



GBTA

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Why NDC is Important...

The Breakthrough and the Future

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Today's Agenda:

- **The Importance of NDC -**
A closer look at the “Why,” “What” and “How”
- **The Breakthrough & The Future -**
NDC Perspectives: Airlines / Amadeus
- **Key Take-Aways for Travel Managers**
- **NDC Q&A**

NDC Audience Poll

Which phrase best describes your level of NDC knowledge?

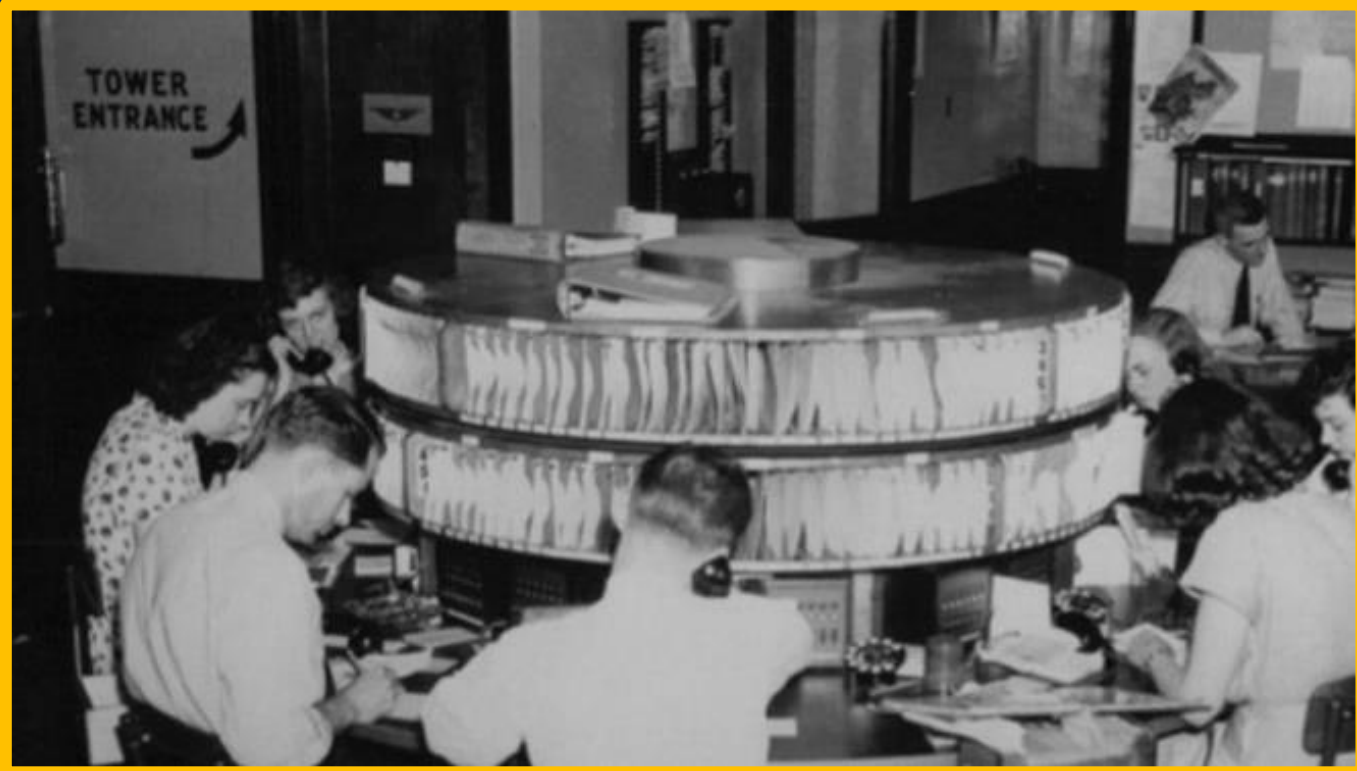
- 1) *I've been keeping up with it for over a year now. (Expert Level)***
- 2) *Trying to stay up with developmens, but not necessarily fully engaged.***
- 3) *I really haven't paid much attention until just recently...
...because I have a life!***
- 4) *I have no clue - - my boss just told me I should be here...
....oh, and I was hoping there might be a free lunch! 😊***

Why is NDC Important?

