

Airline Industry Ancillary Transaction Data Standard



Improved recognition for airline transactions

↑400%

increase in purchases of airline ancillary items since 2008¹

50%

nearly half of all airline transactions are ancillary purchases²



The airline industry's evolving business practices place continued emphasis on identifying ancillary product offerings separate from tickets.

Airline merchants have a long history of accepting payment cards for the purchase of tickets. Over time business practices shifted and passengers were given the option to pay for ancillary goods and services with their payment cards. While the variety of transactions grew, the description on the cardholders billing statement remained stationary.

With the ability to use their cards for purchasing everything from baggage fees and upgrades to on-board meals and wifi, it is not uncommon for a passenger to see multiple transactions posted under the same merchant name with only a ticket number for reference. This billing practice can cause confusion for the customer and may result in a dispute being sent to the merchant. This is why Visa has partnered with the airline industry to provide a better way for merchants to identify the goods or services that are purchased.



Ancillary purchase description options

Merchants can reduce how often they are contacted about transactions that are not recognized by their customer. Starting in October 2014, airline merchants globally must provide one of the following in the merchant name field of the transaction.

1 **New recommended option: Generalized description of the purchase**

This is the recommended option offered by Visa. Providing a description in the name field, such as "Duty Free" or "On-board meal" is an effective way to remind the customer of what the transaction represents.

2 **Existing option: Ticket/document number that is assigned to the transaction**

Also a valid choice, this can help airlines to quickly identify transactions to address customer queries.

¹ Source: IdeaWorksCompany.com Press Release, Airline ancillary revenue projected to be \$49.0 billion worldwide in 2014, issued November 3, 2014 – Ancillary revenue statistics applied by IdeaWorksCompany to individual airline revenue results for the year indicated from Air Transport World, Airline Business, and airline websites.

² VisaNet, Previous 12 months ending June 2015.



Matching the purchase to the type

Another helpful way to reduce recognition issues is to ensure that the information provided in the transaction matches the purchase made. Doing so will improve the ability of the cardholder's bank to provide better information to resolve questions at first contact. **Effective April 2015** if enhanced data is provided:

- Ticket purchases must contain passenger itinerary enhanced data
- Ancillary purchases must contain ancillary purchase enhanced data that includes the applicable service category code(s) to describe the type of purchase

The chart provided here shows the 23 ancillary category codes that are currently available to airlines. This list is expected to grow as airline merchants expand the goods and service available to their fliers. While airlines can provide enhanced data globally, it is **mandatory in the U.S.**

Code	Ancillary Service Category
BF	Bundled Service
BG	Baggage Fee
CF	Change Fee
CG	Cargo
CO	Carbon Offset
FF	Frequent Flyer
GF	Gift Card
GT	Ground Transport
IE	In-Flight Entertainment
LG	Lounge
MD	Medical
ML	Meal/Beverage
OT	Other
PA	Passenger Assist Fee
PT	Pets
SA	Seat Fees
SB	Standby
SF	Service Fee
ST	Store
TS	Travel Service
UN	Unaccompanied Travel
UP	Upgrades
WI	WiFi



Additional Processing Flexibility

As an airline merchant, you have several options available for processing your ancillary transactions. Choose the option that will best fit your needs:

- Bundle ancillary charge(s) with the airline ticket
- Bundle multiple ancillary charges and process them as a single transaction
- Process each ancillary purchase as a separate transaction
 - to support this option, Multiple Clearing Sequence Number and Count are available where applicable to process transactions with one authorization and multiple clearing records



Protection for split transactions

Airlines are allowed to obtain a single authorization for the combined amount of the ancillary transactions, even if you choose to bill each transaction separately. This protection applies if the items are purchased at the same time and using the same account number.

For example, if the client purchases a ticket and pre-pays a baggage fee, the merchant can combine the amount for the authorization and bill the ticket and baggage fee individually.



The Benefits of Better Information

The new ancillary data standard results in accurate classification of a significant portion of airline transactions.

For more information, contact your acquiring bank, processor or Visa representative today.



The new data standard results in improved customer service capabilities and corporate travel reporting while reducing back-office disputes.