

It was game on at Elevate 2021 as we joined together in a global forum of airlines, sales channels, and technology innovators to discuss the future of airline retailing, including next-generation shopping, distribution, offer management, dynamic pricing, emerging technologies, and more.

WHO WE HEARD FROM

accelya

PhocusWire

HAWAIIAN AIRLINES

AIR CANADA

Southwest

KAYAK

BRITISH AIRWAYS

UNITED AIRLINES

uplift

T2 TRAVEL RESEARCH

Trip.com Group

AMADEUS

aws

DELTA

TRAVELPORT

MEET THE PLAYERS

INDUSTRY REGISTRATIONS

PRICING & RM

35%

SALES, FINANCING, REV ACCOUNTING

14%

IT & TECH

14%

DISTRIBUTION

9%

MARKETING & DIGITAL

9%

OTHER

19%

2021年 中国航空市场展望

2021年 中国航空市场展望

2021年 中国航空市场展望

2021年 中国航空市场展望

2021年 中国航空市场展望

2021年 中国航空市场展望

WHAT WE LEARNED

Elevate 2021 gave players a chance to explore fundamental questions associated with airline retailing through the 13 sessions offered.

How can I improve the shopping experience (display) of my offer/product?

Next Generation Storefront: The level up we've all been waiting for

The quest for the ultimate retailing experience

How can I better construct my offer?

British Airways' use of Dual RBD for Dynamic Pricing (case study)

United Airlines' use of Express Contracts (case study)

Exclusive sneak peek of Architect

How can I improve how my offer is distributed?

Getting NDC to scale: It's not really about the pipes anymore

Keynote by Jane Sun, CEO of Trip.com Group

What should I be considering regarding settlement of the order?

Keynote by Brian Barth, Founder & CEO of Uplift

How can the ATPCO community and we make it happen together?

The battle to the game? Here's how ATPCO can help

Emerging tech starts with the cloud

Why DEI is good for your bottom line

How Councils explore which paths we should take

Balancing the environment and your bottom line: A chat on sustainability

NEXT GENERATION STOREFRONT:
THE LEVEL UP WE'VE ALL BEEN WAITING FOR

Despite recent advances in airline retailing, the airline shopping experience is still limited compared to other industries. ATPCO's Next Generation Storefront (NGS)™ is solving this problem.

NGS is a program that levels up the flight shopping experience, making it possible for travelers to shop for the products they want in a familiar, modernized way.

NGS has evolved significantly in the past two years. In industry feedback, NGS is focused entirely on enhancing innovation with industry standards and reliable underlying data.

A core aspect of NGS is the capability to shop by attribute and comparison shop with accurate and consistent results. Because the data comes from ATPCO, shopping results are more useful and contextual for the shopper. Airline product attributes are fundamental to the airline retailing and to the NGS program of innovation.

NGS also supports the concept of shelves, which channels can use to organize different products in ways that suit their customers.

These data elements uniquely define and differentiate an individual airline's service or product, along with optional visual content. Here's how it works:

Airlines participating in NGS file with or receive their data from ATPCO.

Next, NGS channels bring airline product attributes to life in the form of inspirational shopping experiences.

Any channel that uses ATPCO data and standards to evolve beyond simple product shopping and enables consumers to shop for the products they want is an NGS channel.

NGS principles are live in action today, as demonstrated by a growing number of OTAs and corporate booking tools.

Are you ready to level up with NGS? Watch the video

THE QUEST FOR THE ULTIMATE RETAILING EXPERIENCE

Today's airline consumers expect clarity, transparency, and relevant choices using intuitive, convenient digital channels. In this session, Mitra Sorrells of PhocusWire sat down with three industry experts to discuss the current state of play with airline retailing and what they will take to deliver the ultimate experience. Here's some of what we learned.

The pandemic was a catalyst for flexible innovation

Despite the negative impact of the past 18 months, the pandemic actually accelerated innovation in airline retailing and underlying technologies. Practically overnight, brand new pieces of information—such as destination restrictions, change policies, and onboard health and safety practices—became critical to the shopping process. Fast, flexible, and scalable solutions such as ATPCO's Reassurance UPAs and multiple changes to flight shopping displays were urgently required and delivered.

As we come out of this, the biggest challenge airlines will be facing is how we have to be flexible in our retailing display because we don't know what's going to be next in terms of traveler demands."