Three Key Reasons:

- 1) Limitations of Today's Distribution Technology
- 2) Airlines' need for Modern Retailing capability across all distribution channels
- 3) Providing Airlines greater Control over their offers

History of Airline Distribution



...the times have changed,
but the technology hasn't

- 1960's application of computer technology
- 1980's creation of the **EDIFACT** standard which is still in use today

Limitations:

- No visibility to the customer
- Issued uniform offers (no personalization)
- Void of **Modern Retailing** capability



Evolution of Distribution Technology: Travel vs. Music Industry

NDC is taking a 40 yr. leap from the Cassette to modern-day Streaming + AI



What is the definition of NDC?

NDC's Author - IATA (International Air Transport Association) :

“New Distribution Capability (NDC) is a travel industry-supported program which provides for the development and market adoption of a new, XML-based data transmission standard.”

***In Plain English ;)* :**

A technology that provides airlines with Control over their offers, Modern Retailing capabilities, and travelers with an enhanced consumer experience.

amazon

The screenshot shows the Amazon homepage with the following elements:

- Header:** Amazon logo, search bar, navigation links (Sign In, Try Prime, Wish List), and a shopping cart icon.
- Navigation:** Departments, Fire & Kindle, Recommended for You, Today's Deals, Gift Cards, Help, Sell.
- Hero Banner:** "JUMPSTART GOOD HABITS" featuring a woman reading a Kindle, with the text "kindle \$79".
- Prime Membership:** "Included with Prime Membership at No Additional Cost".
- Movie/TV Section:** A row of HD movie covers including "Catching Fire", "Anchorman 2", "The Last Legion", "Frankenstein", "Star Trek Into Darkness", "Jack Reacher", and "Am".
- Product Section:** "Commute in Comfort" featuring various Garmin products like a head-mounted display, a portable navigation device, a car mount, and a navigation screen.
- Advertisement:** An LG G Watch R advertisement with the text "DESIGN COMES FULL CIRCLE" and a price of "\$309.00".
- Footer:** "Return or Replace a Gift" and a small Amazon logo.

So what's the big deal about Modern Retailing anyway?

- Visibility of consumer when shopping & purchasing
- Facilitates targeted and more relevant offers
- Allows for "Dynamic/Continuous" Pricing
- Results in enhanced customer value and loyalty

Why is Amazon such a great retailer?

...Let's ask "ChatGPT":

"Amazon's success as a retailer can be attributed to its commitment to customer service, efficient operations and innovation.

...Amazon has been at the forefront of using technology to improve the shopping experience for its customers. They have invested heavily in Artificial Intelligence, Machine Learning and Data Analytics to personalize product recommendations and improve the overall shopping experience...which result in enhanced customer value and loyalty."



amazon prime Deliver to Fred Keller 76248 Pet Supplies

EN Hello, Fred Account & Lists Returns & Orders Cart


All Back to School Off to College Buy Again Amazon Basics Customer Service Coupons Health & Household Pharmacy Shopper Toolkit Find a Gift Pet Supplies Don't miss out on rewards

Pet Supplies Pet Profiles Dogs Cats Fish & Aquatics Small Animals Birds Reptiles Horses Deals & Coupons Pet Care Tips Subscribe & Save Veterinary Diets

Benebone Wishbone Durable Dog Chew Toy for Aggressive Chewers, Real Flavors, Made in USA **★★★★☆** 71,324 **\$9.65** prime

Back to results Sponsored

1 Purchased 2 times.
Last purchased Jul 14, 2021
Size: Medium | Style: 2 [View order](#) | [Helpful information](#) | [Set reminder](#)

 **Chuckit! Ultra Ball**
Visit the Chuckit! Store
★★★★☆ 111,548 ratings
#1 Best Seller in Dog Toy Balls

List Price: ~~\$13.99~~ Details
Price: **\$5.67** prime Same-Day
FREE Returns

You Save: \$8.32 (59%)

Get \$125 off: Pay \$0.00 upon approval for the Amazon Business Prime Card. Terms apply.

Size: **Medium**
Small **Medium** Large X-Large 2X-Large

Style: 2

One-time purchase: **\$5.67**
prime Same-Day
FREE Returns

FREE delivery **Today**
10 AM - 3 PM if you spend \$25 on qualifying items.
Order within 30 mins

Deliver to Fred - Keller 76248

In Stock.

Qty: 1

Add to Cart

Creating Enhanced Customer Value & Loyalty?

