



# New Distribution Capability (NDC)

David Rutnam



**TURISMO: DESAFIOS E RESPONSABILIDADES**

XL CONGRESSO NACIONAL APAVT 5 a 8 DE DEZEMBRO '14 | ÉVORA



# From Flight Distribution...

```
* AMADEUS AVAILABILITY - AN ** IST ISTANBUL.TR          152 MO 10JUN 0000
1  T5 468  CR YR          FRA 1 IST I  0800    1150  0*757    2:50
2LH:UA3720 C4 D4 Y4 B4 M4 H4 Q0 /FRA 1 IST I  0915    1300  0.321  TR  2:45
          V0 W0 S0 T0 K0 L0 G0
3  LH3460  C9 D9 Y9 B9 M9 H9 Q1 /FRA 1 IST I  0915    1300  E0/321    2:45
          V9 S0
4  TK1588  J4 C4 Y4 B4 H4 K4 M4  FRA 1 IST I  1145    1540  0.313    2:55
          S4 N4 Q4 T4 L4 V4 X4 W4 G4 E
5LH:UA3802 C4 D4 Y4 B4 M4 H4 Q4 /FRA 1 IST I  1320    1705  0.321  TR  2:45
          V4 W4 S0 T0 K0 L0 G0
6  LH3496  C9 D9 Y9 B9 M9 H9 Q8 /FRA 1 IST I  1320    1705  E0/321    2:45
          V9 S0
7  TK1590  J4 C4 Y4 B4 H4 K4 M4  FRA 1 IST I  1825    2220  0.734    2:55
          S4 N4 Q4 T4 L4 V4 X4 W4 G4 E
```

Travel agents have access to limited and commoditized airline information

New Delhi - New York Depart: Thu Mar 21 2013 One-way 1 adult [Modify Search](#)

Note: Prices are inclusive of all taxes

Mon to Friday : 0124-6777007 (1000 hrs to 1800 hrs) Previous Day | Next Day

Filter Flight Results: [Reset]

Leaves: Delhi # 0 Hr - 24 Hr

Refund/Non-Refund  Refundable  Non-Refundable

Stops  0  1  2+

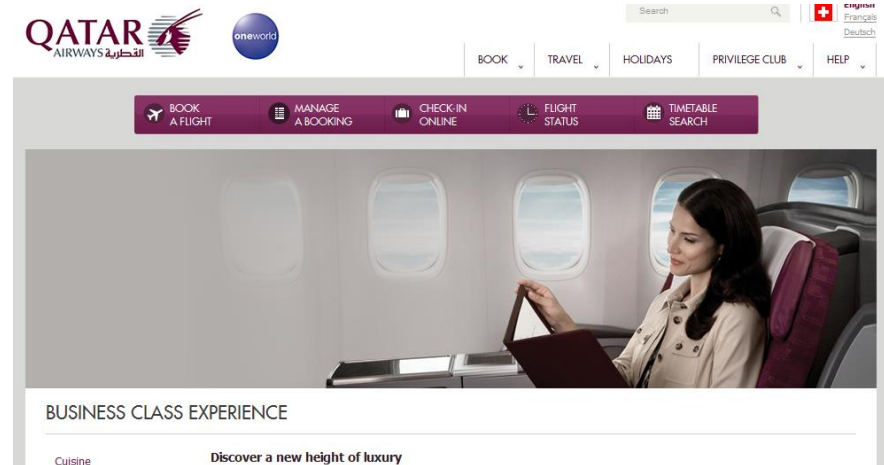
Airlines  All Carriers  British Airways  Royal Jordanian  Air India  Qatar Airways  Aeroflot Russian Airlines  Air China  Japan Airlines  Turkish Airlines  Jet Airways  Virgin Atlantic Airways  Chinasouthern  Gulf Air  Lufthansa  American Airlines  Emirates Airlines  Cathay Pacific  Delta Air Lines  Kim Royal Dutch

