

**BCG**

 **GOR**

**PRICING &  
REVENUE MANAGEMENT  
SUMMIT**



**Pricing & Revenue  
Management Summit**

The Next Frontier in Travel & Tourism

*A BCG and GOR joint event*

**Munich, February 22<sup>nd</sup> 2019**



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#prmssummit

## The Next Frontier of P&RM in Travel & Tourism

### Key trends

- Customer expectations are evolving dramatically
  - Personalized experience
  - Smooth customer journey across all touchpoints – off-line and digital
  - Real time interactions
- Demand forces are leading players to advance their methodologies...
  - Personalization of products and prices
  - 1 to 1 marketing
  - Continuous pricing
  - Multichannel content distribution

### New technology

- ... enabled by new technologies
  - Cloud computing and high speed internet
  - AI / Machine Learning
  - New distribution capabilities
  - Next generation user interfaces

### New challenges

- These changes are presenting new challenges for organizations
  - Defining organization set up for success
  - Creating and nurturing capabilities
  - Managing prices with information symmetry
  - Building or protecting competitive advantage
  - Trading off investments and designing sustainable innovation models



Friday, February 22<sup>nd</sup> 2019

BCG Munich

Ludwigstraße 21, München

8.00 – 8.45 Registration & Welcome Coffee

8.45 – 9.00 **Welcome note**

**Alberto Guerrini**, Partner & Managing Director, BCG

**Claudius Steinhardt**, Chair of Business Analytics & Management Science, Universität der Bundeswehr München

### **The next frontier and its challenges for organizations**

9.00 – 10.30 **New distribution capability and dynamic pricing: Implications for airline revenue management**

**Prof. Peter Belobaba**, Principal Research Scientist, MIT

#### **Jetblue innovation model**

**Eash Sundaram**, CIO & EVP Innovation, Jetblue

#### **Future personalized offer design – The Lufthansa approach**

**Simon Rimrod**, Head of P&RM and of Revenue Management tools, Swiss

10.30 – 11.00 Break – Connect with the P&RM players

11.00 – 12.00 **Revenue management: A research perspective**

**Prof. Dr. Claudius Steinhardt**, Chair of Business Analytics & Management Science, Universität der Bundeswehr München

**Prof. Dr. Robert Klein**, Chair of Analytics and Optimization, Universität Augsburg

#### **Revenue management organizations at the heart of travel and tourism companies**

**Luigi De Filippo**, SVP Revenue Management & Commercial and Itinerary Planning, Silversea

12.00 – 13.15 Lunch – Connect with the P&RM players

13.15 – 15.15

### Breakout Sessions

#### **Breakout A: Insights on methodologies & systems**

Hosted by GOR P&RM workgroup

#### **Back to leg?**

**Dr. Stefan Pölt**, Head of Revenue Management Tools, Lufthansa

#### **Dynamic pricing in competitive markets: Insights from the previous tournament and a preview of the upcoming dynamic-pricing-competition.com-event**

**Prof. Dr. Arnoud den Boer**, Assistant Professor Mathematics Dept, University of Amsterdam

**Dr. Alwin Haensel**, Founder, Advanced Mathematical Solutions

#### **The future of revenue management at DB Fernverkehr**

**Dr. Philipp Bartke**, Senior Specialist Revenue Management, DB Fernverkehr

**Simon Hohberger**, Revenue Management Specialist, DB Fernverkehr

#### **Utilization of simulation for training purposes: challenges, approach and results using the example of airline revenue management training in practice**

