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

Why NDC?
NDC enables the travel industry to transform the way air products are retailed to corporations, leisure and business travelers, by addressing the industry’s current distribution limitations: product differentiation and time-to-market, access to full and rich air content and finally, transparent shopping experience.

Who will benefit from NDC, and how?
Available on a voluntary and open basis, NDC benefits different industry players across the airline distribution value chain as follows:

FULL SERVICE & LOW-COST AIRLINES
Differentiate their Products and Services
- Distribute the entirety of the airline’s product portfolio, including ancillaries and promotional fares
- Present the airline’s products in an attractive manner, using rich format like photos and videos
- Expand the amount of information available on each product: attributes, facilities, policies, passenger reviews etc.
- Offer value-added products and services when applicable

AGGREGATORS AND TRAVEL AGENTS
Access Full and Rich Air Content of the Airlines
- Access to the entirety of the airline’s product portfolio, including ancillaries and promotional fares
- Work with real-time fare, product and policies information
- Deliver improved comparison capability to customers, based on product and service rather than price only
- Provide personalized service based on customers’ full travel history and preferences, if they chose to be recognized

CORPORATE BUYERS & TRAVELERS
Benefit from a Transparent Shopping Experience
- Make all airline product and service information available to corporate buyers, reducing the need for out-of-policy bookings
- View and compare all air transport options and relevant fares available
- Select the most appealing travel option based on preferences which might range from product quality, service level to schedule and/or price
- Receive personalized offers from preferred resellers based on own and complete travel history and preferences

What is the Scope of the NDC standard?
The first official NDC industry standard (version 15.2) was published in September 2015, with two scheduled releases planned per year. The current standard is 20.2 (2020 second release). Structured around key functional domains, the NDC standard provides the opportunity to address the end-to-end airline distribution process, e.g. shopping and order management, to deliver enhanced customer experiences.

Some features include:
- The NDC Offer and the NDC Order to support airline retailing.
- Capabilities for an airline to easily distribute catalogue-style ancillary services
• Capability to render a seat map and sell seats and related ancillaries using the Offer structure
• Ability for a customer or seller to view the simulation of their intended change to an Order before actually confirming it with the airline
• Enhancements to support regulatory requirements, such as baggage for US DOT, Invoice generation for India GST, ability for an airline to indicate which taxes are refundable from Offer creation
• Enhancements to provide streamlined servicing flows for
• improved customer experience
• Ongoing technical enhancements for continuous improvement and to deliver an even more robust standard.

The online implementation guide completes the picture by providing information to help with the implementation of the standard

NDC Certification
The NDC Certification program brings visibility and transparency to airlines, travel agents, aggregators and IT suppliers that have implemented NDC. Information is publicly available through the NDC Registry. In 2019 the certification program introduced major updates including:

• **Level 4 NDC certification** covers full Offer and Order Management and includes additional Servicing Messages
• **NDC@Scale** – a set of criteria that will demonstrate that airlines, and their IT providers, have a minimum set of recognized capabilities to drive volumes of NDC transactions, with special recognition of those that have capabilities to meet business travel needs

NDC Matchmaker
IATA launched the NDC Matchmaker, a free web-based tool, to bring more visibility to all value chain stakeholders that are working together on NDC implementations. It enables airlines, agents and aggregators to search, compare and connect with NDC partners. It increases transparency of their NDC capabilities and facilitates cooperation among different participants in the travel value chain. The matchmaker was a request from the travel buyer community.

Building volume
The focus for 2019-2020 is on driving a critical mass of NDC transactions. In keeping with this objective, IATA announced the creation of the NDC Leaderboard, composed of airlines that seek to grow their NDC volumes rapidly. The 21 NDC Leaderboard airlines have set a target of having 20% of sales powered by an NDC API by 2020

By the end of 2019, Leaderboard airlines had reached 11% of indirect bookings being conducted through an NDC API, against a target of 20% by the end of 2020. The COVID-19 pandemic, which led to the virtual shutdown of international traffic, upended airlines’ commercial strategies as the focus turned to survival. Therefore, it is not possible to say whether the 20% target would have been achieved had COVID not happened. What can be said is that the crisis has accelerated the journey to airline retailing and the Leaderboard airlines are currently, on average, conducting over 20% of their indirect transactions via an NDC API. This is off an extremely low base and a traffic mix which leans heavily toward domestic / shorthaul / leisure which is very favorable to NDC channels today. Nevertheless, it also shows that NDC is continuing and is as or more relevant than before.

NDC Leaderboard Airlines
### NDC Leaderboard Airlines

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