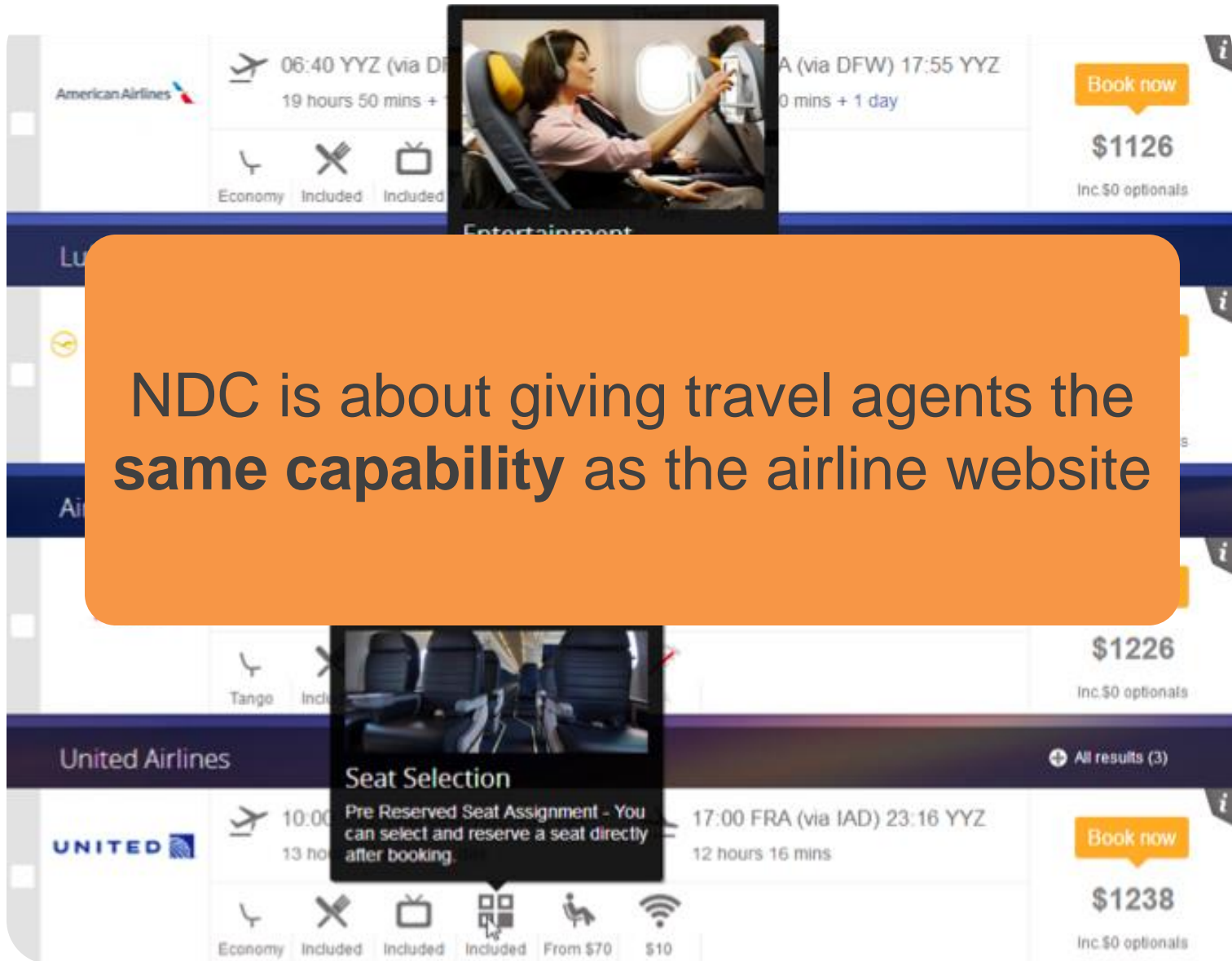
Depart	Duration	Arrival	Airlines	Price(Rs.)
07:05 New Delhi →	25h 25m 1 stop LHR →	23:00 New York	British Airways BA-255	Rs 41966 <del>1000% off</del> <a href="#">BOOK</a> 3 seats left at this price. <a href="#">Details</a>
06:25 New Delhi →	20h 35m 1 stop AMS →	17:30 New York	Royal Jordanian RJ-103	Rs 43163 <del>1000% off</del> <a href="#">BOOK</a> <a href="#">Details</a>
07:05 New Delhi →	24h 25m 1 stop LHR →	22:00 New York	British Airways BA-256	Rs 49080 <del>1000% off</del> <a href="#">BOOK</a> 2 seats left at this price. <a href="#">Details</a>
04:25 New Delhi →	20h 20m 1 stop DOH →	15:15 New York	Qatar Airways QR-233	Rs 52038 <del>1000% off</del> <a href="#">BOOK</a> 1 seat left at this price. <a href="#">Details</a>
01:35 New Delhi →	15h 30m Non stop	07:35 New York	Air India AI-101	Rs 52593 <del>1000% off</del> <a href="#">BOOK</a> <a href="#">Details</a>
03:40 New Delhi →	22h 50m 1 stop LHR →	17:00 New York	British Airways BA-252	Rs 53465 <del>1000% off</del> <a href="#">BOOK</a> <a href="#">Details</a>
+6 more similar flight				
07:05 New Delhi →	22h 30m 1 stop LHR →	20:05 New York	British Airways BA-256	Rs 56534 <del>1000% off</del> <a href="#">BOOK</a> <a href="#">Details</a>