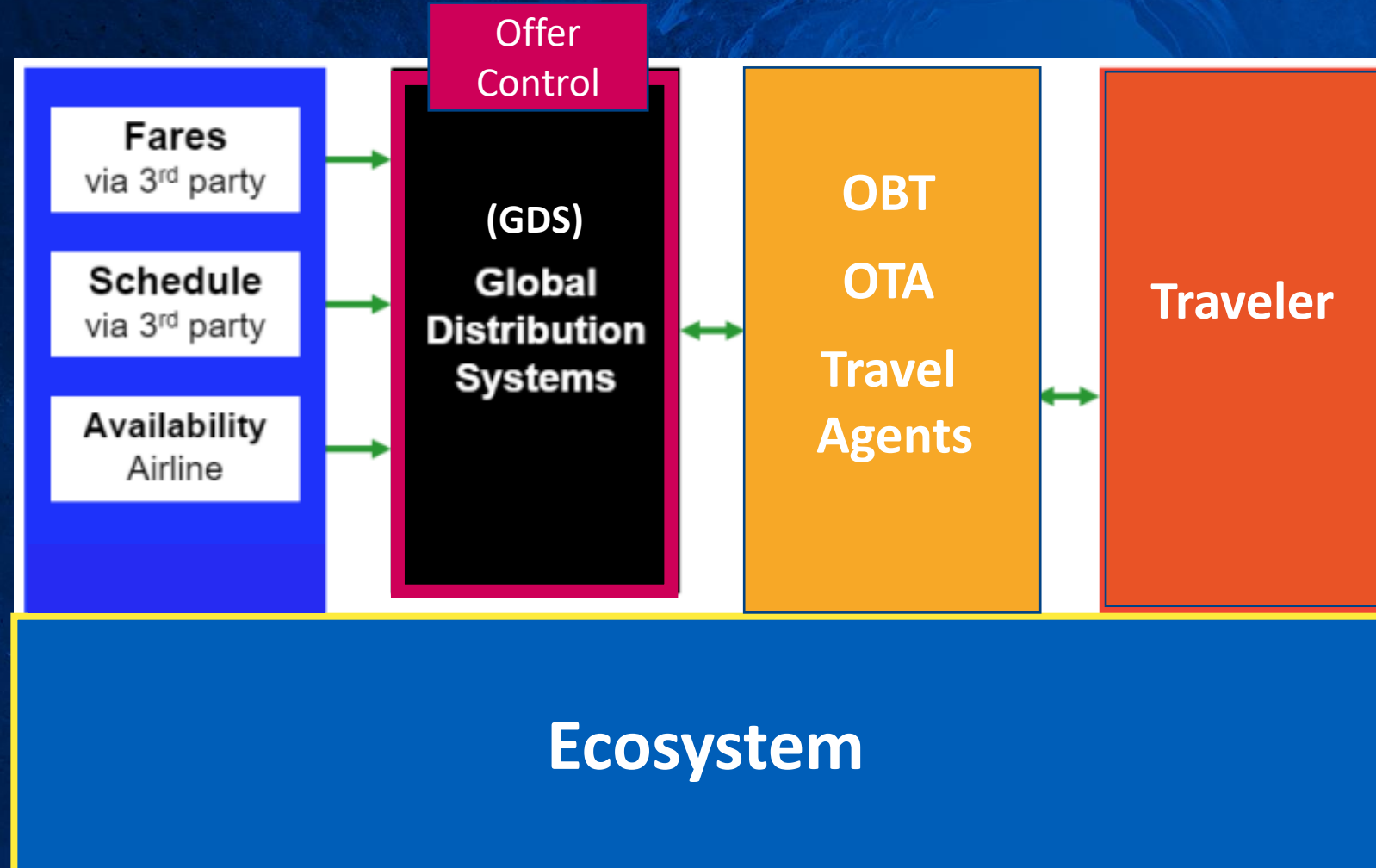
Profile – Fred Bowen:
50 something / Male / Dog Lover