**Martin Friedemann**, Managing Director, Opremic services

### **Breakout B: Innovation @ work**

Hosted by BCG Global P&RM Competence Center

**Beyond multi-channel: AI-based pricing optimization across different service lines for a major FSC airline**

**Silvio Palumbo**, Partner & Managing Director, BCG

**Leveraging on data science to boost on board revenue in the cruising industry: the Costa Crociere case**

**Mario Alovisi**, VP RM, Itinerary & Transport, Costa Crociere

**Flix: Automating & optimizing pricing with machine learning**

**Matthias Kuhn**, VP Revenue Management, Flixbus

**OTA - Evolve or fail and its implications for travel suppliers**

**Ivan Martinez**, Revenue & Pricing Director, Lastminute.com

15.15 – 15.45 Break – Connect with the P&RM players

### **Call to action**

15.45 – 16.15 **Why to act now on P&RM innovation?**

**The wind of opportunity and the threats of not sailing it**

**Lamberto Biscarini**, Senior Partner & Managing Director, BCG

16.15 – 16.30 **Conclusions**

# Speakers



**Peter Belobaba**  
*Principal Research Scientist  
MIT*

Peter P. Belobaba is Principal Research Scientist in the International Center for Air Transportation at the Massachusetts Institute of Technology (MIT), where he teaches graduate subjects on the Airline Industry, Airline Management, and Air Transportation Operations Research. He is Program Manager of MIT's Global Airline Industry Program and Director of the PODS Revenue Management Research Consortium. He holds an Master's degree in Transportation and a PhD. in Flight Transportation Systems from MIT.

He has been involved in research related to airline economics and planning, pricing, competition and revenue management since 1985. His doctoral dissertation is widely recognized as the first PhD. thesis published on the topic of airline yield management. He has worked as a consultant on the development, testing and implementation of pricing, revenue management and distribution systems at over fifty airlines and other companies worldwide. He is a lead author and editor of the recently released book, *The Global Airline Industry*, and has also published numerous articles on Airline Business, Operations Research, Transportation Science, Journal of Revenue and Pricing Management, and Journal of Air Transport Management.



**Eash Sundaram**  
*CIO & EVP Innovation  
JetBlue*

Eash Sundaram serves as JetBlue's Executive Vice President, Chief Digital & Technology Officer, and the Chair of JetBlue Technology Ventures, a wholly owned subsidiary of JetBlue Airways. He is a member of the Executive Leadership Team and responsible for technologies, digital and innovation. He oversees strategy, vision and implementation of technology solutions that align with the value airline's business model to offer consistent service and maximize investment. Prior to JetBlue, he worked at Port Washington, New York-based Pall Corporation - a global business in the diverse field of filtration, separations and purifications. At Pall, he most recently served as Senior Vice President Global Supply Chain and Chief Information Officer. Before joining Pall, he served in a variety of leadership positions with increasing global responsibilities in Technology, Operations with McKesson-PSS World Medical, i2 Technologies, ALK Technologies & the Sea Horse Group.

He holds a Master's Degree in Transportation Management from the State University of New York and a Bachelor's Degree in Science & Engineering from MK University, in India.

# Speakers



**Simon Rimrod**  
*Head of Pricing & Revenue  
Management and of Revenue  
Management Tools  
SWISS - Lufthansa Group*

Simon is a Senior Director of the Lufthansa Group and Head of Revenue Management (RM) Pricing of the Hub Airlines (Lufthansa, Swiss, Austrian), responsible for maximizing revenues of 20 BN EUR. He is also Head of RM Operational Research, in charge of optimizing tools and algorithms as well as transforming business requirements into leading IT systems.

Simon launched dynamic pricing tools in 2018, and currently drives advancements in price modelling, and improvements of RM prognosis. Simon has a proven record of leading change projects and plans, as part of the corporate profit improvement program of Lufthansa. He also has consolidated experience in setting up lower cost airline structures within the Group. As Airline enthusiast, his 14 years of professional experience include work in corporate strategy, organizational restructuring and IT product line management.



**Claudius Steinhardt**  
*Chair of Business Analytics  
& Management Science  
Universität der Bundeswehr München*

Claudius Steinhardt holds the chair of Business Analytics & Management Science at the Bundeswehr University Munich. Claudius Steinhardt received a diploma degree in Information Systems and Management from the Technical University of Darmstadt as well as a doctoral degree and his habilitation in operations research from Augsburg University. His research interests cover all kinds of demand management (e.g. revenue management, pricing, product line design) with a strong focus on method development for real-world industry problems. He publishes in international journals such as Transportation Science, European Journal of Operations Research, Computers and Operations Research, and collaborates with industry partners on a regular basis. His recent research projects address the interface of demand management and operations, e.g., in city logistics and car sharing. He is co-author of the first German scientific textbook on revenue management, and he is head of the GOR working group “Pricing and Revenue Management”.

# Speakers



**Robert Klein**

*Chair of Analytics and Optimization  
Universität Augsburg*

Robert Klein studied Business Administration and Information Systems and worked as a research assistant at the Technical University of Darmstadt.

