

HEATHROW'S
STRATEGIC
BRIEF

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FOREWORD



Heathrow is a gateway connecting the United Kingdom to over 80 long-haul destinations, making it easier for British exporters to get to growing markets and for tourists, students and investors to come to the UK.

The same planes that carry people also carry exports all over the world. Anything high value, with a short shelf life or short supply chain goes by air. In fact, almost 30% of all non-EU exports go from Heathrow, making us the United Kingdom's biggest port by value. In this way, Heathrow boosts the UK's connections with the rest of the world through supporting exports, trade and job opportunities. We are also an integral part of the local community, providing jobs for almost one in four local households. Recognising our local impact – be it noise or air quality – we are committed to a path of sustainable growth.

Over the past few years, the airport and airlines have made great progress towards our vision of "giving passengers the best airport service in the world". Passengers regularly now rate Heathrow as the best major airport in Europe. We have set our sights on enhancing our reputation as a world-class hub. This has been underpinned, not just by the investment our investors have made in rebuilding the airport, but also by the highest levels of punctuality and baggage connections ever, improved security and resilience and a real focus on developing a service culture. At the same time, we have been steadily reducing our costs and building a strong global investor base. We have also become a better neighbour by working hard to make Heathrow cleaner and quieter, while providing career opportunities for local people.

None of this would be possible without all the 76,000 people from 400 businesses that operate across the airport – 'Team Heathrow'. We work together to serve passengers and live our values: *Keeping everyone safe, Treating everyone with respect, Giving excellent service, Working together, Doing the right thing and Improving every day.*

Expansion presents a huge opportunity, not just to grow the national economy and create jobs, but also to transform passenger service, efficiency and sustainability. It will enable airlines to expand their operations. More flights from UK regions and Europe, connecting on to more long-haul destinations, will support the growth of exports and better connect the UK to global markets. We will ensure that we play our part in meeting local air quality targets, that we work to deliver our goal of fewer people affected by noise than today, that there is no more airport-related traffic on the road and that more skilled jobs are created for local people. An expanded Heathrow will be at the heart of an integrated transport system and help regenerate our local area. Expansion must also remain affordable for airlines and passengers. It must be financeable by private investors.

This Strategic Brief document brings together everything that we represent at Heathrow creating a clear set of aspirations for a future Heathrow in 2040. It will provide the basis to guide, inspire and evaluate our business plans and, in particular, the expansion programme over the next 15 to 20 years.

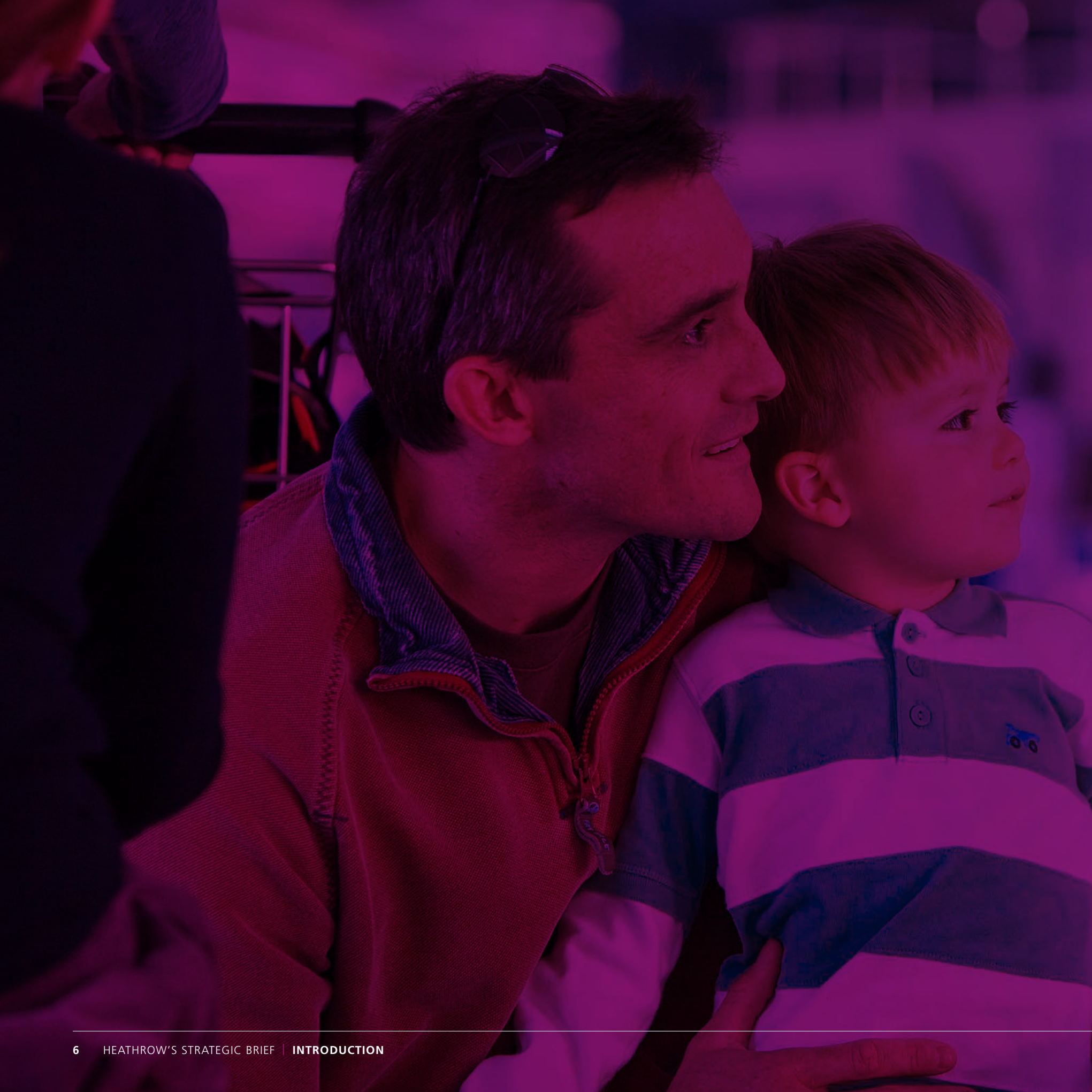
I welcome your support with the development of Heathrow Airport.



John Holland-Kaye

Chief Executive Officer
Heathrow Airport Limited





INTRODUCTION

PURPOSE OF THIS DOCUMENT

The Strategic Brief will be an important reference document, setting out Heathrow's high-level aspirations for:

Passengers

Colleagues

Airlines

UK communities and environment:
local, regional and national

Investors

HEATHROW'S STRATEGIC BRIEF

The purpose of this Strategic Brief for Heathrow is to set out clearly the high-level aspirations for Heathrow's future as we develop future business plans and transition to become a three-runway airport.

It acts as Heathrow's brief to colleagues and stakeholders on the nature and aspirations of the airport that we wish to construct and operate, in order to realise our vision of giving passengers the best airport service in the world. It explains how the Heathrow of the future will feel for all its stakeholder groups. It sets out what expansion can enable and facilitate at both the local and national levels.

This document is not a set of outcomes, requirements, or specific measures for a future Heathrow. These are all critical inputs that will feature prominently within business plans and the expansion programme that will be captured and developed separately. They will, where appropriate, be discussed and shared across key stakeholder groups through consultation.

This Strategic Brief will act as the cornerstone for future business planning across Heathrow. It sets out Heathrow's guiding principles for developing the masterplan options, design and construction. It will also inform our Management Business Plan presented to the CAA. It serves to guide us and offer a sense of direction on our aspirations, to inspire us all to create the best possible Heathrow of the future.

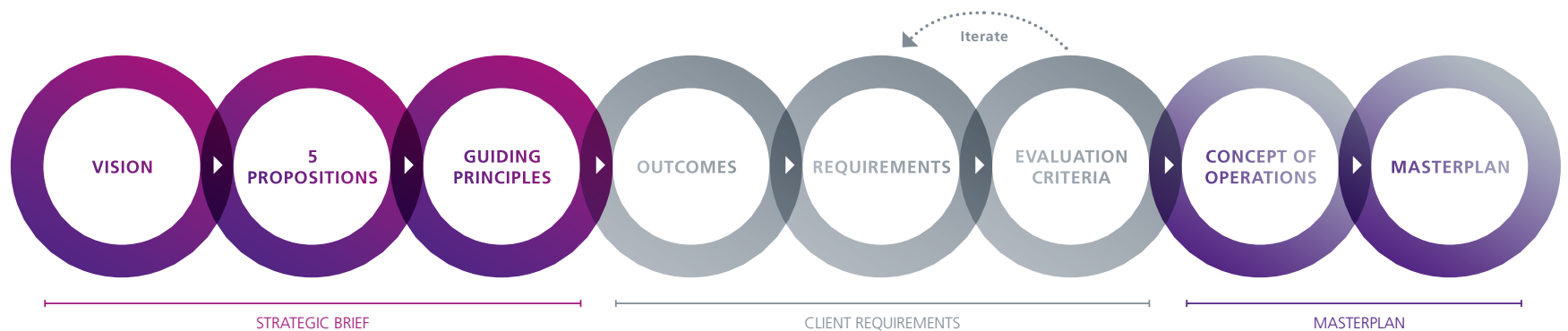


EXPANSION

The Strategic Brief sets Heathrow's business direction. It will be a constant throughout the duration of the programme to expand Heathrow and build the third runway. We will combine the Strategic Brief's aspirations with those of the government, as set out in the Airports National Policy Statement. From these two documents we will distil the objectives for our application for the development consent, which will authorise a large part of the expansion programme. Therefore, events such as new policies and significant external factors may require the document to be reviewed. For example, we anticipate a review following publication of the Airports National Policy Statement (NPS).

On 2 February 2017, the government published the draft NPS which confirmed the government's commitment to the new north-west runway at Heathrow. Once adopted, the NPS will establish the decision-making framework against which the development consent order application for the third-runway project will be considered. The draft NPS describes aspects of the amount, type and size of development which is required. It also provides guidance on impacts and requirements. The Strategic Brief takes into account and responds to the content of the draft NPS. It will be reviewed once the final NPS is designated to take account of consultation feedback.

THE GOLDEN THREAD THAT LEADS FROM AMBITION TO PLAN







HEATHROW'S VISION AND STRATEGY



A hand in a red sleeve points to the right against a blue background. The hand is positioned in the lower-left quadrant, with the index finger pointing towards the right side of the frame. The background is a soft, out-of-focus blue with a subtle gradient.

HEATHROW'S VISION:
TO GIVE
PASSENGERS

THE BEST
AIRPORT SERVICE
IN THE WORLD

OUR STRATEGY

Heathrow's growth to a three-runway airport increases the UK's international connectivity, protects the UK's hub status, provides early benefits to passengers and the wider economy, secures new domestic routes, doubles freight capacity and delivers significant strategic and economic benefits for the UK. We will provide more jobs, business opportunities and flight connections around the world, and bring benefits to all five strategic proposition groups. This growth is built upon an existing position of strength, depicted opposite in the form of Heathrow's competitive advantage.



OVERVIEW	KEY DOCUMENTATION	DESCRIPTION
WHO WE ARE	VISION	To give passengers the best airport service in the world
	PURPOSE	Making every journey better
	PRIORITIES	
	VALUES	
WHAT	PROPOSITIONS	Our stakeholders' needs
	STRATEGIC BRIEF	Our high-level aspirations for the Heathrow of the future
HOW	MASTERPLAN	Masterplan and long-term, high-level plans agreed with our stakeholders for developing Heathrow
	MANAGEMENT BUSINESS PLAN	The actions and resources we need to deliver our strategy for the next regulatory period

INCREASING LEVEL OF DETAIL

The additional capacity, connectivity and increased resilience resulting from expansion are key enablers for Heathrow's vision "to give passengers the best airport service in the world". We believe this vision represents a positive ambition – one that aims to deliver a world-leading airport that will grow sustainably and in support of local communities and national prosperity. This growth will ensure excellent service and operational resilience while being affordable and financeable.

