

# Virgin Blue uses automated business intelligence reporting to support growth during economic downturn



## Overview

### The Challenge

Virgin Blue's IT solutions were commonly point solutions that serviced a specific need. To create detailed business intelligence (BI) reports required manual, resource-intensive work pulling data from disparate sources – a system open to human error. Plus large volumes of data meant processing times were lengthy, and available management reports were limited in number and scope.

### Solution

IBM Business Partner\*, Catapult BI, and Cognos 8 BI were selected to provide a consistent suite of standard sales reports and access to ad hoc analysis referencing a single data warehouse built by Catapult BI. The solution provides quick, easy, online access to data enabling airline management to focus on their business instead of the validity of report data.

### Benefit

The Cognos solution has provided Virgin Blue managers with instant, online access to their reports. No longer having to manually input data into spreadsheets has resulted in time savings of up to 30 per cent. Managers and their teams can now spend more time on winning new business and servicing existing customers to the highest possible standard; two factors that have contributed to the Virgin Blue Airlines Group maintaining growth despite the economic environment.

## Virgin Blue

The Virgin Blue Airlines Group includes multi-award winning Virgin Blue, international subsidiary airline Pacific Blue; Polynesian Blue, its joint venture airline with the Government of Samoa; and V Australia, Australia's newest international airline. Together, Virgin Blue, V Australia, Pacific Blue and Polynesian Blue provide domestic and international services to 45 destinations across 13 countries covering Australia, New Zealand, the Pacific and also to and from North America, South East Asia, South Africa and Indonesia.

Virgin Blue is the flagship carrier of the Virgin Blue Airlines Group which also comprises Pacific Blue, Polynesian Blue and V Australia. With more than 31 per cent of the domestic market and a modern fleet of Next Generation Boeing 737-700 and 800 series and Embraer E190 and E170 E-Jet aircraft, it currently operates close to 3,000 flights a week to 28 Australian cities.

Virgin Blue's annual passenger numbers exceed 18 million travellers. Through an evolving business strategy, Virgin Blue is becoming more relevant to the corporate market while retaining and keeping its promise to serve its traditional leisure base. More than 75 per cent of the Top 200 ASX-listed companies now hold corporate accounts with Virgin Blue.

## The Business Problem

Virgin Blue operates a number of IT systems for various functions – commonly point solutions that serviced a specific need and price point. Their reporting systems were not integrated to deliver detailed business intelligence reports providing actionable business insights for managers. Instead, Virgin Blue staff had to:

- Generate base information from each system
- Re-enter information into spreadsheets
- Generate and format information in the spreadsheets.

The process was extremely labour-intensive and prone to error. The large volumes of data collected also meant processing times were lengthy and the number and scope of reports available for management were limited.

This laborious process was being used for managing group and conference travel, producing sales analysis and management of credit and flight cancellations.

Virgin Blue needed a central Data Warehouse in conjunction with a best-of-breed BI solution providing automated reporting in order to support its continued growth.

### **Solution – IBM and Catapult BI**

IBM Business Partner\*, Catapult BI, was selected to provide a suite of standard sales reports and access to ad hoc analysis referencing a single Virgin Blue data warehouse. Catapult BI built the warehouse, and used IBM Cognos 8 BI to deliver reporting. After a comprehensive evaluation including Oracle and Business Objects, Cognos was selected for its ease of integration with the data warehouse and its ability to provide robust processing performance.

Throughout the implementation Virgin Blue was driven by its business requirements, not the technology.

“Catapult BI demonstrated deep understanding of the Virgin Blue operation and the needs of our business,” says Katie Corr, Manager of Sales Operations at Virgin Blue.

Catapult BI worked with Virgin Blue to produce high-level information requirements and develop an effective project roadmap. To rapidly build internal support for the project, new reports were delivered incrementally, a couple at a time.

“Catapult BI worked as a true partner through a collaborative approach with Virgin Blue to deliver the business outcomes,” says Katie Corr.

### **Business Benefits for Virgin Blue**

The solution provides quick, easy, online access to data – allowing Virgin Blue staff to focus on their business instead of the validity of their reports. Because the Cognos solution sources all of its data from the Virgin Blue data warehouse (and not manually-entered spreadsheets), managers can now be confident the data underlying analysis reports is consistent and accurate.

Virgin Blue estimates that it has achieved time savings of approximately 30 per cent on various reporting tasks. There have been significant productivity improvements as staff are no longer required to undertake tedious manual work, and managers have instant online access to reports.

The airline is now able to respond more quickly to changing market conditions because it has fast access to the sales reports it needs. This has contributed to the Virgin Blue Airlines Group maintaining growth, despite the economic environment.

“IBM’s Cognos BI reporting solution provided us with immediate staff productivity benefits through the delivery of timely and accurate online sales reports. In turn, this has enabled managers to respond quickly to changing business opportunities,” according to Katie Corr.

As a result of this success, Virgin Blue is planning continued enhancements to its automated reporting using the new Cognos infrastructure. Plans include expanding to cover the V Australia international flight brand and consolidated reporting on Revenue per Available Seat-Kilometre (RASK).

“In the next phase of the project we will be looking to enhance reports for forward booking trends and channel mix,” adds Katie Corr.



**Catapult BI** - Catapult BI is one of Australia's largest consulting firms enabling superior organisational performance through the use of proven performance management methods and technologies. Catapult BI partners strategically with its clients to ensure performance management capability is delivered to budget with realisation of outstanding business benefits.

**Partners** - Catapult BI has established partnerships with market leading BI services and technology providers. The synergy created between Catapult BI and our partners result in improved capability to deliver solutions customised to our clients needs.



IBM. **Information Management** software

An operational alliance has recently been established with IBM to extend the benefits of BI to Catapult BI and IBM clients. This alliance leverages IBM's global leadership and Catapult BI's team of consulting and implementation specialists.

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