

# TRAXO

A row of OneWorld alliance aircraft parked on a tarmac, with a purple gradient overlay. The aircraft are white with blue and red accents on the tail. The word "oneworld" is visible on the side of the aircraft in the foreground.

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## **Traxo Guide to NDC:** How to Prepare Your Corporate Travel Program

The travel industry is constantly evolving, with new technologies and innovations driving changes in how businesses and consumers book and manage travel. One such innovation, the New Distribution Capability (NDC), is set to transform how airlines, travel management companies, and other travel suppliers interact with corporate clients. This eBook aims to provide a comprehensive understanding of NDC, its impacts on corporate travel management, why airlines like American Airlines are using it, and the benefits it brings to business travelers. It will also offer guidance on how corporate travel management teams can prepare for this new era of travel distribution.

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## Understanding the New Distribution Capability (NDC)

NDC is an XML-based data transmission standard developed by the International Air Transport Association (IATA) to enable the travel industry to enhance communication and enable the distribution of rich content, personalized offers, and dynamic pricing. This technology allows airlines and other travel suppliers to bypass traditional distribution channels, such as Global Distribution Systems (GDS), and directly connect with travel management companies, online travel agencies, and corporate travel departments. NDC aims to provide a more seamless and transparent booking experience for travelers while giving airlines more significant control over their products and services.

On a recent Traxo office hours webinar, Chuck Fischer, Vice President of Airline Retailing & Settlement at Airlines Reporting Corporation (ARC), explained that NDC is all about offering content to travelers that wouldn't be available through traditional distribution systems, such as customized travel bundles.

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## NDC's Impact on Corporate Travel Management

NDC has the potential to impact corporate travel management in several ways, including:

### **Greater transparency and choice:**

NDC enables travel managers to access more detailed information about airlines' products and services, which can help them make more informed decisions about which airlines to recommend their travelers use. With access to real-time pricing and availability information, travel managers have the oversight to ensure travelers get the best rates and the heads-up needed to make pre-trip adjustments.

### **More personalized offers:**

NDC allows airlines to provide more personalized offers and promotions to travel agents and corporate travel departments. This can help travel managers to tailor their travel programs to the specific needs and preferences of their business travelers, providing a more satisfying travel experience.

### **Enhanced ancillary services:**

NDC enables airlines to offer a wider range of ancillary services, such as lounge access, Wi-Fi, and priority boarding, which can help enhance the overall travel experience for business travelers. These services can also help airlines to differentiate themselves from their competitors and increase revenue.

### **Better data management:**

NDC provides more detailed and accurate data on airline bookings, which can help travel managers to better manage their travel spend and analyze their travel programs. This can help them to identify areas where they can reduce costs and improve traveler satisfaction.

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## **Why American Airlines and Other Airlines are Using NDC**

Airlines like American Airlines are adopting NDC for several reasons, including:

### **Greater Control over Distribution:**

NDC allows airlines to bypass traditional distribution channels and connect directly with travel management companies and corporate travel departments. This direct connection gives airlines more control over the distribution of their products and services.

### **Enhanced Customer Experience:**

NDC enables airlines to offer rich content and personalized services, allowing them to better cater to the unique needs of business travelers and enhance the overall customer experience.

### **Increased Ancillary Revenue and Savings:**

With NDC, airlines can offer a range of ancillary products and services, driving additional revenue streams. By connecting directly with travel management companies and offering more personalized options via direct channels, airlines can avoid the fees associated with using GDS, leading to cost savings for airlines.

Without connecting to NDC, American Airlines estimates that agencies will lose access to “over 40% of fares available today via third-party legacy technology channels,” so it’s crucial for corporate travel agencies and organizations of all kinds to be prepared.

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## **How NDC Benefits Business Travelers**

Overall, NDC provides significant advantages for business travelers by offering a more personalized, transparent, and efficient travel experience. By catering to their unique preferences and needs, NDC ensures that business travelers can make the most of their trips and focus on their work, rather than dealing with travel-related hassles.

## Preparing for NDC: Travel Management Checklist

Travel management teams can take several steps to prepare for the New Distribution Capability (NDC) and capture the leaked bookings resulting from its implementation. The following checklist will help teams ensure they're able to offer exceptional travel management services despite NDC.

### ✓ **Educate themselves on NDC:**

Travel management teams should develop a thorough understanding of NDC, its technical aspects, and potential benefits. This knowledge will enable them to make informed decisions and successfully navigate the changes brought by NDC.

