Get Started
with Airline Retailing

February 2022

Contents

Disclaimer

The information contained in this document is subject to regular review in the light of changing business needs of the industry, government requirements and regulations. The views expressed in this guide are based on the views and opinions of the IATA Distribution team and with feedback from across the value chain, including airlines, IT providers and sellers. This document is designed as a thought piece about what the future state of airline distribution may look like. Any strategy to transition to airline retailing will vary by airline, subject to each airline's individual commercial decision-making.

Purpose

The primary purpose of this paper is to provide full support to airlines in their journey to Airline Retailing. Understand what it is, why Airline Retailing, where are the opportunities, move from system centric to customer centric and finally provide airlines with the necessary understanding to start this journey.

1. Introduction to Airline Retailing

Airline Retailing means placing the customer at the center of the shop/order/pay ecosystem regardless of shopping channel. This is enabled by the development, introduction and adoption of the New Distribution Capability and related standards. These standards address the legacy distribution limitations impacting product differentiation and time-to-market, access to full and rich air content and finally, transparent shopping experience. Today customers want personalization, efficiency, and seamless engagement.

Airline Retailing is moving airline distribution to the future through de-commoditization, new products being sold in new ways and getting closer to the customers. It will enable richer customer engagement and dynamic offer creation.

1.1 Airline Retailing history and end-vision

Retailing aims to bring the customer at the centre of the ecosystem. Any aspect of the journey, from shopping for the next trip, to exploring, planning booking, paying, and enjoying the flight and associated products and services, needs to incorporate customer's needs. The customer wants personalization, efficiency, and seamless engagement.

The figure below shows the evolution of airline distribution from GDS based since end 90s to modern air travel retailing and how the industry envisions it before the end of the decade.

In short, this transformation consists of putting in place brand-new mechanisms to create offers and orders in the airline environment (and not the GDS) to make content available to sellers in a much more efficient way - this is NDC (New Distribution Capabilities). The next step will then consist of moving to a unique identifier to replace Passenger Name Records (PNRs), E-Tickets (ETs) and Electronic Miscellaneous Documents (EMDs) and moving beyond the traditional PSS to "retailing platforms" - this is ONE Order. Revenue management will then be able to move away from traditional pricing, based on filed fares and booking classes, to indefinite price points and dynamic bundles.

The vision for 100% offers and orders for the industry highlights the main decisions to be taken and who should be involved to drive this transformation. Please read the white paper **Airline Retailing – An industry vision for Offers and Orders**.

1.2 The value of Airline Retailing

Why would an airline invest time and money in implementing retail and the associated organizational redesign?

The value at stake is significant. In an exhaustive independent study performed at the end of 2019, McKinsey estimated that airlines could generate up to $7 of additional value per passenger (industry average) by the end of this decade. This would come from the sales of extra ancillaries, optimizing payment and aggregation costs, and changing many internal processes such as how to do pricing or utilize data. It can also come from new partnerships, such as intermodal flows that are currently favored by many governments.

The model is modern online retailing, which is common among many retailers that personalize Offers, and create Orders to store all customers records, ultimately the order may be based on the customer's digital identity: the customer becomes the unique reference and where user interfaces and experiences are simplified.

Retailing can produce value for airlines in different main ways:

1. Development of new Offers
2. Enhanced revenue management
3. Optimized distribution mix
4. Better targeting of and engagement with customers
5. Optimized payment and fulfillment, including servicing

These five ways are either contributing to value creation, or cost reduction, or a mix of both.

To see example of value creation in these 5 areas, please refer to **Airline Retailing in Action**.

2. A world of Offers and Orders

2.1 Key concepts and flows

Offer Management refers to the capability of airlines to create and return priced Offers in response to shopping requests.

Order Management is the ability for the airline to create, store and manage data, i.e. Orders. It can be as simple as ensuring that the PNRs, ETs and EMDs are referenced with a single identifier, i.e., an Order ID. In a more sophisticated system, Order Management could be similar to the retail world where every aspect of the Order, from product purchase to delivery, is managed.

The airline retailing journey is about how to move from a current legacy channel and process-centric architecture to one that is omnichannel and customer centric, relying on centralised capabilities – i.e., Offer and Order management capabilities and data. In the end-state the airline will have its own retailing platform from which all its sales channels will be managed (direct and indirect), via a single source of truth.

