

Navitaire & IATA ONE Order

Industry Simplification

Thinking Beyond

Presented by Brian Messerich
Wednesday, 24 April 2019

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Agenda



What is ONE Order?



What is Ticketless?



Where is the Industry at in Adoption?

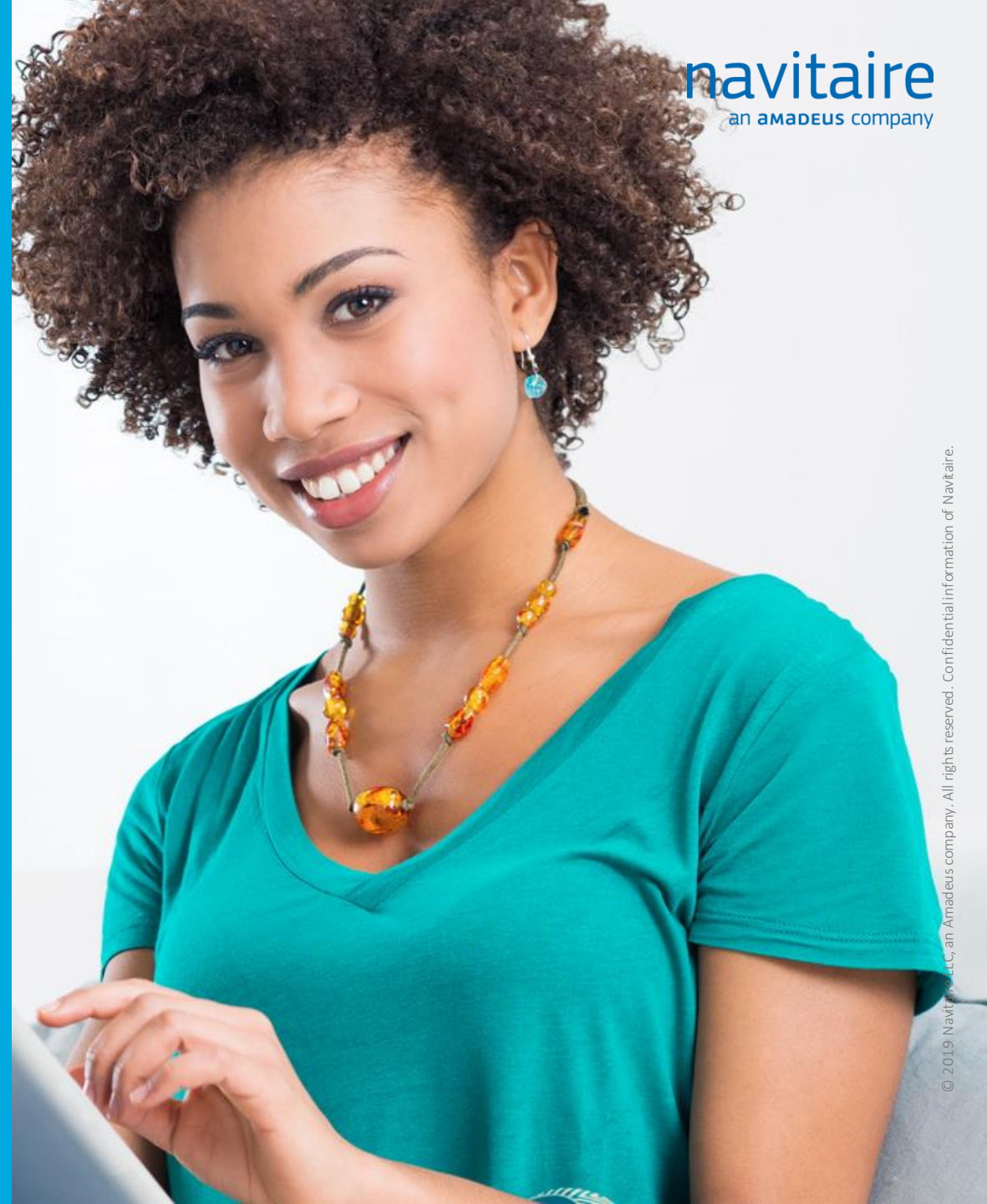


Navitaire's Experience in ONE Order/Demo



Opportunities and Challenges with
NDC/ONE Order

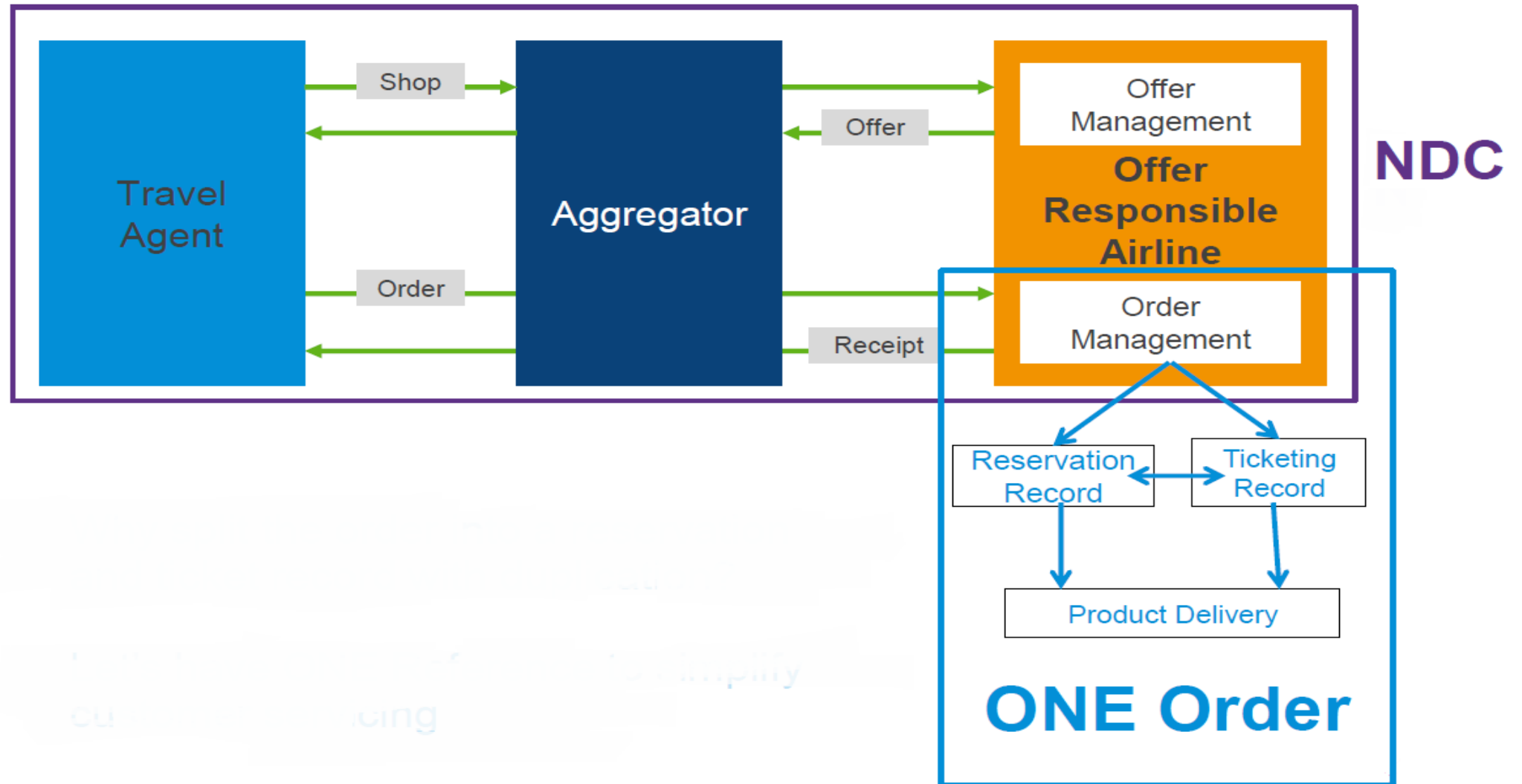
What is ONE Order?



