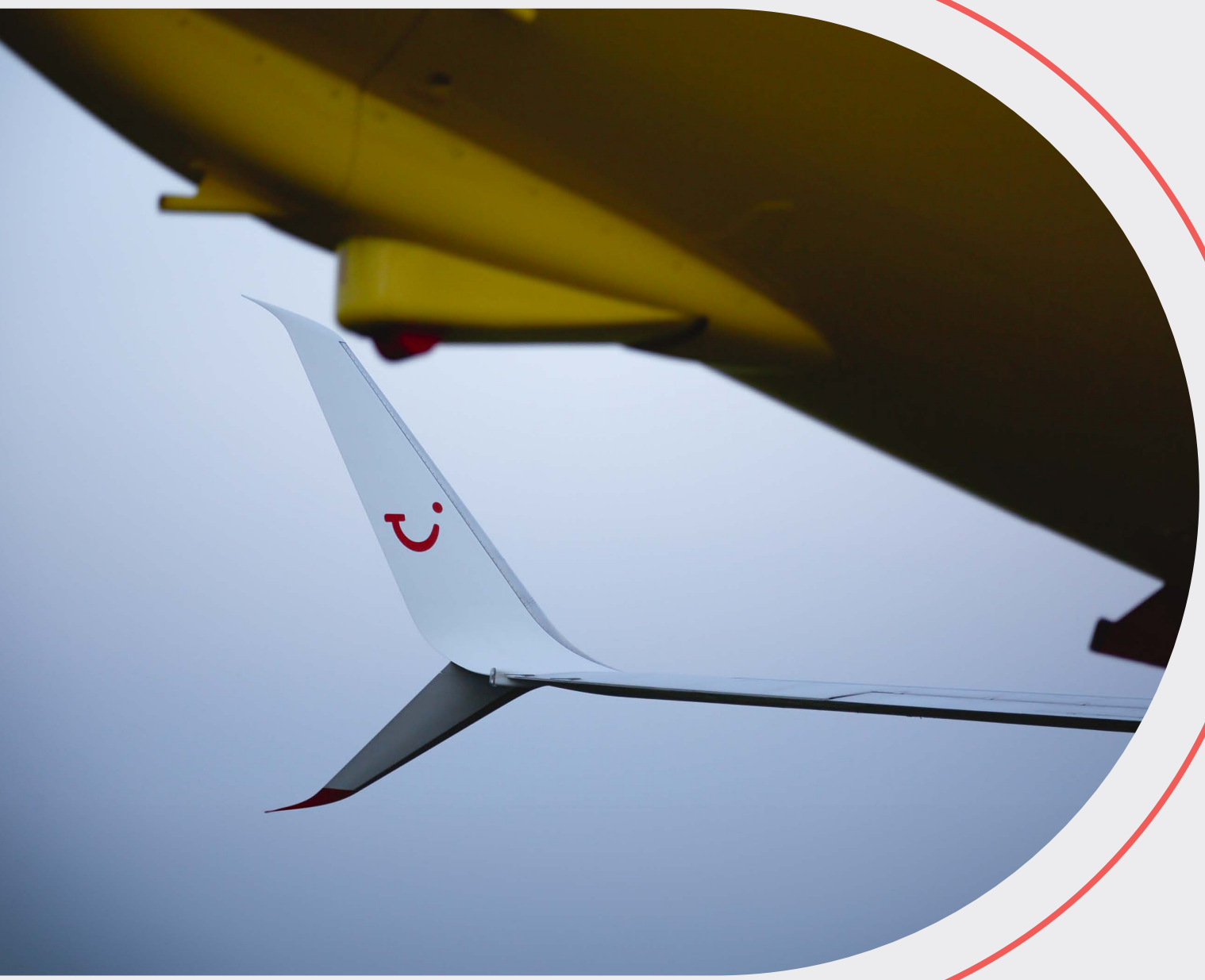
CASE STUDY

Enabling continuous digital transformation at TUI Group through collaborative technology partnership



