



RQF LEVEL 4



TORAF 402 TOURISM

Constructing Basic Air Fares

TRAINEE'S MANUAL

August 2024



CONSTRUCTING BASIC AIR FARES



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LIST OF ABBREVIATIONS AND ACRONYMS

| ACLs: | Access Control Lists |
|---------|---|
| AP: | Atlantic Pacific |
| API: | Application Programming Interface |
| BSP: | Billing and Settlement Plan |
| CBET: | Competence Base Education and Training |
| CC: | credit card |
| CD: | Compact Disc |
| CL: | Command Line |
| CPN: | Coupon |
| CPU: | Central Possessing Unit |
| CRS: | Computerized Reservation System/ Central Reservation System |
| CT: | Circle Trip |
| DOS: | Disk Operating System |
| DVD: | Digital Versatile Disc or Digital Video Disc |
| EBP: | Boarding passes or electronic boarding passes |
| EBT: | Electronic baggage tags |
| ECAA: | European Common Aviation Area and related states |
| EFS: | Encrypted File System |
| EFTPOS: | Electronic Funds Transfer at Point of Sale |
| EH: | Eastern Hemisphere |
| EMD: | Electronic Miscellaneous Document |
| EMU: | European Economic and Monetary Union |
| EMV: | Euro pay, MasterCard, and Visa |
| F.C.I: | Fare Calculation Mode Indicator |
| FAT: | File Allocation Table |
| FOP: | Form of Payment) |
| GDS: | Global Distribution System |
| GI: | IATA Global Indicators |
| GUI: | Graphic User Interface |
| HDD: | Hard Disk Drive |
| IATA: | International Air Transport Association |
| IROE: | The IATA Rate of Exchange |
| Lynx: | Lynx Real-Time Operating System |
| MCO: | Miscellaneous Charges Order |
| MPD: | Miscellaneous purpose document |
| MTOS: | Multitasking Operating System |
| NUC: | Neutral Unit of Construction |

| NYC: | New York City |
|--------|---|
| OJ: | Open-jaw trips |
| OPTAT: | Off Premise Transitional Automated Ticket |
| OS: | Operating System |
| OW: | One-way journeys |
| PC: | Personal Computer |
| PNR: | Passenger Name Record |
| POS: | point of sale |
| PPE: | Personal Protective Equipment |
| ROE: | Rate of Exchange |
| RQF: | Rwanda Qualification Framework |
| RS: | Rwandan Standard |
| RSB: | Rwanda Standards Board |
| RT: | Round-trip |
| RTB: | Rwanda TVET Board |
| RTX: | Real-Time eXecutive |
| SASC: | South Asian Sub Continent Sub-area |
| SD: | Secure Digital |
| SEA: | South East Asia Sub-area |
| SOC: | System on Chip |
| SWP: | South West Pacific Sub-area |
| TAT: | Transitional Automated Ticket |
| TC1: | TrafficConferenceArea1 |
| TC3: | TrafficConferenceArea3 |
| TFCs: | Tax (es), fee(s) and charge(s) |
| TTL: | Ticketing Time Limit |
| TVET: | Technical and Vocational Education and Training |
| US: | for United States |
| USB: | Universal Serial Bus |

INTRODUCTION

This trainee's manual encompasses all necessary skills, knowledge and attitudes required to CONSTRUCT BASIC AIR FARES. Students undertaking this module shall be exposed to practical activities that will develop and nurture their competences. The writing process of this training manual embraced competency-based education and training (CBET) philosophy by providing practical opportunities reflecting real life situations.

The trainee's manual is subdivided into units, each unit has got various topics. You will start with a self-assessment exercise to help you rate yourself on the level of skills, knowledge and attitudes about the unit.

A discovery activity is followed to help you discover what you already know about the unit.

After these activities, you will learn more about the topics by doing different activities by reading the required knowledge, techniques, steps, procedures and other requirements under the key facts section, you may also get assistance from the trainer. The activities in this training manual are prepared such that they give opportunities to students to work individually and in groups.

After going through all activities, you shall undertake progressive assessments known as formative and finally conclude with your self-reflection to identify your strengths, weaknesses and areas for improvement.

Do not forget to read the points to remember section which provides the overall key points and takeaways of the unit.