For more information about the end state retailing platform framework and the key functionalities of the Offer and Order management please read the white paper **Airline Retailing – An industry vision for Offers and Orders**.

2.1.1 Introduction to Distribution with Offers and Orders

Distribution with Offers and Orders is supported by the New Distribution Capability standard, an Airlines' omnichannel distribution standard for Offer and Order management.
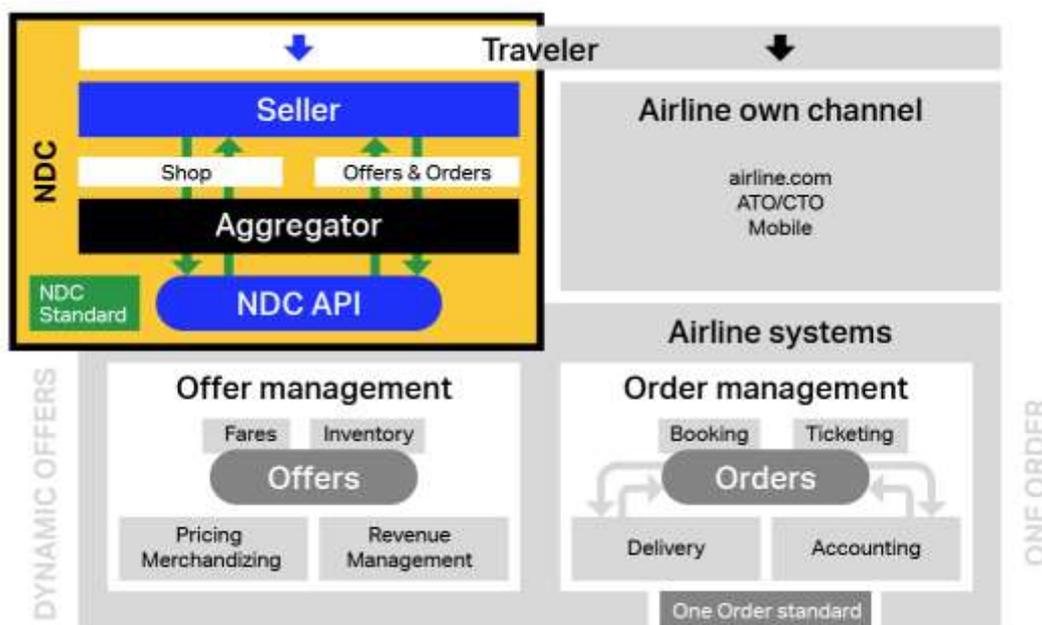

Figure 1: Distribution with Offers and Orders in the Airline ecosystem

NDC, like all IATA standards, is an open standard available to all. NDC will unlock value through the travel agent channel by providing it with features and content that is difficult to access today. The key processes changing are listed below.

Shopping, booking and ticketing (Offer and Order)

With the implementation of NDC, the high-level distribution and sales processes evolve towards more autonomy for the airlines. The final business process for indirect distribution becomes close to what exists for direct sales ecommerce today, implying three major shifts:

- The airline receives requests, creates and communicates the Offer
- The airline is the full owner of the master Order that contains the latest information
- The airline processes payment and issues the travel document, advising the references to the travel agent

Figure 2 illustrates how shopping for flights and booking/ticketing worked before NDC.
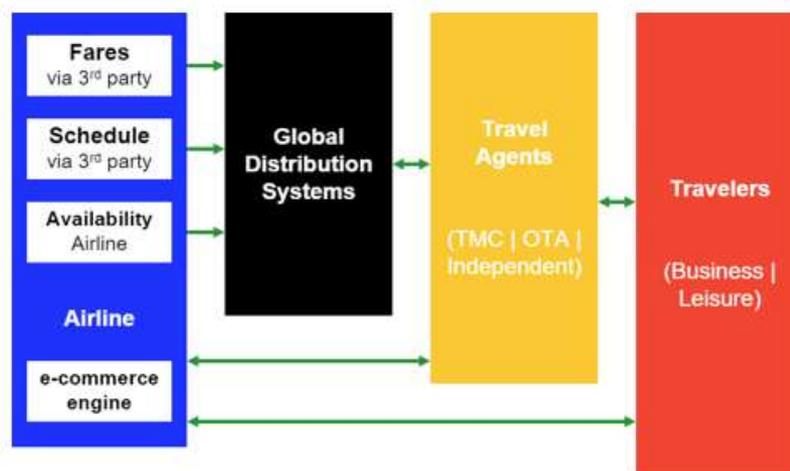
Figure 2: Indirect flight distribution before NDC

Shopping: the GDS creates the Offer, getting fares, availability, business rules from the airline or 3rd parties (ATPCO, OAG).

