

Collaboration and experimentation key to drive NDC adoption, finds new Amadeus report

New report reveals travel industry readiness for NDC and cites 2021 as the year that NDC scales

Leading companies worldwide contributed to the report, including Allianz, American Airlines, British Airways, CWT, Deloitte, Flight Centre, House of Travel, IATA, Qantas, Travix, and Volkswagen

Today's consumers have the same expectations of travel companies as they do of brands such as Amazon, Netflix and Spotify: a seamless, relevant and personalized experience. To build a more responsive and agile industry capable of meeting the ever-changing needs of travelers, IATA's New Distribution Capability (NDC) is proving to be a foundation for digital retailing across the sector.

Some are unclear about the impact the COVID-19 pandemic is having on the progress of NDC. However, a new report from Amadeus provides visibility on the standard's readiness across the industry. Insights from airlines, travel agencies and corporations, as well as Amadeus' own experts demonstrate that NDC momentum has accelerated over the past 18 months, concluding that 2021 is the year that NDC is being adopted at scale.

Airlines have begun to make tailored offers available, as well as to experiment with innovations like 'continuous pricing' and new types of bundled offers. Travel sellers of all shapes and sizes are now going live across the world, with over 2,500 travel agencies across 50 markets now able to book and service airline content via NDC using Amadeus solutions. These solutions include Amadeus Selling Platform Connect, Amadeus Travel API, and Amadeus cytric Travel & Expense.

The technology underpinning NDC has advanced significantly. Travel sellers are now able to consume NDC and EDIFACT content, alongside LCC content delivered via APIs, all in one place with the Amadeus Travel Platform. Importantly, the report cites recent improvements in servicing and preparation of travel agency mid- and back- office systems as key to scaling over the coming months and years.

Ángel Gallego, Executive Vice President, Travel Distribution, Amadeus, had this to say on the findings in the report: "If we compare where we were 18 months ago to today, it's clear that despite the strain caused by COVID-19, the industry has not sacrificed its commitment to NDC. On the airline side, we are now seeing new differentiated product bundles and price points. On the travel seller side, every Amadeus connected travel seller will be able to book NDC content, alongside content sourced in other ways, by the end of this year. On the technology side, we have continued to deliver on our promise to offer scalable, innovative solutions that incorporate vital features such as post-booking servicing." Gallego continued: "It is encouraging to see that the industry increasingly views NDC as a key pillar of recovery. With modern digital retailing, travel will be based around dynamic offers and this will deliver a competitive edge to airlines and travel sellers that embrace this change. Now is the time to engage with NDC to power great journeys for travelers and rebuild travel." The report also sheds light on some of the remaining barriers to widespread NDC adoption, which include the need to upgrade airline systems, embrace a common NDC standard, and the transformation of mid- and back- office systems for travel sellers.

The report calls on the industry to prioritize collaboration and experimentation to advance NDC adoption.

Collaboration: The success of NDC remains dependent on the industry's ability to keep talking. Through greater collaboration, it will be easier to recognize each other's challenges and interests, helping to align goals and deliver the end-to-end value the entire ecosystem expects.

Experimentation: NDC is an innovation playground and by ramping up NDC experimentation and testing, the industry can better understand how this new standard of digital retailing can improve the travel experience and accelerate recovery.

To read the report in full, please visit: <https://amadeus.com/en/insights/white-paper/ndc-2021-path-to-industrialization>.