

Airlines Use Technology to Cut Catering Costs and Satisfy Hungry Passengers

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SITA, the global aviation IT provider, needed a new technology approach to enable airlines and caterers to predict patterns of demand for in flight meals. It worked with Microsoft partner, ClearView Business Intelligence, to develop the 'Aerocater Business Intelligence (BI)' product, which uses Microsoft technology to analyse business data using a user-friendly ProClarity interface. This system will help caterers to increase efficiency by delivering the right number of meals to airlines at the right time, avoiding waste, curbing costs, and enabling airlines to retain customer loyalty through better and more consistent service.

Situation

Putting meals onto planes is a logistical nightmare. Every flight is different, with passenger numbers varying according to time of day, time of year, destination, or carrier. Analysing the number of passenger meals and the variations in dietary requirements on each individual flight is a precise business and getting it right could mean the difference between profitability and costly waste.

No one knows this better than SITA, the leading technology solutions provider to the air transport industry. SITA was founded 50 years ago to provide global network services to air transport organisations.

SITA wanted to deliver a solution that enables airlines and caterers to manage costs by getting catering services to the right place at the right time. To do this they needed to analyse demand for all service offerings from suppliers to raw materials, including food, packaging, trays, and cutlery.

Rob Rowe, Aerocater Product Manager, SITA, says: "Both airlines and caterers have huge pressures on them. Airlines are always under enormous financial strain so their focus should be on buying more cost effective external services and not rolling out their own solutions with associated high investment costs.

"Caterers usually have basic IT systems and lack the skills, financial means, or time to implement the latest tools. They need increased efficiencies and lower costs, which drives them towards pre-packaged solutions tailored to address their specific business needs."



Solution Overview

Customer Profile

For over 50 years SITA has been providing global network and information services to air transport organisations.

Business Situation

SITA needed to invest in new technology to manage the information exchange between airlines and caterers to improve business processes.

Solution

Aerocater BI uses Microsoft technology to analyse historic data on airline catering supply and demand, to better analyse future customer requirements.

Benefits

- Caterers efficiently deliver meals to flights with easy to find data
- Better cost controls
- Cuts oversupply and waste
- User friendly software
- Scalable and cost effective solution
- Delivered via Internet and SITA networks

Software and Services

Microsoft® SQL Server™ 2000 Analysis Services

Partner

ClearView Business Intelligence



Solution

Aerocater© is an application for managing the complex processes involved in the information exchange between airlines and global caterers. SITA developed it with flight kitchen systems partner Inflight.

In early 2002, SITA called in solutions provider ClearView Business Intelligence, a Microsoft partner, to help it develop the Aerocater© Business Intelligence (BI) tool as part of its wider Aerocater solution. The Aerocater© BI tool, launched in June 2003, takes historic flight data and analyses it using Microsoft® SQL Server™ 2000 Analysis Services, integrated server software, which is part of the Microsoft Windows® Server System. Users can query and view this data using a ProClarity interface, a user-friendly front end that offers a multi-dimensional visualisation. Says Rowe: "A large factor in why we selected the architecture was the combination of Microsoft and ProClarity. In the complex world of airline catering, executives need easy-to-use tools to get to grips with their business."

Analysis Services is a powerful way of analysing data without restriction. Multi-dimensional data representations called online analytical processing (OLAP) cubes enable caterers to examine airline data from multiple viewpoints. It is possible to 'slice and dice' the cubes of information to get different views of the industry quickly.

Julian Zambra, Aerocater Business Development Manager, SITA, says: "We analysed all other multi-dimensional analysis tools and came to the conclusion that Microsoft offered the most flexible and easy to adapt environment. The reason we are comfortable with the Microsoft environment is because of the robustness and developments that have taken place with SQL Server 2000 and the platform."

Ian Maclachlan, Managing Director, ClearView BI, says: "Microsoft technology was selected because SQL Server was an easier database for all parties to use and maintain, particularly for caterers and airlines potentially wanting to run it remotely. SQL Server is very cost efficient and much more manageable."

"Airlines are looking to get as near perfect a match between catering and needs of customers as possible. The airlines supply information to caterers and rely on caterers to deliver the goods. The analysis enables them to work out patterns and understand demand."

