

Terminal Construction Update – Justin Erbacci, Chief Innovation & Commercial Strategy Officer

Erbacci provided an overview of the terminal and cores program (see handout):

Southwest/Terminal 1 – Construction completed in Q4 2018. Grand reopening scheduled for November 30, 2018. Addressing out-of-scope deviations with Planning and Development; financial closeout complete in February 2019; final acquisition in April 2019.

Southwest/Terminal 1.5 – Started construction in October 2017; seeking Notice-to-Proceed in December 2018; opening projects for December 2020. Completed value engineering work; first crane arrived in September 2018; foundation piles completed.

Delta/Terminals 2 & 3 – Includes additional gates at T2 and T3, a connector from T3 to TBIT, centralized security checkpoint and centralized check-in counters. Enabling work has begun; 90% of design documents to be submitted in 2019 Q1; temporary screening checkpoint opened in T3.

American/Terminals 4 & 5 – T4/5 lease was approved by the Board of Airport Commissioners in July 2018 and lease has been finalized. Broke ground on October 17, 2018. Construction in T5 scheduled for November 2018 and T4.5 core construction in early 2020.

Alaska/Terminal 6 – Approval of plan scheduled before the Board of Airport Commissioners in January or February 2019. Program will allow for additional gates; modified security screening; lounge upgrade; and hold room expansion. Start early construction in late 2019.

Erbacci also provided an update on a guest engagement/loyalty solution strategy. LAWA has a once-in-a-generation opportunity to implement a unified digital strategy and guest experience with two overarching strategic goals to increase revenue and improve guest satisfaction. The strategies for increasing revenue include creating an operating model that will enable LAWA to have real-time visibility and access to data and realize operational efficiencies through data driven management. Strategies for improving guest satisfaction include providing personalized, relevant information and acting as a key broker and advocate for the guests in negotiating with airlines.

Value for Money: Dave Jones – Director, Airline Property and Concession Services

Jones updated the Council on the first meeting of the Value for Money (VFM) Working Group on November 8, 2018, that attracted good participation from a mix of concessionaires, airlines and a service provider. Keeping in mind that VFM is made up of price, a variety of offerings, and quality of products and service, the Working Group discussed ways to positively impact guest perceptions of LAX VFM short-term, mid-term and long-term.

The Working Group discussed that many concessionaires already offer discounts and various promotions, but there needs to be improved communications and visibility. Other promotions to consider included:

- Temporary or permanent “BOGO” – a sort of buy-one-get-one type of promotion
- Temporary or permanent “multiples”, “bulk” or “2Fer” discount
- Standing employee menu at most food & beverage locations

Concessionaires were asked to advertise or communicate these offerings to the guests through dedicated signs, table toppers, menu inserts, etc.

They were also asked to identify opportunities to create new values – whether it be offering the employee menu to guests or creating a new value or promotions.

LAX Holiday Happenings – Barbara Yamamoto, Chief Experience Officer

Yamamoto handed out a list of activities (see handout) that are scheduled for the holidays to bring “surprise and delight” into the guest experience – everything from the iconic LAX signs decorated in airplane snowflakes to security bollards dressed with images of snowmen and nutcrackers. The Partners Council was encouraged to attend the annual Partners Mixer on December 12.

Administrative

To access ASQ scores and Partners Council agendas, minutes and handouts, please visit this new Tenant 411 online location: <https://www.lawa.org/en/lawa-tenants-411/guest-experience> . Scroll to either “Survey Results” or “Partners Council”; Password: LAX4u

Please be sure to share minutes, handouts and information with your employees and colleagues. We depend on our Partners Council members to communicate and champion the guest experience airport-wide.

Upcoming Calendar

Wednesday, December 12, 2018

Partners Holiday Mixer
5 p.m. to 6:30 p.m.
Admin East Lobby

Wednesday, January 24, 2019

Guest Experience Partners Council Meeting
1 p.m. to 2 p.m.
LA Next Conference Room