naviq

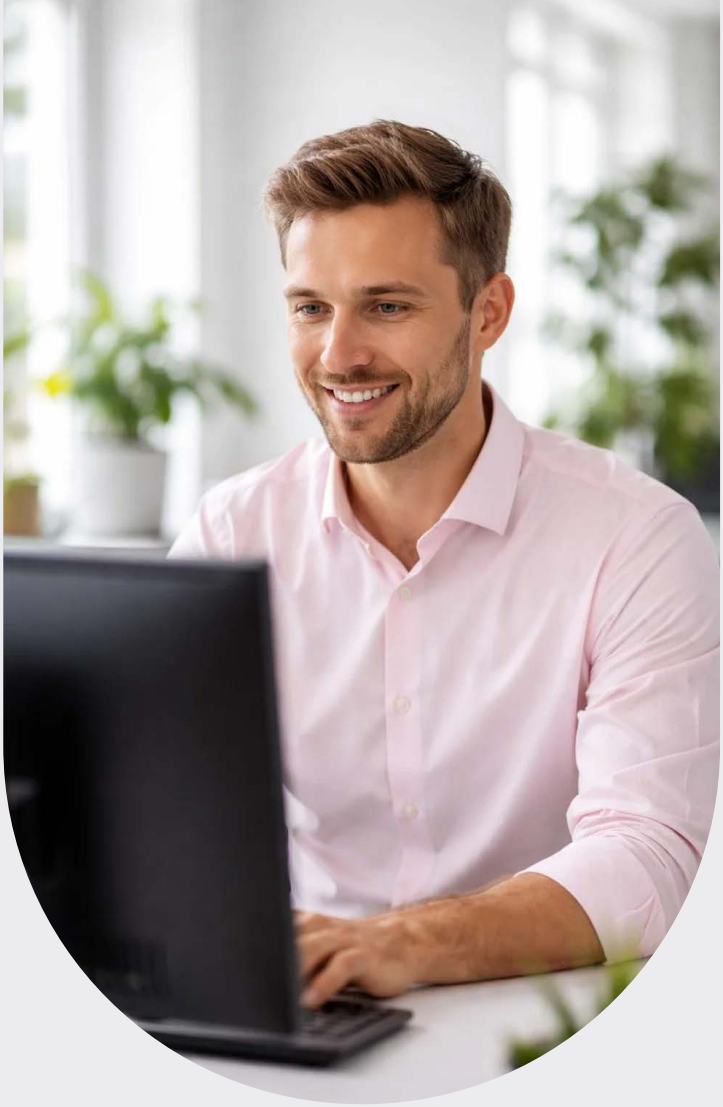
Client Overview

TUI Group is one of the world's largest and leading leisure travel and tourism groups. It is based out of Germany and comprising of 5 major airlines, over 1600 travel agencies, 17 cruise ships, and more than 400 hotels. Tracing its roots to nearly a century ago, the TUI Group today caters to over 27 million customers worldwide every year across nearly 180 regions.

naviq

The Context

TUI group has six member airlines operating under different brands, and all of them were running their critical business functions pertaining to flight and crew operations through a network of over 60 large enterprise applications. These applications were developed and maintained by multiple vendors. Most of these applications were legacy systems that hampered the digital transformation ambitions of the customer and were adversely impacting the smooth functioning of the core activities like crew management, scheduling, operations management, and interfacing. TUI Group wanted to become more competitive by enabling its technology ecosystem to incorporate new age digital capabilities that were increasingly becoming a demanding market proposition. However, enabling these digital capabilities was not easy.



Key Challenges

Increased operational overhead

For successful operations, the TUI Group's IT team had to operate multiple enterprise applications simultaneously which necessitated increased efforts. The large number of vendors involved in maintaining the technology ecosystem resulted in process overheads in terms of reporting and tracking of issues. Since the impact of any issue could span across application systems managed by different technology vendors, the resolution of issues took long durations. Also, these legacy applications were desktop-based solutions which required manual installations and configurations at each location, for software releases.

Apprehensions due to scale of impact

Transitioning the support for legacy systems into a centralised vendor team was a highly complex task.
The applications were modified and enhanced over time, resulting in a highly complex system in terms of business functionalities and underlying technology. The customer had concerns about transitioning them to a new vendor, as any disruption would result in considerable business impact.

Limited automation scope

Due to legacy technology, TUI Group was unable to introduce new functionalities such as simulation of alternate schedule. When emergencies necessitated re-scheduling of flights, the customer had to rely on manual calculations on alternate plans, and any errors would cause large delays, cost escalations, and increased inconvenience for passengers. The existing system could not derive insights out of automated/simulated schedule changes.

