

COVID-19 Airline Ticket Management Scenarios

Revised May 2020

Scenario	Do ARC's Systems Support?	Benefits	Challenges
Airline maintains value on original ticket. (The ticket is considered the voucher.)	Yes	<ul style="list-style-type: none"> • Ticket number is easily identified, stored and retrieved by airline, agency, corporation and passenger. • Agency exchanges happen often so this scenario is already part of the agency workflow. The agency can perform the exchange in their GDS and the ticketing data is fed to their mid- and back-office systems. • ARC's systems support this method and allow for refunds/exchanges (e.g., ticket validity) up to 39 months based on carrier e-ticket expiration and validity rules. • Tracing the end-to-end life of the transaction is simple (old and new tickets). 	<ul style="list-style-type: none"> • Tracking unused tickets: To track unused tickets, agents may pay a third party, maintain an internal tool or manually retrieve the data. • Airlines may not be able to extend e-ticket expiration (being able to maintain the ET for longer than their standard ticket expiration). • Agency may need to exchange ticket manually. GDS auto-pricing tool may not be available. <i>Note: ARC understands that as of early June 2020, the GDSs/ATPCO have made updates to allow auto-pricing tools to be utilized. This ability is dependent on the airline being able to extend ticket expiration.</i>
Airline closes ticket and moves value to an Electronic Miscellaneous Document (EMD).	No	<ul style="list-style-type: none"> • For airlines that cannot extend ticket expiration (see first scenario) and have internal-only EMD solutions, this provides an efficient way to manage future use of the ticket value. 	<ul style="list-style-type: none"> • Not all airlines and/or GDSs support this functionality. • The airline may not have a consistent way to notify the customer that the value has been transferred to an EMD, as the travel agency's e-mail address (instead of the passenger's) may be stored in the PNR • The airline-issued EMD is not reported to ARC, so ARC does not recognize the airline-issued EMD for future exchanges. • The agency does not have visibility of the ticket closure and subsequent issuance of the airline-issued EMD within ARC's settlement tools, IAR and DRS, resulting in customer service, reporting and reconciliation challenges. Airline-issued EMD data may not be supplied to the agency or stored in the agency's mid/back office for tracking and reporting. • The agency, passenger or corporation is required to contact the airline to exchange the airline-issued EMD for a future ticket, these transactions cannot be settled via ARC since the airline-issued EMD is not recognized as a valid document.. • If the airline shows the coupons as refunded and the cardholder/passenger does not see a refund back to their original form of payment, they may initiate a chargeback.
Agency closes ticket and moves value to an EMD.	Yes	<ul style="list-style-type: none"> • The agency and airline have visibility and access to the EMD for future use. • Agency-issued EMD details are stored in the agency mid-/back-office systems. • Using the EMD allows for easy override of the fare/fee rules, compared to using the original ticket and having to track waiver codes for each airline. • Agency-issued EMD exchanges are settled and visible via ARC's tools (IAR and DRS). 	<ul style="list-style-type: none"> • Not all airlines and/or GDSs support this functionality. • While ARC's systems support this method, EMD RFIC (and a few EMD-specific fields) are not displayed in IAR. (EMD is displayed as ET in IAR and output to agency in BOS.) <i>Note: These enhancements are on the IAR backlog and do not impact EMD settlement.</i>

<p>Airline closes ticket and moves value to airline-issued voucher or certificate (non-EMD).</p>	<p>In Some Cases</p>	<ul style="list-style-type: none"> • For airlines that cannot extend ticket expiration (see first scenario) or that have not implemented EMDs in the U.S., this option does not require development. It is easy to implement and maintains the original ticket value with the airline. Some airlines do this today on a smaller scale. • This option allows the airline to maintain ticket value without processing a refund. 	<ul style="list-style-type: none"> • The exchange of the original ticket to an airline-issued voucher/certificate is not transmitted to the agency or ARC. Agencies have almost no visibility of the refund, voucher or closure of the transaction. This can result in customer service, reporting and reconciliation challenges. Airline-issued voucher/certificate data may not be supplied to the agency or stored in the agency's mid-/back-office systems for tracking and reporting. • The airline does not have a consistent way to notify the customer that the value has been transferred to an airline-issued voucher/certificate: The travel agency's e-mail address, instead of the passenger's, may be stored in the PNR. • To utilize airline vouchers/certificates as a form of payment, the agency, passenger or corporation will need to: <ul style="list-style-type: none"> ○ Contact the airline to use the voucher as part of a future transaction, or ○ The agency will need to utilize the Type B voucher as part of the exchange for reporting to ARC. The agency will need to utilize the Type B voucher as part of the exchange for reporting to ARC. <ul style="list-style-type: none"> ▪ Type B vouchers require manual reconciliation for the airline. ▪ There is limited audit/validation of Type B vouchers by ARC. The risk for fraud is high. • If the airline shows the coupons as refunded and the cardholder/passenger does not see a refund on their original form of payment, they may initiate a chargeback.
<p>Airline closes ticket and moves value to a virtual UATP card account, with the ticket marked as "Refunded."</p>	<p>ARC supports the use of UATP as a form of payment.</p>	<ul style="list-style-type: none"> • Allows airlines to close multiple corporate tickets into one form of payment. • Corporation has flexibility to use the funds in the future for any traveler. • Agency can use the UATP card as the form of payment for future tickets, and transactions can be settled via ARC. 	<ul style="list-style-type: none"> • The transfer of the original ticket's value to the UATP card is not transmitted to the agency or ARC. Agency has minimal to no visibility of the refund or closure of the transactions. This can result in customer service, reporting and reconciliation challenges. • The airline does not have a consistent way to notify the customer that the value has been transferred to UATP card. The travel agency's e-mail address, instead of the passenger's, may be stored in the PNR. This may be not as significant of a challenge in the corporate world, as the travel agency (TMC) will typically notify the corporation the tickets have been refunded to a UATP card. If the airline shows the coupons as refunded and the cardholder/passenger does not see a refund on their original form of payment, they may initiate a chargeback. Additionally, agencies need a way to distinguish between when a UATP card has been issued, and when a true refund has been issued to the original form of payment.
<p>Airline issues credit memo to the agency for ticket refund with cash form of payment or bulk/net fare ticket.</p>	<p>Yes</p>	<ul style="list-style-type: none"> • Provides airline an easy way to transfer cash to the travel agency. • Credit memo can be settled via ARC. 	<ul style="list-style-type: none"> • Airline has minimal audit trail to verify the passenger has received the funds. • Could be some delay in transmitting funds to the passenger due to the process of issuing and accepting the credit memo.

<p>Airline refunds ticket and issues check directly to the passenger for ticket refunds with cash or check form of payment.</p>	<p>N/A</p>	<ul style="list-style-type: none"> • Airline can quickly service the customer and minimize delays with issuing a credit memo to the travel agency. • Ensures that the customer/passenger receives the funds. 	<ul style="list-style-type: none"> • The airline refund is not transmitted to the travel agency or ARC, so the agency may not be aware the refund has taken place or that a check has been sent to the passenger. • Agency has minimal to no visibility of the transaction closure or issuance of the check to the passenger. Closure data is not typically transmitted to the agency or stored in the agency's mid-/back-office systems for tracking and reporting. This can result in customer service, reporting and reconciliation challenges. • Agency does not have control over the refund. Airline may not provide ticket/number or names, making it difficult for agencies to reconcile.
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