Whitepaper

One Order | One Industry | One Process

www.hexaware.com

Table of Contents

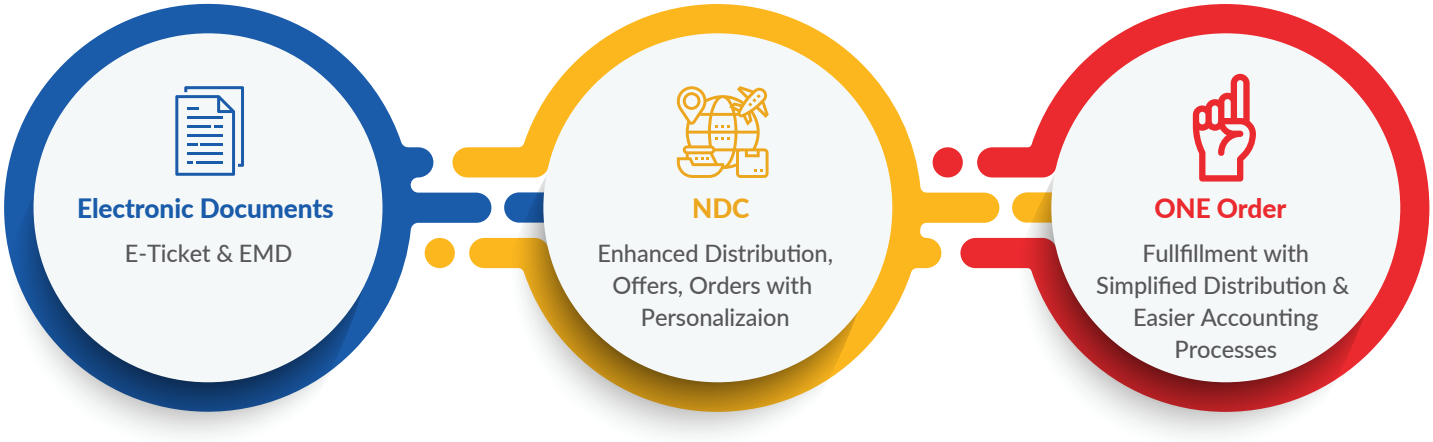
Introduction	3
Challenges faced by the Airline Travel industry eco-system	3
First wave of revolution for Airlines	4
Second Wave of revolution for Airlines	4
Third Wave of revolution for Airlines	4
Vision of ONE Order	5
Benefits of moving to ONE Order	5
What we can offer	5
References	5

Introduction

The aim of ONE Order in the airline industry is to modernize the order management process. The objective of ONE Order is to have a single Customer Order record, holding all the data elements required for order fulfillment across the air travel cycle – such as customer details, order, payment, billing, fulfilment and status.
The end customer, the traveler does not need to deal with the internal processes of an airline and gets to enjoy a seamless travel experience. Over the years IATA has taken new initiatives for digitalization of airlines, simplifying the business for the Airlines and enhancing the experience for the end customers.

These digitization initiatives can be broadly categorized under these 3 waves,

- Electronic Documents (E-Ticket & Electronic Miscellaneous Document (EMD))
- Enhanced Distribution (New Distribution Capability (NDC))
- Enhanced Fulfillment & Accounting (ONE Order)



While E-Tickets and EMD kickstarts the journey, NDC helps airlines understand customers and provide personalized offers. It also facilitates up-selling and cross selling thus increasing revenues for the airline.
ONE Order is the next step towards retail-ization of an Airline. With ONE Order airlines will be able to provide seamless and hassle-free experiences for the end customers. It will help not just the airlines but also all stakeholders in the travel & tourism industry to interact better with each other.

Challenges faced by the Airline Travel industry eco-system

The Airline travel industry eco-system faces numerous challenges in the digital disruption era where the discerning customer expects personalized experiences across all touchpoints.

