

Case study

Revenue and Price Optimizer



Tallink Keeps Pricing and Revenue Ship Shape

Results

- Increased utilization by up to 8%
- Maximized ability to shape demand through optimized pricing

Optimizing sailing revenue

Tallink Grupp (Tallink), the Baltic Sea region's leading provider of premium mini-cruise and passenger transport services, is continually innovating to keep pace with growing customer demand and business expansion through automation. With on-board purchases becoming Tallink's largest revenue stream, it became critical to take ancillary revenues into account, in addition to ticket revenues, when supporting pricing policies and revenue decisions. Tallink and Blue Yonder partnered to consider on-board revenues in the optimization process to maximize the total contribution from all customers.

Challenges

- With on-board purchases becoming the largest revenue stream, Tallink needed an automated pricing and revenue management solution that optimized all revenue streams concurrently.
- An abundance of last-minute online travel bookings made it difficult for Tallink to make effective pricing decisions.
- Tallink felt that automation of pricing decisions would free them to focus on new trends that could boost revenue.





Riding the online wave

“Tallink is a fast-growing business and its online bookings are similarly rapidly increasing. With travelers searching for the best cost and value online, it’s critical for pricing of our fares to evolve in real-time with market conditions. But the abundance of last-minute travel bookings makes it difficult to make effective pricing decisions without an automated revenue management system. That’s where we looked to Blue Yonder for help.” – **Head of Revenue Management, Tallink**

Managing the incoming tide

With the Blue Yonder solution, Tallink can prioritize everyday work to focus on the most important issues and revenue opportunities. The solution’s flexible business rules enable Tallink to keep departures selling as expected while focusing instead on new trends that need more attention to boost revenues.

Since implementation, Tallink has seen increases in passenger numbers and revenues, improving

utilization by up to 8%. The company has been able to make transformative progress and redefine their customer experience, also benefiting from an uptick in demand forecast accuracy.

Solution benefits

- Improved utilization, increasing the number of passengers by up to 8% on managed departures
- Improvement in demand forecast accuracy, transforming the business to act proactively
- Positioned to better manage staffing, replenishment and supply chain requirements with deeper visibility into demand insights
- Maximized Tallink’s ability to shape demand through targeted, optimized pricing by targeting users with active changes in the market

Blue Yonder expertise

Tallink’s vision is to pioneer Europe’s premium and business ocean liner travel market. They are continually innovating to keep pace with growing customer demand and business expansion through automation.

“With Blue Yonder, Tallink has modernized our approach, allowing us to accelerate productivity and support customers online, on-board, everywhere.”

 Luminate Commerce

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