

Together, Let's Build Airline Retailing

NDC Program Update – IBAR
Rome, 13th December 2018



What's the market problem?



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



Airlines are getting creative with ancillaries

Joon to offer child-bed ancillary product

Victoria Moores

Nov 15, 2018

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Tweet

G+

Recommend 11

COMMENTS 0



Photos courtesy of Joon



Air France subsidiary **Joon** plans to offer a new ancillary product, where **parents** can pay to convert their children's economy seats into a small bed and play area.

The "Cosy Joon" service launches in November on Joon's **Airbus A340s** and will be charged at €20 (\$23) per family member per flight. This means one adult traveling with two children will pay €60,



Together, Let's Build Airline Retailing

Why NDC?

Modernise air retailing

What is NDC?

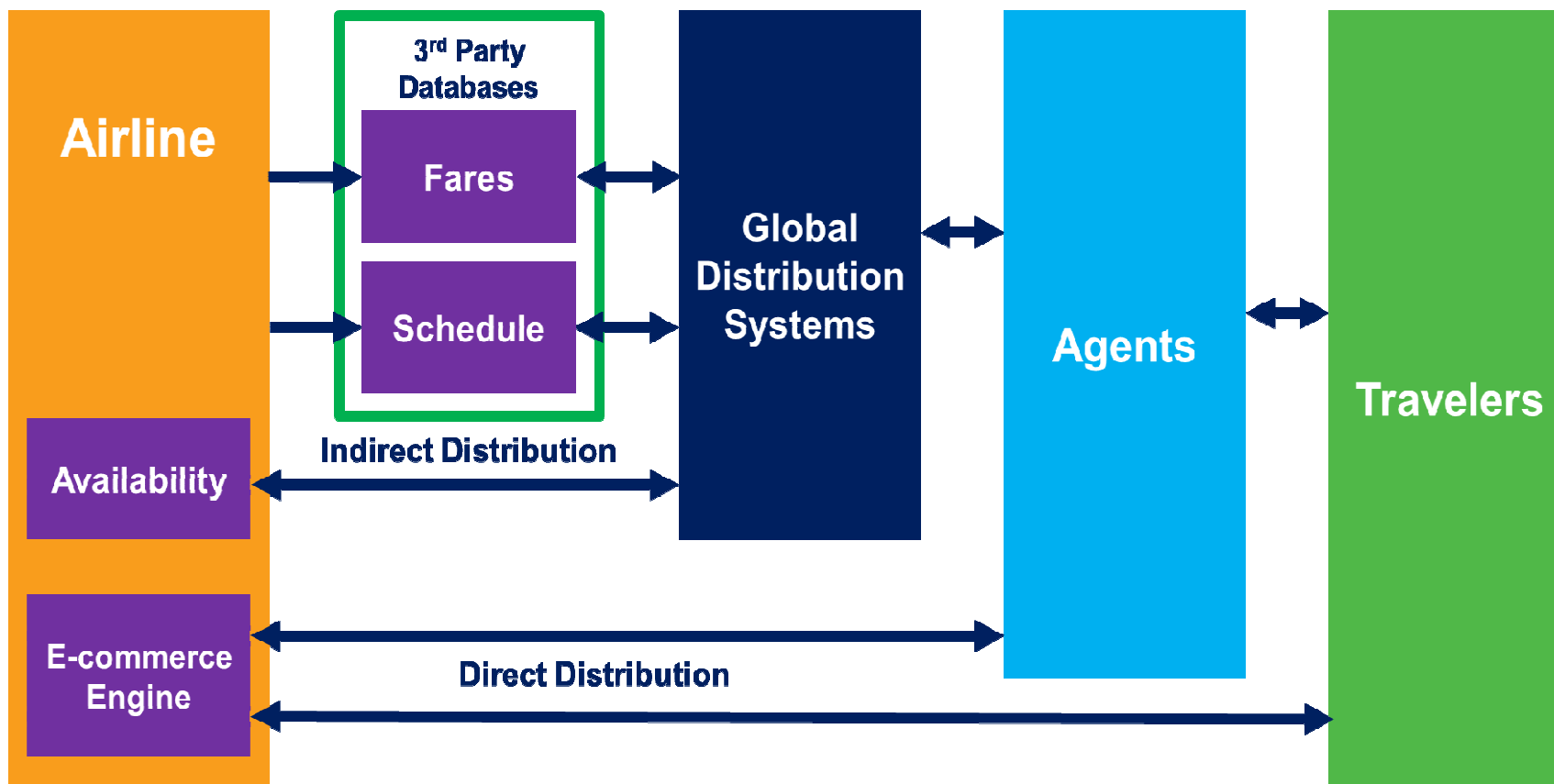
Program for new data
transmission standard