Booking: the GDS creates the PNR which belongs to the travel agent, the airline only owning a (partial) copy. The airline is unaware of the end customer who is shopping until the transaction has been completed. Payment, the ticket and any miscellaneous documents are processed by and issued from the GDS.

Figure 3 illustrates how shopping for flights and booking/ticketing work with NDC.

Figure 3: Indirect flight distribution with NDC
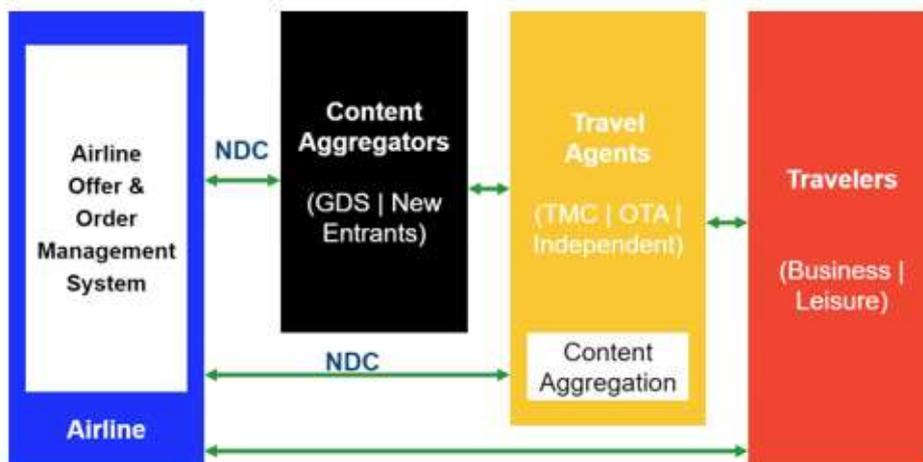
The aggregator transmits the information (i.e., the request and later the Offer) and is not a part of the Offer creation.

The concept of aggregation is a key component to NDC-based distribution. It has three core functions:
- Determine which airlines to ask when receiving shopping requests from travel agents
- Forward shopping and other requests to the relevant airlines
- Consolidate the Offer responses from airlines and present results to travel agents

The key revenue drivers emerging from NDC are:

- **Product attributes** (differentiation): ability to show competitive features that may be unique to the Offer and therefore drive purchase decisions.
- **Fare Families**: displaying multiple price points, with increased value, that may drive "up sells".
- **Ancillaries**: displaying additional products (e.g. lounge access) that may drive purchase decision.
- **Dynamic Pricing**: optimizing revenue realization through intelligence, working with modern Offer Management.
- **Personalized offers**: enhancing loyalty with personalized Offers (e.g. Offer Management System connects to the Frequent Flyer database to enhance an Offer by tier or service experience) or pricing based on historical purchases.
- **Rich content**: inspiring through pictures, videos, virtual reality, augmented reality, etc.
- **Increasing reach**: tapping new sales channels both geographically and digitally.

The key cost drivers are:

- **Cost effectiveness**: moving from a 40-year-old legacy infrastructure to an internet environment will speed delivery of software changes and reduce development costs.
- **Competition:** NDC should facilitate new entrants, which should increase competition and drive down costs.
- **Process efficiencies:** NDC provides the airline with cost reduction opportunities in the areas of ticketing, payment and revenue accounting and back-office in general.
- **Audit efficiencies:** NDC improves revenue integrity (eliminating most of costs to manage fare auditing), which should reduce the number of agency debit memos (ADMs) issued.
- **Payment efficiencies:** NDC brings the opportunity for airlines to have a better management of their payment strategy and the resulting costs. An airline should be able to create products and associate them to their preferred/more convenient payment method.

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- **Reducing revenue leakage:** performing real time checks in the BSP (IATA Billing and Settlement Plan) on travel agency sales, should cut revenue losses from agency defaults, pricing mistakes, etc.

