

Global Travel Manager Perspectives & NDC

A Report Commissioned by IATA

By

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"Effective leadership is not about making speeches or being liked; Leadership is defined by results not attributes." Peter F. Drucker





<u>Contents</u>	<u>Page</u>
Executive Summary	3
Methodology, Use & Objective	4
Anxieties & Corporate "Pain-Points"	7
The Fear of Flying – Buyer Perceptions of NDC	10
Conquering the Fear – Buyer Solutions	16
Conclusion	18
About Festive Road	19
Appendices	20
10 Question Survey	
Additional 13 Questions for Interview	
5 Steps to NDC success	



Executive Summary

IATA sought to **better understand the thoughts of corporate travel managers** on the New Distribution Capability (NDC), their present challenges in travel management and the opportunity to enhance the relationships with airline management.

The findings of the study show that the main travel management issues are;

- Data
- Communication
- Distribution and content
- Intermediaries and technology
- Traveler and Booker experience
- Costs

Many of **these issues relate to airline strategy and the management of airline contracts**. They are therefore directly impacted by NDC.

The **knowledge level of NDC was mixed** but across the board it was relatively low.

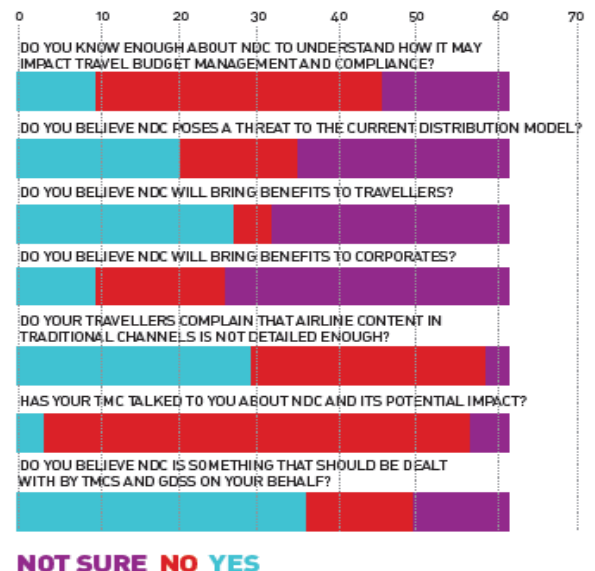
The feeling towards NDC were also mixed. **Neutral perceptions tend to be driven by lack of knowledge and negative perceptions of NDC driven by fear** created by the agendas of non-IATA communications.

The main concern by travel managers is that **airlines will increase the practice of price and content variance by channel**. This single concern essentially underpins the majority of travel manager pain-points – that programme management, data and procurement capability are all undermined by traveler access to content outside of preferred channels.

There is also **concern from travel managers that the intermediaries, such as Global Distribution Systems (GDS) and Travel Management Companies (TMC), are not taking sufficient initiative** to understand NDC, communicate with their clients or create added value as a result of NDC.

The forward **recommended strategy is an enhanced dialogue with the travel manager community**. Essentially Festive Road recommends investing more time in **IATA-led initiatives rather than leaving perceptions of NDC to other parties** or no interaction at all. This dialogue would include representation, proposed events, updates, tools and papers.

The **findings** of the Festive Road study into corporate travel managers’ thoughts on NDC are fairly **consistent with a larger study** by the UK’s Institute of Travel & Meetings (ITM).



Source: ITM Study, May 2015



Report Methodology, Use & Objective

Outline of Participants

This report is based on a qualitative study of 17 corporate travel buyers from five continents representing direct responsibility of in excess of \$3 billion per annum in business travel expenditure and an estimate of \$1.9 billion in air travel alone. The buyers included 2 from LATAM, 3 from NORAM, 3 from APAC, 3 from MEA and 6 from Europe. Two of the buyers were from the same company as it was de-merging, so a total of 16 responses are shown in the raw data to avoid areas of duplication.

The range of spend represented by the buyers ran from \$1m to \$900m and there were 6 buyers with global representation, 7 with regional and 3 with national.

The raw data is masked to protect the identity of the participants who agreed to answer the survey, and the follow up interview by telephone, on this basis.

Participants by Numbers

5	Global Regions
17	Business Travel Managers (Buyers)
21	Hours of Interview
23	Questions
\$1Million	Smallest BizTrav Spend
\$900Million	Largest BizTrav Spend
\$1.9Billion	Total Air Spend
\$3Billion	Total BizTrav Spend



Participant Details

The names, titles and companies of the buyers who participated in this study have been removed for the public version of this report. Full participant disclosure has been provided to IATA and to the participants themselves.

