

## Chapter 5.6

# Assessing the Performance of Airline Web Sites: The ARTFLY Case

**Elad Harison**

*University of Groningen, The Netherlands*

**Albert Boonstra**

*University of Groningen, The Netherlands*

### EXECUTIVE SUMMARY

This case takes place in the increasingly competitive environment of the airline sector. Airline websites and Internet-based booking systems enable transformation of airline operations and become strategic weapons for the majority of airlines worldwide. Established airlines are attempting to stimulate customers to use the Internet, in response to entry of low cost carriers that capture shares of their market and in order to reduce their sales costs. Nonetheless, the development and maintenance of websites and e-commerce platforms requires substantial investments in capital and labor. Therefore, airlines need to assess the performance of their e-commerce channels in terms of profitability, customer appreciation and volume of sales on a continuous basis. However, the design of an assessment model that can serve the managers of ARTFLY, one of the established

airlines in the industry that deals with the recent challenges of the intensifying competition, is open for a wide variety of interpretations and should be determined due to the firm's nature of operations and due to its aim to increase the volume of its online sales.

### ORGANIZATIONAL BACKGROUND

ARTFLY, founded in 1919, is a major airline that operates on a worldwide basis. In 2004 ARTFLY merged with the Air Minoli group and became a division within the joint Air Minoli/ARTFLY group. Air Minoli/ARTFLY has a worldwide coverage, in terms of destinations, flight routes and marketing units. The group uses two main European airports as their main hubs and offers air transport to 128 destinations in 65 countries in 5 continents. To illustrate the volume of the group's

activities in 2004-2005 the ARTFLY group transported more than 20 million passengers and more than 600,000 tons of cargo, generating profits of 255 million Euros (\$300 million U.S.).

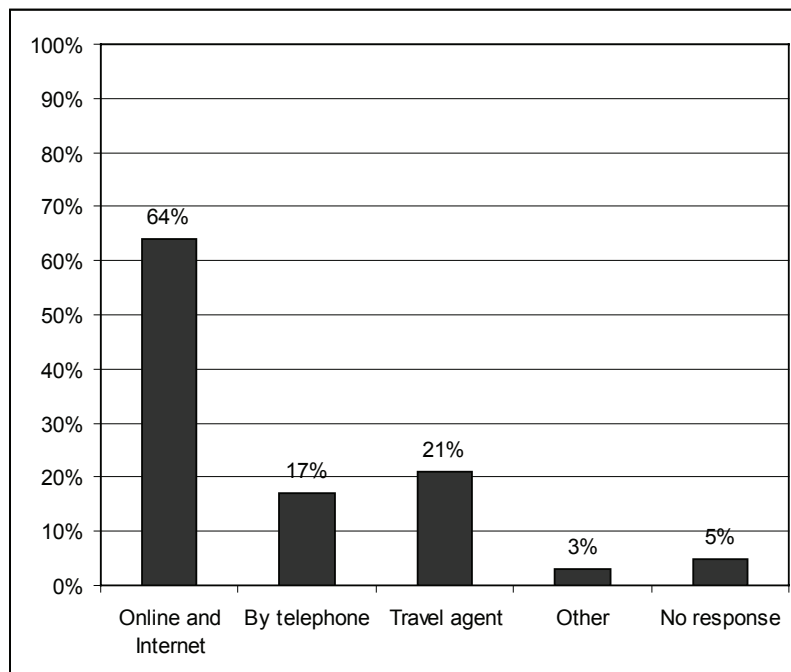
In 1995, ARTFLY was one of the first European airlines that introduced fully integrated e-business into its ticketing process, in response to radical changes in the air transport market (Rubin & Joy, 2005). In particular, the entry of low cost airlines and the price war that followed presented a tangible threat to ARTFLY's market. Low cost carriers succeeded in attracting increasing numbers of passengers who previously purchased their tickets through travel agents and airline branches and have shifted to booking their flights online via the Web sites of those carriers (see Figure 1). For example, the rise of EasyJet and Ryanair to dominance in the British market, flying 55 million passengers from and to the U.K., was achieved in part as a consequence of online ticket sales (ABTA, 2005). ARTFLY replaced its previous procedures with online bookings, electronic tickets, and electronic check-ins and boarding passes. Reducing its costs

by direct sales and using the Internet as a prominent marketing channel were immediate actions that were taken by ARTFLY's management and assisted in surviving the intense competition in the market and maintaining its major position in this rapidly changing business environment.

