Airline and Logistics Provider, A New Age Partnership

Introduction:

Most airlines have traditionally prioritized managing passenger volume revenue, often overlooking the untapped potential of their cargo operations. However, recent trends indicate a notable shift as global airlines increasingly recognize the value of a well-managed cargo strategy. When effectively implemented, this division has the potential to become a substantial revenue stream, supplementing and strengthening the airline's bottom line.

This realization has prompted airlines to reevaluate and prioritize their cargo strategies to gain a competitive edge. One effective approach is collaborating with external partners that bring innovative solutions, unlocking new business opportunities, increasing productivity, and minimizing operational expenses. While managing dead freight is a complex task, it requires minimal resources when approached strategically. However, it demands a dedicated support team capable of transforming traditional practices into streamlined, modern business operations.

Cooperation Scheme

The cooperation scheme necessitates that airline, example as SS, carefully evaluate and select partner, example as Satu that brings innovative technologies and an extensive intercontinental network with variety of airlines AWBs (Air Waybills) to the collaboration. This strategic partnership enables both entities to expand their service offerings, providing a broader range of destinations that SS and Satu alone <u>may not be able</u> to offer.

By integrating their strengths, the combined efforts create a seamless origin-to-destination solution that extends connectivity to *third-party destinations* not directly served by SS or Satu. This cooperation not only enhances operational efficiency but also increases business activities by delivering an expansive and one-integrated supply chain network. This strategic alignment not only enhances consumer satisfaction but also drives operational efficiency and profitability for both airlines and its partner.

As a result, SS consistently generates revenue from cargo movements along its regional routes, while also benefiting from *additional income* derived from third-destination routes operated by another airline. Meanwhile, Satu gains the ability to comprehensively utilize SS's regional network, enabling them to provide a *broader range of services*: point to point route, warehouse and document fees, extending to transshipment services. These variety level services under one cohesive, innovative solution, enhancing efficiency and market competitiveness for both partners.

Advanced Technology

As domestic and international trade across continents becomes increasingly interconnected in real-time, "information distribution, data accuracy, cost efficiency and speed" are paramount. The traditional approach, where each requirement is handled by **separate entities** in each location, is now outdated. This fragmented operational model, where each entity functions independently, results in inefficiencies and excessive margin markups of each route section. Such an approach makes it increasingly difficult for companies to remain competitive in today's market.

Having an integrated system provided by Satu, which links all users in real-time, enables the airline SS and Satu's registered users to operate as a key gateway for shipments across locations and continents. Routes such as Jakarta–Bangkok–Roland Garros can now be facilitated seamlessly within a unified, standardized infrastructure. Leveraging advanced technological innovations and strategic collaboration between both organizations, this new partnership delivers a *competitive edge*, driving growth, efficiency, and profitability for both companies.

MAHYU

The availability of innovative system by Satu will open up a new horizon where operations and backoffice tasks that were previously handled manually are now managed through *dynamic algorithms*. Satu cloud-based system ensures each users demands and requirements are addressed immediately, eliminating delays and reducing the *intransparency* of human processes. Services previously unavailable through SS or Satu individually can now be seamlessly served, expanding global network, meeting consumer demands and *unlocking new borderless* opportunities.