### ✓ **Partner with NDC-ready TMCs:**

Collaborating with Travel Management Companies (TMCs) that are already equipped to handle NDC content ensures access to NDC-enabled services and a smoother transition. These partnerships will help travel management teams offer personalized and comprehensive options to business travelers.

### ✓ **Implement advanced data tracking and analytics:**

To capture leaked bookings, travel management teams need to invest in a real-time data capture solution like Traxo. Traxo captures and monitors all corporate travel bookings in real-time, enabling teams to identify the main sources of leaked bookings, provide complete duty of care regardless of compliance, audit rates from on- and off-channel sources, and more.

### ✓ **Review and update travel policies:**

Companies should reevaluate their travel policies to accommodate the personalized offers and ancillary services available through NDC. By offering competitive and flexible options, travel management teams can encourage travelers to book within the company's preferred channels, reducing leakage.

### ✓ **Enhance traveler communication and support:**

Providing clear communication and support to business travelers is crucial in capturing leaked bookings. Travel management teams should ensure that travelers are aware of the benefits and options available through NDC, and have access to dedicated support for booking assistance and itinerary changes.

### ✓ **Integrate NDC with existing booking tools:**

Integrating NDC with existing corporate booking tools will enable a seamless booking process, making it easier for travelers to access and manage their itineraries. This will help reduce the likelihood of travelers seeking alternative booking channels, thus minimizing leakage.

By taking these steps, teams can effectively prepare for NDC and capture leaked bookings, ensuring a more efficient, personalized, and cost-effective travel experience for their business travelers.





According to ZS Associates' Global Travel Manager Suzanne Boyan, the travelers, travel managers and organizations stand to benefit from NDC. "You're just bringing richer content to enhance the program. Think about the negotiation power you get from it too."

With the ability to see all of your direct bookings, travel managers can go to suppliers with a stronger dataset for negotiations. Traxo is a major player in enabling travel managers to accomplish stronger negotiations.



**"Do I think [direct bookings] will happen? Yes. Am I concerned about it? No, because we have Traxo," Boyan said. "We will still get the data. I'll be covered from duty of care and data visibility."**

Suzanne Boyan, Global Travel Manager, ZS Associates for BTN

## How Traxo Helps Travel Management Teams Thrive

Traxo is a data aggregation platform that helps travel managers capture leaked bookings caused by NDC and gain comprehensive visibility into their corporate travel spend. Traxo achieves this through a combination of innovative features and strategic partnerships:

### **Data Aggregation:**

Traxo aggregates travel data from multiple sources, including NDC-direct bookings, bookings made through online travel agencies (OTAs), and traditional Global Distribution Systems (GDS). By consolidating this data, Traxo provides travel managers with a comprehensive view of their travel program, allowing them to identify and capture leaked bookings.

### **Customized Reporting and Analytics:**

Traxo offers customized reporting and analytics tools that help travel managers analyze travel patterns and identify leakage trends. Armed with this insight, travel managers can manage all of their travelers' bookings regardless of their originating source.

### **Compliance Monitoring:**

Traxo enables travel managers to monitor policy compliance and identify non-compliant bookings. By providing real-time alerts and notifications, Traxo empowers travel managers to address non-compliant bookings promptly and mitigate leakage.

### **Price Assurance:**

An effective price assurance strategy ensures you achieve the best possible negotiation outcomes, that suppliers are true to their promised rates, and that non-negotiated bookings are still booked at the lowest possible prices. Without these assurances, travel programs can become bloated corporate liabilities rather than strategic assets. Comprehensive data is key to applying effective rate auditing, re-shopping and improving negotiations.

### **Comprehensive Duty of Care:**

Even a single missed booking can create tremendous risk for your organization and its travelers. With a travel data capture solution like Traxo in place, organizations can rest assured that every booking—regardless of booking source—has been captured and routed to the appropriate teams and suppliers for proper oversight and care.

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## **Get Ready for NDC with Complete Data from Traxo**

By leveraging Traxo's data aggregation, email parsing, and partnerships with TMCs, travel managers can gain comprehensive visibility into their corporate travel spend and effectively capture leaked bookings caused by NDC. This ultimately leads to improved cost control, policy compliance, risk management and traveler satisfaction.

Visit us at [www.traxo.com](http://www.traxo.com) to get started

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