Methodology

The participants were asked to complete an initial 10 question survey (See Appendix 1) after which a second set of questions were devised and an interview of approximately one hour was scheduled, during which the answers were reviewed and added to and an additional 13 questions were asked. (See Appendix 2).

A brief analysis of the responses to the first ten questions and the requirement to test opinions to a number of subjects was what drove the secondary set of questions.



Report Use Definition

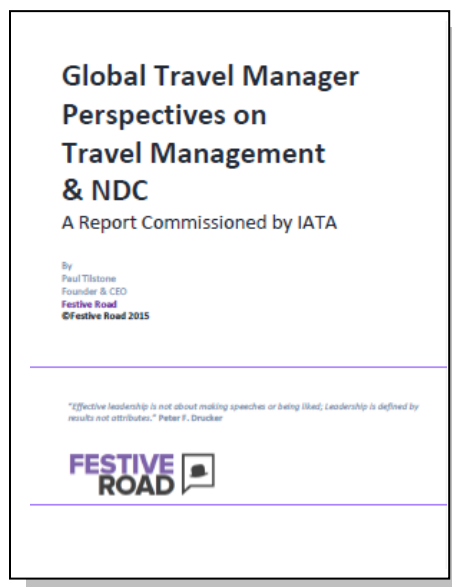
Before the 10 Question Survey was returned and before each of the interviews Festive Road outlined the use of the following report as follows:

- All participant responses would be masked in a separate file.
- The report itself would only contain aggregated responses across the data.
- Travel Managers were identified through references only by number identifier, region and remit e.g 3a in green = the number of a buyer (3), with global spend (a), based in Europe.
- The report would also contain a list of all participants limited to name, title and company.
- The report would be limited in its distribution to IATA working groups, the newly formed IATA Travel Manager Advisory Group (TMAG) and IATA staff.
- Any external communication of the report and/or its findings would exclude participant names and use aggregate data only

Report Objective

The brief from IATA was as follows;

- Produce a report within 90 days based on interviews with buyers from 5 continents.
- Focus the report on a.) Travel Management “Pain-Points”, b.) Thoughts on NDC to assist IATA and airlines to better apply NDC to managed travel and c.) opinions on how airlines and the supply chain can support buyers better
- Identify creative solutions to help IATA communicate better with the business travel buyer community globally in the future.





Anxieties – Corporate “Pain-Points”

When asked what their “Pain-Points” were, many buyers referred to specific issues surrounding their programme’s objectives at that time. For example, “*Implementation of a newly selected global TMC need*”. But once these corporate specific issues are removed and the responses are analysed there are some major groupings.

These can be broadly stated as below. A number of the areas are naturally linked to each other;

The “Pain-Points”

Data

This was mentioned in nine instances by buyers, with issues predominantly focused on ensuring the corporation has concise, accurate and global data on actual expenditure. In a number of instances buyers referred to airline data providers and how they are continually frustrated that airlines appear to have better data than they do.

Communication

Communication featured regularly as an issue in many forms. The concern over supplier direct communication with travelers was most commonplace as was the use of supplier loyalty programmes to facilitate supplier-traveler direct communications. In addition geographical, cultural and language challenges posed problems for buyers to communicate with their stakeholders. All of the communication issues related to the ability of the travel buyer to effectively communicate programme value, policy and compliance.

Distribution and Content

Buyers routinely referred to frustrations with the content provided to their companies. Issues ranged from content being unavailable through indirect channels and available elsewhere to travelers, to the challenges surrounding fare and ticketing rules. Ancillary fees featured a number of times.

When asked how much time travel managers spent thinking about Distribution and Content the assessed average amount of time was a high 15% and nine of the sixteen travel managers reported that the time they have spent thinking about this issue has increased in recent times.

An average of 15% of the travel buyers’ time was spent thinking about “distribution and content” and over half of the buyers reported this time having increased recently.



Intermediaries and Technology

On a few occasions buyers referred to pain-points relating to the servicing of the TMC, although it appears these were more regularly referred to in regions where the travel management environment is less mature and servicing is reliant more upon human interaction rather than technology.

Others highlighted some frustrations concerning the ability of technology to fulfill the needs of the corporation. When asked directly if their self-booking tool gives travelers what they need whilst over half responded with an affirmative “Yes”, the remaining 44% of buyers responded with “Somewhat” or “No”.

As a result of some initial comments from buyers on the impact on the role of the GDS and TMC, we took the opportunity to ask the travel buyers if they felt the future role of these intermediaries was threatened. Whilst we didn't specify a direct link to NDC we assume this could have been a consideration in some of the answers.

Nine out of the sixteen gave an affirmative “yes” to the role of the TMC being threatened although in most instances buyers added “...in their current form” so there is an expectation or desire that the TMC will change, or need to change, to remain relevant to the buyers’ needs.

