Airline Retailing
Implementation Forum
April 27, 2021
09:30-11:00 CET
15:30-17:00 CET
Speakers, Participants, IATA Hosts & SMEs

Implementing value creation
- Singapore Airlines, Kaiyu
- Amadeus, Anne, Shashank
- Pribas, Arnulf

Schema Migration topics
- Travvise Travel Solutions, Ajith
- Open Jaw, Paul, Pankaj
- Hitit, Elton

IATA Hosts and SMEs
- Shaunelle, Implementation
- Karina, Distribution & Payment, The Americas
- Winni, Distribution & Payment, Asia Pacific
- Jojo, Planning champion
- Kitty, Certification
- Vanni, Architect
- Anca, Dynamic Offers
- Sebastien, Dynamic Offers
Competition Law Guidelines

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Customer touchpoints continues to evolve...

... pre-COVID to restart to new norm... less “touch”
The Americas and the retail journey

Connections

Value Creation

Regional Specs
Certification

Retailing Implementation Forum
Kitty Little
Why change now?

Reboot Better
COVID provides opportunity to reboot industry better

Value Creation
Airlines and Sellers need to see value along transformation journey

Retail Ecosystem
Better visibility of System Providers capabilities
What’s the ambition?

Airline Retailing using Offers and Orders

Includes current IATA Programs:
• NDC
• ONE Order
• Settlement with Orders
• Dynamic Offer Creation
• Future of Interline
Airline Retailing Maturity (ARM) Index

The total measurement of an airline’s maturity based on 3 pillars

- **Capabilities Verification**
  - Capabilities enabled by the IATA standards

- **Partnerships Deployment**
  - Scalability across the retailing value chain

- **Value Capture Compass**
  - Maturity of capturing potential value
<table>
<thead>
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<th>For whom?</th>
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<td><strong>Airlines</strong></td>
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<td>• Capabilities Verification</td>
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<td>• Capabilities Verification</td>
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Capabilities Verification: Capabilities enabled by IATA standards

- Capabilities
  - Shop
  - Order
  - Pay
  - Settle
  - Account
  - Set-up

- Verified By
  - XML messages
  - Company Docs
  - Screenshots/Demos

- Recognition
  - Participation
Certification – what you asked

Is there any update on the NDC certification program?

What is Enhanced and Simplified Distribution Standards?

How the transition will be? Will multiple schema versions be supported at same time?

Will it be possible to keep our 17.2 version as certified, independently of a future upgrade?
Convergence

Critical mass of implementers moving to a single release for all messages.
In a nutshell

- Common Types reintroduced as of 21.1 – March 2021
- Agreed approach for backwards compatibility to 21.3
- 21.3 is the next convergence version – September 2021

Video on AIRTechZone
- Feature evolution from 18.1 and what’s included in 21.3
- Concrete examples of backwards compatibility
- Backwards compatibility vs backporting
- Contact standards@iata.org to learn the latest and get involved in discussions in the working group.
Convergence, Backwards Compatibility, Backporting

Release Cycles
2021 Standard Release Plan

<table>
<thead>
<tr>
<th>Cycle 1</th>
<th>Cycle 2</th>
<th>Cycle 3</th>
<th>Cycle 4</th>
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<tr>
<td>21.1 (March)</td>
<td>21.2 (June)</td>
<td>21.3 (September)</td>
<td>21.4 (December)</td>
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ATSB St Release and Ord (Schem)

Full video with explanations on this meeting’s page

What is backwards compatibility?

Simply put, it means subsequent releases won’t break previous implementations from the time when existing data elements in the schemas will be allowed from a version onwards.

