ONE Order Program Summary

Industry background

Since the existence of the internet, airlines invested both in their e-commerce platforms and their legacy Passenger Service Systems (PSS). The integration between the two is expensive and created duplication costs. In parallel, the industry moved away from paper tickets and achieved the first phase of digital transformation in 2008 (with 100% e-Ticket) and 2014 (with 100% EMD).

The second phase of digital transformation was initiated in 2012 by NDC, with the goal to transform the distribution ecosystem. NDC is architected around modern retailing concepts but still relies on integration into today's PSS, in particular on the e-ticketing processes.

Consequently, for more than 20 years, commercial departments of airlines have been investing a lot in retailing capabilities - initially in direct sales with Internet Booking Engines and more recently in indirect distribution with NDC - but still face the limitations due to current legacy paper based backend processes in their PSS.

ONE Order complementing NDC & simplifying the ecosystem

Given all these limitations, ONE Order was initiated in 2015 to complete the modernization started with NDC and close the integration gap between today's PSS and e-commerce retailing platform.

Airlines are expected to progressively implement NDC Order management over the coming years. Fundamentally this will require investment in an Order Management System. This additional system will be orchestrated with current core PSS functions (Reservation & Ticketing) based on PNRs and ETKTs/EMDs in NDC until ONE Order can replace these legacy concepts.

While NDC is increasing airline control and flexibility, ONE Order is substantially reducing the complexity generated from a historically paper based industry. Together, these industry transformational projects are putting in place a long term framework for Enhanced & Simplified Airline Distribution. The table below clarifies the ONE Order Program scope against NDC and lists the additional benefits it brings to indirect distribution
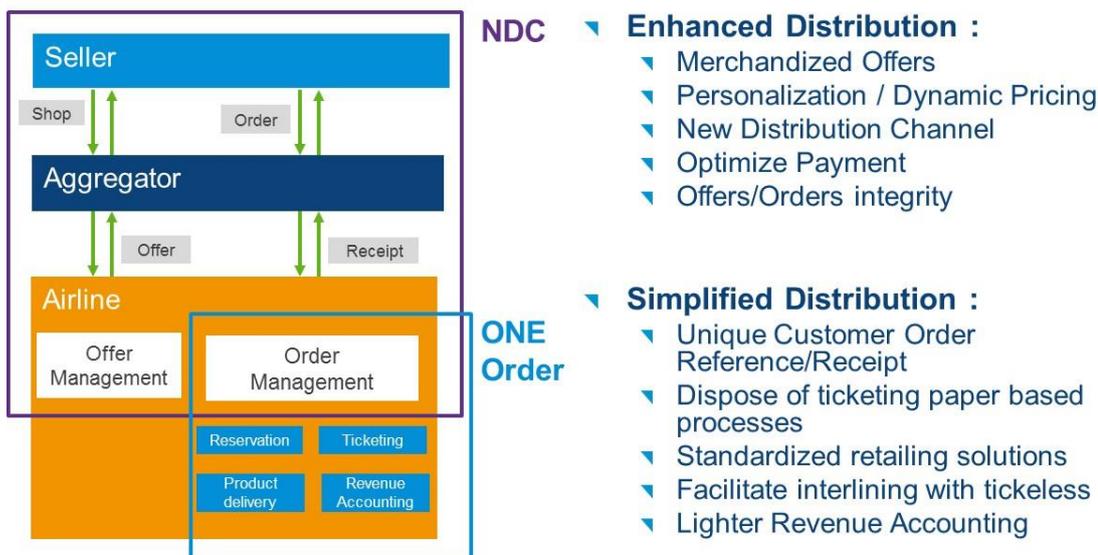
Fig 1. Enhanced and Simplified Distribution

What is ONE Order?