# ... to Air Retailing

Travel agents need to have access to the entirety of an airline's product offering as available in airline web sites





The image shows a screenshot of an airline booking website. An orange text box is overlaid on the page, containing the text: "NDC is about giving travel agents the same capability as the airline website". The background shows flight details for American Airlines and United Airlines, including flight times, prices, and service icons. A "Seat Selection" pop-up window is visible over the United Airlines section, showing a cabin view and text: "Pre Reserved Seat Assignment - You can select and reserve a seat directly after booking."

**NDC is about giving travel agents the same capability as the airline website**



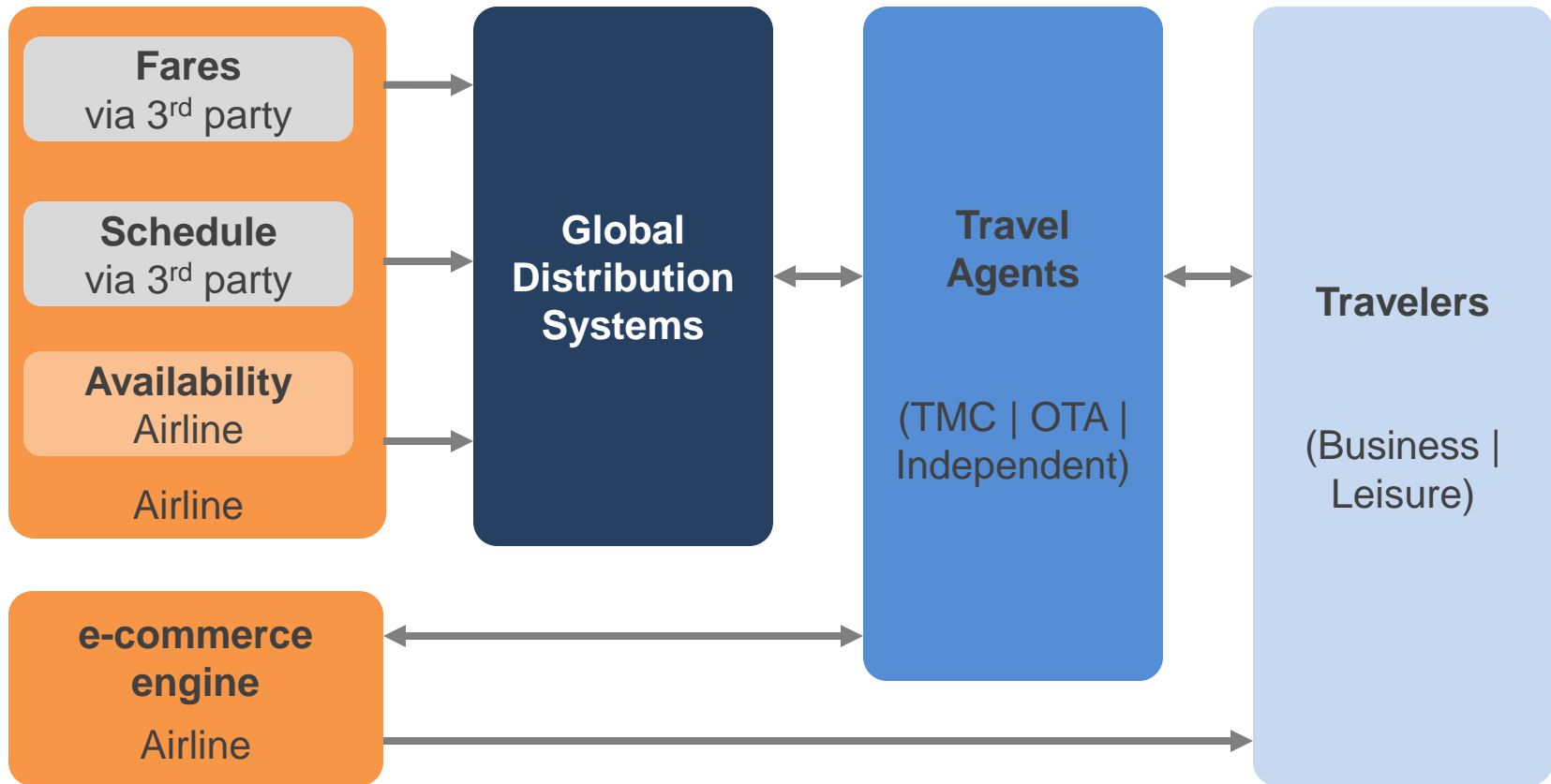
# What is NDC?