“To a certain extent, yes, the TMC is under threat. They seem to rely on the processing of the ticket and as this loosens up they need to demonstrate more value.”
Travel Manager 8b

Source: IATA Study by Festive Road/Masked Raw Data

When asked the same question about the future of the GDS being threatened we would suggest that responses were more directly related to issues surrounding NDC, including access to content and financial relationships. Ten of the sixteen buyers affirmed the GDSs were under threat as they presently stand. However, it is clear that when given their role today, and as the landscape changes, they are in no doubt amongst the best positioned to seize the opportunity to add more value to the process.



Source: IATA Study by Festive Road/Slicks

Source: ITM Study, May 2015

“The traditional TMC today adds little value. As the distribution landscape evolves, the value and relevance will diminish further. Why do organisations still need a TMC today? One word: fulfilment...The result will be an open market where anyone can fulfil any airline product, so long as they have a credit card. This will be the tipping point that enables organisations to cut out the traditional TMC entirely.”
Simon McLean – Managing Director, Click Travel



Traveler and Booking Experience

Travel behavior is being driven by their experiences outside of the formal travel programme, in their leisure experiences and other technological interfaces. Travelers’ expectations are shaped in a way that means that travel buyers are increasingly having to respond to the wishes of the traveler rather than spend their time focusing on the needs of the corporation across sourcing, policy & compliance.

The last-minute booking nature of business travel also means buyers are having to try to educate and change behaviors in order to ensure access to the best content and rates.

The buyers were asked how much time they spent thinking about the travel booking experience and surprisingly the assessment was an average of 18% of their time. Despite only five of the sixteen reporting that their time spent thinking about this subject had increased recently the 18% figure is higher than one might expect for those managing large programmes.

An average of 18% of the travel buyers’ time was spent thinking about “the booking experience” and a third of the buyers reported this time having increased recently.

Costs

In addition to significant increases in hotel costs and a focus on non-air costs the buyers we spoke to also referenced a reduced sense of leverage (Hotel rates increasing, reduced sense of leverage, ancillary fees)

Missing “Pain-Points”

What was surprising was that **reconciliation and payment** was not mentioned at all, other than one specific case relating to African payment acceptance, but this may be related to the high incidence of virtual, central and individual cards used by the vast majority of programmes the buyers represented.

NDC also only featured once in the “Pain-Points” list but we have singled this comment out as the buyer expressed, *“We’ve been talking about it a lot because we need to understand it now so we know what the implications are for our online booking tool and we are concerned about the financial implications on content offered to travelers”*.

In addition **traveler safety and/or travel management** risk didn’t appear as often as one might have thought, with only two mentions during all of the interviews. One can only assume that either the buyers didn’t feel that it was relevant to the discussion or that these corporations have risk and traveler safety pretty nailed down.



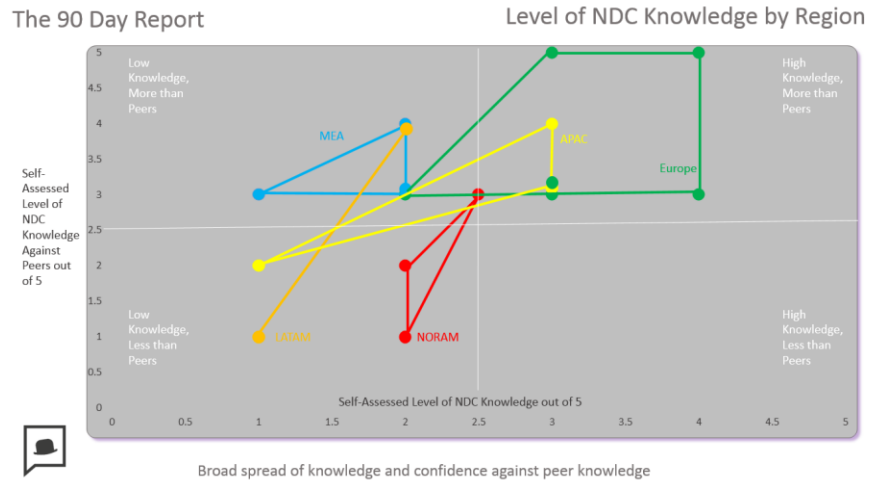
The Fear of Flying – Buyer Perceptions of NDC

Festive Road tested the perceived knowledge of study participants to assess the level of understanding of NDC and whether there were any obvious gaps which IATA needed to address.

Knowledge and Assessment of NDC

All but three of the participants were aware of NDC before we approached them for interview. The three who were not aware were not removed from the study as we felt it was useful to test their perceptions after they had had a chance to read the available information through self-search.