In March 1996, the company launched its first Web site, which was mainly an electronic brochure with information on flights. A year later, new functionality was added including real-time information on departure and arrival times, a reservations module and electronic ordering of tickets. From 2001, a complete electronic booking system was included in ARTFLY's homepage and, since then, the Web site is continuously maintained and often face-lifted due to changes in the market and new technological possibilities.

ARTFLY bases its marketing and sales activities on four main distribution channels that include its own Web site, online travel agencies (e.g., Expedia.com and Kayak.com), ARTFLY branches and "physical" travel agencies (see Table 1). The firm has defined its Web site, ARTFLY.

*Figure 1. Channels of low cost flight bookings (Source: ABTA, 2005)*



12 more pages are available in the full version of this document, which may be purchased using the "Add to Cart" button on the publisher's webpage:  
[www.igi-global.com/chapter/assessing-performance-airline-web-sites/37689](http://www.igi-global.com/chapter/assessing-performance-airline-web-sites/37689)

## Related Content

---

### An SVM-Based Ensemble Approach for Intrusion Detection

Santosh Kumar Sahu, Akanksha Katiyar, Kanchan Mala Kumari, Govind Kumarand Durga Prasad Mohapatra (2019). *International Journal of Information Technology and Web Engineering* (pp. 66-84).  
[www.irma-international.org/article/an-svm-based-ensemble-approach-for-intrusion-detection/217695](http://www.irma-international.org/article/an-svm-based-ensemble-approach-for-intrusion-detection/217695)

### Predicting Use of GoodGuide.com Consumer Product Sustainability Information Using VBN Theory and NEP Scale

Rebecca Angeles (2015). *Artificial Intelligence Technologies and the Evolution of Web 3.0* (pp. 248-272).  
[www.irma-international.org/chapter/predicting-use-of-goodguidecom-consumer-product-sustainability-information-using-vbn-theory-and-nep-scale/127294](http://www.irma-international.org/chapter/predicting-use-of-goodguidecom-consumer-product-sustainability-information-using-vbn-theory-and-nep-scale/127294)

### Enterprise 2.0: Collaboration and Knowledge Emergence as a Business Web Strategy Enabler

Javier Soriano, David Lizcano, Marcos Reyes, Fernando Alonsoand Genoveva López (2010). *Web Technologies: Concepts, Methodologies, Tools, and Applications* (pp. 1663-1695).  
[www.irma-international.org/chapter/enterprise-collaboration-knowledge-emergence-business/37710](http://www.irma-international.org/chapter/enterprise-collaboration-knowledge-emergence-business/37710)

### Crypto Mining Attacks on Cyber Security: Xmrig Is a Sophisticated Crypto Miner

Ilker Karaand Emre Hasgul (2023). *Blockchain Applications in Cryptocurrency for Technological Evolution* (pp. 94-107).  
[www.irma-international.org/chapter/crypto-mining-attacks-on-cyber-security/315968](http://www.irma-international.org/chapter/crypto-mining-attacks-on-cyber-security/315968)

### Third Party Multimedia Streaming Control with Guaranteed Quality of Service in Evolved Packet System

Evelina Pencheva (2013). *International Journal of Information Technology and Web Engineering* (pp. 1-21).  
[www.irma-international.org/article/third-party-multimedia-streaming-control-with-guaranteed-quality-of-service-in-evolved-packet-system/100049](http://www.irma-international.org/article/third-party-multimedia-streaming-control-with-guaranteed-quality-of-service-in-evolved-packet-system/100049)