humoniq

HUMONIQ / WHITE PAPER 02

# *Reduced labor costs*

Why airline support costs more than wages, how staffing, turnover and offshoring add costs, and how AI can reduce the work people need to do.

IN THIS PAPER


| | | |
|---|---|---|
| 01 | Why support is so expensive. | 02 |
| 02 | Why staffing never quite fits. | 03 |
| 03 | Why staff turnover costs so much. | 04 |
| 04 | Why outsourcing can cost more. | 05 |
| 05 | Why global coverage multiplies cost. | 06 |
| 06 | The Solution | 08 |


humoniq.ai/benefits/reduced-labor-costs

01 / THE FULL OPERATION

# Why support

## *is so expensive.*

Wages are only the starting point. Airlines also pay to hire, train, manage and equip their support teams. Staffing has to cover busy periods and absences, even though some paid hours will be quiet. The full cost includes the whole operation, not just the hourly wage.

### The cost of support goes beyond wages.

#### Pay & benefits

The cost of an agent includes wages, employer taxes, benefits and paid leave.

#### Hiring & replacements

Finding and hiring agents takes time and money. Every departure means paying to recruit again.

#### Training & management

Agents need paid time to learn fares, policies and systems. Managers schedule shifts, coach the team and check quality.

#### Offices & equipment

Each agent needs a computer, headset and reliable connection. Workplaces and IT support add ongoing costs.

#### Software & systems

Phone systems, support software and booking tools have ongoing fees. A larger team usually needs more licenses.

#### Shifts & extra cover

Cover for busy periods, nights and absences needs extra staffing. You also pay for quiet hours between requests.

COUNT THE WHOLE OPERATION

Pay & benefits + Hiring & replacements + Training & management

Offices & equipment + Software & systems + Shifts & extra cover

=

The full cost of *running your support team.*

02 / THE COST OF CAPACITY

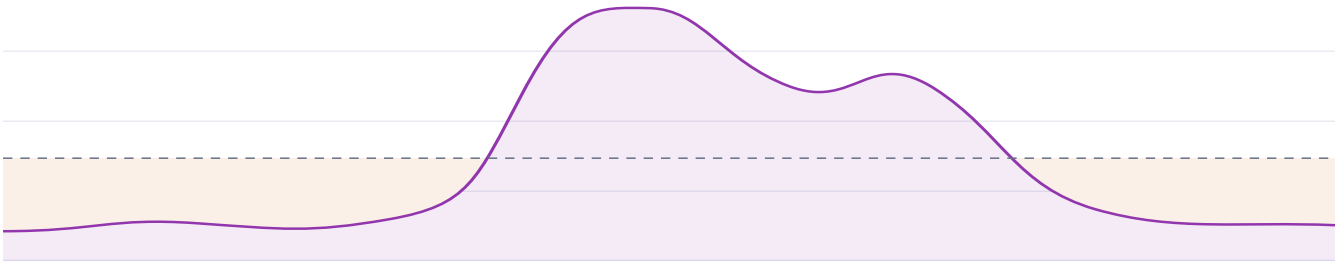
# Why staffing

*never quite fits.*

Requests rise and fall, but shifts are planned in advance. A team large enough for a disruption costs money when things are quiet. A team sized for a quiet day leaves passengers waiting when requests surge. More agents can shorten queues, but they also add more paid time between requests.

## Quiet hours cost money. Busy hours still bring queues.

Requests for help: violet / Team capacity: grey dashed / Paid time without requests: warm fill



Quiet period Disruption Quiet again

QUIET PERIODS

### You pay for time between requests.

The warm area shows paid capacity left unused when fewer requests arrive than the team can handle.

BUSY PERIODS

### Passengers wait for help.

Where requests rise above the dashed line, the available agents cannot keep up. Passengers have to wait.

More on elastic capacity and disruptions

03 / THE COST OF STARTING AGAIN

# Why staff turnover

*costs so much.*

Every departure takes experience out of the team and starts another round of hiring and training. Experienced colleagues spend time helping replacements while still doing their own work. When departures keep happening, those costs add up and the team has less time to rebuild its skills.

