IATA Webcast

A Production-ready Solution to forecast and price under complex market conditions

April 2020
FLYR provides a **Commercial Operating System for Airlines**, unifying their data to maximize revenue through Deep Learning
“Legacy revenue management systems have become useless. We need a solution that works under unprecedented market conditions.”

Unlike any other solution, FLYR’s platform ingests and understands market context, enabling high-quality pricing decisions, even under extreme conditions.
Our Product Focus

Airline-optimized Data Infrastructure
Standardization and centralization of all commercial airline data is an essential prerequisite for enabling new, data-driven capabilities

Deep Learning / AI based Revenue Management
To maximize airline revenue, our pricing decisions automatically consider all commercial data and marketplace conditions

Hyper Targeted & Highly Reactive
Distribution channels, location, events, loyalty program information, etc. are considered in real-time

Efficient Distribution
While we output the optimal 'selling price' opposed to traditional inventory controls, we can distribute strategies into any PSS
Compatible with all existing airline systems, FLYR FusionRM manages the airline’s commercial data in one place and maximizes revenue with AI.

1. FLYR Data Pipelines
2. FLYR Data Warehouse
3. AI-based Revenue Management Suite
4. Standardized integrations against airline reservation systems to auto-deploy pricing strategy
5. Advanced performance reporting and system controls

One Platform, from Data to Pricing Intelligence
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<th>Establish the right price</th>
<th>Legacy RM Vendors</th>
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FLYR’s FusionRM Revenue Management Platform automatically evaluates the impact of changes that were traditionally only identified by human analysts and implemented in form of ‘rules’ that simply override the pricing solution.
What are Market Embeddings?

Each time our model is trained, each airport or route is assigned two 20 dimensional vectors that characterizes how similar or dissimilar the airport is compared to all other airports.

- These vectors allow the model to learn without being constrained to a single market.
- This type of training enables us to learn from a route's history as well as from identified similar routes.
- The model is even able to create optimized outputs for routes that have never been flown!
- The model has not been fed any geographical location information as input data.

Leisure Markets are implicitly identified as extremely dissimilar from Business Markets.

Domestic Leisure Markets

Small Cities

Airport Codes are hidden for customer confidentiality purposes
Unlike existing systems, we:

- Consider all variables that influence performance
- Assess their impact on revenue
- Determining the optimal pricing strategy to maximize the outcome

Data sources we consider:

- Schedule
- Competitor Schedule
- Revenue build
- Load factor build
- Bookings
- Search Activity
- Capacity
- Competitor capacity
- Pricing/Fares
- Competitor Pricing/Fares
- Ancillary attach-rates
- Revenue accounting
- Channel mix
- Promotions
- Marketing Campaigns
- Events
- Product mix
- GDP
- Weather forecasts
- Loyalty programs

How AI Understands what changes Impact Performance
What are eRASK and eLF?

Once our model is trained with all of the airline’s commercial data, it develops a highly-accurate understanding of the relationship between revenue and factors such as schedule, capacity, frequency, competitor pricing & capacity, events, etc.

We continuously update these forecasted outcomes and expose them to our airline clients, enabling them to identify and understand the impact of changes in the marketplace or their own network.
Built on top of our existing infrastructure, we can evaluate revenue outcomes based on arbitrary or simulated information, answering complex questions that used to be guesswork.

Scenario Generation / Simulation

- **Demand Change**: "What happens if demand declines by x%?"
- **Network Schedule**: "Will this flight drive more revenue at 8am or 10am?"
- **Marketing Efforts**: "Where should I spend marketing budget for maximum return?"
- **Competitive Position**: "What would happen if my competitor raises their price or capacity?"

**Diagram:**
- Data Infrastructure
- Deep Learning Training Infrastructure
- ‘Runtime’ / Inference Infrastructure
- Pricing Strategy Outputs
- Revenue & LF Forecasts
- Airline Systems
- Marketing Efforts
- Network Schedule
- Demand Change
- Competitive Position

Beyond Revenue Management
Not Limited to Fares

To evaluate the revenue opportunity associated with pricing of seat selection, or to establish how the airline product experience can be further improved for frequent flyers by automatically retaining seats, FusionRM can establish a score for each seat on a flight based on remaining inventory and network-wide seat selection data.

1. Establish Scores
2. Map Scores to Price

* Seat scores are established by taking into account which seats are still available as context is essential.
FLYR’s Series A investment round was led by legendary investor and entrepreneur Peter Thiel (PayPal, Facebook)

A major investor in FLYR, Group 42 is a leading applied AI research firm across various sectors

Customer and Investor, JetBlue has participated in multiple investment rounds

Famous for their investment in Facebook, WTI has been a long time investor in FLYR

FLYR’s first institutional investor that has participated in multiple investment rounds

Over $30M Raised to-date
Major Airlines across the world already rely on our Solutions for Pricing Strategy and Intelligence

- USA
  - >40M passengers/yr
- Asia
  - >70M passengers/yr
- Oceania
  - >20M passengers/yr
- Oceania
  - >20M passengers/yr
- Middle East
  - >25M passengers/yr
- USA
  - >50M passengers/yr

Global Clients
Let’s work together on a strong & smart recovery from COVID19

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