

Questions and Answers

NDC InFocus - SwO Standard a simpler more efficient way to settle NDC sales

Question: Will the presentation, the slides and the questions and answer be made available?

Answer: Yes, recording of the webinar will be available on the NDC InFocus site. The slides used during the presentation together with questions and answers document will be available in Portable Document Format (PDF) on <https://airtechzone.iata.org/> and <https://www.iata.org/en/programs/airline-distribution/settlement-orders-sw/>

Question: Will SwO reduce the number of days it takes for an Airline to receive its money?

Answer: The basis for SwO is the BSP framework and therefore the same process is being followed with regards to remittance and settlement under the timetable of the existing BSP Calendar (called SwO Schedule). Therefore, initially there will be no change in the time it takes for an airline to receive its money but there could be changes in the future if the carrier and the agent agree to have quicker settlement. This will require cooperative work on governance between airlines and agents because changing the speed of the remittance and settlement cycle should be done cautiously.

Question: How does SwO compare with IFG?

Answer: IFG is a payment gateway and as any other payment gateway it could support SwO. SwO is a standard related to remittance and settlement and it is up to those who develop solutions to support this standard. Therefore, we cannot compare IFG and SwO but rather ask if IFG can support the SwO Standard and the answer is that it will in the near future.

Question: Could an airline use SwO for clearance of interline sales even though NDC is not ready for interline?

Answer: If you are able to process shopping request within NDC and eventually create an order between two airlines then you can use SwO Standard and Process. If you cannot then you will not be able to use SwO, because SwO is based on agreement between two parties with commitment to pay. For those who are interested please write to us at swo@iata.org and we can arrange for additional discussion on the topic and how can you achieve interline with SwO.

Question: It was said that with SwO there will never be disputes. However, there might be cases where an airline may still require to issue the equivalent of an ADM to a travel agency (e.g. travel agency wrongly communicated that passenger was a child instead of an adult). How would this work in a SwO world?

Answer: Let's look into the order because it is the order where it was defined that the passenger was a child instead of an adult. This means that the change must happen in the order. Re-shopping might be necessary to update the order with the correct details. In other words the order must be corrected and then if necessary there will be new payment commitment that will be settled using the SwO Standard and Process. We have analyzed what could be possible reasons for disputes and the majority of disputes must be resolved within the order not within the SwO Process. However, there could be

situation where we have a difference between what the seller and the airline agreed in the order and what has been reported to the Settlement Manager. We have established a process for such discrepancies, which we call "error resolution process". Therefore, we differentiate between what needs to be resolved by updating the order and having new payment commitment and what is purely an error that is handled via the error resolution.

Question: Is SwO a replacement to the DISH standard? Or are they supposed to work in parallel? How do they relate/differentiate?

Answer: When you look at the roadmap there is a period of time when both standards must work together because not all sales will have commitment and agreement that can be relayed to the Settlement Manager in order for settlement to take place. It is not a direct replacement of the DISH but it is standard for the future when sales will be done based on orders and airlines will control the information flow. Currently there is no mandate to stipulate when NDC must be implemented and therefore both worlds will work in parallel for some time. We see that some actors implement NDC with tickets which is not necessarily the most efficient way to implement NDC. It is your choice and depends on your roadmap and strategy.

Question: Has ARC or any of our GDS partners been informed about SwO and how it works? It seems that SwO is for pure NDC implementations, but not for other partners integrations?

Answer: Yes we have been involving ARC as they have participated in the Settlement with Orders Group as an observer. We have involved all industry stakeholders through the Settlement with Order Adoption group, too. NDC is the starting point where shopping and ordering is happening, which is required to have the SwO.

Question: How and where I can find more information on SwO?

Answer: We are currently working on a web site dedicated to SwO . In the meantime you can get all the information from <https://airtechzone.iata.org/> or <https://guides.developer.iata.org/>. You can always write at swo@iata.org and we can help you with your implementation.

Question: My company is interested in moving ahead with SwO – what shall we do?

Answer: If you are interested in moving ahead with SwO first have internal discussion between you distribution and finance teams and if you are a seller do the same with your back office travel and back office finance teams. Then please contact us swo@iata.org and we can set up specific webcast to explain in details how to move ahead with your implementation, provide you with additional materials, help you develop the business case for SwO implementation and support you throughout.

Question: We invest in NDC but we have no plans for ONE Order yet?

Answer: As shown in the presentation ONE Order is not a pre-requisite for SwO. Your business can materialize the benefits of SwO as long as there is an agreement and commitment between the two parties Payer and Payee. Therefore, you can include SwO as part of your NDC implementation and as such you will improve substantially your business case and will capitalize on the benefits that SwO offers.

Question: SwO is interesting, but we do not have a high volumes yet?

Answer: You do not need high volumes to deploy SwO. Start small – one airline and one seller – and you will recognize benefits from the beginning. No need to wait. Having low volumes is a way to test SwO in less risky environment. The benefits will be substantial from the beginning even with low volumes.

Question: I am starting my NDC implementation?

Answer: Including the SwO in the beginning of the NDC journey makes perfect business sense as it will save you resources and money by avoiding implementation of workaround solutions. As it was demonstrated during the presentation and the current implementation SwO works very well with NDC implementation.