It appears clear that the level of self-assessed NDC knowledge is strongest in Europe, closely followed by APAC and NORAM. **This may be directly the result of known association and media attention to NDC in these regions.** However the NORAM participants didn't feel confident in their knowledge compared to their peers in the region, despite Festive Road's assessment that their knowledge was as it should be. This means that **there is a sense in NORAM that there's more to know** and this feeling seems to pervade most of the discussions in other regions too.



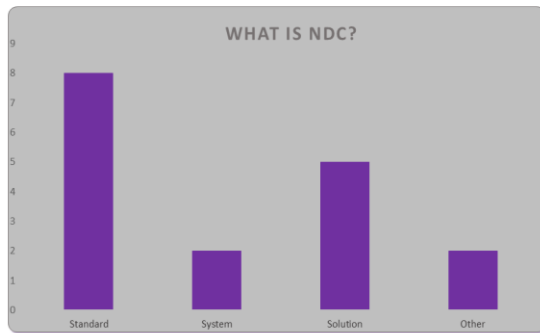
Source: IATA Study by Festive Road/Slicks

Surprisingly the MEA travel managers self-assessed levels was low but they felt confident they knew more than most of their peers so this would suggest that even **some basic information about NDC in the MEA region would go a long way.**



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NDC Understanding



Half of buyers fully understand and some are close

Source: IATA Study by Festive Road/Masked Raw Data

As for the understanding of what exactly NDC is, despite the consistent messaging by IATA that NDC is a “standard” there still appears to be some confusion (although it could be suggested that “solution” also represented NDC attributes).

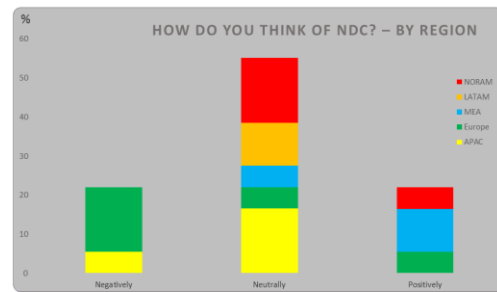
Clearly there is still some work to be done to clarify what exactly NDC is.



As for how the travel managers felt towards NDC, the overall feeling was neutral with nearly 60% choosing this option. Again the narrative surrounding this focused on the fact that so much is unknown but some comments tended to lean towards the **travel managers wondering about the potency of NDC to change things**. The Europeans dominated the negative responses with **comments focused on the potential for a hidden agenda surrounding GDS bypass and increased pricing**. The reasons for the European negativity is likely linked to a heightened interest and prolonged critical messaging around NDC from other stakeholder groups.

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NDC Perceptions



Source: IATA Study by Festive Road/Slicks

Those who were positive in the majority didn’t express further thoughts.

“I generally consider NDC positively. NDC is inevitable, but also a much needed update of present distribution formats. In other words – it is an opportunity, but should be monitored / influenced carefully in order for corporate needs not to be bypassed ...”
Travel Manager 13a

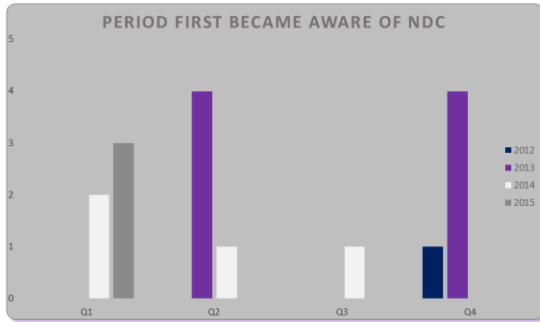
Source: IATA Study by Festive Road/Slicks

“I consider NDC Negatively. I have a gut feeling that airlines are not being helpful in giving us transparency and IATA wasn’t open from the beginning – therefore hidden agenda. The need to change from 70’s GDS standard to a more modern standard is fully supported BUT NDC is the next revolution in enhancing yield management and revenue management and the benefit to the corporate is all to be determined.”
Travel Manager 7a



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Knowledge Pathways



Knowledge gained predominantly from travel association events

Source: IATA Study by Festive Road/Slicks

Most participants had heard about NDC through business travel association programmes in the last 18 months with some additional information coming via local media sources. Whilst Festive Road tended towards inviting travel managers to participate who were known to them through association work and you would therefore expect this, we do not think that the results would be different across a wider sample. The only likely scenario is that a

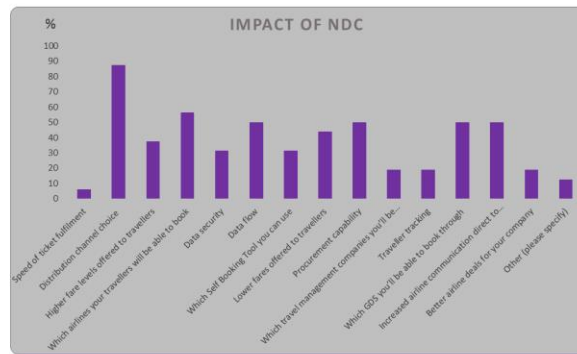
wider group, including buyers outside of business travel association participants, would probably lean more towards the media but many non-members still attend association events. What is more important and noticeable by its absence here, other than one or two comments later in the interviews which appear to support this, is that **none of the buyers had heard about NDC from either their airlines or their TMC's**. In fact, in most instances NDC still wasn't appearing in these relationship conversations.