Find more information on [Distribution with Offers & Orders (New Distribution Capability)](#).

2.1.2 Introduction to Fulfillment with Orders

ONE Order is an industry-led initiative intended to simplify the airline reservation, delivery, and accounting systems by gradually phasing out the current booking (PNRs) and ticketing records (EMDs).

ONE Order is an XML-based standard that combines these multiple records into a single retail and customer focused Order. Its aim is to remove inefficiencies inherited from paper-based processes and facilitate communication between airlines' Order Management, Revenue Accounting, and delivery providers.

Figure 4: Fulfilment with Orders in the Airline ecosystem

Fulfilment with Orders through ONE Order standard enables:
- Simplified downstream processes
- Unique Customer Order Reference/Receipt
- Standardized retailing solutions simplifying on delivery and accounting
- Facilitate interlining with ticketless carriers and intermodal suppliers e.g. train, bus

Working with Orders will bring specific value to the airlines:
- A simplification of their IT, as they do not need to reconcile different records.
- Savings thanks to removal of processes and tools (ET server, cost of auditing, etc.).
- Real time data flows that add value for decision making (pricing, schedule).
- Efficient servicing of all the order components.
- Facilitated intermodality, using one record for the air and train journey.
- Facilitated partnerships for air and non-air using orders in the same way as modern retailers.

Technically, the ONE Order standard will:
1. Extend the NDC standard to provide message standards facilitating order delivery and accounting.

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2. Enhance the order structure defined by the NDC order as part of IATA Airline Industry Data Model (AIDM) and enable monitoring of the order statuses.
3. Define the principles of ownership, management and control of the order elements between entities.

Find more information on [Fulfilment with Orders (ONE Order).](#)

Figure 5 below gives an overview of how ONE Order complements NDC towards achieving the vision of a world of Offers and Orders.

NDC   ONE Order

	NDC	**ONE Order**
Vision	Transform the way products are retailed to enable product differentiation, access to full and rich content and a transparent shopping experience	Create a single customer order holding all data elements for the order fulfillment (merging PNR, ET and EMD), delivery & accounting
Standard	Messages between sellers, aggregators and airlines	Messages between airlines and delivery providers & revenue accounting
Architecture	The offer is created in the airline environment, the intermediaries (GDSs, other players) only acting as pass-through	The airline IT environment is centered around offer and order management, which changes the size and scope of the PSS

Figure 5: NDC and ONE Order overview

2.2. Impact on other processes and areas

We have explained the key concepts and flows around Airline Retailing which are based around Offers and Orders. However, moving into this new world has an impact on several other processes. Once the Offer is in the airline environment, it will allow for more flexibility in the way it will be created. Dynamic Offers is a key component to consider here to enable airlines to adapt and adjust their Offers in response to market conditions and consumer shopping patterns.

In this new context it will also be easier to interline with partners that do not depend on tickets. These are the capabilities enabled by Interlining with Offers and Orders program.

The collection of money will be simplified by the ability to collect from the IATA Billing and Settlement Plan with a new standard called Settlement with Orders.

Finally, as airlines take back control of distribution, they also take back control of payment, which today represents an industry bill of over USD 10bn (more than legacy 3rd party distribution fees). Leveraging new forms of payment will reduce costs and enable airlines to better adapt to rapidly evolving consumer needs and result in increased conversion.