**Who will benefit
from NDC?**

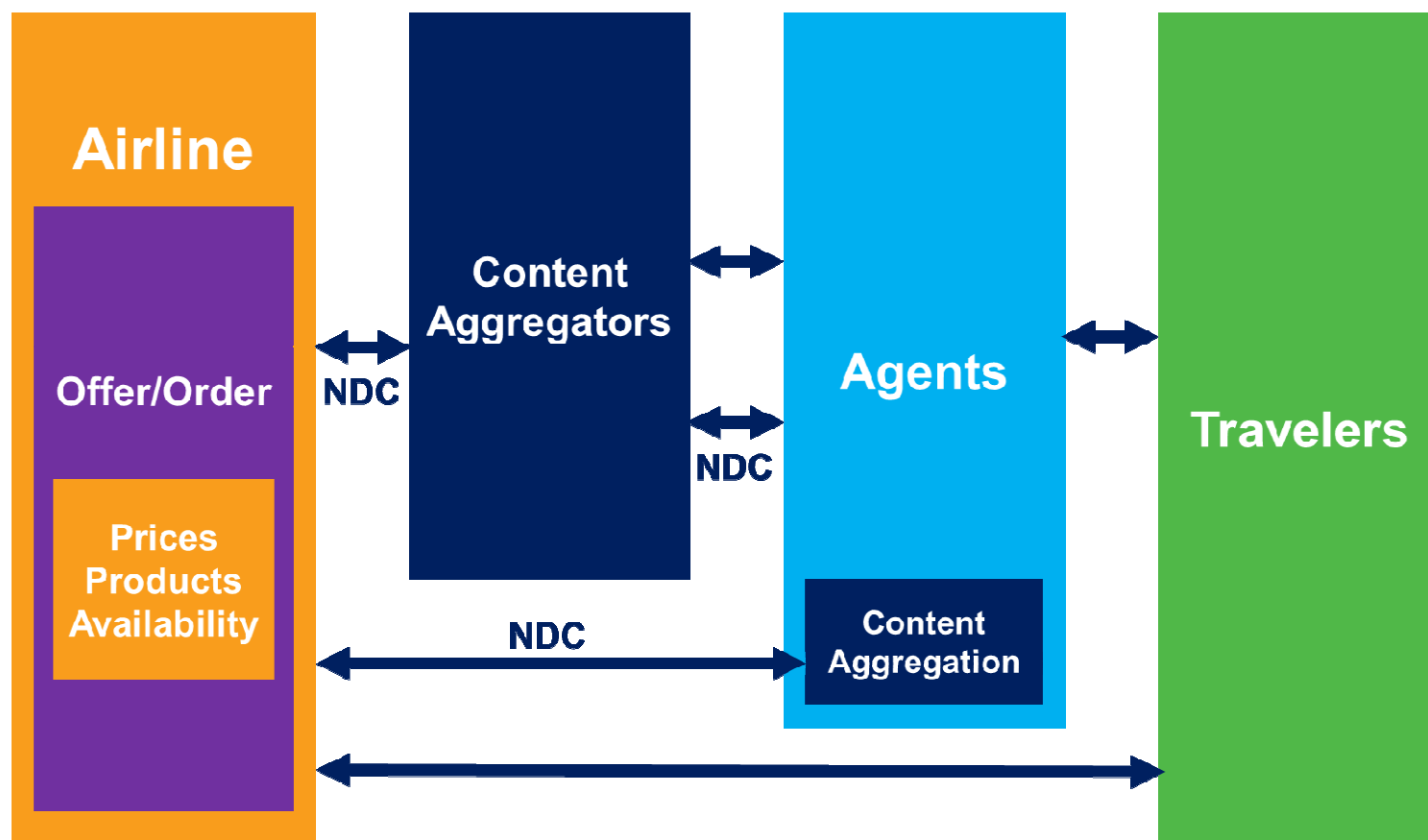
Full service & low cost airlines
Content aggregators
Travel Agents
Corporates and Travellers



Traditional Flight Distribution




Airline Retailing in an NDC World



Rich content


Thomas Cook Chatbot
Messenger



Pre-order meals

These exclusive meals are hand-prepared by celebrity TV chef James Martin and can be pre-booked by everyone.