Airlines

- Age-old Processes in Digital World
- Do not Know their customer
- No Personalization
- Competition with LCC without E-ticket/EMDs etc.
- Delays in payment processing etc.

01

Technology & Innovation

- Difficult for new entrants to enter
- Legacy Systems at Airlines
- Separate processes of selling for Agents and other mediums

02

Customer

- Multiple IDs (PNR, ETKT, EMD etc.)
- Need Airlines experience like e-commerce (online retail)
- Disparate purchase experience

03

Service Provider

- Inconsistent systems
- Non Standard Messaging
- Multiple Interfaces
- Multiple Processes
- Niche Technology consultants
- Integration expertise for existing open/new technologies

04

First wave of revolution for Airlines (Electronic Documents):

With the Electronic Documents initiative taking wings, in 2008, 100% of airlines under the IATA charter has become E-Ticket compliant and the settlement is via the Billing and Settlement Plan (BSP) for flight bookings. By the year 2014, 100% of the IATA airlines have become EMD compliant and the settlement is via BSP for ancillaries.

Second Wave of revolution for Airlines (Enhanced Distribution – NDC):

Airlines always have been unsatisfied with the way the distribution of air products worked and the associated costs. They did not have control on what was being offered and sold via the distribution network. There was an inherent lack of differentiation by the distribution network on the services offered by the Airline. NDC is the revolution for Airlines to overcome the challenges of distribution.
Also, airlines had challenges in providing personalized services to the customer. In addition, airlines may or may not be able to target the right customer from a holistic standpoint
NDC is a communication protocol to replace the old EDIFACT protocol that has been around since the 1980s and used by GDSs & Airlines.
NDC is a new protocol that uses XML and allows bringing rich content and ancillaries directly to online travel agencies, GDS and travel management companies via a set of standard APIs.
With NDC, a new retail architecture is created with offers, offer items, orders, order items and services. The airline now gets to determine the price.

Third Wave of revolution for Airlines (Enhanced Fulfillment & Accounting– ONE Order)

ONE Order : Simplify Fulfillment and Finance for the Digital Airline.
With NDC the Airlines in a way have a new term Orders which refers to the superset of the data contained in their existing records of Passenger Name Record (PNR), E-Ticket (ETKT) and Electronic Miscellaneous Document (EMD). ONE Order is an extension of NDC and a mechanism of having a single customer focused Order which will help simplify the business for Airlines and Travel Companies.

ONE Order will support substantial changes to airlines processes related to fulfilling orders, tracking and accounting for the fulfilled orders.

NDC aims to **enhance** distribution, while ONE Order has the objective to simplify distribution in the future. With ONE Order the vision is to move towards a single customer order record to help in re-engineering the travel commerce processes not just in fulfillment but in accounting as well.
This will help travel companies to move towards achieving the business vision of retail-ization of an Airline. This will help Airlines being efficient financial organizations leveraging modern retail enterprise solutions.