## What happens when agents keep leaving

### Hiring and training costs add up




### Experience drops and takes time to rebuild




More on lean team management

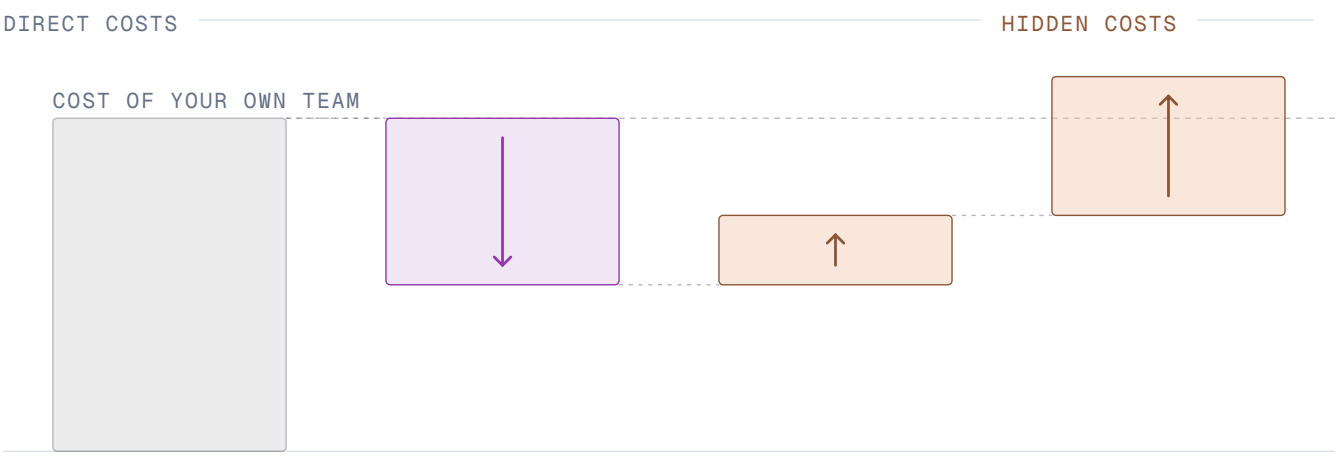
04 / THE OUTSOURCED OPERATION

# Why outsourcing

*can cost more.*

Offshoring can lower wages, but the provider's profit margin is still part of the bill. Poor service can add costs elsewhere: work your own team has to redo and customers who stop coming back. Those costs may never appear on the provider's bill, yet they can outweigh the wage saving.

## Lower wages don't always mean lower overall costs.




01
### In-house cost
Your own support team, before outsourcing.

02
### Wage savings
Lower offshore wages bring the staffing cost down.

03
### Provider profit
The provider's profit margin is included in its bill.

04
### Poor service
Work your team must redo and customers you lose can cost the airline, outside the provider's bill.

05 / THE COST OF GLOBAL COVERAGE

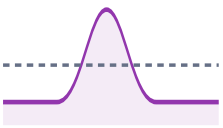
# Why global coverage

*multiplies cost.*

Every language and shift needs the right cover. A free English-speaking agent may not be able to help a German-speaking passenger, and a day team cannot cover the night. Staff can sometimes share the work, but extra cover still brings paid quiet hours without guaranteeing help for every peak.

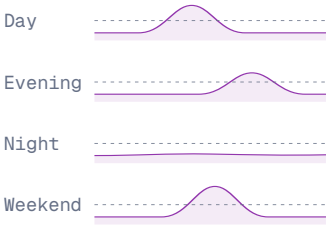
## More languages and more hours mean more teams to staff.

### ONE QUEUE



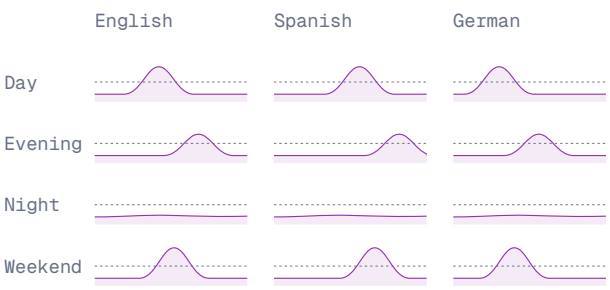
One language, one shift. Violet: requests. Dashed: capacity.

