Together, Let’s Build Airline Retailing

NDC Program Update

September 2019
NDC Basics
What’s the market problem?

Customer Experience:
- Is not consistent depending on where they search for travel and not rich when shopping through travel agents.

Travel Agents:
- Can’t easily access many airline products that are available on the airline direct websites.

Airlines:
- Don’t have the freedom to distribute their products across channels without being commoditized.
What do airlines want?

Revenue opportunities
- Differentiation (product description)
- Merchandizing (ancillaries, fare families)
- Personalization (based on loyalty, preferences)
- Dynamic Offers (based on personalization and other features)

Cost savings
- Innovation & Competition
The solution is NDC

• Why NDC?
  – To modernize the way air products are retailed to travel agents, corporations and travelers

• What is NDC?
  – A travel industry-supported program for the development and market adoption of a new data transmission standard

• Who can benefit from NDC?
  – Full service and budget airlines
  – Technology providers and travel agents
  – Corporate buyers and travelers
Traditional Flight Distribution

- **Fares via 3rd party**
- **Schedule via 3rd party**
- **Availability**
  - Airline
- **Airline**
- **e-commerce engine**
- **Global Distribution Systems**
- **Travel Agents**
  - (TMC | OTA | Independent)
- **Travelers**
  - (Business | Leisure)
Airline Retailing in an NDC World

Airline Offer & Order Management System

Content Aggregators
(GDS | New Entrants)

Travel Agents
(TMC | OTA | Independent)

Travelers
(Business | Leisure)

Airline

NDC

Content Aggregation
Today’s Shop Interface

Compare airlines mainly on price and schedule

6:00pm - 10:40am +1

WOW air
Satisfactory Flight (6.4/10)
Details & baggage fees

10h 40m (1 stop)
YYZ - 1h 15m in KCF - FRA
$340
Select
roundtrip

10:10pm - 2:20pm +1

American Airlines
Satisfactory Flight (6.8/10)
Details & baggage fees

10h 10m (1 stop)
YYZ - 1h 25m in LHR - FRA
American Airlines 6208 and 6576 operated by British Airways
$770
Select
roundtrip

10:10pm - 2:20pm +1

Multiple Airlines
Satisfactory Flight (6.8/10)
Details & baggage fees

10h 10m (1 stop)
YYZ - 1h 25m in LHR - FRA
Finnair 5998 operated by British Airways
$772
Select
roundtrip

Rules and restrictions apply

Source: Expedia January 2019
Tomorrow’s shop interface

Enabled by NDC
Tomorrow’s shop interface

Enabled by NDC

Comparison shopping capability
NDC Program Update
NDC Certification Updates

Level 4 – Registry open March

38 companies Level 4 certified

• 17 Airlines – 10 NDC Leaderboard
• 21 IT Providers & Aggregators

NDC@Scale for Airlines

• Application available since May
• First @Scale Airlines announced Sep

Next Steps NDC@Scale for Aggregators
NDC Matchmaker

Players

- Airlines (22)
  View all NDC’s registered airlines

- Sellers (13)
  View all NDC’s registered sellers

- Aggregators (23)
  View all NDC’s registered aggregators

Product & Services

Location
The Value chain is committed

### Travel Management Advisory Group

- Amazon
- Allianz
- AstraZeneca
- Bechtel
- Gov’t. of Canada
- LEO
- Pharma
- Microsoft
- Nestle
- S&P Global
- Ingersoll Rand
- UBS
- Veritas
- and many more...

### Global Travel Management Executive Council

- American Express GBT
- ATPI/Direct Travel
- BCD Travel
- Carlson Wagonlit Travel
- Clarity
- Click Travel
- CTM
- Egencia
- FCM Travel Solutions
- and many more...

Working faster, together, to bring NDC to life
Corporate Buyers

See Opportunities with NDC and …

• Content
• Cost
• Control
• Customer Experience

…Envision the future of the TMC

• The TMC Value Proposition in a New Distribution Landscape

Together, Let’s Build Airline Retailing
Travel Agents

See NDC as an enabler and …

- Better Customer Service
- Increased Productivity
- More Competitive

…have their reference architecture

Together, Let’s Build Airline Retailing
The journey to 2020: IATA NDC Leaderboard
NDC transactions - Leaderboard

On track for 8% by end of 2019

Forecast
Thank you

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