A document for all seasons, customization initiatives.

**Wednesday, 3rd August 2011**

*Source: IATA*

If service is to be personalized, it’s important that customers understand they have the freedom to choose; Distribution becomes vital.

The electronic miscellaneous document (EMD) is at the heart of customization initiatives. An EMD is simply an IATA standard document designed to facilitate the fulfilment of ancillary services. Each optional service can now use the same form, creating transparency and cost savings across the entire value chain.

As of March 2011, 12 airlines and the six major global distribution systems (GDSs) are EMD-capable. The target for 2011 is to ensure 40 airlines and the GDSs are live in IATA’s Billing and Settlement Plan (BSP). By end 2012 all airlines must be EMD-capable and by end 2013 there must be 100% EMD usage in IATA BSP.

Already 220 airlines are committed to be EMD-capable by 2012 deadline representing 84% of passenger volumes. And 58 airlines have reported an implementation date by end of 2011.

“The EMD development could be called a second phase of e-ticketing,” says Tom Källström, Vice President, GDS Distribution & Commercial Applications, Finnair. “Similar benefits to those gained from ET and interline ET will mature once most airlines have implemented EMD. Implementation of EMD will help airlines to utilize ancillary services much more efficiently as well as secure a seamless operation from a back office point of view.”

Amadeus is the first GDS to receive IATA BSP sign-off and the first EMD was issued in the Finland BSP in February. Around 50% of the world’s air travel is arranged through a GDS, and it remains the channel of choice for a majority of business passengers. “The booking, ticketing, and accounting of the ancillary service will take place in a single system, and simplify revenue accounting and back office processing,” says David Doctor, Director of Airline Distribution at Amadeus. “This will allow airlines to identify and track revenues faster and thus improving efficiency.”
But the technical aspects are not as easy as might be expected. Significant back-end reconfiguration is necessary to allow the sale of ancillary services. Amadeus is working on polling ancillary services directly from the airline’s own IT systems to give greater flexibility in its technical solutions.

**Maximizing Mobility**

Mobile connectivity is the future of personalization. The work done on this platform will be vital to the success of customization projects. Mobile’s strength lies in its ability to offer airlines and travel agencies the opportunity to push context-sensitive offers to clients. For example, if an airline knows a traveler has arrived early at the airport they might be offered an hour in the Premium Lounge—for the right price, of course. Just under 40% of travelers would adopt services that delivered real-time information to their mobile devices on flight and baggage status, as well as directions at the airport, according to a JD Power survey.

The more criteria a travel agent has to work with, the better the customer service they can provide. Mobile connectivity provides another dimension by allowing that information to be acted on in real time. This will give airlines much greater flexibility in product and yield management.

[www.iata.org](http://www.iata.org)