2.2.1 Dynamic Offers

Dynamic Offers combine capabilities of Continuous Pricing with Dynamic Bundling. By responding to customer searches with relevant products attributes and prices, Dynamic Offers will deliver more relevant offers to customers enhancing customer satisfaction and conversion rates for airlines.
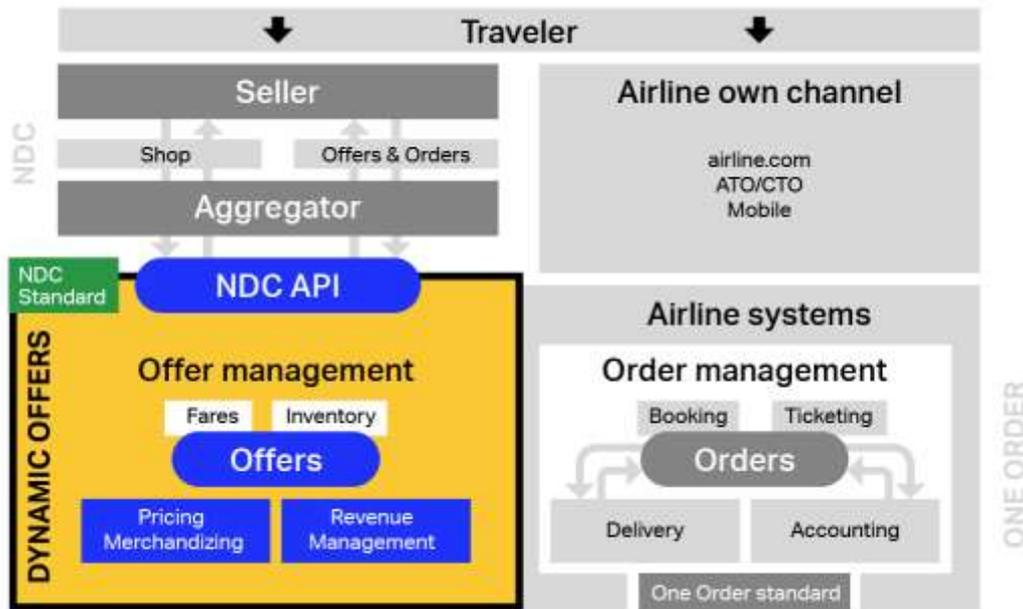

Figure 6: Dynamic Offers in the airline ecosystem

Airlines have clear aspirations for more dynamic methods of Offer creation aiming to offer passengers a better experience. With Dynamic Offers they will be able to adapt and adjust their Offers in response to market conditions and consumer shopping patterns.

This will enable:
- Presenting more relevant offers driven by continuous pricing algorithms thus improving customer choice and increasing customer satisfaction.
- Enhancing conversion rates through more relevant offers.
- Developing new partnerships to manage total retailing and drive customer loyalty.

Find more information on Dynamic Offers.

2.2.2 Interlining with Offers and Orders

Interline is the action of selling a combined journey with at least two different carriers with one contract, one price and one currency and ensuring that the passenger and her / his baggage is managed seamlessly during her / his journey. This includes the end-to-end transfer of the passenger and baggage, as well as protection in case of disruption, etc. The Interline partnerships are managed via the Multilateral Interline Traffic Agreement (MITA) Framework. In the context of the modernization of airline distribution, a new framework is put in place: SRSIA, the Standard Retailer and Supplier Interline Agreement. The framework introduces the concept of a Retailer and a Supplier and relies on the concepts of Offers and Orders. The Retailer initiates a relationship with a customer at the time the customer makes a shopping request and provides products and services either directly or by engaging Suppliers.

The aim of this framework is to support airlines in connecting and interacting with different suppliers and unlock the new opportunities such as accessing and selling any content from 3rd party suppliers (i.e., transport operators). The future of interline is especially relevant for new types of flows, such as air and rail combined, as well as full service and LCCs.

Find more information on Interlining with Offers and Orders and read the whitepaper Future of Interline.

2.2.3 Settlement with Orders (SwO)

Settlement with Orders introduces a streamlined and efficient settlement solution for the IATA BSP based on orders. It builds on the capabilities delivered by NDC and ONE Order that enable the accounting functions using the airlines' order management systems. It consists of a lean XML data exchange standard following a process agreed by the industry. Based on a sales agreement and commitment to pay between two parties, the funds clearing can be initiated by a simple request for clearance with minimal data. The partners are informed about the settlement process results based on the same data exchange.

The SwO standard applies to the settlement between Airlines and Sellers (Agents, OTAs, TMCs, etc.), using the current BSP agency program framework. It is also expected to be extended to the settlement between partners, to support interline and multimodal business models.

Airlines and sellers now benefit from a full order-based framework all along the value chain from distribution to settlement and accounting of payables and receivables, without the complexity of the ticket-based processes for settlement. It complements NDC and ONE Order benefits, regardless of whether tickets/EMDs are issued in the background or not, bridging the gap also for ticketless carrier settlement, which means it is also applicable to ticketless carriers.

Airlines and Sellers part of the IATA Billing and Settlement Plan will benefit from:
- Streamlined and efficient settlement solution for NDC
- Automated exchange of settlement data
- Fully automated reconciliation
- Fast and accurate cash visibility

More information on Settlement with Orders.

