

# IATA E-SERVICES

## The Problem

Ancillary services, like excess baggage tickets or lounge vouchers, are a rapidly growing revenue source for the industry, but the full potential is still waiting to be realized. Paper miscellaneous documents issued by airlines to record and sell ancillary services require legacy paper processes and infrastructure to be maintained – adding cost and complexity to the industry distribution systems. Travel agents are unable to sell these services, restricting market access. Paper documents can also only be collected at airline ticket offices, causing inconvenience for passengers.

## The Solution

Recognizing the trend of growing airline ancillary services, the IATA Board of Governors approved the IATA e-services project in December 2009. The IATA e-services project aims to facilitate sales and collection of ancillary services through all distribution channels by using IATA's electronic miscellaneous document (EMD) standard. The use of EMDs will also help take the remaining paper out of the airline ticketing processes.

IATA e-services is the last step in the IATA's e-travel vision, which is paperless travel for airlines and passengers. E-ticketing was the first step towards e-travel. Removing paper tickets in 2008 led to the second step, the introduction of mobile bar coded boarding passes. The third and final step is e-services, by the end of which airlines will not issue any paper documents to passengers.

EMDs are designed to work like electronic tickets (ETs). The documents are stored electronically in the issuing airline's database. Usage can be tracked just like flight coupons in an electronic ticket.

EMD can be used to collect charges for ancillary services and amendment fees as well as issue refunds.

## The Benefits

For airlines:

- Increased revenue by selling more services through more channels: a mix of traditional channels (GDSs and travel agents) and new channels (web, mobile phone)
- Lower costs due to simplified revenue accounting and back office processing. Airlines will be able to track and attribute revenues faster and more accurately

For passengers:

- More flexibility. EMDs allow passengers to customize their journey, purchasing only the services they value, from fast track security to wifi access
- Easier access. Passengers will be able to purchase services on the web, at a kiosk, on mobile phones, at check-in desks or from travel agents
- Less hassle. These services can now be offered across multi-leg journeys, even those that involve multiple airlines, making life simpler for passengers travelling on alliance or interline partners
- Less stress. No more pieces of paper to lose. And just as ET made changes to tickets easier, e-services will make changes to these services easier

For travel agents:

- Access to new opportunities to sell additional services
- Capability to issue and track EMDs via their own systems providing increased productivity, market intelligence, and more efficient corporate billing and control
- A single, comprehensive document for covering complete travel related services, replacing all miscellaneous documents including vMCO/vMPD\*
- Offering greater flexibility, improved customer service and customizable for one's local market needs

## IATA's Approach

With the EMD standard in hand, IATA e-services is using the global Simplifying the Business (StB) network of IATA staff, airline champions, industry experts and strategic partners to mobilize the industry and meet board targets.

## The Targets

- Successful adoption of the EMD standard in IATA BSP
- IATA BSPs will stop processing virtual Miscellaneous Charge Order (vMCO) transactions as of January 2014
- virtual Multipurpose Document (vMPD) will be phased out no later than June 2014, with certain identified exceptions in some BSPs\* until October 2014

\* List and conditions available on [IATA ticketing committee extranet](#): IATA recommends that airlines sunset vMPD earlier in selected BSPs if they wish.