

Transforming Airline Distribution with Offer and Order Management



Source: Unsplash (2022)

Background

For many years, airlines have relied on global distribution systems (GDSs) to distribute their fares. However, under the International Air Transport Association (IATA)'s New Distribution Capability (NDC) initiative, a modern business framework called Offer and Order Management (OOM) has revolutionized the way airlines create, distribute, and fulfill travel offers (ADO, n.d.).

OOM refers to the end-to-end process of creating, optimizing, and delivering products and services from an airline to its customers (Sabre, 2024). Traditionally, GDSs acted as middlemen, gathering flight information such as seating, schedules, and pricing from different sources to create offers that were then passed on to online travel agents (OTAs) or other resellers. This resulted in airlines having little control over their inventory and a lack of customer insights (Altexsoft, 2024). By utilizing modern Application Programming Interfaces (APIs), NDC-driven OOM allows airlines to establish direct communication with travel agents and customers, helping airlines regain control over their offer creation and distribution, as well as enabling personalization according to customer preferences (ADO, 2024).

Furthermore, while previous GDSs distributed fares based on rules and fare classes predetermined by airlines, this method lacked flexibility and often resulted in many unsold seats, as airlines became less responsive to market demand when offers were made by GDSs (Altexsoft, 2024). Through access to real-time market demand, OOM empowers airlines to control their own inventory, bypass third-party restrictions on fare classes, and adopt dynamic pricing (Anjuna, 2024). By providing timely offers or complimentary services, airlines can react proactively to market demand and maximize revenue on each flight.

On the other hand, while airlines receive thin margins from their core services and rely on ancillary services such as seat upgrades and luggage options for profit, the offers created by GDSs usually contain only key booking information with limited ancillary support, which restricts customer choice for add-on services (Sciative, 2024). Unlike the traditional EDIFACT

model used by GDSs, NDC allows airlines to upload a wide range of videos and images to present their products directly to customers (Altexsoft, 2024). As a result, travel agents have full access to rich airline content, and customers benefit from a more transparent shopping experience (IATA, n.d.).

Challenges

Despite all the potential benefits, the implementation of OOM is a complex effort that involves both IT and business process transformation. British Airways was among the airlines that had difficulties coordinating different departments and sourcing sufficient talent to bring about the changes (Branchspace, n.d.). From a technical standpoint, despite efforts to transition to NDC, many airlines are still relying on GDSs to process information such as passenger name records, e-tickets, and electronic miscellaneous documents (Altexsoft, 2024). Furthermore, some OTAs and resellers who have heavily invested in traditional GDSs are now resisting the adoption of NDC modules (Travel Weekly, 2023). Therefore, airlines risk losing long-standing travel agency partners if they switch to NDC completely. Striking a balance and seamlessly integrating both GDS and NDC systems is therefore a priority for successful OOM adoption.

Discussion Questions

1. What are the primary advantages of adopting NDC-driven OMM for airlines?
2. How does Offer and Order Management (OOM) differ from traditional GDS-based distribution?
3. What challenges do airlines face in transitioning from GDS to NDC, and how might they overcome these obstacles?
4. How can airlines balance the integration of NDC systems and maintaining partnerships with existing travel agencies?
5. How might the widespread adoption of NDC and OOM reshape the airline industry's landscape in the future?

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Keywords

- Airline
- Inventory control
- Dynamic pricing
- Offer and Order Management (OOM)
- Global Distribution System (GDS)
- New Distribution Capability (NDC)

以报价与订单管理转型航空公司分销模式



Source: Unsplash (2022)

背景

多年来，航空公司一直依赖全球分销系统（GDSs）来分销其票价。然而，在国际航空运输协会（IATA）的新分销能力（NDC）倡议下，一种名为报价与订单管理的现代商业框架，彻底改变了航空公司创建、分销和履行旅行产品的方式(ADO, n.d.)。

OOM 指的是航空公司向其客户创建、优化和交付产品与服务的端到端流程(Sabre,2024)。传统上，GDS 充当中间人，从不同来源收集座位、时刻表和价格等航班信息以创建产品，然后传递给在线旅行社或其他分销商。这导致航空公司对其库存控制力弱，且缺乏客户洞察(Altexsoft,2024)。通过利用现代应用程序接口，NDC 驱动的 OOM 允许航空公司与旅行社和客户建立直接沟通，帮助航空公司重新获得对其产品创建与分销的控制权，并能够根据客户偏好实现个性化服务(ADO,2024)。

此外，虽然以往的 GDS 基于航空公司预设的规则和舱位等级来分销票价，但这种方法缺乏灵活性，并且经常导致许多座位未售出，因为当产品由 GDS 提供时，航空公司对市场需求反应较慢(Altexsoft,2024)。通过获取实时市场需求信息，OOM 使航空公司能够控制自己的库存，绕过第三方对舱位等级的限制，并采用动态定价(Anjuna, 2024)。通过提供及时的报价或免费服务，航空公司可以主动应对市场需求，最大化每个航班的收入。

另一方面，虽然航空公司从核心服务中获得的利润微薄，并依赖座位升级和行李选项等辅助服务来盈利，但由 GDS 创建的产品通常只包含有限的辅助服务选项，这限制了客户选择附加服务(Sciative, 2024)。与 GDS 使用的传统 EDIFACT 模型不同，NDC 允许航空公司上传各种视频和图像，直接向客户展示其产品(Altexsoft, 2024)。