—Anthony Salomone

NGS helps address this requirement because the airline creates its own offer and becomes the single source of truth. NDC is exactly the type of thing that helps give consumers that transparency."

—Tye Radcliffe

Are you ready to level up with NGS? Watch the video

BRITISH AIRWAYS AND DUAL RBD:
A PATH TO DYNAMIC OFFER CREATION (CASE STUDY)

Dynamic offer generation is a powerful aspect of advanced retailing. Across the industry, airlines, revenue management experts, and data scientists are exploring how to create offers in real time without the constraints of legacy systems and pricing methodologies. But precisely speaking, that future is years away, so what can be done now to enable more flexible and targeted offers?

ATPCO's Dual RBD is an interoperable solution that enables airlines to move beyond the constraints of 92 price points. Having access to a more robust, expanded set of possible price points (up to 182) unlocks new opportunities for airlines to compete for travelers and grow revenue. The solution leverages capabilities in place today and is therefore easy and fast to implement.

Over 55 airlines are using Dual RBD today and see it as a significant step forward in the path to true dynamic pricing.

British Airways was an early adopter of Dual RBD. The airline sought to improve its ability to compete with large low-cost carriers, the majority of which have no limitations on price points. Implementing Dual RBD solved this problem by offering multiple price points in the marketplace, resulting in tangible revenue gains. Because Dual RBD uses existing functions, it was interoperable with other pricing in the market and flowed seamlessly through all systems, including settlement.

Another layer of required balance, the results are better. Given our "airline" travel decision-makers/ travel buyers at companies, and their TMC partners, it's about aligning all to determine the best offer for the traveler based on preferences, but also balancing that with travel policy that's in place by the travel buyer." —Rob Brown

Pricing consistency has never been more critical to consumer trust

As dynamic pricing becomes the norm, pricing becoming pricing consistency across channels is increasingly important. If

consumers feel the need to shop multiple times to see if prices are changing, or if prices vary from a mobile device to a computer, airlines lose traveler trust. Therefore, it is imperative that airlines ensure consistency and a "single source of truth" approach across all channels.

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CORPORATE CONTRACTS READY TO BOOK IN ONE DAY=
A HAPPY SALES TEAM AND HAPPY CUSTOMERS (CASE STUDY)

Corporate contracts are fundamental for most airlines and their partners. But far too often, they are fraught with painful workflows that lead to lost revenue opportunities, coding errors, and frustrated corporate customers.

Express Contracts provides touch-free, end-to-end automation of corporate, private contracts, creating bookable fares quickly to the delight of customers and airlines sales teams. It requires only minimal fare filing expertise and it connects with your contract management system (CMS) to automatically send contracts to ATPCO to be published.

Over 90 percent of contracts filed in Express Contracts are in the market within two hours.

United Airlines faced frustrated customers and sales teams because it took a long time to bring new contracts to market.

The pandemic provided an unexpected opportunity to experiment with automating the process of filing corporate contracts, which yielded extremely positive results.

"Our sales team is thrilled that we're able to get these deals done in weeks, to go from idea to something that is generally much faster, usually same day."

—Glen Hollister

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EXCLUSIVE SNEAK PEEK OF ARCHITECT

Data is the foundation of all airline pricing. But with advances in airline retailing and other strategies, the volume and variety of information—across airlines, revenue management, and marketing—is growing exponentially. How can airlines manage this flood of data?

Airlines need to respond quickly to the millions of data points in markets every day, but it's virtually impossible for analysts to manipulate, analyze, and keep up with all that data.

With fare data exploding, automation is the only path forward.

Architect is ATPCO's premiere pricing tool, providing the latest in automation, workflow optimization, and management of strategic pricing rules. The system offers a streamlined, efficient workflow

where analysts can make decisions and take actions on a single screen, be alerted of key market changes, and quickly develop, test, and implement business rules automatically. Designed for flexibility, Architect's automation and functionality can grow with your airline's evolving market needs.

Focus on Architect, your team can focus on managing strategies, not fares and mechanics. The result? Reduced complexity, increased pricing capabilities, and better decisions.

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INTERVIEW WITH BRIAN BARTH, FOUNDER & CEO OF UPLIFT

How can airlines drive more leisure demand, conversions, and revenue? Easy customer financing can be part of the answer.