In 2006, he became a full Professor at the University of Augsburg where he holds the chair for Analytics & Optimization. Robert has been involved in research and development in the areas of pricing and revenue management, digital logistics, and operations research. He is passionate about solving real-world problems with analytics and is very interested in implementing the results of his team's research into the market. In recent years, he cooperated with Daimler, GLS, IBM, Lufthansa Systems, Sixt, and TUI, and most of the projects had a strong emphasis on analytical pricing. He has published in journals such as Computers & Operations Research, European Journal of Operational Research, INFORMS Journal on Computing, Omega, OR Spectrum, Transportation Science and many more. Furthermore, he is the co-author of several textbooks on business mathematics, operations research, and revenue management. As of October 2015, he is also the dean of the Faculty of Business & Economics at the University of Augsburg.



**Luigi De Filippo**

*SVP Revenue  
Management & Commercial  
and Itinerary Planning  
Silversea - Royal Caribbean  
International Group*

Luigi De Filippo is a business leader with a deep expertise in revenue management and travel & tourism. Working for Silversea Cruises - the company leader in the ultra-luxury cruises niche market - over the past three years, with a new larger executive responsibility in the sales and marketing area, he has acquired a new valuable perspective about sales, product development and strategic pricing in the luxury travels field, one of the highest performing market within the entire travel and tourism horizon. He has an extensive track record of both building up functional areas from scratch and managing large teams to deliver challenging objectives in complex organizational environments.

His career started 20 years ago in the Information Technology world, when leading strategic projects of business intelligence. His strong technical background adds significant value in cross-functional collaboration and dealings with external partners.

# Speakers



**Stefan Pölt**  
*Head of Revenue Management Tools  
Lufthansa*

Stefan Pölt is Head of Revenue Management and Pricing Tools at Lufthansa German Airlines where he is responsible for the revenue management and pricing tools. He holds a PhD in computer science from the University of Dortmund, Germany and joined Lufthansa in 1995. Stefan is widely recognized as an expert in forecasting and revenue management methods and he has held presentations at several conferences, including AGIFORS, PROS Conference and WCTR. He is a member of the editorial board of the Journal of Revenue and Pricing Management, where he has published several articles.



**Arnoud den Boer**  
*Assistant Professor Mathematics Dept.  
University of Amsterdam*

After obtaining a mathematics degree at Utrecht University (2006) and a post-master degree Mathematics for Industry at Eindhoven University of Technology (2008), Arnoud wrote his PhD thesis 'Dynamic Pricing and Learning' (2013) at the CWI Centrum for Wiskunde and Computer Science, under the supervision of Bert Zwart and Rob van der Mei. After positions at Eindhoven University of Technology (postdoc), University of Amsterdam (postdoc), and University of Twente (postdoc / assistant professor), he joined the University of Amsterdam in 2016 as assistant professor in the mathematics department. He is also affiliated to the Amsterdam Business School. Arnoud's research focuses on the interface of learning and optimization, with applications in dynamic pricing and revenue management. His PhD thesis and subsequent research has been awarded the 2015 Gijs de Leve prize for best PhD thesis in operations research defended in the Netherlands in the period 2012-2014, a honorable mention for the Willem R. van Zwet Award for best PhD Thesis in statistics & operations research defended in the Netherlands in 2013, a finalist place for the 2015 European Doctoral Dissertation Award, an NWO Veni grant in 2014, and the INFORMS Revenue Management & Pricing Section Prize in 2016. Arnoud organized the 2017 INFORMS Revenue Management and Pricing Section conference, and is Associate Editor for Management Science.

# Speakers



**Alwin Haensel**  
*Founder*  
*Advanced Mathematical Solutions*

Alwin holds a Phd in Applied Mathematics and studied in London, Berlin and Amsterdam. His main fields of interest are the modeling of customer purchasing behavior, forecasting and optimization under uncertainty. He is the founder of the Technology & Data Analytics company Haensel AMS - Advanced Mathematical Solutions. Most recently, he concentrated on topics such as: omni-channel attribution, personalized recommendations, dynamic pricing, as well as specific data mining and forecasting projects.



**Philipp Bartke**  
*Senior Specialist*  
*of Revenue Management*  
*DB Fernverkehr*

Philipp Bartke joined Deutsche Bahn in 2013. He is now Head of System Development and Data Analysis in the revenue management department of DB Long Distance and is responsible for advancing the forecasting and optimization algorithms of DB's revenue management system. He holds a Diplom in Wirtschaftsingenieurwesen from the Karlsruhe Institute of Technology. He wrote his dissertation at Freie Universität in Berlin in cooperation with Deutsche Lufthansa AG on "Demand Estimation in Airline Revenue Management".

