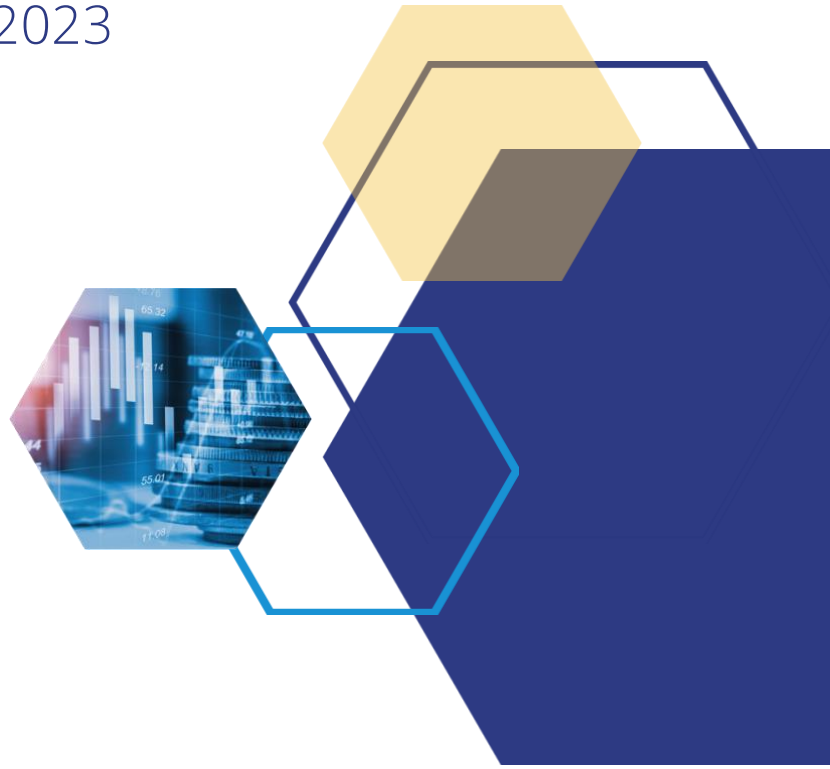
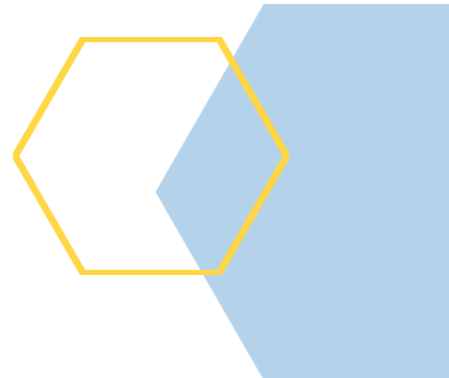




FIRST VIEW
December 2023



ATPCO accelerates its Transformation





THE FACTS

ATPCO has agreed to acquire data analytics firm 3Victors. Commercial terms of the acquisition were not disclosed.

THE ANALYSIS

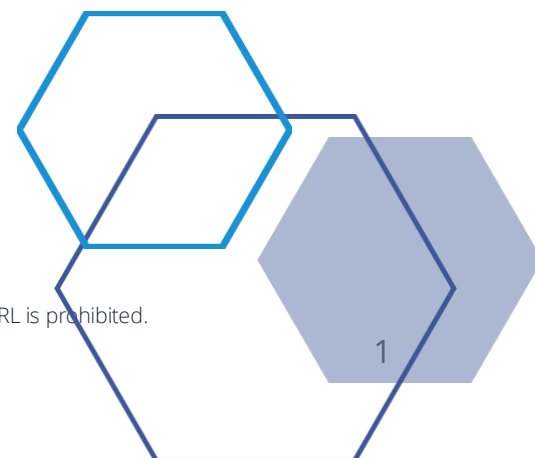
ATPCO has been engaged in a transformation to ensure it remains relevant in a world where its original function of fare filing is reducing in importance. As well as internal initiatives such as Airline Order Posting¹ it has also made acquisitions. The most significant of these was RouteHappy which it bought in 2018. Now it has made another significant investment in the shape of 3Victors.

3Victors was founded in Texas in 2016 with a focus on extracting information from big data. It has received investment from JetBlue Ventures and ARC and support from Plug and Play Tech Center. It analyses shopping data from over a hundred sources, processing more than a billion searches per day. The information derived then feeds in to airline pricing and revenue management systems, becoming more relevant the more that airlines move towards fully dynamic pricing. In short it has exactly the capabilities that ATPCO needs to provide to airlines as they move from the era of filed fares to the modern world of continuous dynamic pricing.

The benefit to 3Victors of coming under the ATPCO umbrella is access to a global marketing and support network. To build out such a network organically would have taken time, money and management attention all of which are in short supply at a young dynamic company concentrating on data science and product.

Both 3Victors and ATPCO are competent technology providers with the capability of exploiting AWS at scale in a cost-effective manner. There should be immediate synergies between them. As ATPCO exposes 3Victors tools to customers it will be positioned as a technology platform with unrivalled data.

¹ See FirstView ["ATPCO Walks the Talk"](#) October 2022
First View : 3Victors ATPCO





T2RL sees this as a great move for both parties which should drive benefits for the airline owners of ATPCO and the wider industry.

THE SPECULATION

This move is a further indication that the airline industry has accepted that the modernisation of its commercial platforms is under way. The acquisition by ATPCO would need to be approved by its board which consists of representatives from some of the world's biggest and most sophisticated airlines. These airlines are clearly convinced that successful airline pricing strategies will depend on access to accurate and comprehensive real-time information of the sort that 3Victors and ATPCO can provide.

Looking further ahead it is likely that airlines will seek competitive advantage by expanding their range of data analytics. Shopping and booking data provides a good platform but there is a wealth of other data available in the modern world. Online searches for information on destinations and events can provide early indications of likely future demand. This data from higher up the funnel is more diffuse and will require more processing power, storage and smarter algorithms to exploit. With their existing technical competencies and access to the resources of AWS this is exactly the sort of opportunity that ATPCO and 3Victors will be well positioned to exploit.

T2RL is an independent research and consulting company that specialises in the market place for airline IT systems. Based on data gathered and analysed since the year 2000 it has defined and tracked classifications of airlines and their IT providers. Its research is used by airlines to enable them to make informed choices of systems and vendors and by the vendors to help them develop products that best meet the current and future needs of the airline industry. For further information, visit our website at www.t2rl.com.

First View : 3Victors ATPCO

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