These meals will not be available on board. For our short-haul passengers, standard snacks and drinks will also be sold on board and can be purchased during the flight with credit card or cash.



Standard Meal
Standard Meal

Get it for 7.5 GBP


More information



Vegan Meal
Vegan meal

Get it for 7.5 GBP

More information



Seamless shopping experience

The screenshot shows a web browser window with the URL <https://www.skyscanner.net/book>. The page displays a flight booking summary for 1 traveller on the route Helsinki Vantaa – Nice, from 11 Jul 2017 to 18 Jul 2017. The total price is £413.70. Below the summary, there are four steps: Your fare, Passenger details, Billing address, and Payment details. A section titled 'Booking with Finnair' highlights that the booking is easy and secure and that Finnair will email confirmation and handle customer service needs. The Finnair logo is also present. Below this, the itinerary is checked, showing an outbound flight on Tue, 11 Jul 2017 (AY 881, Class: Light) from HEL Helsinki Vantaa at 08:10 to NCE Nice at 10:30, and a return flight on Tue, 18 Jul 2017 (AY 882, Class: Light) from NCE Nice at 11:25 to HEL Helsinki Vantaa at 15:40.

1 traveller
Helsinki Vantaa – Nice
11 Jul 2017 – 18 Jul 2017

Total
£413.70
[View summary](#)

Your fare Passenger details Billing address Payment details

Booking with Finnair

- ✓ It's easy and secure
- ✓ Finnair will email you when your booking is confirmed and handle your customer service needs

FINNAIR

Check your itinerary

✈ **Outbound HEL – NCE**

Tue, 11 Jul 2017

FINNAIR AY 881
Class: Light

08:10 – HEL Helsinki Vantaa
10:30 – NCE Nice

✈ **Return NCE – HEL**

Tue, 18 Jul 2017

FINNAIR AY 882
Class: Light

11:25 – NCE Nice
15:40 – HEL Helsinki Vantaa



Seamless shopping experience (cont'd)

BRITISH AIRWAYS
Fly the world's best airline

Buy travel

1 Dates 2 Flights 3 Price 4 Passengers 5 Payment 6 Confirmation

London > New York

Cabin class: World Traveller | Aircraft type: 744 | Departs: 09:40 Wed 19 Oct 2016 | Duration: 7 hrs 38 mins

1 Mr Jonathan Hoar

No seat

Standard seat ☐ Exit seat ☐ Unavailable ☐ Your seats ☐ Selected passenger ☐

Row	A	B	C	D	E	F	G	H	J	K
39								H	J	K
40								H	J	K
41								H	J	K
42								H	J	K
43								H	J	K
44								H	J	K
45								H	J	K

British Airways.com

BRITISH AIRWAYS
Fly the world's best airline

London Heathrow - New York John F. Kennedy

01 Sept 2016 - 04 Sept 2016 | 1 x 2 | 1 x 0 | 1 x 0

£982.00
View summary

Flight details | Passenger details | Optional extras | Payment details | Review and confirm

Select your seats

Row	A	B	C	D	E	F
5						
6						
7						
8						
9						
10						
11	16 €	16 €	16 €	11	16 €	16 €
12	16 €	16 €	16 €	12	16 €	16 €
13	13 €	13 €	13 €	13	13 €	13 €
14	13 €	13 €	13 €	14	13 €	13 €
15	13 €	13 €	13 €	15	13 €	13 €
16	13 €	13 €	13 €	16	13 €	13 €

British Airways on Skyscanner



Augmenting key product information at the point of sale



Flight Brands



Economy Classic

Economy Classic Plus

Economy Flex

Economy Flex Plus

Business Classic Plus



First

Enjoy the highest possible level of comfort - discrete personal care, gracious hospitality, gourmet menus and fine wines. Relax in our armchairs that turn into generous flat beds in moments and offer a lot of privacy.

Your FIRST fare includes:

- 3 pieces checked baggage up to 32 kg.
- 2 piece of hand baggage up to 8 kg.
- Premium food and beverages.
- Miles.
- Rebooking without a fee.
- Refund without a fee.



