

TUI Marine

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Market leader in activity holidays focuses on business with Cognos performance management solution

As one of four divisions of the largest conglomerates of travel products and brands, TUI Marine provides activity-based marine holidays to a range of water-lovers through high-end, mid-range, and value holidays. TUI is a leader in this niche market, offering broad global coverage through a fleet of more than 1,200 sailboats, catamarans and yachts.

Currently a \$300M company, TUI Marine continues to grow through acquisitions. The ongoing consolidation of organizations and products under the TUI Marine umbrella posed a challenge to financial budgeting and forecasting, and made it difficult to provide a consistent brand experience across the organization’s many customer touch points. IBM Cognos Planning 7.1 had been in use at TUI Marine for two years when the company decided it was time to upgrade the system and took the opportunity to look for ways to integrate financial planning and revenue analysis with other key business metrics.

The company worked with Cognos partner, BlueNET Technologies to upgrade the planning system, and later to help assess and implement the best path

Industry:

Travel & tourism

Geography:

Global

Information Needs:

- Consolidated business metrics across all regions and bases
- Integrated financial planning and business intelligence
- KPI management
- Revenue analysis
- Realtime call center metrics

Platforms:

- Microsoft Windows OS
- Microsoft SQL Server 2007
- Oracle Financials 9i
- AS 400 Mainframe Legacy
- MITel /Prairie Fyre Call Center Management System]
- Neptune Reservation System

Solutions:

- IBM Cognos 8 BI
- IBM Cognos Planning
- IBM Cognos Contributor

Functional areas of deployment:

- Finance
- Call Center
- Operational regions and individual bases

Benefits:

- Rapid rollout of integrated financial planning and business intelligence metrics
- Achieved global, multi-currency budgeting and forecasting capabilities
- Improved customer satisfaction monitoring, benchmarking, and response
- Improved transparency throughout the business
- Improved accountability for key performance indicators
- Reduced manual reporting efforts from days per week to minutes

forward to fully integrated business performance management.

Challenges faced

To effectively assess its performance and analyse its business, TUI Marine is concerned with metrics such as Profit and Net Fleet Revenue, Boat Occupancy, Number of Weeks of Vacations Sold, and various Customer Satisfaction/Quality measurements. However, as the company grew it became more and more difficult to get a handle on its performance. With business data captured inside of multiple financial and reservation systems, spreadsheets and call center management systems, managers and executives spent more time focused on reports than on the business.

Every Monday, revenue managers at TUI Marine's various global bases – using 14 different local currencies – would each run 120-150 queries into an Excel sheet to send to Finance. Finance staff would manually manipulate and consolidate this data, “and then,” says Vinod George, CIO at TUI Marine, “we'd meet and argue about something that went wrong in the manual process.”

Aside from these inefficiencies, TUI Marine faced an overall lack of visibility into the business. It was difficult to understand financial standing on a weekly or quarterly basis and its call center performance and customer satisfaction were not well understood.

“As we consolidated various brands, we lost a certain capability for metrics because we had so many different transaction systems,” George explains. “We also worried about jeopardizing quality because it became difficult to measure. With many different systems in place we could never get one view of anything in a consolidated fashion.”

Strategy followed

Once TUI Marine decided to move forward with the IBM Cognos Planning upgrade, the company sought a vendor to complete the upgrade and chose BlueNET Technologies. Conversations with BlueNET soon expanded to integrating Planning with other aspects of the business.

In other parts of TUI Marine's operations, Hyperion and Business Objects were in use. However, TUI Marine and BlueNET determined that it would be simplest to extend Cognos to other parts of the business, because IBM Cognos Planning was already providing useful data.

“Cognos was distinguished from other options we considered because they provided an end-to-end solution for finance and BI. With Cognos, we could cover all functional business areas,” explains Hilmi Alphan Ozturk of BlueNET. “Other competitors were either more Finance focused or more BI focused, but we wanted to have both of these consolidated, with data from one feeding the other.”

George adds, “We were already arguing about reports – we wanted to change that with a single solution across the board. We needed one consistent reporting mechanism and the same metrics everywhere.”