In this session, Alex and Brian talked about what's happening in the area of customer financing and payments, specifically buy now, pay later (BNPL).

BNPL is one of the fastest-growing areas of payments, serving suppliers and travelers alike. With BNPL, consumers can pay for a trip over time using small monthly or weekly amounts without interest or late fees. Approval is handled instantly, making it possible to offer flexible payments and approvals. More than 60 percent of people in the United States have tried BNPL, representing all age groups and demographics.

BNPL offers a new way to appeal to and increase demand in the leisure market for airlines and other travel suppliers. Travelers who may have been putting off a trip are now booking and paying over time.

Creative marketers recognize that incorporating BNPL as part of

the offer can lead to double-digit increases in conversion earlier in the funnel. "When you start thinking of it more as a marketing thing, then a payment thing, you realize you need to get that messaging out because if they only see it at the last part hidden in checkout, it didn't influence their choice to do so and buy," observed Brian. "And so, as you bring it upstream and up funnel, that's where the real power of this is."

For suppliers offering BNPL, the results are equally impressive. According to Brian Barth, Uplift partners experience a 20 percent increase in checkout size. In addition, the appeal of paying later motivates shoppers to book earlier, which increases the booking window, making it easier for airlines to fill flights and manage load factors.

Worldwide recently, leaders expect for revenue managers in retail to serve as a segmentation tool to know someone is a leisure traveler. According to Barth, "what's really curious about this is that it starts off as payments but you end up in marketing. All the metrics, all the KPIs around buy now, pay later, are marketing metrics."

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GETTING NDC TO SCALE: IT'S NOT REALLY ABOUT THE PIPES ANYMORE

NDC has moved well beyond its early days of commercial and technical debates. The percentage of direct connect (NDC) bookings in the indirect channel doubled from five to ten percent during 2020, and is projected to increase.

Consumers across the value chain agree: NDC is here. It is the method by which airlines can most effectively retail unique offers to consumers in indirect channels. The question is: how do we take NDC to its next level? In this session, our panel of esteemed industry experts identified three key requirements for NDC at scale.

Three must-haves for NDC at scale:

1. More differentiated airline content

Differentiated airline content via compelling, relevant offers is the single biggest driver of NDC adoption.

Defining the "special sauce" of a successful NDC offer is the heart of a successful NDC strategy. "Once we stopped comparing ourselves and we started focusing on what makes us unique and what we can value proposition that we bring to the table, that's where our strategy really came alive."

—Tina Larson, Hawaiian Airlines

2. Improved visualization in the shopping experience

Delivering a modernized shopping experience that effectively showcases airline offers is critical.

ATPCO's Next Generation Storefront is a program that addresses this need by data, standards, and Routehappy content. "NGS goes hand-in-hand with NDC. It's the visualization component of NDC. So now I have the pipe, I can produce the product, I can distribute the product. Let's make sure the pipe can interpret the product."

—Graham Wareham, ATPCO

3. Support for the end-to-end TMC (Travel Management Company) process

The last mile for broad NDC adoption is closing the gaps between existing systems and new methods—and it's critical for TMCs to serve their corporate clients. "Some of the barriers we're working on today is the end-to-end working together. Because without that working together, we lose our billing system, our duty of care for the customer, all of which is important on the business travel side, and that's what holding them back. We need to get that end-to-end piece working."

—Mark Ricey, Amadeus

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KEYNOTE BY JANE SUN, CEO OF TRIP.COM GROUP

Jane Sun is one of the most powerful women in the world. In this session, Jane shared with Alex three high priorities for the industry's largest OTA.

1. Helping partners reach Chinese travelers

Chinese travelers represent the fastest-growing segment in the global travel market, accounting for 10 percent of the local GDP associated with tourists and tourism. Trip.com routinely works with its travel partners around the world to increase tourism from China.

Jane offered three suggestions for destinations and suppliers to grow business from Chinese travelers:

1. Make the value application process easier and available online

2. Offer more direct flights from major cities in China

3. Have a Welcome Chinese program, including Chinese menu options and local language speakers in hotels and call centers

2. Leadership and support during the pandemic and recovery

Trip.com used a three-pronged approach to lead during the pandemic, listening to customers, partners, and employees.

