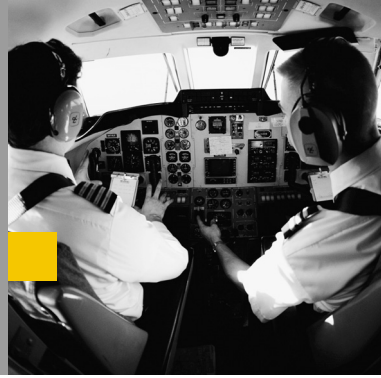


## SAP Customer Success Story Airlines



**“Austrian Airlines has been using SAP software as a strategic platform. . . . It made sense to use the synergies of one platform for the incentive program . . . .”**

Michael Riedel, Head of IT Innovation, SAP Center, Austrian Airlines

### AT A GLANCE

#### Summary

Austrian Airlines chose the SAP® Incentive and Commission Management application to plan and process financial incentives for its sales partners and corporate customers. The software reduced costs and made processes more efficient while providing optimal integration with existing software.

#### Web Site

[www.aua.com](http://www.aua.com)

#### Key Challenges

- Integrate incentive process with existing system
- Map new IT solution to existing standard software
- Reduce cost of incentive process
- Handle high complexity of incentive process

#### Project Objective

Implement new software for incentive and commission management

#### Solutions and Services

SAP Incentive and Commission Management; mySAP™ ERP Financials solution; SAP Business Information Warehouse component; and SAP Project Management service

#### Why SAP Solutions and Services

- SAP software is strategic platform for new solutions at Austrian Airlines
- Standard SAP software handles highly complex settlement system

#### Implementation Highlight

Cooperation between IT and department managers

#### Key Benefits

- Much quicker calculation of incentives
- Cost savings
- More time to focus on customers
- Better customer relations by having the relevant department, not IT, handle sales partner and corporate customer incentives

#### Implementation Partner

SAP Consulting (SAP Austria and SAP Germany)

#### Existing Environment

mySAP Business Suite solutions, which include mySAP ERP Financials, mySAP ERP Human Capital Management, mySAP Supplier Relationship Management, and mySAP Customer Relationship Management solutions, and the SAP Strategic Enterprise Management application

#### Database

Microsoft SQL Server 2000

#### Hardware

HP ProLiant DL380

#### Operating System

Microsoft Windows 2000 Server

## AUSTRIAN AIRLINES

### Airline Streamlines Incentive Process with SAP® Incentive and Commission Management

Incentives play a fundamental role in Austrian Airlines' sales process for corporate customers and travel agencies and are individually tailored as the customer relationship itself. Initially, the airline used a system for calculating incentives that evolved from Microsoft Excel spreadsheets and isolated applications. In order to calculate incentives more quickly and accurately, Austrian Airlines implemented the SAP® Incentive and Commission Management application. With this logical step, Austrian Airlines benefits by having better quality records and can focus more attention on its customer relationships.

#### SAP Software Is a Good Fit

With more than 7,600 employees and 130 destinations in 66 countries, Austrian Airlines is one of the largest corporations in Austria and the market leader in air traffic to and from central and eastern Europe. It is ranked fourth among airlines flying from Europe to Asia and is a key player in the Middle East. Loyalty programs, which strengthen the relationship with sales partners and corporate customers, are crucial to its long-term success.

Until now, the annual calculation of incentives was carried out at a substantial additional cost. The appropriate service agreements were obtained by reading from tables and stand-alone solutions. To bring costs closer to the real value and improve service for this customer group, Austrian Airlines evaluated SAP Incentive and Commission Management.

“Austrian Airlines has been using SAP software as a strategic platform for a long time. It made sense to use the synergies of one platform for the incentive program as well, which was the deciding factor for SAP Incentive and Commission Management,” says Michael Riedel, head of IT innovation for the SAP Center at Austrian Airlines. This is particularly true in this situation because the features required by Austrian Airlines can be completely mapped to the SAP application. The changeover has

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Michael Riedel, Head of IT Innovation, SAP Center,  
Austrian Airlines

brought more transparency for travel agencies and corporate customers: “As soon as the incentives are assessed in SAP Incentive and Commission Management, they are automatically sent to the SAP accounting and finance systems, a further synergy of an integrated platform,” Riedel says. SAP software involved in this process includes the mySAP™ ERP Financials solution and the SAP Business Information Warehouse component.

### **More Time for Customers**

“Our specialists now directly process the conditions and master data of customers. We therefore have more time for our customers,” says Riedel. Ultimately this shift in employees’ focus results in the greater satisfaction of travel agencies and corporate customers, which influences the airline’s market position.

“We want to be the airline of choice for business and leisure trips in Austria as well as in central and eastern Europe,” Riedel says, “This of course includes the fulfillment of customer needs.”

In addition to giving employees more time with their customers, the software helps them offer customers better service. Says Riedel, “Integration with other systems has eliminated many integration gaps, from which the up- and downstream departments of the company also benefit.” The result is that travel agencies and corporate customers receive their annual settlements earlier than ever before.

### **Courage to Change**

The SAP Consulting organization had a major role in implementation. “Special care is required whenever projects affect customer relationships. Customers cannot be expected to put up with a field test,” says Dr. Philipp Dufek, project leader at SAP Consulting in Austria. He discusses the importance of holding meetings between the IT and user departments to examine requirements, guidelines, and possible outcomes and to form detailed objectives based on these before beginning the project. “This phase of the project is like the foundation of a house. The stronger it is, the more the whole project will be supported. In addition to dealing with technical issues, the relationship between team members is strengthened as well while working on the topic,” says Dufek.

Dufek advises that IT and user departments continue intensive communication throughout the project, so that the worlds of IT and user departments do not diverge. “As well as assisting with specialist issues, the main task of SAP Consulting was to keep the project objectives in focus and to show the team the most efficient way to achieve them,” says Dufek. To accomplish this, the project team tapped the SAP Project Management service of SAP Consulting, which provided guidelines that have proven to be valuable in ensuring a successful outcome for this project.