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IT AND E-BUSINESS

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AIR ASTANA IS THE LEADING AIRLINE IN THE REGION TRYING TO ACHIEVE A COMPETITIVE EDGE THROUGH INNOVATION. IN SUPPORTING THE STRATEGIC BUSINESS GOALS OF THE COMPANY, IT & EBUSINESS DEPARTMENT IS A BUSINESS ENABLER THAN A BUSINESS SUPPORTER. USING APPROPRIATE IT SOLUTIONS WITH THE BEST FIT FOR AIR ASTANA AND ACHIEVING A COST EFFECTIVE AND EFFICIENT IT OPERATION WITH A HIGH SERVICE QUALITY ARE KEY OBJECTIVES.

Chamindra Lenawa, Vice President, IT and E-business

Commercial operations

In 2017, several initiatives were undertaken to support our efforts in sales and marketing. For example, our frequent-flyer system was upgraded to a modern platform offering further improvements to the service. A robust application was developed for proactively offering and fulfilling last-minute upgrades for Nomad Club members, many of whom have expressed their appreciation for the initiative. As the number of group bookings continued to increase, a new system for handling such bookings was developed in-house. This will be further enhanced in 2018. The sales management system, an in-house product, underwent a major upgrade with a new release. The sale of preferred seats (MySeat) was implemented across multiple channels via our ticket offices, check-in desks, online and travel agents. This was one of the major projects in the introduction of ancillary services for our customers.

E-commerce

Our corporate website is one of the major means of communication with our customers and a main channel for direct sales, making us Kazakhstan's largest single e-commerce platform. It offers a wide range of services, including online bookings and check-in, information about flight arrivals and departures, verification of reservation details and much more. Our mobile application is virtually a pocket travel assistant with many rich features.

In 2017, online statistics continued to improve in an impressive way. New visitors to the website increased by 17% compared to the previous year, and page views were also up by 24%. The number of online purchases increased by 29%, and online sales of preferred seats (MySeat) were extremely successful.

Many parts of the website were improved, including the section on the Nomad Club. A new payment page was developed in 2017 to offer better purchasing capabilities not only in terms

of selection of payment provider but also to expand the products and services that can be purchased online. After its launch in 2018, the next upgrade will allow passengers to select the payment currency of their choice. An online game was made available to passengers in 2017 that gave players an opportunity to win tickets. The number of online promotions also increased compared to 2016. For example, our passengers who attended EXPO 2017 in Astana were offered online EXPO tickets. And finally, as a step to better serve passengers from India, a dedicated customised regional site was implemented for the country.

The launch of a new mobile app in 2018 in conjunction with our new e-marketing platform is expected to boost e-commerce activities through mobile channels. Online insurance will also be launched in 2018. A new online service will be made available for passengers to download inflight e-magazines after check-in. There are also plans to launch an Air Astana blog next year.

Human resources

The roadmap for HR digital achieved a number of milestones in 2017. For example, a mobile application for employees (KCApp) was launched with a number of features, making it one of the best mobile apps for corporate employees. The staff bus tracker was another service launched together with the KCApp. A new training management system launched in 2017 replaced the old ERP-based system. The new platform offers rich features and is extremely effective in managing staff training and development. To support major recruitment campaigns, a new recruitment website was launched last year, which will be further improved in 2018 as part of the implementation of a new HR system. As part of the regular updates of the staff travel application, KCFly, a new release was launched in 2017. A new release of the performance appraisal system was also introduced that incorporates innovative features aimed at enhancing staff engagement.

In 2018, a state-of-the-art solution will be introduced for recognising staff for their work during the entire year, not just during appraisals.

Functional processes

In 2017, new releases were developed for both the Hub Control System and the Incident Management System. A new platform was introduced for corporate document management with the application of electronic signatures. This document management system will be expanded to streamline more of our business processes in 2018. A system was developed to manage the operations of hangars. The migration of our functional currency from KZT to USD was a major undertaking that was successfully handled within a very tight time frame. The main IT infrastructure project completed in 2017 involved setting up IT infrastructure for the new hangar and office complex in Astana. Other IT infrastructure projects undertaken in 2017 included a new

firewall project, network expansion projects and a self-service portal for password management. In 2018, a system will be implemented for corporate risk management. We are also planning to obtain ISO27001 certification on information security in 2018, which would be the culmination of a major undertaking.

Award for Driving Secure e-Commerce Transactions

While increasing the sales via internet, airline has managed to reduce the fraud level to zero. Air Astana was nominated for Visa Kazakhstan's "Award for Driving Secure e-Commerce Transactions". The recognition took place mainly due to bringing the fraud level down to absolute nothing, meaning that the airline had no chargebacks to pay for online transactions made in 2017 while keeping and improving the growth of online sales.