Jane explained, "When we went into the pandemic, our country locked down the borders to prevent the spread of this disease, so we stood up to give refunds to our customers before our partners promised our customers a refund. So we really put the best interests of our customers first."

ATPCO has also established a billion-dollar fund to inject cash to help supply chain partners and implement executive pay cuts, which allowed employees to keep their jobs during the slowdown.

Even during lockdowns, Trip.com took proactive steps to build partnerships with partners. The "Travel in the Cloud" program, for example, enabled travelers and their families to explore museums and destinations of other countries online and plan future travel. Jane anticipates that buying power and demand will be strong as we emerge from the pandemic, and people will be ready to travel.

3. Building gender equality in the workplace

Under Jane's leadership, Trip.com has embraced bold, game-changing strategies for gender equality

and female empowerment in the workplace. Programs include free taxis for pregnant employees, education contribution when a child is born, flexible working hours, and covering the cost of freezing eggs for people who want to delay pregnancy while pursuing their careers and education.

As a result of these measures, more than 50 percent of Trip.com's workforce are women, more than 40 percent of the middle managers are women, and more than one-third of the executives are women. Jane observed, "We are very proud of our achievements, and we'll make improvements even further going forward."

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NEW TO THE GAME? HERE'S HOW ATPCO CAN HELP

In 2021, there is no doubt that the game has changed for everyone in the travel industry.

As an airline-owned entity connecting airlines, systems, and sales channels, ATPCO plays a foundational role in the evolution of airline retailing, distribution, industry standards, governance, and collaborative innovation.

This session gave Elevate attendees a view into today's ATPCO and its unique place in the industry.

ATPCO is:

A partner to over 600 airlines, systems, and channels

The industry source for airline pricing and shopping data, covering more than 90 percent of the world's flight schedules

A supplier of essential infrastructure for the global airline distribution ecosystem

A provider of industry standards and governance that ensure consistency and interoperability no matter what entity is being sold, by whom, or in what channel

Trusted as a neutral, airline-owned entity that exists to return value to the industry

Where are you in your retailing journey?

ATPCO will meet you there and support your next-level goals.

The mission of airline retailing has never changed: helping travelers results in more revenue and loyal customers. However, the way retailing happens is undergoing a profound transformation. Airline and channels alike are embracing new approaches to offer creation, shipping, pricing, distribution, payments, servicing, and settlement. And it's all playing out in a global, interconnected industry of travel suppliers, buyers, and channels.

As a foundational player in this industry, ATPCO supports all organizations no matter where they are in the journey to modernized retail. We are committed to delivering industry standards, governance, programs, technology, and leadership to propel our industry forward. Our design teams, content, and industry experts provide unmatched opportunities for global collaborative innovation.

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EMERGING TECH STARTS WITH THE CLOUD

What do dynamic pricing, digital transformation, airline retailing at scale, and omnichannel distribution have in common? They are most often happening in the cloud!

In this session, David and John explored why a growing number of travel companies see the cloud as a way to accelerate innovation, lower costs, and meet the changing demands of travelers.

According to David, the pandemic and subsequent recovery were something of a wake-up call for travel. "The breadth, the scale, and duration brought about by the pandemic certainly led to a sustained shift in the way I think travel and hospitality companies plan, manage, and operate their businesses."

Cloud technologies—in contrast to traditional on-premises IT operations—offer multiple advantages. IT leaders have realized that a growing number of deploy new solutions worldwide in a matter of minutes. Innovation and experimentation can thus happen faster and more efficiently. The cloud's elasticity makes it possible to scale capacity up and down as needed, enabling companies to trade capital expense for a variable "pay-as-you-go" model.

Skift's 2021 Digital Transformation Report, published in partnership with Amazon Web Services, showed that over half of 1000 technology leaders surveyed are already running their business in the cloud or are in the mid-to-late stages of migrating to it. David credits the shift in large part to a significant rise in executive support. "So much so that even though Covid, so I certainly think that has given the industry the momentum to really prioritize these topics."

ATPCO is among the travel technology organizations seeing great value in the cloud. John observed, "All of ATPCO's development has been 100 percent cloud development for a few years ago, and so we were in a really good spot when the pandemic hit."