ONE Order – What is it?

- ONE Order is an extension of IATA's NDC initiative
 - NDC covers the creation and distribution of airline offers
 - ONE Order is an extension of this, covering fulfillment and delivery of offers that have been converted to "orders"
 - The two are very much intertwined (standards)
- ONE Order aims to implement a ticketless order management process resulting in simplified order management and revenue accounting processes
- Most importantly, ONE Order aims to create a "single source of truth" for all bookings
- Anticipated benefits:
 - Reduce overall costs and complexities
 - Enable interlining with the growing base of LCCs
 - Enable "new entrants" to the airline technology industry

NDC versus ONE Order



Source: IATA, "The Basic Guide to ONE Order" May 18, 2018. Retrieved 18April2019 from <https://www.iata.org/whatwedo/airline-distribution/Documents/basic-guide-to-one-order.pdf>



The IATA Vision...

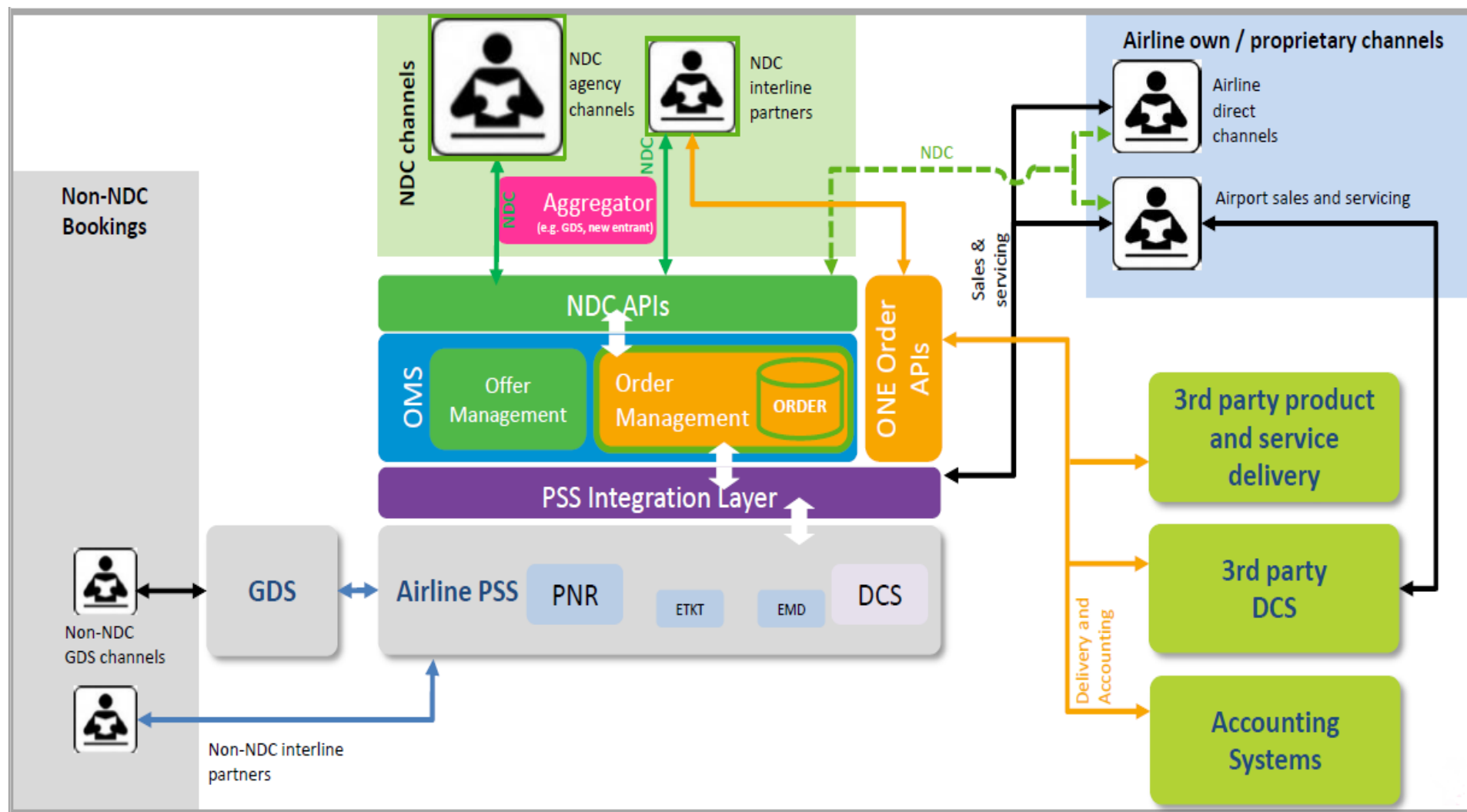
What is ONE Order Trying to Accomplish?

*“The end goal for ONE Order is ultimately to **decommission the PNR, ETKT and EMD** constructs from use in airline transactions. While for many airlines a **meta record** from their PSS provider will be a way to manage the transition, the real benefits will be when the Order Management processes completely take over the current processes. IATA and the ONE Order Taskforce understands that this is a significant change for airlines and the industry as a whole and there will be operational transformation and change management required to ensure transition is successful.”*

