

China Eastern Airlines Improves Performance Through Regular Business Analysis



China Eastern Airlines
Shanghai, China
www.ce-air.com

Industry:

Travel & Transportation

Annual Revenue:

US\$3.25 billion

Employees:

35,000

Oracle Products & Services:

Oracle Database
Oracle Application Server
Oracle Warehouse Builder
Oracle Business Intelligence
Oracle Consulting Services

Key Benefits:

- Provided an integrated view of the business by building an enterprise data warehouse
- Supported decision-making and business analysis at all levels of the company
- Improved performance through early detection of market opportunities
- Catered for future growth with scalable solution

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China Eastern Airlines (CEA) is one of three state-owned air carriers in China. The airline operates 380 international and domestic routes servicing every major region in China and destinations in Asia, Europe, Australia, and North America. The China Eastern Airlines group is a diverse conglomerate, with more than 20 subsidiaries engaged in imports and exports, finance, real estate, advertising, and mechanical manufacturing.

In 2006, CEA implemented an enterprise data warehouse developed using Oracle technology. The company’s rapid growth and desire to improve business intelligence prompted the implementation. The data warehouse integrates information from different business areas, giving senior managers a unified view of the company and supporting decision-making.

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Greater Business Insight

Prior to deploying the Oracle data warehouse, business information was held within different applications, each with different data formats. This made information sharing between departments extremely difficult. Reports often contained conflicting data, which hindered informed decision-making.

“The decision to implement a data warehouse was to make it easier for senior managers to access accurate, up-to-date information,” said Jie. “We have a wealth of business data, and we wanted to extract as much value as we can from it.”

The building blocks of the data warehouse consisted of critical information such as operational and financial data. Data from other areas of the organization would be gradually added to the warehouse to support business analysis, forecasting, market development, and long-term strategic planning.

The first version of the data warehouse went live in March 2006. It incorporates information from four core systems—production, finance, settlement, and operations—into a central location. Expenses are automatically collated into a purpose-built report.

Staff at all levels of the company can use the data warehouse to analyze information relevant to their roles. For example, senior managers use the data to support decision-making; mid-level managers analyze operational performance; and business managers review specific areas, such as the profitability of a specific flight or region.

“The data warehouse has been especially useful in revealing market opportunities, pinpointing problem areas, and helping us reduce operational risks,” said Jie.

Reliable, Powerful Performance

The size of the data warehouse is increasing daily as more information is fed into the system. User numbers are also rising as more staff make use of the data warehouse. The parallel processing and divisional capabilities of Oracle Database ensure the warehouse can support increased data volumes and user numbers.

In the long term, CEA is planning to deploy Oracle Real Application Clusters. The software will enable the airline to improve the performance of the database and application servers by spreading the workload over multiple machines.

Why Oracle?

CEA believed Oracle Database to be the ideal technology for the data warehouse because the software’s open interfaces offered easy integration with multiple systems. This was important as the company wanted to import data from existing applications into the data warehouse. It also accommodated large amounts of detail, down to individual flights in specific segments.

Furthermore, the Oracle solution offered a flexible structure for reporting, enabling CEA to design customized reports and

allowing staff to undertake multi-dimensional analysis. Oracle is also highly scalable, ensuring it can cater for future growth.

Implementation Process

CEA engaged Oracle Consulting Services to design, install, and test the data warehouse, taking advantage of the company's extensive knowledge of the technology and proven implementation strategies.

Oracle consultants were responsible for system debugging, demand analysis, system design, data integration, and report development. The data warehouse supports client/server and browser/server modes, enabling users to view and run online reports.

The project began in November 2004. Stage I was completed in September 2005 and CEA went live six months later after a series of tests.

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