



Number 1 in Asia in Customer Satisfaction

Innovative, Customer-Oriented Products and Services

As customer lifestyles diversify, companies in all industries vie daily to provide higher quality products and services. This is equally true in the airline industry, and the products and services each airline offers continue to evolve at a dizzying pace.

Under the ANA Group Mid-Term Corporate Strategy (April 2008 to March 2012), ANA aims to be Asia's Number 1 Airline in terms of customer satisfaction indicators by the fiscal year ending March 2010. The following presents ANA product strategies to achieve this objective.

- Products and Services that Establish the ANA Brand*
- The Launch of New Premium Class*
- A New Boarding Procedure that Raises Convenience and Efficiency*

Products and Services that Establish the ANA Brand

Customer Needs and ANA's Strategy for Products and Services

ANA operates a broad network in Japan and overseas, and serves customers that expect ANA to provide a variety of services according to route distance, flight time and destination. For example, passengers on long-haul routes expect much more in the way of airport lounge facilities, comfort and meal service than passengers on short-haul routes. Business travelers look for frequent departures, simple and convenient boarding, and quick service.

ANA has been meeting diverse customer requirements by renewing existing products and planning services based on new concepts. The comfort and high-end services offered to first-class and *New Style CLUB ANA* business-class passengers on international routes and by *Super Seat Premium*, which was introduced on domestic routes in 2004, have caught on among customers. At the same time, ANA has been ahead of its competitors in introducing self check-in machines (SCM), which make boarding faster and simpler, thus raising convenience. Customers have responded enthusiastically to the introduction of *Premium Class* to replace *Super Seat Premium* on domestic routes and the *SKIP* service that eliminates the need for airport check-in procedures. Our services continue to evolve.

Our product and service strategy is critical to our development as a premium airline. Moreover, given our goal of being Asia's Number 1 Airline, we must take a global perspective in catering to the preferences and sensibilities of non-Japanese passengers. ANA will work to maximize customer satisfaction by providing products and services that anticipate constantly changing customer needs.



Product Strategy for Peerless Customer Satisfaction

Airlines are basically in the business of getting passengers to their destination safely and on time. Strategies for products and services begin with an accurate understanding of customer needs and desires. At Products & Services Innovations, we analyze customer feedback collected from contact points such as customer support desks and from research, as well as general consumer trends and comparisons with the services other airlines provide. Based on these analyses, we use the latest marketing methodologies to develop and implement ANA's mid-term product strategy. Our goal is to make ANA Asia's Number 1 Airline by delivering a consistent ANA brand of products and services at a level of quality that our competitors cannot achieve.

Katsuya Kato
Vice President, Products & Services Innovations



The Launch of New Premium Class

Renewal with a Focus on Customer Requirements

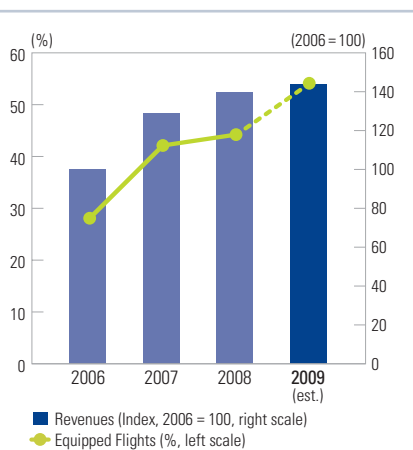
Noting the existing demand for high-quality service even on domestic routes, which have short flight times, ANA introduced *Super Seat Premium* in 2004, and added more routes in 2005 by increasing equipped aircraft. In April 2008, we renewed *Super Seat Premium* as *Premium Class*, offering enhanced seat comfort and services. We also extended the pitch between rows from 38 inches to 50 inches, giving passengers ample legroom. (*Premium Class* seats in the Boeing 747 are scheduled to have a 45-inch pitch.) Moreover, all flights offer either meals or the *Premium Deli* light meal service, and an enhanced beverage lineup with champagne, *appellation d'origine contrôlée* (AOC) wine and original blended tea. In addition, ANA offers passenger lounges at Haneda Airport and Itami Airport.