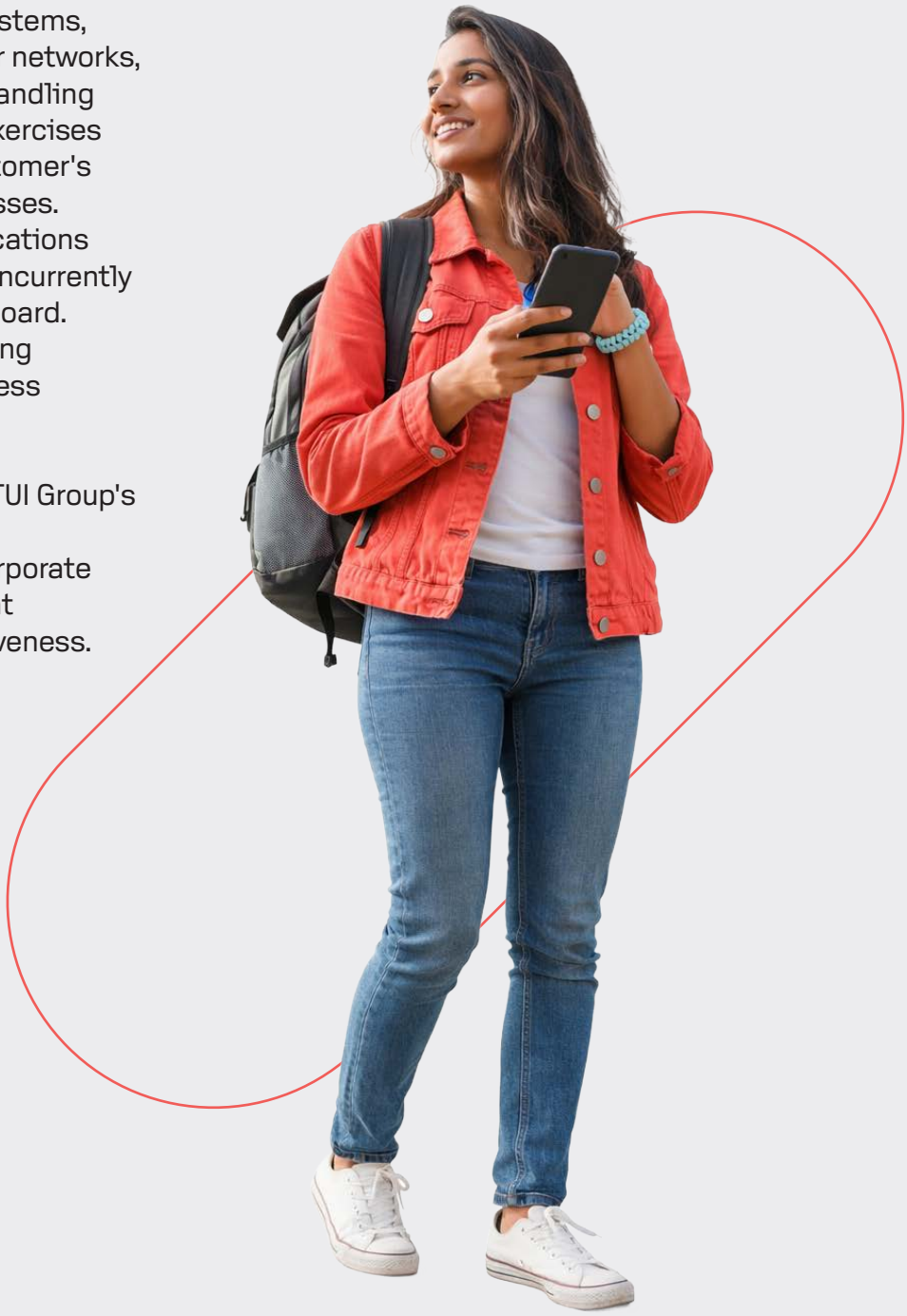
Inefficient vendor communications

TUI Group needed a lot of manual effort for communicating to vendors handling various support services like catering, ground handling, and airport slot reservations. This redundant and manual efforts could not be automated due to limitations in the legacy systems and hence real-time vendor communication was not possible.

