




ELIMINANDO BARRERAS

E-BUSINESS / E-TICKET: Claves para esta realidad del Siglo XXI

Tercer Coloquio Regional del Transporte Aéreo
CLAC/IATA/ALTA/ACI-LAC
(Isla Margarita, Estado Nueva Esparta, Venezuela,
16 al 18 de octubre de 2007)

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E-Business

- E-business is changing the way we operate.
- Some job functions become automated and others are replaced with self-service operations.
- In most cases, this raises productivity and reduces manual labor.


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E-Business in the airline industry

- Majority of the booking and ticketing process is done by the customer 
- Internet is replacing the classical role of the sales agent
- Self-service devices are increasingly being deployed at our airports, and checkin counters are becoming scarce 


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How can I help you today, Madam?



I would like to make a reservation to visit my daughter for Christmas in Caracas




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And what seat would you like Madam??




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Passenger takes over checkin process



← Instead of this ...



We want this ... →

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Por que ???

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Things have changed!

- We have become more independent
- We want control of our destiny
- We are more educated about traveling
- We have become addicted to our computers
- Faster, better, cheaper !

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Win – Win Situation!

- Today's customer wants to be in charge of the check-in process and do it quickly.
- AND - they do not want to queue – security and immigration lines are enough.
- The airport can make better use of the infrastructure – get the customers to the shops
- More cost effective check-in process and better customer service to the passengers
- We like happy passengers on our planes!!!!




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Travel Today

- Look for options and book on the internet
- 24-30 hours before flight departure, choose seat and print boarding pass
- Bag drop
- Immigration & security (Biometrics – scanners)






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So?

- It's great! It's fun! It's easy!
- We are in control; no dependence on a human
- Are we all there yet? No, we are in transition and transition is always hard.




And ET is the enabler for all of this!

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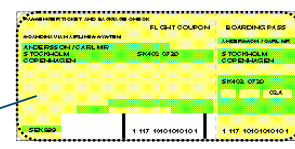
What is ET?

Gets put into the airline ET database



ET Database

Same information printed on a paper ticket



The ticket data is now electronic

As passenger travels, the data is electronically updated to show that the coupons are being used

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IATA

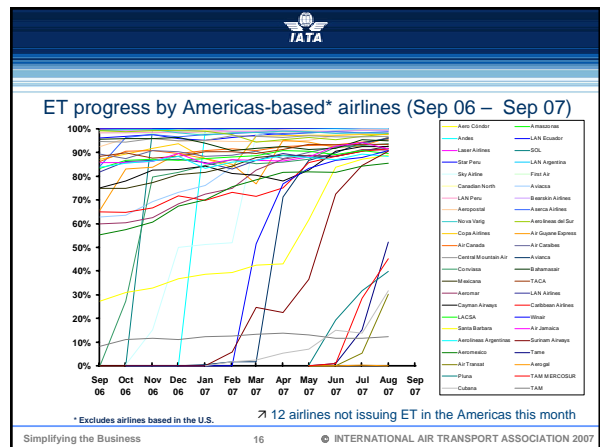
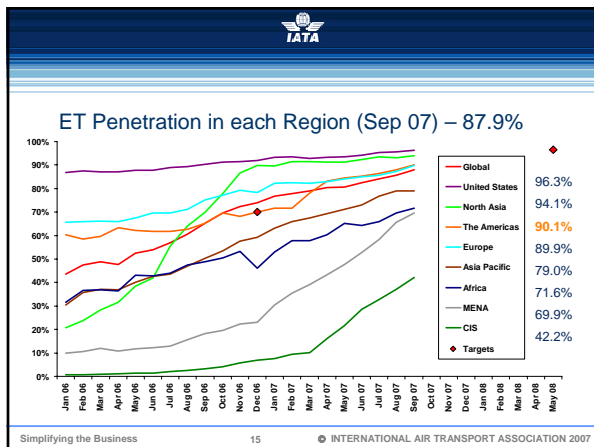
Why ET

- Why?
 - Industry estimated savings \$3 billion per year
 - Airline business with **60,000 IATA travel agents** around the world
 - Airline continuing their standard IATA interline agreements
- When?
 - **100% ET for IATA Travel Agents by 1 June 2008**

Lose something?

