air hub in Singapore. Under this directive, CAG will work closely with airlines, freight forwarders

and ground handlers to boost passenger and cargo traffic, as well as strengthen Changi's air traffic network.

The CAGi will also address the various challenges stakeholders face by offering a customised mix of performance-based incentives. Initiatives developed to help stakeholders include incentivising airlines to enhance Changi's connectivity by starting routes to new destinations; helping new airlines start operations at Changi; rewarding passenger and cargo traffic growth; and supporting airline partners and ground handlers to enhance their product and service offerings at the airport.

Under the CAGi, we signed our first partnership with Jetstar Asia Airways on 28 January 2010. This collaboration will see Jetstar making Changi its largest air hub in Asia for both short and long haul operations. CAG will support Jetstar's continued growth with various incentives, enabling Jetstar to enjoy cost savings in line with its growth. With Jetstar's increased flights and new destinations, Changi will, in turn, benefit from a stronger connectivity network while our customers will enjoy more travel options.

The "Changi Class" experience includes offering seamless, efficient operations at every touch-point, personalised service rendered by airport staff, and a comprehensive range of terminal facilities – all factors that will augment the airport experience.

Changi Airport's stellar service standards and facilities play a key role in raising Singapore's profile internationally. What plans does CAG have in mind to further enhance its position and stay ahead of the competition?

Lee Seow Hiang: Being the key gateway to Asia, we want Changi Airport to be more than just a transit point. We want our guests to remember the airport as a place of buzz and activity, with an unrivalled range of facilities and amenities.

As such, we want to leverage on our strengths in service and create a "Changi Class" experience that encompasses all our customers. This includes offering seamless, efficient operations at every touch-point, personalised service rendered by airport staff and a comprehensive range of terminal facilities – all factors that will augment the airport experience. As one of three Customer Centric Initiative (CCI) companies in Singapore, CAG will work with its frontline staff, ground handlers, concessionaires and government agencies to deliver a "Changi Class" experience that will raise service standards across the board.

This 18-month initiative will focus on three key areas: enhancing the quality of service delivered by frontline staff, improving operational efficiency and achieving better customer feedback management.

With transshipment identified as a key growth area in Singapore's aviation industry, what are some measures that CAG has taken to ride on this growth?

Lee Seow Hiang: A cargo development incentive under the CAGi has been created for our airline partners to drive transshipment growth through Changi, and response has been positive. We're also working closely with industry partners to grow existing transshipment routes, identify new opportunities and facilitate Changi's infrastructural developments. When operational, these initiatives will present new transshipment opportunities. For example, SATS' new Coolport @ Changi, Singapore's first air cargo hub dedicated to perishables, will strengthen the nation's position as an efficient, reliable and secure node for perishables in Asia.

How will the recent signing of Air Service Agreements (ASAs) between Singapore and other countries impact CAG's business strategies?

Lee Seow Hiang: The liberalisation of air services provides new growth opportunities and enables airlines to capitalise on the demand for travel in the various markets. We will continue to work with prospective airlines and pursue opportunities that will establish new routes to and from Singapore.

The "Changi Goes Green" effort will focus on collaboration with airport partners to reduce the impact of the airport's activities, creating eco awareness within the airport community and continual improvement in areas such as energy efficiency and waste management.

What are some physical developments/improvements that visitors to Changi Airport can look forward to?

Lee Seow Hiang: A major infrastructural development taking place presently is the upgrading of Terminal 1, to enhance passenger experience. At an estimated cost of S\$500 million, refurbishment works include the construction of a new kerb-side canopy to provide shelter from the elements for passengers arriving at the terminal. The main terminal building will also be extended by 35 metres into the airside, thereby making more room for new services and facilities.

As environmentalism becomes an increasingly important concern in the aviation industry, what are some measures CAG will be taking to do its part for the green effort?

Lee Seow Hiang: Our commitment is reflected in our new environmental drive, "Changi Goes Green". The "Changi Goes Green" effort will focus on collaboration with airport partners to reduce the impact of the airport's activities, creating eco awareness within the airport community and continual improvement in areas such as energy efficiency and waste management.

Terminal 3 is an example of our commitment to the environment. The building has a unique roof design with specially designed reflector panels to allow an optimal amount of daylight into the building, reducing the need for artificial lighting. Air-conditioning nozzles in the building are

located at a level just above the passenger occupied areas so that high volume spaces without users or equipment are not cooled unnecessarily.

Changi Airport is a busy air hub with over 37 million passenger movements last year. Together with everyone at the airport, we can steer our business decisions and actions towards making a positive and sustainable impact on the environment and community.