



# Vietnam Airlines - building a sustainable enterprise with SAP

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INTERNAL – SAP and Customers only



# Our view of the industry



# Trends



## Industry

- Competition
- Narrowing gap between FSC and LCC
- Owning more of the customer journey
- Sustainability
- Airline retailing



## Customer

- Increasing customer expectation
- Self service capabilities
- Flexibility
- Exceptional customer service



## Airline

- Revenue growth
- Cost optimization
- Application landscape optimization
- Near real-time visibility for increased agility
- Owning more of the customer journey
- Airline retailing

# Capabilities



## Customer

- Customer insights
- Personalised offerings
- eCommerce offerings
- Loyalty
- Enabled employees



## Revenue

- Analytics
- Marketing
- Products & Services
- Route Profitability



## Costs

- Analytics
- Direct operating cost management
- MRO management
- Procurement
- Robust Financials

## DATA DRIVEN

Customers

Sales

Flights

Products

Vendors

Aircraft

Revenues

Purchases

Employees

Suppliers

Sectors

Services



# Where we can help



# A different view of the product



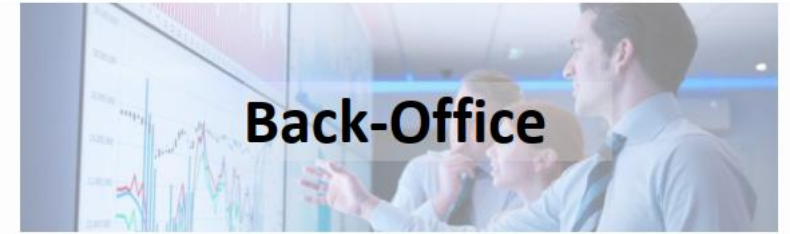
# Solution Capability Overview



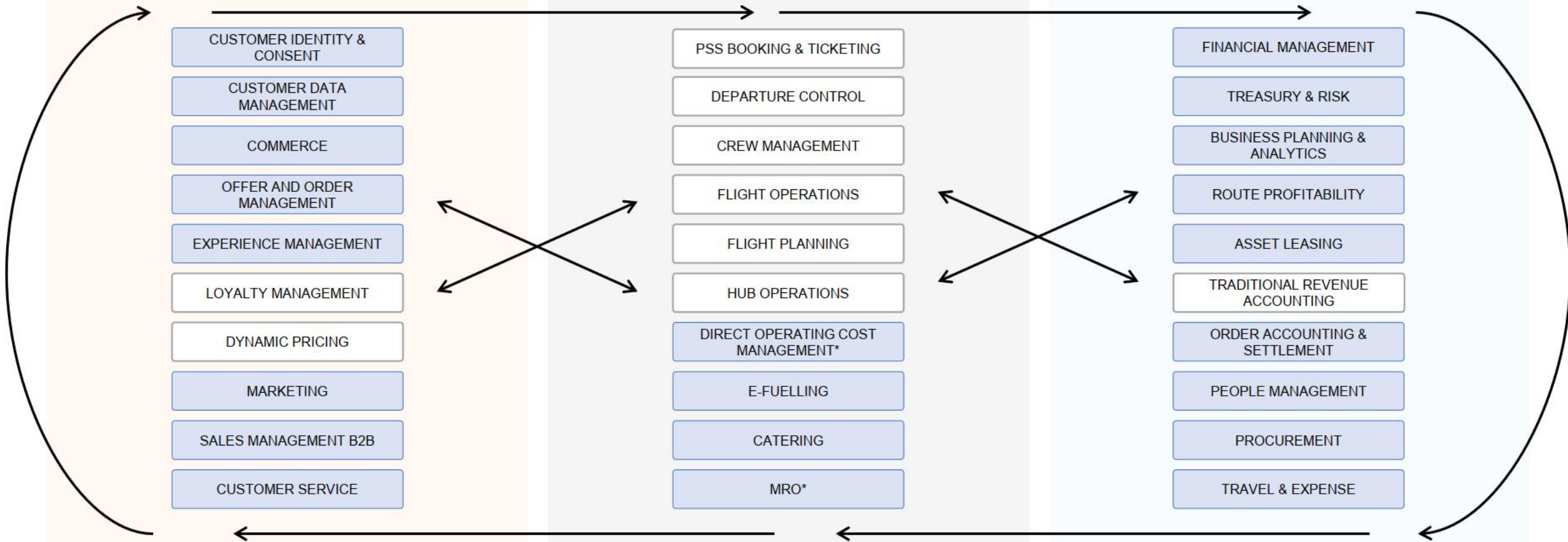
Traveler



Operations



Back-Office



■ SAP Solution    □ No SAP Solution    \* Partner solution

# Capabilities



## Customer

- Customer insights
- Personalised offerings
- eCommerce offerings
- Enabled employees



CUSTOMER IDENTITY & CONSENT

CUSTOMER DATA MANAGEMENT

CUSTOMER SERVICE

EXPERIENCE MANAGEMENT