IATA ONE Order Transition Study V0.12.pdf

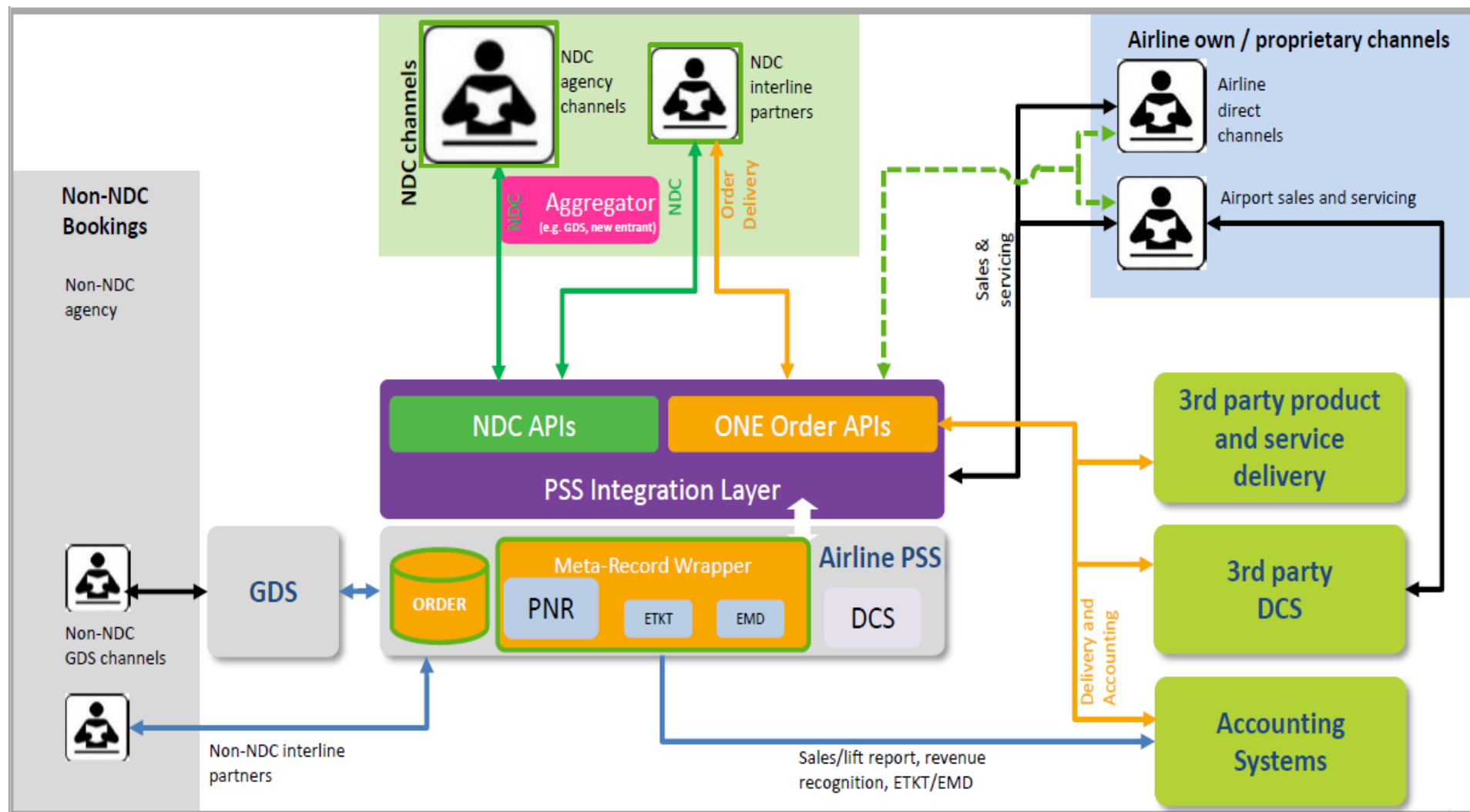
- **Option 1 – “On Top Model”/External Solution**
 - Model involves the creation or integration of an external order management system residing outside of the core PSS
 - Solution would communicate with PSS for certain functions (inventory management, consumption of legacy bookings, etc..)
- **Option 2 – “Encapsulation”/Internal Solution within PSS**
 - Solution would re-engineer/retrofit PSS to manage bookings using the new ONE Order standard
 - PSS architecture and booking flows would be reused
 - Could be a cheaper solution in the short term for PSS providers
 - Considered by some as “less transformational”
- **Option 3 – Pure OMS**
 - Build new from the ground up – “new entrants”
 - Utilize existing order management systems

Option 1 – “On Top”



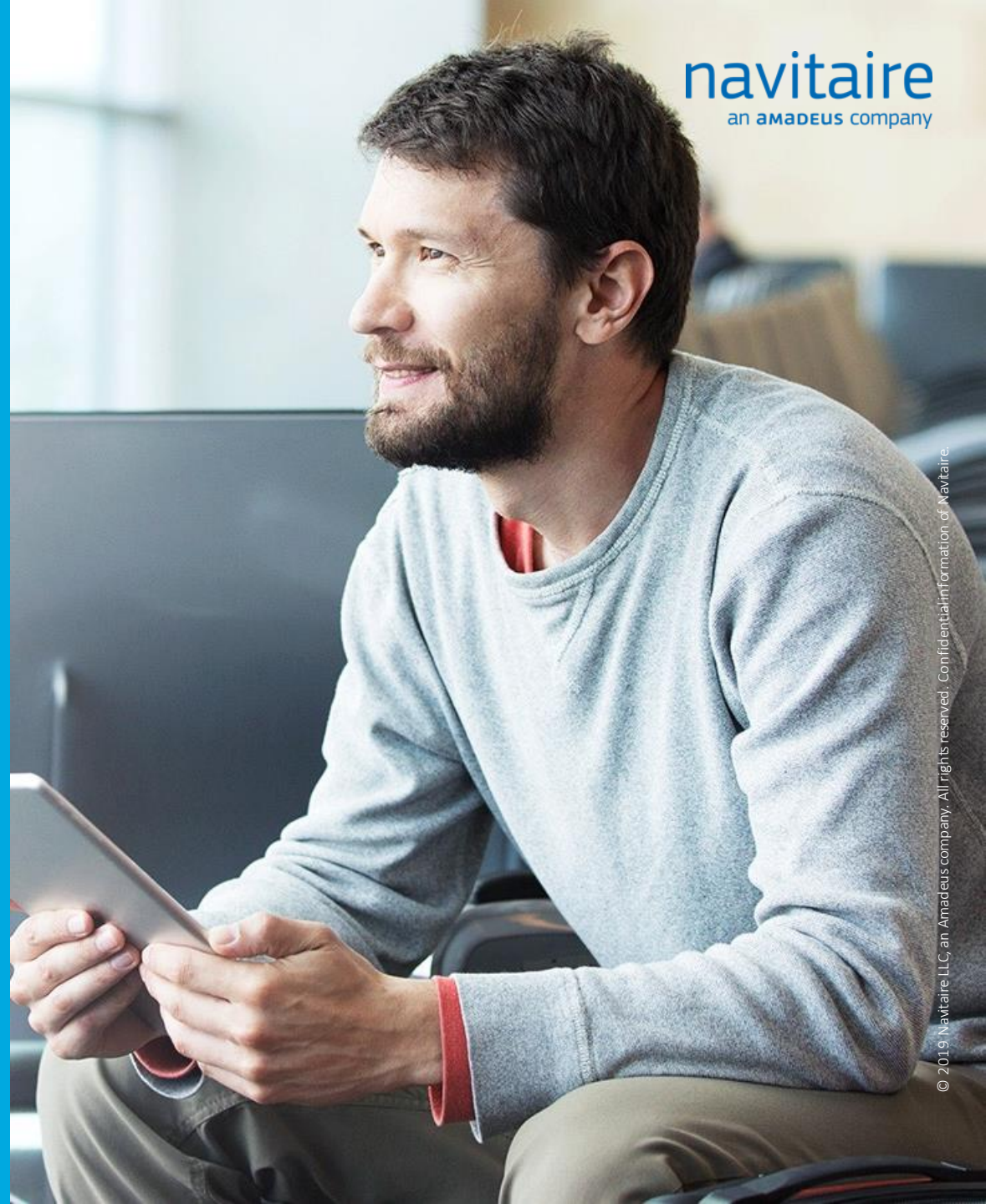
Source: IATA, “The Basic Guide to ONE Order” May 18, 2018. Retrieved 18April2019 from <https://www.iata.org/whatwedo/airline-distribution/Documents/basic-guide-to-one-order.pdf>

