

SOARING HIGH



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With domestic air routes that cover destinations in inland China and international routes limited to short-run flights, Juneyao Airlines has achieved swift growth through focused business expansion, smooth service and a steep rise in the number of Chinese tourists coming to Japan.

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CHINA's Juneyao Airlines is expanding at a rapid pitch, offering both domestic flights with Shanghai as their hub as well as international routes to destinations throughout Asia. What has made the company's inventive business plan possible is an ever-expanding network of short-run flights, the longest of which takes a mere six hours. Dong Wei, who heads Juneyao's Japan branch office, detailed his company's approach to business and its operations in the Japanese market, which is marked by frenzied competition among major airlines and numerous low-cost carriers (LCCs).

"Because we're a young company, Juneyao Airlines is often mistaken for an LCC, but we are a full-service

airline," Wei says. "We offer approximately 80 domestic lines and 11 international routes, and have over 200 flights leaving Shanghai every day. This year we expect to transport over ten million passengers. In 2007, we had only five planes in operation; next month we expect to have fifty. It is clear that our company is continuing to expand at a breakneck pace."

Juneyao's formal service to Japan began in January 2014 with the launch of a route to Okinawa. From there, Juneyao has been increasing its menu of air routes at a rapid pace: service to Osaka started in April of that same year, followed in June by service to Fukuoka, in August to Tokyo, and in September to Nagoya.

"We are expanding because so many more Chinese tourists are visiting Japan," Wei explains. "We plan to open a route to Hokkaido in January 2016, partially because Hokkaido has become a popular ski destination among Chinese tourists."

Eighty percent of the traffic on Juneyao's routes to Japan are passengers inbound from



- 1 All the planes that Juneyao Airlines flies are new models from Airbus
- 2 Juneyao is recognized for its high level of service onboard
- 3 Dong Wei heads the Japan branch of Juneyao

China; the remaining 20 percent are outbound passengers. Juneyao is now aiming to increase outbound passengers to 30 percent, and the airline is considering launching lines to inland Japan and the island districts to accommodate tourists interested in regions other than the country's major metropolises.

Juneyao Airlines has a host of competitors in the Chinese airline market alone, so it focuses on safety first and foremost. All of its planes, for example, are purchased new from Airbus in France. It offers in-flight meal service in both business and economy classes, and Juneyao's own in-house catering firm prepares the food for inbound flights to Japan. Since food service for outbound flights from Japan is outsourced to local caterers, Juneyao can offer dishes prepared with plenty of local ingredients and tailored to Japanese palates.

In-flight time is brief in many areas, so there are no movies or other in-flight entertainment. Juneyao's policy is to prioritize safety and meal quality in exchange. The airline always establishes a local office where it flies, and its Japan office

supports customers with staff fluent in both Japanese and Chinese. These initiatives are founded in the idea of gaining customer trust through convenience and by erasing any sense of displacement rooted in the disparities of language and nationality.

"We're entering the marketplace at a time when the relationship between Japan and China is deteriorating and 'Made in China' has a negative image, so it hasn't been easy for us to build consumer confidence," Wei observes. "But we always keep our promises, make our presence known through advertisements and other publicity, and provide a level of service that instills peace of mind in everyone who flies with us. Continuing all this is indispensable to facilitating our further expansion in the Japanese market." The flexibility and customer-centric focus that Juneyao Airlines has as a new company should allow the firm to take flight toward new horizons. ▮