Our strategic framework, shown above, embeds our vision, strategic propositions and this Strategic Brief as key elements to ensure our stakeholders' interests are central to our future developments at Heathrow.

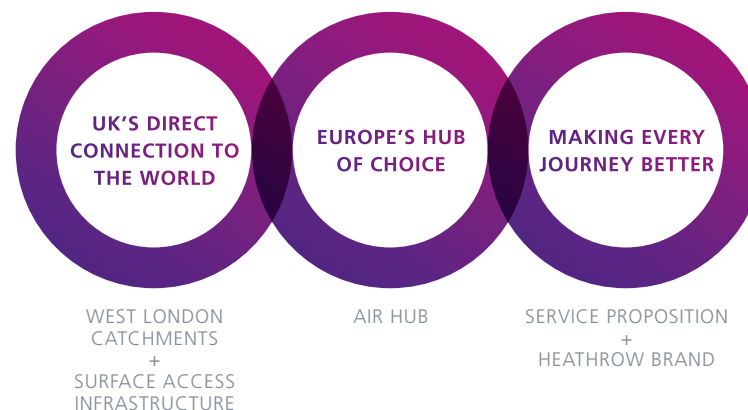
Our strategic priorities and values are how we will deliver the vision. They reflect a simple business logic: engaged people deliver excellent service, which in turn delivers financial returns and growth in a sustainable way. This is our licence to grow.

Our aspirations for each of the five strategic propositions are set out in this document. They define what Heathrow wants to deliver. They also reflect our current understanding of stakeholder requirements which will evolve through ongoing consultation.

In planning to achieve these aspirations, we will embrace innovation and work with partners and stakeholders to develop new and innovative solutions in everything we do. We will look for opportunities to grow our commercial revenues and ways to reduce cost while delivering on our commitments to the community and environment. This will drive affordability for passengers and airlines.

Looking further into the future, we are actively anticipating megatrends that will shape our world. Our plans will address these trends and refine the basic assumptions underlying our service. We believe our strategy will position us to secure both the market share and the loyalty of passengers to ensure that Heathrow thrives. As we do so, our people, our airlines, our communities and our country will also thrive.

HEATHROW'S COMPETITIVE ADVANTAGE



"NOT AT ANY COST"

Heathrow has a unique and challenging role in balancing a number of competing requirements. The really key question centres on the concept of value, as seen through the eyes of our passengers, airlines, communities, colleagues and investors. It is this balance that Heathrow must seek to achieve in delivering its corporate social responsibility ambitions.

AFFORDABILITY AND FINANCEABILITY

The government has been clear that the aim should be to deliver a plan for expansion that keeps landing charges close to 2016 levels (in real terms). We will work with airlines, government and our regulator with the objective of achieving that goal. The airline community has set an objective of keeping charges flat in real terms, and we are keen to explore, as a matter of priority, whether it will be possible to deliver the scheme while keeping airport charges close to 2016 levels.

Together with airlines we will work hard to create a plan that delivers our vision, treats our communities fairly and looks to deliver airport charges close to 2016 levels. We must also ensure that the plan can be financed with the appropriate level of risk.

LONG TERM AND SHORT TERM

Heathrow has to balance short-term demands with our sustained ability to deliver for the future. If in responding to a succession of short-term demands, we fail in the long term, this is not an acceptable or responsible proposition. Heathrow's task is to secure the correct balance.



“Not expansion at any cost but the right scheme at the right price... [the] aim should be to deliver a plan for expansion that keeps landing charges close to current levels”.

CHRIS GRAYLING,
SECRETARY OF STATE FOR TRANSPORT,
STATEMENT TO PARLIAMENT,
25 OCTOBER 2016

PUBLIC AND PRIVATE VALUE

Heathrow's privately funded status requires value creation, with secure and stable returns. Heathrow's critical role in the UK economy and unique UK hub status means Heathrow is a nationally significant asset recognised through systems of regulation and government scrutiny.

SUSTAINABILITY AND GROWTH

Heathrow's sustainability leadership plan, Heathrow 2.0, demonstrates our ambition for sustainability. It is core to our values, our growth and our value creation. It is key because of our long-term planning horizons, our potential to impact the environment and our communities and the legacy we create and pass on.

Striking this balance where stakeholders' views differ will require Heathrow to lead and influence.

PROPOSITIONS





HEATHROW ECOSYSTEM

OUR PROPOSITIONS

COLLEAGUES

To create a values-led service culture, with sustainability, diversity and respect at its heart.

PASSENGERS

To deliver journeys that, at their heart, will be simple, quick and reassuring with an enjoyable and distinctly British style of service that is the best in the world.

INVESTORS

To deliver an appropriate balance between risk and reward, making Heathrow an attractive global infrastructure investment, and securing Heathrow's role at the heart of the British economy.

UK COMMUNITIES AND ENVIRONMENT: LOCAL, REGIONAL, NATIONAL

To grow sustainably, earning the trust of our local communities and stakeholders by setting out clear plans to deliver the greatest possible benefits to businesses and communities across the UK, creating a lasting legacy for all of the United Kingdom, while reducing our environmental impacts.

AIRLINES

To provide airlines and their customers with an affordable, efficient, reliable and sustainable airport – providing the right conditions for connectivity and cargo.

COMMERCIAL PARTNERS

STATUTORY AUTHORITIES

SUPPLY CHAIN

REVENUE GENERATORS

PASSENGER PROPOSITION

Heathrow's vision is to give passengers the best airport service in the world. We will do this by focusing on happy passengers, travelling with their bags, on time. Passengers will experience journeys which will be simple, quick and reassuring with an enjoyable and distinctly British style of service.

To achieve this, we will need to recognise and care for the true end-to-end nature of passengers' journeys, whether they be connecting, arriving or departing. We will demonstrate care through traditional British ingenuity across all channels, from mass transit to genuinely personalised experiences. This will require close partnership working. This includes sharing data and information to offer flexibility and agility while maintaining digital security.

Heathrow will deliver seamless travel experiences and compelling service offers. We will create these by understanding who our current and future passengers are, their needs and their motivation to travel. Heathrow will strive to ensure journeys are manageable, while being constantly aware of passengers' evolving and changing needs. We will recognise the diversity of different passenger groups, whether they are premium, in need of assistance or support, travelling for leisure or business, flying direct or connecting through Heathrow.

The design of new and upgraded facilities will play a substantive role in enhancing the passenger journey, and will consider both physical and behavioural security. Journeys will start with intuitive and navigable surface access options. Passengers will be able to choose differentiated and personalised journeys thanks to targeted adoption of technologies and innovative products. We will provide a world-class connections experience, delivering comfort and ease.

Our airport and terminal spaces will bring to life the uniqueness of London, the UK and Heathrow in a memorable and coherent way. The design style of our buildings needs to continue to create a sophisticated and contemporary setting for a well-planned and organised operation. It will instil a sense of calm, confidence and reliability in the passenger.



HOW WE WILL GET THERE

Expansion will place Heathrow within the top three airports globally for service and ambience. It will be a distinctive place with a unique look and feel.

Heathrow's reputation for predictability, reliability, safety and security will be reinforced. We will do so by responding to airline and passenger needs and requirements.

Passengers will experience greater choice in services and better value for money, including a broad commercial offer that will be differentiated and tailored to their individual needs.

In line with our publicly stated commitments, we will encourage public transport usage and help make journeys to the airport more efficient and convenient.

Seamless and sustainable passenger experiences will be aligned with our social, environmental and local community commitments.

Passengers' brand affinity with Heathrow will increase.

WHY IT IS IMPORTANT

Passengers will choose to fly from Heathrow, driving passenger numbers and growth for Heathrow.

Heathrow will demonstrate that we are listening to passenger insight and responding to feedback. Passenger sentiment will be enhanced with a sense of place.

Passengers will choose to spend time and money at Heathrow as we meet and exceed their expectations.

Increased competition and choice between airlines will bring benefit to all travellers.

Seamless passenger experience will drive passenger choice. A compelling surface access offer will sustainably connect Heathrow to UK towns and cities, spreading the benefit of expansion throughout the UK.

Our passengers are increasingly 'sustainability aware' and rewarding responsible companies with their custom and loyalty.

Airline and passenger trust in Heathrow will be strengthened, increasing the value of the Heathrow brand and reinforcing its role as a national asset.

COLLEAGUE PROPOSITION

Heathrow will only deliver the best airport service in the world if we recruit skill and retain the best people and develop a flexible, motivated, efficient, diverse and engaged team.

Heathrow is already a great place to work. Working together through Team Heathrow, we will harness the capabilities and commitment of every person who interacts with our passengers directly or indirectly in the pursuit of giving passengers the best airport service in the world.

Heathrow will work to improve the health and wellbeing of all colleagues, so that everyone working at Heathrow goes home safe and well.

As the airport grows and is able to provide thousands of new job opportunities, we will focus on helping people find the right work at Heathrow, and nurture them to fulfil their potential. We want to make Heathrow a career destination of choice with a strong culture of sustainability. This will in turn create greater mobility across our communities.

Heathrow will create a values-led service culture. Sustainability, diversity and respect will be at its heart. Women and minority groups will be actively and fairly represented in our workforce. Heathrow will reflect trends in ways of working to ensure it stays ahead of competitors.



HOW WE WILL GET THERE

1. Ensuring Heathrow is a 'Great Place to Work'

We need to empower and support colleagues across the airport. We need to be clear what a 'Great Place to Work' will be. We will ensure Heathrow is a safe place to work where everyone can get to their destination and return home safe and well.

Heathrow will help create 10,000 apprenticeships by 2030, developing skills that are not even known about today. Heathrow's Skills Taskforce is helping to inform our future education, employment and skills strategy. This will underpin the successful delivery of the skilled people needed to build and operate an expanded airport operation.

2. Driving productivity and efficiencies

We will work together to deliver the service proposition, encouraging passengers to choose Heathrow over other options. We will continue to drive efficiency in line with productivity growth and our peers. We will reward our great people with market-competitive packages.

3. Focusing on diversity and inclusion

We want to ensure that our workforce is reflective of the community and our passengers. We will reflect the diversity of our local community at every level of the company. Inclusivity will bring a richness of people and ideas which leads to better solutions, breaks down groupthink and helps us adapt to passenger needs.

Heathrow will build upon its many years of trade union recognition, working in partnership with this key stakeholder group in order to deliver this ambitious colleague proposition successfully.

4. Focusing on the community

We will be one of the best community employers in the UK, providing meaningful careers in a changing world of work, developing a culture where everyone can reach their potential.

5. Sustainable transport

Heathrow will facilitate transport options that ease colleagues' journeys to work and are sustainable.

WHY IT IS IMPORTANT

The health, wellbeing and safety of our colleagues will improve. This will lead to a healthier, more mindful workforce with reduced absenteeism, greater agility and a positive whole-life balance.

Colleagues will choose to start, build and maintain their careers at Heathrow, demonstrating both loyalty and discretionary effort.

The capability, productivity and motivation of our workforce will increase.

Through vital new apprenticeships, a future Heathrow will give thousands of children growing up today the skills and training they need to access the jobs of the future. We will leave a legacy of skills for the long term.