Option 2 – “Encapsulation”

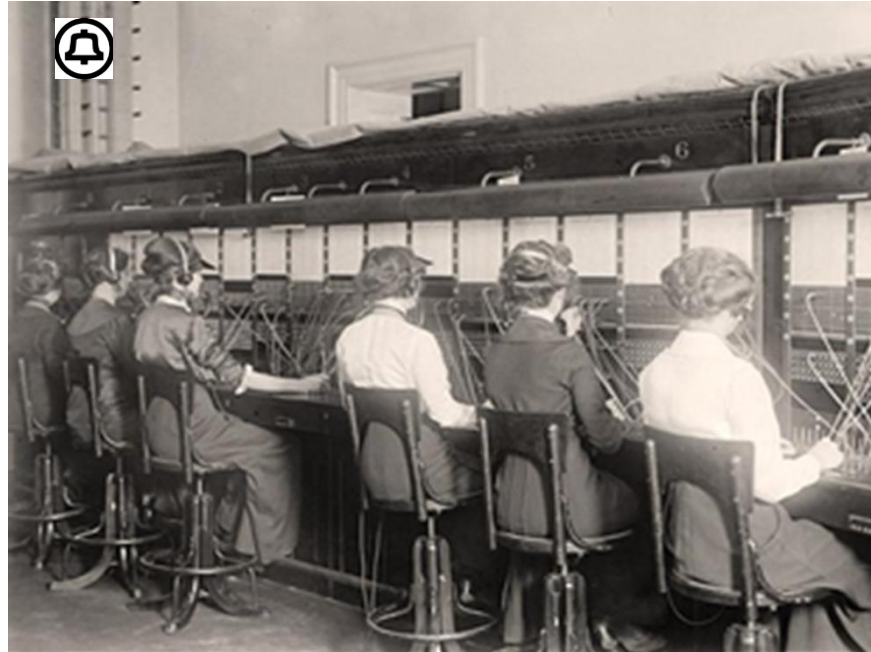


Source: IATA, "The Basic Guide to ONE Order" May 18, 2018. Retrieved 18April2019 from <https://www.iata.org/whatwedo/airline-distribution/Documents/basic-guide-to-one-order.pdf>

What is Ticketless?



Disruption = Innovation



Mortician



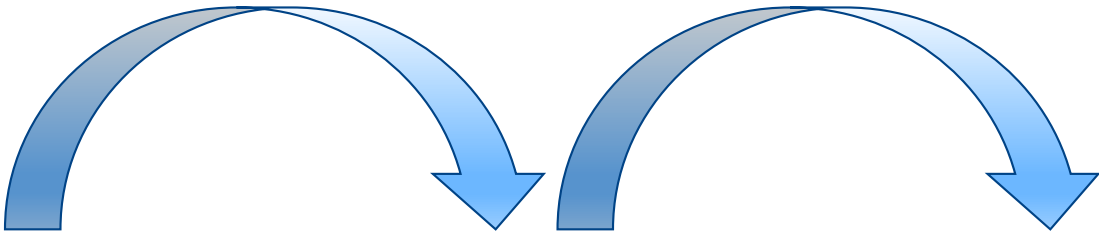
La Porte, Indiana
1891

The Strowger switch was the first commercially successful electromechanical stepping switch telephone exchange system. It was invented by Almon Brown Strowger, and first patented in 1891.

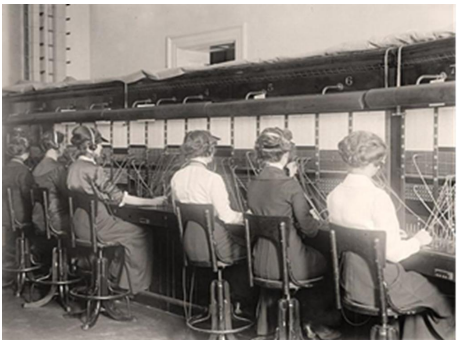
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Disruption = Innovation