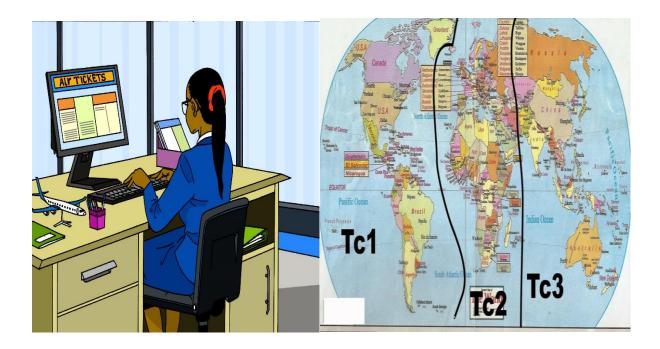
Module Units:

Unit 1: Describe the fundamentals of airfares

Unit 2: Prepare air fare

Unit 3: Issue electronic ticket

UNIT 1: DESCRIBE THE FUNDAMENTALS IN AIRFARES



Unit summary

This unit provides you with the knowledge, skills and attitudes required to Describe the fundamentals of airfares required to Construct basic airfares. It covers the Identification of online airfares concept, Identification of IATA traffic conference areas, Identification of fares rules in an airline tariff AND Explanation of currencies conversion.

Self-Assessment: Unit 1

- 1. Referring to the unit illustration above answer to the following questions:
 - a. What does the illustration show?
 - b. What do you think the learning Unit will be about based on the illustration?
- 2. Fill in the self-assessment below to assess your level of knowledge, skills and attitudes under this unit.
 - a. There is no right or wrong way to answer this assessment. It is for your own reference and self-reflection on the knowledge, skills and attitudes acquisition during the learning process.
 - b. Think about yourself: do you think you have the knowledge, skills or attitudes to do the task? How well?
 - c. Read the statements across the top. Put a check in a column that best represents your level of knowledge, skills and attitudes.

| My experience Knowledge, skills and attitudes | l do not have any experience doing this. | l know a little about this. | I have some experience doing this. | I have a lot of experience with this. | l am confident in my ability to do this. |
|---|---|--------------------------------------|--|--|--|
| Describe the airfare | | | | | |
| Identify the fare type codes | | | | | |
| Determine the IATA Rate of Exchange | | | | | |
| Classify IATA areas | | | | | |
| Explain IATA Global Indicators | | | | | |
| Interpret fare type Codes | | | | | |

d. At the end of this unit, you will assess yourself again.

| My experience Knowledge, skills and attitudes | l do not have any experience doing this. | l know a little about this. | I have some experience doing this. | I have a lot of experience with this. | l am confident in my ability to do this. |
|---|---|--------------------------------------|--|--|--|
| Describe IATA traffic Conference areas | | | | | |
| Identify types of air fares | | | | | |
| Explain IATA Rate of Exchange (IROE) | | | | | |
| Apply IATA Rate of Exchange | | | | | |
| Classify IATA areas | | | | | |
| Identify IATA Codes | | | | | |
| Apply encoding and decoding | | | | | |
| Explain fares rules in an airline tariff | | | | | |
| Apply currency conversion | | | | | |



| Knowledge | | Skills | | Attitudes |
|---|----|--------------------------------|----|--|
| ldentify fares and fare type code | 1. | Interpret fare type codes | 1. | Pay attention to details while dealing with codes. |
| Explain IATA Rate of Exchange (IROE) | 2. | Apply IATA Rate of Exchange | 2. | Pay attention to details when in calculation |

| | Knowledge | | Skills | | Attitudes |
|----|--|----|---|----|--|
| 3. | Classify IATA areas | 3. | Select IATA traffic conference areas | 3. | Use creativity and innovation throughout the design works |
| 4. | Identify IATA Codes | 4. | Apply encoding and decoding | 4. | Be open to feedback, code reviews, and new ways of doing things |
| 5. | Explain fares rules in an airline tariff | 5. | Describe fares rules in an airline tariff | 5. | Comply with national and international standards related to airfare. |
| 6. | Explanation on currencies conversion | 6. | Apply currency conversion | 6. | Comply with national and international standards related to currency conversion |





Airfare is typically structured based on several factors, being aware of these fundamentals can empowered you to make informed decisions when booking air travel. Based on the given meaning, answer the questions below:

- a. What does mean an airfare?
- b. How are the fare type codes interpreted?
- c. What are the considerations while applying the IATA Rate of Exchange?
- d. Make a classification of IATA areas.
- e. Describe IATA traffic conference areas
- f. Practice encoding and decoding.
- g. Describe fare rules in an airline tariff.
- h. Practice currency conversion.

