

IBTS Summary - 2019

The 4th edition of the IBTS – IATA Business Travel Summit – took place in Geneva on 19 and 20 June, 2019. This event gathered 140 decision makers from the business travel value chain: corporate buyers, TMCs, OBTs, IT providers and airlines.

The aim of this event is to have an annual status check of NDC adoption worldwide. While implementation is growing fast, it is important to reflect on the paths taken by the industry, the value and benefits that NDC creates, and the remaining challenging points that need to be addressed. The summit also showcases innovation, particularly from start-ups.

This event is designed for corporate buyers. The goal is to ensure they play a key role in influencing the NDC journey and to help them get what they need to start their own NDC journey with their partners.

NDC is live and already millions of transactions are processed annually, both in the leisure space (OTAS, Metas) and in the corporate space (TMCs, OBTs). There is a lot of passion as many players see this as a unique moment in our industry where technology and innovation are driving new airline distribution capabilities in a world of increased competition. Here are some highlights of what we heard:

- **Lufthansa Group, Lufthansa City Center, Midoco and Atriiis** presented an end to end flow, from a modern UI presenting ancillaries and continuous price points to an efficient back-office flow.
- **Singapore Airlines and CTM** demonstrated enhanced shopping flows and CTM highlighted its IT infrastructure with parallel multiple content sourcing (GDS, aggregators,

direct connect) all integrated in a seamless way.

- **Verteil Technologies** presented its solution used by travelers from Wipro, a large Indian based IT company and likely one of the very first large scale corporate NDC implementations.
- **AmTrav** explained that it could not wait for GDS readiness, although they were the most logical way to consume content and had moved fast with **American Airlines** to access their NDC content directly – American Airlines expect 4 million NDC bookings this year.
- **Berg-Hansen** focused on how it collects all airline content for its customers, using multiple sourcing, and described its NDC project as a true transformation of the company.
- **BCD** indicated that it is in pilot mode with Lufthansa Group, getting its content from Travelfusion.

IBTS delegates generally acknowledged that NDC ‘simple’ messaging flows (shopping, booking, ...), are straight forward to implement. However more complex flows (critical for business travel in particular) such as voluntary and involuntary change are more challenging. Corporate buyers urged implementers to have a “can do” attitude and not to hold back because of complexity. A key question raised was around how “perfect” the implementations need to be: what should be perfect enough? However, none of these are blockers. Only that different players have different approaches.

GDSs are now moving fast to ensure their subscribers will be able to access NDC content as soon as possible. They are in pilot mode with some of their partners:

- **Amadeus** detailed its roadmap, deploying solutions in 2019, optimizing in 2020 and expecting large scale in 2021
- **Sabre** announced UA as launch partner and is focused on testing and learning; they also shared their NDC content strategy as well as insights from their latest testing
- **Travelport** gave a live demonstration of its user interface and mentioned active engagement with 40 airlines





Regarding their future roadmap, airlines did not identify blockers, but specified some ongoing challenges. NDC is a journey requiring regular enhancement of APIs, and progressively adding new products and services:

- **BA** shared that they are working closely with all their key TMC partners, and a wide range of technology providers to ensure that all implementation technical challenges are addressed. BA has also had feedback directly from some corporate buyers and welcomes further input and feedback from any corporate buyers who wish to do so
- **UA** wants an end-to-end solution that provides all functionalities to their corporate customers
- **AY** is currently expanding its reach to new partners, and has introduced an agency partner program

There is still limited tangible information regarding the level of readiness of the OBTs. SAP Concur is obtaining NDC content for some airlines via Travefusion and has several customers and TMCs in advanced pilots.

TMCs are now able to demonstrate how NDC is central to their retailing approach. They mention that corporates would like to get similar content to that available on airline websites:

- **Click Travel** sources almost 50% of its content directly from airlines, and focuses on a full digital experience – with 97% online adoption
- **FCM** is in pilot mode with Amadeus to test its new agency platform

- **Tripactions** shared its new partnership with United Airlines which focuses on NDC enabled corporate bundles

Corporate Buyers had a strong voice during the summit, led by the representatives of the Travel Manager Advisory Group (TMAG). They challenged the speed of readiness of some players and showed appetite for pilots. As the industry moves to a world of “Offers” they expressed the need to reconsider how to measure the value of their travel program – ie is it against a reference price or a reference offer? Finally, they also heard about new areas such as dynamic offers, or continuous price points and they want to understand how this will impact them.

The outlook for 2020 is promising:

- **NDC Leaderboard Airlines** are confident they will reach the 20% target and they are working towards adding new products and services in their NDC API
- **GDSs** will be live will multi content sourcing platforms – and new players are also joining the ecosystem
- **Large TMCs and OBTs** will be in pilot mode or live – and challengers are already demonstrating the value of NDC
- **Buyers** now have plenty of options to start pilots

The pace of change and innovation will only accelerate!

This is massive change for all players. As the industry moves forward, problems get solved and other challenges appear; it is by working together that the value chain will turn this into a success – for the ultimate benefit of the customer.