## Revenue

- Analytics
- Marketing
- Products & Services
- Route Profitability



COMMERCE

MARKETING

OFFER AND ORDER MANAGEMENT



## Costs

- Analytics
- Direct operating cost management
- MRO management
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- Robust Financials



DIRECT OPERATING COST MANAGEMENT\*

ROUTE PROFITABILITY

ORDER ACCOUNTING & SETTLEMENT

PROCUREMENT

TRAVEL & EXPENSE

FINANCIAL MANAGEMENT



# Airline Operation Content

## 01 Finance

- Accounting and Financial Close - General Ledger, Asset Accounting
- Financial Operations - Account Payables
- Financial Operations – Account Receivables
- Auto Payment and Multi Bank Integration

## 02 Cost Management & Flight leg Profitability Analysis

- Overhead Cost Accounting
- Internal Order - Actual Flight leg Profitability Analysis
- Analytic and Planning Report

## 03 Airline Revenue Accounting

- Passenger Sales – UTR, Pax Revenue, Agent commissions, Credit / Debit memo
- Cargo Sales – Sales, Revenue, Agent commissions, Credit / Debit memo

## 04 Operational Procurement

- Procurement – Stock Material, Service, Asset, Consumables, etc.
- Material Movement – GR, GI, Stock Transport Orders, etc.
- Core Inventory Management – Material replenishment, batch management, etc.

## 05 Ancillary Sales

- Inflight Sales, MRO Sales, Merchandise Sales, Training Sales
- Building Rentals

## 06 Maintenance of Non-MRO Assets

- Corrective maintenance
- Break Down / Emergency maintenance
- Preventive Maintenance

## 07 Project Systems

- Aircraft Acquisition
- Project Based Procurement – Marketing, IT spend, MRO projects, etc.

