NDC Case Study

Heli Air Monaco Gets Ahead of the Curve

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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 a new, 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 will transform 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.

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

Heli Air Monaco

Heli Air Monaco is the flag carrier of Monaco. It was founded in 1976 with the support of Prince Rainier III and operates from the Monaco Heliport, providing helicopter service between Monaco and Nice Airport, as well as other destinations and services on request.

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

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The NDC trial

In 2014, Heli Air Monaco tested the NDC Shopping schemas' ability to create and distribute personalized offers through the carrier's website and mobile apps, using customer profile and advanced search criteria. These personalized offers integrated many of the company's luxury products, such as limousine transfers and panoramic flights, and featured rich content designed to highlight the advantages and applicability of a particular product.

The prospect of evaluating the business potential of the NDC standard motivated the company to participate in the trial as did the chance of becoming one of the first carriers to incorporate NDC into mobile apps.

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The objective

Heli Air Monaco's primary aim for its NDC trial was to gain a better understanding of the NDC Shopping schemas and the potential to improve product distribution. There were, however, some specifics to which the carrier was paying particular attention.

The first specific was identifying the possible technical issues involved in building an NDC platform that could relate to both the XML standard and the carrier's IT structure.

After careful examination of the existing systems, it was felt the best way forward was to add new NDC-compatible modules to the carrier's set-up.

By not altering Heli Air Monaco's technological framework, it was far easier to integrate modules that handled the complete set of NDC-enabled content. A complementary offer management module, rules engine, and content management system were able to sit on top of the existing structure, easily interfacing with such systems as inventory and reservations.

Working this way proved extremely cost-effective and ensured that the product suite was not held back by technical limitations in proprietary systems.

The second specific was to validate some of the carrier's assumptions through a proof of concept. These assumptions included a belief that there was a far larger market for private flights than the carrier was reaching. NDC was seen as a potential key to accessing and unlocking that extended market, which in turn would make the carrier a robust platform for promoting Monaco and boosting tourism in the Principality.

The third specific was overall project completion. Heli Air Monaco considered concluding the NDC trial on time and to budget to be a measure of success. Being a small carrier with limited resources, the delivery of the project according to agreed deadlines tied in with the goal of proving that a small, proactive company could compete at the cutting-edge of the modern air transport industry.

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The challenges

During the course of the trial, Heli Air Monaco encountered several challenges. The two principle ones were

- ensuring the new modules took full advantage of NDC's capability to promote the carrier's rich content and yet were flexible enough to convert this into personalized offers; and

- managing the response time and performance from the modules so that personalized offers reached the customer in real time and reflected a fair and accurate deal from the perspective of both parties.

Overcoming these challenges necessitated a pragmatic, step-by-step approach. A strong design phase was absolutely crucial to maximizing the effectiveness of the NDC modules, for example.

Importantly, this was not only a technical exercise but also covered the business aspects of the carrier's operations. The business issues examined included which products would benefit most from improved distribution and how greater uptake of a product would affect its delivery to the market. Limousine service and panoramic flights were both studied in the context of NDC-enabled delivery to ensure Heli Air Monaco's quality standards could be maintained.

Consideration of the second challenge fell under the proof of concept stage the carrier had integrated into the planning. This was a very practical element of the trial process and tested not only the assumptions listed above but also the reality of response times and performance levels.

The team was able to achieve an average response time of just 2.5 seconds from its offer management module. Additionally, the average size of the file sent was honed down to 400kb to ensure that it could be downloaded rapidly even if the recipient didn't have the fastest Internet connection.

The role of partners

APG-Orchestra was Heli Air Monaco's technological provider for the NDC pilot and assumed responsibility for the technical design, including the new NDC-compatible modules, as well as the implementation of the proof of concept stage. Other partners in the project included **Resiber**, which is responsible for the carrier's inventory system. Resiber worked with Heli Air Monaco to analyze and optimize seat availability and fares for the caching system.

Collaborating effectively with each of its partners and combining the efforts into a coherent structure was vital to the carrier achieving its aims for the NDC trial. The choice of partners was driven by the need for expertise in aviation commercial and distribution sectors at the global level. APG-Orchestra specializes in the dynamic packaging of commercial content and has a decade-long experience of working in XML technology.

"At the very start of the project, we put in place a clear organizational structure based on a small core team," explains de Saint Sauveur. "We had a steering committee meeting every two weeks to assess the progress of the pilot and to make the necessary decisions. Overall, we had a robust planning-driven approach to the project."

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The lessons learned

Indeed, the need for a strong planning phase that incorporated all prospective project dynamics was one of the key lessons learned in the Heli Air Monaco NDC trial, according to de Saint Sauveur.

The time required for analyzing the NDC schemas before they are developed for the project should not be underestimated, she suggests. The carrier had limited resources and so could only deploy a small team. In all, it took about 3.5 months to fully evaluate the project and incorporate the strategic direction as well as various contingency plans.

Another key take-away for the Heli Air Monaco team was the need to build a platform or modules that pushed the NDC shopping schemas to the limits of their potential. The carrier chose to implement new modules as this was the best way to house its rich product content in a manner that facilitated the management of personalized customer offers in real time. Getting this aspect right was paramount not only for the NDC trial but also for the implementation of NDC in the long term.

Clearly, a balance needs to be achieved between a comprehensive product display and a fast response to market. The carrier opted for a combined image and text approach.

So, for example, the carrier's panoramic flights were linked through the AirShopping and FlightPrice XML-based message pairs. This enabled text, pictures and even a linked video to accompany the price for the personalized offer. The appeal of this stunning service was thus maximized.

Similarly, the limousine transfer service was delivered to recipients with a full set of visuals that enabled customers to see exactly what the offer entailed.

Showcasing the carrier's products to the best possible effect was a positive step forward as it provided customers with clear and concise information about the benefits on offer. What a panoramic flight would look like or the type of car offered for the limousine service were no longer unknowns but were in fact presented in all their splendor.

Naturally enough, this encourages both customer retention and revenue generation.

The conclusion

The end result for Heli Air Monaco was a comprehensive distribution network better enabled to showcase the carrier's differentiating products and services.

"Heli Air Monaco is present in almost all global distribution systems and billing and settlement plans and has more than 110 interline agreements," says de Saint Sauveur. "NDC doesn't change our distribution philosophy as such but it does add an extra capability that enables us to sell our unique products to all of our customers, both existing and potential."

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