Perceived Impact of NDC

So what did the travel managers think NDC might do to their airline programmes? We asked them to select from a list of potential impacts, some of them purposefully on opposing ends of a spectrum. The **top selected impact was “Distribution channel choice” with 87.5% of participants** selecting this option. The next five highest options were chosen by at least thirty percentage points less of the participants but all featured between fifty and fifty seven percent (50-57%) of participants. These were (in descending order);

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Impact Assessments



Channel and content choice occupy buyers' minds

Source: IATA Study by Festive Road/Slicks

- Which airlines travelers would be able to book
- Data flow
- Procurement capability
- Which GDS travelers will be able to book through
- More direct communication by airlines to travelers



“...airlines will differentiate price by channel and no matter how hard we try to get the content we can never be sure. We will need to price audit constantly.”

Travel Manager 7a

“(Airlines)...will have the opportunity to menu shop depending on channel – i.e. variance in offers by channel).”

Travel Manager 3b

“Distribution channel choice will be potentially more fragmented. Corporations will be under pressure to change business practices.”

Travel Manager 12a

“The distribution path from the airline will be more flexible and this means they will maybe restrict content to certain providers – especially the travel agency, and this means more complex processes to get the content. This means higher costs for using the agency. It could result in online tool content issues too or actually drive traffic online faster.”

Travel Manager 8b

Source: IATA Study by Festive Road/Masked Raw Data

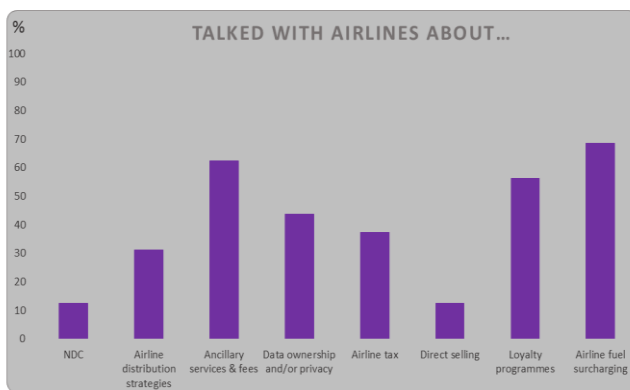
Despite most participants choosing the more obvious option of “Distribution channel choice” option two of the next five highest options selected also relate to distribution channels and so this reinforces the main concern by buyers that airlines will increase the practice of price and content variance by channel. **This single concern essentially underpins the majority of travel manager pain-points referred to earlier in the document – that programme management, data and procurement capability are all undermined by traveler access to content outside of preferred channels.**

Airline Engagement and Support

The two final questions asked of participants in the initial set of 10 questions focused on airline engagement and support. In these questions we asked travel managers what their recent discussions with airlines focused on and what support they think the airlines could provide to managed business travel programmes.

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Airline/Buyer Discussions



Additional charges lead the airline/buyer discussions

The most consistently discussed topics focused on the issues of airline fuel surcharges, loyalty programmes and ancillary fees. NDC was only discussed between 40% of European buyers and their airlines. No travel managers from other regions had discussed NDC.

Source: IATA Study by Festive Road/Slicks



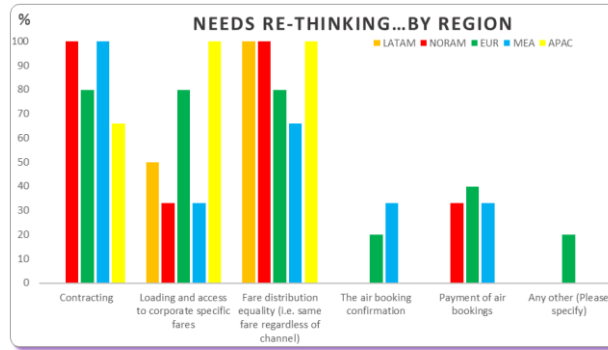
A low number from every region had entered into some discussion on airline distribution strategies. This seems at odds with the level of concern raised in prior questions on this very issue. NORAM and European travel managers discussed the most topics with their preferred airlines.