	Swiss 777 300er aircraft	Standard seat reservation	Rebooking	Refund	Checked baggage	Carry on bags	Miles and more miles	Wifi	Lounge access	Complimentary food and beverages	Priority services	Upgradeable fare
Economy Classic	✓	\$	\$	✗	✓	✓	✓	\$	✗	✓	✗	✓
Economy Classic Plus	✓	\$	\$	\$	✓	✓	✓	\$	✗	✓	✗	✓
Economy Flex	✓	\$	✓	\$	✓	✓	✓	\$	✗	✓	✗	✓
Economy Flex Plus	✓	\$	✓	✓	✓	✓	✓	\$	✗	✓	✗	✓
Business Classic Plus	✓	✓	\$	\$	✓	✓	✓	\$	✓	✓	✓	✗
Business Flex Plus	✓	✓	✓	✓	✓	✓	✓	\$	✓	✓	✓	✗
First	✓	✓	✓	✓	✓	✓	✓	\$	✓	✓	✓	✗



The journey since last year -

Travelport 
amADEUS
Sabre

 **EGENCIA**[®]
BUSINESS TRAVEL • EXPEDIA, INC.

BCD  **travel**

FCM
TRAVEL
SOLUTIONS



GLOBAL
BUSINESS TRAVEL

**Carlson
Wagonlit
Travel**

 **skyscanner**

KAYAK

 **ClickTravel**

 **CLARITY**
The Business Travel Experts


serko

 **TMC**


Travel Planet
Time to change

HRG[™]

 **ctm**

Latest industry announcements

Sabre Beyond NDC Program

As NDC standards help transform intelligent retailing, Sabre is excited to announce the Beyond NDC Program. The program aligns Sabre with industry leaders who are committed to enabling NDC adoption and willing to help influence the creation, design and roadmap for our NDC-enabled retailing, distribution and fulfillment solutions. To drive the program forward, Sabre has brought together the largest and most diverse partner ecosystem, including:



CORPORATE TRAVEL

American Express and Carlson Wagonlit join Amadeus' NDC effort

By Jamie Blesiada | Aug 08, 2018



American Express Global Business Travel and Carlson Wagonlit Travel have joined Amadeus' NDC-X program, which aims to drive practical use cases for IATA's New Distribution Capability (NDC).

OUR BUSINESS

Delta, Virgin Atlantic to become first airline partnership to achieve NDC standard 18.1, lead retail transformation

By Staff Writer • posted Aug. 12, 2018 1:00 pm

Alitalia jumps on the branded fares bandwagon

By Alastair — Oct 25, 2018



Sabre Corporation has announced that Italian airline Alitalia has jumped on the tech firm's bandwagon by signing up for the Sabre Branded Fares solution, which will be available on domestic and international short- and medium-haul flights, as of now.

The news, which comes following similar announcements from Hong Kong Airlines and Virgin Australia, in August and October, will see agents and OTA's (online travel agencies) gain access to varied fare content to agents with "enhanced branded fare functionality", boosting efficiency as well as simplifying Alitalia's retailing process.

Sabre's merchandising technology helps airlines distribute their branded fares to more than 425,000 travel agents and OTAs via Sabre's global travel marketplace. When using the Sabre Red Workspace, travel agents can easily view the ancillaries included within each branded fare, enabling them to present travellers with more transparency, choice and flexibility.

Through the Sabre Red Workspace, agents will also be able to view NDC-based offerings – which airlines are increasingly introducing – in the same way.

What is IATA doing for NDC?



Engagement & Adoption

- Airlines
- IT providers
- Travel trade
- Corporates

Standard settings & evolution

- Standard versions
- Implementation support (start up , developers..)
- Hackathons