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WHY DIVERSITY, EQUITY, AND INCLUSION (DEI) IS GOOD FOR YOUR BOTTOM LINE

DEI (Diversity, Equity, and Inclusion) is a business imperative for companies to have a meaningful contribution to society."

A fundamental aspect of DEI is normalizing conversations—even uncomfortable ones—that were not happening in the corporate world until recently. Leaders must be prepared to handle situations where there are not always clear answers but rather an emphasis on understanding different points of view.

Keyra likes to ask and identify struggles to baggage. We carry it around with us always. "The greatest challenge has actually been getting people comfortable that this is an environment where you can share what's in your carry-on baggage without concern that it's going to impact the business."

67% of job-seekers consider a diverse workplace an important factor when they're deciding whether to accept a position

83% of millennials feel more likely to report increased market share

Ethnically diverse companies are 35% more likely to have positive financial returns

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HOW COUNCILS EXPLORE WHICH PATHS WE SHOULD TAKE

ATPCO Councils: Industry collaboration in action

ATPCO Councils are a special force designed to drive innovation at scale across the travel industry. Composed of established leaders and decision-makers, ATPCO Councils represent a new way of thinking about industry standards and solutions with a clear focus on speed, accuracy, and industry adoption. In this session, Councils leaders from Air Canada, Amadeus, British Airways, Delta, and Travelport discussed how Councils are going from idea to action to results faster than ever before.

Panelists represented each of ATPCO's five targeted councils, which support innovation across the entire travel ribbon: Offer Content, Distribution & Infrastructure, Customer Care, Settlement, and Marketing Tools.

The work of the Councils—particularly around standards and transparency—is foundational to addressing significant changes taking place in airline retailing, such as dynamic offers evolving to be far more than just the price, and NDC distribution adapting to support a range of airline strategies while still maintaining a standard that can scale.

Automation of customer care is another critical area of Council focus, recognizing that today, 40 percent of changes are still handled manually.

"Our industry cannot afford to lag behind in automation. We need to enable digital actions and we need to do that in all circumstances, even in unexpected circumstances. And this is exactly what we are aiming for with our ATPCO Customer Care Council. We have defined a clear objective: one hundred percent automation of changes."

—Herve Prezeat, Amadeus

Today's ATPCO Councils use a new format and structure designed to support collaboration and results. "I think the new structure is actually going to enable the councils and the participants to be more focused on setting the directions and take a more strategic approach."

—Stefania DiGesu

Looking ahead: Dynamic Offers are a top priority

Audience members identified dynamic offers as the number one issue for Councils to tackle, with several other hot topics close behind.

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BALANCING THE ENVIRONMENT AND YOUR BOTTOM LINE:
A CHAT ON SUSTAINABILITY

Sustainability is critical to the future of the airline industry. In this session, Vince and Amelia discuss strategies to fight climate change and accelerate the path to decarbonization, all while keeping an eye on a healthy bottom line. Here are a few highlights:

Question: Last year Delta made a one billion dollar commitment to become the first carbon neutral airline. What was behind that strategy?

Answer: When we made that decision, we were acknowledging the fact that our customers today, our travelers, are facing a conflict and we want to take that conflict away from them. And that the conflict is—and especially the younger generation that is starting to travel more whether it's for business or for leisure—that they want to be part of helping to save the planet when it comes to climate change, but they also love travel.

Carbon neutrality allows Delta to take action now. We're so proud of being able to go back to our consumers now and say, you don't have to choose between seeing and saving the world. That at Delta, we've got your back and we will continue to be committed to carbon neutrality.

Question: How has Delta balanced sustainable initiatives relative to profit motives as an investor-owned, publicly traded company?

Answer: I think in the past, it was a tough discussion for corporations to have. But the acceleration of sustainability and, more broadly, ESG (environmental, social, and governance) in the last 18 to 24 months, especially from investors, puts at the forefront the risk of not prioritizing sustainability. From an investor standpoint, it means that there are real-world costs that will come for companies that cannot transition. We don't have to look too much farther than the oil and gas industry to see where some of those problems are coming in, where they're getting ahead of us, where they're losing access to capital. And so I think part of it is kind of anticipating what the future cost may be if we don't deal with it now.

Are you ready to level up with NGS? Watch the video

REACH OUT TO CONTINUE THE CONVERSATION

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Register now for Elevate 2021!

SIGN IN