NDC Case Study

GOL's innovation makes NDC a natural fit

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New Distribution Capability (NDC)

New Distribution Capability (NDC) is a travel industry-supported program launched by IATA for the development and market adoption of an XML-based data transmission standard.

The NDC standard enhances the capability of communications between airlines and travel agents and is open to any third party, intermediary, IT provider or non-IATA member, to implement and use.

It is transforming the way airline products and services are retailed to corporations, leisure, and business travelers and will facilitate product differentiation, time-to-market, access to full and rich travel content, and a transparent shopping experience.

At the 72nd IATA Annual General Meeting in Dublin, IATA announced the launch of the NDC Certification Registry to recognize those companies that have implemented part or all of the NDC technical standard.

 Full information can be found at: www.iata.org/ndc

GOL Linhas Aéreas Inteligentes

By consistently offering the best fares, GOL has become the largest low-cost carrier in Latin America, transporting 39 million passengers in 2015. The company serves national and international destinations in South America and the Caribbean.

The airline has two important strategic alliances, one with Delta Air Lines and the other with the European group, Air France-KLM. In addition, GOL customers benefit from twelve codeshare agreements and more than 70 interline partnerships. Together, these relationships open up a global network to GOL customers, providing them with greater convenience and easier connections.

Since its first flight in January 2001, GOL has developed a strong reputation for innovation. Being in the vanguard of industry technological developments has allowed GOL to introduce electronic ticketing, web check-in and mobile check-in to the Brazilian market. The airline's determination to continue progressing in all aspects of its business is reflected in its vision to be the best airline to "fly with, to work for & to invest in"

Full information can be found at: www.voegol.com

GOL's innovation makes NDC a natural fit (1)

The NDC pilot

An affinity with new technologies has always driven GOL's innovative distribution strategy. This desire to combine positive results with the lowest possible cost solutions naturally led to an interest in the possibilities of NDC.

The airline was especially keen to promote its products such as the pre-purchase of excess baggage allowance, Special GOL Seat or Air Shuttle Services, across the entire travel industry, thereby increasing revenue potential.

The airline was also aware that it had a good platform on which to build NDC capability. GOL was the first airline to directly supply advanced passenger information to the travel industry in Brazil and it had successfully implemented web booking services as far back as 2003.

Additionally, GOL's New Skies system—supplied by Navitaire, an Amadeus company—supported XML connectivity and so was already aligned with the objectives of NDC to boost airline retailing.

The Objectives

GOL defined the scope of the project in conjunction with Navitaire and three strategic partners of the airline, namely Rextur-Advance, Flytour, and Reserve.

It was important to base expectations on the NDC schemas provided by IATA as the existing booking process in the New Skies System had to be adapted to the NDC standard to offer customers a full shopping experience.

The following criteria were determined to represent the success or failure of the NDC project:

• Do customers have the ability to shop for itineraries using *AirShopping* API?

• Do customers have access to an all-inclusive price for a selected itinerary using *FlightPrice* API?

• Does the airline have the ability to create a booking using *OrderCreate* API?

Using NDC, GOL provides travel agents with an open standard platform of integration based on XML messaging to make possible the distribution of rich airline contents, ancillaries and special services requirements to offer to their customers using the below messages:

"*AirShopping* enables airlines to distribute their full product and to merchandize any additional services using rich content. Once a request is received for an airline's products and services, the airline can construct a corresponding offer and send it back to the seller.

The *FlightPrice* transaction may return two different sets of content. Based on the request, the response may initially suggest applicable bespoke ancillary services. Once those services are selected, or if no ancillary services are available, the message returns a final pricing.

The *OrderCreate/OrderView* transaction set is a multi-function message. It may ask for the specified inventory to be held and then returns a reference to the held inventory. It could also request that an order be created or provide additions to order data elements, such as frequent flyer information."

GOL's innovation makes NDC a natural fit (2)

The Challenges

One of the main challenges for GOL—which started out using schema 1.1.3—was understanding the NDC schema and the updates on a technical level. IATA releases two versions of the NDC schema each year, approximately six months apart. The schema changes are managed by the change management group comprised of subject matter experts and implementers can submit their change requests.

To help airlines adapt to each new version of the schema. IATA provides such material as release notes and change descriptions. This backs up the guidance released to assist an airline's understanding of the schema in the first place, including the business requirements documents and an implementation guide . These provide information about business processes, functional flows, and message orchestration.

The Role of Partners

Navitaire was GOL's main support partner for the implementation of NDC. The company was designated as the project manager and proved instrumental in the development and deployment of the new technology. Through Navitaire's NDC Gateway, GOL was able to engage with travel agencies and provide access to the full suite of offers available from the airline.

Constant communication between all parties was essential to the success of the project. At the outset, there was high-level involvement and meetings comprising the CEOs of all partners allowed GOL to obtain the necessary buy-in to the project. The technical work then began with the involvement of partners' IT teams. Conference calls, hosted by Navitaire to ensure the work was aligned with the overall strategy and scope of project, facilitated the smooth progress of this work.

The Lessons Learned

The IATA NDC schemas are, by design, adaptable to multiple interfaces and approaches. According to GOL, detailed documentation and exhaustive analysis by all partners, including IATA, are therefore essential to the project's success. Only through this level of detail, and communication of that detail, can the project be properly defined and implemented.

Nevertheless, NDC's facilitation of more effective integration between the airline and travel agencies must be viewed as an extremely positive development. Promoting new technologies and a new distribution model perfectly complements GOL's vision to provide customers with greater choice at an affordable price for both airline and customer.

The Conclusion

The NDC program offers GOL the opportunity to improve and diversify revenue streams. Importantly, it also provides this same opportunity to travel agencies while the customer benefits from a richer shopping experience and a personalized journey. The end result is greater value for every stakeholder in air travel.

- NDC Schema Description
- BRDs
- Implementation Guide 2.0