We have begun offering *Premium Class* on the narrow-body Boeing 737. Passengers can now enjoy comfortable, high-quality products and services on more domestic routes.

Premium-Priced Services that Win Customer Loyalty

Even though ANA added an average ¥1,000 to ¥2,000 to *Premium Class* airfares, sales have increased since April 2008 because of steady acceptance among customers seeking a higher grade of service. The introduction of *Premium Class* to respond to the need for high-end services has created the opportunity to meet high-yield passenger demand, thus contributing to enhanced profitability in the maturing domestic market.

**Premium Class
Revenues and Equipped Flights**



Premium Class



A New Boarding Procedure that Raises Convenience and Efficiency

A Completely New Domestic Route Boarding Procedure for the First Time in Two Decades

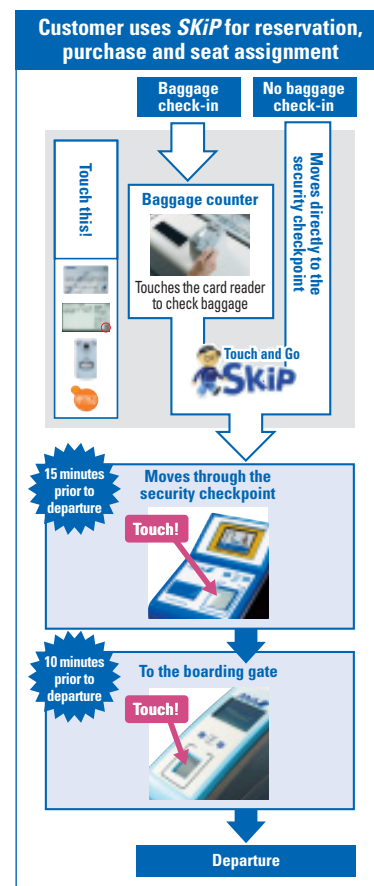
Another way ANA is responding to customer demands for improved convenience is by implementing new boarding procedures. We introduced the *SKiP* service at 50 airports in Japan from September 2007, and have renewed it with the addition of a two-dimensional bar code and IC touch pad. As a result, passengers who have been assigned their seat in advance no longer need to go through the usual check-in procedures, but can simply board the aircraft without going to a check-in counter or SCM. Moreover, customers can also use their IC-enabled cellular phones to handle all functions from reservation, ticket purchase and seat assignment or change to boarding procedures.

Since the advance introduction of *SKiP* at certain airports in September 2006, the usage rate has increased from about 10-15% to 45% in the fiscal year ended March 2008, with rapid expansion since September 2007. We are implementing programs such as developing system functionality, increasing the number of terminals and revising layout. Our target is for 70% of passengers to choose *SKiP* check-in-free boarding as their standard boarding procedure. This will raise the quality of airport operations and enhance productivity while contributing to smooth and convenient air travel.

Greater Convenience and Enhanced Workforce Productivity

Enhanced convenience that makes air travel more accessible as a mode of transportation will contribute to ANA's growth in the future. Promoting this kind of innovation also improves workforce productivity, which will contribute significantly to cost competitiveness as ANA expands its scale of operations from 2010.

The *SKiP* Service Offers Simplicity and Convenience



Further Evolution of the Breakthrough *SKiP* Service

We were temporarily reassigned from our passenger service duties to begin preparing for the launch of the *SKiP* service six months prior to its advance introduction in September 2006. We made use of our experience on the front lines of customer service to develop a system that reflected customer needs.

Customers really appreciate the *SKiP* service because it makes the most effective use of the time they must spend at airports. However, we are still perfecting its capabilities in areas such as dealing with flight delays. We will continue to develop the *SKiP* service into a system that is simple, convenient and easy to understand, even for customers who are not used to boarding planes.

Manami Hori (left) and Yoshiko Oyama (right)
Next-Generation Domestic Passenger Services Development Project Team