### COVER EVERY HOUR




Day, evening, night and weekend coverage.

### ADD MORE LANGUAGES

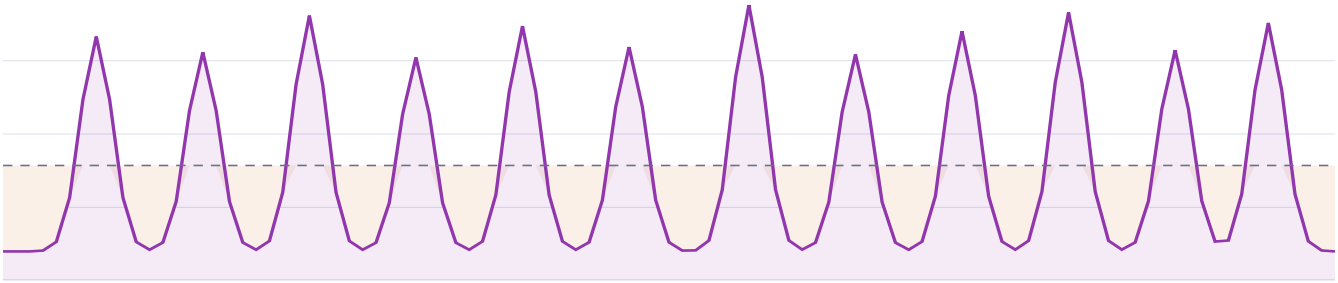



Three languages across four coverage periods: twelve queues in this example.

Spare capacity in one team may not help another. Each language and shift still needs cover.

## More staff, but passengers can still wait.

Requests for help / Team capacity / Paid time without requests



Start of the week Midweek End of the week

QUIET PERIODS

### You pay for time between requests.

Each team has quiet hours. Those paid hours add up across languages and shifts.

BUSY PERIODS

### Passengers wait for help.

Agents on another shift, or without the right language, cannot always cover a busy queue.

More on multilingual and 24/7 support

06 / THE HUMONIQ WAY

# How Humoniq

*solves this.*

Two principles, end-to-end automation and world-leading CX. AI resolves most requests the moment they arrive, specialists handle the rest, and the airline pays one dollar per resolution.

## The Humoniq standard.

PRINCIPLE 01

### End-to-end automation.

AI carries each request from first message to confirmed resolution, inside the airline's rules and systems. Specialists step in only where judgement is needed.

PRINCIPLE 02

### World-leading CX.

Not undetectable. Measurably better than human on everything a passenger notices: speed, accuracy, depth and a shorter path to the outcome.

WHAT THIS MEANS IN PRACTICE

| | | |
|---|---|---|
| 01 | Instant response | An answer in seconds, at 3 a.m. or mid-disruption. |
| 02 | No queues | Every passenger is served at once. Only escalations ever wait. |
| 03 | Parallel work | Searches, checks and bookings run side by side, not one after another. |
| 04 | Deep integrations | Real actions in the airline's own systems, within its rules. |
| 05 | Faster resolutions | The most direct path to the best outcome, with fewer repeat contacts. |

## How this lowers the cost of support.

### Less human work lowers the cost per request.

USD PER RESOLVED REQUEST

Traditional support, example cost

**$5**

An example that includes wages, hiring, training, management, equipment, software and paid time between requests.

Humoniq service fee

**$1**

80% below the $5 example, before adding the people you retain for exceptions and oversight.

HOW THE WORK CHANGES

### AI resolves requests

AI handles the conversation and the work in connected systems, so an agent does not have to.

### People handle exceptions

Specialists handle the cases that need judgment, with a smaller team to train, schedule and manage.

### Fewer repeat contacts

When a request is finished properly, the passenger has less reason to call or write again.

NEXT STEPS

## Lower support costs.

*More room to invest.*

Let’s compare the full cost of your current support with Humoniq at $1 per resolved request, plus the human team you still need. We’ll explore where automation could help.

Let’s talk about your airline

humoniq.ai/contact