ONE Order is an XML based data exchange messaging standard generated from the Industry Data Model. Its purpose is to standardize the communication between Airline Order Management, Revenue Accounting and Delivery Providers.
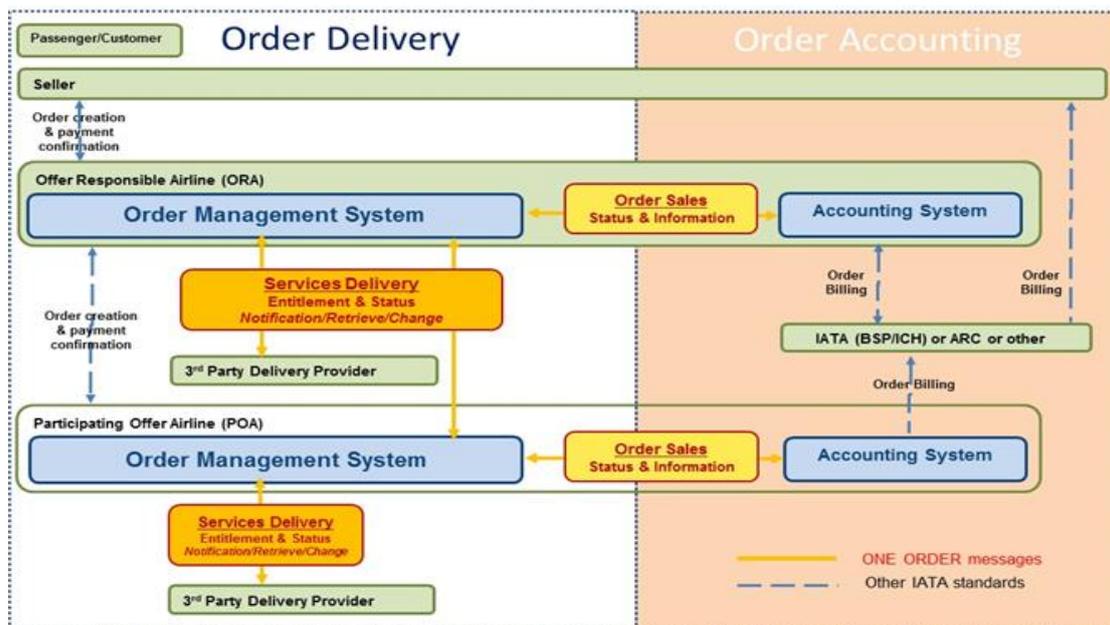

Fig 2. ONE Order Resolution 797

It introduces concepts such as delivery status and internal values in order to replace current paper based mechanisms used for delivery tracking and accounting purposes.

ONE Order highlights:

- ✓ Not mandatory
- ✓ Not a System
- ✓ The aim is to combine information already existing on PNRs, ETKTs, EMDs into a single structured and flexible electronic record

Why ONE Order?

ONE Order addresses the inefficient processes and unnecessary costs, inherited from a paper-based world, related to a customer purchase record. ONE Order eliminates the current booking and ticketing records and combines the content of those into a single retail and customer focused order.

For Travellers

The value ONE Order brings to customers is consolidating their purchase information in a uniquely identifiable order and eliminating the need to juggle between different reference numbers and documents along their journey. It will greatly simplify the passenger experience particularly when dealing with changes or disruptions. Along with the consolidation of information, passengers will be better informed about the delivery status of services they have ordered providing a comforting/reassurance factor throughout their journey.

For Airlines

It will enable airlines to sell, account and track the delivery of new flight and non-flight products and services in a seamless way, bringing airlines closer to other retailers. It will also allow the expansion of travel options of other means of transport such as train, taxi. It will allow airlines to be agile, to innovate and move from PNRs, ETKTs and EMDs, towards Orders and Services.

By moving towards a standardised retail architecture, ONE Order will simplify the cooperation of Full Service Carriers and Low Cost Carriers in terms of distribution, delivery tracking and accounting. This is one of the biggest value proposition to the industry next to intermodal transportation options such as taxi or train.

Delivery Providers, such as Ground Handlers, will benefit from obtaining complete and structured information about the passengers and their associated services to be delivered. New Delivery Providers, such as taxi, parking or lounge operators, would be able to streamline their relationship with airlines in terms of delivery and accounting processes.

With regards to accounting processes, ONE Order promises to streamline and simplify accounting functions and processes by moving from accounting electronic documents towards accounting of payment for services ordered. At the same time, it would enable the

accounting of auxiliary services to a flight offering such as airport parking, lounge access or fast track security, in a more retail oriented manner without the use of any accountable documents (EMDs).

For Travel Agents

Travel agents will be able to follow an identical process to book flights and products from airlines, regardless of the airline's business model or technology capability. This will expedite the service they provide, and will increase productivity.

