Welcome to the SES April 2020 Webinar

“Standards Setting for Airline Pricing and Retailing – Challenges, Learnings, and Solutions for Interoperability in the Airline Distribution Ecosystem”

April 15, 2020
1:00 - 2:00 pm Eastern
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A Clarivate Analytics company
Standards Setting for Airline Pricing and Retailing

Challenges, Learnings, and Solutions for Interoperability in the Airline Distribution Ecosystem

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Head of Standards and Governance
Why Standards?

Legal and regulatory
- Safe products, processes, services
- Compliance to the law

Healthy economics
- Competitive marketplace
- Faster and higher quality innovation
- Network economics

Global trade
- Interoperability to scale
- Quality and reliability (trust)

Lower costs
- Fewer disputes
- Faster and cheaper development
Agenda

1. Airline distribution ecosystem standards
2. ATPCO – how and why?
3. The standards program and product fit
4. Governance and consensus
5. An academic approach to problem solving
6. Strategic challenges
7. A harmonized ecosystem
8. Principles of standards applied to ATPCO
The Air Distribution Ecosystem – Now and Future

- Social and new entrants
- Travel review sites
- Metasearch
- Online Travel Agency
- Global Distribution Systems
- Passenger Services Systems
- Other Airline IT Providers
  - Revenue Accounting
  - Revenue Management

Quoted and © from Mario Gavira, PhocusWire. Airline Distribution in 2030, part 1: Gravitating towards airlines, intermediaries or tech giants? https://www.phocuswire.com/Airline-distribution-2030-report-1
The (Simplified) Airline Distribution Data Ecosystem

Airline Product

Price

Structured Data
- Fares
- Rules
- Fees
- Taxes
- Baggage
- Ancillaries
- Reference Data

Schedule

Travel Agencies

Availability

Pricing Systems

Airline Systems

Rich Content
Many sellers  Many airlines  Global business

Many consumers  Many other stakeholders
Standards Application

- Common application for multiple 3rd parties to consistently represent individual airline intent
- Network economics of “one way to do things”
- Reduces the cost of disputes further down the supply chain (billing)
  - Airline to airline
  - Agency to airline
About ATPCO

**What we do**

We provide the world's leading technology, pricing, and shopping data to airlines, global distribution systems, travel agencies, and tech companies. Owned by airlines, we blend reliable data and systems with innovative technology so we can create value for everyone. And we do it economically: our operations are funded by just 1 dollar of every 7,500 dollars in passenger revenue.

**Our vision**

To fuel the future of air travel, leading the industry into the next generation of distribution, by empowering smart connection of all content through all channels.

**Our mission**

Our mission is to be the airline industry’s trusted partner in driving innovation, reducing complexity, and delivering network economics to the entire distribution ecosystem through standards, technology, and effective governance.
But….why?

Imagine 440 airlines communicating their pricing and retailing intentions using data, through nearly 100,000 travel agencies and systems – with no standard way to process the information into a product pricing or retailing result.

- Confuses the consumer
- Leads to disputes with Travel Agencies
- Leads to disputes with other airlines
- Inability for an airline to have a consistent competitive pricing policy
ATPCO Standards – A Primer

ATPCO standards development and standards setting activity focuses on pricing and retailing automation, driving over USD 500 billion in global trade.

ATPCO produces de facto technical standards, agreed by consensus of industry stakeholders that describe:

1. Data exchanges (interface standards)
2. The processes used to automatically calculate airline pricing and retailing results (processing standards)
3. Standards for processes that support these data exchanges and automated calculation such as government and regulatory automation standards (supporting services standards)
Product vs. Standards – a Balance

Neutral

Ensures Products are “to Standard”

Commercial

Standards

Reference/Compliance

Products/Solutions
The Consensus Process

ATPCO de facto standards are underpinned by consensus – by definition addressing any comments from industry stakeholders planning to use the standard.

The milestone process ensures that everyone’s voice can be heard and we can innovate on a global scale as an industry.
Moving to a More Academic Approach

Problem Statements

- Strong brand recognition as robust, fit for purpose, and the de facto global standard, but…. 
- No indexing or library 
- Written for print 
- Scope of term “standards” not consistent 
- Not fit for next generation 
- Team long-tenured and hard to replace 
- Not tailored to stakeholders 
- Not fully harmonized 
- Examples not complete 
- Alignment and clarification issues

Vision Mapping

People

Process

Content

Technology

Solutions

- Short term (1 year) 
  - Knowledge spread 
  - Standard for Standards 
  - Create digital assets 
  - Retire over 500 PDF’s

- Mid term (2 years) 
  - Meta data 
  - Granular standards (MRU) 
  - Industry vocabulary

- Long term (3 years) 
  - Content Services Platform 
  - Structured authoring 
  - SME metadata 
  - Machine Learning 
  - Extended Reality learning
Strategic Challenges for Standards Setting

New Concepts

Innovation at Scale

Subject Matter Experts
An Ecosystem of Industry Organizations

- ATPCO – formerly “Airline Tariff Publishing Company”
- IATA – International Air Transport Association
- APEX – Airline Passenger Experience Association
- ACI – Airport Council International
- ARC – Airlines Reporting Corporation
- A4A – Airlines for America
Principles of Standards Applied to ATPCO

Applied Theory
- De facto in nature (i.e. not by law)
- Facilitate global trade
- Classic interoperability business case
- Standards life cycle
- Consensus of many stakeholders
- Standards harmonization
- Standards participation
- Copyright and IP controlled

Practical Matters
- People: High tenure high knowledge, hard to replace
- Process: Strong and rooted in history
  - Established: governance and milestones
  - Emerging: agile standards supporting agile product
  - Challenges: supporting innovation at scale
- Content: The long road to digital
- Technology: Investment underlying all of the above
In Review

Now you know:
- What the airline distribution ecosystem is
- Why ATPCO exists
- How ATPCO Industry Standards are applied
- What tactical and strategic issues exist, and how we are addressing them
- How ATPCO fits into the supply chain by harmonizing and participating
- Some theoretical and practical ties into the Standards Development Life Cycle
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May SES Webinar

Wednesday May 20, 2020
1-2:00 pm Eastern
Exploring Innovations in College and University standards education

Speakers:
• Lisa Greenwood, Ph.D., ISSP-SA, Civil Engineering Technology, Environmental Management & Safety Department, College of Engineering Technology, Rochester Institute of Technology
• Margaret Phillips, Assistant Professor of Library Science, Engineering Information Specialist, Purdue University Libraries & School of Information Studies
• Bryan Hoskins, Ph.D., P.E. Associate Professor, Fire Protection and Safety Engineering Technology, Oklahoma State University
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