# Speakers



**Simon Hohberger**  
*Revenue Management Specialist*  
*DB Fernverkehr*

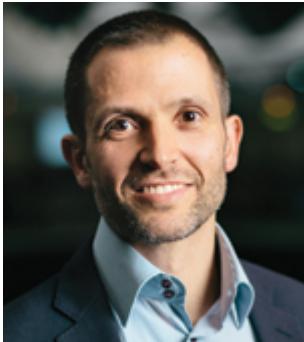
Before joining DB Fernverkehr in 2017, Simon Hohberger worked for a business consultancy and supported a number of digital transformation projects. In his current role, he focuses on future developments for DB's revenue management system while completing his PhD at the University of Mannheim. He holds a Master's Degree in Business Administration with focus on Operations and Revenue Management, also from the University of Mannheim.



**Martin Friedemann**  
*Managing Director*  
*Opremic services*

After receiving his Master's degrees in mathematics, Martin Friedemann received a scholarship from Lufthansa AG to work on the topic of flexible capacities in revenue management. This work included building a revenue management simulator to investigate the performance of various methods for forecasting and optimization. After joining Lufthansa as a regular employee, he was part of a long-term project which enhanced all components of the revenue management system to incorporate more realistic passenger behavior. While working on this project, he became more familiar with the technical aspects of revenue management as well as software development process. After the successful implementation, he joined Air Berlin Group as Head of Development of Commercial Information Systems. In that position, he was responsible for the implementation of a revenue management system including business and system training for all analysts and managers accordingly. After working for airlines for almost 10 years, he decided to make a change in his career to approach the problem from a different perspective. That perspective was as part of PROS, which provides revenue management softwares in the travel industry. In his role, he was responsible for the implementation of features and enhancements that meet customers' business needs. To accomplish this, he coordinated developers around the globe to implement the features. Additionally, he worked directly with customers as well as product management to understand the business needs and identify the right solution.

# Speakers



**Silvio Palumbo**  
*Partner & Managing Director  
BCG*

Silvio Palumbo is a core member of Boston Consulting Group's Technology practice area and of BCG Gamma, specializing in the Big Data and Analytics topic. He is analytics lead in North America for the personalization topic. He focuses on bringing machine learning and an AI-enabled approach to multi-channel marketing platforms and solutions.

Silvio leads the development and integration of cutting-edge analytical solutions for Fortune 500 companies. He is an expert in transformation and Big Data strategy, and at deploying advanced analytics at scale. He is also a core member of BCG Gamma, a team of world-class data scientists and business consultants who specialize in advanced analytics. Gamma combines advanced skills in computer science, artificial intelligence, statistics, and machine learning with deep industry expertise.

Before joining the firm, Silvio was a Director at AlixPartners, responsible for business development and growth of the EMEA practice in London and Milan, an engagement manager at Opera Solutions, and co-founder of Ventuno Srl, a boutique consultancy specializing in software development, enterprise improvement, and data management.



**Mario Alovisi**  
*Vice President Revenue  
Management Itinerary  
& Transportation  
Costa Crociere - Carnival Corporation*

Mario Alovisi is Vice President Revenue Management, Itinerary, Planning and Transportation of Costa Cruises. In this division, he is responsible for the definition of pricing and revenue management, itineraries design, itinerary and transportation activities, planning and forecasting and on-board retail strategy. He runs a team of 110 people and is responsible for designing and implementing all the operational activities. His professional career began in Alitalia in 1999, where he held different roles and developed multiple skills in marketing and social media until 2008. Over the following years, he joined different companies such as Royal Group – Hotel and Resorts, Roma Formula Futuro – FG Group and American Express, where he gained significant experience and improved his expertise in pricing and revenue management. In 2014, he joined Costa Cruises in Genoa as Director of Revenue Management Planning, Forecasting and Distribution, being responsible for strategic planning and pricing, developing the annual operating plan focused on achieving financial and strategic objectives. He graduated in Economy at Federico II University in Naples.

# Speakers



**Matthias Kuhn**  
*VP Revenue Management*  
*FlixBus*

Matthias started his career with Air Berlin in Network Planning and Pricing, moved on to BCG in 2011 where he worked on many travel and tourism cases. Since 2015, he has been working for FlixBus for the global Pricing and Network teams. Since 2018, he is also Managing Director of FlixTrain.