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<th>Can Do</th>
<th>Cannot Do</th>
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<td></td>
<td>Add required data elements or attributes</td>
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<td>Change element or attribute names</td>
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<td>Change element mandatory or optional status</td>
</tr>
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<td>Delete required data elements</td>
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N.B. Cycle 3 can be used for a 21.2 release should the need arise (e.g. Defect Fixed). Cycle 3 can be deferred to cycle 4 should the need arise (e.g. additional functionality required for the Convergence Release).
Schema Migration – what you asked

2. Timelines and backwards compatibility, plus really tightening up the implementation guidelines
3. Will there be a new reference schema to replace 17.2?
4. I am interested in the biggest hurdles faced when migrating from 17.2 to a version on/after 20.2
5. Confirmation how backwards compatibility will be handled.
6. Best Practices and Tips for a smooth migration
7. Reasons to migrate
8. What is the effort to maintain the upgrade to the next release.
Schema Migration Experiences

**Travvise Travel Solutions**
Ajith G. Poduval
Director, Operations

**Hitit**
Elton Ballhysa
Director of Development

**OpenJaw**
Pankaj Gabba
VP Product Strategy

Paul Kennedy
Sr. Software Engineer

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**Full length videos on AirTechZone covers**

- What kind of technical or methodology changes have you put into practice to make adoption of multiple versions easier?
- What are the partner integration considerations when preparing to adopting multiple versions?
- Do you have plans to adopt the next convergence version?
- What aspects or characteristics of the schemas have encouraged you to move to a certain version?
- What more could IATA do specifically to help ease your migration efforts (e.g. specific tools and/or documentation)?

27 April 2021
Poll

Are you currently supporting multiple schema versions in production?

- Yes
- No
- I’m not sure
Implementing value creation – Lifting the hood

Singapore Airlines
Kaiyu Lee,
E-Commerce and Distribution Analyst

Amadeus
Shashank Malisetty
Industry and Expertise Team

Anne Savini
Senior Product Manager

Full length video on AirTechZone

Modifying a paid order
Understanding Seller’s Requirements
As a seller would you typically prefer to book double inventory?

- Generally, yes
- Generally, no
- It depends
Implementing value creation – Lifting the hood

pribas airline solutions GmbH
Arnulf A. C. Pribas
CEO

Poll
Have you implemented the feature to allow customers to pick from a group of services?

• Bringing value to the customer
• Offer Search Challenge – multiple choice services
Poll

Have you implemented the feature to allow customers to pick from a group of services?

- Yes
- No
- I’m not sure

27 April 2021
IATA Dynamic Offers

Bridging the gap between Distribution and Revenue Management
Airlines pioneered Revenue Management … with Distribution limitations

1980

Yield Management

• Capacity control
• Leg based
• Fare rules segmentation

2000

O&D Revenue Management

• Network optimization
• Bid price
• Dynamic availability

Current Distribution ecosystems and artifacts:

• Produce suboptimal optimization results
• Limit agility to change product characteristics at time of shopping
• Lack holistic revenue management
API Distribution via NDC standard gets the industry closer to the retailing world

- Know “who is asking?”
- Single source of pricing for all channels
- Store offers not accepted with shopping context

- More data/dimension available in RM algorithms
- Targeted and relevant offers
- Optimal price creation
IATA Dynamic Offers Maturity Framework

**Static flights and ancillaries**
- **Static bundles** (e.g., fares families or branded fares)
- **Static pricing**
  - Pre-defined price points with *dynamic availability*
  - Pre-defined price points with *dynamic price adjustments*

**Dynamic Bundling**
- **Dynamic determination of pre-defined bundles**
  - Application of shopping context and data science
  - Ability to control distributed offers

**PRICE determination**
- **Dynamic Offers**
- **Price Adjustment**
- **Traditional Pricing**
Poll question:

Where do you think this Industry is in the Offer creation process via the NDC channel?

