



ViewPoint

Watch for a new competition threat! Cdr. Bud Slabbaert

It may hit business class and business aviation from an angle that we could have foreseen but not have taken seriously because it hadn't matured yet.

If you see a promotion saying 'avoid the travel hassle, the delays and the security lines and save valuable time' you would expect it to be the sales pitch of another business jet operator. But if the next line says "save the earth by reducing CO2 emissions with every flight you avoid", you know that either someone is pulling a misleading trick or we are facing a new challenge.

What if you get the complete promotional power of Hewlett Packard, Cisco, AT&T, British Telecom, Deutsche Telekom, Verizon, Orange and many others against you when they start making their case? Wow, we better start thinking now! The "No Plane-No Gain" budget may need a significant boost to tackle this threat. Or... is there an opportunity for Airports, FBOs, and Airport Business Centers to offer a new service?

Business travel sucks

The new threat which is really not so new is all about one word: **Telepresence!** It makes SKYPE video or anything else that you get on your computer screen like kid's stuff. Already two years ago CNN's Steve Mollman started a report by stating:

"Business travel sucks. It sucks energy, it sucks time, and mostly it just sucks. We're stuck with it because nothing beats a physical presence. Telepresence, though, comes close. That's why increasingly global companies - and also environmentalists - are hopping aboard."

Two years ago we were still riding on a wave of growth in business aviation and thought we were fail-safe. At that time it must have slipped our attention. Circumstances have changed and electronic developments have progressed. Nowadays, every company without exception is looking for reducing costs. The time seems right for Telepresence.



Polycom immersive telepresence solutions provide a natural, "across the table" experience. On-screen meeting participants are shown in true-to-life dimensions. Participants can speak with and read the body language of others—just as if all were in the same room.

Wave of the future

According to many analysts, Telepresence is the wave of the future. Haddock Research & Branding has been engaged in a comprehensive study of flying and Telepresence. The goal was to understand travelers' attitudes toward Telepresence, product and brand awareness, their interest in switching from flying to Telepresence, and barriers to adoption. Quantitative data has been collected from nationally representative samples of over 1,000 people per country in the U.S., Canada, and the United Kingdom.

One quote from the study:

"The substitution potential of Telepresence for long-trip, business flights in the USA is a potential reduction of around 35% for flights of this type"

What's Halo?

Halo is the brand name of Hewlett Packard's Telepresence product and this is what they say about it:

"HP Halo is a virtual meeting tool that gives users a "tele-immersive" experience. It goes beyond phone and video conferencing to create a lifelike encounter so natural that many users report forgetting whether they met a colleague in person or over Halo. "HP Halo is a response to business globalization," says Steve Jewell-Larsen, Director of Manufacturing for HP Halo Telepresence Solutions. Today's multinational corporations literally do business around the clock and around the world. Senior managers spend countless hours traveling the globe—at a major cost in dollars and lost productivity, and with a major impact on the environment. Halo can eliminate the need for much of that travel. A survey of frequent Halo users from several business groups within HP indicates they have reduced travel within their departments by roughly 43 percent."

You cannot brush off this one

A study completed by the European Telecommunications Network Operators Association (ETNO) and WWF concluded that if 20 percent of business travel in the European Union were replaced by Telepresence solutions, 25 million tons of CO₂ would be saved annually –and that's just in the EU! So, now you are not just dealing with the electronic hardware and software and the telecommunications industry, they will also get some support from WWF and other organizations that aim to protect the environment.

Key argument

You can already read it in the news, it very much about reducing travel costs:

*"Pepsico taps Cisco and British Telcom for a Telepresence initiative that will roll out in the company's major offices worldwide. The giant food company announced that it will use the solution to improve collaboration with partners and **reduce travel expenses.**"*

*"Zurich Financial Services boosts global collaboration with Telepresence using Orange Business services. Zurich has successfully implemented Telepresence solutions to facilitate and to promote global meetings through advanced video conferencing, **while significantly reducing travel costs.**"*

*"Within six months, we saved enough in hard travel costs to pay for one system. We have four new units coming and are **using travel budgets**, instead of IT budget, **to help pay for them.**" - a global technology enterprise with more than \$2billion in revenues.*

What's in it for us?

Regus Business Centers and some major hotel chains like Starwood (Sheraton) are setting up Telepresence studios in various locations worldwide. Is there an opportunity for Airports, FBOs, or Airport Business Centers to follow this example? Don't say "NO" categorically. But rather think about it and do some brainstorming. You know the expression: "If you cannot fight them, join them!" You don't have to quite go that far but don't consider the whole idea as far-fetched either. For some of us it may be an additional service to offer and a new opportunity to create revenue.

Be informed first hand!

I believe that Telepresence is something we need to be informed about first hand. That is why I have invited a speaker from Polycom, a major player in deploying Telepresence studios worldwide to make a presentation at the very beginning of the BA-Meetup Conference in Northolt. Telepresence could become The Talk Of The Town during the conference!

<http://www.ba-meetup.com/>

The author Cdr. Bud Slabbaert is an expert in Development of Business Aviation at airports. He is initiator and Conference Chairman of the BA-MEETUP.

The 2nd annual BA-Meetup will take place in London, March 17-19, 2010. It is a Business Aviation joint conference for Schedulers, Dispatchers, Pilots, Operators, FBOs, Executive Handling Agents, Business Airports, and International Service Providers in Europe and the Middle East. Full details are available at: <http://www.ba-meetup.com/>