Salt Lake City, Utah
1992



MORRIS.
Travel



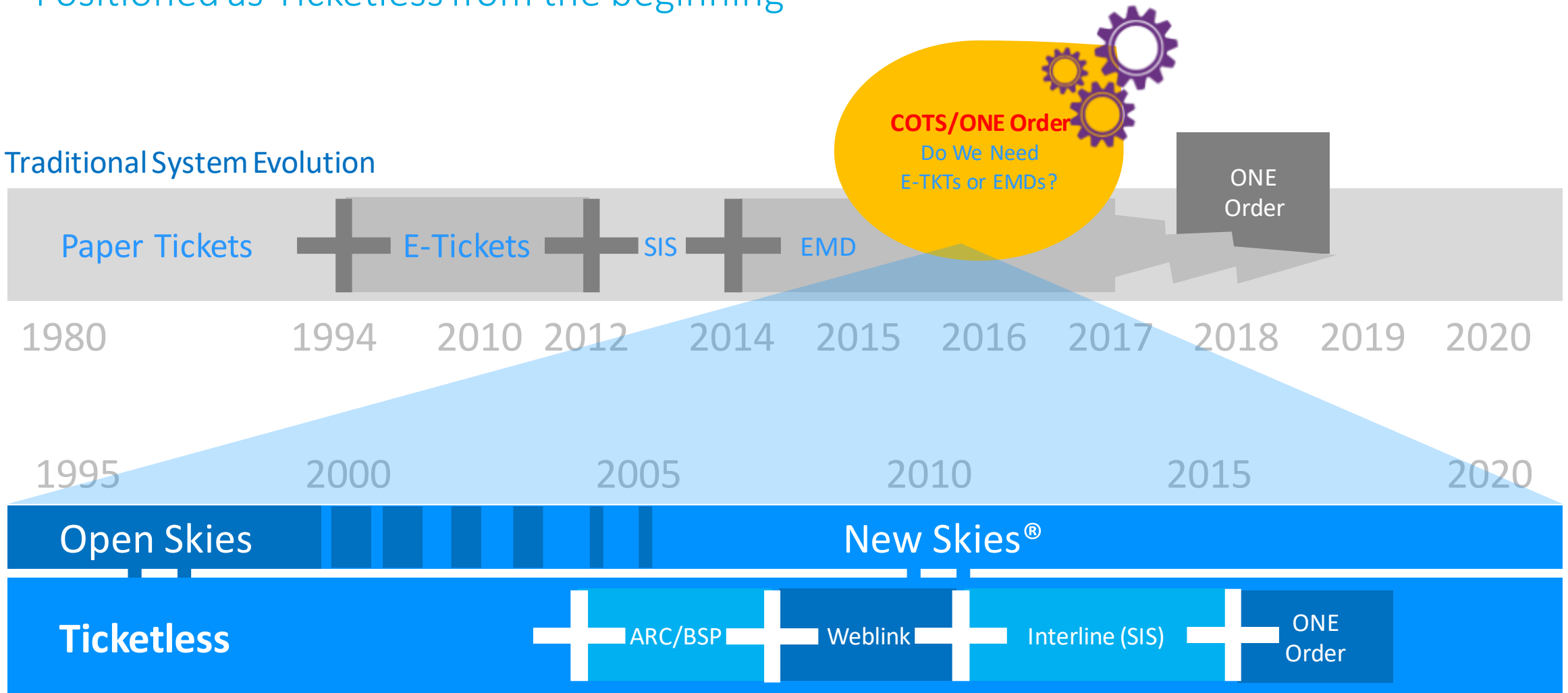
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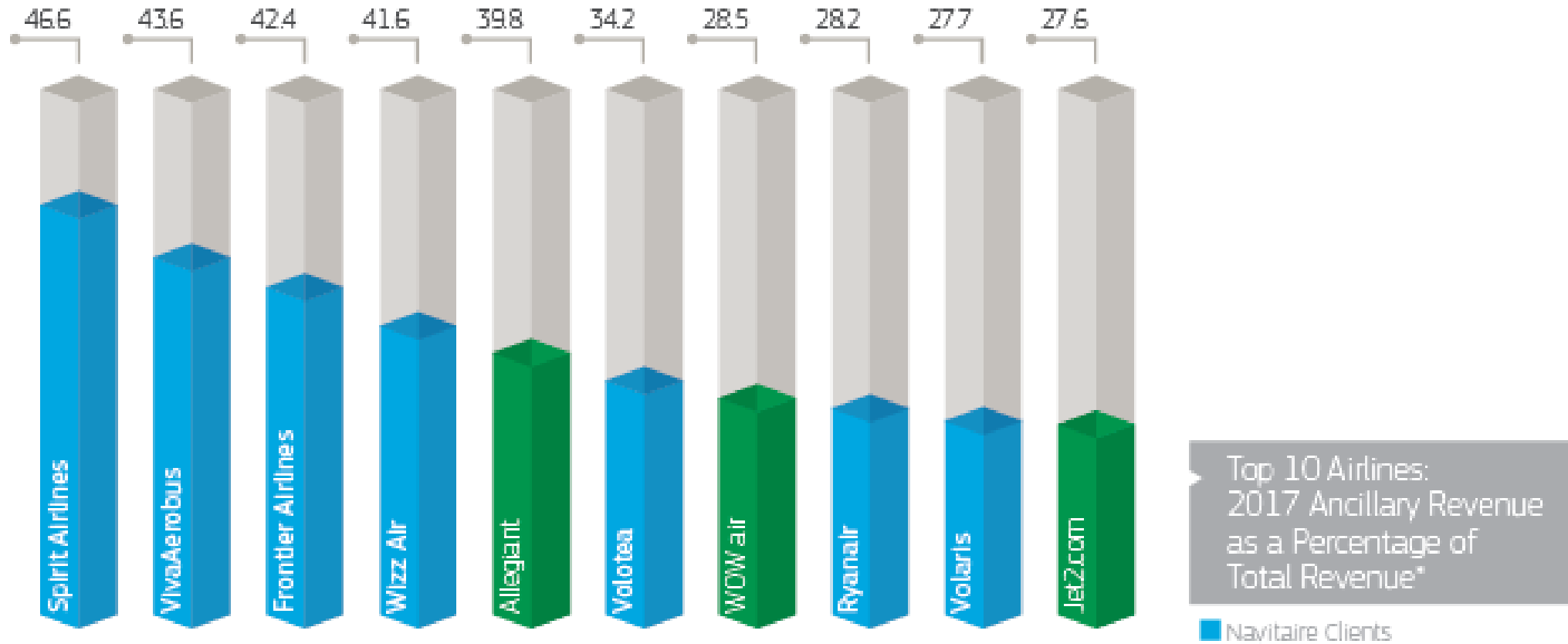
Navitaire's Starting Point

Positioned as Ticketless from the beginning

Traditional System Evolution



Enabling Strong Ancillary Revenue Generation



Source: CarTrawler Airline Intelligence Series 2018:
2017 Top 10 Airline Ancillary Revenue Rankings
by IdeaWorksCompany (July 17, 2018)

Where is the Industry in Terms of Adoption?



NDC and ONE Order Certifications

- NDC

- Four levels of certification
- Four company types (airline, IT vendor, aggregator, seller)
- 160 total certifications
- NDC Leaderboard – “20 by 20 by 20”
- NDC Interline has moved at a slower pace
- <https://www.iata.org/whatwedo/airline-distribution/ndc/Pages/registry.aspx>

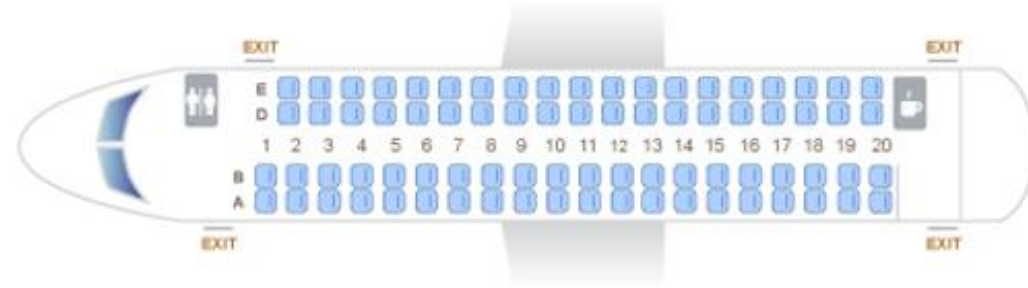
- ONE Order

- Started this year
- Three categories – Accounting, Delivery, OMS
- 12 companies certified
- <https://www.iata.org/whatwedo/airline-distribution/one-order/Pages/one-order-registry.aspx>

Navitaire NDC Gateway

Key functionality

Seat Maps / Seat Fees
Flight Related Ancillaries
Branded Fares with Services
Upsell Opportunities
Shopping Cart