Purchase History:
Dog bones / balls / chew toys

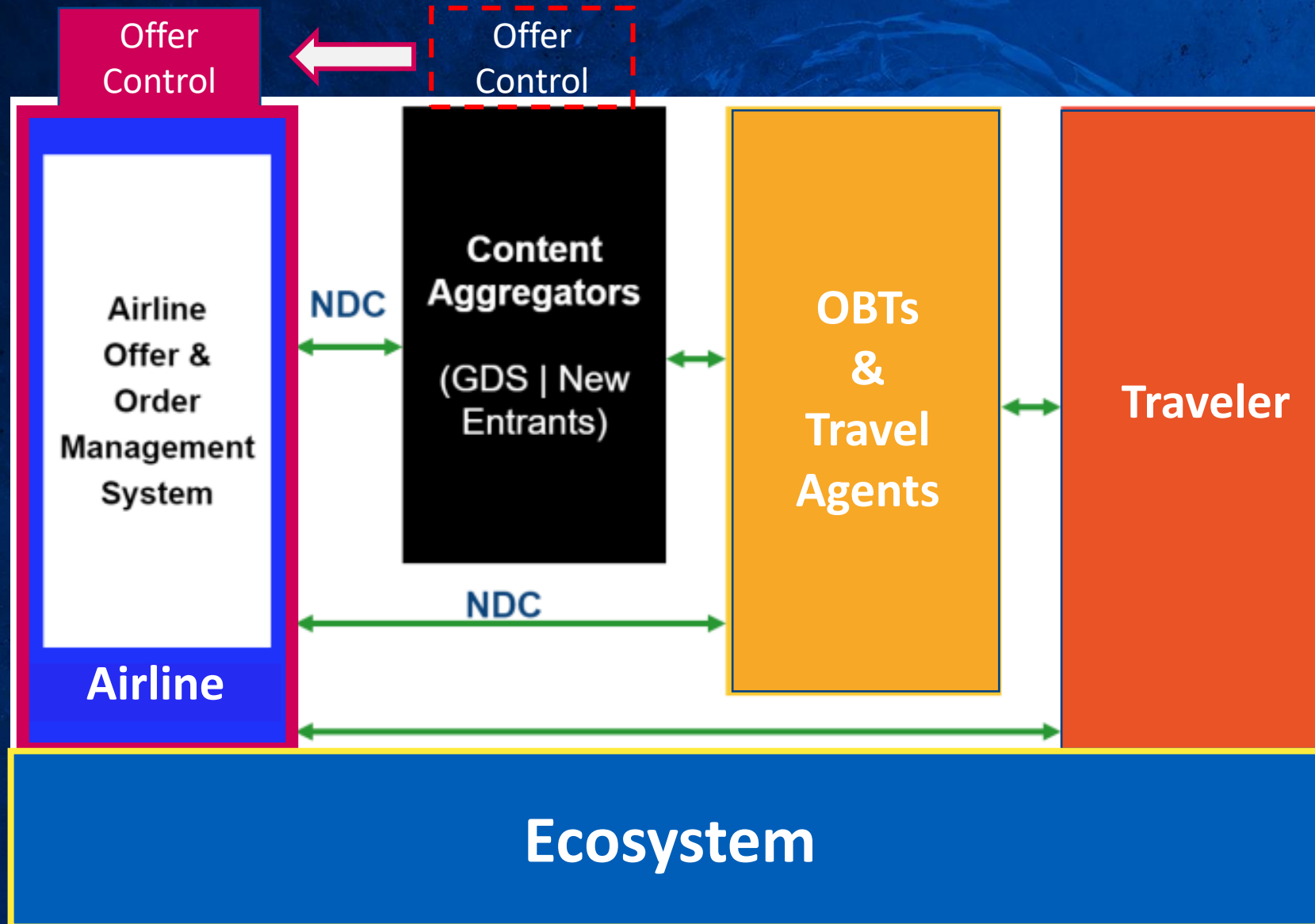


Offer Control: How is NDC changing the Booking Flow?

Today's EDIFACT Channel



Booking flow with the NDC Channel



Who benefits from NDC?

Customers/Corporations:

Beneficiary of more relevant and targeted offers (including “Corporate Bundles”) from preferred suppliers based upon preferences and negotiated agreements.

Airlines:

Now have full control their offers (including continuous pricing), attaining greater product differentiation and serve each customer in any booking channel creating greater value and loyalty.

TMCs:

Provide a more personalized service by selling customized offers, accessing rich content and attaining new operational efficiencies.

Congratulations!

A group of young people are shown in a celebratory embrace. In the center, a young woman with long brown hair is smiling broadly, looking towards the camera. She has her arms around a young man with curly hair whose back is to the camera. To the right, another young man with a black baseball cap and a white t-shirt is also embracing the group. The background is a bright blue wall with some graffiti. The overall mood is joyful and supportive.