The Solution

Naviq (former digital services arm of IBS Software) was engaged to own, stabilise, and transform TUI Group's enterprise application landscape. The engagement focused on the support and maintenance of over 60 applications and the transformation of six core applications that were crucial for continuous business operations. The project team worked with the customer as a single unit to understand the enterprise systems, business models, and partner networks, and used the experience in handling large-scale transformation exercises to quickly liaise with the customer's business systems and processes. A unified suite of these applications was created that could be concurrently operated from a single dashboard. The suite had better interfacing capabilities with other business systems.

The engagement resulted in TUI Group's technology landscape being empowered gradually to incorporate newer digital capabilities that influenced market competitiveness.



Outcomes from the Solution

Seamless ownership

With a unified problem resolution framework, strategic workshops, and process refinements, Naviq was able to win complete confidence of TUI Group to own and execute the huge transition from multiple vendors to one strategic technology partner for its business systems. Productivity levels and SLA achievements surpassed the customers' expectations within a year of partnership. The engagement empowered TUI Group to easily manage its core business applications simultaneously from a single dashboard, thereby eliminating operational overheads.

Better schedule change management

The newly developed and powerful simulation system enabled TUI Group and its airline brands to easily handle last minute schedule changes by charting alternate schedules that had the best mix of cost and resource management. TUI Group could obtain insights into the impact of the changes made in the various operational units in its ecosystem of vendors and partners and decide upon a scenario that would have minimal cost escalations and passenger inconveniences.

Lower cost of operations

The service model adopted for the engagement had an optimal mix of on-site and offshore practices, which helped lower TUI Group's operational costs significantly. With streamlined reporting and round-the-clock support, the customer had a worry-free business operations environment.

Increased automation for efficient vendor communication

Automated publishing of schedule information through TUI Group's systems ensured that the vendors and partners were provided with real-time communication about schedules, configuration changes, and other service necessities. This greatly enhanced passenger services by eliminating inconveniences due to schedule changes that were necessitated by factors out of the customer's purview.

Universal acceptance for new features

Requests for new features and changes raised by various airlines in the TUI Group were addressed by a standard solution that was approved for use across all partner airlines. For this, a governance model was established at working group levels with all partner airlines so that these features could be rolled out to them in future, without delays based on their requirement. This greatly enhanced TUI Group's technology deployment timelines and eliminated redundant efforts and costs involved in developing the same features again from scratch.

naviq

We have been working with Naviq in supporting and developing our in-house airline operations IT platform for many years now. We have consistently been very impressed with the outstanding commitment and dedication of everyone at Naviq to TUI, our customers, and our business. Together with the Naviq teams working with TUI in Hanover (Germany), and in various Naviq locations in India, TUI has been able to adopt a collaborative and truly international working mode. The commitment and dedication of everyone in Naviq and beyond is very impressive and we would like to extend a big thank you for your great support.

Lena Klass
Head of IT Group Airline Operations
TUI InfoTec

The Naviq Advantage

Through a collaborative technology partnership, TUI Group's requirements could be turned around into solutions in the shortest time frame with expected quality. By leveraging its experience in leading transformational technology initiatives across major airlines and travel organisations, Naviq today is at the forefront of empowering TUI Group with newer digital capabilities for its enterprise systems. With a consultative approach, the engagement has grown significantly in its objective from being an application management partnership to an experience transformation initiative for TUI Group's growth aspirations.

60% cost reduction in level 2 support with offshore intensive model

Approximately **50%** overall cost optimisation for application management and new development

ABOUT

Naviq is a strategic digital transformation services company, exclusively focused on the travel industry. We help travel enterprises modernize platforms, simplify complex systems and create seamless digital experiences that make every journey more joyful. Our mission is to co-pilot a digital future for travel by building smart, intuitive systems that help our customers grow and unlock new opportunities.

From airlines and cruise to transportation and hospitality, we combine deep travel domain expertise with strong engineering capabilities, turning disconnected systems into seamless launchpads for accelerated growth. Our teams work side by side with customer teams to strengthen operations, improve performance and deliver measurable outcomes at every touchpoint, so organizations can move faster with confidence and clarity.

Further information can be found at www.naviqplc.com

Naviq. Journey of Joy.

naviq