



## Comarch Loyalty Management for Airlines at S7 Airlines

S7 Airlines is a Russian carrier offering a broad network of domestic routes. In addition, the airline operates regular flights to Europe, the Middle East, Southern Asia and Asian Pacific destinations. The network is based on three hubs in Moscow (Domodedovo), Novosibirsk (Tolmachevo) and Irkutsk and serves over 80 destinations. The fleet consists of modern Airbus and Boeing aircraft, both narrow and wide-body. In 2010 S7 became a full member of oneworld Airline Alliance, thus offering its customers the global flight network and additional services provided by the airline and its partners.



### New strategy

The airline decided to launch its own frequent flyer program in order to increase traffic by granting points for miles flown. In addition, both the network structure as well as the business model of the carrier perfectly suited the airline for membership in an airline alliance. In 2010 S7 joined the Oneworld alliance to achieve synergy with airline partners all over the oneworld. This resulted in a demand for an innovative yet reliable IT system supporting the frequent flyer program. The IT system must be ready for the rapid growth of members and be open for integration with similar programs of airline alliance partners. The airline had a long list of requirements, some of which are listed to the right.

### Choice of technology

S7 decided to create its own frequent flyer program powered by Comarch Loyalty Management. Specifically, the carrier decided to implement the Business Administration, Call Center, and other modules. The system is integrated with the airline's revenue management system, booking engine, billing system, Amadeus and SITA (exchange of files with member tier status), DCS as well as Alfa Bank systems and frequent flyer programs of alliance partners.

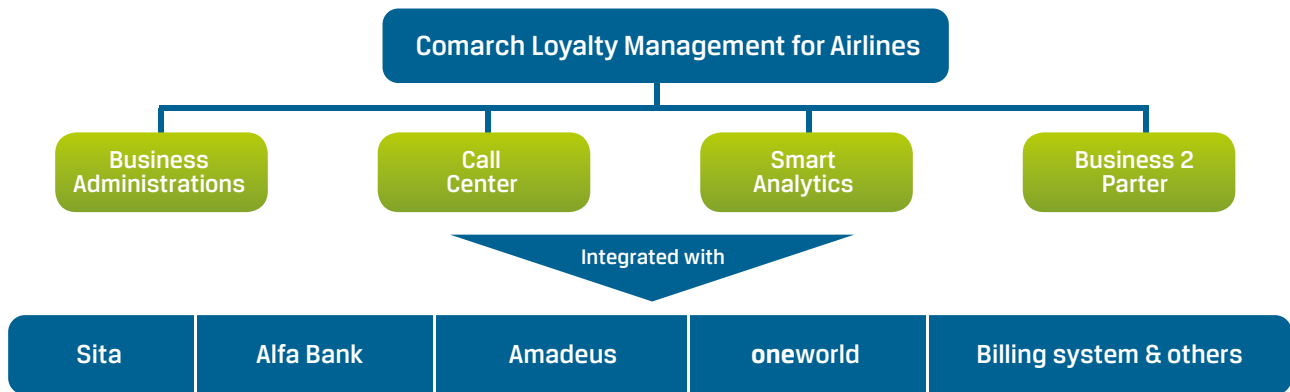
Program members can however accrue miles through a number of airline and non-airline partner programs, all over the world. They can also redeem these miles for flights offered by oneworld alliance carriers.

Comarch Loyalty Management is hosted in the secure and efficient Comarch Data Center.

### Key business requirements

The carrier was looking for an IT system to support the following functionalities:

- ▶ Online enrollment
- ▶ Online redemption
- ▶ Multi-partner environment
- ▶ Easy integration with other airline IT systems
- ▶ Security sign-in code hierarchy
- ▶ Base vs. bonus mile tracking
- ▶ Issuance of a credit card linked with the FFP
- ▶ Partner invoicing
- ▶ Report management
- ▶ Fraud control



**Benefits and results**

- ▶ Scalable architecture of the system
- ▶ Advanced management of accrual rules
- ▶ Automatic & manual retro claim processing with online systems
- ▶ Automatic accrual of pre-enrollment miles
- ▶ FFP tracking database supporting the prevention of double dipping
- ▶ Booking and cabin class configuration developed independently for each airline partner
- ▶ Smooth management of the multi-partner environment
- ▶ Enriched call center functionalities
- ▶ Fraud prevention mechanism
- ▶ Generation of reports
- ▶ Automatic accrual of miles for flights and non-airline services
- ▶ Offline redemption
- ▶ Precise passenger recognition – configuration of rules for elite tiers
- ▶ Co-branded credit cards
- ▶ Advanced promotion designer - promotions based on various parameters including region, segment, distance, elite tiers and audience
- ▶ Development of a contact & activities history with the use of CRM techniques, passenger 360 degree view

**Why Comarch?**

Comarch is a global IT business solutions provider specializing in forging client relationships to maximize customer profitability and optimize operational and business processes. Comarch's primary advantage lies in the extensive domain knowledge accumulated in our software products which we use to deliver and integrate sophisticated business IT solutions. In addition, our broad experience in delivery of systems powering loyalty programs in many industries all over the world makes us a perfect partner for an airline that has decided to launch or modify their frequent flyer program. For any enquiries, please visit our website or contact one of our consultants which are located in offices all over the world.

**Quotation from a reference letter**

Through recognition of S7's need for an effective and innovative Frequent Flyer Program, many aspects had to be considered. Our focus had to be not only on future market forecasts, expectations and results that should be met, but also on solution requirements that should be covered by the system.

Thanks to fruitful cooperation with Comarch professionals, we managed to launch S7 Priority in December of 2008.

The system enables us to provide our frequent passengers with numerous benefits whilst making standard flights within the S7 network as well as to engage partners in the program – allowing travelers to earn additional miles by purchasing their products and services.

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Comarch Spółka Akcyjna with its registered seat in Kraków at Aleja Jana Pawła II 39A, entered in the National Court Register kept by the District Court for Kraków-Śródmieście in Kraków, the 11th Commercial Division of the National Court Register under no. KRS 000057567. The share capital amounts to 8.051.637,00 zł. The share capital was fully paid. NIP 677-00-85-406

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