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Where were we in September 2007?



IATA

Countries in the Americas

Argentina	92.4 %	El Salvador	95.6 %
Bahamas	95.7 %	Guatemala	97.0 %
Belize	93.6 %	Haiti	97.1 %
Bermuda	96.8 %	Honduras	92.6 %
Bolivia	18.1 %	Jamaica	93.8 %
Brazil	83.0 %	Mexico	92.0 %
Canada	93.1 %	Nicaragua	94.3 %
Cayman Island	91.6 %	Panama	92.0 %
Chile	96.1 %	Paraguay	43.2 %
Colombia	96.7 %	Peru	97.4 %
Costa Rica	92.8 %	Trinidad and T	76.8 %
Dominican Rep	95.4 %	Turks and Caic	73.1 %
Ecuador	77.6 %	Uruguay	76.7 %
		Venezuela	96.3 %

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Bolivia	18.1 %	Jamaica	93.8 %
Brazil	83.0 %	Mexico	92.0 %
Canada	93.1 %	Nicaragua	94.3 %
Cayman Island	91.6 %	Panama	92.0 %
Chile	96.1 %	Paraguay	43.2 %
Colombia	96.7 %	Peru	97.4 %
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What are the barriers we need to overcome?



- Commercial
- Technical
- Regulatory
- Money

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What are the barriers we need to overcome?

- Commercial (IET Agreements – Big Carrier ← → Small carrier)
- Technical (Developing ET, IET Cnxns, GH Cnxns)
- Regulatory (Legislation, Government Awareness)
- Money (High cost of development, machines)


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ET Structure


There are four key airline systems involved with ET




Reservations
PNRs



Revenue
Accounting



Ticketing
ETs

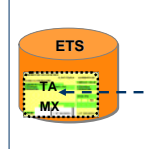


Check-In

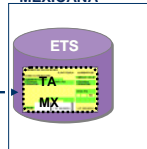
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ET Technical Challenge – Interline ET (IET)

TACA



MEXICANA

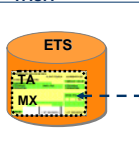


To have an Interline ET Agreement – airlines must have a link connecting the databases

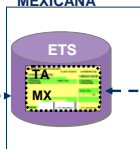
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ET Technical Challenge – Ground Handling

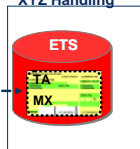
TACA



MEXICANA



XYZ Handling




If an airline uses another system instead of its own to check in its passengers, another link is needed

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Ground Handling

- Besides the cost and time it takes to implement these additional links for Ground Handling, there are other concerns
 - Monopoly Ground Handlers
 - No automation at a remote location

However, this is not a show stopper!



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Check-in, town office Nairobi

KQ Agent prints a list of all passengers departing on their flight from Lamu. This list is called a PNL (Passenger Name List)



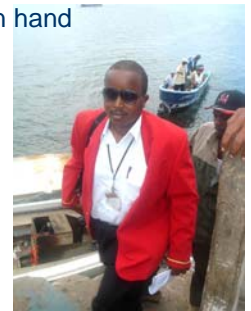
Taking PNL to Lamu



Travel to Lamu



Landed at Lamu, PNL in hand



Look, No wires!!!



Check-in continues on Lamu. Crossing pax off PNL



Preparing flight for departure



Ready for departure



Back on the boat, PNL in hand



In the town office, closing off the coupons



Regulatory Challenges



Regulatory Challenges



No paper ticket – no VISA!

... today again we received the claim from the BSP Agent, that in Consulate they refused to take itinerary without stamp from Airline. It is really undercut our initiatives. Is it possible to send fax to the Counsel with the request to inform all the staff that the itinerary from the Agent is also available if stamped by Agent only?



We must **eliminate the barriers** to get to the Finish Line

