Is the ecosystem ready for 100% Offers & Orders?

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BCG

#IATAWFS  #IATAWPS
The State of the Airline Retailing Ecosystem, According to Industry Leaders

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<th>Readiness</th>
<th>Commercial systems provider</th>
<th>Accounting systems provider</th>
<th>Sellers &amp; Distributors</th>
<th>Travel partners</th>
<th>Ground service and operation systems</th>
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**SOURCE**  
BCG x IATA collaboration, 2023
Leading airlines are stepping into the core of the Offers & Orders transformation

Current state of leading airlines

2013-2020
Setting up NDC

2015-2022
Redefining the channel strategy

2018-2023
Setting up ONE Order

2023-2025
Modernizing IT systems for Offer Management

2023-2025
Materializing Offers benefits

2023-2025
Defining IT systems for Order Management

2025-2025+
Modernizing IT systems for Order Management

2025-2030
Materializing Offers and Orders full benefits

SOURCE: BCG x IATA collaboration, 2023
Other industries have managed similar transformations...

...and there are lessons that might hold for the airline industry

**No big-bang transformation**

Hybrid period in which new and old technologies co-exist is probable, and airlines should expect higher costs during the transition

**Accelerating mechanisms are catalysts**

Mechanisms such as mandates, regulations, or industry-driven standards are often deployed and help accelerating the transition period

**Front-runners could gain advantages**

Innovative players (airlines or partners) who get to Offers & Orders first will have the opportunity to capture share of the airlines that are not acting
Industry call-to-action: finding a path forward

1. Move on from obsolete processes
2. Adopt practices from other industries
3. Drive internal change
4. Consider accelerating mechanisms
5. Innovate to keep strong relationships
Thanks.

For further readings, use the QR code below and for any questions, get in touch at Guerrini.Alberto@bcg.com

“Successful Airline Retailing Requires Industry Partnerships”