After a 6.5-week project upgrading TUI Marine to IBM Cognos Planning 8.2, the BlueNET team completed the implementation and rollout using two concurrent work streams. In the BI stream, revenue analytics and metrics were tackled first, with rollout in less than two months. “From the very beginning, our whole focus was to tie up Financial and Operating systems data at the end to give a holistic view of the company to the executives” says Sukru Tutak, the project manager for BlueNET. Weekly reports, quality scorecards and occupancy analysis came next, and call center analytics and a call center dashboard concluded the BI implementation, which was completed in a total of seven months. The Planning stream was equally efficient, with forecasting, reporting, budgeting and analysis all complete just two weeks after the BI rollout.

To pull everything together and present a single view of metrics to the entire organization, BlueNET implemented a IBM Cognos Portal. Users in the United States, France, England and Australia can all access the same information and reports in IBM Cognos Contributor via the web.

Tutak points out that this is a key area where “Cognos adds significant value – with timely reports, standard measurements and accurate data, everyone looks at the same view of the data.”

Benefits Realized

Almost immediately, TUI Marine experienced significant benefits throughout its business thanks to the Cognos implementation.

Financial Budgeting & Forecasting

The Cognos solution has condensed TUI Marine’s revenue process to just hours a week. “Automating this process has allowed us to focus on the business rather than the report,” George reports.

Revenue managers can now monitor KPIs such as net fleet revenue, number of vacation weeks sold, occupancy of boats, provisioning revenue, head count and revenue per head count, revenue per boat, and much more.

In addition, each local “base” performs its budgeting and forecasting in its local currency, and these are then automatically consolidated into three global currencies: the greenback, the Euro, and the pound. TUI Marine is also able to analyze and monitor the impact of global currency changes in its planning and forecasting processes.

Call Center Analytics

The Cognos implementation coincided with a relocation at TUI Marine headquarters in Clearwater, Florida. The company took the opportunity to upgrade its call center from an

antiquated system to a new telecom system, and decided to extend IBM Cognos 8 BI to the call center to produce real-time reports that could be merged with revenue data.

The call center now has a series of reports, including real-time reports, reports every 15 minutes, and historical reports. The 15-minute and historical reports are merged with revenue data. “It’s extremely powerful,” George notes, “and there is now so much more depth of data and transparency into what happens in the call center.”

In the new call center, 20 agents and supervisors can look up at any time to one of four 44” flat-screen monitors on which real-time, rotating dashboards are displayed. Refreshed every 10 seconds, these reports display statistics such as number of calls received, number of calls abandoned, abandoned ratio, number of bookings resulting from the calls, and more.

Supervisors can access their own reports to compare call center trends over time, and to drill into individual agent or queue performance, while business users can see net fleet revenue attached to call center bookings, and can analyse the data by individual brand and product.

Quality Management

Although TUI Marine has always used customer feedback surveys to track quality performance, the process for analysing the results was sub-optimal. Each month, base managers were sent an inch-thick stack of charts summarizing the answers received that month to a two-page customer questionnaire.

But, says George, “They never knew what to do with that stack of information.” With the Cognos solution, that has changed dramatically. “We have taken that same data and we are showing it in a different way as KPIs. We are comparing information for the base managers and they can finally see very clearly what issues need to be addressed at each base – they can clearly see where to focus.”

Regional operations directors, each of whom is responsible for five to 10 base locations, now can see at a glance the top three issues to address across of their bases. In Metrics Studio, the data is presented in historical context, compared against benchmarks and targets, assigned scores, shown as trends over time, and more.

“This was extremely quick to implement, and without changing the process we had in place, we’ve been able to bring a tremendous amount of change to the business,” George says. “It inherently pushes accountability to the operational level because people can see their base name and be concerned about problem areas highlighted in red associated with their base.”

Perhaps the most important benefit of the Cognos solution, however, is almost the most elusive. “To be able to protect and maintain our brand equity and appear consistent to customers across the board is necessary to our business,” George notes. “A customer must experience the same brand no matter where they touch TUI Marine – whether it be

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