NDC
Getting Ready for a New Era of Airline Retailing
A Mini-Guide for "The Travel Manager"

Business Travel: Version 1.2
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Introduction

In 2015 IATA, supported by consultancy Festive Road, produced the first NDC Change Readiness Guide for the corporate travel manager, travel management company (TMC) and self-booking tool (SBT). This guide was intended to introduce the business travel community to IATA’s New Distribution Capability (NDC) and a new era of airline retailing. After some positive feedback and continued and evolving dialogue IATA is pleased to present this mini-guide for the travel manager and TMC value chain components.

What does “NDC Ready” mean?
Getting “NDC Ready” means ensuring that your travel program, policies and supply chain are able to deal with and potentially take advantage of the changes to airline retailing which NDC will introduce.

What changes are we talking about here?
At its base level the NDC standard will facilitate the introduction of ancillary services to managed channels which travel managers prefer. This means the extra bag, lounge access or seat reservations that have been purchased by travelers directly will start to appear through the indirect supply chain. Travel managers will be able to capture spend and data and ensure they 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 corporate policy 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.
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.). IATA fully expects the application of NDC to enter mainstream airline distribution during 2017 with over 75% of the major airlines having stated their intent to adopt it. 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.
## Getting NDC Ready

Follow our 15-point check-list across 5 simple steps

### Step 1: Understand the impact & opportunity

**Ask yourself;**

1. Do I know what NDC is and what it will do?
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 airlines 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:
   - 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 suppliers 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

### The Fifteen Point NDC ReadyCheck-List

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A PwC Case Study

At the beginning of 2016, PricewaterhouseCoopers (PwC) approached a UK-based airline to talk about how they might gain access to all fares including corporate negotiated fares and web-fares via managed travel channels instead of the airline.com or mixed sources, resulting in confusion for end-users.

The airline, seeing the value of distributing all fares, richer content and personalization options to the firm, leveraged the NDC standard to provide fares via aggregator (Travelfusion) onto their chosen online-booking tool (KDS).

This ensures:

- A singular access point to the airline’s content via the chosen PwC managed channel
- New content previously unavailable to PwC bookers now presented at point of sale ensuring policy management, duty of care and ease of use for end users.
- The ability for the airline to manage access to their inventory via a single “source of truth” and opportunity to sell ancillary services
“We wanted to solve the problem of travelers not being able to access certain content unless they went direct, as once they did, we lost data and the ability to support traveler wellbeing. We didn’t go looking for NDC to solve this issue, it found us. The airline, OBT provider and the aggregators found a way to get the web content to our bookers in an optimum way for all concerned and our program is richer for it.”

Mark Avery
Global Business Service & Travel Leader
PwC

**Find Out More**

To find out more about NDC and its part in the future of airline retailing via the business travel sector take a look at the NDC Business Travel Microsite.


Check out a more detailed “Version 1” of the NDC Change Readiness Guide on this site.