Basic

- 1 Cabin Bag

Essentials

- Cabin Bag
- 1 Checked bag
- Standard Seat

Extras

- 1 Cabin Bag
- 2 Checked Bags
- Priority Boarding
- Preferred Seat



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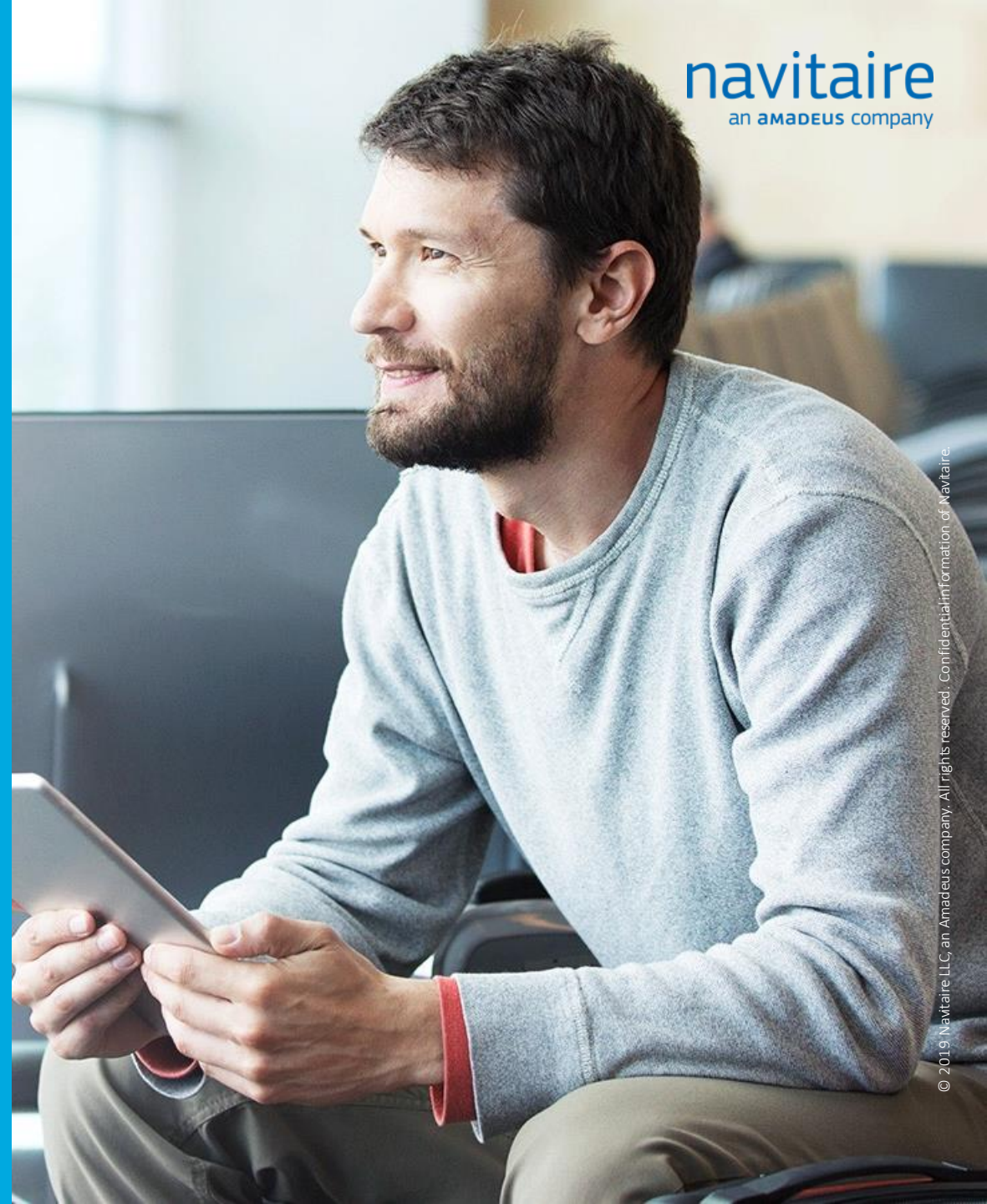
“As the pioneer of ticketless travel since 1993, many ONE Order concepts mirror Navitaire solutions’ founding principles.”

– David P. Evans, Navitaire CEO



Navitaire's Experience with ONE Order

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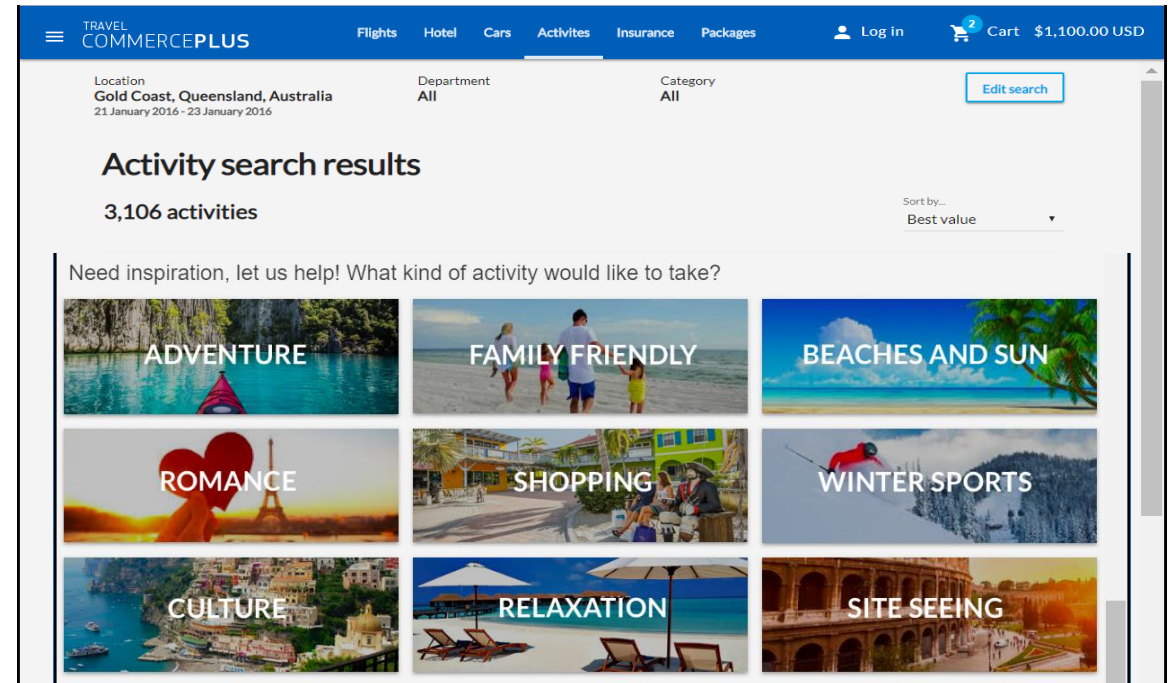




Where Do We Start?

What Tools Do Have at Our Disposal?

