

# Are local airlines ready for e-ticketing deadline?

Even as only two days remain for the IATA deadline to lapse, there is no consensus

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There are only two days left for the deadline set by the International Air Transport Association (IATA) for airlines and travel agents to become 100% e-ticket compliant to expire. But there is still no clear picture on whether the Indian air travel industry would be able to meet international body's directive.

There are conflicting views emerging from various quarters.

While Travel Agents Association of India (TAAI) vice-president Rajji Rai is doubtful about the capability of some Indian airlines (read Air India and Indian) to go off-paper by June 1, Amadeus Systems (an e-ticketing service provider) managing director Ankur Bhatia is confident that all Indian carriers will become paperless before the IATA deadline expires.

"All airlines are not yet ready for 100% e-ticketing. We are only asking the IATA to extend the deadline so that travel agents, airlines and passengers are not put to inconvenience," claims Rai.

Rai says once 100% e-ticketing is enforced, the problem would arise when an interline journey (where travel involves two carriers) ticket has to be issued.

"In such a case, if there is no interline agreement between two carriers, the process of issuing a ticket could be delayed by 2-3 days if airlines have not adhered to the IATA dictate," Rajji points out.

However, IATA is firm on its deadline and does not expect many problems in it being met. It adds that in India, the e-ticket penetration was at 95% in April. "Interline travel is about 10% of the total business. And we expect interline agreements to cover about 90% of interline travel by 31 May. So approximately 1% of travel will be affected by the lack of interline e-ticket agreements."

Rajji said the TAAI would not lock horns with the international transport regulatory body on the issue. "We are not going to oppose (IATA) like the travel agents in the US as there is a lot at stake for us. We also do not have the government support that US agents have," he complained.

An Air India official said the airline is confident of meeting the IATA deadline. "Most of the work for adhering to the deadline is over. In fact over 90% of the work is done. There are areas which would require a little more time, but we are on track for finishing that also soon," Jitender Bhargava, executive director-communications, Air India, says.

**Bikramjit Sen, CEO of TechProcess Solutions,** says e-ticketing will help both airline and passengers as costs would come down.

He says airlines will be able to offer lower fares



## Different takes

**Travel Agents** Association of India vice-president Rajji Rai is doubtful about the capability of some Indian airlines to go off-paper by June 1

**Amadeus managing** director Ankur Bhatia is confident that all Indian carriers will become paperless before the IATA deadline expires

**An Air India** official said the airline is confident of meeting the deadline

as e-ticketing costs Rs 40 (\$1) per ticket as opposed to paper ticketing at Rs 400 (\$10) per ticket.

"That's a saving of 90% (for airlines). Airlines, after becoming fully e-ticket compliant, may incentivise direct ticket bookings on their websites. After all, in doing so, not only do they save on paper ticket costs; direct bookings also enable them to save on agent commissions," says Sen.

Amadeus' Bhatia is also not complaining. He believes Indian travel industry is completely ready to take the plunge into the paperless era. "India is 95% e-ticketing-compliant as compared to the global e-ticketing compliance of 96.8% (as on April 30) and is likely to meet the 100% e-ticketing deadline," quips Bhatia.

He says switching to e-ticketing will help airlines save between Rs 200 (\$5) and Rs 360 (\$9) per ticket. The total savings to the airlines worldwide, says Bhatia, is estimated to be around Rs 1,200 crore (\$3 billion). It will help airlines and travel agents to save costs on 5 billion A4 size paper sheets every year.

"Besides such financial benefits, e-ticketing will also increase data security and speed. There will also be fewer disputes. At present, it (dispute) is virtually zero. It will also facilitate self service kiosks at airports," claims Bhatia.

Data from Amadeus says that over 50 airlines have had e-ticket percentages in excess of 95%. Moreover, 70 of the 77 carriers that sold tickets in India last year through the Amadeus system were e-ticket enabled.

(With inputs from Nirmal John)  
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