Topic 1.1: Identification of online air fares concept





Kagoyire is planning a tour to visit Rwanda as a tourism destination. He has come to you for assistance because you are a person who has knowledge and skills about airfares, reflect on the following questions, which can guide you to assist her about airline fares so that he may be successful during his travel but also any service needed during the travel.

- a. What will be the different travel requirement for air transportation?
- b. What is the airfare for transportation?
- c. Describe the source of airfare information.
- d. What can you explain about IATA Codes?
- e. What are the fares rules which can be linked to her situation?
- f. What is an essential information she needs to know about currency conversion?

Key Facts 1.1: Identification of online air fares concept

Definition

✓ Air fare

Airfare is the price paid for air travel. It's influenced by a variety of factors that can make it fluctuate significantly.

```
>
1.1JONES/ALICE MRS
1. AF 662 U 17APR CDG DXB HS1 1350 2235 0 E WE
2. AF 655 U 29APR DXB CDG HS1 0040 0600 0 E MO
EXPAND ALL
TRAVELER INFORMATION >*PI.
FARES TICKETING PAYMENTS >*HTE.
REMARKS OSI SSR >*HTI.
ADDITIONAL INFORMATION
```

The price paid to travel on an aircraft of a particular carrier by a passenger is called Airfare.

Airfares can be either Published or Unpublished.

✓ Published airfare

A Published airfare is the one that can be purchased by anyone from the Airlines, Airline Booking websites, Travel agencies or other Online booking sites. These fares are published by the Airline carriers on the public domain to make passengers aware of the fare being charged by a particular carrier on specific route/destination.

✓ Unpublished airfare

Unpublished airfare is also known as Private Fare, Negotiated Fare, Consolidator Fare or Wholesale Fare. These fares are not published by the airline in the public domain. Airlines often give these fares to travel agencies under a service level agreement contract and confidentiality contracts. The objective of unpublished fares by airline companies is to ensure better yield management of the seats using price dynamics and by assigning it to a third party for selling it.

¹Majority of the airliners of the world divide the airline cabin into different class for different set of passengers. Each class of the airline have different benefits, comfort, and service and price structure attached to it.

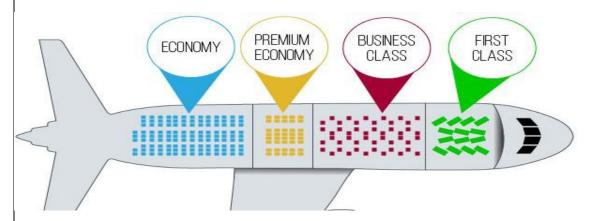


Figure 1 Airline classes

Airline companies divide every seat of an aircraft into different categories and follow their own set of rules, services, facilities and pricing. Traditionally an aircraft was divided into three classes; First, Business and Economy. With price dynamics and services being the key to competition, airline companies have added additional classes like a Premium Economy.

¹ https://www.pinterest.com/pin/the-economics-of-airline-classes--477522366744267373/

Seats if left vacant or unsold for an airline leads to loss for the airline.

• Different fare basis codes used for ticketing

Fare Basis codes are alphanumeric codes used by airlines, present on passenger tickets, to convey information to its staff and travel agents about the rules applicable to the particular fare charged. Fare Basis codes start with a letter called booking Codes that indicates the travel class of a passenger. The most probable booking codes used by airlines are as

| Booking Code | Explanation of the Booking Code |
|------------------------------|-----------------------------------|
| Р | Full Fare First Class Premium |
| F | Full Fare First Class |
| А | Discounted Fare First Class |
| J | Full Fare Business Class Premium |
| C, D | Full Fare Business Class |
| E, W | Economy Class (Full Fare Premium) |
| В, М, Н, Ү | Economy Class (Full Fare) |
| K, L, Q, V, U, T, X, N, O, S | Discounted Fare Economy Class |

A fare basis is a price category determined by the class of service and factors such as the destination, season, and day of the week, one-way or round-trip travel advance purchase or length of stay. Each fare has a primary code and one or more secondary codes.