- Ticketless reservations system
 - And a hybrid revenue accounting solution
 - Opportunity for an Encapsulated Option
- Packaging solution
 - Originally built outside of Navitaire as a retailing solution
 - Order Based, potential for an On-Top Solution
 - Initial Integration for revenue accounting was based on fitting orders to bookings
 - An opportunity to take a step back





Limit the Scope and Move Fast

- Determination was to pilot with non-flight ancillaries using the Travel Commerce Plus OMS
 - Mapping between Order messages appeared straightforward
 - Intriguing Space – Others were focused on Flights and Flight Ancillaries

Travel Commerce & One Order Message Standards

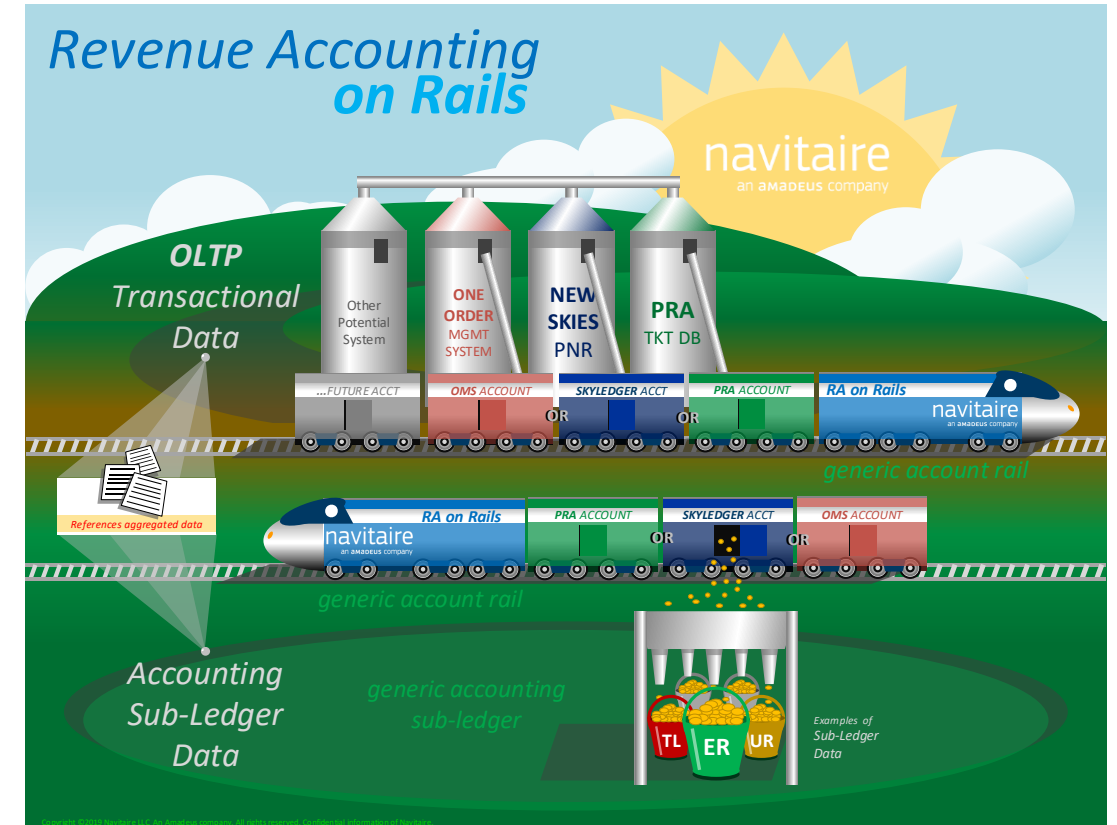
Business Message	NDC	ONE ORDER Proposed	Travel Commerce Message
OrderCreateRQ	☑	-	☑ (OrderCommit)
OrderChangeRQ	☑	-	☑ (OrderCommit)
OrderViewRS	☑	-	☑ (OrderGet/Order)
ServiceDeliveryNotif	-	☑	☑ (OrderItemModify)
ServiceItemRetrieveRQ	-	☑	☑ (OrderItemGet)
ServiceStatusChangeRQ	-	☑	☑ (OrderItemFulfillmentStatusModify)
ServiceStatusChangeRS	☑	☑	☑ (OrderItemGet/OrderItem)
ServiceStatusNotif	☑	☑	☑ (OrderItemFulfillmentStatusModify)



Designing to Developing

Existing Models and Starting the Project

- General approach is not to force transactions to a single model
 - Ticketless into Ticketed, etc.
 - Seek to leave the Order “as-is”
- Already fully address flight components in real-time
 - Fare, tax, fees are already addressed
- Started some development in early 2018
 - ONE Order versioning, basic translation





Key Challenges

Internal and Initial Challenges

- Challenges with our own internal efforts – Schema differences between Travel Commerce Plus (Order-Based) and ONE Order XML
 - Translation of the Travel Commerce Plus OrderItemSkuCatalog into ONE Order Services
 - Handling of pricing of Travel Commerce Plus “included” fees and taxes
 - Handling of Travel Commerce Plus fees and payments not associated to a service
 - All ONE Order fees/payments are required to be tied to a service
- Working with beta versions of the OSIN schema
 - Identifying changes between 18.1v2 and 18.2 schemas
 - Reordered items
 - Renamed items
 - Did not support a simple “diff”
 - Creating a pattern to allow for/manage version change



Key Challenges (continued)

Other Challenges...

- Translating ONE Order Order items and Services into SkyLedger®
 - SkyLedger model supports ticketless and ticketed, versus generic order items
 - Needed to create accounting events based on order changes, not PNR changes
- Understanding what is required versus optional
 - Need to understand impacts based on the hierarchy
- As an early tester, IATA was still performing changes to their certification XSD