You are now
NDC Certified 😊

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NDC Perspective

Airlines

*...a tale of two airlines
(Carrot vs. Stick)*

NDC Solutions for Corporations



OUR APPROACH TO CORPORATE CONTENT

Your content. Your channel.
Your choice.

As the world of airline distribution continues to evolve with adoption of IATA's New Distribution Capabilities (NDC), we are working closely with corporate customers interested in our NDC strategy. We understand the importance of collaboration with your TMC of record, and recommend including them in the discussion.



United NDC at-a-glance:

- A modern, friendly shopping experience
- Content beyond traditional fares, schedule and inventory
- Corporate negotiated bundles
- Continuous pricing
- MileagePlus® recognition and entitlement shopping
- Access NDC content via your online booking provider*
- Agency access to your NDC bookings

United Airlines 

NDC Strategy

- Offering **Corporate Bundles** based upon traveler preferences (*ancillaries approx. 10% cheaper*)
- Heavily involved in **Continuous Pricing** and introducing new fares exclusively in the NDC channel
- Subtle promotion of **Direct Access** for **NDC** content
- Heavy promotion of **Self-Servicing** technology

Modern retailing (NDC)

FOR CORPORATE & AGENCY PARTNERS



American Airlines is committed to delivering modern retailing experiences. Starting in April 2023, shopping via modern retailing channels will be the only way customers can retain access to all available third-party public content. We estimate that over 40% of fares available today via third-party legacy technology channels will become exclusively available via modern retailing channels. We are here to help you get connected.

Content category	Third-party legacy technology (EDIFACT)	Third-party modern retailing (NDC-enabled)	American-owned
Standard • Everyday Main and Premium cabin fares (e.g., not our lowest fares) • Eligible for corporate discounts	✓	✓	✓
Value • Lowest fares available to third-parties (e.g., fares with restrictions; Basic Economy) • Not eligible for corporate discounts (already considered discounted)	✗	✓	✓
Enhanced • Offers (Main Select, Main Plus, Flagship® Business Plus™, etc.) – eligible for corporate discounts. The discounted Main Select offer may be less expensive than the Standard content category Main Cabin fare in third-party legacy technology channels. • Ancillaries (bags, seats, etc.) – not eligible for corporate discounts.	✗	✓	✓
Special offers via American-owned channels • Web sales, limited time offers and AAdvantage® member exclusive offers • Historically these special offers have comprised a small percentage of bookings made through third parties			✓

Modern retailing ecosystem

Connection options for corporate & agency partners



American Airlines

NDC Strategy

- **Forcing Adoption:** Beginning April 2023, approx. 40% of all fares available only through NDC
- **Major gaps and significant pushback** within the Ecosystem
- **Content Differentiation:** NDC is less expensive than in the EDIFACT channel

NDC Perspective

Amadeus

...Simplifying the Complexity

Navigating the Complexity of NDC's Many Versions

66

NDC Airlines

<u>NDC Version</u>	<u># of Airlines</u>
21.3	1
21.1	1
20.2	0
20.1	3
19.2	7
19.1	3
18.2	19
18.1	17
17.2	30

Source: IATA ARM Registry (06JAN23)

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Keys to Success for NDC Content

...and what you should expect from your content provider

- 1) Strategy & Resources to efficiently Distribute all Content
- 2) Globally Accessible
- 3) Comparable Shopping
- 4) Fully Serviceable & Integrated

NDC is just one type of content provided to Buyers

Amadeus Travel Platform

Broadest and richest range of global content. Fully integrated and serviceable.

400+ Airlines including 130+ LCCs and 30+ NDC

1.7M Hotel Properties

90 Rail Operators



EDIFACT

- 400+ carriers
- 110 carriers with SEATS
- 130 carriers with BAGS
- 85 carriers with OTHER Ancillaries (e.g. meals)
- 100+ carriers with BRANDED FARES

LOW COST

- 130+ LCCs via Ticketing
- 5 carriers via Light Ticketing
- 7 (+8) LCCs through Extended Air Choice

NDC

- Agreements with 30+ carriers
- Fully Serviceable and Integrated

HOTELS

- 1.7M+ Properties
- Access a wide range of hotel properties from GDS and aggregators to serve travelers' individual needs