因此，旅行社可以充分获取丰富的航空公司内容，客户也能从更透明的购物体验中受益(IATA, n.d.)。

挑战

尽管潜力巨大，但 OOM 的实施是一项复杂的工程，涉及信息技术和业务流程的双重转型。英国航空公司就是那些在协调不同部门、寻找足够人才以推动变革方面遇到困难的航空公司之一(Branchspace, n.d.)。从技术角度来看，尽管努力向 NDC 过渡，许多航空公司仍然依赖 GDS 来处理旅客姓名记录、电子客票和电子杂费单等信息(Altexsoft,2024)。此外，一些在传统 GDS 上投入巨资的在线旅行社和分销商现在正在抵制采用 NDC 模块(Travel Weekly,2023)。因此，如果航空公司完全转向 NDC，可能会面临失去长期合作的旅行社伙伴的风险。因此，取得平衡并实现 GDS 与 NDC 系统的无缝集成，是成功采用 OOM 的优先事项。

讨论问题

1. 航空公司采用 NDC 驱动的 OOM 有哪些主要优势？
2. 报价与订单管理（OOM）与传统基于 GDS 的分销有何不同？
3. 航空公司在从 GDS 过渡到 NDC 的过程中面临哪些挑战？它们可能如何克服这些障碍？
4. 航空公司如何在整合 NDC 系统与维持现有旅行社伙伴关系之间取得平衡？
5. NDC 和 OOM 的广泛采用未来可能会如何重塑航空业的格局？

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关键词

- 航空公司
- 库存控制
- 动态定价
- 报价与订单管理
- 全球分销系统
- 新分销能力

以報價與訂單管理轉型航空公司分銷模式



Source: Unsplash (2022)

背景

多年來，航空公司一直依賴全球分銷系統（GDSs）來分銷其票價。然而，在國際航空運輸協會（IATA）的新分銷能力（NDC）倡議下，一種名為報價與訂單管理的現代商業框架，徹底改變了航空公司創建、分銷和履行旅行產品的方式 (ADO, n.d.)。

OOM 指的是航空公司向其客戶創建、優化和交付產品與服務的端到端流程 (Sabre, 2024)。傳統上，GDS 充當中間人，從不同來源收集座位、時刻表和價格等航班資訊以創建產品，然後傳遞給線上旅行社或其他分銷商。這導致航空公司對其庫存控制力弱，且缺乏客戶洞察 (Altexsoft, 2024)。透過利用現代應用程式介面，NDC 驅動的 OOM 允許航空公司與旅行社和客戶建立直接溝通，幫助航空公司重新獲得對其產品創建與分銷的控制權，並能夠根據客戶偏好實現個人化服務 (ADO, 2024)。

此外，雖然以往的 GDS 基於航空公司預設的規則和艙位等級來分銷票價，但這種方法缺乏靈活性，並且經常導致許多座位未售出，因為當產品由 GDS 提供時，航空公司對市場需求反應較慢 (Altexsoft, 2024)。透過取得即時市場需求資訊，OOM 使航空公司能夠控制自己的庫存，繞過第三方對艙位等級的限制，並採用動態定價 (Anjuna, 2024)。透過提供及時的報價或免費服務，航空公司可以主動應對市場需求，最大化每個航班的收入。

另一方面，雖然航空公司從核心服務中獲得的利潤微薄，並依賴座位升級和行李選項等輔助服務來盈利，但由 GDS 創建的產品通常只包含有限的輔助服務選項，這限制了客戶選擇附加服務 (Sciative, 2024)。與 GDS 使用的傳統 EDIFACT 模型不同，

NDC 允許航空公司上傳各種影片和圖像，直接向客戶展示其產品 (Altexsoft, 2024)。因此，旅行社可以充分獲取豐富的航空公司內容，客戶也能從更透明的購物體驗中受益 (IATA, n.d.)。

挑戰

儘管潛力巨大，但 OOM 的實施是一項複雜的工程，涉及資訊技術和業務流程的雙重轉型。英國航空公司就是那些在協調不同部門、尋找足夠人才以推動變革方面遇到困難的航空公司之一 (Branchspace, n.d.)。從技術角度來看，儘管努力向 NDC 過渡，許多航空公司仍然依賴 GDS 來處理旅客姓名記錄、電子客票和電子雜費單等資訊 (Altexsoft, 2024)。此外，一些在傳統 GDS 上投入巨資的線上旅行社和分銷商現在正在抵制採用 NDC 模組 (Travel Weekly, 2023)。因此，如果航空公司完全轉向 NDC，可能會面臨失去長期合作的旅行社夥伴的風險。因此，取得平衡並實現 GDS 與 NDC 系統的無縫整合，是成功採用 OOM 的優先事項。

討論問題

1. 航空公司採用 NDC 驅動的 OOM 有哪些主要優勢？
2. 報價與訂單管理 (OOM) 與傳統基於 GDS 的分銷有何不同？
3. 航空公司在從 GDS 過渡到 NDC 的過程中面臨哪些挑戰？它們可能如何克服這些障礙？
4. 航空公司如何在整合 NDC 系統與維持現有旅行社夥伴關係之間取得平衡？
5. NDC 和 OOM 的廣泛採用未來可能會如何重塑航空業的格局？

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關鍵詞

- 航空公司
- 庫存控制
- 動態定價
- 報價與訂單管理
- 全球分銷系統
- 新分銷能力