Heathrow expansion has the potential to end youth unemployment in the five local boroughs.

Colleagues will be attracted to Heathrow as we will clearly demonstrate our culture of sustainability.

Heathrow will be known as an inclusive employer. Diversity will drive greater creativity, guard against groupthink and attract talent from all walks of life. It will allow us to reflect and better serve our diverse passenger base and local community.

It will be easier to work at, and to get to Heathrow for all colleagues, while being respectful of their life stage and personal needs.

AIRLINE PROPOSITION

Airlines and their customers are at the heart of the Heathrow proposition. It is therefore critically important that we develop an expanded airport that meets their needs.

First and foremost, we will work collaboratively with our airlines to ensure that safety and security underpin everything we do.

The Heathrow of the future will provide airlines and their customers with an affordable, efficient, reliable and sustainable airport. It will recognise the importance of innovation, affordability and value for money. Creating the right economic and operational conditions will help airlines grow as they look to develop their route networks from Heathrow, both internationally and domestically.

We will work with the airlines at Heathrow to deliver a seamless customer experience for all passengers.

We will support the cargo business of airlines at Heathrow to ensure the airport is an efficient and reliable hub for inbound, outbound and transhipment cargo.

Heathrow will work with airlines and their operational teams to develop an agreed approach to resilience, supporting quick recovery to business as usual.



HOW WE WILL GET THERE

We will forge a strong collaborative environment with our airline customers at Heathrow to respond effectively on all aspects of safety, security and sustainability.

An expanded Heathrow will be delivered in a way that is affordable to airlines and enables profitable operations. It will also ensure that impacts on the environment and communities are properly mitigated.

Heathrow will work with the airlines and wider cargo community to enhance the infrastructure and business model required to create an efficient, reliable and cost-effective cargo hub.

An expanded Heathrow will offer present and future airlines the best opportunity to grow their route networks both internationally and domestically.

Heathrow will work collaboratively with all airlines to create an airport that best serves our complementary business models.

We will look innovatively at new technologies and ways of working to maintain our global reputation.

WHY IT IS IMPORTANT

A collaborative approach to safety, security and sustainability will produce a more resilient Heathrow for the benefit of all.

A leading airport requires airlines to be successful. This is why Heathrow must deliver the right operating environment for our airline customers.

By creating the best European airport for cargo-handling predictability, Heathrow will continue to be the UK's number one port by value and support airline route economics.

Maintaining Heathrow as the UK's only hub airport will support a wide range of airlines who choose to connect their passengers through Heathrow. Increased capacity will allow airlines to grow their networks in the way they want.

Heathrow will continue to be considered as an important destination for airlines.

Both airport and airlines must work closely together to maximise value and best serve the interests of our passengers and cargo businesses.

Innovation and agility are required to keep pace with passengers' expectations, anticipate new trends and deliver efficiencies.

INVESTOR PROPOSITION

Heathrow will deliver an expanded, commercially successful airport. We will deliver a plan that creates economic value and therefore the opportunity for increased returns for the airport and airlines.

The United Kingdom's hub airport will be privately financed. We will deliver resilient, timely and value-for-money infrastructure. To invest in long-term growth at Heathrow, the business case for expansion needs to generate sufficient value for Heathrow to enable long-term, predictable and stable financial returns and adequate risk sharing, reflecting the higher-risk nature of the investment. This will allow finance to be raised.

Equity investment will continue to be complemented by debt investors. An expanded Heathrow will continue to provide strong and stable returns to pension funds, insurers and creditors in the UK and across the world.

This will deliver a cost-effective, stable, diversified financing base for the business.

An expanded Heathrow will be passenger-focused, commercial and efficient. We aspire to become a centre of excellence for investment and asset management, by setting the appropriate portfolio strategy, allocating capital effectively and driving excellence through execution.

Regulation will need to be appropriate, stable and adequately reflect risk and return.



HOW WE WILL GET THERE

Build on the strength of today's airport, maximise our existing infrastructure and complement it.

Set a plan that stimulates airline demand and creates economic value, providing an opportunity for increased return for the airport and airlines.

Ensure the regulatory framework is stable and predictable to assure investors of ongoing strength and reliability of cash flows.

Keep risk levels at an acceptable level to retain stability for long-term debt financing which underpins investment in the airport.

Develop a plan that can adapt to future needs with the ability to flex investment in line with a changing world.

Develop a plan that delivers early growth in passenger numbers by the timely creation of additional airport capacity from new and existing facilities.

Deliver on our commitments – no surprises – and build trust with stakeholders.

WHY IT IS IMPORTANT

Heathrow is already the largest wholly privately-owned airport globally. To attract further investment there must be a plan in place that provides the opportunity for strong and viable returns.

Airline customers should also have the opportunity to generate returns from growth.

Heathrow's financing is underpinned not only by the commitment of shareholders but also by creditors.

Heathrow builds from a position of strength and must aim to maintain its credit ratings in order to be able to deliver an affordable airport successfully.

Stable and appropriate regulation is a critical enabler.

A phased approach to investment will provide flexibility to adapt to an evolving future, minimise risk and maximise opportunity.

Early generation of additional passenger revenue is a key enabler for an affordable and financeable scheme.

COMMUNITIES AND ENVIRONMENT

The operational footprint and influence of our business extend throughout the UK and the world. Therefore, Heathrow's community is local, regional, national and also global.

Working with partners at local, regional and national levels, we will deliver on the objectives of Heathrow 2.0, our sustainability leadership plan. Heathrow 2.0 aims to make Heathrow a great place to live and work, to underpin a thriving sustainable economy and to ensure a world worth travelling.

Our exemplary sustainable airport will benefit more than just airport users. It will be a prized asset for local communities to access jobs, careers and enhanced services. Meanwhile, its operation will meet or exceed our stretching commitments on noise and air quality.

A key ambition of Heathrow is to be a better neighbour so that the area surrounding Heathrow is a great place to live. Heathrow's proximity to central London has great advantages for passengers. It also means we are located close to many homes and local communities. We recognise that our local impact is significant. We are committed to reducing the negative impacts of our operation and making sure our local impacts are as positive as possible.

We plan to grow Heathrow while continuing to reduce the number of people affected by noise. We will also reduce emissions from all sources of airport activity, so that we play our part in improving the quality of air locally. We will take significant action to reduce impacts. We are committed to sustainable aviation for the benefit of all communities. We will collaborate with our industry and wider interest groups to accelerate the era of sustainable flight.

An expanded Heathrow will bring benefits to all the regions and nations of the UK. It will ensure that all of us, not just London, have access to new global destinations and emerging markets.

We will develop and maintain a culture of environmental and social responsibility consistent with our objective of operating sustainable, zero-carbon airport infrastructure.





HOW WE WILL GET THERE

Heathrow will make the United Kingdom stronger by providing additional airport capacity to support the creation of new routes and maintain the United Kingdom's place in the world.

Heathrow will encourage and promote domestic connectivity by working in partnership with airlines and regions to support their commercial viability.

Local, regional and national communities will be better connected as a result of Heathrow expansion, through multiple modes of transport.

We will actively support UK manufacturing and businesses by advertising our requirements in the United Kingdom and taking into account socio-economic impacts when purchasing.

We will establish Heathrow as a world-leading airport in reducing emissions, and play our part in improving local air quality. It will be easier to leave the car at home for those working and travelling – our goal is to deliver expansion with no more airport-related traffic.

We will work collaboratively with local stakeholders to plan areas around the airport that improve quality of life. We will deliver high-quality open and green spaces, providing more options for local people to walk and cycle to Heathrow and around the local area.

Noise impacts will be minimised. We will provide predictable respite and a six-and-a-half-hour period without scheduled arrivals and departures, thereby contributing to a better night's sleep.

Our committed goal is to expand Heathrow while affecting fewer people with noise. Our submission to the Airports Commission showed how a combination of quieter planes, quieter airport design and quieter operations mean that it is possible to grow to 740,000 ATMs by 2040 while affecting fewer people by noise than were affected in 2013. The Airports Commission's own analysis confirmed that this is possible.

We will work with airline partners and other stakeholders to develop policy and technology solutions to decouple growth in aviation from climate change.

Sustainability principles, including the concept of a circular economy, will guide all aspects of airport design, construction and operation to deliver a resource-efficient, zero-waste airport.

WHY IT IS IMPORTANT

As the UK charts a new course outside the EU, British businesses will benefit from new links to the world's fastest growing markets, like China, India and Mexico.

Heathrow will improve connectivity, for example, through our route-development fund and surface access strategy. Connectivity will drive economic growth, attracting inward investment and directing high-value global tourists to more regions of the UK.

Heathrow's capital investment will increase prosperity and opportunity for businesses and organisations locally and nationally through our use of a UK-wide supply chain.

More people in local communities will actively support the growth of the airport and the benefits it brings.

The progress made by the airport community on sustainability issues will build wider support from communities of interest regionally, nationally and globally.

Heathrow will demonstrate alignment with global initiatives to address climate change and resource scarcity.

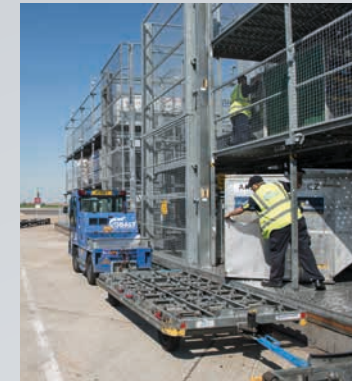
OUR COMMITMENTS TO THE UK

Local, regional and national communities will be better connected as a result of Heathrow expansion, through multiple modes of transport. Through vital new international and domestic connections, an expanded Heathrow will help salmon farmers in Scotland sell more of their produce in Asia, boost investment in Liverpool's burgeoning services industry, and help cutting-edge renewable energy companies in Newcastle reach new markets.

It is why we have committed to a package of measures aimed at promoting connections between the UK's nations and regions, and Heathrow, the UK's only hub airport. These valuable new connections – by road, rail and air – will strengthen city regions across the United Kingdom, boosting tourism outside of London and the South East and helping small and medium-sized enterprises to export to growing markets.

During construction, before and after the opening of the new runway, our procurement approach will draw on the talent and resources of businesses right across the country. We will leave a legacy of construction excellence that can be exported all around the world.

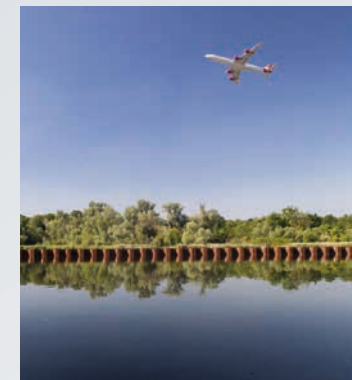
An expanded Heathrow is a truly national infrastructure project, and we are committed to delivering it in partnership with businesses, business groups, elected officials, airlines and airports in every part of the United Kingdom.



COMMITMENT 1

Connect Britain to economic growth

by enabling airlines to add new flights to fast-growing markets.



COMMITMENT 6

Lessen noise impacts for people under flight paths

by delivering periods of noise respite with no aircraft overhead and providing noise insulation for people in high-noise areas.



COMMITMENT 2

Connect UK nations and regions to global markets

by working with airlines and government to deliver better air and rail links between UK regions and Heathrow.



COMMITMENT 3

Protect more than 114,000 existing local jobs and create tens of thousands of new jobs nationwide

by developing our local employment, apprenticeships and skills programmes and supporting a supply chain throughout the UK.