When travel managers were asked what parts of the airline/corporate travel manager relationship needed re-thinking the response was focused in three primary areas.

First and foremost travel managers want to see “fare distribution equality” – i.e. the same fare regardless of channel. This was selected by 87.5% of participants and by 100% participants from LATAM, APAC and NORAM.

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Airline Changes Required



Content and contracting are global issues

Source: IATA Study by Festive Road/Slicks

Secondly, travel managers wanted to see revised contracting practices with most of the comments surrounding the inclusion of ancillary services within contracts although other requirements in this area varied considerably, from more financial transparency through to challenges with data collection clauses.

The third priority was the loading and access to corporate specific fares although there is limited narrative around this subject and we would suggest that **this was an area that IATA and the airlines could explore as it directly relates to the opportunity for NDC corporate specific fares.**

When asked direct questions about how the airlines could support the travel managers better the responses were a little vague but centered on flexibility and transparency and the need for a much closer working relationships.

“We would like more open relationships than (we have) today. Opening books on both sides of table, bottom line targets and how to get there together. A CRM system which allows both to look at all trips and scores etc. in case of irregularities.”

Travel Manager 13a

Source: IATA Study by Festive Road/Masked Raw Data



The Response to NDC Attributes

The overall response to the introduction of **Rich Content through NDC facilitated airline distribution was widely recognized as something which would add value to travelers and to travel programmes** – that after scheduling, price and loyalty the additional information on content would, **like a 4th dimension**, add to the travel booking experience and decision-making process. Some of the travel managers were a little cynical about the value of richer content if it were to drive non-compliant purchasing behaviors (Refer to comment #1 below). In addition, buyers remain unconvinced that such rich content in the hotel booking sector has yet to add significant value, and others were worried it would add time and additional inconvenience to the booking process. That said, for the most part they then referred to other rich content already used to support the airline booking process by travelers (such as SeatGuru etc.)



Source: IATA Study by Festive Road/Slicks

When it comes to **the introduction of Personalised Offers* whilst the response regarding travelers' interest was just as positive there was more concern about the impact such content might have on purchasing decisions** related to compliant, in-policy preferred suppliers – i.e. travel managers were concerned that travelers would start to go outside of policy.



Source: IATA Study by Festive Road/Slicks

Editor's Comment 1: This was particularly interesting to us as it suggests that buyers do not consider that delivery of such content could be managed across preferred airlines only through the TMC and Self Booking Tool. The assumption here is that travel managers think that personalized offers will supersede content controls required by the corporation. This could relate to the financial relationships between the airlines and the intermediaries (GDS/TMC) and an often cited lack of

transparency on how this impacts what the intermediary offers the traveler.

Editor's Comment 2: One buyer actually seemed to indicate that any inducements offered to the traveler through more personalized offers (such as free champagne in-flight) would be barred by company policy. This seems unlikely but it is an area which may require more understanding.

*Personalised Offers was defined in the interview when an airline may make a tailored offer to an individual based on their purchasing patterns and/or other data such as loyalty card status or other profile information should they choose to be recognized of course. This is to distinguish it from bundled, corporate specific fares.



Conquering the Fear – Solutions

What the Travel Managers' Said...

Airline Support

One of the questions posed to participants was around the support that airlines could provide. The responses to this question were simple and short. More transparency, better communication and more flexibility were the pervading themes.

The Magic Wand

During the final stages of each interview we asked travel managers to tell us what their wishes would be if they had a magic wand. They were allowed one wish for general travel management to *"solve their issues of today"* and one wish specifically to make *"NDC work best for you."*

This question was asked without any prior notice and travel managers were asked to think on their feet. As a result of this, and in keeping with the varied nature of the "Pain-points" asked about at the beginning of the survey, the responses were varied. From more time with their CEO and more transparency to more investment in technology and improved communication.

An improvement in data did appear more than once but the response of Travel Manager 14c probably represents the most complete wish. *"A proper solution that allows the traveller to have access (to all content) in a friendly format, via mobile, to book and be compliant to company rules."* was their answer.

"A proper solution that allows the traveller to have access (to all content) in a friendly format, via mobile, to book and be compliant to company rules."
Travel Manager 14c

Source: IATA Study by Festive Road/Masked Raw Data

This response was delivered with a slightly resigned sigh, in a way that suggested, like all magic wishes, that this would remain a wish and that this utopia was just not something a travel manager would ever see.

Could NDC be the Magic Wand?

The responses to the question of NDC in particular showed that travel managers felt that the implementation of the standard was an opportunity. One travel manager actually asked if it could be the magic wand itself. **Most saw it as an opportunity for collaboration and transparency *if* the communication was there.**

With these "wishes" in mind we made recommendations to IATA.



