

Name: Alternate payment methods

Problem to be resolved:

Find a holistic alternate payment method other than credit card for airline business that enables better customer experience and improved security with reduced cost of sale

Background or Business context:

Global context- Emirates is a global airline, serving 155 airports in 83 countries from its hub in Dubai, United Arab Emirates. Operating the world's largest fleets of Airbus A380 and Boeing 777 aircraft, its main activity is the provision of commercial air transportation services. Emirates is the world's largest international airline. We facilitate global travel and trade traffic to Dubai, and through Dubai, connecting 157 destinations on six continents with high quality air travel and transport services. Over the years, Emirates has earned a reputation for excellence with our focus on safety, efficiency, quality, and service, across all aspects of our business and operations Emirates global network of destinations has customers who book with us choosing any of the below methods

- Online booking engine www.emirates.com
- Visit a travel agent and book through the agent/GDS (Global Distribution System) like Amadeus
- Call our Emirates Contact centre
- Visit any of our Emirates Retail stores

Credit cards are significant part of the payments ecosystem in travel industry and we believe they will continue to be, especially in markets where they already have a strong presence.

In those markets, even when new payment methods are launched, there is often a card payment behind (for example PayPal, Apple pay etc.)

We see alternatives, such as instalments, e-wallet and mobile money, gaining the most traction in markets where credit cards are less well established today, like China and most of Africa respectively.

However every time a customer pays using his credit card Emirates incurs service fee which is a huge cost of sale due to the volume of tickets issued online via www.emirates.com .

Key consideration in mind today to offer great payment experience are convenience and safety – any compromises in these areas mean airlines will face potential damages – either on top line or worse, on customer experience and relationships.

The differences in political, socio-economic and infrastructural factors that really separate each region at a country level in terms of the availability and adoption of different payment methods. However, new ideas and developments are heavily clustered towards specific countries, and all the while, banknote volumes continue to rise.

As an example, Africa is an incredibly diverse continent in terms of economies, religions, politics, infrastructure, demographics and geographies, and to assume that a payment channel that works for one country will work across the board would be a very large mistake. Although overall card use is growing, Africa as a whole is still very much a cash-led region. Mobile money transfers and other e-money initiatives continue to grab the headlines.

Given the above context, Emirates would like to explore an innovative alternate payment method that offers airlines the building blocks to assemble a service where travellers can pay using any method they desire, in the currency of their choosing and using an instalment plan if they wish, say good bye to clunky and prescriptive checkout flows and welcome the new era of frictionless airline payments which in turn help reduce the cost of sale

This approach is underpinned by sophisticated AI technology that, in the near future, will help an airline not only to make a judgement on whether credit should be offered to a traveller following an application,

but before they even make an application. This means the service is only communicated to those travellers to whom it is relevant, preventing any disappointment, and helping traveller's access credit much more easily and cost effectively than traditional lending approaches.

One of the biggest barriers for some people while planning their holidays is a lack of funds at any given moment in time - there have been historic ways to access credit for travel but they've tended to require a lengthy application process or have charged high interest rates. Innovation in financial services and digital technology are combining to deliver completely new ways that make it easier to buy airline products. The delay in not being able to book and pay instantly can also cause us a lost customer.

Imagine a scenario where a customer wants to book his dream holiday in January when many airlines run sales, but it's been an expensive end to the year, and his bank balance is running low. In this scenario if we can offer "instant credit", a quick and easy service - that will allow them to pay for the trip in six- or twelve-monthly instalments, facilitated by the airline through all of its channels in a couple of clicks. Secondly some customers who have a smaller credit limit available on their credit card and are not able to make an online transaction for a higher priced tickets. An alternate method where the barrier of a credit limit is not restricting them from making a transaction will be helpful and more attractive for our customers. Besides this will enable us to upsell to more customers who desire to fly in our premium cabins.

Emirates are exploring innovative methods to make paying for services easy; some key considerations while building the solutions:

- we would in future like to offer our customers, to add their preferred payment method once, and it should automatically update their profile for any services they use across the airline portfolio of products
- we would enable digital teams to focus on creating world-class user experiences, without having to worry about re-designing single use-case payment services
- we would like the innovative method to be extended to support physical payment methods (payment terminals) and become a part of the holistic service – (example sometimes swiping a card or keying in your PIN code is the easiest, smoothest way to pay and should be considered)
- We can look at a unified platform, that can be used by our cabin crew as well to accept payments by using a terminal on board the aircraft

Scalable to all markets – the proposed solution if more convenient and innovative can be offered to all our global customers in all 143 countries as an alternate payment channel to credit card. Hence the solution should have a potential to be used on a wider scale across EK network and not be restricted by region or markets. In this hackathon, Emirates would like to pose this question for students to explore alternate payment solutions that will help us to provide options to customers that are safe from Emirates finance perspective at the same time provide an easier, faster and better customer experience

Systems involved or impacted: www.emirates.com and our internal reservation system used by our call centres called Res Connect

