

NDC SERVICES

Direct connect platform
for the travel industry



atpco
routehappy

SITA

**DEFENSE EXHIBIT
DX286**



DIRECT CONNECT PLATFORM FOR THE TRAVEL INDUSTRY
WITH A SIMPLE DELIVERY OF OFFERS AND ORDERS

NDC

WHAT IS NDC?

NDC (New Distribution Capability) is a distribution capability standard that IATA, along with the industry, has developed. NDC has done more than just align the industry to strive for a common standard. It has served as the platform for an industry-wide conversation on the evolution of airline distribution.

Airline distribution has been evolving for a long time. Some carriers started exploring how to directly sell their offers on the Internet as far back as 25 years ago. As the technology and adoption evolved, so did the products. It wasn't long before airlines started investigating how to use APIs to establish direct connections. During much of the next decade, airlines were innovating their products to respond to changing consumer demands. Airlines began exploiting new digital capabilities on their direct channels where they could control their branding and product differentiation, causing an ever-widening product gap between the indirect and direct channels.

In the last year, IATA has been working to gain industry adoption and opened a much broader conversation among not only airlines, but also GDSs, technology companies, travel agencies, and corporate buyers. This adoption phase would not have been possible without first building the robust standard that contemplates all aspects of the end-to-end process.

Product innovation has been constant, but adoption has been challenging. The missing element is the lack of industry infrastructure to support the new capabilities. What made the existing distribution model successful was its efficiency and breadth provided by companies like ATPCO, OAG, ARC, and the GDSs. Getting airline products to market is efficient and consistent because there are both the standards and the infrastructure needed for global distribution. But new product development has outpaced the infrastructure.

Despite the undeniable benefits of direct connect technology and its continually increasing rate of adoption, the actual number of NDC-facilitated bookings has been growing at a slow pace. Why? Airlines and travel agents discovered it could be challenging to connect their different technologies,

Overcoming barriers to NDC adoption

inertia made it hard to replace established business processes with new alternatives, and enabling existing processes to evolve with new distribution capabilities is tricky.

ATPCO and SITA partnered to create a solution that eliminates these barriers to the industry-wide adoption of NDC, providing scale so airlines can advance their NDC distribution strategies.

NECESSITY WAS THE MOTHER OF NDC SERVICES

The current model of direct connect distribution relies predominantly on connecting every airline to every point of sale. A single large airline can be connected to hundreds of sellers at a time. Managing this volume of connections individually is already a complicated process that requires significant resources. Even worse, this method is expected to become increasingly complex, time-consuming, and costly as more and more connections are established, standards continue to evolve, and direct connections continue to scale.

To support the evolving direct connect needs of the travel industry, ATPCO and SITA developed a new generation of infrastructure: NDC Exchange. NDC Exchange is the only industry-owned solution providing an easy and cost-effective way for the industry to exchange offers and orders through all channels. This industry-trusted, neutral hub enables airlines, aggregators, and travel sellers to use the powerful capabilities that the NDC standard offers to conduct business directly through a single application programming interface (API).

Since the launch of NDC Exchange, 25 major airlines and their channel partners connected to the platform and are currently in production or nearly ready. Over 60 other organizations are exploring this solution and are in various stages of adoption.

Working closely with the industry on adopting NDC, ATPCO identified fundamental technology gaps that prevent many airlines and their partners from adopting new technology at their desired speed.

The industry turned to ATPCO to develop solutions that will allow the airline distribution ecosystem to transform its capabilities faster. ATPCO is in the position to lead this change because its neutrality, business model, expertise, and capabilities allow building solutions that are cost-effective, scalable, and work for the entire industry.

This business need led ATPCO to the development of the NDC services that will transform NDC Exchange from a product that offers connectivity and translations to a platform that adds layers of services and can be easily bundled with other offerings such as Routehappy rich content and much more.

KEY PLAYERS: AIRLINES

Airlines are the content suppliers who want to distribute their offers to multiple preferred points of sale, the channel partners. This solution simplifies distribution, allowing airlines to fully control how their offers are sold in the marketplace and to manage their partnerships more efficiently. NDC Exchange also enables airlines to maintain consistent branding on their product displays in many channels, improving the flight and ancillary shopping experience.

KEY PLAYERS: CHANNEL PARTNERS

A channel partner can be any entity that provides airline offer services: travel agencies, aggregators, metasearch, travel management companies, corporate booking tools, or even airlines who sell their partners' offers. The more of the airlines' content that is available, the better the channels can craft that winning offer for the travel buyer and boost revenue.

COST SAVINGS AND ACCELERATED DISTRIBUTION

NDC Exchange and NDC services save costs associated with development and maintenance, including labor, hardware, and IT vendor expenses. This not only allows for easy access to many distribution points, but also speeds time to market because airlines no longer need to develop and support new connections or message standards, or more frustratingly, wait for their partners' release schedules.

NDC SERVICES

NDC services will enable airlines to better control and manage their APIs, support interoperability across channels and airlines, and assist the industry in increasing NDC adoption.

ATPCO is developing a catalog of NDC services that will provide solutions in these categories.

INTELLIGENT FILTERS, THROTTLING, AND ROUTING

These tools will allow airlines to control the type and volume of shopping requests they accept. The filters ensure that queries submitted are aligned with the airline's set of business requirements. This way, airlines can control who can access what content within their system. This filtering, which can be done on elements such as service type, point of sale, market, and routes, will also be available to channels so they can control how and where they shop, based on their customers' needs.

INDUSTRY MARKETPLACE

enables airlines and channels to exchange content directly using a highly scalable and flexible platform. No need for costly point-to-point integrations—with industry marketplace services, airlines and channels can quickly increase the adoption of their direct distribution channels at a fraction of the cost.

API MANAGEMENT

easily enables airlines to have better control over their shopping requests: who can submit a request, what type of request, and when a request can be submitted from channels without being dependent on their development resources.

API ENRICHMENT

provides the capability of adding ATPCO and Routehappy's robust data and calculators to other industry known and trusted data sources, offered in a structured and formatted way for easy consumption.

API INTEGRATION

provides seamless integration and access to the common industry systems and services (such as ARC settlement and IATA BSP settlement), requiring little to no effort for airlines and channels.



THE BIG PICTURE FOR NDC SERVICES & NDC EXCHANGE

THE INFRASTRUCTURE WE NEED

Certain services can create value for the industry when they are available to all participants in the distribution ecosystem. While it is possible for each entity to procure or create its own services, history shows that the industry is best served by creating common standards, building common services, and sharing the cost and effort across a wide user base. This philosophy lies at the foundation of ATPCO NDC services.

By leveraging deep expertise, focusing on tomorrow's needs, and transforming processes with innovative technologies, ATPCO will continue to create value for the industry.

Whatever stage you're at, ATPCO has the expertise to help you move forward.

For more information on any of ATPCO's services, visit atpco.net.

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DON'T JUST EXPLORE – ARRIVE. TALK TO US AND FIND YOUR WAY.

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