COMMITMENT 4

Build more quickly and at lower cost to taxpayers than building a new airport

by building on the strength the UK already has at Heathrow.



COMMITMENT 5

Reduce aircraft noise

by encouraging the world's quietest aircraft to use Heathrow and by routing aircraft higher over London so that noise affects fewer people than it does today.



COMMITMENT 7

Treat those most affected by a third runway fairly

by ensuring compensation greater than market value is offered to anyone whose home needs to be purchased.



COMMITMENT 8

Keep aviation CO₂ emissions within UK climate change targets and play our part in meeting local air quality limits

by incentivising cleaner aircraft, supporting global carbon trading, and increasing public transport use.



COMMITMENT 9

Increase the proportion of passengers reaching Heathrow by public transport to 55%

by supporting new rail, bus and coach schemes to improve public transport to Heathrow.



COMMITMENT 10

Reduce delays and disruption

by further improving Heathrow's resilience to weather and unforeseen events.

HEATHROW ECOSYSTEM

The service provided to passengers is the combination of a highly complex and interconnected system of services from different organisations. Heathrow works collaboratively and in partnership with all the organisations in this ecosystem, which currently consists of over 400 organisations and 76,000 people – Team Heathrow.

It is Heathrow's aspiration for Team Heathrow to operate from the passengers' perspective as one organisation, with perfect alignment of vision, values, culture and priorities across all organisations. This will require Heathrow to carry these aspirations into its stakeholder and supply chain engagement, as well as its procurement activities.

COMMERCIAL PARTNERS

Heathrow creates the opportunity for short, medium and long-term value and revenue generation. We will adopt a commercial approach that fulfils our operational ambitions as well as those of our partners, including plans for longer term land use. The Heathrow ecosystem supports a multitude of non-aeronautical revenue streams, from retail offers in the departure lounge to property agents with terminal adjacent hotels. Heathrow is well placed to take advantage of ongoing trends in the competitive commercial marketplace.

Achieving our ambitions will require us to be more proactively engaged with our passengers from the time of ticket purchase, so that they can pre-plan trips to the airport and pre-order goods and services. Heathrow Boutique, the Heathrow App and on-site Wi-Fi will all play key roles in allowing us to maximise the potential of meaningful digital interaction with our passengers. Our digital offer will also improve the end-to-end journey for customers, from on-site signposting and pro-active wayfinding to personalised messaging.

The most successful physical retail and property environments seek to enrich the customer experience to increase dwell time, engagement and spend. Heathrow is uniquely placed to provide retailers access to a large and growing audience and to create brand presence – particularly to international customers. That said, the provision and promotion of interactive, stimulating and new offers and service propositions will serve to protect income and engagement as more seamless and more predictable journeys become a reality.

We will create a truly integrated transport hub at Heathrow through a superb choice of public transport offerings. Rail, Crossrail, underground and coach stations converge to offer an attractive commercial opportunity to develop hotels, offices and complementary retail opportunities. Heathrow will be a hub not just for aviation, but for all modes of public transport.

STATUTORY AUTHORITIES

The primary statutory authorities that operate at Heathrow are UK Border Force and the Metropolitan Police Service (MPS), who play key roles in protecting passengers and colleagues.


UK BORDER FORCE

Border Force is a law enforcement command within the Home Office. Border Force secures the border and promotes national prosperity by facilitating the legitimate movement of individuals and goods, while preventing those that would cause harm from entering the UK. This is achieved through immigration and customs checks. As the UK's position within Europe and the world evolves, so Border Force will have to respond and adapt. How this is done will be critical, not just to border security but also to the overall arrivals journey and the passenger experience.

Border Force is the face that welcomes every arriving passenger to the United Kingdom, be that in person or through automated e-gates. This critical role in setting perceptions has brought ever-increasing scrutiny and a desire to speed up entry while maintaining the most stringent levels of security.

Cooperation will continue on a range of immigration and customs initiatives, with a specific and ongoing focus on the deployment of automation. Heathrow and Border Force will collaborate to modernise the arrival process, making it smoother and hassle-free for passengers arriving into the UK.

Recognising the diversity of passengers and the specific needs of some passenger segments will ensure that care stays front of mind in terms of both infrastructure and service. Likewise, understanding our key markets and looking to create automated, seamless journeys through pre-registration, trusted traveller-like schemes will continue to form a key focus for Heathrow, our passengers and airlines.



UK POLICE

The MPS is a key law enforcement partner at Heathrow, with two key commands:

SO15


The MPS's Counter Terrorism Command, SO15, has primary responsibility for countering terrorism risks at the border through the examination of persons, items and freight entering and leaving the UK. We work closely together to ensure threats to the border or airport are appropriately mitigated.

SO18

SO18, the MPS's Aviation Security Command, account for most of the police operating at Heathrow. Providing protective security for the airport means we collaborate closely and coordinate our security activity. Our strategies will continue to align closely to ensure that our capabilities remain relevant and appropriate for any future Heathrow operating model.



FUTURE OPERATING ENVIRONMENT



Heathrow recognises that the world in which it will be designing, building and operating an expanded airport is both complex and multifaceted. The pace and impact of societal, technological, economic and environmental change will be unprecedented.

To expand in the image of today's airport will not stand the test of time. So we need to look to the global megatrends, as we understand them today, in order to develop underpinning assumptions that will allow an expanded Heathrow to anticipate and address those future requirements.

Equally, a framework to consider the likelihood, risks and benefits of innovation is likely to be required in order to determine which innovation to develop and adopt.

This section covers:

- Future megatrends and their implications for Heathrow.
- Competitor and Comparator Airports' plans for future infrastructure and service.

"WE STAND IN A TECHNOLOGICAL
REVOLUTION THAT WILL
FUNDAMENTALLY ALTER THE WAY
WE LIVE, WORK AND RELATE
TO ONE ANOTHER. IN ITS SCALE,
SCOPE AND COMPLEXITY, THE
TRANSFORMATION WILL BE UNLIKE
ANYTHING HUMANKIND HAS
EXPERIENCED BEFORE".

KLAUS SCHWAB, FOUNDER AND EXECUTIVE CHAIRMAN,
WORLD ECONOMIC FORUM

A close-up photograph of a child's face, focusing on the eyes and nose. The child is wearing a colorful, braided headband with red, blue, and white strands. The background is a soft, out-of-focus green, suggesting an outdoor setting. The text is overlaid on the upper right portion of the image.

"IATA SEEKS TO ENSURE
THAT AIRPORT DEVELOPMENT
STRATEGIES RESULT IN
AFFORDABLE, FLEXIBLE FACILITIES
THAT SUPPORT AIRLINE
OPERATIONAL AND CUSTOMER
EXPERIENCE REQUIREMENTS, NOW
AND IN THE FUTURE".

INTERNATIONAL AIR TRANSPORT ASSOCIATION (IATA) 2017

Megatrends can be thought of as transformative, global forces with the potential to define our future world with their far-reaching impact on business, societies, economies, cultures and personal lives. Using this megatrend lens, Heathrow has worked with futurologists to identify sub-trends relevant to aviation. We have created clusters of themes from which we can develop approaches that best prepare us for the future.

It is impossible to predict the future. Yet the more Team Heathrow pools its view of potential future scenarios to align hypotheses and assumptions, the better placed we will all be to respond to dynamic future change.

This dynamic future change will require operating models to be flexible and agile. This creates the requirement for our new infrastructure to be adaptable to changing operating models. This brings with it a fine balance of managing cost, yet providing adaptable infrastructure. What is clear is the opportunity for the broader Team Heathrow to innovate for efficiency and affordability for the benefit of all five strategic propositions.

GLOBAL MEGATRENDS TO 2040

MEGATREND: CONNECTIVITY AND CONVERGENCE

Connectivity and convergence

Cognitive era

Bricks and clicks

Smart is the new green

Social and geopolitical trends

Health, wellness and wellbeing

New business models

Urbanisation – city as a customer

Future of infrastructure

Innovating to zero

Future of energy

New markets beyond BRICS*

Future of mobility

DEFINITION AND SUB-TRENDS

By 2025, there will be 120 billion connected devices worldwide and over 5 billion internet users. This will enable multiple innovative applications that will change the way we live, communicate and conduct business, creating a connected world in the future.

Augmented and virtual reality

Big data

Space jam (proliferation of satellites)

Cyber security

Connected living

Autonomous world

5G – high-speed connectivity

STRATEGIC IMPLICATIONS

Passengers will want to stay connected throughout their journeys. Technologies of the future, coupled with big data and faster connectivity, will make this possible. Such 'connected travellers' will have access to new navigation systems and digital services, information and experience to augment their airport experience.

* An acronym for an association of five major emerging national economies: Brazil, Russia, India, China and South Africa

MEGATREND: COGNITIVE ERA

DEFINITION AND SUB-TRENDS

The world will enter the cognitive era as developments in artificial intelligence evolve, introducing solutions that are not just intelligent in terms of decisions taken, but can also learn from data. By 2040 the world will be run autonomously through solutions that resemble the human brain including autonomous cars and mobile robots. Most mundane tasks in the future will be completed by such autonomous systems.

Predictive analytics

Machine learning

Mobile robots

Quantum computing

STRATEGIC IMPLICATIONS

Next-generation technologies will move airport systems from automation towards cognition. Future systems will autonomously react to issues such as overcrowding or late passengers with reduced human intervention and zero delay. Such intuitive and human-like machine learning will improve predictability and passenger journeys.

MEGATREND: BRICKS AND CLICKS

DEFINITION AND SUB-TRENDS

'Bricks and Clicks' denotes the retailing norm of the future where retailers will merge the digital and physical worlds into one hybrid Bricks and Clicks model. Nearly 35% of all retail sales will be made online by 2030. Shopping experiences will become more connected with multiple digital customer touchpoints and more personalised customer journeys.

