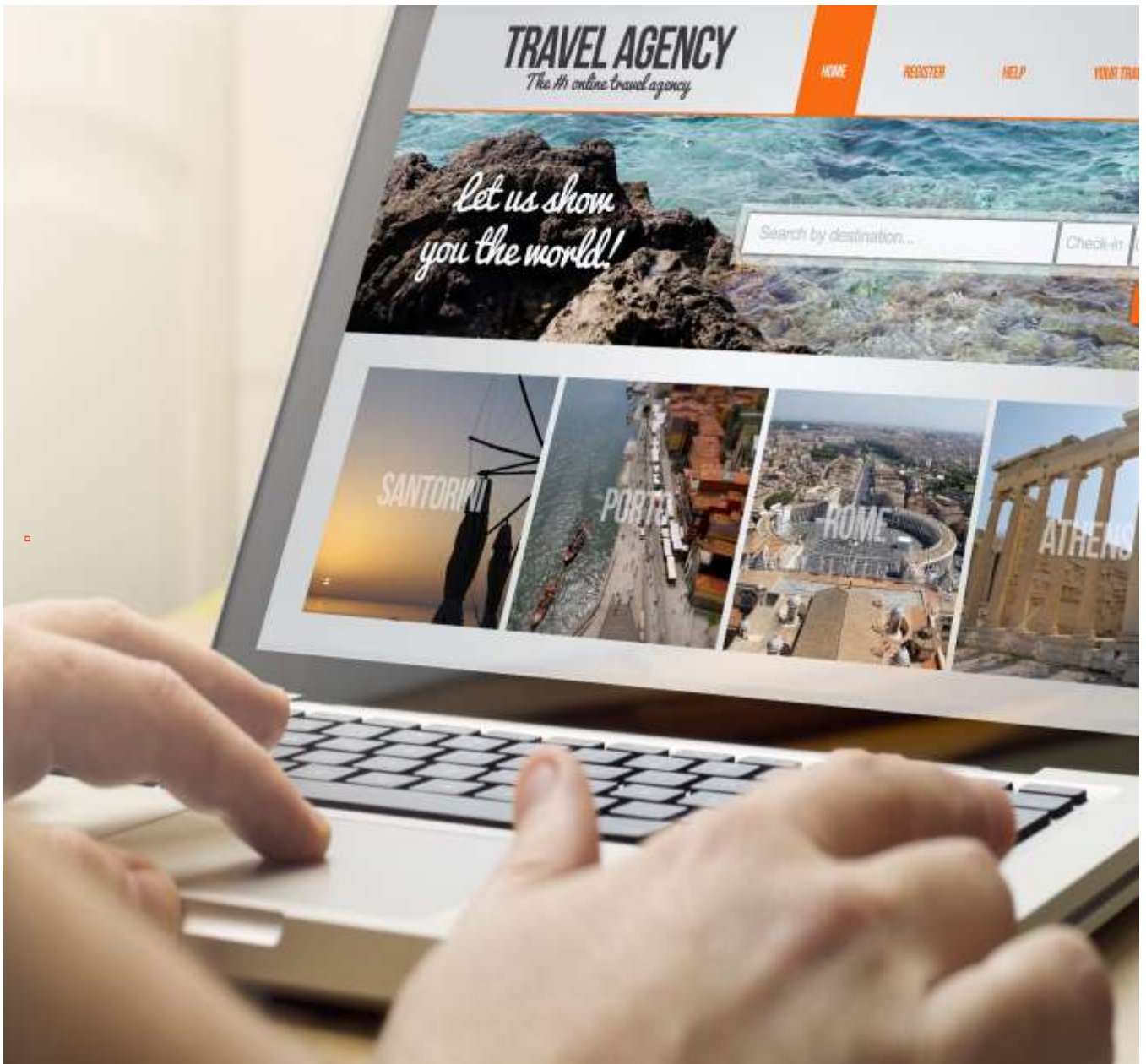




Getting Ready for a New Era of Airline Retailing

A Mini-Guide for "The Travel Manager"

Version 1.3 - June 2021



1. Introduction

This guide is intended to introduce the business travel community to IATA's New Distribution Capability (NDC) and a new era of airline retailing.

What does "NDC Ready" mean?

"NDC Ready" means ensuring that you are able to provide additional support to your corporate travel accounts across their travel program, policies and supply chain to ensure that they are able to deal with and potentially take advantage of the change to airline retailing which NDC will introduce.

What change are we talking about here?

At its base level the New Distribution Capability (NDC) standard will facilitate the introduction of ancillary services to managed channels which travel managers prefer, as well as the providers in this channel who they partner with of course. This means the extra bag, lounge access or seat reservations which have been purchased outside of managed channels will start to appear through the indirect supply chain. Travel management companies will be able to capture content, spend and data to ensure that their clients have a true perspective on what travelers want and what the company authorizes. At a higher level, NDC will facilitate much richer content and personalization, allowing the ability to apply a more dynamic service at an individual or group level.

Why should a Corporate Travel Manager care about being NDC Ready?

Travel managers are increasingly challenged by the 3 C's: Content, Customer and Control. We are constantly hearing that the supply chain is not providing the content which travelers crave, that the travelers are increasingly vocal about the need for better servicing and that retaining some control over all of this is becoming more challenging.



Figure 1: The airline indirect value chain

Rich content and personalization are being adopted by the airlines and there is an increasing momentum to use NDC as the standard to achieve that in the indirect channel (i.e. via aggregators, travel management companies, corporate self-booking tools etc.). While this may initially take relatively simplified forms as ancillary services are added, the move to more dynamic airline retailing will surely come quickly. This therefore means that travel managers should be thinking now about the potential impact and the opportunities to better service their travelers, review policies and processes, ensure that suppliers can facilitate NDC enabled content and that their travel program can benefit from these changes.



2. Getting NDC Ready

Follow our 15-point checklist across 5 simple steps

Step 1: Understand the impact & opportunity	Ask yourself 1. Do I know what NDC is and what it will enable? 2. Do travelers book ancillaries? Do I have program leakage? 3. How does it affect me? E.g. does my program mean I should take action or is it better suited to my TMC partner? Are there regions in my program this will affect more than others?		
Step 2: Assess your supply chain partners	Ensure you 4. Know what your key airline partner retailing strategies are 5. Know how ready your chosen technology aggregators are to consume NDC content 6. Talk to your TMC & Self Booking Tool partners about their ability to get content 7. Consider the need to engage directly with technology aggregators		
Step 3: Define the project elements	Think about 8. How the following needs to evolve to cater for NDC: <ul style="list-style-type: none"> ▪ Travel Policy Guidelines ▪ Data systems ▪ Traveler profiles ▪ Traveler communication 9. Assess the benefits & define a clear ROI 10. Ensure NDC features in RFPs		
Step 4: Engage stakeholders & develop a plan	Plan well 11. Identify the most important internal stakeholders 12. Bring them together with key supplier at relevant times to draft a forward path – e.g. HR for enhanced profiles		
Step 5: Execute the plan and review	Implement 13. Ensure there's a single plan leader 14. Review progress with your TMC, airlines and other associated suppliers 15. Maintain contact with industry peers and NDC experts		

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