What we think will help...

It is clear that buyers are in need of more information and greater clarification on the potential impact of NDC, but that this need is not just limited to the buyer/airline relationship.

A supply-chain wide engagement programme is needed where the added value roles of all in the indirect chain can be considered and the potential for NDC maximised within a framework which recognises the needs of the corporation which buys travel.

Festive Road made a series of recommendations to those who participated and to IATA to assist with this process in the private report and the organisation is in the process of assessing their suitability, impact and the benefit to the industry. It should be noted that these were just that, recommendations, they are in no way commitments by IATA.



Conclusions

The study conducted across 17 business travel managers globally confirms that there is still a considerable knowledge gap amongst the travel buyer community. This is exacerbated by the lack of knowledge and perspective amongst the TMC community.

In the absence of knowledge and in the light of the two year period of criticism of NDC from other stakeholders, the corporate buyer community has developed a sense of unease about what NDC will truly achieve and what the opportunities are.

Festive Road believes that IATA has an opportunity to create a proprietary, buyer-led programme of engagement which will not only provide greater insight and place buyers' fears at ease, but also potentially drive NDC adoption faster.

Festive Road would like to thank all of the travel manager participants who dedicated their time to help IATA engage better with corporate travel managers globally.



About Festive Road



Festive Road (FR) has been providing global industry leadership services in the business travel and meetings market since 2005.

The consultancy specializes in two key areas

- **Global Development**
Companies looking to expand their businesses globally look to FR to create a business development strategy which will focus on securing the right infrastructure and people with full knowledge of market context.
We call this our Infrastructure and People service.
- **Strategic Voice**
From supporting the creation of event outlines and content to acting as an outsourced advocate or business moderator, FR provides a trusted, independent perspective and representation service to ensure your external voice resonates with your customers.
We call this our Strategy & Leadership service.

Visit www.festive-road.com for more information.

The Festive Road Principal

Paul Tilstone established Festive Road initially in 2005.

Prior to this he acted in senior roles for travel management companies for 13 years. He has also acted as CEO for the Institute of Travel & Meetings UK (ITM) for seven years and as Chief Global Development Officer for the Global Business Travel Association for a further five.

His knowledge and networks represent the best in the industry.

He has received the UK *Buying Business Travel* Diamond Award for services to sustainability and was listed by the magazine in the industry’s 2013 “Hot List” as one of thirty professionals driving change in the industry. He has twice been listed as one of the world’s top 25 business travel industry influencers by the Business Travel News, USA, for work in advocacy and sustainability.

He is supported by over thirty global associates with specialization in key business development and marketing areas to ensure that Festive Road is able to exceed client requirements.

Contact Paul.tilstone@festive-road.com



Appendix 1 – The Initial 10 Question Survey

IATA Interview Questions for NDC 90 Day Report – Buyers Around the World

About IATA & NDC

IATA is the International Air Transport Association , representing 250 of the worlds' airlines accounting for more than 84% of global air traffic. They are the architects of the New Distribution Capability (NDC).

About Festive Road

Festive Road is a consultancy created by Paul Tilstone to help companies better articulate their value to the corporate travel market through advocacy, events and content marketing. Festive Road has been retained to fulfil a project for IATA which will see Paul Tilstone continue the work he has been doing to help steer development and application of NDC in a way which will support the needs of corporate travel buyers.

Part of this project is to interview buyers across all five continents to assess their understanding of NDC and the pros and cons of the development, their travel management pain points and how NDC and airline strategy may evolve to improve effective travel management strategies.

Methodology

Paul Tilstone will undertake an interview with each travel manager which will cover qualitative and quantitative questions. The responses will be formulated into a report for IATA's internal purposes in assessing the next steps for NDC with regards to corporate travel management. Whilst the aggregated feedback may filter into IATA communications/blogs but please be assured that no detail specific to your responses will ever be published by IATA resulting from these interviews.

[Before we undertake the tele-interview please respond to these questions and send back to paul.tilstone@festive-road.com](mailto:paul.tilstone@festive-road.com)

10 Short Questions

1.) Which three (3) issues most affect the management of your travel programme right now? I.e. what are your "pain-points"?

(Insert text 1)

(Insert text 2)

(Insert text 3)

2.) On a scale of 1-5 (with 1 being least and 5 the most) please tell us your self-assessed level of knowledge and understanding of NDC?

1 2 3 4 5

3.) On a scale of 1-5 (with 1 being a lot less than your peers, 3 being average and 5 the most knowledgeable of your peers) please tell us how you would assess your level of knowledge and understanding of NDC against your peers in your region?

1 2 3 4 5



4.) Which month/year did you first hear about NDC?

