NDC Update:
Is it still relevant & is it delivering?

Ian Tonnacliffe
Kuala Lumpur
August 2019
Small-Scale NDC Tests Begin in Advance of 'Critical Mass' Promise for 2020

Beyond its "critical mass" vision, IATA projects that "mass adoption" of NDC will not happen until 2025.
What IATA said in 2015
<table>
<thead>
<tr>
<th>Year</th>
<th>Event Description</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017-2020</td>
<td>Increased numbers of bilateral relationships between airlines and travel agencies leading to the establishment of the first NDC Aggregators to simplify the network management task. Increasing levels of innovation from airlines in the way that they define, present and price their products. The GDS companies recognise that their traditional business is undergoing major transformation make significant investments in products to allow airlines to adopt the new processes.</td>
<td>The GDSs must decide whether they intend to take on the role of NDC Aggregator. If so they will need to create radically different contractual relationships with both airlines and agents. Otherwise, Aggregators must be developed by other entities such as airline alliances or travel agency associations. Business models must be developed to provide the necessary resources. Continued development and adoption of Offer and Order management systems that interact with existing customer databases, revenue management systems and external service providers’ systems. These systems may be developed by the airlines themselves or more likely by third party providers.</td>
</tr>
<tr>
<td>2020-</td>
<td>NDC processes gradually increase in usage with a corresponding decline in the use of traditional GDS distribution. At some point an airline or possibly an airline alliance reaches the point where it is able to switch off traditional processes. This incurs significant competitive advantage and others accelerate their plans to do the same. By 2030 the vast majority of airline distribution is following an NDC model although by then the NDC schema is in its third revision and includes far more capability than the 2015 version.</td>
<td>Offer and Order management systems as well as Aggregators must demonstrate robust performance in the face of exponentially increasing transaction numbers. A way of managing the decline of the traditional GDS business must be developed. Ideally this will involve the GDS companies themselves becoming significant participants in the NDC environment. If this is not achieved then these businesses will become unviable and some way must be found to continue providing their services to airlines not yet ready to transition to a full NDC model.</td>
</tr>
</tbody>
</table>

What I wrote in 2014
Is it still relevant & is it delivering?
Where are NDC and ONE Order on the Relevance Meter?
NDC Offers enable airlines to create products specifically for their key corporate customers
ATPCO’s Next Generation Storefront could be made to work without NDC – but it would be a lot harder.
A standard API opens the door for airlines to use cutting edge payment and accounting processes.
Chatbots need a standard API before they can deliver real value
So, is it Delivering?
• NDC is about the indirect channels
• GDSs dominate the indirect channels
• Therefore the GDSs are critical to the adoption of NDC
Sabre testing live NDC offers with United Airlines and Beyond NDC Agency Partners

SOUTHLAKE, Texas – April 2, 2019 – Sabre Corporation (NASDAQ: SABR), the leading technology company serving the global travel industry, announced today it has released its first set of New Distribution Capability (NDC) APIs with launch carrier, United Airlines. Sabre's Beyond NDC agency partners are using these capabilities to enable live NDC bookings and provide customers with a more robust shopping experience.
TECHNOLOGY

AMADEUS UNVEILS NEW TOOL FOR TRAVEL AGENCIES

CHRISTIAN FLEETWOOD

01 AUG 2019

AMADEUS HAS TODAY LAUNCHED A NEW AND ENHANCED VERSION OF ITS WEB SERVICES SOLUTION, INCORPORATING THE INTERNATIONAL AIR TRANSPORT ASSOCIATION'S NEW DISTRIBUTION CAPABILITY (NDC).

Travel Weekly Australia
AVIATION

American Express GBT processing NDC bookings

By Robert Silk  Aug 04, 2019

American Airlines, American Express Global Business Travel and Amadeus have begun jointly processing live New Distribution Capability-enabled bookings.
Travelport Offers First Phase of Next-Generation-Storefront (NGS) Capability

TRAVEL TECHNOLOGY | JULY 31, 2019

PHOTO: Travel technology is advancing. (photo courtesy Jirsak/iStock/Getty Images Plus)

WHY IT RATES: Travelport is committed to elevating the shopping experience for its customers. —Janeen Christoff, TravelPulse Senior Writer
The Acid Test: 21/20/20
Is it still relevant & is it delivering?

We leave that question as an exercise for the reader.