MOBILITY

- 70+ Car Rental Providers and Transfer Operators
- Extensive choice of mobility providers to service the customer's entire journey

RAIL

- 90 Rail Operators
- Sell local railway providers from your Front Office for time efficient and sustainable travel

Activating NDC worldwide



Global Readiness

- Already available
- Planned in 2023
- To be confirmed

Integrated & Comparable in ONE Interface

Start



Search



Compare



Book



Display



The screenshot shows a flight search interface with a 'Filters' sidebar on the left and 'Results' on the right. The results section displays several flight options with their respective prices and details. An orange circle highlights an 'NDC' label in the results section, indicating that NDC content is integrated alongside other content.

Price	Margin	Fare type	Booking flow	Flight time	Connections	Airlines	Airports and countries	Flight duration	Cabins	Booking classes	Baggage allowance
975.50 EUR		Public fare		02MAR19 NCE 08:30 → JFK 13:40	1 connection ⌚ 12h10	6S6207 6S24					
983.39 EUR		Public fare		06MAR19 JFK 17:43 → NCE 09:50 +1	1 connection ⌚ 10h05	6S3577 6S7700					
1002.20 EUR		Public fare		02MAR19 NCE 08:30 → JFK 18:00	1 connection ⌚ 12h10	Swiss International Airlines Operated by Air Moldova International			BASIC + LIGHT		
				28MAR19 JFK 20:30 → NCE 11:50 +1	1 connection ⌚ 10h05	Mozart Airlines Oceanic Airways			BASIC + LIGHT		

EDIFACT



NDC



Other APIs

Integration of NDC alongside other content so it can be searched, compared, booked and serviced all in one screen.

How Serviceable and Integrated is your NDC content?

...where you source your content matters!

Post-booking Servicing

- Void/Cancel & Refund
- Voluntary Changes
- Involuntary Change Notifications & Queues

System Integration

- MBO Feed based on A.I.R.
- PNR with active Flight Segment
- Improved Synchronization

Shopping/Booking Integration

- Fully Aggregated Search
 - NDC + EDIFACT & LCC
- Public, Private & Corporate fares
- Ancillary Services + Seat Map
- Differ payment (book and hold)
- Credit Card (with OB Fees)
- Cash Settlement (BSP/ARC)



Our Airline Amadeus Travel Platform content roadmap

Available Today (19*)	Piloting (2)	Q2 2023 (5)	Q3/Q4 2023 (10+)

* Avianca Group includes 4 airlines: Avianca, TACA International, Avianca Ecuador and Avianca Costa Rica

NDC Take-Aways
for
Travel Managers

Corporate Travel Program

OBTs

TMCs

Content (GDS)

