ARC NDC Update
IATA Shop-Order Standards Board Advisory Forum

Shelly Younger
ARC
Sr. Manager, Industry Relations

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ARC is a trusted and reliable provider of distribution solutions, settling more than $88.5 billion annually between more than 210 airlines and 12,000+ travel agency locations.
ARC’s NDC Journey

Implemented 2006

NDC Indicator implemented in DDS – Q4/2018

ATPCO/SITA NDC Exchange – Coming Soon

Direct data feeds implemented in February 2018

Direct Connect with U.S. travel agency implemented December 2018

ARC actively engaged with 14 airlines on their NDC implementations
Platform Enhancements Supporting Various NDC Implementations
February 2018

Features

• Form Code Agnostic – Airline or ARC
• Input File Format Agnostic – SPRF or RET
• Flexible Business Rules – Airlines can limit or inhibit agents’ ability to modify or void transactions
• Settlement – Cash, Optional Credit Card Billing
• NDC Indicator in Agents’ On-line Sales Reports
• NDC transactions included on output files to airlines and travel agencies
NDC Adoption in the U.S.

What’s the hold-up?

• Post-ticketing services not yet implemented
  • Voluntary or Involuntary Changes
  • Refunds
  • Schedule Changes
  • Irregular Operations
  • Others – Seat Changes, Upgrades, Special Services, etc.

• Offer Creation Challenges
  • Commission Calculations
  • Application of Corporate Contract Terms
  • Consolidator Mark-ups
Refund and Exchange Processing

1. Customer initiates refund or exchange via agency

2. Agency initiates refund or exchange request via NDC

3. Airline responds with refund (or denies refund) or new ticket as part of exchange.

4. Airline or Technology provider sends refund or exchange on sales file.

5. If transaction is cash FOP, ARC will transfer funds from airline to agency.

If cc/debit card, ARC will initiated refund/sale or report transaction if airline is responsible for refund/exchange.
Implementing NDC in the U.S.

What Is the goal for your NDC implementation?

1. What type of NDC implementation?
   Shopping, Offer, Order, Payment, Post-ticketing activities

2. What market segments?
   Corporate, Leisure, Consolidator or all market segments. Targeting only a few agencies or a larger set of agencies. Has the airline performed any outreach to U.S. agencies?

3. What form of payments are supported?
   Cash, Credit Card (what types?), Debit Card

4. Will the airline have the functionality to apply corporate discounts, up-front contract commissions, leisure fare discounts etc.?
   If not, is there a timeline for this functionality to be available?

5. Who and how will the airline send transactions to ARC for reporting and/or settlement?
   Airline can create the RET/SPRF (sales file) or outsource this functionality to a technology provider (PSS provider, aggregator, ATPCO/SITA Exchange). Airline can also send RET to IATA WebLink or through IFG tool.

6. Which business rules does the airline want to apply to NDC transactions?
   - Commission, Tour Code, Ticket Designator or Waiver Code modification.
   - Agency corrects errors or sent to the airline on rejection report for correction.
   - Allow IAR voids and refunds.

7. NDC transactions are sent on the ARC accounting file (CAT), how will the airline’s revenue accounting process manage these transactions?
   Airline can choose to ignore the NDC transactions or process them through their revenue accounting system.
Next Steps

- Contact ARC to set-up an initial meeting to discuss onboarding, timelines, testing and next steps
- Complete the documentation
- Identify test partners (agencies, technology partners, IATA or ATPCO/SITA, or GDS)
- Complete testing
- Identify production date
- Go LIVE!

Contact your ARC Account Manager
Jennifer Briede at jbriede@arccorp.com
Shelly Younger at syounger@arccorp.com