## 08 Airlines Overseas Operations

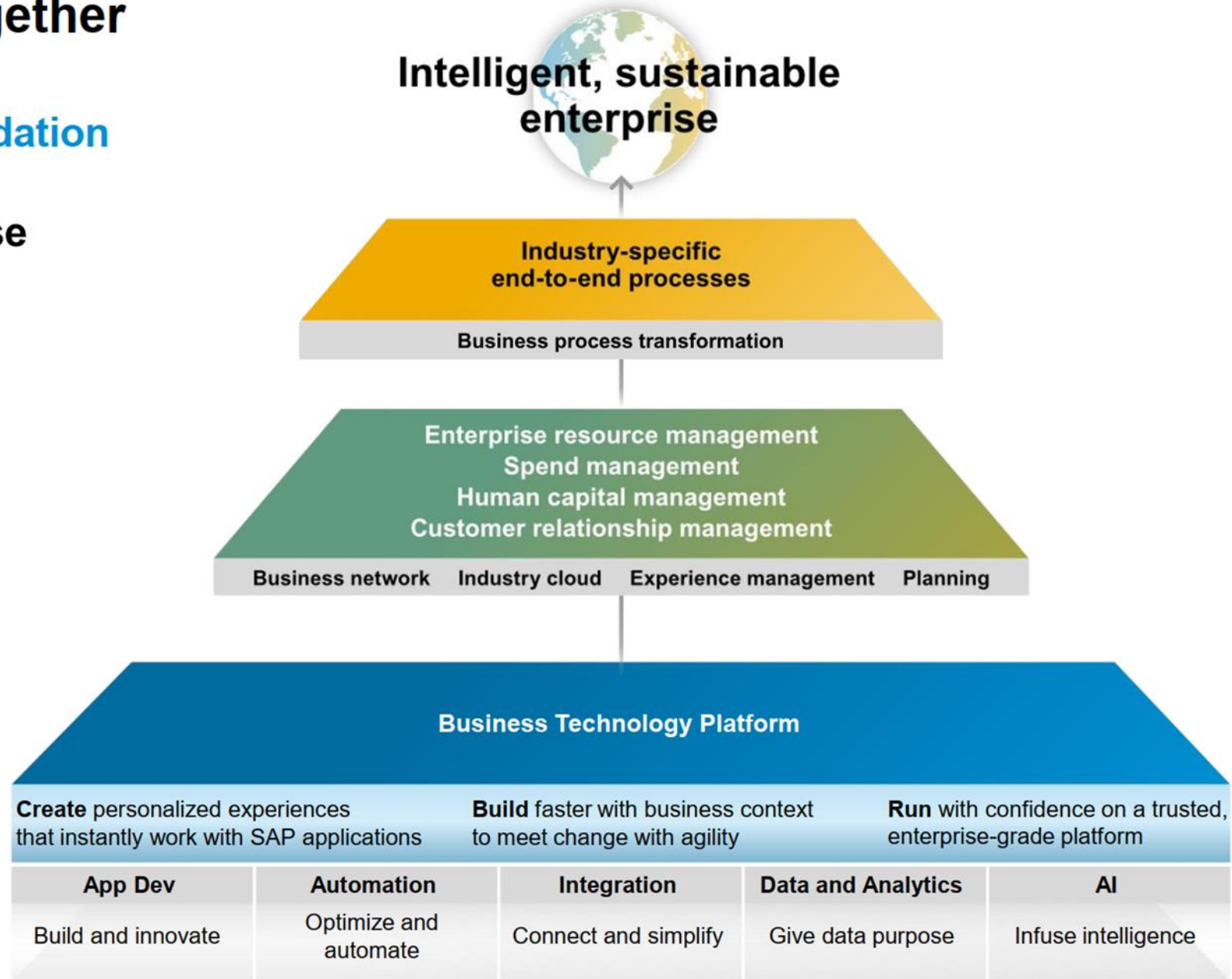
- STO to Plants Abroad
- Sales of Products & Services
- Procurement of Materials and Services

## 09 Vendor Invoice Management

- Receive, Prepare, Recognize, Capture Invoice
- Invoice Verification
- Collaboration & Monitoring Invoice Completion
- Automated reconciliation and posting
- Trigger Workflows

# Bringing it all together

**SAP BTP is the foundation**  
of the intelligent,  
sustainable enterprise



# A use case

## The customer

A large Southeast Asia based national carrier operating globally.

An Oracle customer for over 20 years.

## Their challenges

- Many manual processes
- Siloed departments
- Inability to scale
- Disparate systems and thus disparate data
- Slow to close accounting - no visibility of revenue and profitability at any given time
- Dependency on IT

## How we engaged

- Understood the customers pain points, strategy and ambition
- Conducted detailed scoping workshops
- Brought in industry expertise
- Focused on industry best practices

## Who we engaged

- The customers business and IT teams
- SAP Service (Airline Team)
- A local partner
- Our local account team
- Regional (SEA and APJ) support

## Final Solution scope

- ERP (S/4HANA Private Cloud)
- SAP Business Technology Platform
- Human Resources
- Expense management
- Analytics

## Project benefit

- Scalability and Adaptability to airline processes
- Simplification and Agility of Solution and Implementation, SAP's commitment to the customers Adoption, Consumption, and Business Outcomes

# Hot topics

## Sustainability

SAP overview for sustainability in Airlines



## Generative AI

SAP announced Joule, a natural-language, generative AI copilot that will transform the way business runs





# Thank you.

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