For Technology providers

Technology vendors will be able to deliver real-time information on travellers, and their travel purchases, to their application users. This translates to data consistency and accelerated reporting. By de-specializing the airline industry and bringing it closer to an Amazon retail style architecture of Orders, Order items and Services, opportunities for new IT providers of Order management and Delivery management solutions will emerge driving industry competition and innovation further.

ONE Order so far – Standard development

The overall case for change was presented to the IATA Board of Governors in 2015 to complement modernization started by NDC. On the 4th of December 2015, the board approved moving forward with phase 1 of the program, standard development.

The IATA Board tasked the IATA Financial and Distribution Service (FDS) Transformation team with developing a standard messaging and resolution together with producing a transition study for the industry. The ONE Order Task Force was created for this purpose, consisting of a group of airlines, GDS and various IT vendors (PSS, Revenue Accounting System, E-commerce platform). This task force - reporting to the Passenger Distribution Management Group (PDMG) - is meeting several times per year.

On 19th of October 2016, IATA members adopted the ONE Order resolution 797 at the Passenger Service Conference: enabling the industry to work with Orders in the future and move away from today's booking (PNR) and accounting documents (E-Tickets and EMDs).

Since then, considerable amount of work has been done by the industry under the ONE Order taskforce into creating the industry requirements of the first standard release. ONE Order is currently at its standard development phase aiming for its first official release in 2018. A number of iterations of the ONE Order Business Requirement Document and the XML schemas have been created in order to allow review and testing to happen in an agile manner, while the requirements are finalized.

ONE Order Pilots and Supporting Organizations

In November 2016, IATA sent out a call for pilot participation with the overall objective to validate and enhance the ONE Order business requirements and the schemas. IATA also provided the framework and required coordination between parties.

A number of companies joined the pilot program since, with the aim to evaluate the candidate schemas and their impact to current standards and processes. **Amadeus, Sabre, SAP Hybris, InteRES, NiiT, Aviasoftica** are some of the companies that gave their consent to be publically named. The feedback from their experience is being reviewed within a subgroup of the ONE Order Taskforce in order to ensure feasibility of the schema usage scenarios and to fill in any of the raised shortfalls or gaps present.

In the next couple of years the pilot program will continue its dual role as part of the standard setting activity, feeding back input into the taskforce, while helping drive industry engagement, capability and adoption.

A number of companies chose to show their support for the initiative, the list of supporting organisations as of this document release date (also available on www.iata.org/oneorder).
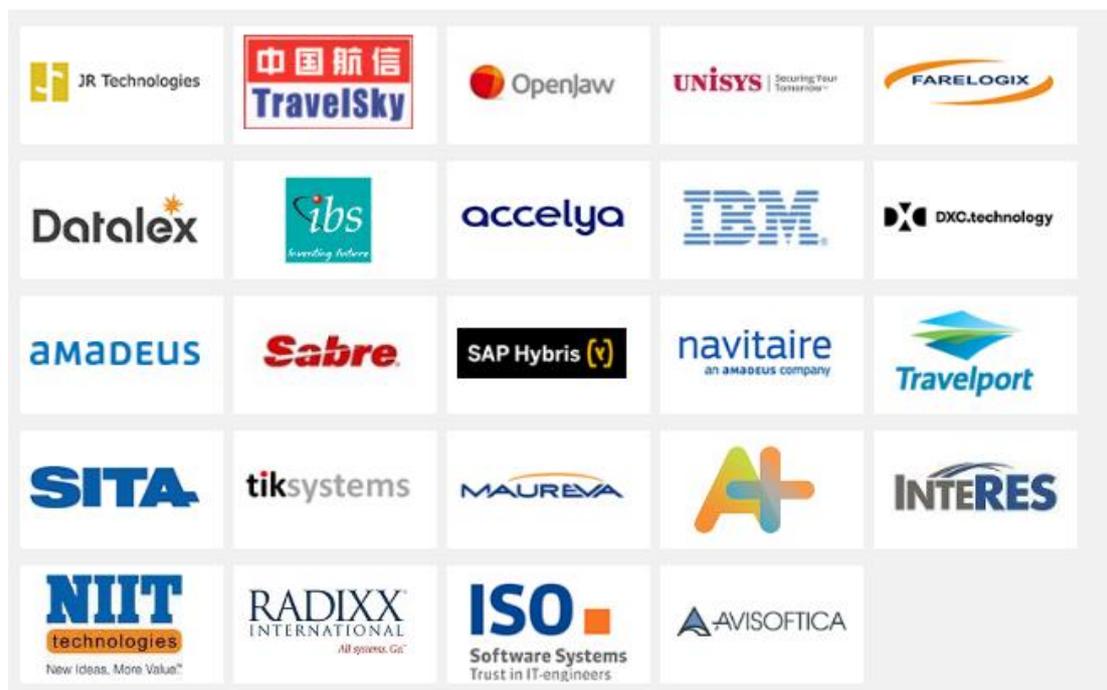

