



CITYJET and ProStrategy take-off with Cognos Analytics...

“With IBM Cognos Express, CITYJET now have the ability to build multiple and powerful “What-if” Scenario Models offering us instant visibility into Key Business Metrics and KPIs across Route Performance Management. This allows the entire Finance Team to monitor fuel and currency fluctuations as well as Route Performance Data for improved efficiencies and ensuring we offer our customers the best value-added travel experience and services. In addition to this, IBM Cognos Express opens access to a wealth of Actionable Business Insights and provides an enriched end-user interface allowing for powerful yet simplified, Reporting and Analysis.” *John Barry – Head of Finance @ CITYJET*

About CITYJET:

CITYJET is a European regional airline based in Dublin, Ireland and operating a fleet of Avro, Bombardier and Superjet aircraft on scheduled and wet lease services across Europe.

The airline was established in 1993 and pioneered services between Dublin and London City Airport in January 1994 under a franchise agreement with Virgin Atlantic Airways.

CityJet formed a partnership with Air France in 1996, which eventually transferred into Air France ownership in 2000 and the majority of CityJet services being operated under the Air France brand. CityJet continued to develop its role as a key airline in the London City market in addition to growing its network connecting European cities to the Air France hub in Paris. During this time, CityJet also acquired VLM, a Belgian airline which also specialized in London City services.

Project Background:

In a market where Fuel Prices and Foreign Currency Exchanges were volatile, CITYJET partnered with ProStrategy to implement IBM Cognos TM1 to deliver a Route Planning and Analysis solution to provide visibility of revenue and costs factors associated with routes and to identify areas where profitability could be improved.

CITYJET partnered with ProStrategy to implement IBM Cognos Planning Analytics (Cognos TM1) to deliver a Route Planning and Analysis solution and provide visibility of revenue and costs factors associated with routes while also identifying areas where profitability could be improved.

CITYJET engaged with ProStrategy on this project to better understand the impact on future profitability of potential FX rates and fuel prices changes. They wanted daily visibility of Airline Industry KPIs such as load factors, costs and revenue per ASK, number of passengers and yield per PAX. CITYJET were keen to identify which new routes are likely to be most profitable based on Forecasted and Projected Passenger Numbers and Aircraft used and indeed improve existing route profitability.



Some of the key Project Drivers included:

- Better understand impact on future profitability of potential FX Rates / Fuel Prices changes.
- Provide daily visibility of Airline Industry KPIs such as Load Factors, Costs and Revenue per ASK, number of passengers and Yield per PAX Identify which new routes are likely to be most profitable based on Forecasted/Projected Passenger Numbers and Aircraft used.
- Improve Existing Route Profitability.

The Solution:

The Solution delivered for this project comprised of IBM Cognos and empowered CITYJET to:

- Perform detailed Analysis, Budgeting, and Forecasting by both Route and Aircraft Type; easily review Performance and Profitability of Routes at different Margin-levels which supports critical decision making in Opening/Closing Routes, or Leasing/Purchasing new Aircraft.
- On-the-fly What-if Scenario Modelling/Analysis capabilities; the Airline Industry is highly susceptible to constantly changing external factors such as fuel prices or FX Rates, therefore it is crucial to quickly Model the impact of Macro Economical Changes. The Impact Analysis of Changing Fuel Prices and FX Rates can now be completed in less than 45 seconds.
- Model New Routes and Aircraft Types in minutes, this could take days/weeks previously and sometimes even then rely more on intuition than fact.
- Merge all Flight Operational and Financial Data into a Centralised Datawarehouse, this facilitates quick analysis of important industry standard KPIs; such as Costs per ASK, number of Passengers and Flights, Revenue per ASK, Yield per PAX, etc.
- Immediately see the profitability impact of changing conditions like maintenance contracts, aircraft lease contracts, assumptions in yield per PAX or Load Factor; with Planning Analytics users can change any of the underlying parameters that flows through immediately to the Route-level P&L.

The Project Benefits:

- On completion of the implementation, CITYJET can now perform detailed Analysis, budgeting and forecasting by both route and aircraft type. They can easily review performance and profitability of routes at different margin-levels which supporting critical decision making in opening and closing routes and/or leasing/purchasing new aircraft based.



- The Airline Industry is highly susceptible to constantly changing external factors such as fuel prices or FX Rates, therefore it is crucial to quickly model the impact of Macro Economical Changes. The Impact Analysis of Changing Fuel Prices and FX Rates can now be completed in less than 45 seconds.
- CITYJET can now model new routes and aircraft types in minutes where this could take days/weeks previously and sometimes even then rely more on intuition than fact!
- Centralising all flight operational and financial data into one Datawarehouse has been key as this facilitates quick analysis of important industry standard KPIs; such as Costs per ASK, number of Passengers and Flights, Revenue per ASK, Yield per PAX, etc.
- CITYJET immediately see the profitability impact of changing conditions like maintenance contracts, aircraft lease contracts, assumptions in yield per PAX or Load Factor.
- Planning Analytics users can change any of the underlying parameters that flows through immediately to the Route-level P&L.

ProStrategy - Our Data & Analytics Story:

Established in 1985, with offices in Cork & Dublin, ProStrategy has over 30 years' experience providing Data & Analytics Solutions to our Irish and International Clients. We deliver Data & Analytics Solutions which provide Data Exploration & Discovery, Data Visualisation, Reporting and Advanced Analytics to enable informed data-driven Business Insights and Decision-making.

With a team of over 60 highly-skilled Business, IT and Finance Professionals, ProStrategy provide a one stop shop - from Business Consulting to Scoping and Solution Design, Project Management, Implementation and Development Services to Cloud Hosting Services; Customised Training and Help-desk & Application Support Services.

ProStrategy is IBM Ireland's longest serving dedicated Data & Analytics partner. In addition, we are a Microsoft Gold Partner. Our success has been built on consistently delivering high-quality solutions & Services to our customers.