Finnair Drives Customer Loyalty with Intalio|bpms

Enchanced Process Architecture Resullts in Higher Seat Utilization and Fewer Underload Flights

Customer	:	Finnair
Industry	:	Travel & Transportation
Product	:	Intalio|bpms
Application	:	Last-Minute Class Upgrades

Finnair, one of the world's oldest operating airlines, was established on November 1st, 1923. Its operations focus on transporting passengers between Europe and Asia, via Helsinki. Finnair Group operations cover scheduled passenger traffic and leisure traffic, technical and ground handling operations, catering, travel agencies as well as travel information and reservation services. The number of personnel of Finnair Group is approximately 8,000. The subsidiaries provide air traffic support services or operate in closely related areas. Finnair is widely recognized as the industry's IT leader.

intalio | bpms

The Modern Way to Optimize Business Processes

Business Problem

Need to maximize yield

Seats on any given flights are a highly perishable commodity, and filling as many of them as possible on every flight is crucial for the profitability of the airline. In today's market, First or Business class seats usually fetch revenues double of Economy class, and loyalty redemption in this category is equally beneficial to the airline, as it helps reduce the liability of passenger loyalty accruals.

Finnair was facing a challenge to encouage class upgrades using loyalty points. Last-minute upgrades are usually difficult for a number of factors, beginning with the very short customer interaction time at check-in counters (less than 1 minute), increased use of self-service terminals, traveler's limited knowledge about loyalty upgrade availability, low visibility of the loyalty upgrade options at the check-in counter, as well as the inconveniently long time it takes to process the upgrade.

Intalio Solution

Understanding customer strategy

ITC Infotech, a systems integrator and Intalio Platinum Partner located in Bangalore, was able to solve the complex business problem Finnair was facing by using Intalio|bpms. Finnair selected ITC Infotech as implementation partner based on the company's prior experience with another leading European carrier, as well as overall domain expertise and substantial knowledge of Intalio's technology. Intalio's BPM product was selected for its completeness and ease of use.

" *We selected Intalio for the excellence of its solution and execution, its technical innovation, a good business fit, and the competitive edge it ultimately delivered to Finnair* "

Matti Alanne
Director/Customer Services Systems, Finnair Group

Solution Architecture

Finnair Architecture
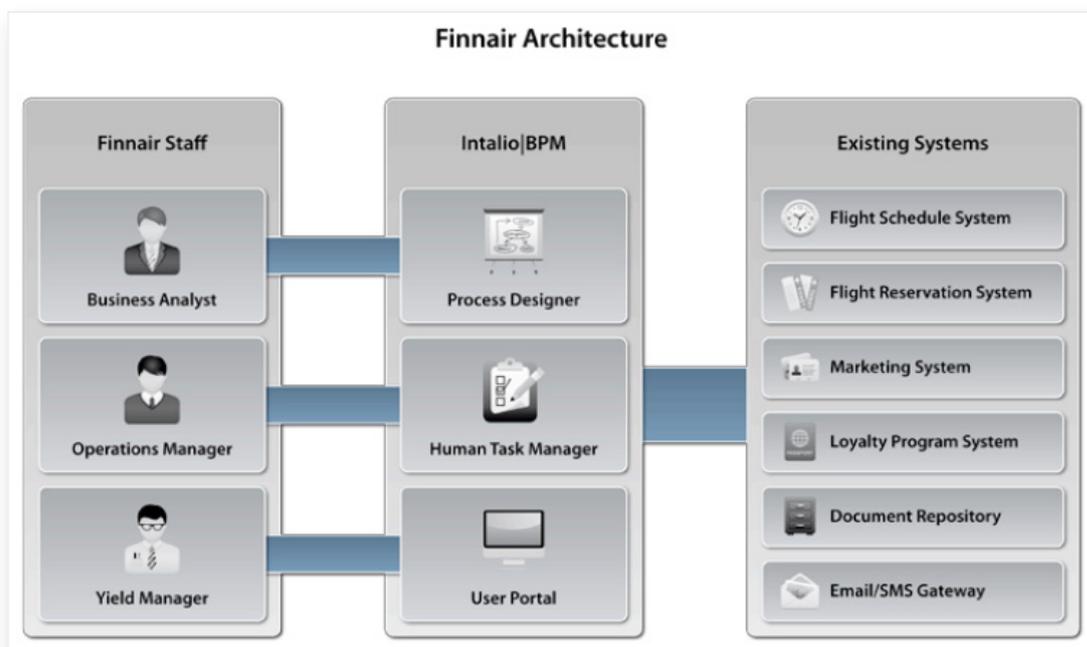
Thanks to the wide range of connectivity options offered by Intalio|bpms, the new system integrates seamlessly with Finnair's Loyalty Management System, Departure Control System, and a text messaging gateway. Using the Business Activity Monitoring module of Intalio|bpms, reports can be generated to analyze flight utilization, detect under-load, and reduce cycle times.

Furthermore, Intalio's ease of use facilitated the participation of a wide range of stakeholders throughout the project life cycle, including outside consultants and Finnair's legal department involved in the implementation of the IFRIC 13 Accounting Rules that directly impact loyalty programs. For more information on IFRIC 13 Customer Loyalty Programmes, please review the IASB website, the website, or the Deloitte Report.

Measure of Success

Solution Benefit

As soon as the solution was put in place, Finnair saw an immediate return on investment through increase seat utilization and reduction of under-load in higher-service classes on all its flights. The new system provides for greater visibility into accepting waitlist and standby passengers, resulting in reduced overall under-load. The solution successfully encourages customers to use their loyalty points, leading to reduced liability in terms of loyalty accruals. Further, the integration of a Business Rules Engine allows business rules to be changed in real-time by yield managers, without requiring the help of any IT staff. Finally, the system provides loyalty program members

greater flexibility as compared to upgrades at the counter.

Partner Highlight

ITC Infotech, a global IT services company, is a fully-owned subsidiary of ITC Limited, the US$5B diversified conglomerate. ITC Limited is rated among the "World's Most Reputable Companies" by Forbes magazine and among "India's Most Valuable Companies" by Business Today.

About Intalio

Intalio – The Modern Way to Build Business Applications. Intalio's suite of products enables businesses, large and small, to rapidly build business applications that are cloud-scalable and mobile-enabled to support an agile response to their market. Our standards-based software can be found powering over 1000 businesses including some of the largest in the world like Deutsche Bank, General Electric, NTT, Irish Revenue Commission, Singapore Airlines, Facebook and Google. Intalio is headquartered in Palo Alto and has over 100 partners and world class investors. To learn more about building modern applications, visit www.intalio.com.

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