2.2.4 Payment

Payments are an integral part of the Distribution transformation. In the new environment of Offers and Orders, the aggregator does not collect the payment authorization but simply passes on payment details to the airline, using the Order request that will trigger the creation of an Order (PNR and ET). In addition to its role as the contractual party to the transaction, the airline is in a better position to manage payments as it can accept or refuse a specific card and process all fraud detection as done in the case of direct sales.

Before NDC, the travel agent would either collect the money and settle it through the IATA provided Billing and Settlement Plan (BSP) or use a GDS for payment authorization and credit card payment to the airline bank.

With NDC, the airline becomes the merchant processing the payment. Potential benefits could include:
- Lower fraud costs

- Lower cost of payment (both in terms of internal processing costs and merchant fees)
- Increase the number of payment methods accepted, and possibly tailor-made by country and customer
- Expand customer base through additional payment options

Airlines have the opportunity to offer their complete portfolio of payment instruments through indirect distribution, such as PayPal, bank transfer, pay by instalment, air miles, etc. An airline choses payment instruments based upon factors such as cost of payment, cash flow, risk of fraud and geographic reach. The list of payment instruments is growing fast, due to, in particular, the dynamism of the FinTech community. Ultimately an airline would want to apply its complete portfolio of payment instruments to indirect distribution.

For more information on Airline Payment please read the following documents:

- **Airline Payment Framework** which deals with Strategy and Channels Policies.
- **Payment Readiness guide for Airline Retailing** intended to guide the Airlines who need to start their Airline Retailing journey in indirect distribution or to scale it up with their payment implementation.

The documents are available to airlines via the Payment Knowledge Community. Airlines that are interested in joining the Community or onboard new staff members please refer to the [Community onboarding & user guide](#).

3. The role of IATA

To support the airlines in their move to Retailing IATA has introduced several new programs (based on standards): NDC, ONE Order, Settlement with Orders, Dynamic Offers, the Future of Interline. It has also supported the value chain (airlines, sellers, IT providers and corporate buyers) in their journey by providing expertise on business architecture, workflows, implementation guidelines etc. Retailing requires Distribution, Revenue Management Pricing, Payment, and Data teams to work together, with the support of IT, Finance and other Commercial functions.

The role of IATA in this journey to Retailing is as follows:

1. Ensure standards are fit for purpose, well documented and evolve based on implementation feedback
2. Support value creation by accompanying airlines in their journey to Retailing, provide performance benchmarks (in volume and value creation) through the Airline Retailing Maturity Index program
3. Engage other stakeholders (tech providers, sellers and corporate buyers) to identify transition challenges & accelerate the journey

3.1 Governance of the IATA Standards

The standards supporting Airline Retailing are governed by the Shop-Order Standards Board under the Passenger Standards Conference. The Shop-Order Standards Board manages the development of standards concerning any interaction between airlines and any other parties for the purpose of offering products and services, confirming when such products or services are entitled to be received, and monitoring or reporting on the consumption of what has been ordered. This brochure outlines the Conference structure as well as standards adoption and development procedures.

If you are an airline or strategic partner and would like to join the conversations and help set the standard, please contact standards@iata.org for more information.

Find more information about the Shop-Order Standards Board activities.

To learn more about the standards and download the schemas please connect to the developer community.

3.2 Strategic Industry Governance (DAC, GTEC, TMAG)

IATA also engages with the broader community and defines its strategic roadmap on Airline Retailing with the help of 3 groups:
1. Distribution Advisory Council (DAC)
2. Global Travel Management Executive Council (GTEC)
3. Travel Managers Advisory Group (TMAG)

The DAC consists of 15 airlines from all size and regions and shall act as advisor to the IATA Board of Governors, the Director General, other Advisory Councils, IATA management and other relevant IATA bodies on matters concerning industry distribution standards and related policy aspects.

The DAC will:
1. Prioritize and develop strategies, policies, action plans and industry positions.
2. Provide issue priorities and guidance on strategy to IATA resolution and standard-setting bodies.
3. Recommend timelines, targets and KPIs for prioritized initiatives.
4. Monitor and assess future industry trends.

5. Provide guidance on strategy to the standard setting activities under the Traffic Conferences.

The GTEC has been created to engage the TMC leaders of the top local, multi-national & global TMCs to ensure the TMC model and infrastructure is understood. They represent 15 TMCs worldwide.

