Bamboo Airways: from start-up to 1 million+ passengers in just 6 months

Enabling customer-centric growth through modern airline technology

Client Overview

Headquartered in Hanoi, Vietnam, Bamboo Airways commenced operations in January 2019. In just six months, the airline already carried more than a million passengers and captured 20% domestic market share by the end of 2020, despite the pandemic. Bamboo Airways is on a growth trajectory in the hyper-competitive Vietnamese market. The airline operated more than 150 flights a day before the pandemic, including international flights to South Korea and Taiwan. The airline has successfully operated the first special authorization flight connecting Vietnam and the U.S, laying a solid foundation for its planned commencement of non-stop commercial flights between the two countries. With a mix of Boeing 787-9 Dreamliner, A320NEO and A321NEO, Bamboo Airways expanded its fleet to 30 aircraft aiming to increase capacity and service quality.

The Context

True to its core principle, 'More than just a flight', Bamboo Airways' key focus is on creating exceptional customer experiences and achieving high passenger load factors. For this, the airline sought a cutting-edge **Passenger Services System (PSS)** and a **loyalty platform** that could be launched quickly yet adapt and scale to their evolving business needs. Bamboo Airways didn't just want a technology vendor; they wanted a trusted business partner for the journey.

Key Challenges for Bamboo Airways

Setting up a new airline
Establishing and applying business guidelines, rules, and processes.

Spending on right assets
Building a flexible, scalable, and cost-effective technology stack.

Differentiation
Standing out in a competitive market through innovative products that appealed to cost-conscious travelers, as well as a rapidly-growing middle-class.

Flexible offer packaging and pricing
Deploying flexible fare and ancillary rules and policies for packaging and pricing to create unique, personalized offers.

Agile product innovation deployment
Unrestricted innovation capabilities to quickly design, launch, and adapt disruptive added-value products and services.

Fast loyalty program deployment
Targeting new members effectively, engaging relevantly, and improving retention to accelerate growth.

Fulfilling ambitious growth plans
Achieving 100% annual growth per year, becoming a five-star airline, and transporting 50 million passengers by 2025

> " Going live with a full PSS in just three months and a comprehensive
> loyalty platform in barely four months is nothing less than a feat.
> I am proud of what we have achieved with IBS Software and the fast
> growth that followed. We now have the technology to empower our
> teams to elevate the customer experience, optimize our resources, and
> grow with our business as we aim to become a five-star airline. "
>
> **Pierre Thach HOANG**
> Deputy Chief Commercial Officer, Bamboo Airways

The Solution

ifly RES

Bamboo Airways chose to partner with IBS Software, selecting its iFly RES and iLoyal platforms to power its growth journey.

iFly RES is a modern, cloud-based PSS platform built on IATA's NDC and Offer and Order management principles. Through close collaboration between the Bamboo Airways and IBS Software IT teams, iFly RES was ready for go-live in three months. Rich product features and comprehensive training to Bamboo Airways' business users ensured early buy-in and that every user was prepared to be productive from the get-go.

Thanks to fully integrated Reservation and Departure Control features, the solution addresses the airline's inventory, scheduling, fares, booking, and check-in needs. To adapt to evolving business needs as airlines grow, iFly RES is also fully integrated with direct and indirect distribution channels.

iloyal

In parallel, Bamboo Airways needed a highly configurable, intelligent, and cutting-edge platform to launch Bamboo Club, its innovative loyalty program. It found that in iLoyal. Through a 360-degree customer view and seamless integration with iFly RES, iLoyal helped Bamboo Club attract new members intelligently, engage with them more meaningfully, improve customer retention, and generate incremental revenues. Bamboo Airways also aimed at leveraging the loyalty program to connect with FLC Group's customer base to cross-sell products like golf membership and hotel accommodation. The member experience was also enhanced by implementing a customized member portal in multiple languages.

iLoyal's configuration options and powerful rules engine enabled the quick implementation of features like points purchase, transfer of points, paid lucky membership number, cobranded memberships, and family pooling. Easy partner integration capabilities enabled fast onboarding that generated additional revenues and richer customer experiences.

Key Results

Increased revenues:
iFly RES's native offer and order management capabilities enabled Bamboo Airways to package, price, and deploy innovative branded fares and ancillary products. iLoyal's personalization capabilities and Bamboo Club's extensive partnership ecosystem allowed further cross-sell and upsell opportunities. In just one year, the airline witnessed a **58%** increase in ancillary services.

Agile and cost-effective distribution channels:
iFly RES's native digital retailing capabilities enable highly dynamic direct channel sales, including .com and mobile. Its powerful B2C and B2B IBE drive the lion share of Bamboo Airways´ sales. The Agency Portal (B2B IBE) connects more than 32,000 users to Bamboo Airways directly. Bamboo Airways has also enabled traditional GDS distribution channels.

Bamboo Club's exponential growth:
Loyalty program memberships grew by **350%** in its first year.

Fast and scalable partner integration:
Through multiple API services, iLoyal's Partner Integration Hub enables easy and expansive partner integrations for the Bamboo Club program.

Richer customer experiences:
iFly RES and iLoyal's highly configurable platforms allowed Bamboo Airways to offer its customers exclusive tier-matching privileges with 60+ loyalty programs.

A flexible and future-proof technology stack:
With native offer and order management and NDC capabilities, iFly RES is already ahead of industry standards. Cloud-based hosting enables the PSS and loyalty solutions to be quickly deployed in a secure, highly scalable, and low maintenance environment and grow with the airline. iFly RES and iLoyal were implemented in just over three and four months, respectively, while the modular SaaS model delivered cost-effective business benefits and lowered the risk of operating a new, progressive platform.

About IBS Software

IBS Software is a leading SaaS solutions provider to the travel industry globally, managing mission-critical operations for customers in the aviation, tour & cruise and hospitality industries. IBS Software's solutions for the aviation industry cover fleet & crew operations, aircraft maintenance, passenger services, loyalty programs, staff travel and air-cargo management. IBS Software also runs a real time B2B and B2C distribution platform providing hotel room inventory, rates and availability to a global network of hospitality companies and channels. For the tour and cruise industry, IBS provides a comprehensive, customer-centric, digital platform that covers onshore, online and on-board solutions. IBS Software is a Blackstone portfolio company and operates from 15 offices across the world.

Further information can be found at https://www.ibsplc.com

ibssoftware

Redefining the Future of Travel through Technology Innovation