TUI grows revenue 49% by streamlining with partnership automation

**Situation**

In 2019, following an extensive review period, TUI UK made the decision to update how it managed its partnership program.

After 15 years of running a network-managed program, TUI UK’s brands — TUI, First Choice, TUI Ireland, TUI Money, and Crystal Ski — opted to take a new approach to both grow the program and increase operational efficiency by separating technology from service suppliers and selecting vendors that excel in each key area.

As a progressive digital brand with an industry leading inhouse team, TUI set out with the objective to create new efficiency by maximising the internal team’s strength and deploying a platform for long-term growth.

However, they also wanted to minimize the risk and disruption of this overhaul by creating a strategy that would avoid revenue loss, offer clarity and ease to publishers, and be invisible to consumers.

**Marketing goal:**

- 20% partnership program growth
- with minimal business disruption

**About TUI**

TUI is one of the world’s leading tourism groups, with a broad portfolio comprising top tour operators, 1,600 travel agencies and leading online portals, five airlines, 400+ hotels, and 17 cruise liners departing for vacation destinations around the world. TUI covers the entire tourism value chain under one roof.
Situation (con’t)

To achieve this, they put the following targets in place:

- Complete migration of all revenue-driving partners within four weeks
- Audit partner base to migrate all desired partners smoothly and seamlessly within six weeks
- Provide flexible reporting that would allow for ongoing program optimization
- Maintain program efficiency with a 0% change in cost-per-acquisition (CPA)
- Realize 20% growth as a result of the migration
Solution

Update, streamline, and optimize in one migration

For its technology provider, TUI selected Impact, a partner that would improve insights, unify their wide spectrum of partnership types, and enable automated discovery, recruitment, contracting, and reporting.

For its agency, they selected Neo Media World to focus exclusively on partnership program management. Neo is a full-service global agency with specialist partnership teams. The collaborating teams at TUI, Impact, and Neo divided the migration into three core areas: migrating publishers, migrating reporting, and implementing an updated commission structure.

Publisher migration and curation

Impact Partnership Cloud automated communication to all but TUI’s top-tier publisher partners, whom TUI contacted individually.

Automating partnerships saved TUI vast amounts of time on what had been a very manual activity. Here’s how the process worked:

- Initial emails were sent out automatically via Impact, including custom sign-up links, which, when used, would automatically add partners to their respective commission rates/contracts, reducing workload.
- The emails and partners were made part of a workflow/drip campaign.
- Partners that did not reply to the initial email or did not sign up to their relevant contract were then sent another message on an ongoing basis each week, with increasingly urgent messaging.
Simultaneously, Neo used Impact to perform a partner audit to reduce program bloat from inactive and low-quality partners. The migration was the perfect opportunity to trim the program to a more manageable size and retain only high-quality, highly engaged partners. Impact technology easily identified partners that were not engaged so TUI could remove those partners from the campaign and program.

Reporting migration

TUI wanted as much automated reporting as possible. They sought a solution that provided the right data in the right format and eliminated time-consuming data pulls and manipulation. These reports needed to bring to light key metrics, often nonstandard KPIs such as destination and departure airport, subcategories, and sharedIDs, which would allow TUI to truly understand specific partner and category performance and optimize accordingly.

These requirements led Impact to build the TUI Performance Report. This custom report provided a single report that can pivot around multiple KPIs. It allowed TUI the flexibility to look at data by day, partner, category, subcategory, airport departure and destination, and sharedID (used to pinpoint particular partner promotional methods). TUI and Neo worked with their partners to use Impact’s sharedID functionality.

“The migration to Impact from another tracking provider was extremely smooth, with support on hand 24/7 throughout the entire process. Since the switch, we have seen improved performance due to the enhanced tracking capabilities that have given us access to data on bookings and clicks broken down by day, brand and shared ID.”

Colin Carter
Director
Weather2Travel.com (a TUI migrated partner)
Solution

(con’t)

SharedIDs are a tracking parameter that is visible to both TUI and their partner and allowed TUI to identify traffic from different sections of partners’ websites, including custom tenancy placements and email inclusions. Soon after migration, they were able to distinctly see the number of bookings generated from emails with partners, homepage takeovers, etc. The sharedID parameter has now been baked into all standard reports to allow analysis of how specific promotional placements have impacted performance.

Improved commissioning

Upon migration, TUI implemented an updated commissioning structure based on Impact’s highly flexible Dynamic Payouts. This allowed TUI to pay out on any tracked data point or combination of data points. This new structure created improved efficiency for the program because TUI could commission specifically on the actions and partners that created value.

The Partnership Cloud’s Dynamic Payouts feature allowed the TUI team to implement commissioning rules that, in the past, was either not possible or too complex to set up. TUI took advantage of the advanced commissioning capabilities to reward partners based on value, smarter management of different types of affiliates during peak periods, and more granular control of commissioning.
Custom migration tracker

Impact built a custom tracker to assess overall migration progress over time. The tracker showed partner-level progress including whether partners had signed up to the TUI program on Impact, started driving traffic, and delivered revenue.

In addition, TUI pulled in KPIs from the incumbent network to monitor if the same partner was still driving anything through the previous provider. This provided a “seesaw” view of each partner showing whether they had fully migrated, had partially migrated, or had not yet started and the communication they had received.

TUI could then create distinct partner workflows dependent on different scenarios. For example, if a partner had active revenue in the last 30 days but for some reason their revenue dropped to zero in the past seven days — TUI could know that they should reach out to them.

Using the Impact platform, TUI created dynamic partner segments that automatically sent out emails if a partner showed signs of being negatively impacted (likely due to a setup error) by the migration.
Outcome

With Impact technology, TUI completed the migration of the UK’s largest travel affiliate program to a more flexible, efficient management model.

Moving five brands and thousands of publishers from an indentured system was a sizable task. But with Impact and Neo, TUI was not only able to migrate their programs smoothly, they also realized phenomenal 49% revenue growth in the month after migration. In addition:

- The audit of the publisher base was successfully completed within the targeted timeframe and significantly reduced the number of partners by 70%, improving program hygiene and leaving TUI with a set of partners that was engaged, on-brand, excited, and ready to promote TUI.
- The team was able to successfully migrate 95% of revenue-driving partners in half of the targeted time period.
- Impact’s commissioning capabilities and improved reporting allowed TUI to improve optimization and achieve the goal of remaining CPA neutral. In fact, CPA dropped by 4%.
- The 49% revenue increase was accompanied by 30% increase in passenger volume.

Want to get results like TUI? Contact grow@impact.com

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