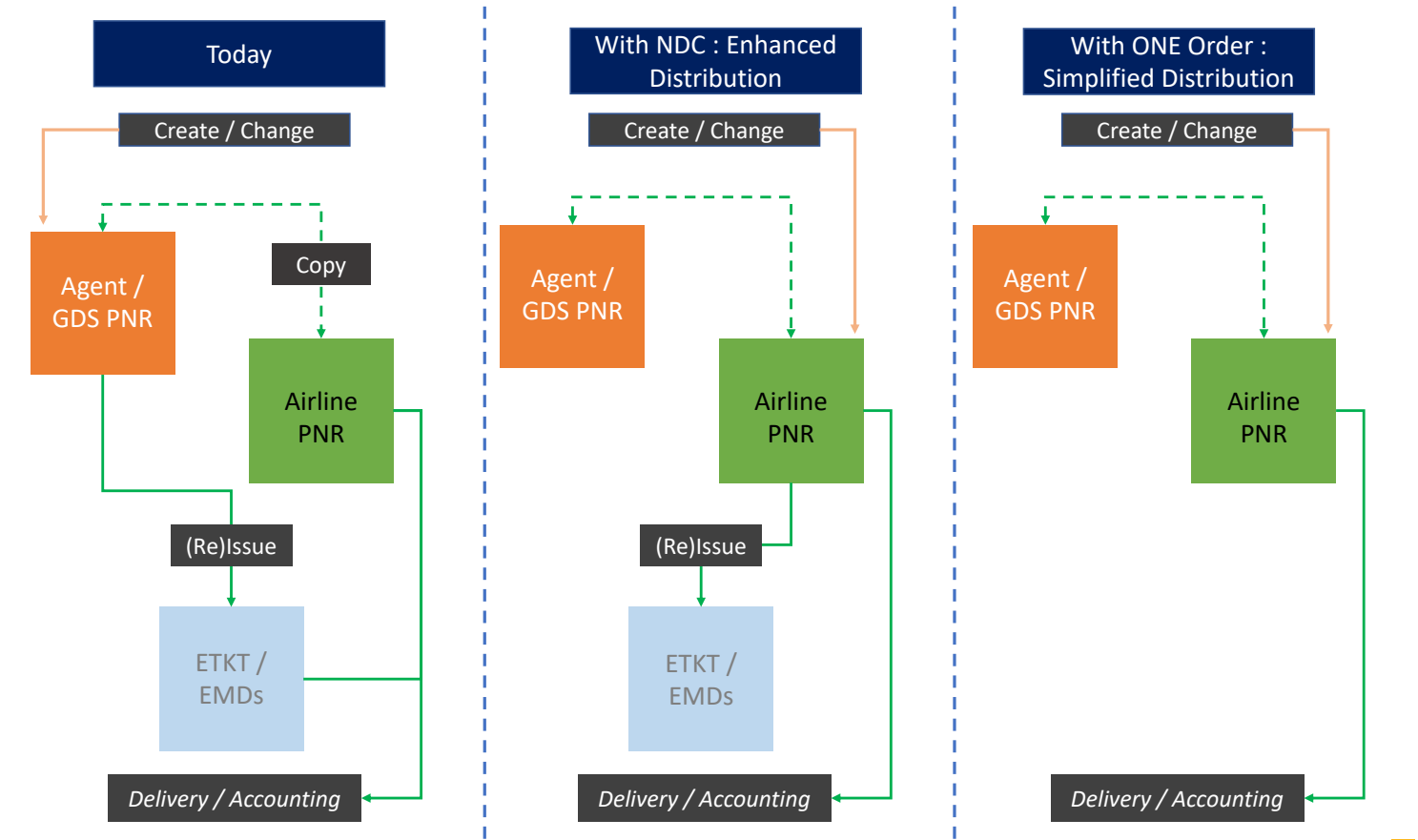


Fig 1 : Retail-ization - Current to ONE Order

Vision of ONE Order

ONE Order envisions

Modernized airline ecosystems which will help them utilize off-the-shelf retailing solutions

- Simplified and efficient digital airline processes for order fulfillment & accounting
- Opening up the industry to a greater number of vendors who can provide solutions
- Simplified interlining process across with between Low Cost Carriers and Full Service Carriers who have different processes.

Benefits of moving to ONE Order:

- Facilitate order delivery and accounting process
- Simplify and Improve the end-to-end experience for a customer as orders will be customer-centric.
- Leverage richer data and personalize offers to customers and enhance their experience
- Remove dependency on ETKT & EMD and associated records/IDs
- Define principles of ownership, management and control of order between entities (Airlines/GDS etc.)
- Provide a framework to transition to a retail-focused airline
- Reduce finance costs for Airlines with simpler processes and with faster financial settlements
- Reduce System costs for Airlines by leveraging e-commerce/retail/OMS products and Faster Go-to-Market
- Leverage next gen technology solutions like Smart Contracts & Blockchain
- Converge with open systems and retailing capabilities with the new standards
- Integrate easily with other products & services like cabs, hotels, cruises etc.