The TMAG operates in both Europe and North America. It was established by IATA in 2015 to provide guidance from travel managers to IATA on NDC and more generally on Airline Retailing. This has resulted in a variety of activities including the creation of educational content, design-thinking exercises and whitepapers. The TMAG represents in close 40 global travel buyers worldwide.

3.3 Airline Retailing Maturity Index Program

Airlines are working together with value chain partners towards the shared goal of Airline retailing. The entire value chain wants to scale volumes and drive value as quickly as possible.
IATA is equipping the industry with a new IATA Airline Retailing Maturity (ARM) index, which will help Airlines and their partners to have visibility in Airline retailing. It is structured around three pillars:

1. Capabilities verification
2. Partnerships deployment
3. Value capture compass

The ARM index is available to System Providers, Sellers, and Airlines who are capable of supporting Airline Retailing standards. The list of capable stakeholders and their maturity is available in the Airline Retailing Maturity index registry.

4. Getting Started

In order to start undergoing this transformation at your airline here are three critical success factors for consideration:

1. The C-level sets the vision and inspires a tight collaboration across the commercial and distribution teams as well as sales, IT and revenue management, finance and e-commerce.
2. The airline has a joined-up Distribution and Payment strategy. In many cases these two functions operate in silos, but when brought together, they have a significant impact on the customer experience and can drive significant cost savings, as well as increases in sales conversion.
3. When planning ROI, consider the long term as well as the quick wins (note: It will take between 6 and 18 months to get the first benefits of your transformation depending on your starting point and speed).

Possible next steps to consider are:

- Define your strategic objectives in Distribution & Payment
- Determine your approach to channel & content management, as well as product development
- Develop a business case for short and long-term value and required investment
- Establish an actionable roadmap and engage your trade, sales, and channel partners
- Understand the implications for your organization, talent, culture, and new ways of working

A more detailed check list is available **in Annex 1: Checklist to start your retailing journey**.

5. IATA resources

WHAT	DESCRIPTION
Airline Retailing the state of the industry	Video from the Data, Digital and Retailing Symposium (Oct 2021) about the Airline retailing state of the industry
Airline Retailing website	Together, Let's Build Airline Retailing
Airline Retailing Newsletter	How to subscribe to IATA's regular update on Airline Retailing
An Industry vision for Offers and Orders	Download the industry vision white paper for 100% Offers and Orders
Airline Retailing in Action	You will find concrete success stories from industry players
NDC Fact Sheet	One page on NDC: The NDC Program, the NDC Standard and more
ONE Order Fact Sheet	One page on ONE Order: The ONE Order Program, the ONE Order Standard and more
Dynamic Offers Fact Sheet	One page on Dynamic Offers
Future of Interline Whitepaper	An industry white paper on the future of Interline
Settlement with Orders in Focus	One page on Settlement with Orders
Developer portal	The Developer Portal is a single place to access IATA and open industry innovative resources (e.g., standards, schemas, API's, datasets, etc.) available to the external developer community
Airline Retailing Maturity Index	Airline Retailing Maturity Index Program

Annex 1 – Checklist to start your retailing journey

Step 1	Step 2	Step 3
Business case	Planning	Program set up

1. Business case

Size and scope of project	
Map existing airline distribution, processes, and End vision architecture	
Assess risks and potential blockers	
Define project metrics and reporting	
Platform assessment and Request for Proposal (RFP) – if applicable	
Estimate program timeline and delivery dates	
Assess program costs	
Set up tentative program structure	
Assess impact to key areas and processes	
Get buy-in	
Estimate support resources needed	

2. Planning

2.1. General strategy and vision

Define how you want to use Airline retailing standards and capabilities: which parts, which components, which are the current gaps that you would like to fill with new features?	
Identify what functions or use cases you plan to implement	
Identify what supporting documentation is needed for the strategical part	
Define the high-level Retailing strategy	
Define the Distribution strategy: direct sales / all channels / creating a new channel	
Define the Payment strategy	
Do you expect any savings in Distribution and Payment costs?	
For each sale made through an NDC channel, what is the extra profit coming from the ancillary sales?	
How can the retailing vision become well understood and shared among stakeholders, top managers, and sponsors?	