There is a combination of other letters or codes next to the Fare basis that indicates the feature of the ticket. The combinations are: Apart from the codes as mentioned above, there are different passenger type codes in the fare structure and the same may vary in different airlines.

| Code | Feature | | | |
|---------|---|---|--|--|
| E | It means that the fare sold is an EXCURSION fare. An Excursion fare has | | | |
| | a minimum and maximum | stay requirement at a destination and is | | |
| | usually for leisure travelers | . The corresponding numbers that follow | | |
| | indicate the maximum stay | in days or months. | | |
| н | The second letter as H after | r a booking code refers to HIGH SEASON | | |
| | fare | | | |
| L | The second letter as L afte | r a booking code refers to LOW season far | | |
| W | The second letter as W after | The second letter as W after a booking code refers to Weekend fare. | | |
| Х | If not the first letter, X denotes that the fare is valid on a Weekday | | | |
| SPR/SVR | The codes are airline spec | cific and may indicate a SUPER SAVER | | |
| | fare. | | | |
| N | If not the first letter, N der | notes that the fare refers to travel that is | | |
| | permitted in the night only | | | |
| ID/AD | The letters ID/AD denotes Ir | ndustry discounted fare or Travel agency | | |
| | staff discount | | | |
| Pa | Passenger Type Code Feature | | | |
| | AP/AB | Advance Purchase | | |
| | BT | Bulk Inclusive tour | | |
| | AN | Agent Non-Refundable | | |

10 | CONSTRUCTING BASIC AIFARES- TRAINEE'S MANUAL

| BD | Budget Discounted |
|----|----------------------|
| CD | Senior Citizen |
| СН | Child |
| EE | Excursion |
| GV | Group Inclusive tour |
| IN | Infant |
| IP | Instant Purchase |
| IS | Late Booking Fare |
| IT | Inclusive Tour |
| OW | One Way |
| OX | One Way Excursion |
| РХ | Pax Fare |
| RT | Round Trip |
| RW | Round the World |
| SC | Ship Crew |
| SD | Student Fare |
| SS | Super Saver |
| SX | Superflex Fare |
| UU | Standby Fare |
| VU | Visit USA |
| ZZ | Youth Fare |
| | |

• IATA Rate of Exchange (IROE)

ROE: Rate of Exchange – the exchange rate used to convert international airfares calculated in NUC into a real currency.

The Rates of Exchange are determined by IATA and stored in the CRS. The ROEs are updated quarterly on 01JAN, 01APR, 01JUL and 01OCT, or more frequently if there are significant

currency changes during that time. After constructing an airfare, the agent can do a simple calculation in their CRS to convert NUCs into a real currency. The currency is generally the currency for the first city (country) on the itinerary, or the currency of the country in which the enterprise and CRS are located. For example, a fare from Singapore will be displayed in Singapore dollars. In order to convert NUC to a real currency using the ROE, the agent needs to know the code for the currency.

Currency codes Each currency code also has an internationally recognized three letter code. Generally, the code will appear in a CRS or on an airline website, before the airfare price to indicate which currency is being quoted. Some countries choose to use US Dollars (USD) for international airfare calculations due to instability and fluctuations in the local currency.

• How to apply iata rate of exchange

- ✓ Symbols and Abbreviations:
 - Symbol 0.000000 shown in the IROE table indicates that no updated information has been received regarding the currency and any previous notification needs to be applied.
 - Symbol "NA" stands for Not Applicable in the IROE table. Currency Name and code may be present but no Rate of Exchange is applicable as per IATA notification.
 - Symbol "+" indicates that the acceptance of the currency is restricted to the country concerned i.e. journeys commencing or terminating in that country or journeys that both commence and terminate outside that country by the nationals of that country.
 - Symbol of **** indicates that the passenger fares and excess baggage charges are established in US Dollars.
 - Symbol of '++' indicates that local currency may be accepted only in the country or which it is the national currency for. The journey being undertaken by the nationals and residents of that country but only when travel originates or terminates in that country. The payment of excess baggage in that circumstance is also undertaken when baggage is being

either transported from or to the country.

The refund of documents issued in the local currency shall be made only in the local currency and in the country to which the local currency belongs.

| Category of tools and equipment | Tools and equipment | Use of the tools and equipment |
|------------------------------------|---------------------|--------------------------------|
| | GDS | Booking system |
| | Computer | Facilitating in booking |
| | Brochure | Information referee |
| | Internet | Sharing information |





A diplomat passenger from India is contacting you as a fare and ticketing officer for assistance about airfare to select an airfare, which appeal to his planned travel to Rwanda. As a fare and ticketing officer in Recreational Tours Company perform the following:

- a. Interpret fare type of codes
- b. Apply the IATA Rate of Exchange relevant to his/her situation
- c. What are the IATA traffic conference areas to be considered?
- d. How will you apply encoding and decoding?
- e. Describe fare rules in an airline tariff
- f. Apply relevant currency conversion





You are planning to attend a practical exam related to online airfare. Before you sit for that exam you prefer to go to a nearby airport for exam preparation.

