

A close-up, low-angle shot of a Delta airplane's wing and engine on a runway. The sky is blue with scattered white clouds. The word "DELTA" is visible on the fuselage above the engine.

Delta Leading Industry Effort to Reduce Debit Memo Volume

Presented by:

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KEEP CLIMBING



Agenda

- Delta's 2016 Internal Vision – Debit Memos
- Where did we land?
- What is on the horizon for 2017?
- Closing remarks



Delta's Internal Goal - 2016



Established internal goal to reduce travel partner exposure to Debit Memos



Collaborative Effort - held many round table discussions across internal departments to determine issues resulting in debit memos which were within our realm of control



Implemented changes throughout 2016



What changes were made?

POS Programs	<p>Changes to Point of Sale Commission Programs</p> <ul style="list-style-type: none">• Terms and Conditions Simplified• Consolidated Exhibits to allow for more than 1 ticket designator• Implemented Ticket Designator review prior to debit memo issuance
Ticket Validity Rules	<p>Ticket Validity rules filed with fares</p>
Booking Violation Policies	<p>Modifications and enhancements made to Delta Booking Violation policies</p>
ARC Memo Analyzer	<p>Purchased ARC Memo Analyzer for account and industry level visibility and analysis</p>
Other	<ul style="list-style-type: none">• Actively participated in ARC and IATA DMWGs• Continued to perform 2nd internal QC process to monitor accuracy and integrity of memo product• Surveyed 250 travel partners to gain feedback on Delta's debit memo product and processes

Where did we land?



In 2016 we exceeded our debit memo reduction targets across the board.

- Reduced commission related memos
- Reduced exchange and refund related memos
- Reduced the fee associated with credit card charge backs
- Maintained 98% debit memo accuracy rate
- Reviewed and updated booking and ticketing policies published in the Policy Library on the agency website <https://pro.delta.com/content/agency/us/en/home.html>
- Conducted webinars, attended Advisory Board meetings and visited accounts to educate agencies on the mistakes they were making and how to book and ticket them correctly

What is on the horizon for 2017?

2017

- Effort underway to reduce credit card chargeback memos by enhancing the authorization process with credit card processors
- Assessing tools and further simplification to continue reducing point of sale bonus commission debit memos
- Working towards increasing number of point of sale commission programs filed with ATPCO and GDS providers to facilitate auto-pricing capabilities
- Continue to collaborate with ARC & IATA DMWGs (sub-groups: Commission, Refunds and Exchanges, Fares and Taxes and Fare Filing) as well as ATPCO and GDS providers to:
 - Establish Best Practices
 - Identify and resolve root cause of fare filing issues on manual and auto-priced errors for original sales, refunds and exchanges as it relates to CAT 16, 31 and 33
 - Ensure proper handling of taxes and surcharges on original sales, refunds and exchanges
- We expect our debit memo issuance to be significantly lower compared to 2016

Thank you!

We appreciate your time today and look forward to a positive year ahead.

Thank you for your continued support of Delta Air Lines!

