Trying out the Suites product on the A380 aircraft for the first time during the Restaurant A380 @Changi event back in Oct'20

Cornelius Toh
– In the air

Introduction

Hi everyone! I'm Cornelius, and I graduated from NUS in 2020 with a degree in Economics, specialising in Applied and Policy Economics. I've been with Singapore Airlines for over five years now, taking on roles across both operational and commercial functions. I'm currently a Product Owner in the Distribution team, and I work with a team of product owners to manage the SIA NDC (New Distribution Capability) program. Prior to this role, I also had the opportunity to work in Network Planning and Airport Operations.

Why did you decide to study economics? Did you find something in that discipline particularly appealing or it just happened?

Interestingly, I didn't take economics in junior college. But during National Service, I came across books like *Freakonomics* and *Nudge*, which sparked my interest in how people make everyday decisions. That curiosity led me to pursue economics in FASS, with a particular interest in the area of behavioural economics, which I was able to explore further in my honours thesis.

After graduating, you took up roles in Singapore Airlines. Has your degree in economics come in handy?

Absolutely, there are many concepts that we learn in economics that are applicable in the real world, including aviation. The two economic concepts that come to mind immediately are opportunity cost and paying off your fixed costs.

In aviation, every resource is finite — aircraft, manpower, slots, etc. So, every decision that we make has a set of trade-offs. If I were to deploy an Airbus 350 aircraft to Tokyo, that would mean that the aircraft resource is unavailable to serve routes with an equivalent block time (e.g. Shanghai or Delhi). To ensure that we make the optimal decision, we run detailed route economics studies to forecast the profitability of each deployment option — not just in absolute terms, but in relation to other deployment options that are being considered.

Another fundamental concept is the contribution to fixed costs. Airlines incur extremely high investments, from their aircraft fleet to the onboard products and our airport lounges. Once these assets are purchased, the goal is to ensure that every flight contributes positively towards covering the above fixed costs. Some of these flights may not be profitable, but airlines will continue to operate them as long as they can cover the variable cost and contribute positively to fixed costs. Furthermore, these flights may also be supporting a broader strategic goal of expanding our network connectivity and market presence.

You joined the aviation industry during the recent pandemic, which seems like a bold move. Would you like to share with us what drove you to that decision? How did the industry operate during those difficult times?

Joining aviation in 2020 might have seemed like a bold move, but in reality, I didn't have much choice. To provide some context, I had received a scholarship with SIA back in 2017 and was genuinely thankful to have secured a job during the pandemic. Starting my career during the pandemic was definitely eye-opening: the environment was highly uncertain, pay cuts were implemented, and morale was understandably low.

One of my first major projects after joining SIA was the "flight on ground" experience called Restaurant A380 @Changi, where we offered the full SQ experience to our customers but without the actual flight. I had the opportunity to work with colleagues from Singapore Airport Terminal Services and Changi Airport Group to plan and execute the airport operations for this unique event. Over just two weekends, we welcomed more than 3,000 guests. The overwhelming response was a powerful reminder that even in the toughest times, people's affection for the SQ brand remained strong.

Post-pandemic, aviation has been experiencing a great boom. What are your predictions about the future of aviation globally and in Singapore?

Post-pandemic, the aviation industry has certainly seen a strong rebound, which is largely driven by pent-up demand. However, this short-term surge should not be taken as an indicator of long-term performance. Looking ahead, growth in aviation is still expected to remain strong over the next one to two decades, particularly in high-potential markets like China and India, which are markets that SIA is already serving. We are actively positioning ourselves to tap into these opportunities — for example, through our strategic stake in Air India, which reflects the importance of these markets.

Would you recommend an economics degree to a young person who is interested in the administration/logistics of aviation?

Yes, definitely. Aviation might seem like a field more relevant to those with an engineering or aerospace background, but behind every flight are countless economic decisions — allocating scarce resources, weighing the trade-offs between various decisions, and choosing the optimal decision. While I may not be crunching economic models every day, the way economics trains you to think has definitely been useful throughout my career at SIA thus far.

Dinner with my colleagues in the Distribution unit (first row, first from the left)