(Insert text month/year)

5.) Where did you first hear about NDC?

(Insert text relating to medium)

6.) Do you think of NDC positively, neutrally or negatively in relation to your travel programme?

(Insert text)

7.) Which word best describes what NDC is?

(Highlight the single option **most** applicable)

- A system
- A solution
- A standard
- Other (Please specify)

8.) Please tell us which of these business travel elements you think NDC will impact;

(Highlight **any/all** that apply);

- Speed of ticket fulfilment
- Distribution channel choice
- Higher fare levels offered to travellers
- Which airlines your travellers will be able to book
- Data security
- Data flow
- Which Self Booking Tool you can use
- Lower fares offered to travellers
- Procurement capability
- Which travel management companies you’ll be able to book through
- Traveller tracking
- Which GDS you’ll be able to book through
- Increased airline communication direct to travellers
- Better airline deals for your company
- Other (please specify)



9.) Have you and your preferred airline representatives talked about any of the following in your recent meetings?

(Highlight **any/all** that apply)

- NDC
- Airline distribution strategies
- Ancillary services & fees
- Data ownership and/or privacy
- Airline tax
- Direct selling
- Loyalty programmes
- Airline fuel surcharging

10.) Do you believe that any of the following airline processes require a revised approach?

- Contracting
- Loading and access to corporate specific fares
- Fare distribution equality (i.e. same fare regardless of channel)
- The air booking confirmation
- Payment of air bookings
- Any other (Please specify)

Thank you for your time – we will use your answers to these questions to discuss during your tele-interview.



Appendix 2 – Additional 13 Questions For Interview

11. How much time do you spend thinking about the booking experience (%)
12. How much time do you spend thinking about distribution and content (%)
13. Has the time on either of these gone up?
14. Do your self-booking tools give travellers what they need (Yes, somewhat, no)
15. How do you think travellers will respond to richer content?
16. How do you think travellers will respond to personalised offers?
17. How do you think airlines can support you better?
18. Do you think the role of the TMC is threatened?
19. Do you think the role of the GDS is threatened?
20. How do you find the customer confirmation with airlines through the TMC/GDS - do you want it more amazonized?
21. What would you like provided to you to help manage the issues of today (Magic wand)
22. What would you like provided to you to help NDC work for you (Magic wand)
23. Other
24. Other 2
25. Other 3



Appendix 3 – “5 Steps to NDC Success”

The following was submitted to ITM for the NDC Report on April 7th on the basis of the findings of the 90 Day Report Interviews.

Paul Tilstone is founder and CEO of Festive Road, and acts as IATA’s corporate envoy for the NDC project. Here are his top five tips for buyers...

- 1. Be Creative** - It is too easy to work from cookie-cutter managed travel programme designs. But new entrants, changing demands and a technology revolution mean every travel management programme should be tailored to a company’s specific needs. The key is to understand your company’s culture and commercial objectives. Find out how travel is perceived in an organisation. Then be honest about what is needed and what the best programme design would be. At one end is open booking. At the other, tightly mandated programmes. But there are many variations in between. Get creative and build a programme that fits your company.
- 2. Listen to everyone** - Understand both the traveler and airline needs. Many procurement/supply relationships today are focused on cost. Buyers should develop a more holistic approach, encompassing pricing, distribution, product, loyalty and marketing. The creation of corporate specific bundles offered through chosen booking channels could mean better service for travelers, reduced overall costs and an improved buyer-airline relationship. To reach that point buyers first need to understand their traveler types and needs.
- 3. Find value** - The supply chain will become more transparent. Traditional managed channel roles will need to evolve as a result of the changing business world. The spotlight will fall more often on commercials. This is a great opportunity to consider the best supply chain model for an organisation based on the chosen travel management programme design. Ensure you understand your true needs and the cost/benefit of each supply chain participant.
- 4. Partners for life** - Choose the right retailing mix. There are essentially three broad TMC/technology mix models in the managed space. There is the TMC that outsources booking technology; the TMC that has its own proprietary technology, and the technology-lead TMC. There is also, however, an increasingly prevalent fourth option: choosing stand-alone technology. In any case, getting the right retailing mix will determine how much control buyers have over NDC content, and the way it is managed and delivered to the travel booker within policy.
- 5. Data: the star prize** Airline distribution will, like every sector, rely heavily on data. Retaining central control over the data provided to the airline and other suppliers will determine what offers are presented to travelers. More data will equal better personalised offers. Managing the balance of data provision with policy compliant offers and data protection is going to be important. Many questions have to be posed when deciding where data should be kept. Should it be housed by the corporate? Should it be outsourced to the TMC or OBT? Or should the corporate allow open access to all traveler data?