Who is Lufthansa Systems and what is NetLine?
This is Lufthansa Systems

With more than 25 years of experience, Lufthansa Systems is one of the market leaders for IT solutions in the global aviation industry.

Founded
1995

Headquarters
In Raunheim/Germany

Branches in
16 other countries

2,200 employees worldwide

More than 350 airline customers of all sizes and business models

100% subsidiary of the Lufthansa Group
This is NetLine

FULL INTEGRATION ACROSS ALL DEPARTMENTS

- Aircraft Schedule
  - NetLine/Plan
  - NetLine/Sched
  - NetLine/Ops++

- Crew Schedule
  - NetLine/Crew

INTEGRATION OVER TIME

- Long term
- Mid term
- Day of Ops

NetLine/Ops++

Lufthansa Systems
This is where (and how) we work
What is Digital Transformation?
## Digitization, Digitalization & Digital Transformation - what’s the difference?

<table>
<thead>
<tr>
<th>Digitization</th>
<th>DigitALization</th>
<th>Digital Transformation</th>
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<tbody>
<tr>
<td>the conversion of analog information into digital forms or digits</td>
<td>the use of digital technologies to change a business model and provide new revenue and value-producing opportunities</td>
<td>the realignment of, or new investment in</td>
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<tr>
<td>Scanning ticket coupons</td>
<td>E-Tickets</td>
<td>• technology,</td>
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<td></td>
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<td>• business models, and</td>
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<td>• processes</td>
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<td>to drive new value for</td>
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<td>customers and employees</td>
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<td>and more effectively compete</td>
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<td>in an ever-changing digital economy</td>
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<td>Automated Check-in, ...</td>
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Where did it come from?

Data Storage  Computation speed  Connectivity
Where did it come from?

### Data Storage
- **1981:** 5.0 MB $3,500
  - 1 GB: $700,000
- **2018:** 4 TB $99
  - 1 GB: $0.025

### Computation speed
- **1971:** Intel 4004 0.092 Mio. of instructions per second
- **2016:** Intel Core i7 6950X 317,900

### Connectivity
- **1991:** The start
- **2017:** 3,63 mrd 49% Internet users worldwide
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**Social Acceptance**

Easier interfaces
What does it mean for our customers?
Our customers want to execute their business successfully in a complex global environment

- Strike
- Weather
- Politics
- Diseases
- Oil Prices
- Competition
- Digital Transformation
  - Passenger expectations
  - Competitor adapting

“If you want to be a Millionaire, start with a billion dollars and launch a new airline.”
Richard Branson
Our customers need to adapt to the digital transformation

What are the effects of Digitalization

- Transparency
- Automation
- Individualization
- Value chains shorten
- Lower market barriers
How can we help our customers?

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What is blocking the airlines?

- Data security
- Organizational hurdles macro & micro
- Infrastructure
- Resources
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Exploit the new technologies
Support shorter value chains
Help improving service quality
Increase automation and integration

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Support with skilled staff
Ensure data security
Offer trainings
Offer change management
What does this mean for our product management?
What do we have to do?

1. Establish Technology R&D

- Exploit the new technologies
- Support shorter value chains
- Help improving service quality

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NetLine & The Digital Transformation
8/20/2019
Confidential
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   Get our products aligned with a new vision

6. Offer change management
   Support with skilled staff
   Extend our service offering
Form a Product Management perspective especially points 2 and 3 are important, but the vision is the key.

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   - Exploit the new technologies

2. Explore the processes behind the products and look for shortcuts
   - Support shorter value chains

3. Put the end customer in the center
   - Help improving service quality

4. Enhance quality KPI in software production (secure coding)
   - Ensure data security

5. Get our products aligned with a new vision
   - Increase automation and integration

6. Extend our service offering
   - Offer change management
   - Offer trainings
   - Support with skilled staff
Why and how to create a good NetLine Vision?
Why a NetLine Vision?

We have to Uber ourselves before we get Kodaked!
We have to align our products with a joint vision

Our airline customers: Feel the pressure of the passengers and their competition

Our competitors: are also changing through the Digital Transformation
This vision should motivate and inspire our organization

- it should consider the impact of the Digital Transformation
- it should inspire our colleagues to share a common goal
- it should be supported by all our colleagues
- it should be aligned with the Lufthansa Systems purpose
How did we develop our NetLine vision?

1. Understand
5 domain workshops breaking product fences to understand the view of the current situation and the future of each domain

2. Condense and develop
Core team workshop with major product and company stakeholders to develop a prototype vision

3. Share and validate
Test and enhance the vision prototype in 2 larger world-cafe workshops to reach many stakeholders

4. Iterate and finalize
Condense the feedback to a final vision and develop vision MVPs to make sure it works
Our next step: Embark on the journey and develop a fitting strategy to align products and continue the way into the digital transformation.

We are looking at:

- Digital Transformation
- Market Developments
- Competition
- Industry Initiatives

We collecting and prioritizing activities around:

- Product Development
- Target Market
- Organization
- Partners
- Service Offering
- Sales & Marketing
Speed of Digitalization will increase. Change is here to stay. Be like reed!

Unbreakable, flexible and resilient
Contact

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