How KLM created a unique model guiding the airline to more incremental value and fewer empty seats

STIJN MEERTENS | FRIENDS OF SEARCH | 23 MARCH 2023
Hi there!
I’m Stijn Meertens
Global Paid Search Marketing Manager
@ KLM Royal Dutch Airlines

IN/STIJNMEERTENS
STIJN.MEERTENS@KL.COM
21M+ fans and followers on social media

13 January
Start adding Sustainable Aviation Fuel (SAF) to our flights

25.8 million passengers

105 aircraft

167 KLM destinations

28.201 staff employees

since 1919

10.7 billion revenue

NEW! Premium Comfort

APEX world class award

*Numbers based on 2022
WHAT WE DO AT

Digital Marketing
Paid Search At KLM

- Advertising in 67 countries across the globe
- Using 8 different search engines
- 20 languages
**WAY OF WORKING**

**What our current process looks like**

**STEP 01**
**KLM Network**

KLM’s internal teams create an up-to-date masterfeed including the network scope, fares and additional information such as ‘flights per week’ and ‘flight duration’

**STEP 02**
**Channable**

This masterfeed is the main input for Channable in which KLM uses filters and export feeds towards the different marketing tools

**STEP 03**
**iACTIVATE**

For Paid Search, KLM uses an additional tool called iActivate which turns the Channable feeds into campaigns, keywords, ad copy, etc.
So, currently...

- We advertise on routes (a.k.a. origins - destinations)
- We steer towards a ROAS target
But... there's a challenge 🌟
Challenge

- Needed to steer smarter because of tough COVID years
- ROAS steering is not perfect
- There’s no margin or profit data available
- The goal is to be more aligned with KLM’s business needs
To improve this, we’ve created a model
The Flight Score model
The Flight Score model is based on three input factors

Factor 01. Booked Load Factor

Factor 02. Expected Load Factor

Factor 03. Market share
Factor 01.
Booked Load Factor
Number of seats sold compared to the number of seats available
Factor 02. Expected Load Factor

Expected number of seats sold compared to the number of seats available
Factor 03. Market Share

KLM’s market share versus KLM’s fair market share
Nice!
But how? 😐
01. Flight Score

List of all routes (origins + destinations) with a calculated flight score
02. Google Sheet

Automated upload to a secured Google Sheet
03. Relay 42

R42 daily retrieves the data from the Google Sheet and creates a feed in their tag management system.
04. **CM360 & SA360**

Based on the custom floodlights variables, *origin* and *destination*, a new custom floodlight will be filled with the **Flight Score**
05. Modified ticket value

Based on the Flight Score variable in the Floodlight a modified ticket value is pushed to a new custom column
And at the same time...
01. Flight Score

List of all routes (origins + destinations) with a calculated flight score
02. **Google Sheet**

Automated upload to a secured Google Sheet
03. iActivate

iActivate daily retrieves the data from Gsheet and activate or de-activate route specific adgroups/campaign types:

- Match Types
- DSA
Let's talk about results! 🙌
IMPACT & RESULT

Big shift in clicks, costs and bookings

Share of bookings per Flight Score Cluster

Huge increase in our share of bookings coming from routes with a high Flight Score
Key take-outs
Don’t wait for your data to be perfect, get started with what you have!

Think further than profit or margin if this data is not accessible.

Look beyond your Paid Search results.

When using Search Ads 360, use the u-variables. Otherwise, use conversion value rules in Google Ads.
Thank You!