For replies/voting use:
1. Blue – Traditional Pricing
2. Yellow – Price Adjustment
3. Red – Dynamic Offers
Dynamic Offers Capabilities - 2021 Industry Status

- Dynamic Bundling
- Continuous Pricing

**PRODUCT determination**

- Dynamic Bundling
- Dynamic determination of pre-defined bundles
- Static bundles (e.g. fares families or branded fares)
- Static flights and ancillaries

**POCs**

**PRICE determination**

- Pre-defined price points with dynamic availability
- Pre-defined price points with dynamic price adjustments
- Dynamic price determination

**Distribution Channel**

- GDS
- NDC
- NDC API
- DIRECT

- Dynamic Offers
- Price Adjustment
- Traditional Pricing
Standards supporting Dynamic Offers implementation

<table>
<thead>
<tr>
<th>Airline Taxonomy</th>
<th>Offer Conditions</th>
<th>Tariffs Taskforce</th>
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<tbody>
<tr>
<td><strong>What</strong></td>
<td><strong>Why</strong></td>
<td><strong>What</strong></td>
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<tr>
<td>An <em>Industry shared language</em> describing airline products</td>
<td><strong>Improve comparison shopping</strong></td>
<td>Review IATA resolutions for retailing:</td>
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<td><strong>Consistency</strong> to place each services in the right context</td>
<td>- <strong>024d</strong>: Currency rounding</td>
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<td><strong>Flexibility</strong> to create new products and services</td>
<td>- <strong>017f/049x</strong>: Reissue with historical fares</td>
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<td>Airlines sending Sellers <em>relevant and programatically readable</em> offer conditions</td>
<td>- <strong>017f</strong>: Reissue in ticketless environment</td>
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<td><strong>Simplify</strong> old structures and terminology around <em>fare rules</em></td>
<td>- Adapt to <strong>new NDC workflow</strong> (i.e. at the airline's instructions priced offer creation moves from 3rd party to the airline itself)</td>
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<td>- Send clear and readable <em>Change, Cancel</em> and <em>Penalty</em> information</td>
<td>- Identify <em>outdated or new</em> standards, workflows, processes and reference data requirements</td>
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<td>- Send only <em>relevant</em> data to the Seller</td>
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Dynamic Offers

2021 Industry Engagement
Dynamic Offers Industry Engagement Pillars

- Education
- Advocacy
- Standards
- Adoption
Members

→ Air Canada
→ Air France/ KLM
→ American Airlines
→ British Airways
→ China Airlines
→ China Southern
→ Delta Airlines
→ Finnair
→ Gulf Air
→ Iberia/ IAG
→ Japan Airlines
→ Lufthansa Group
→ Philippines Airlines
→ Singapore Airlines
→ Sun Express

Deliverables

1. Assessment of Government Fare Filing Restrictions
2. Dynamic Offers Maturity Framework* Enhancements:
   → Define an Industry Common Terminology and Vocabulary
   → Good to Have vs. Must Have Capabilities
   → Lifecycle of Offers to Orders
3. Best Practices on Fulfill and Account with Dynamic Offers and initial Considerations related to Interoperability
2nd edition of IATA Dynamic Offers Forum

19 IT Vendors and 45 Airlines
Dynamic Offers Forum Agenda*

256 Registered delegates  70%  Attendance Day 1

- Industry Restart and 2021 DAC priorities
  IATA, Yanik Hoyles
  Director, Distribution Programs

- Airline retailing in a world of Offers & Orders
  IATA, Sebastien Touraine
  Head, Airline Commercial System Capabilities

- Industry State of the Nation

- Distribution Standards update
  IATA, Ionut Badea
  Senior Manager, Shop-Order Standards

- Interlining with Offer & Orders
  IATA, Oana Savu
  Senior Manager, Future Interlining

- Distributing personalized offers
  Air France / KLM, Marina Dunion
  Manager, Offer Innovation

- Fulfillment challenge of Dynamic Offers
  Lufthansa Group, Jost Daft
  Project Manager, Revenue Management and Distribution Strategy

- The Offer Optimization
  Finnair, Cieg Kit
  Manager, Offer and Systems Strategy