Potential Future Enhancements

1

ONE Order OMS Certifications

Travel Commerce Plus
New Skies®

2

Other Messaging Support

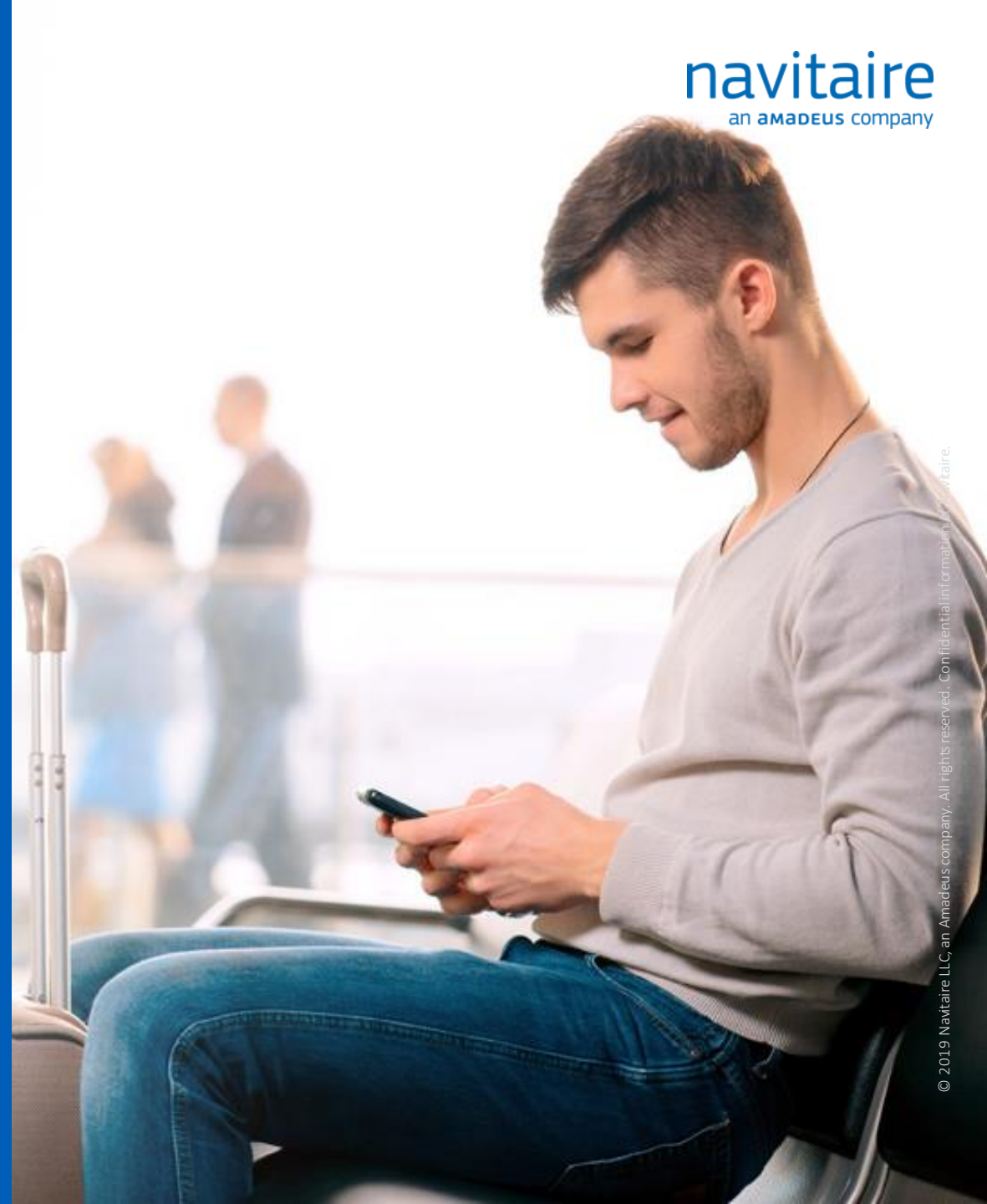
SDN
SDRQ

3

External OMS Notifications

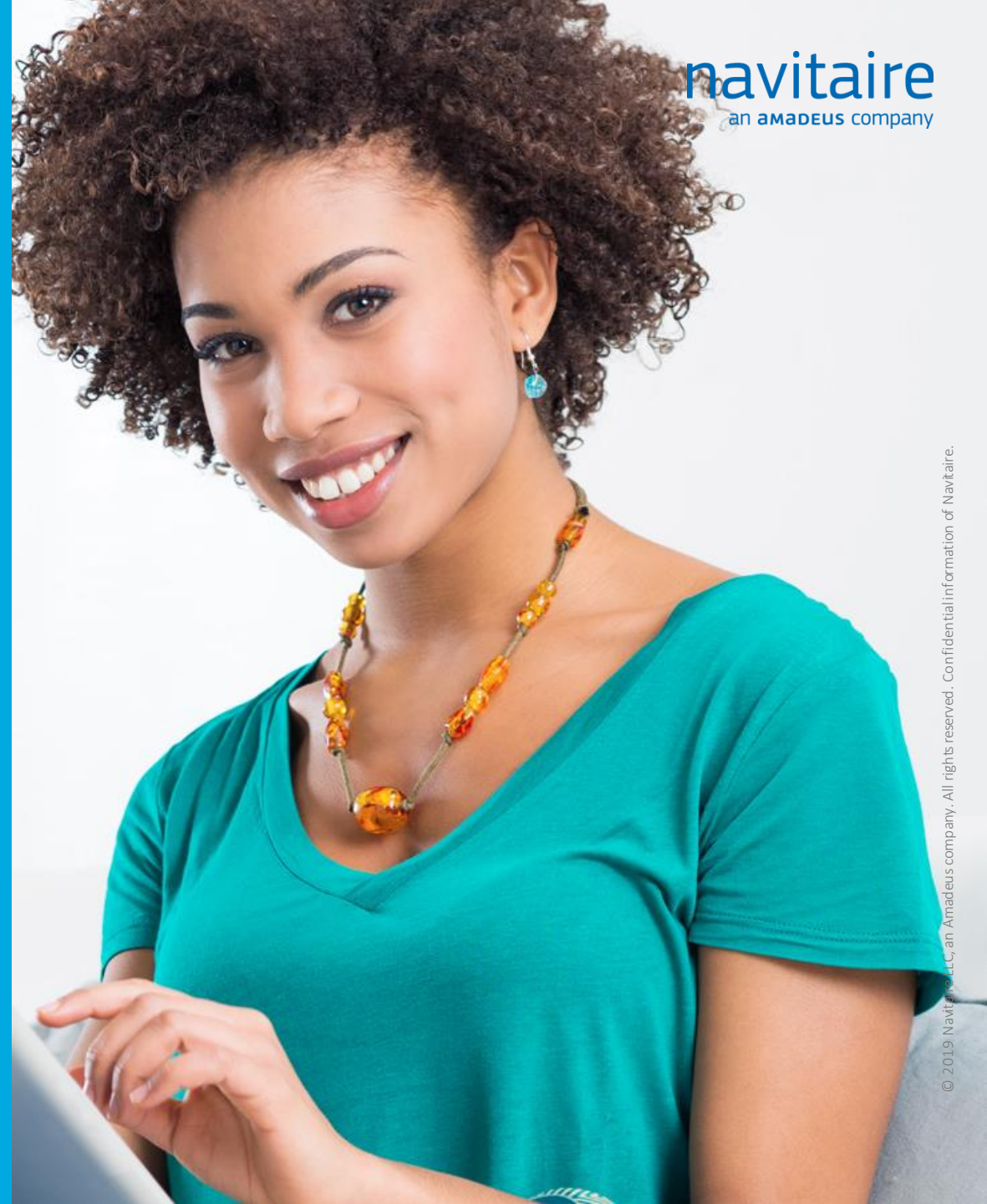
Receive Non-Navitaire
Orders

Demonstration



Opportunities and Challenges with NDC/ONE Order

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Some Purported Opportunities

- Airline ownership of the order – such as ancillaries in indirect channel with richer content
- “Simplification of standards that were driven from legacy concepts”
- “Reduction of fare audit needs”
- “Simplification of complex interline settlement”
- “Simplification of airline-specific revenue accounting solutions”
- Changes the role of BSP
- New entrants, interlining with LCCs...

Some Potential Challenges

- Not mandated – voluntary
- Constantly evolving standards
- Amount of existing processes and complexities
- Timelines, variation in implementations, transition, cost
- Fallback on existing mechanisms versus true transformation
- Audit/pricing requirements – Single source of truth does not eliminate the need for an audit (system errors, etc.)
- Volume (NDC)



Questions?

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