

ATPCO Update

ACH Annual meeting – Seattle

May 2024

atpco



ATPCO is the **foundation of modern airline retailing**, driving customized offers for airlines.



ATPCO is committed to enabling the industry to a point where 80% of all offers sold were dynamically created

Today the industry is at

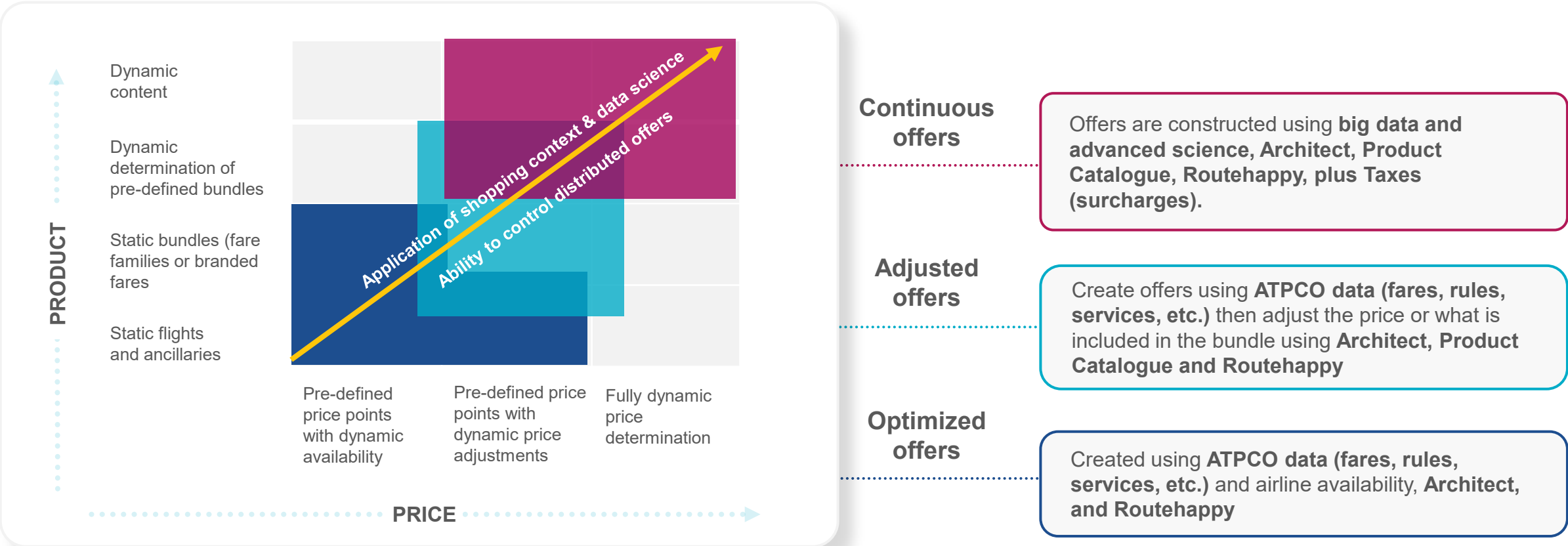
25%

of sold offers being
dynamically created

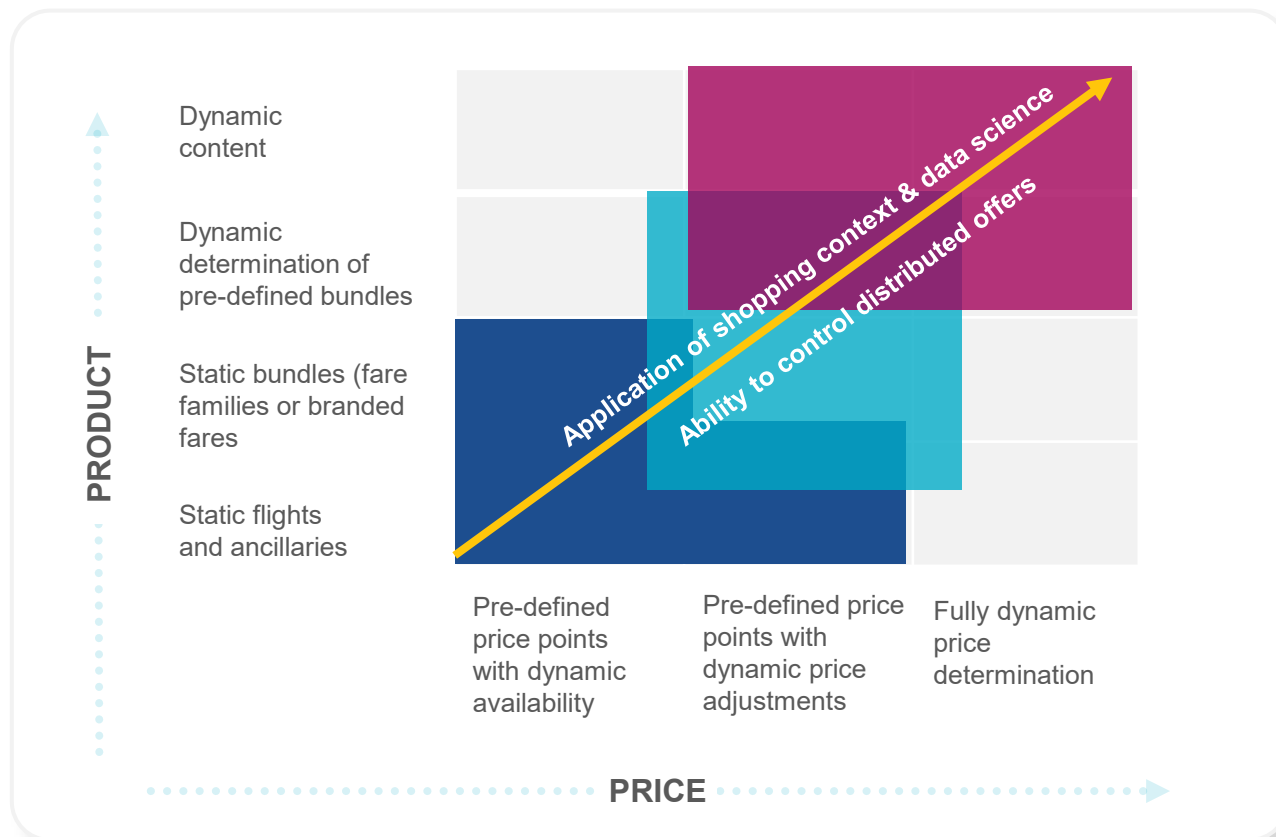


Up almost **50%**
since 2022

Moving forward the industry is reinventing offer construction



Industry progression on dynamic maturity



Optimized offers

138 Basic airlines
(- 46 since 2022)

258 Advanced airlines
(+38 since 2022)

Adjusted offers

16 airlines
(+3 since 2022)

Continuous offers

0 airlines to date

Whether you're an airline, system or channel, we support your work in bringing the **right offer**, to the **right customer**, at the **right time** to drive your business forward.

From creating the offer



To distributing the offer



To presenting the offer



To servicing, settling, and posting the order



Dynamic offers is changing flight shopping by providing the seller and traveler more value than ever before



When presented with customized offers, consumers have **better experiences**, generate **more loyalty**, and possibly choose **higher yielding** products to meet their needs

Creating the offer



Architect



Product Catalogue



Data Lakes

Product Catalogue

From filed fares to dynamic offers

Supplier
Catalogue

Airline to airline

Airline
Catalogue

Offer creation

Airline
Profile

Retailing

Distributing the offer



NDC Solutions Design Team

Presenting the offer



UPAs



Seat Characteristics



Routehappy + NDC

Service, settle, & post the order



Reissue



Taxes



DOT O&D Survey

FareManager Support

Voluntary Changes (Category 31)

In the absence of voluntary changes data or when no applicable provision is matched, **then changes are permitted at no charge and with no restrictions for that fare.**

Voluntary Refunds (Category 33)

In the absence of voluntary refunds data or when no applicable provision is matched, **then a refund is permitted at no charge and with no restrictions for that fare.**

Recommendation

The journey toward a centralized and trusted industry tax source

- Airline support
- Collaboration with IATA

Promote ATPCO's Record X1 as the industry's recommended source for automated ticket tax data

Airlines file ancillary taxation rules with ATPCO due to the lack of an official industry data source for these

Support further IATA & ATPCO collaboration

Industry tax partnership