- Transition & interoperability in pricing methods
  ATPCO, Thomas Gregorson
  Chief Strategy Officer

- The Value of Industry Transition
  IATA, Olivier Hours
  Head, Distribution Strategy

- Industry challenges and next steps
  IATA, Sebastien Touraine
  Head, Airline Commercial System Capabilities

3 March 2021 Forum Recordings Summary

167 Registered delegates  65%  Attendance Day 2

- Continuous Pricing: Offer to Settlement
  Accelya/ Farelogix, Manish Nagpal, Senior VP Product Strategy

- Our approach to Offer Management
  Amadeus, Benjamin Caray, Director Offer Planning & Optimization Solutions

- Next Generation Product & Price Determination
  Datasel, Fred Van Toorn, Product Manager

- Creating the right Offer: NDC and Beyond
  IBS Software, Marco Contento, VP Aviation Business Services

- Board with Customized Dynamic Offers Creation
  Lufthansa Systems, James Liu, Management Consultant

- Creating Customer Centric Offers
  OpenJaw Technologies, Pankaj Gobbi, VP Product Strategy

- Creating Dynamic Offers backed by our Science
  PROS, Suraj Adyaprathna, Principal Sr. Vice President

- The Future of Personalized Offers
  Sabre, Mike Reyes, VP Offer Optimization

- Personalized and Contextual Offers
  SAP, Andy Kidd, Industry Principal Travel

- IATA Dynamic Offers Task Force
  IATA, Anca Dolcean, Senior Manager, Dynamic Offers

- Learn your Present to foresee your Future
  Panelists:
  - Accelya/ Farelogix: Manish Nagpal, Senior VP Product Strategy
  - Amadeus: Benjamin Caray, Director Offer Planning & Optimization Solutions
  - Datasel: Fred Van Toorn, Product Manager
  - IBS Software: Marco Contento, VP Aviation Business Services
  - LH Systems: Sebastian Gross, Product Owner Dynamic Offer Creation
  - OpenJaw Technologies: Pankaj Gobbi, VP Product Strategy
  - PROS: Suraj Adyaprathna, Principal Sr. Vice President
  - Sabre: Juan Olmos, Product Manager
  - SAP: Andy Kidd, Industry Principal Travel

- Moderators:
  - IATA: Henry Coles, Head Airline Distribution Standards
  - IATA: Sebastien Touraine, Head Airline Commercial System Capabilities

- Wrap-up of Day 2 and Next Steps
  IATA, Sebastien Touraine, Head, Airline Commercial System Capabilities
IATA Dynamic Offers Presence in 2021

3-4 March
Dynamic Offers Forum (2nd edition)
3 March Recordings available here

22-23 Sept
Dynamic Offers Forum (3rd edition)
Airlines and IT Vendors
Save the Date
Location TBD

26-28 Oct
IATA Digital Data & Retailing Symposium
Save the Date
Madrid, Spain

IATA Dynamic Offers Task Force
Interested Airlines to contact Anca Dolocan (dolocana@iata.org)
Thank you!

touraines@iata.org
dolocana@iata.org
Thank you!

Next meeting:
July 1, 2021
In closing

Customer centricity

**Certification:** from a purely schema version recognition to a holistic approach; towards Airline Retailing using Offers and Orders

Convergence, migration: Both push and pull factors towards the new convergence version

Value creation: Lifting the hood on implementations to show value

Dynamic Offers: Standards are supporting. Taskforce progressing on government fare filing, maturity framework, best practices

Next meeting: July 1, 2021
In closing

Next topics:
- We will keep migration discussion going
- Implementing value creation - lifting the hood
- TMC Acceleration topics

Your stories
- Share them in the community
- Show where you are demonstrating value
- To share your stories – link on meeting page

Next meeting:
July 1, 2021
Thank you!

Next meeting:
July 1, 2021