Matthias is a travel enthusiast both professionally and for leisure. He loves to explore new things and walk on the path less traveled like the shores of lake Aral, bear watching on Kamchatka or exploring North Korea. Pushing new business models like FlixTrain and machine learning in pricing and network planning are his latest passion.



**Ivan Martinez**  
*Revenue and Pricing Director*  
*Lastminute.com*

Ivan Martinez is the Revenue & Pricing Director in Lastminute.com Group and he drives the revenue's optimization for the Global Flight business. He has accomplished the revenue and centralization of the Pricing Function within the Group to deliver competitive products at the Online Travel Agencies market.

He has an international background gained working in three continents and his career developed through Revenue Management positions for Airlines, Railway and O.T.A. companies. In his previous role, he led the Revenue Management department at ITALO S.p.A., the pioneer of the European passenger railway liberalization.

He has a degree in both Economics and Statistics and is currently taking part to a Management Program at IESE Business School.

# Speakers



**Lamberto Biscarini**

*Senior Partner & Managing Director  
BCG*

Lamberto Biscarini is Consumer Practice lead for Central, Eastern Europe and Middle East. He is also leader and founder of the BCG Global Competence Center for Pricing and Revenue Management (P&RM) in Travel & Tourism. In this sector he serves many international clients across different T&T segments: airlines, cruising, railways and mobility infrastructure (airports, highways), dealing with strategic planning, restructuring programs and reorganizations, network and revenue management, marketing and sales, loyalty and co-marketing programs. Before joining the firm, Lamberto worked for several years at Procter & Gamble. His background is Chemical Engineering, with a degree with full marks and honors at the University of Bologna.

# Hosts



**Alberto Guerrini**  
*Partner & Managing Director*  
BCG

Alberto Guerrini leads the BCG Global Competence Center for Pricing & Revenue Management in Travel & Tourism. He is also the leader of the Consumer Practice and Travel & Tourism Sector for BCG in IGT (Italy, Greece and Turkey) and is also in the Leadership Team of the Marketing&Sales&Pricing Practice. He supported a large number of multi-year international transformation programs for airlines (FSCs as well as LCCs), cruise lines, tour operators, rail companies, and other travel and infrastructure operators. His know-how in pricing & revenue management goes from strategy definition to systems development as well as people enablement. He is also co-author of the BCG papers “A Renaissance for Revenue Management in Travel and Tourism” and “A new blueprint for Pricing and Revenue Management in Travel & Tourism”. He holds a degree in Engineering from “Politecnico di Milano” and an MBA from “SDA Bocconi School of Management”.



**Claudius Steinhardt**  
*Chair of Business Analytics*  
*& Management Science*  
*Universität der Bundeswehr München*

Claudius Steinhardt holds the chair of Business Analytics & Management Science at the Bundeswehr University Munich. Claudius Steinhardt received a diploma degree in Information Systems and Management from the Technical University of Darmstadt as well as a doctoral degree and his habilitation in operations research from Augsburg University. His research interests cover all kinds of demand management (e.g. revenue management, pricing, product line design) with a strong focus on method development for real-world industry problems. He publishes in international journals such as Transportation Science, European Journal of Operations Research, Computers and Operations Research, and collaborates with industry partners on a regular basis. His recent research projects address the interface of demand management and operations, e.g., in city logistics and car sharing. He is co-author of the first German scientific textbook on revenue management, and he is head of the GOR working group “Pricing and Revenue Management”.



**Gabriele Ferri**  
*Partner & Managing Director*  
BCG

Gabriele Ferri joined BCG in 2011. He is a core member of the firm’s Marketing&Sales&Pricing practice, focusing on the transportation, travel, and tourism sectors. Gabriele’s client work focuses on the areas of strategy, M&A, revenue management, commercial effectiveness, and organization within the travel industry. He has developed significant expertise serving clients in multiple travel sectors including airlines, railways, tour operators, airports, toll motorway operators, and travel retail operators. Gabriele is also a core member of BCG’s global Pricing & Revenue Management team in travel and tourism. Prior to joining BCG, Gabriele worked as project manager at Roland Berger Strategy Consultants focusing on the aviation and health care services industries. Before that, he was a consultant at KPMG Advisory where he served multinational companies in the automotive and packaged goods industries.





