



The Airline Retailing Maturity index (ARM index) Factsheet

Providing the industry with visibility on the journey to airline retailing

1. What is the ARM index?

The ARM index looks at an industry player's technical capabilities, partnerships, and potential value captured while on the journey to airline retailing. The evaluation takes place across three pillars:

- **Capabilities Verification:** open to all players (airlines, sellers, system providers), this is a validation of capabilities enabled by the IATA airline retailing standards. There are 75+ capabilities which currently fall into six streams: Shop, Order, Pay, Account, Settle and Setup. It is an upgrade to the previous certification programs for NDC & ONE Order.
- **Partnerships Deployment:** open to airlines and sellers, this pillar assesses the scalability across the retailing value chain. The assessment reviews data on connectivity and reach using the IATA Enhanced and Simplified Distribution (EASD) standards, volumes of transactions, and feedback from partners.
- **Value Capture Compass:** is open to airlines only and measures their maturity in capturing the potential value from airline retailing¹. The measurement scope covers all areas of the journey to 100% Offers and Orders, both direct & indirect sales. It is a self-assessment survey of ~50 questions which span eight value drivers and enablers² to measure the changes an airline has made in methodologies, organization, policies, and strategies to become an airline retailer.

The [ARM index registry](#) displays the Capabilities Verification pillar and is open to the public; however, information relating to Partnerships Deployment and the Value Capture Compass are accessible for each individual airline only.

2. Why was it built?

IATA built the ARM index to better help airlines and their partners assess their maturity in the journey toward airline retailing. More particularly, this gives each airline an indication of where they are on the journey towards a world of 100% Offers and Orders and new capability developments they may consider, to drive more benefits going forward.

It provides visibility of a participant's capabilities to the entire industry and contributes to more consistent implementations. It also provides a unique source of information as the former NDC and ONE Order certification registries have now been superseded by the ARM index.

More generally, IATA is beginning to use ARM index information to help measure progress of transformation at the industry level and to see trends where we can be most helpful to the industry.

¹ Linked to the Nov 19 McKinsey study which suggests airline retailing has a value creation potential up to \$7 per pax, industry average, or 4% revenue

² These areas are: Bundling product and content, Pricing and revenue management, Direct channel and customer engagement, Indirect channels and customer partnerships, Order management and servicing, Payments, Strategy-organization and Talent, Technology and Data



3. Who benefits from the ARM index registry and how?

The ARM index registry is the sole source for industry recognition of player’s capabilities enabled by the IATA EASD standards. Therefore, the registry provides all participating organizations with a unique and industry-recognized:

- Validation of the airline retailing capabilities they have developed
- A pool of peers and partners with whom they can potentially implement

The registry provides a valuable and unbiased overview of the organizations with recognized airline retailing capabilities, which helps all industry organizations individually inform their partnership development strategy, based on their business needs.

In short, the Airline Retailing Maturity index registry is a vital tool, as the industry transitions to 100% Offers and Orders retailing, and the place to be if you are a player with capabilities enabled by the IATA EASD standards. As the ARM index grows, it will provide a unique view of the industry maturity in this journey, both from a technical and value creation point of view. It will play a critical role in the context of the industry transition to genuine Modern Airline Retailing.

4. What is the ARM index Maturity Report?

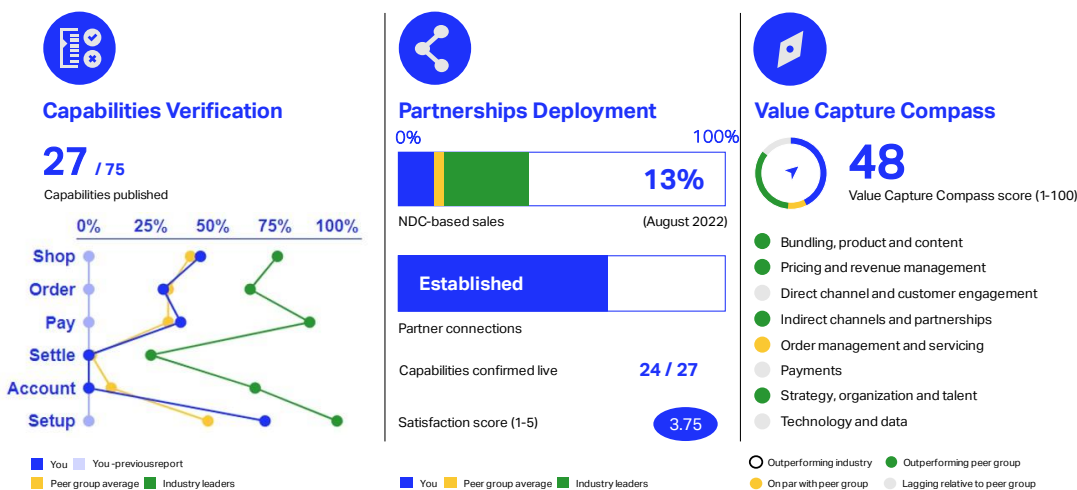
When an airline completes all three pillars of the ARM index, they are then eligible to receive a confidential ARM index Maturity Report twice a year. This report contains scoring based on the information collected, benchmarking with their peer group and industry leaders, and feedback from both their partners and IATA. The intent of the reporting is to help the airlines individually take stock of where they are on their journey to becoming an airline retailer and to help them consider strategies for creating further value in their journey.

As shown below in a page taken from an example report, to be most helpful to airlines, the reports provide the three pillars side by side to show the growth possibilities for maturity. A single score would mask the areas in which an airline has made progress or can gain the most from action.

Example Airline

Maturity Report 2022

Overview: Congratulations on getting started on your retailing journey. You may wish to have a look at the attached reports for considerations that may be helpful in planning your next steps and longer-term strategy.



For further information on the ARM index and program, please visit: retailing.iata.org/armi

If you wish to discuss your organization’s capabilities and recognition in the ARM index, please contact armi@iata.org