Airlines

Corporate Travel Ecosystem

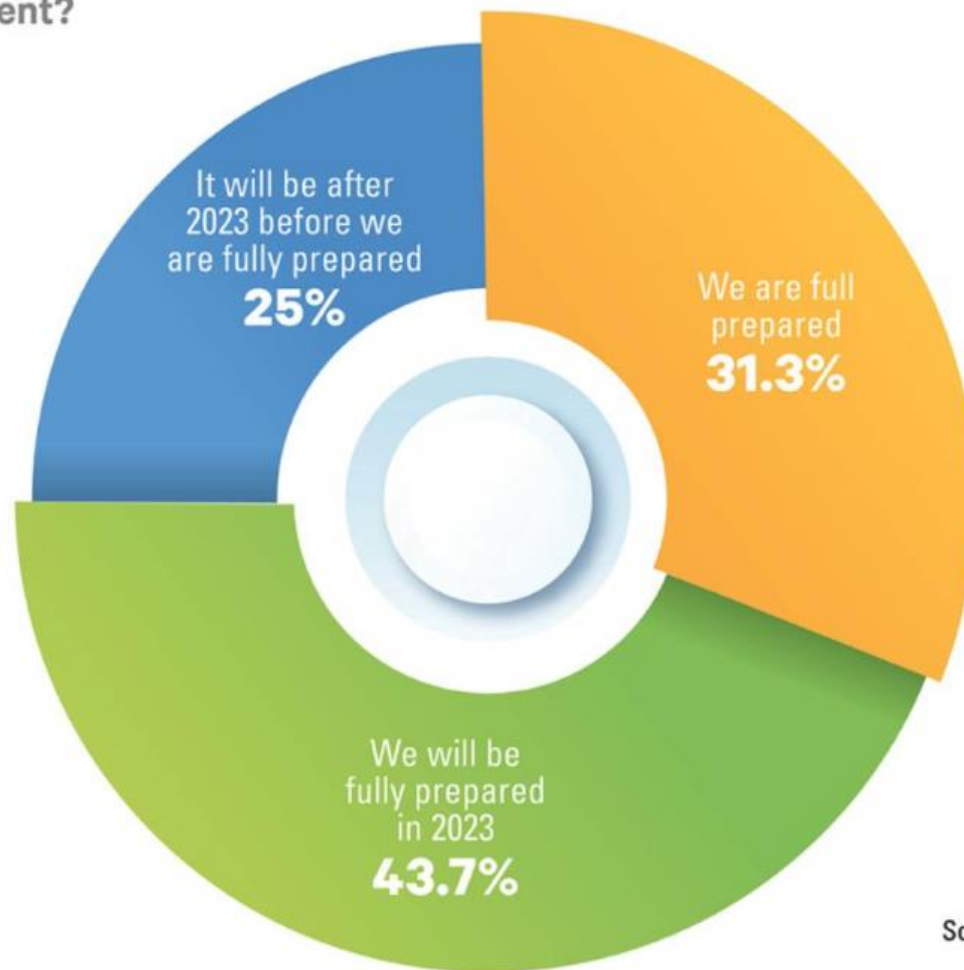
Travel Mangers

Get to know the NDC capabilities of your Ecosystem

Ecosystem - TMCs

TMC READINESS FOR NDC RANGES WIDELY

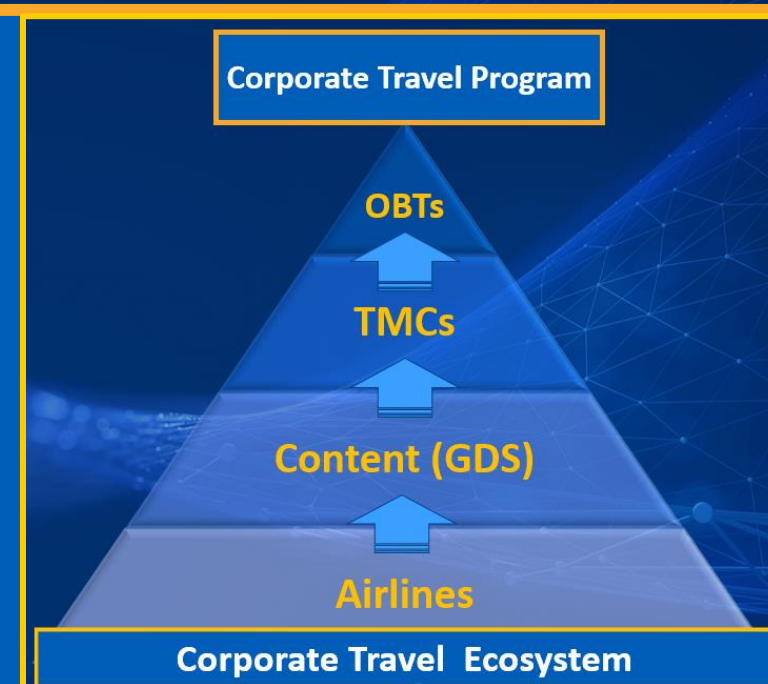
Q: To what extent is your company prepared to accommodate increased buyer demand for and airline requirements for NDC content?



Source: BTN's February 2023 TMC Reboot Survey, 32 travel management company respondents

Plan for Success

- **Define your Aspirations for NDC**
- **Engage your Ecosystem**
 - Airlines – Where's the value?
 - Ecosystem - What is their Strategy/Timelines?
- **Identify & Address Gaps & Limitations**
 - Encourage collaboration and problem solving
- **Assess the Economic Impact**
 - Cost of access, servicing, traveler friction
- **Take Control and align with the best technology partners**
 - Don't simply accept the "status quo"
 - Partner with those whose strategies support your goals and aspirations
- **Manage Change** – Inform & Educate your leadership and travelers





Airline Retailing Being NDC Ready

Mini-Guide for The Travel Manager
Business Travel: Version 2.0

www.IATA.org

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The Future is on NDC

Thank You!

NDC Q & A