

“With the Tagetik solution in place, users are independent from IT in managing a structured model for budgeting and forecasting which has also reduced data re-calculating times from two days down to two hours on average. Alpitour is now empowered to manage financial and business planning in the same software solution they use for processing and consolidating actual data, with unified Group structures and synchronized charts of accounts.”

Andrea Meineri, Management Control Rep.

Company

Alpitour Group

Industry

Services - Tourism

Corporate Performance Management

- Budget & Forecast
- Monthly Closing
- Statutory Consolidation
- Management Consolidation

Key Facts

- More than 2 million rows for the budgeting and forecasting processes
- Reduced data-recalculating and updating times from two days to two hours
- Data migration in just three days

Requirements

- Easily manage and process a significant amount of financial data
- Autonomy and flexibility in the maintenance of the solution
- Faster data-loading and higher control over the process

The Challenge

Alpitour Group has been a customer of Tagetik for 10 years. During this period, the company has implemented several projects to manage - in chronological order of development - monthly closing, statutory and management consolidation and, in 2012, budgeting and forecasting.

Previously, the forecasted Profit & Loss was prepared in Cognos Planning and data was then loaded and consolidated in Tagetik. Nevertheless, the company felt the need to integrate the management of forecast and actual data within a single, unified software solution in order to minimize technical and architectural inefficiencies present in two separated systems.

The budgeting process in Alpitour is highly complex: the group manages analytical data at a very detailed level. For this reason, the company needed a solution to easily manage and process a significant amount of financial data (fast data-updates, allocations, etc.) with a flexible calculation model – able to adapt to future corporate and organizational evolutions – that users can edit and modify autonomously. Moreover, another key requirement was to develop simple and intuitive data-entry reports – suitable for a large number of contributors with different managerial cultures – and to enhance controls over the entire process.

Budget, Forecast, Closing and Management Consolidation

Alpitour chose to implement Tagetik due to the software functionality which has now supported their financial needs over the course of a 10 year longlasting and satisfied business relationship. The project went live in just five months (from October 2012 to February 2013), with the production of the 2013 forecast. About 60 users manage 1,500 accounts with 100 data-entry forms and 100 allocation rules, on six dimensions of analysis (account, brand, destination, trip, hotel, carrier).

The forecast is developed on six summer months, while the budget is generated annually in two stages: ‘winter budget’ and ‘summer budget’.

Besides the complexity of the analysis dimensions, the forecasting model is managed in a flexible software that allows for continuous updates on the data at predefined

Benefits and Results

- One software to manage both forecast and actual data
- Short implementation times
- Analytical and detailed data model
- Strong vendor support with deep understanding of customer needs

“We use the Tagetik solution also to produce our statutory consolidation and reporting. The software is extremely flexible and leverages a very intuitive user-interface.”

Lorenza Martellacci
Consolidated Financial Statements Rep.

value changes. For example, this is the case of ‘average values’, ‘incidence rates’, or ‘number of passengers’ (the most important variable in the process): depending on their changes, Alpitour can quickly re-calculate their forecasted Profit & Loss. Once they have been processed, budgeting data is loaded into the central consolidation application. The same process and calculation logic is applied on actual data. Alpitour’s six divisions (‘Tour Operating’, ‘Distribution’, ‘Hotel & Resorts’, ‘Incoming’, ‘Aviation’ and ‘Reinsurance’) close/sub-consolidate their data on a monthly basis. At corporate level, data is aggregated in Euro (€), both at economic and capital levels, through the Profit & Loss statement that is shared across all divisions and two analysis dimensions: ‘Sales Channel’ and ‘Destination’.

Statutory Consolidation and Reporting

Alpitour has also implemented the Tagetik software platform to produce their consolidated financial statements and statutory reporting. The Group releases a “flat” consolidation of 40 entities (multi-currency), aggregated in Euro (€), and manages intercompany transactions between the entities of a specific sub-consolidation and the other companies in the Group.

Entities are consolidated using three methods: “integral” – with third parties interests, “cost”, and “equity”, while quarterly financial statement closures are staggered with respect to the calendar year (Jan; Apr; Jul; Oct). Alpitour also produces with Tagetik their external reporting, including: “Notes to the Financial Statement” and “Segment Reporting” (by business unit).

The Results and Benefits

With Tagetik, Alpitour met all their needs and project requirements. Users are independent from IT in managing a structured model for budgeting and forecasting which has also reduced data re-calculating times from two days down to two hours on average. Alpitour is now empowered to manage financial and business planning in the same software solution they use for processing and consolidating actual data, with unified Group structures and synchronized charts of accounts.

Given the complexity of the budget and forecast data, Alpitour also benefitted from extremely short implementation times as well as a userfriendly, highly-usable software solution, with less impact on end-users that are responsible for data-loading, and intuitive user interface, readable graphics, and Excel tables.

From a technological point of view, the Group has completely changed its architecture, moving their servers on Linux. Migration and upgrade of all financial data (both statutory and management) took place through just 3 days and in a very simple and smooth way.

Last but not least, the Tagetik consultants helped end-users a lot with a real ‘training on the job’ during the implementation of the system and the development of the budgeting model. Users were also able to take advantage of specific training on forecast data reporting, and became fully independent in the management of the Group financial processes within Tagetik software.

Next Steps

Alpitour has just completed the implementation of a budgeting and forecasting project for the ‘Hotels & Resorts’ division. The Group is currently considering the opportunity of extending their use of the Business Intelligence (BI) thanks to the strong integration of the Tagetik software solution with Microsoft’s BI platform.

Alpitour Group

With over 3.1 million customers, Alpitour World is the leading Italian travel Group and highly-ranked in the European Travel Industry. Alpitour is an integrated Group of excellent and specialized companies, including: "Tour Operating" (Alpitour World's core business, and undisputed leader in the Italian market), and "Alpitour" – the historical trademark of Italian tourism and the reference brand for an extensive mass market segment.

"From a technological point of view, we have completely changed our server architecture. Migration and upgrade of all statutory, financial, and management data took place in just three days."

Agostino Alizzi
CIO

About Tagetik

At Tagetik our mission is understanding the complex challenges that face The Office of Finance and translating that knowledge into intuitive, enterprise-scale performance management software solutions that drive business results. With Tagetik Cloud, or on-premise, you can unify financial and operational planning; shorten your consolidation and close process; immediately analyze results, model and compare full financial statement impact of business scenarios; adjust your strategic plan; seamlessly update rolling forecasts; produce formatted and auditable financial statements and management reports; collaborate on business reviews, and automate disclosure and board reporting. We've built-in the financial intelligence so you can orchestrate some or all of this in one place. Find out why more than 750 customers in more than 35 countries count on Tagetik to improve efficiency, reduce risk, save money and delivers results, visit www.tagetik.com.
We get Finance. You get results.