Your work supervisor is requesting you to do the following:

- a. Use the online airfare application
- b. Set filters
- c. Practice Price Comparison
- d. Apply IATA codes
- e. Interpret fares rule

Topic 1.2: Identification of IATA traffic conference areas





You are a worker for a global airline that is planning to expand its services. Your task is to understand the International Air Transport Association (IATA) Traffic Conference Areas to help your team plan for the new routes. By Organizing and simplifying the fare construction rules and routings reflect on the following questions:

- a. What are Traffic Conference Areas?
- b. Identify the benefits of dividing the world into different Traffic Conference Areas
- c. What are the continents that the IATA has divided into different areas?
- d. What are the implications for airline route planning and regulations?

Key Facts 1.2: Identification of IATA traffic conference areas

The meaning of IATA

IATA starts forming its world geography to manage and solve the commercial matters of air transport such as rates, routes and schedules, and many other commercial matters.

It was difficult for IATA to solve commercial matters in one traffic conference in one location due to many reasons such as government approvals, economic factors, lowering the costs, etc. In one of the IATA traffic conferences, IATA called for the establishment of many traffic conferences in different parts of the world.

In 1947, the traffic conference locations became three in different parts of the world. IATA geography---TC1, TC2, TC3

IATA International Air Transport Association is a commercial community of the most international airlines over the world. IATA vision is to shape the future growth of safe, secure and sustainable air transport by representing, leading, and serving the airline industry.

• ATA divided the world.

IATA has been working to achieve its aims since April, 1945.

IATA starts forming its world geography [IATA MAP] to manage and solve the commercial matters of air transport such as rates, routes and schedules and many other commercial matters.

It was difficult for IATA to solve commercial matters in one traffic conference in one location due to many reasons such as governments' approvals, economic factors, lowering the costs etc.

World Geography is important part for travel, tourism and aviation Industry.

Geography is one of the key aspects in planning and pricing of a travel.

To organise and simplify the fare construction rules and routings, IATA divides the world into 3 areas known as Traffic Conference Areas.

Each of the Traffic conference area has also been divided into sub areas.

- ✓ TC1
- ✓ TC2
- ✓ ТСЗ
- ✓ TC1 is known as Western Hemisphere and
- ✓ TC 2 & TC 3 Known as Eastern Hemisphere

In 1947, the traffic conference locations became three in different parts of the world [IATA MAP].

• IATA Traffic Conferences

IATA traffic conferences were established to deal with all International Air Traffic Matters involving Passengers, Cargo, and Mail in specific area in the world.

IATA member airlines singed agreements related to:

✓ Fares & rates

- ✓ Traffic documents (standard forms of passenger's air tickets, baggage checked, air waybills ...etc.).
- ✓ Interline agreements
- Administration of sales agents

IATA vision and IATA member airlines faith has grown-up the international air transport step by step with cooperation with ICAO.

• IATA Map

IATA world map is not like what we studied in the school, in IATA map, there is little differences. For example, IATA definition of Europe comprises not only geographical Europe but includes also the following countries and islands:

- ✓ 3 North African countries, i.e. Morocco, Algeria and Tunisia
- ✓ The Azores, Madeira and the Canary Islands

These countries by IATA map were situated within the IATA Europe sub-area - IATA area

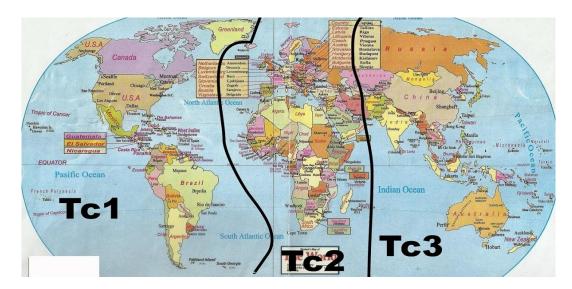


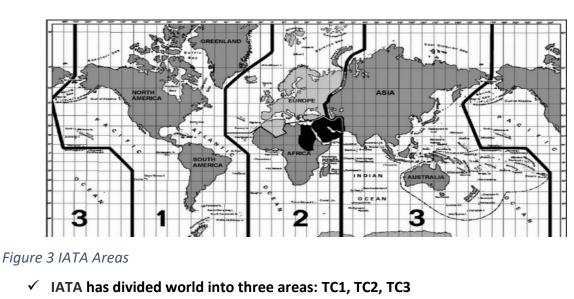
Figure 2 Traffic conference areas

Although geographically Egypt and Sudan were situated in the African continent, these countries are included by IATA map in IATA Middle East sub-area- IATA area 2.

