IATA Innovation 2023: An Overview

In 2023, the IATA Innovation Team spearheaded advancements in the industry in a range of topics. From achieving the first digital end-to-end journey proof of concept using digital biometrics to connect distribution with service delivery, to the successful in-house transition of the first industry-owned tech accelerator - Accelerate@IATA—the team achieved their annual objectives by aligning with the emerging innovative trends in the business.. This comes at a time when airlines are providing richer content due to increased customer demand for innovative solutions in enhanced retailing and customer experience. Innovation@IATA seeks to be the facilitator that will make this innovative transformation possible for the industry.

Accelerate@IATA

Following the termination of Accelerate@IATA's collaboration with a startup recruiter in the beginning of the year, the Innovation Team dedicated the year to bringing the program inhouse. Since its in-house launch in September 2023, Accelerate@IATA has organized three segments on the following topics: Digital Identity (Sept 23), Delivering on New Partnerships for Offers and Orders (Nov 23), and Digital Payments Options for the Customer (Jan 24). To date, the program consists of seven airlines (with four to be confirmed in the coming months) and has resulted in four confirmed pilots with two more in discussions.

Accelerate@IATA plays a pivotal role in bringing startups into the airline industry. Much of the sourcing is focused on finding startups who have had success in other industries, such as fintech and banking. Startup sourcing involves a

640%
Increase in web traffic on the Innovation Hub

4
Confirmed Accelerate@ IATA Pilots

Innovation@IATA
Key Highlights

22
Participants in the E2E PoC

combination of self-sourcing and collaboration with an ecosystem of incubators, venture capital companies and accelerators in travel and fintech. Building relationships with these partners helps IATA track emerging industry trends and what likely represents future adoption of new technologies by member airlines.

Through the educational curriculum of Focus Weeks, and one-on-one mentoring sessions, Accelerate@IATA aids startups in aligning their solutions with airline architecture, diversifying the market with innovative products for airlines to incorporate into their systems. In 2023, two Focus Weeks were held (each a three-day virtual event featuring industry speakers), providing startups with insights into Modern Airline Retailing initiatives, and conducting segment-specific deep dive sessions.

Airlines also receive dedicated educational sessions for each segment, featuring IATA Subject Matter Experts (SMEs) to get them up to speed on the latest industry efforts and general technological advancements. The sessions with the SMEs encourage engagement through discussing airlines' own lessons learned and experiences, to help their peers address innovation in the different fields that Accelerate@IATA touches upon.

Additionally, airline members have requested more visibility on IATA's Accelerate@IATA efforts in different areas, such as Sustainability, Ground Handling, MRO, etc., as well as industry progress and other areas of interest. Hence, The Accelerate team also provides a bi-monthly innovation report highlighting industry trends, updates from the Innovation Team, and developments in selected Advisory Councils.

The Lab

An accomplishment for Innovation@IATA was The Lab's End to End (E2E) Proof of Concept (PoC) on Digital Identity. This initiative brought together six airlines, 10 IATA Strategic Partners, two airports, and four governments, creating a seamless passenger journey from booking to arrival using only digital identity and biometrics. The live demonstration, from London Heathrow to Rome-Fiumicino Airport, was featured at the annual World Passenger Symposium (WPS) and World Financial Symposium (WFS) in Chicago, and following the demo, gained additional recognition on platforms such as Forbes and Phocuswire for its transformative impact on the passenger experience.

One of the highlights of The Lab is its program design, which enables better collaboration with other teams within IATA in their business objectives' innovation journeys. With respect to the E2E PoC, the Innovation Team worked closely with our Operations, Safety and Security (OSS) Division to facilitate the project implementation.

The Innovation Team also collaborated with OSS to develop the Preview Paper for the Digital Identity E2E PoC. This comprehensive paper outlined the different use cases in the traveler journey involving digital biometrics and the technologies implemented by project partners to design the E2E journey's framework.

The overarching goal is to continue supporting different business objective-based innovation journeys across IATA divisions, becoming a reference for innovation queries and frameworks both internally and externally. Internally, we hope to achieve this by the continued launch of new PoCs in the upcoming year, as well as supporting teams on a quarterly basis through the Accelerate@IATA's unique 3-month program structure.

By providing a space that brings the entire value chain together, The Lab facilitates industry collaboration to solve challenges collectively. This unique framework for innovation creation makes The Lab a valuable space for addressing challenges that seem unfeasible to a single airline or tech provider.

Tech Watch / R&D

The Innovation Team collaborated with multiple teams in IATA on ideation creation and tech watch for future industry evolutions. Notably, a roundtable discussion held on our annual Innovation Day in June sparked the creation of a Generative AI paper, addressing challenges and opportunities in implementing Generative AI in various airline operations, with specific use cases that were composed by the attendees of the Innovation Day, and further development in collaboration with IATA's Information and Data team. This paper, developed with the Generative AI Task Force, was presented at WPS/WFS 2023.

Another facet of this year's tech watch involved work on a report on sustainability that specifically delved into the customer's end-to-end journey in an era marked by sustainability initiatives and frameworks. The team collaborated closely with Sustainability & Economics (S&E) to present the inaugural article in the Innovation Hub Newsletter. The article drew insights from the S&E team, shedding light on opportunities to utilize AI in preventing non-CO2 emissions and exploring advancements in reducing cabin waste, among other topics.

These articles foster internal collaboration among various departments. Such research acts as a catalyst for future projects that can be initiated in The Lab, through collaboration with our Digital Innovation and Sustainability Strategic Partners, or with startups in an Accelerate@IATA segment. By spotlighting ambitious topics, our aim is to raise awareness and encourage the industry to collaboratively tackle challenges that may initially appear impossible into actionable projects.

Communications, Engagement, Events

Within the sphere of communications, engagement, and events, the Innovation Team reinforced IATA's role as an innovation leader in the aviation industry.

The Innovation Hub recorded a significant 640% increase in traffic and engagement. This uptick reflects a growing interest and engagement with our initiatives. Strategic partner engagements reached a new high, with 19 confirmed Strategic Partners to date. These collaborations expand our network and contribute significantly to the success of our innovation programs.

A highlight on our events calendar was the successful Innovation Day in June, attracting over 100 participants, 41 of them being airlines in addition to tech providers, startups, and other industry stakeholders. This event served as a key platform for collaboration and insight sharing within the aviation ecosystem.

An important aspect of Innovation Day was the Generative AI innovation roundtable, which provided the basis for a report that outlines industry perspectives on the risks and opportunities associated with Generative AI.

Our commitment to industry knowledge sharing was demonstrated through the organization of four virtual webinars, focusing on Modern Airline Retailing and innovative practices. These sessions provided practical insights for industry players navigating their digital transformation journeys.

The team also plans to continue publishing tech and aviation thought pieces on the <u>Innovation Hub</u>, to spark discussions about the future of various technological use cases. By positioning ourselves as thought leaders, we aim to provide valuable insights to our target audience of value chain partners, inspiring them to leverage our innovation resources.

These achievements highlight our commitment to creating a collaborative space at the intersection of innovation and aviation, and our hopes to continue to drive progress within the industry.