Fig 3. ONE Order Supporting Organizations

Roadmap

With the release of the first messaging standard planned for 2018, ONE Order will finish its initial Phase of Standard Development and move in its second program phase of Industry Capability and Adoption.

2015	2016	2017	2018	2019	2020	2021

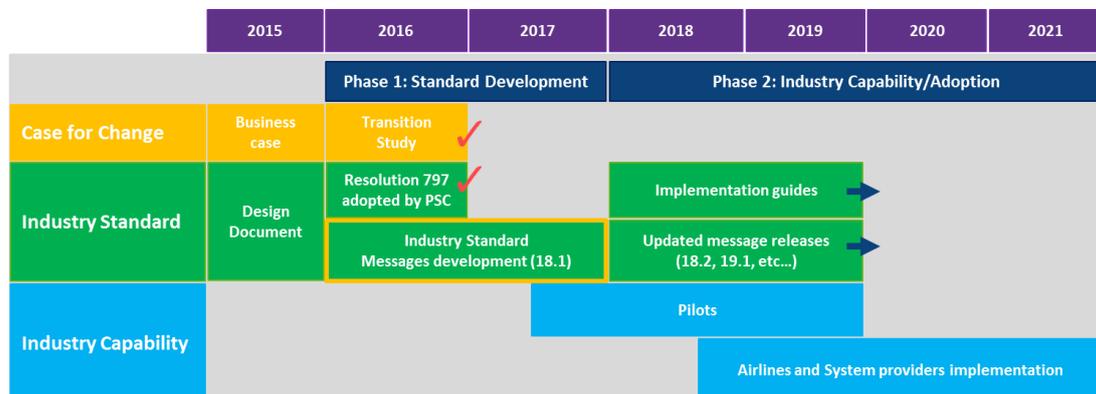|			Phase 1: Standard Development	Phase 2: Industry Capability/Adoption		
Case for Change	Business case	Transition Study ✓				
Industry Standard	Design Document	Resolution 797 adopted by PSC ✓	Implementation guides ➤			
		Industry Standard Messages development (18.1)	Updated message releases (18.2, 19.1, etc...) ➤			
Industry Capability			Pilots			
				Airlines and System providers implementation		

Fig 4. ONE Order Roadmap

The standard will continue to evolve expanding its scope to cover irregular operation scenarios and complex itineraries to name a few. This will continue within the framework of the ONE Order taskforce. As requirements are consolidated, they will be reflected in the upcoming IATA message release versions (PADIS 18.2, 19.1 etc).

At the same time piloting of the new functionality embedded in the releases will continue. Proving the value proposition, ensuring the schemas are fit for purpose and viable are some of the key objectives of the pilot program. Implementation experiences and best practices will be shared with the industry following a similar path as done for the NDC schemas, first being presented in various IATA standard setting activities and ultimately included in Implementation guides as the standard evolves.

Summary

 The ONE Order standard has great potential to drive revenues and lower costs. This potential is considerably greater in combination with NDC. The transition to ONE Order will be a large scale transformation project with a comparable timeline. Key aspects of the transformation are the acceptance within the organisation internally and externally, as well as the cooperation with industry partners.

The ONE Order project vision is ambitious and is not going to happen overnight: it will move the industry toward a single airline customer order, and away from today's booking (PNR) and accounting documents (ET/EMD).

The industry is on a journey for transformation. NDC and ONE Order programs will substantially reduce the inefficiencies generated from a paper based legacy by de-specializing airline constructs, processes and improving customer service.