Experience stores

Click and collect

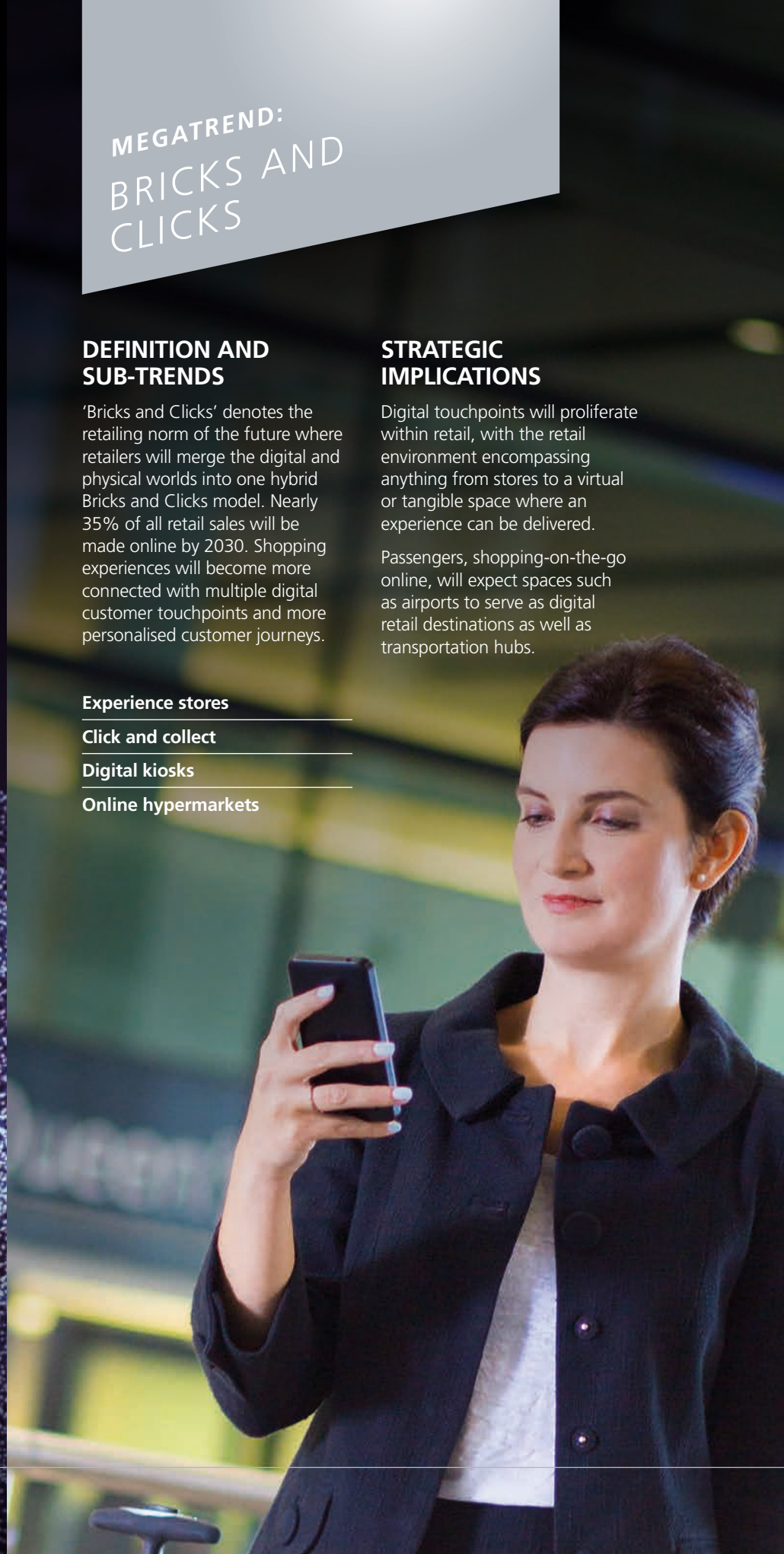
Digital kiosks

Online supermarkets

STRATEGIC IMPLICATIONS

Digital touchpoints will proliferate within retail, with the retail environment encompassing anything from stores to a virtual or tangible space where an experience can be delivered.

Passengers, shopping-on-the-go online, will expect spaces such as airports to serve as digital retail destinations as well as transportation hubs.



MEGATREND: SMART IS THE NEW GREEN

DEFINITION AND SUB-TRENDS

Green technology will evolve towards smart products which will provide the same sustainable end result but with better returns on investment. Smart products will feature capabilities of data collection and communication enabling them to take corrective action proactively.

Smart cities

Smart mobility

Smart buildings

Smart security

STRATEGIC IMPLICATIONS

In the future, being 'smart' for airports will mean instrumenting infrastructure with sensors and analysers to optimise functions. For example, existing airport buildings could become smarter through sensors monitoring temperature or lighting to reduce energy use.

MEGATREND: SOCIAL AND GEOPOLITICAL TRENDS

DEFINITION AND SUB-TRENDS

Changing social trends in Generation Y¹ and Generation Z², rise of the middle class, reverse brain drain and the global empowerment of women will usher in a heterogeneous world. The 'mass market' will cease to exist as diverse groups emerge demanding more customised and personalised products.

Empowerment of women

Ageing population

Generation Y and Generation Z

Rise of middle class

STRATEGIC IMPLICATIONS

Airports will be dealing with a significantly more diverse group of passengers than today – comprising first-time travellers, new income groups, more females, emerging economies and the ageing population. Service models will need to be adaptive with values, ethics, language and cultural fundamentals in evidence.

¹ Born between 1982 and 2004

² Born between 1996 and 2010

MEGATREND: HEALTH, WELLNESS AND WELLBEING

DEFINITION AND SUB-TRENDS

In the Western world, healthcare costs are set to account for a fifth of total government spending by 2025. Consequently, the old model of treating symptoms will give way to more holistic solutions that involve early diagnosis and efforts to prevent disease in the first place. Gadgets, drugs and services that enable monitoring and prevention will see rapid adoption as the wellness trend takes precedence to treatment at a societal level.

E-health/M-health

Personalised medicine

Medical tourism

Wellness gadgets (smart watch)

STRATEGIC IMPLICATIONS

Catering to an ageing population will have to become an essential part of the airport/aviation design process and overall strategy. With heightened interest in wellness, overall life expectancy will increase meaning future travellers will be hyper-aged with very different needs, physical and cognitive. In particular, Heathrow will focus on accessibility in end-to-end journeys which require minimal hand-offs and mode changes.

MEGATREND: NEW BUSINESS MODELS

DEFINITION AND SUB-TRENDS

Next-generation business models will be disruptive and redefine future business propositions and influence future technology and product development. They will drive innovation across a whole spectrum of industries through aggregating and crowd-sourcing products, services and even ideas leading to mass disruption of existing norms and revenue models.

Crowd-sourcing

Personalisation

Sharing economy

On-demand services

STRATEGIC IMPLICATIONS

Airports should look to adapt to new business models as future consumers become prosumers – sharing resources, such as work space, cars and other assets. It will be critical to understand how the sharing economy will impact established income streams such as car parking. Airports must innovate to respond and protect income streams.



MEGATREND: URBANISATION – CITY AS A CUSTOMER

DEFINITION AND SUB-TRENDS

Over the next decade the world will experience a huge migration to urban areas, transforming traditional cities as we know them today into economic hubs. In the next decade, nearly 58% of the global population is to be located in these hubs leading to three major sub-trends below:

Mega cities
(population of over 8 million)

Mega regions
(population of over 15 million)

Mega corridors
(population of over 25 million)

STRATEGIC IMPLICATIONS

Urbanisation will make airports more accessible and position them to become economic hubs, creating opportunities to develop community amenities and services. With the rise of a network of mega airports, London's role within global connectivity needs to be actively promoted. In particular, Heathrow's hub model will play a critical role in connecting secondary cities across the globe. Such routes being unlikely to have traffic volumes to support direct links will require global hub airports.

MEGATREND: FUTURE OF INFRASTRUCTURE

DEFINITION AND SUB-TRENDS

The worldwide investment in infrastructure (port, rail, road etc.) development is expected to cross US\$27 trillion by 2025 with transport accounting for the majority. The focus will be on faster and more efficient services. For example, heavy investments are being made in high-speed rail to make mass transit safer and faster, connecting both countries and continents. With this, high speed rail will not only connect countries but also continents in the future.

High-speed rail

New trade routes

Future of transportation

STRATEGIC IMPLICATIONS

Surface access infrastructure investment will stimulate more travel as consumers will have a wider network of airports and other transport options to choose from. While competition from rail will emerge, overall improvements in connectivity through infrastructure linkages will drive air-passenger volumes. Heathrow will have a key role to play as an intercontinental transport hub for surface access transport as much as it is an aviation hub for global air traffic.

MEGATREND: INNOVATING TO ZERO

DEFINITION AND SUB-TRENDS

Innovating to zero is a mega vision of a 'zero concept' world with zero emissions, zero accidents, zero fatalities, zero defects and zero breaches of security. Future systems will become 'fail-proof' – systems without unnecessary or unwanted outcomes. Such visions will influence a revolutionary change ensuring a sustainable future world.

Zero waste

Zero accident

Zero error

Carbon-neutral world

STRATEGIC IMPLICATIONS

In a zero concept world, all major entities, including airports will explore ways to become carbon-neutral and zero-vision focused. For example, expectations from customers and passengers will be high around zero accidents and zero security breaches.

As part of Heathrow 2.0, our Sustainability Leadership Plan, a goal of ours is to create a zero-carbon airport – a place that is run on renewable energy and that delivers zero waste. To do this, we will deliver a resource-efficient, zero-waste airport and support a circular economy. Specifically, we will target zero waste by 2050. We will also change airport-wide culture to value resources and disincentivise waste, including the promotion of 'sharing' models to make better use of our resources.

MEGATREND: FUTURE OF ENERGY

DEFINITION AND SUB-TRENDS

Future of energy is expected to witness a shift in fuel balance addressing the worldwide energy demand with new technologies such as smart grids and alternative energy sources. The future of energy management is expected to drive a multiple convergence of technologies, markets, competition and business models, resulting in greater operating efficiency in storage and distribution.

Energy harvesting

Smart grids

Energy management

Renewable energy

STRATEGIC IMPLICATIONS

Businesses and fuel-reliant industries such as airports will need to leverage alternative fuel sources to reduce their carbon footprints. Emphasis will be placed on monitoring the consumption and distribution of energy, exploring innovations in smart grids and micro-generation. Offsetting strategies and selling renewable energy back to the grid too will be commonplace.



MEGATREND: NEW MARKETS, BEYOND BRICS*

DEFINITION AND SUB-TRENDS

The next two decades will see significant economic power shift between countries. Companies will now look at new economies Beyond BRICS* with emerging middle classes as new emerging hotspots for their products and as markets and hubs for business operations.

New passenger routes

Future of Africa

Rise of ASEAN**

STRATEGIC IMPLICATIONS

As power shifts to growing economies, hub airports will have to position themselves as connecting nodes between the major origination and destination points of high-growth markets. Airports in regions such as Africa will double their capacity in the next five years as regional growth is realised and spending on travel increases. London should respond to support them and to reap the benefits.

MEGATREND: FUTURE OF MOBILITY

DEFINITION AND SUB-TRENDS

The future of mobility is in a multi-modal dynamic solution combining a journey from A to B through seamless integration of different forms of transport, and with one single digital touchpoint. Future mobility will be less reliant on car ownership and depend more on journey enablers and shared assets.