NDC Live Implementations

-

65
NDC Certified
Deployments

Level 3 Airlines as of 17/10/2018

- ▼ Aegean Airlines
- ▼ Aer Lingus
- ▼ PJSC Aeroflot
- ▼ Air Austral
- ▼ Air Canada
- ▼ Air China
- ▼ Air France
- ▼ American Airlines
- ▼ APG Airlines
- ▼ Austrian Airlines
- ▼ Avianca Airlines
- ▼ British Airways
- ▼ Brussels Airlines
- ▼ Cathay Pacific Airways
- ▼ China Airlines
- ▼ China Eastern
- ▼ China Southern
- ▼ Colorful Guizhou
- ▼ Condor
- ▼ CORSAIR
- ▼ Delta Air Lines
- ▼ Emirates
- ▼ Etihad
- ▼ Ethiopian Airlines
- ▼ EVA Air
- ▼ Finnair
- ▼ Flybe
- ▼ flydubai
- ▼ FlyEgypt
- ▼ GOL
- ▼ Jiangxi Air
- ▼ Hainan Airlines
- ▼ Hong Kong Airlines
- ▼ Iberia
- ▼ Iberia Express
- ▼ InselAir
- ▼ KLM Royal Dutch Airlines
- ▼ Korean Air
- ▼ Lufthansa
- ▼ Norwegian Air Shuttle
- ▼ Olympic Air
- ▼ Onur Air
- ▼ Qatar Airways
- ▼ Qantas Airways
- ▼ Rotana Jet
- ▼ Saudi Arabian Airlines
- ▼ Shandong Airlines
- ▼ Shenzhen Airlines
- ▼ Sichuan Airlines
- ▼ S7 Siberia Airlines
- ▼ SilkAir
- ▼ Singapore Airlines
- ▼ SunExpress Germany
- ▼ SunExpress Turkey
- ▼ SWISS
- ▼ T'way Air
- ▼ Taca International Airlines
- ▼ TAP Air Portugal
- ▼ Thomas Cook Airlines Manchester
- ▼ Turkish Airlines
- ▼ United Airlines
- ▼ Virgin Atlantic
- ▼ Vueling Airlines
- ▼ WestJet
- ▼ Xiamen Airlines

System Providers certified & capable to date

-

62

- 46 IT Providers - Capable
- 16 Aggregators - Certified
- Includes 5 Start ups

▼ Aaron Group	▼ Information Systems Associates	▼ Sabre
▼ Airlines Technology	▼ InteRES	▼ SAP Customer Experience
▼ AirGateway	▼ ISO Software Systeme	▼ Shanghai Aqueduct Information Technology
▼ AirSky Information	▼ ITA Software by Google	▼ Shree Partners
▼ Amadeus	▼ Iween Software Solutions	▼ "Sirena-Travel" JSC
▼ APG	▼ JR Technologies	▼ SITA
▼ ATPCO	▼ KAYAK Software Co	▼ Skyscanner
▼ Atriis Technologies	▼ Maureva	▼ TOPAS
▼ Beijing Asia Technology Co	▼ Marco Polo Technology	▼ TPConnects
▼ Birdres Technologies	▼ Navitaire	▼ Travelfusion
▼ Conztanz	▼ Nemo Travel	▼ TravelINDC Technology
▼ Caravelo	▼ On Travel Solutions	▼ Travel Planet
▼ Datalex	▼ Openjaw	▼ Traveaer
▼ DXC Technology	▼ Polarium Co	▼ Travelport
▼ Farelogix	▼ Pribas	▼ Travelsky
▼ HitchHiker	▼ PROS	▼ Verteil Technologies
▼ Hitit	▼ Quadlabs Technologies	▼ WTMC
▼ IBS	▼ Reserve	▼ Wintelia Technology Co
▼ Indra		▼ TravelgateX
▼ Infiniti Software Solutions		

GDSs have become Level 3 NDC aggregators 2018

amadeus

- Certified Level 3 in July 2018

Sabre

- Certified Level 3 in September 2018

Travelport 

- Certified Level 3 in December 2017

Sellers certified to date

-

19

NDC Certified
Implementations

Includes 6 TMCs

- ▼ AL Maghseel International LLC
- ▼ China Air Service Ltd.
- ▼ Chongqing Yunshang International Travel Service Co., Limited
- ▼ Click Travel
- ▼ Club Travel
- ▼ Corporate Travel Management
- ▼ Ctrip.com International Ltd.
- ▼ Dnata
- ▼ Flyazmeel.com (Azmeel International Agency Tours & Travel)
- ▼ Hogg Robinson Group
- ▼ JebesenTravel Limited
- ▼ Logitravel Group
- ▼ Serko Limited
- ▼ Superior Tracks Travel & Tourism – Zeeyarah.com
- ▼ TravelCC
- ▼ Travel Planet
- ▼ Tripadvisor, LLC
- ▼ Viaflight.com (Talent Travel & Tourism)
- ▼ WTMC