Appendix current payment options offered by EK across different regions

Payment Options	GCC & Middle East	Europe	Asia	North & South America	Far East Asia	Africa	Australia & New Zealand
Credit and Debit Cards	✓	✓	✓	✓	✓	✓	✓
Wallets (Paypal, Visa Checkout, Alipay)	✓	✓	✓	✓	✓	✓	✓
Stored cards	✓	✓	✓	✓	✓	✓	✓
Cash Plus Miles	✓	✓	✓	✓	✓	✓	✓
Installments through cards (0% interest)	✓		✓	✓			
Real time Bank Transfer	✓	✓	✓				✓
Mobile Money						✓	
Over the Emirates office counter payment	✓	✓	✓	✓	✓	✓	
Offline Bank transfer	✓	✓		✓	✓	✓	✓
Payment accepted over 3rd party services (Western Union, Interswitch, Boletos, Easy Paisa)	✓	✓	✓	✓	✓	✓	✓

List of all countries – Global that EK network extends to

Destination	Country
Abidjan	Cte dlvoire
Abuja	Nigeria
Accra	Ghana
Addis Ababa	Ethiopia
Adelaide	Australia
Ahmedabad	India
Algiers	Algeria
Amman	Jordan
Amsterdam	Netherlands
Athens	Greece
Auckland	New Zealand
Baghdad	Iraq
Bahrain	Bahrain
Bali	Indonesia
Bangkok	Thailand
Barcelona	Spain
Basra	Iraq
Beijing	China
Beirut	Lebanon
Bengaluru	India
Birmingham	United Kingdom
Bologna	Italy
Boston	United States of America
Brisbane	Australia
Brussels	Belgium
Budapest	Hungary
Buenos Aires	Argentina
Cairo	Egypt
Cape Town	South Africa
Casablanca	Morocco
Cebu	Philippines
Chennai	India
Chicago	United States of America
Christchurch	New Zealand
Clark	Philippines
Colombo	Sri Lanka
Conakry	Guinea
Copenhagen	Denmark
Dakar	Senegal

Dallas Fort Worth	United States of America
Dammam	Saudi Arabia
Dar-es-salaam	Tanzania
Delhi	India
Dhaka	Bangladesh
Dubai	United Arab Emirates
Dublin	Ireland
Durban	South Africa
Dusseldorf	Germany
Edinburgh	United Kingdom
Entebbe	Uganda
Fort Lauderdale	United States of America
Frankfurt	Germany
Geneva	Switzerland
Glasgow	United Kingdom
Guangzhou	China
Hamburg	Germany
Hanoi	Vietnam
Harare	Zimbabwe
Ho Chi Minh	Vietnam
Hong Kong	Hong Kong
Houston	United States of America
Hyderabad	India
Islamabad	Pakistan
Istanbul via Ataturk Airport	Turkey
Istanbul via Sabiha Gokcen Airport	Turkey
Jakarta	Indonesia
Jeddah	Saudi Arabia
Johannesburg	South Africa
Kabul	Afghanistan
Karachi	Pakistan
Khartoum	Sudan
Kochi	India
Kolkata	India
Kuala Lumpur	Malaysia
Kuwait	Kuwait
Lagos	Nigeria
Lahore	Pakistan
Larnaca	Cyprus
Lisbon	Portugal
London Gatwick	United Kingdom
London Heathrow	United Kingdom
London Stansted	United Kingdom
Los Angeles	United States of America
Luanda	Angola
Lusaka	Zambia

Lyon	France
Madrid	Spain
Male	Maldives
Malta	Malta
Manchester	United Kingdom
Manila	Philippines
Mauritius	Mauritius
Medina	Saudi Arabia
Melbourne	Australia
Mexico City	Mexico
Milan	Italy
Moscow	Russia
Mumbai	India
Munich	Germany
Muscat	Oman
Nairobi	Kenya
New York	United States of America
Newark	United States of America
Newcastle	United Kingdom
Nice	France
Orlando	United States of America
Osaka	Japan
Oslo	Norway
Paris	France
Perth	Australia
Peshawar	Pakistan
Phnom Penh	Cambodia
Phuket	Thailand
Porto	Portugal
Prague	Czech Republic
Rio de Janeiro	Brazil
Riyadh	Saudi Arabia
Rome	Italy
San Francisco	United States of America
Santiago de Chile	Chile
Sao Paulo	Brazil
Seattle	United States of America
Seoul	Korea
Seychelles	Seychelles
Shanghai	China
Sialkot	Pakistan
Singapore	Singapore
St Petersburg	Russia
Stockholm	Sweden
Sydney	Australia
Taipei	Taiwan

Tehran	Iran
Thiruvananthapuram	India
Tokyo - Haneda	Japan
Tokyo - Narita	Japan
Toronto	Canada
Tunis	Tunisia
Venice	Italy
Vienna	Austria
Warsaw	Poland
Washington DC	United States of America
Zagreb	Croatia
Zurich	Switzerland