Aerocater BI pulls together huge amounts of data about passengers' catering requirements on individual flights from the world's caterers and compares and contrasts the figures. It enables airlines and caterers to see when companies have over or under catered. Maclachlan says: "Airlines and caterers can forecast future catering needs based on that data. That way nobody goes without a meal and waste is also minimised."

Benefits

Promoting Customer Loyalty

In a competitive marketplace, caterers must work hard to protect their business relationships and provide an efficient, accurate service to airlines.

Aerocater BI ensures that caterers deliver an improved service to airline passengers, and also helps promote customer loyalty. Rowe says: "A SITA survey showed that one-in-five people base their choice of carrier on the quality of the in-flight catering service offered. Airlines need to ensure that their passengers are offered a choice of food and beverages whilst maintaining

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Ian Maclachlan
Managing Director
ClearView BI

operational efficiency. Now they can use Aerocater BI to see which caterers most accurately match supply with demand.”

With easy access to supply information, Aerocater enables caterers to interrogate their databases and efficiently manage the delivery of meals needed for a flight, making sure that the correct quantity of meals arrives at the right departure gate at the right time.

Using Aerocater BI, the caterers can match meal costs to flights based on easy to find data. Zambra says: “The application enables airlines or caterers to understand and plan their business in a more informed way.

“The Microsoft environment allows airlines and caterers to take massive amounts of information, which is generated within their industry, and look at the relationships and certain patterns to improve their business and help it run more efficiently.”

Lower Total Cost of Ownership

Both airlines and caterers benefit from the resulting cost savings. Says Zambra: “One of the main metrics for analysis is the cost of providing a meal to a passenger. This is the figure both airlines and caterers are interested in. It relates to routes, times of year, year-on-year variables, supplier changes, and so on. Being able to understand what goes into creating that figure, and managing the variants that go into it to bring the figure down is of key importance. Both airlines and caterers will save money through a better understanding of their business metrics.”

Caterers can also identify and address problems like over-supply and in doing so can minimise waste. Maclachlan says: “We wanted a database that ran on Microsoft software because it is cheaper to buy, implement, and maintain. This is not the case with other vendors’ databases. The total cost of ownership with Microsoft technology is significantly lower.”

Bridging an Operational Gap

Before Aerocater BI, few caterers and airlines could analyse costs accurately without spending enormous amounts on data analysts and programming departments. Aerocater BI delivers an easy to use solution directly to the desktops of the operational management team. With a simplified interface for detailed analysis, there is no need to rely on data analysts and programmers to deliver the information that’s needed.

Rowe says: “Last year \$15bn was spent on in-flight services globally. This is a large industry lacking in efficiency that is still relatively unsophisticated in terms of IT infrastructure and capabilities. With such huge pressure on the market, there is an opportunity for Aerocater to deliver cost savings for both caterers and airlines.”

Platform for the Future

The SITA Aerocater© BI tool is applicable to caterers of all sizes and is accessible globally using SITA’s own network as well as the Internet.

Microsoft technologies deliver the Web capability necessary for the application to be used by airlines and caterers globally. “People need to access Aerocater’s applications and management information from every airport all over the world, and the ideal way to achieve this access is via the Internet with SITA as a global ISP,” says Maclachlan.

Rowe says: “SQL Server has given us improved scalability and the ability to integrate snapshots of information into the desktop and into a Web environment. The price point and rich bundled

toolset that came with it was also very useful. Microsoft architecture makes it very easy for us to prototype various business scenarios and demonstrate them.”

Windows Server System™ is the comprehensive, integrated and interoperable server infrastructure that helps reduce the complexity and costs of building, deploying, connecting and operating agile business solutions. With the Windows Server platform as the foundation, Windows Server System delivers dependable infrastructure for data management & analysis; enterprise application integration; customer, partner and employee portals; business process automation; communications and collaboration; and core IT operations including security, deployment and systems management.

For more information about Microsoft SQL Server and business intelligence solutions, go to: <http://www.microsoft.com/sql/evaluation/bi/default.asp>

For More Information

For more information about Microsoft products or services, call the Microsoft UK Contact Centre on 08706 010100. To access information via the World Wide Web, go to: <http://www.microsoft.com/uk>.

For more information about ClearView products and services, visit the Web site at: <http://www.ClearViewbi.com/>

For more information about SITA products and services, visit the Web site at: <http://www.sita.aero/>

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