Connected cars

Integrated mobility

Car sharing

Autonomous transportation

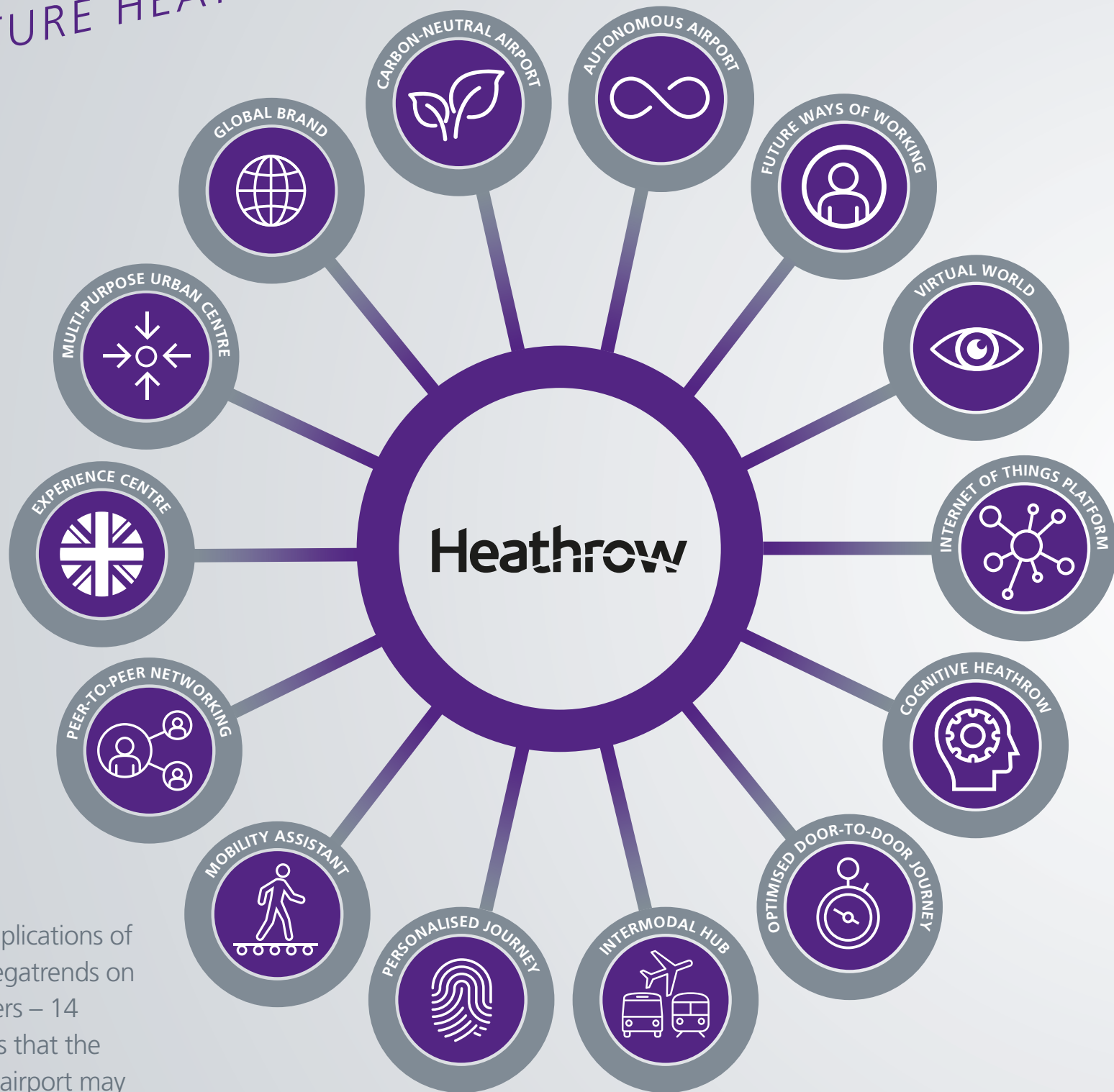
STRATEGIC IMPLICATIONS

A decline in car ownership may well be offset by urban population increase, but the evolving business model needs to be understood, as will the resultant impact on baggage drop-off norms. Airports will need to explore autonomous transportation to orchestrate mobility flows – airside and landside – to gain better returns with higher throughputs and seamless passenger journeys.

* An acronym for an association of five major emerging national economies: Brazil, Russia, India, China and South Africa

** Association of Southeast Asian Nations including Brunei Darussalam, Myanmar/Burma, Cambodia, Indonesia, Laos, Malaysia, Philippines, Singapore, Thailand, Vietnam

WHAT COULD A FUTURE HEATHROW BE?



The implications of the megatrends on travellers – 14 themes that the future airport may choose to consider.

COMPETITOR AND COMPARATOR AIRPORTS



For Heathrow to enable airlines to grow airline and passenger numbers, it must compete. We must therefore regularly analyse and assess the relative strengths of potential competitors.

Understanding the service offer in other airports matters to us all. Passengers travelling through Heathrow today compare their airport experience here against other airports, and also against their expectation of customer service more generally. Using global passenger and airport insight enables us to respond to opportunities and threats. It also helps us anticipate positive trends in terminal design and products for passenger journeys of the future.

We will also need to monitor innovations and changes within other 'comparator' airports. They may not be directly in competition with Heathrow due to their size or geographic location. But often they are setting new standards for passenger experience or delivering more efficient solutions. These could be adapted to Heathrow, delivering positive benefits to our airlines, passengers and communities.

COMPETITORS

European hub airports seeking to secure greater market share from Heathrow through the development of new facilities, capacity and pricing:

- 1 Frankfurt
- 2 Amsterdam Schiphol
- 3 Munich
- 4 Paris Charles de Gaulle
- 5 Madrid

COMPARATORS: GLOBAL LEADING AIRPORT HUBS

Large international hub airports consistently evolving and regenerating themselves:

- 6 Singapore Changi
- 7 Hong Kong
- 8 Los Angeles
- 9 Dubai

COMPARATORS: NEW AIRPORT HUB ENTRANTS

New international hub airports that are competing and growing at a rapid pace to increase market share:

- 10 Doha
- 11 Istanbul
- 12 Mumbai
- 13 Beijing Daxing

COMPARATORS: EUROPEAN AND GLOBAL AIRPORTS

Airports that are setting new standards for passenger experience or delivering cost-efficient and/or commercial solutions:

- 14 Billund
- 15 Oslo
- 16 Zurich
- 17 Haneda
- 18 Narita
- 19 Other London airports



A purple-tinted photograph of a train platform. A white sign with black text is mounted on a post. The text on the sign reads "END-TO-END PASSENGER JOURNEYS". The background shows a blurred train and platform structure.

END-TO-END PASSENGER JOURNEYS

HEATHROW'S SERVICE PROPOSITION

MODERN BRITISH HOSPITALITY AT ITS BEST

At Heathrow, we believe that every journey should reassure and excite in equal measure. We recognise that everyone is different and that some people will arrive at the airport with a sense of joy and anticipation, while others face anxiety. That is why we aim to go further than any other airport to understand how passengers feel. We want to make every moment spent with us all that it can be.

For every traveller to feel important, special and cared for, we need every partner in the Team Heathrow family to collaborate and play their part. We are fortunate to host many of the world's leading airlines. We are at our best when we work collectively, everybody pulling together to ensure that end-to-end experiences are seamless, stress-free and considered. This endeavour means focusing on all aspects of service experience, from simple individual service interactions through to the introduction of world-class service innovation.

Everyone who spends time with us on their travels will experience the best that modern Britain has to offer. Seamless operations that make travelling intuitive and enjoyable. Enticing and inspirational experiences will showcase the best of British popular culture. Reassuring and approachable people who represent modern British hospitality at its best and who do everything they can to make every journey better.



CONFIDENT AND REASSURING

We will be calm under pressure and we will get our passengers on their way, even when things do not go to plan. Importantly, we will keep our passengers safe from harm.

DYNAMIC AND VERSATILE

We will be upbeat and positive throughout the passenger journey and will help our passengers get the very best out of their experience with us. We will think ahead to anticipate their needs and exceed their expectations.



DELIVERING WORLD-CLASS PASSENGER EXPERIENCES



PERSONABLE AND CHARISMATIC

We will speak the same language as passengers and present information clearly in a way to help them extract information that they need easily and quickly.



WARM AND ATTENTIVE

We will make all passengers feel welcome and will be approachable and responsive to individual needs and circumstances, irrespective of the medium passengers choose to interact with us. We will minimise the effort they have to expend on their journey.

Global research into excellent customer experiences identifies the hallmarks of world-leading service being ease and seamlessness. Historically, airports have not been 'easy' places to navigate, and since the majority of passengers are infrequent fliers, the challenge for both them and us increases.

Our brains have to work harder in unfamiliar places with unfamiliar processes. When time is a critical pressure, this also adds to the 'cognitive load' upon our customers. In recognising and addressing this, we have painstakingly mapped our end-to-end passenger journeys. This includes the physical (passenger interaction with the infrastructure and facilities), virtual (website and apps) or personal (one-to-one interactions with Team Heathrow colleagues).

Only in understanding the full end-to-end journeys that our passengers and colleagues make, can we build the best passenger experience for the future. That is why, as we build the Heathrow of the future, we will be overlaying our options and plans onto end-to-end passenger journey maps. This means we can readily see for ourselves the journeys we are creating, the pain points we are addressing and the experience we are building for our passengers.

END-TO-END PASSENGER EXPERIENCES

FUTURE PASSENGER EXPERIENCE INFORMED BY GLOBAL RESEARCH

To inform our Strategic Brief, we looked to global customer experience best practice, to identify the common traits of leading customer brands across different sectors.

The KPMG Nunwood Customer Experience Excellence Centre is one of the world's largest customer experience think tanks. It has gathered over 1.5 million consumer evaluations over three continents over eight years. The Centre's research demonstrates that a universal set of emotional qualities defines an outstanding customer experience – these are the Six Pillars. *Personalisation, Integrity, Expectations, Resolution, Time and Effort and Empathy* are all essential for a leading customer experience.

DEVELOPING A DEEP UNDERSTANDING OF PASSENGERS' MOTIVATIONS, BEHAVIOURS AND EXPECTATIONS

To inform the future passenger experience, we developed a comprehensive baseline of the current experience of passengers travelling to, from and through our airport. The baseline was developed through a combination of insights gleaned from:

Digital ethnography tools i.e. real passengers capturing their live 'in-the-moment' experiences

Direct observations of patterns of behaviour

Social media sentiment analysis

Focus groups and workshops involving a cross section of Heathrow colleagues, airline partners and suppliers

ASQ* scores and feedback from Heathrow customer-satisfaction surveys.

The baselining exercise involved over 250 Heathrow colleagues and partners. It took place over a six-month period and examined the end-to-end passenger journey, depicted as key stages covering departures, arrivals and connections journeys. The research examined all modes of surface transport, and developed 24 detailed behavioural personas that were used to elicit insight unique to different customer segments.

In total, 70 multidimensional journey maps were developed highlighting the steps that passengers take, their expectations at key stages, their emotional state, the 'pain and gain points' along the journey, together with operational data.

These insights were used to inform a view of the potential future end-to-end passenger experience, depicted on the following pages.

*Airport Service Quality

THE SIX PILLARS OF EXCELLENT EXPERIENCE



PERSONALISATION

Using individualised attention to drive an emotional connection.



TIME AND EFFORT

Minimising customer effort and creating frictionless processes.



RESOLUTION

Turning a poor experience into a great one.



INTEGRITY

Being trustworthy and engendering trust.



EXPECTATIONS

Managing, meeting and exceeding customer expectations.



EMPATHY

Achieving an understanding of the customer's circumstances to drive deep rapport.

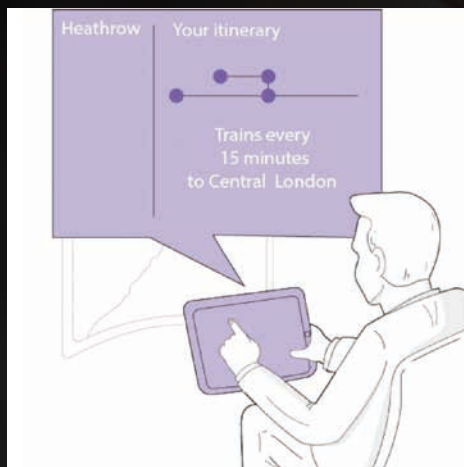


FUTURE DEPARTURES EXPERIENCE

PLANNING THE JOURNEY ▶

We believe that data and technology will help passengers plan and adapt to changing situations.

Passengers will research their travel options to the airport quickly and with minimal effort. Information and services provided will be tailored to meet their needs and circumstances.



"My itinerary and route are mapped out specially for me. I know exactly how to get to Heathrow and I'm looking forward to getting there".

TRAVELLING TO HEATHROW ▶

We aim to make getting to the airport a simple and straightforward affair, giving passengers choice in how they travel. By joining up information across all modes of transport, we will help keep passengers informed and in control.

Passengers will have information at their fingertips about their journey and will be intelligently rerouted if circumstances change.



"My journey is integrated across all modes of transport, and I don't need to worry about getting there – Heathrow will constantly work out the best route for me to take. I'm relaxed and confident about being on time".