NDC 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 will enhance the capability of communications between airlines and travel agents and will be open to any third party, intermediary, IT provider or non-IATA member, to implement and use.



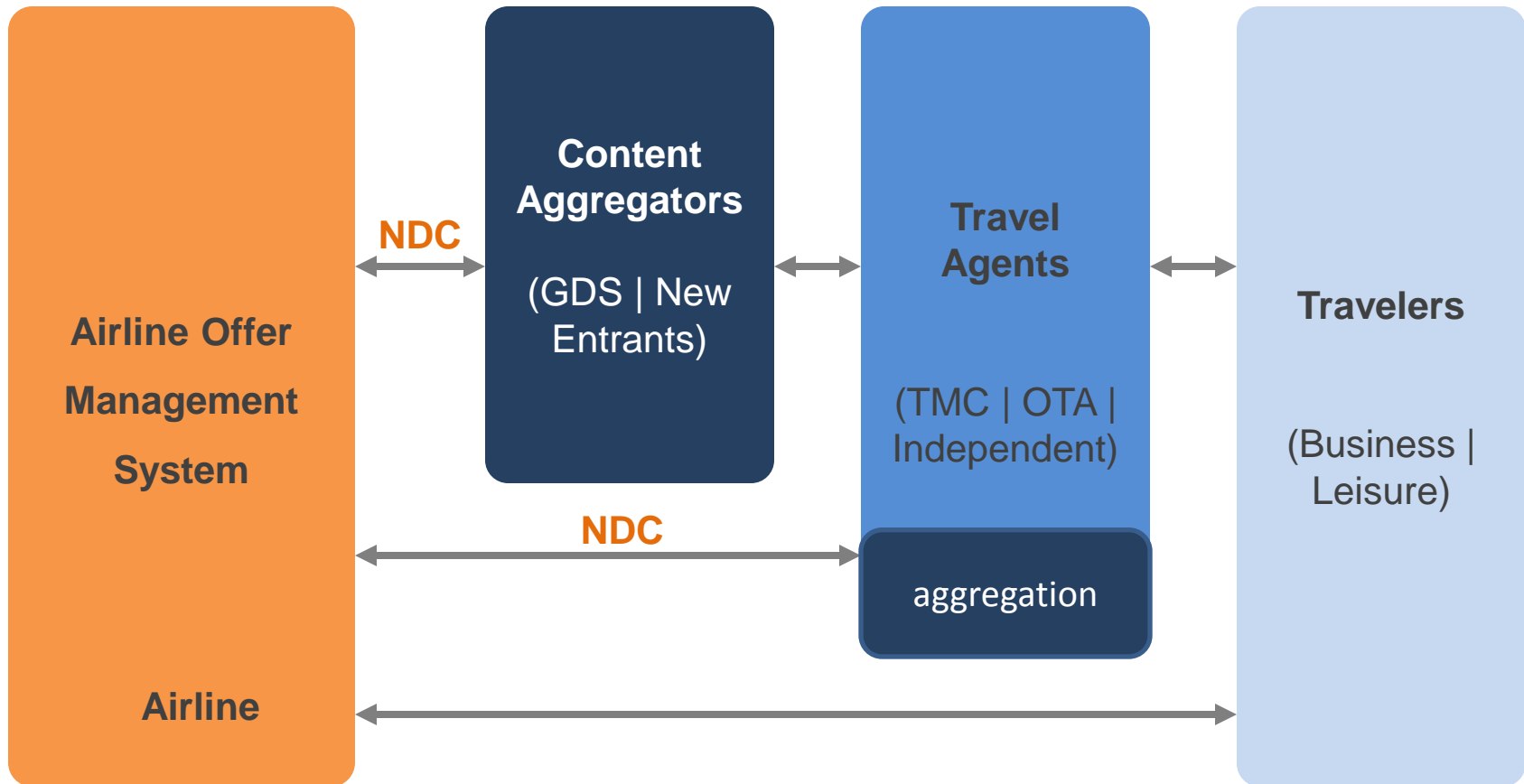
# Flight Distribution Today



**Current distribution capability throttles innovation through use of filed product & legacy messages**



# Air Retailing Tomorrow



Industry standard brings lower cost, innovation, ease-of-comparison and interoperability



# A Look Into the Future

From **YYZ** To **FRA** Depart **19 Feb** Return **26 Feb** **1** **Economy** Update

## Toronto, Canada (YYZ) to Frankfurt, Germany (FRA)

<input checked="" type="checkbox"/> Select	In Flight	Airport	Baggage	Fare	Sort by Price
<b>British Airways</b> <span style="float: right;">+ All results (3)</span>					
<input type="checkbox"/>		22:05 YYZ (via LHR) 14:15 FRA 10 hours 10 mins + 1 day	07:20 FRA (via LHR) 14:55 YYZ 13 hours 35 mins		
		Economy	Included	Included	1
				<b>\$1011</b>	Inc. \$0 optionals
<b>American Airlines</b>					
<input type="checkbox"/>		06:40 YYZ (via DFW) 08:30 FRA 19 hours 50 mins + 1 day	22:05 FRA (via DFW) 17:55 YYZ 25 hours 50 mins + 1 day		





# How Will You Benefit from NDC?

## Airline

### Product differentiation

- Marketing the richness and uniqueness of airline products
- Marketing personalized offers

## Agent

### Access to full and rich Content

- Compare flight products based on schedule, price **AND** value
- Work with real-time product and fare data

## Customer

### Transparent shopping

- Deliver the right products at the right prices
- Offer each traveler the opportunity to shop based on what they value – be it anonymous or personalized



# The vision for NDC

- 1 A set of XML based standards**
- 2 Allowing airlines to respond to Shopping Requests from agents**
  - Flights & Merchandizing priced in any way, product descriptions ...
- 3 An airline “order” process**
  - Providing the carrier with the opportunity to fulfill the transaction, create the booking record, issue the document(s) and respond with confirmations
- 4 Supporting comparison shopping**
  - Aggregator role determining who to ask and consolidating responses



# Scope and Application of NDC

**Shopping**

**Order Management**

**Booking &  
Servicing**

**Payment &  
Ticketing**

**Airline Profile**

- Not mandatory
- Flexible
- Business model-agnostic
- Can be integrated
- Supports interlining

- No NDC System
- No NDC Service
- No NDC data!