What we can offer

Moving along into the Future… With Us

- Hexaware have the deep domain knowledge over the years in Airlines and Travel Industry along with the Retail/eCommerce industry. Uniquely placed with working on various protocol and messages since TTY, EDIFACT and XML messages So, we will be able perform swift fit-gap analysis and define a roadmap
- Incorporate necessary application level changes and integration to adopt ONE Order
- Helped major Airlines to migrate their business process to adopt other IATA standards
- Airline Industry expertise in moving forward into one of the following probable approaches to embrace ONE order:
  - **Encapsulation:** Making a wrapper around existing legacy PNR, E-Ticket & EMD records and expose it as a ONE Order for the outside world
  - **On-Top:** Defining an Order outside the PSS system in a separate Order Management System (OMS). Integrate this OMS with the PSS systems to get the information of PNR/ETKT/EMDs
  - **Pure Order Management System:** Leverage Off the Shelf OMS for full digital retailing platform without any reliance on the traditional PNR/ETKT/EMDs and airline processes

References:

1. IATA: NDC Change Readiness Guide For Airlines - Edition 5
2. IATA: The Basic Guide to ONE Order - Version 2018-05
3. IATA: iata-one-order-program-strategy – IATA Geneva May 2018

Author

Shripal Jain

Principal Consultant in Global Travel & Transportation Practice, Hexaware

Shripal has 21+ years of experience working across Airline industry. He is a solution architect bridging the business and IT needs across Travel industry. He helps in driving solutions in business transformation, new trends and initiatives in the travel industry.

About Hexaware

Hexaware is the fastest growing next-generation provider of IT, BPO and Consulting services. Our focus lies on taking a leadership position in helping our clients attain customer intimacy as their competitive advantage. Our digital offerings have helped our clients achieve operational excellence and customer delight. We are now on a journey of metamorphosing the experiences of our customer's customers by leveraging our industry-leading delivery and execution model, built around the strategy— 'Automate EverythingTM, Cloudify EverythingTM, Transform Customer ExperiencesTM.' Hexaware services customers in over two dozen languages, from every major time zone and every major regulatory zone. Our goal is to be the first IT services company in the world to have a 50% digital workforce.

Learn more about Hexaware at http://www.hexaware.com

NA Headquarters
Metro 101, Suite 600,101 Wood Avenue South, Iselin,
New Jersey - 08830
Tel: +001-609-409-6950
Fax: +001-609-409-6910

India Headquarters
152, Sector – 3
Millennium Business Park
'A' Block, TTC Industrial Area
Mahape, Navi Mumbai – 400 710
Tel: +91-22-67919595
Fax: +91-22-67919500

EU Headquarters
Level 19, 40 Bank Street,
Canary Wharf,
London - E14 5NR
Tel: +44-020-77154100
Fax: +44-020-77154101

APAC Headquarters
180 Cecil Street,
#11-02, Bangkok Bank Building,
Singapore - 069546
Tel: +65-63253020
Fax: +65-6222728

Safe Harbor Statement
Certain statements in this press release concerning our future growth prospects are forward-looking statements, which involve a number of risks, and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, intense competition in IT services including those factors which may affect our cost advantage, wage increases in India, our ability to attract and retain highly skilled professionals, time and cost overruns on fixed-price, fixed-time frame contracts, client concentration, restrictions on immigration, our ability to manage our international operations, reduced demand for technology in our key focus areas, disruptions in telecommunication networks, our ability to successfully complete and integrate potential acquisitions, liability for damages on our service contracts, the success of the companies in which Hexaware has made strategic investments, withdrawal of governmental fiscal incentives, political instability, legal restrictions on raising capital or acquiring companies outside India, and unauthorized use of our intellectual property and general economic conditions affecting our industry.