NDC Roadmap set with IATA Board

2012-2014

- Foundation standard
- Live Demos
- US DOT approval
- **First Pilots**

2015-2017

- Robust standard aligned with the Industry Data Model
- Strong Industry awareness
- A community of 50 NDC capable vendors
- **45 NDC Certified airlines**

2018-2020

- Support implementation
- Engage all value chain members
- Shift from capability to volumes
- **Drive Critical Mass**

Critical mass and 2020 target

- **Critical mass:** “Leaderboard” airlines
- **Leaderboard:** 20% of sales powered by an NDC API by 2020
- **“Followers”:** More solutions, barriers tackled, increased speed to market



The NDC Leaderboard is growing

NDC Leaderboard Airlines



NDC Certification. Scope & Levels

NDC Certification





NDC Value Change Readiness



New! - NDC InFocus

NDC InFocus



Benefits of Reporting NDC sales through the BSP

WHY IS THIS IMPORTANT?

Agency risk management

NDC InFocus



How to report your NDC sales through the BSP

WHY IS THIS IMPORTANT?

With NDC, the airlines may want to benefit or continue

Agent's status in BSP (whether they are or in default)

NDC InFocus



Highlights of 17.2 and what to expect until 19.1

WHY IS THIS IMPORTANT?

A more efficient way to communicate the baggage

NDC InFocus



Payment: the next game changer in airline distribution

WHY IS THIS IMPORTANT?

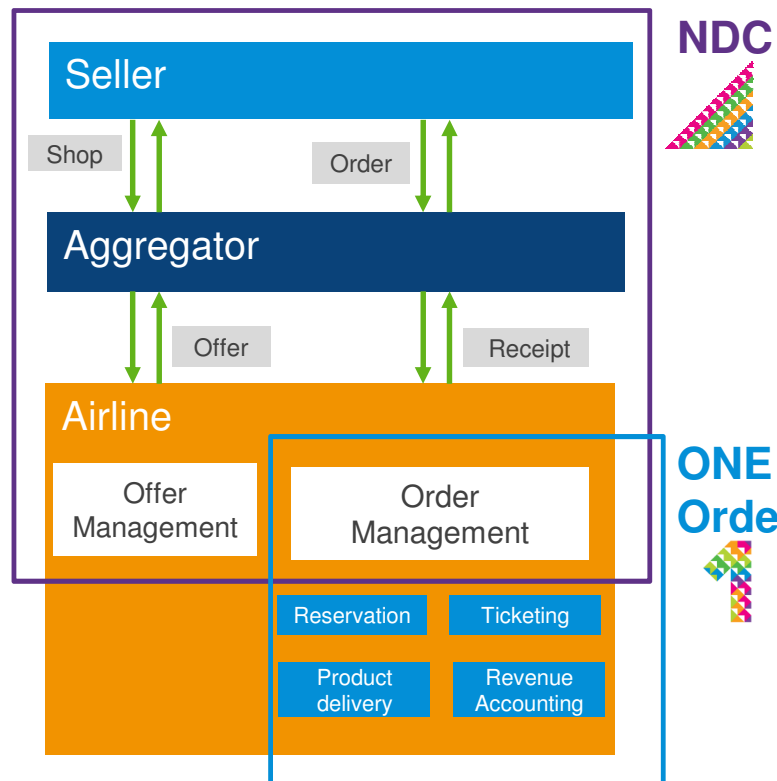
While managing payment, the airlines aim for the

1. How API help airlines
2. Neutral ticketing versus Airline ticketing
3. TMC reference architecture
4. ONE Order in an NDC environment; what do I need to know?
5. Data Privacy in an NDC world
6. Typical NDC collaborative scenarios across the airline internal value chain
7. China distribution
8. What financial analysts say about NDC & Changes in Distribution



NDC & ONE Order

Transforming Airline Distribution Ecosystem



Enhanced Distribution:

- ▶ Merchandized Offers
- ▶ Personalization / Dynamic Pricing
- ▶ Offers/Orders integrity

Simplified downstream processes

- ▶ Focus on delivery and accounting
- ▶ Unique Customer Order Reference/Receipt
- ▶ Facilitate interlining with ticketless carriers