# Role of the Content Aggregator

## Core functions

- **Determine** who to ask when receiving shopping requests from travel agents
- **Forward** the shopping requests to the relevant airlines
- **Consolidate** the offer responses from airlines and present results to agents & travelers

## Agency support

- Develop agency desktop apps
- Market back-office systems
- Deliver consultancy services
- Other

## Possible airline services (backward compatibility)

- Intercept orders
- Process payments
- Prepare tickets
- Facilitate reporting

# Technology To Date

1

**November 2013**

**NDC Shopping schemas 1.0** released for testing

2

**September 2014**

**Updated NDC Shopping schemas 1.1** based on Pilot learnings

3

**By end of 2014**

**End to end NDC schemas 1.1** including Shopping, Order Management/Booking and Payment & Ticketing

1

## **5 x 'Pilots' Delivered in 2013**

American Airlines, Air New Zealand, Hainan Airlines, China Southern Airlines, Swiss International Air Lines

## **1 x Live transaction**

Hainan Airlines & TravelSky

## **Live deployment of NDC Shopping 1.0 in North Asia – Nov 13**

Hainan Airlines & TravelSky

2

## **3 x new 'Pilots' Kicked-Off in 2014**

Shandong Airlines | Air Canada | Air Canada & American Airlines with JR Technologies | Qatar Airways

## **1 x live transaction | Shandong Airlines & TravelSky**

## **Live deployment of NDC Shopping 1.0 in North America – Jul 14**

Amadeus and United Airlines

## DOT Approved Resolution 787

“Comparison shopping under the current system is generally limited strictly to comparing fares, and it is difficult to make price quality comparisons of different carriers’ product offerings (...)”

“The modernized communication standards and protocols and the marketing innovations that [Resolution 787] could facilitate would be pro-competitive and in the public interest”



# Stakeholder Engagement

## Passenger Distribution Group

Airlines

## PDG Advisory Forum

GDS | IT Providers |  
TMCs | Corporate  
Buyers

**Data Distribution  
Exchange Working**  
70+ experts from:  
Airlines, GDS, IT  
providers, agents etc.

## Airline Agents

Worldwide Travel Agents  
Associations

## Passenger Distribution Stakeholder Forum

Airlines | GDS | IT Providers |  
Travel Trade | Corporate  
Buyers (e.g OpenAllies, GBTA,  
WTAAA etc.)