2.2. Marketing and sales strategy (ancillaries)

Define the overarching ancillary sales and merchandising strategy	
Are you aiming at distributing internal ancillaries, 3rd party ancillaries or both?	
Which channel delivers the best ancillary sales?	
Are your distribution processes defined and aligned with NDC distribution?	
In which markets do you want to sell?	
Understand the distribution ecosystem and who your NDC supportive partners are	

Who will consume your content and how?	
Who and how will sales / customers be serviced?	
Ancillaries	
What do you want to offer short term?	
Which products can provide quick wins and quick implementation?	
What are the new products and services you can offer to corporates?	
What do you want to offer mid- to long-term?	
Which products are more complex to fulfil or service?	
What are your competitors offering?	
Do you want to align or differentiate?	
Do you want to create personalised and/or contextualised offers?	
Do you want to offer non-air travel products (e.g. hotels, activities, trains, car rentals)?	

2.3.　Business process engineering

Define services provided for the sold items in case the customer is requesting it (e.g. voluntary change and cancellation)	
Revenue accounting and back end processes – Define implementation real time data flow	
Define services provided for the sold items in case of disruption (e.g. involuntary change)	
Define consequences of system disruption: What is the agency support in case of direct connect? In case of an indirect non-GDS sale?	
Analyse and measuring the potential consequences of internal servicing of the Order	
Complete a high-level processes map to identify the affected organization and processes	
Check the training that might be necessary	

2.4.　Link with IT

Communicate with IT to ensure that the new airline retailing business strategy is shared	
Communicate with IT regarding business needs and requirements	
Work with IT to identify any potential difficulties of integration within the existing architecture, defining specific points of complexity	
Can IT cope with such a program, e.g. scope of project, volumes of transactions, etc.? Will external help be needed?	
Check the understanding of data privacy for IT	
Check data security and PCI compliance	
Are current systems capable to be updated or already at the limit of their capability?	
Work with IT to understand how to leverage new data (offers, etc)	

2.5.　Legal considerations

Check legal impacts concerning data privacy & security	
Check contracts – distribution partners, PSS, IT systems providers, GDS, etc.	
PSS contracts	
Restrictions on distribution by channels	
Restrictions/Costs of 3rd Party integration	

Restrictions on data access	
Restrictions on using other technology suppliers	
Transactions' definition, volumes and costs, in particular for those associated with Offer creation	
Search costs, costs related to merchandising	
Is NDC and other retailing impacts mentioned, and if so, how?	
GDS contracts	
Restrictions on distribution by channels	
Content supply obligations	
Restrictions on distribution by markets	
Type of fares	
3rd party content providers	
Restrictions on distribution by channels	
Restrictions on distribution by markets	
Restrictions on distribution methods	
It is key that the distribution agreements are validated to ensure that they are not being breached. Potential restrictions in place must be either negotiated with the content provider or reflected in the strategy.	

2.6.   Relevant departments for cooperation

Distribution	
Payment	
Revenue Management & Pricing	
Sales & Marketing	
Ecommerce	
Ground Operations	
Revenue Accounting	
IT & Technology	
Customer Experience	
Legal	

2.7.   Project organization – external support

Identify the involved departments and stakeholders in each department	
Clarify expected involvement of stakeholders and corresponding departments	
Identify external stakeholders and contact person in each organization	
Create a relationship map including internal and external stakeholders, and their status (e.g. supportive, neutral or opposing)	

2.8.   Communication

Create the key messages (benefit, involvement, expectations) for each stakeholder and their department for internal and external communication	
Define templates and channels of communication	
Ensure that the global strategy is shared	

Share the global airline retailing vision (internal / external)	
Ensure that the distribution strategy is shared and agreed upon	

2.9. Project metrics and reporting

Define metrics to measure the success of the retailing program and strategy. What are the targets within 1, 3 or 5 years?	
Value creation	
Revenue	
Units (e.g. ancillaries, flights, clicks, etc.)	
Cost to build	
Cost to operate	
Is there a reporting mechanism in place to communicate the success of the program?	

3. Program Set up

Match vendor platforms to capabilities	
Benchmark IT solutions	
Build a scalable and cost-effective architecture	
Define your key expectations from the pilot (do you test scale, servicing, business model, etc.)	
Pilot test and chose travel agents	
Define how you will grow the number of travel agents and the distribution mode	
Do you understand the commercial dynamics?	
Ensure processes scale up	