

+ <u>ONE</u> Order

WHY IS THIS IMPORTANT?

The ONE Order program aims to support airlines in their digital transformation and is part of <u>IATA's Industry</u> <u>Priorities</u> set by the association's Board of Governors.

ONE Order will change how airlines manage the fulfilment, servicing, delivery and accounting of their products. It is focused on simplifying the airline reservation, delivery and accounting systems by gradually phasing out the current booking (PNRs) and ticketing records (ETKTs and EMDs), and combining the contents of those into a single retail and customer-focused Order.

It will substantially enhance the industry's ability to service customers and improve the passenger experience thanks to the uniquely identifiable Order, encompassing all the journey and purchase information, and shared across all entities. This will help passengers to be better informed about the delivery status of services they have purchased, providing a reassurance factor throughout their journey.

ONE Order also aims at unifying the interaction processes between airlines and other transportation service providers. As a result, the scope of the airline offering to the customer can be increased, independent of the purchasing channel; and the number and variety of products brought to market can be expanded.

However, it is not just airlines and passengers who will benefit from ONE Order; the entire travel value chain will be rewarded as well. This includes such players as:

- Technology vendors that will be able to deliver real-time information to travellers and their travel applications. That's because de-specializing the airline industry and bringing it closer to a retail architecture creates opportunities for new IT providers (e.g. order management, delivery management solutions). As a result, new delivery providers, such as taxi, parking or lounge operators, can streamline their relationship with airlines in terms of delivery and accounting processes without the use of paper-based constructs and processes.
- Third party Sellers (e.g. Travel Agents, OTAs), when using ONE Order especially in combination with NDC will be able to follow an identical process to book flights and purchase products from air-

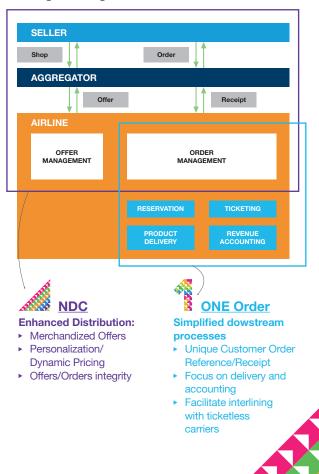
lines. Duty of care requirements will be enhanced by enabling access to the same delivery information of flight and non-flight services in the Order (e.g. lounge access), based on the airline's rules. ONE Order may enable considerable simplification of back office processes by providing combined and structured data of the complete journey information.

ZOOM INTO THE TOPIC

As far as Order Management is concerned, NDC covers booking (order creation) to the payment and issuance of accountable documents (ETKT/EMD), as well as servicing of the order (e.g. making changes to the booking).

ONE Order goes beyond this by consolidating the complete order into a single record, uniquely identified, and focusing on the following main functions: fulfilment, servicing, delivery and accounting.

The illustration below clarifies the scope of the ONE Order Program alongside the NDC one:



In summary, ONE Order will:

- Combine information already existing in the PNR, ETKT and EMD into a single Order record
- Extend the NDC program to provide message standards facilitating order delivery and accounting
- Enable monitoring of the Order statuses (delivery and accounting) of individual services, regardless of the channel and the distribution methodology through which the order was created
- Streamline and simplify accounting functions and processes by moving from accounting of electronic documents toward accounting of payment for services ordered
- Define the principles of ownership, management and control of the Order elements between entities

An airline can theoretically choose to implement ONE Order in any channel (NDC and/or non-NDC enabled), but to gain the full benefits of the order management processes, it is recommended that there is a joint consideration of these two initiatives with a potential phased implementation starting with NDC.

INDUSTRY STATE OF PLAY

In 2018, the goal was to measure the robustness of the standard, feasibility and readiness by having several ONE Order pilots completed at the industry level and release the initial message version.

As of 2019, IATA will provide a framework to monitor the level of ONE Order capabilities of IT vendors and airlines. This translates into the opening of a certification program that will support and monitor the adoption of ONE Order.

From 2021, it is expected that NDC will have reached a critical mass and the ONE Order standard will have been tested with several pioneer airlines. At that point, the stage will be set for the move towards mass rollout, for which the strategy has still to be defined by the industry.

More detailed information on ONE Order website.