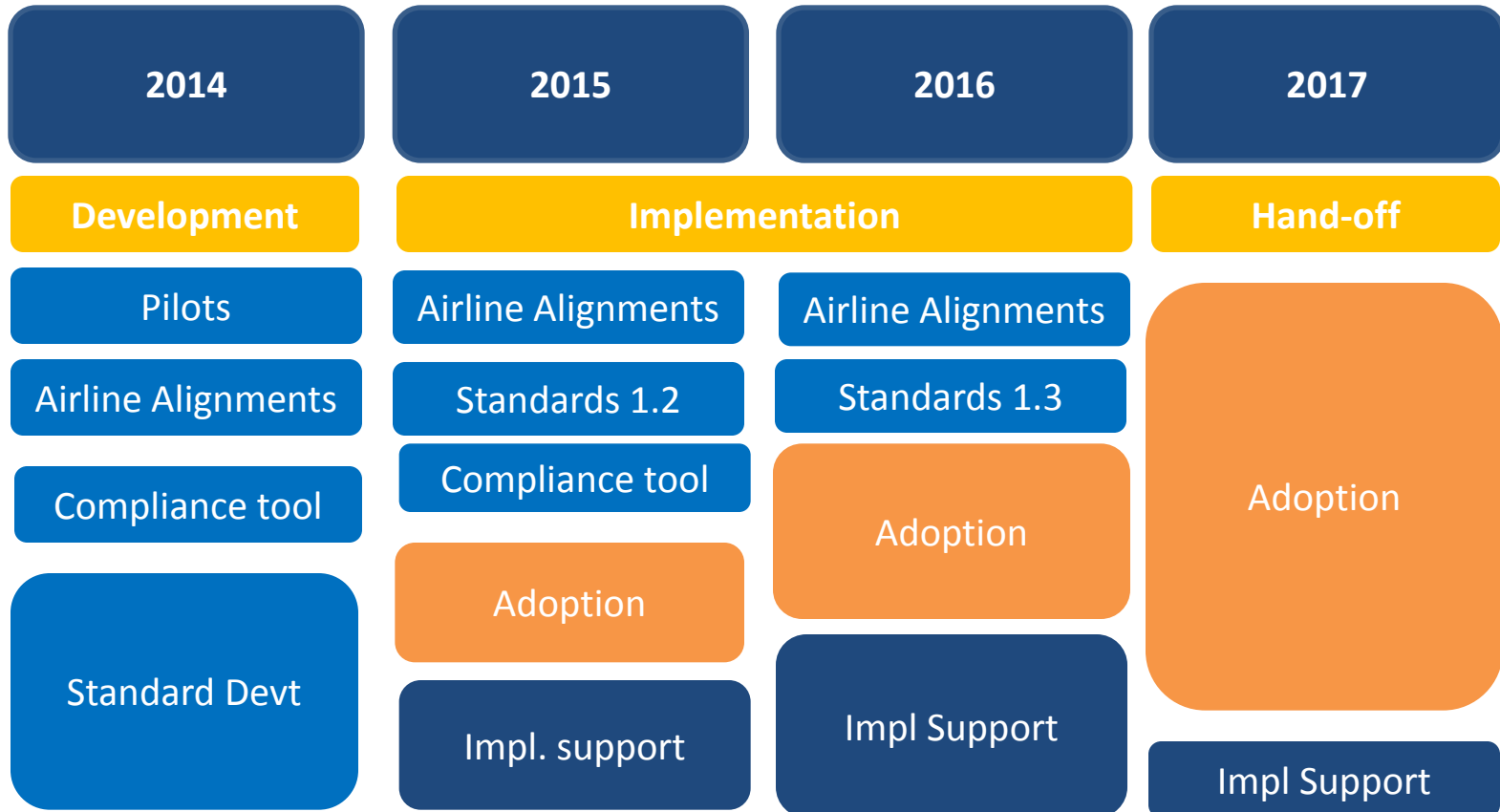


# What Happened in 2014

- Pilots with live booking transactions
- Airline alignment sessions
- Continued engagement across the value chain
- Completion of NDC Standard (version 1.1)
- Release of the NDC Implementation Guide
- Delivery of NDC ‘incubator’



# NDC Roadmap





# www.IATA.org/ndc



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## New Distribution Capability



### Facilitating Air Retailing

NDC (New Distribution Capability) will enable 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.

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### The NDC program

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 will enhance the capability of communications between airlines and travel agents. The NDC Standard will be open to any third party, intermediary, IT provider or non-IATA member, to implement and use.

### NDC Blog

News, mythbusting and a lot more. RSS also available.  
[Go to the NDC Blog now](#)

The NDC Standard will enable 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
- Transparent shopping experience

### For and by the travel industry

Airlines, travel management companies, online travel agencies, corporate buyers, global distribution systems and other technology players are working together to bring the NDC Standard to life.

Through a collaborative approach to the NDC Program, the participants ensure that the supporting schemas are functional and can be used by all regardless of business focus, geographic location, size, target markets and individual commercial policies.

### The power of standardization

An industry standard will facilitate a more efficient airline distribution system, thereby benefitting airlines, agents, GDSs, IT providers and travel start-ups.

Structured around seven distribution-related functions, the NDC Standard provides the opportunity to address the end-to-end airline distribution process, e.g. shopping, booking etc., and to deliver enhanced customer experiences.

### Contact us

[Get more information on NDC.](#)



**Thank you**