

NIIT builds profile Downunder

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NIIT TECHNOLOGIES IS the second largest Indian IT service provider in the Travel and Transport segment. The company is currently working with more than 50 airlines across the globe, including in Australia. On a recent visit to Australia, CEO, Arvind Thakur shared details about the company's growing profile in this part of the world.

What has been the approach of NIIT to the aviation market?

The aviation industry has some unique technologies and mature platforms. To engage in a significant manner in the industry, you need to have a deep understanding of these technologies and platforms. This also limits competition as there is an element of specialisation required to engage around these technologies and platforms.

We have made significant investments in building capabilities around technologies like TPF, USAS, etc which are unique to the industry and platforms which are domain-centric like passenger services, inventory, cargo handling, revenue accounting, among others. Some of our large customers include platform providers like Sabre and SITA, with whom we have strong partnerships.

We have also invested in our own platforms to create niche solutions. Investing in such solutions provides us with a deeper understanding of the industry, thereby enhancing our domain capability. We remain sharply focused on servicing the industry and derive 40 per cent of our revenues from this segment.

A blend of domain capability and relevant technology ability give us a unique edge, enabling us to address customers in this space.

From your specific business perspective how do you see the industry right now?

Despite the ups and downs in the economy, the aviation industry relies a lot on technology to deal with the challenges of the environment. This is one industry which collaborates across the value chain and IATA, as an industry body, has facilitated that extremely well.

Today, for instance, there is e-freight and all the paper documents are getting replaced by electronic messaging. These standards need to be adopted by the whole eco-system in order for it to thrive. This calls for investments in technology.

The industry is constantly looking for improving efficiencies on many fronts. Currently, the focus is on enhancing the customer experience and that is again an

area where airlines are adopting technology. Organisations are deploying emerging technologies like mobile and social media to service customers who are on-the-move. The most important technology for them is mobile technology, which they are using to reach out to their customer base in the most effective manner. We're seeing a lot of investment happening in mobile platforms.

There are also fundamental shifts taking place in core areas like distribution, which have been dominated by GDSs. Once again, IATA is driving towards standards to facilitate this through New Distribution Capability.

Then there are new avenues for generating revenues – the most significant in my view being ancillary revenues. To realise these new revenue streams, key changes have to be made to the existing core systems.

And of course there is self-service, which allows customers to directly engage with you and eliminate all the inefficiencies in between. From identifying and creating an itinerary, to booking travel, to checking in, to boarding—today, everything is happening in a self-service mode. Coupled with mobile technology, it is completely transforming the experience of customers.

What is NIIT's approach to these developments?

We have built capabilities and are proactively putting these solutions together. But you can only create frameworks because they need to be customised for specific customer implementations. Also, you really want to work with your customers on a proof-of-concept before you actually make it a full-blown implementation. We run innovation workshops with our customers, so that we conceptualise potential scenarios where the solutions need to be built. That works very well because customers understand their businesses the best and we understand technology! At the end of the day, it's a blend of both and that creates the solution. Our innovation workshops have been a very effective method for us to drive change.

Are we in fact moving away from customisation and into more integrated platforms?

The platforms are fairly mature in the industry. However, they require integration with many other airlines systems. Also, airlines need to differentiate themselves, especially with respect to customer engagement. There is significant customisation and new development taking place to create competitive advantage.

How do you do that?

Since we understand these platforms and understand the domain of customers, we're able to engage with them and build those interfaces. Then, using mechanisms like the innovation workshop, we identify new features and functionalities that may be required in specific situations. These are then built into our offerings and implemented.

In some situations, we work with our customers to create platforms and take them to market. A good example is our work with Singapore Air Terminal Services. We built the cargo ground handling solution for SATS 10 years ago. We maintain this even today! We are IATA's strategic partner and have an understanding of standards like Cargo 2000, e-freight, CXML as well as new, emerging standards. We are constantly updating the SATS solution in tune with these developments and have created a mature platform.

At the same time we entered into a partnership with SATS to monetise this by taking the IP built for them to other airports.

With each implementation, our body of knowledge has improved considerably and enabled us to enhance the solution. We have now implemented the solution in more than 10 locations including Beijing, Taiwan and Hong Kong.

This model has worked very well and helped us engage with our customers from the point of view of providing not just a technology solution, but a business solution.

NIIT Technologies
Arvind Thakur
is working with
industry partners
to take solutions
to third parties.
(NIIT)