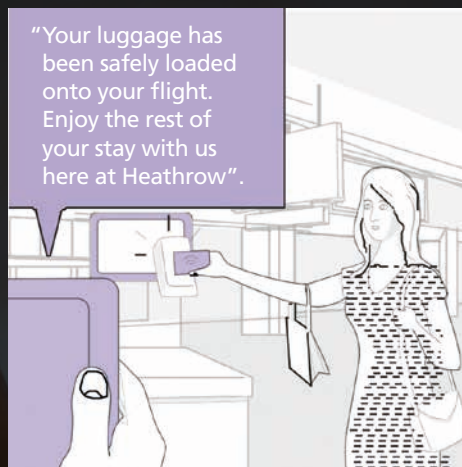
These illustrations show a fictionalised future passenger journey. They are not intended to be prescriptive.

We have combined our thinking around the potential impact of megatrends with our Passenger Proposition to illustrate what may constitute the future's Best Airport Service in the World.

TIME AT THE AIRPORT

Making passengers feel very welcome during their time with us will be at the heart of their interaction with us. We will deliver a range of services and experiences that meet their expectations, needs and circumstances and that add to their enjoyment.

Passengers will be as relaxed as possible at the airport by using digital and automation technologies to help put them in control when and where they need it most.



"I'm reassured that my bag will arrive with me because I can see on my smart device that it is being loaded into the aircraft. I've got a personalised map of where I want to go and what I want to do while I'm here, and I'm really looking forward to using my time in ways that suit me – shopping, working or relaxing. I feel that my time is valued".

LEAVING HEATHROW

We aim to keep passengers safe for their onward travel while minimising time and effort. Our people will forge a deeper emotional connection with passengers and will act upon their feelings.

Passengers will enjoy their time at Heathrow and remember us long after they have left. Their last impression of us will reflect on our distinctive British sense of style and service – calm, innovative and reassuring.



"Leaving the airport and boarding the plane is so simple. I just walk through the airport and their systems work out who I am and what I am carrying. I feel confident that I'll leave on time and that I'm in safe hands".

FUTURE ARRIVALS / CONNECTIONS EXPERIENCE

LANDING AT HEATHROW

We will make passengers feel very welcome reflecting our distinctive British sense of style and service – calm, innovative and reassuring. We will help passengers make sense of where they are and navigate the airport by simplifying and enhancing information and wayfinding.

Passengers will be reassured that they are in the right place and will use digital technologies to receive personalised information, recognising their specific needs, expectations and circumstances.

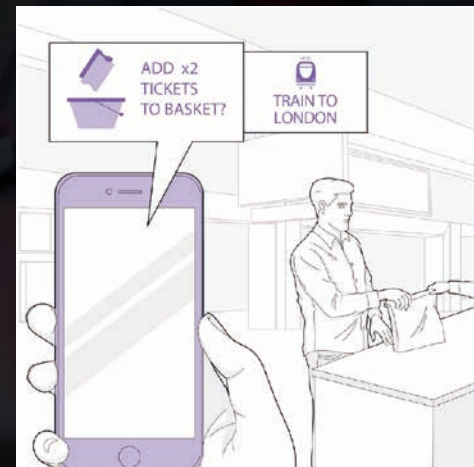


"I like the personalised map guiding me to passport control and that Heathrow can tell who I am, making the process simple, straightforward and stress-free. I am able to get on my way in minutes and I'm reassured that my bag will arrive on time".

MY TIME AT THE AIRPORT

We will deliver a range of services and experiences that meet their expectations, needs and circumstances and that add to their enjoyment. Our people will forge a deeper emotional connection with passengers and will act upon their feelings.

Passengers will be able to shop work and play upon arriving into Heathrow, or if they choose to, be on their way to their next destination quickly and easily.



"I like the fact that my bag of 'essentials' that I ordered is waiting for me and the theatre tickets are already on my smart device. I am impressed that Heathrow understands me and caters for me".

These illustrations show a fictionalised future passenger journey. They are not intended to be prescriptive.

We have combined our thinking around the potential impact of megatrends with our Passenger Proposition to illustrate what may constitute the future's Best Airport Service in the World.

LEAVING HEATHROW

We will provide a range of joined-up travel options for those travelling onwards from Heathrow to suit their needs, circumstances and budget. We will keep passengers informed of where they are and how much time it will take to get to the next step on their journey.

We aim to make the passenger experience an enjoyable and memorable one whether they are starting their journey or coming home from one.



"My personalised journey planner works brilliantly, telling me how to get out of the airport and on my way quickly and easily. I am confident that whatever mode of transport I choose, Heathrow will work out the most appropriate way for me to reach my destination and will keep me informed every step of the way".

CONNECTING THROUGH

We aim to take the stress out of the connection experience. Using digital and automation technologies, we will let passengers know exactly how long it will take to get to other parts of the airport, where they are on their journey and which shops, restaurants and facilities are in place when they get there.

Passengers will feel calm and in control during their journey and will have confidence that connection times are being managed on their behalf and personalised to them.



"I can spend my time as I want to because I know just how long I've got left to get to the departure gate. I know where I am and how long it takes to get there. I'm feeling calm and looked after because Heathrow will alert me if things change or if I'm running out of time".

These illustrations show a fictionalised future passenger journey. They are not intended to be prescriptive.

FUTURE OPERATIONAL GUIDING PRINCIPLES

The future operational guiding principles represent the culmination of the contents of this document reflected back in the physical form of an expanded Heathrow.

It is the start of the process which translates our aspirations into the physical reality of Heathrow – the combination of infrastructure with operational ways of working. We therefore look at functional areas, recognising that great process and operational efficiency underpin great service delivery.

- Surface access
- Airfield and airspace
- Terminal
- Baggage
- Cargo
- Heathrow ecosystem

Heathrow's team of operational experts have combined their experience of running Heathrow with our future insights and five stakeholder propositions. The result is a suite of guiding principles that describe a world-class airport. We consider each functional area in terms of:

SAFETY AND SECURITY

Designed into the very heart of our airport infrastructure and operating model.

AFFORDABLE AND FINANCEABLE

Delivering a value offer to airlines and passengers balanced with the world-class service expected of the United Kingdom's hub airport.

PREDICTABLE

An enabler of affordability, a key driver of passenger experience facilitated through great design.

CONNECTED

A key concept for Heathrow: digitally through Wi-Fi, physically through transport solutions, visually through a sense of place.

SIMPLE

Features in our design, construction and operations to create intuitive passenger journeys.

ADAPTABLE

Flexibility in responding to future progress with manageable and affordable change to infrastructure and ways of working.

SUSTAINABLE

Building a legacy for future generations, creating a great place to work by being a responsible neighbour in a great place to live.

DISTINCTIVE

Consolidate our unique brand by creating a distinctive style of service to complement our world-leading terminal experiences.

FUTURE SURFACE ACCESS OPERATIONAL GUIDING PRINCIPLES

WHAT IS A WORLD-CLASS SURFACE ACCESS OFFER?

SAFETY AND SECURITY

A safe surface access operation with:

partnerships with other operators to facilitate safe end-to-end journeys to, from and around the airport.

AFFORDABLE AND FINANCEABLE

An approach to surface access that:

actively facilitates growth in catchment to grow passenger numbers

facilitates non-aeronautical revenue through existing and new products, segmentation and differentiation

delivers affordable capital expenditure and operating costs

ensures only fair contributions.

PREDICTABLE

A service that supports:

reliable journey times to and from the airport

resilient options for travellers.

CONNECTED

Create a surface access approach that:

recognises and promotes Heathrow at the heart of the UK transport network

provides real-time information before and during journeys

improves journey times across different modes.



SIMPLE

A design that:

offers straightforward transport interchanges

provides direct journeys to terminals

creates seamless journeys for passengers

facilitates intuitive wayfinding and integrated ticketing

optimises the use of space for the benefit of stakeholders.

ADAPTABLE

A suite of surface access options that:

provides for all modes

allows passengers to choose mode

is cognisant of new models of travel and new travel technologies

offers flexibility.

SUSTAINABLE

Modes of travel that:

respect our neighbours by growing the airport without increasing airport-related traffic

prioritise public transport and more efficient use of road-based modes

capitalise on our work with rail partners to prioritise major rail projects accessing Heathrow

provide the cleanest and most sustainable fleet to reduce emissions

provide local connections to allow local communities to benefit from Heathrow's regional, national and international connectivity

facilitate more sustainable colleague movements.

DISTINCTIVE

Create travel options that:

minimise crowding and congestion

improve quality of in-vehicle experience

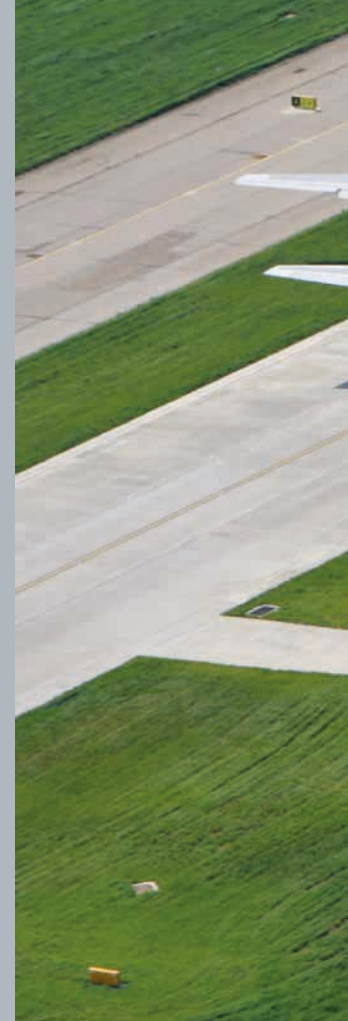
provide integrated journey planning and ticketing