A blue rectangular graphic with rounded corners and a drop shadow, containing the text "ATPCO-IATA" in white, bold, uppercase letters.

ATPCO-IATA

- Opportunities for synergies in the industry's tax management
- Refine the value proposition for a joint product offering, including a single industry database and point of contact
- Simplification of industry verification efforts to improve data accuracy and consistency of tax calculation
- Ultimate industry goal is to reduce and eventually eliminate billing rejections
- Initial framework agreed by both organizations in early 2024 with a current deeper dive into operational, technical, and governance matters

Relentless pursue of automation



The unprecedented challenge of customer care increased the need to have a standard to be used for tax refunds policy set by authorities and implemented by airlines

- Current automation of tax refund/reuse rules is only 60%, versus automated application of tax rules for original ticket issuance at 92%

Record X3

Automates and centralizes the refund and reuse rules for taxes and carrier-imposed fees.

Sources:

- IATA TTBS
- ATPCO's Carrier-Imposed Fees (Record S1) including YQ-YR, 6H-6K taxes,
- Non TTBS taxes such as DU or XP

DOT O&D Survey

Back in the 60s

- Mandatory reporting of itinerary and price data for a sample (10%) of flown tickets by origin and destination
- Data used to obtain
 - Traffic patterns
 - Air carrier market share
 - Passenger flow

Today

- Final Rule is published by the US government
 - Effective for all travel that occurs on/after 01 July 2025, with first monthly O&D Survey submission due by 15 September 2025





Optimized Offers

- Market Analysis Subscription
- 3Victors (PriceEye & DemandView)
- Assembled Data
- Price Elements
- Architect

Adjusted Offers

- Market Analysis Subscription
- 3Victors (PriceEye & DemandView)
- Assembled Data
- Price Elements
- Architect

Continuous Offers

Data Lakes

Pricing & Market Intelligence

Product Sophistication

- FareManager
- Routehappy
- Branded Fares
- Baggage/Optional Services
- Taxes

- **FareManager** → **Architect**
- Routehappy
- Branded Fares
- Baggage/Optional Services
- Taxes

Product Catalogue

Pricing Sophistication

- Positional Match
- Quantum Pricing
- Dual RBD

Advanced quantum pricing

Data Lakes

Distribution Strategies

- Pricing & Shopping Subscriptions
- Express Contracts

Enhanced distribution

Data Lakes

Revenue Accounting

- RASS
- ISR
- PIPPS

Utilities supporting offers & orders

Product Catalogue

Product Catalogue
Data Lakes

Taxes

Routehappy

Architect

atpco

The foundation of
modern airline retailing

atpco.net