

TUI TRAVEL MONEY CARD CASE STUDY

Overview

TUI Travel PLC are the world's leading international leisure group, operating in approximately 180 countries worldwide and serving more than 30 million customers. TUI UK & Ireland's portfolio includes First Choice Holidays and Thomson. TUI are a significant foreign exchange retailer with a 10% market share of a £12billion industry.

SCL and TUI Travel PLC began working together following TUI's decision to merge their First Choice and Thomson Retail branch networks at the end of 2007. After in-depth discussions SCL were able to put together a single unified travel money system which gives TUI increased control in managing the enlarged branch network, drives efficiency and avoids work duplication.

The positive approach that the project took led to a successful implementation; resulting in all deliverables being achieved within the desired scope, cost and budget. TUI achieved a first year's saving in excess of £1.8m.

Project Rationale

The steady decline of Travellers Cheques sales over the last three years encouraged TUI to investigate other potential revenue streams, including prepaid. Research in to the use of the UK's spend on debit and credit cards whilst abroad revealed a growing trend, increasing from £11m in 2003 to £17.3m in 2008 (Source: Mintel). TUI wanted to take some of this market share by converting debit and credit card spend abroad to prepaid card spend abroad.

Key Requirements of the Card:

- ▶ Euro and US Dollar
- ▶ ATM and POS acceptance
- ▶ Full branding
- ▶ Compelling revenue stream
- ▶ Instant in-store issuance and re-loads
- ▶ Worldwide coverage
- ▶ Truly value-added service, not just an 'off the shelf' co-brand



Project Implementation

In view of the above requirements TUI sought assistance from SCL regarding the implementation of the project and the partner selection process. SCL were ideally situated to assist TUI due to their extensive experience within both the travel money and prepaid markets.

SCL provided introductions to a number of partners and contacts, giving TUI the opportunity to select partner companies that most closely matched their business needs.

Results

Smashed annual sales target of 50,000 cards within the first six months, more than doubling the figure by April 2010.

Future

TUI are planning to extend their use of UltraPoS further by enhancing their customers experience through the release of personalised cards, an online sales and re-load service and increasing the functionality of the travel money cards. Also in the pipeline is the planned launch of a closed loop gift card.