make it easy to get to and from Heathrow

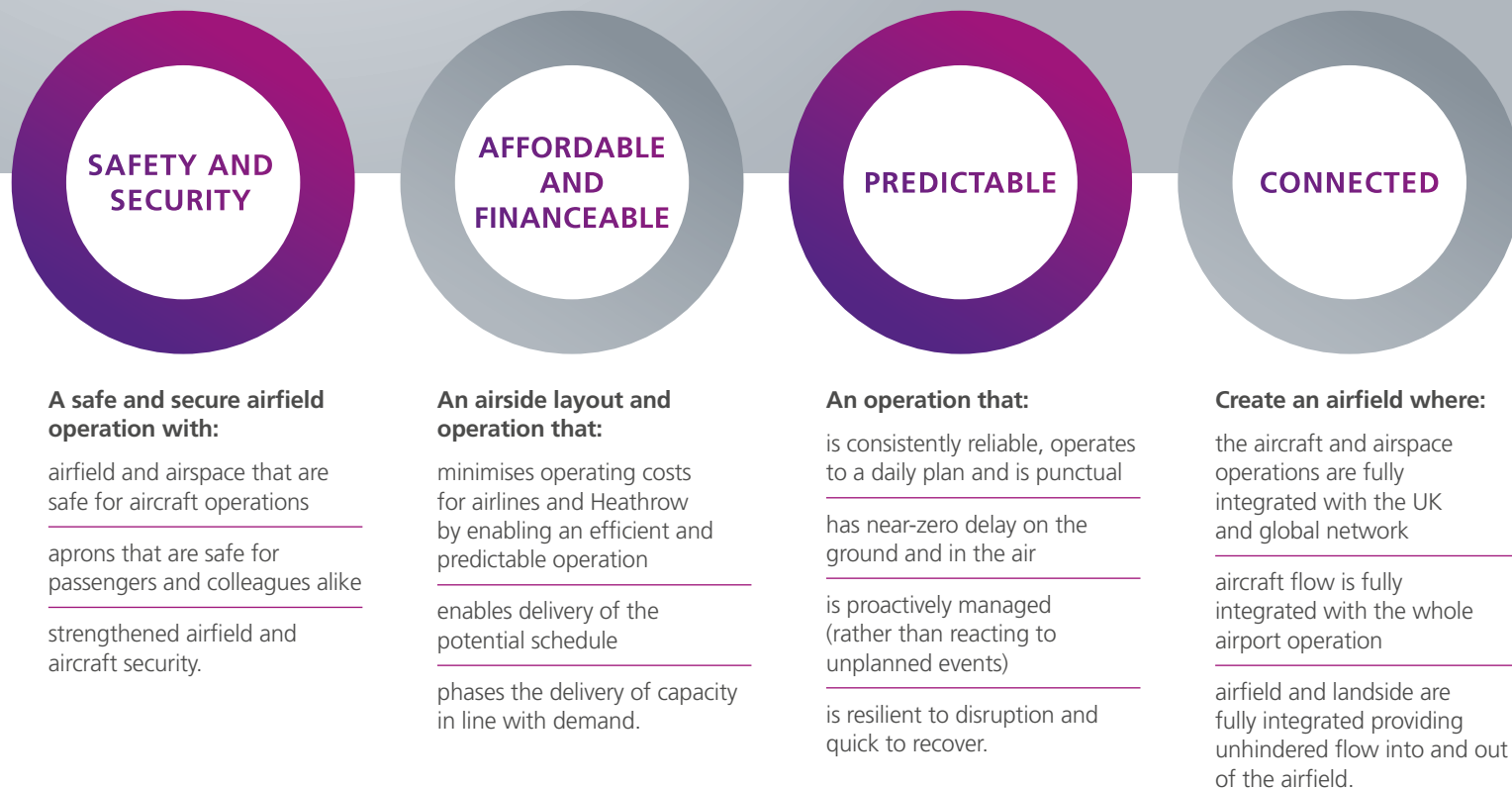
allow choice for different passenger segments

feel and look like modern Britain.

FUTURE AIRFIELD AND AIRSPACE OPERATIONAL GUIDING PRINCIPLES



WHAT DOES A WORLD-CLASS AIRFIELD LOOK LIKE?





SIMPLE

A design that:

is simple with consistent processes, procedures and geography

offers clear operational choices and straightforward navigation.

ADAPTABLE

An airfield that:

is flexible to accommodate daily and seasonal air-traffic demand changes

is adaptable to cater for future change, including new aircraft types and new technologies (e.g. the movement towards an automated ramp) and new airline operating models.

SUSTAINABLE

An operation that:

respects our neighbours

minimises noise and air-quality impacts through the quietest and cleanest aircraft and operations possible

builds a trusting relationship based on consulting, listening, agreeing and delivering

supports airline sustainability plans

informs and responds to government policy for airspace modernisation.

DISTINCTIVE

An airfield that:

is renowned by airlines for world-leading efficiency, safety and reliability

feels effortless to use

has a reputation with the airlines for being an easy and intuitive airfield to operate from

achieves world-leading punctuality and utilisation.

FUTURE TERMINAL OPERATIONAL GUIDING PRINCIPLES

WHAT DOES A WORLD-CLASS TERMINAL LOOK LIKE?

SAFETY AND SECURITY

A safe terminal environment that:

further strengthens Heathrow's robust, long-standing security systems

creates a reassuring and efficient experience where people feel safe and secure at Heathrow as well as on their journeys to and from it.

AFFORDABLE AND FINANCEABLE

A terminal design that:

delivers construction that is cost-efficient to build, operate and maintain

enables efficient terminal and airline operations

creates an on-airport experience that optimises dwell and engagement with the airport offer

provides a choice of attractive, exciting and world-leading commercial offers, relevant and value-adding to all targeted passenger segments.

PREDICTABLE

An operation that:

considers the full end-to-end journey, making it easy for passengers

is known to consistently deliver efficiently, punctually and reliably

manages unforeseen disruption in the most customer-friendly manner possible.

CONNECTED

Create a global hub that:

is the hub of choice for connecting passengers with passenger facilities to support

provides a platform for network growth

optimises connectivity through co-location

offers total digital touchpoint integration

provides world-class service at all stages of departures and arrivals, regardless of who delivers it.





SIMPLE

A design that:

offers intuitive wayfinding with minimal level and mode changes

is navigable with great sightlines and feels comfortable

seamlessly integrates with technology and digital to provide personalised and real-time information.

ADAPTABLE

A terminal design that:

embraces and enables future technologies to enhance passenger experience and levels of service

has the inherent flexibility to respond to megatrends and shocks

seeks to accommodate industry dynamics

accommodates a retail and experiential environment in balance with passenger requirements and volume

provides an intermodal transport hub for passengers

reduces the costs of structural or operational changes

is accessible for all.

SUSTAINABLE

Facilities that:

respect passengers' time and individual needs

are inclusive, irrespective of individual passenger circumstances

are accommodated within resource-efficient buildings and infrastructure, incorporating sustainable terminal design in line with the Heathrow 2.0 strategy

provide a working environment that respects the needs of colleagues and the broader Team Heathrow.

DISTINCTIVE

Create an airport that:

gives passengers the best airport service in the world

has a sense of Britishness, while building our brand

is the gateway to London

offers consistent process married with memorable experiences

allows airlines to differentiate their brands.

FUTURE BAGGAGE OPERATIONAL GUIDING PRINCIPLES

WHAT DOES A WORLD-CLASS BAGGAGE OPERATION OFFER?

SAFETY AND SECURITY

Safe baggage operations that:

offer a safe working environment and culture

offer safe passenger-facing facilities for drop-off and collection of luggage

are completely security compliant.

AFFORDABLE AND FINANCEABLE

An approach to baggage that:

optimises capital and operating costs to reduce total cost

innovates to drive efficiency and cost savings

avoids expensive bespoke solutions wherever feasible.

PREDICTABLE

An operation that:

is reliable and resilient

recovers swiftly from disruption.

CONNECTED

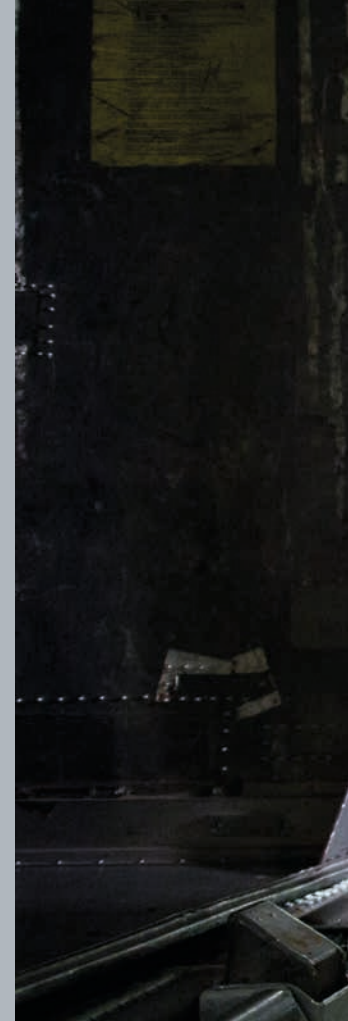
Create a baggage offer that:

fully supports Heathrow's connections product

is seamlessly embedded in the passenger journeys: arrivals/connections/departures

supports and adopts new operating models (e.g. low cost/automation)

enables full traceability of the baggage journey.





SIMPLE

A design that:

has simplicity designed into the system and processes

is easy to use for airlines, handlers, operators and passengers.

ADAPTABLE

A baggage offer that:

is flexible to accommodate daily and seasonable changes in demand

is scalable and reconfigurable to enable future requirements

meets evolving industry and passenger requirements

will offer flexibility to cope with evolving security requirements.

SUSTAINABLE

Facilities that:

respect the environment

are sustainable by design

minimise energy usage

are space-efficient

are part of a zero-carbon airport infrastructure

are resource-efficient, zero-waste and support a circular economy.

DISTINCTIVE

A baggage service that:

is renowned for reliability and timeliness

has a reputation for excellence.

FUTURE CARGO OPERATIONAL GUIDING PRINCIPLES

WHAT DOES A WORLD-CLASS CARGO OPERATION OFFER?

SAFETY AND SECURITY

A safe cargo operation that:

offers a safe working environment and a secure cargo area

Encourages responsible behaviour through partnerships.

AFFORDABLE AND FINANCEABLE

An approach to cargo that:

drives greater value for consumers, forwarders, handlers and airlines

provides a sustainable revenue stream

offers operational efficiency gains

reduces direct costs and enables reduction of third-party costs.

PREDICTABLE

An operation that:

delivers predictable throughput times

is consistently reliable and operates to plan

reduces delays while reducing throughput times.

CONNECTED

Create a cargo offer that:

has seamless movement of cargo between landside and airside

enables the segregation of cargo vehicles from other airport traffic

allows Heathrow to become a truly multimodal hub (air/road/rail/water)

enables interline opportunities for airlines

has dedicated air-to-air transshipment facilities, allowing faster connection times.



SIMPLE

A design that:

reduces waste, cost and delays through 100% e-Cargo compliance

makes it easier to do business through automation and technology.



ADAPTABLE

A cargo offer that:

grows capacity to generate additional volume for airline partners

incorporates unmanned air-cargo vehicles

is responsive, with a flexible and agile estate.



SUSTAINABLE

Facilities that:

attract more efficient aircraft

reduce congestion

optimise surface access to reduce the impact of traffic

assist industry in modernising processes, technology, training and education.



DISTINCTIVE

Create a cargo offer that:

makes Heathrow the European airport of choice for timely and predictable cargo

distinguishes Heathrow as being a trusted business partner for cargo operators

makes us easy to do business with

maximises the value of its location – a gateway to London and the UK.

HEATHROW'S ECOSYSTEM GUIDING PRINCIPLES

THE BROADER HEATHROW CAMPUS

SAFETY AND SECURITY

A safe Heathrow area that:

creates a reassuring and efficient experience where people feel safe and secure throughout their journey and dwell

provides local businesses and the broader community with a safe and secure environment.

AFFORDABLE AND FINANCEABLE

A Heathrow area that:

allows off-airport businesses to link and complement the surrounding areas with Heathrow

features appropriate commercial development with reciprocal benefits.

PREDICTABLE

A Heathrow area that:

reliably and seamlessly combines the elements of the journey/experience in, through and around Heathrow

creates a sense of place

provides enhanced logistic and storage capabilities.

CONNECTED

Create an airport area that:

positions Heathrow as a destination in itself, specifically as an intermodal transport hub and public transport interchange

champions real-time data sharing with airlines, retail and onward travel partners.





SIMPLE

An ecosystem design that:

enables seamless travel from
doorstep to destination

delivers benefits that extend
into the local community.



ADAPTABLE

A Heathrow area that:

offers a flexible response to the
evolving needs of passengers,
colleagues, airlines and local
communities.



SUSTAINABLE

An area that:

provides parks and open spaces

provides training and
educational facilities

is connected with the local
community in a mutually
beneficial manner

secures future employment
opportunities

enhances the area around
Heathrow for the benefit of
everyone who lives there

protects and enhances
biodiversity.



DISTINCTIVE

**Create a Heathrow
area with:**

differentiated and distinct
service offers

a brand experience extending
beyond the terminal buildings
to upstream gateways

promotes the value of the
airport more generally

showcases modern Britain to
the world.





Heathrow