• IATA Tariff Conference Areas [IATA TC 1,2, 3]

In order to fully understand the routing of Airlines and their respective fare calculations, IATA map divided the worlds into three areas known as Traffic Conferences-TC1, TC2, TC3 (It called

as Passenger Tariff Conference, Passenger services Conference, Cargo services Conference, and Cargo Tariff Conference).



• International Air Transport Association (IATA) World geography

Note:

- **Ural Mountain of Russia and Tehran in Middle East divides TC2 with TC3.**
- **4** Tc1 is Known as Western Hemisphere.
- **4** TC2 and TC3 are together known as Eastern Hemisphere.

✓ IATA Area1 or TC1

- **4** Traffic conference area consists of north and South American Continent.
- TC1 include subareas

✓ North America:

4 Canada, USA, Mexico, St. Pierre & Miquelon,

✓ Central America:

Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, Guyana, French
 Guiana, Suriname

✓ South America:

4 Argentina, Bolivia, Brazil, Chile, Colombia, Ecuador, French Guiana, Guyana,

Panamá, Paraguay, Peru, Suriname, Uruguay, Venezuela

- ✓ Caribbean Area- Caribbean Island
 - Greenland
 - 🖊 Bermuda

| ✓ IA | TA A | Area2 or TC2 |
|------|------|---|
| 4 | Ar | ea 2: Europe, Africa and Antarctica, which include: |
| | 0 | Europe - (including Morocco, Algeria and Tunisia and Russia west of the Ural |
| | | Mountain) |
| | 0 | Middle east - (including Behrain, Egypt, Iran, Iraq, Oman, Qatar, Saudi Arabia, |
| | | UAE, Yemen, Kuwait, Israel etc) |
| | 0 | Africa: Africa is subdivided further into regions such as: |
| | 0 | Southern Africa – (Botswana, Lesotho, Mozambique, South Africa, Namibia, |
| | | Swaziland) |
| | 0 | Central Africa – (Malawi, Zambia, Zimbabwe) |
| | 0 | Eastern Africa – (Burundi, Djibouti, Eritrea, Ethiopia, Kenya, Rwanda, Somalia, |
| | | Tanzania and Uganda) |
| | 0 | Western Africa – (Angola, Benin, Burkina, Faso, Cameroon, Central African |
| | | Republic etc.) |
| | 0 | Indian Ocean islands – (consisting of Comoros, Madagascar, Mauritius, |
| | | Mayotte, Reunion, Seychelles) |
| ✓ IA | TA A | Area3 or TC3 |
| 4 | Ar | ea 3: Asia and Australia |
| ✓ тс | A 3 | Sub areas are: |
| 4 | Sc | outh Asian Subcontinent – (Including Afghanistan, Bangladesh, Bhutan, India, |
| | Μ | aldives, Nepal, Pakistan, Sri Lanka) |
| 4 | Sc | outh East Asia Sub-Area- (China, Indonesia, Thailand, Philippines, Malaysia, |
| | Si | ngapore, Vietnam, Uzbekistan, Russia in Asia, Myanmar etc) |
| 4 | Sc | outh West Pacific Sub-Area- (Including Australia, New Zealand, Fiji etc) |
| 4 | Ja | pan, Korea Sub- Area- |
| | | |
| | | |
| | | |
| | | |

IATA Global Indicators (GI)

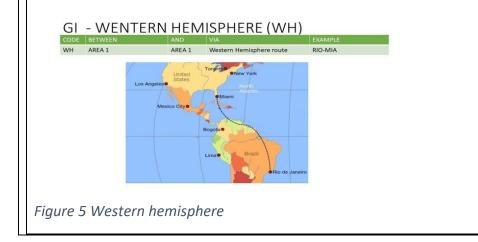


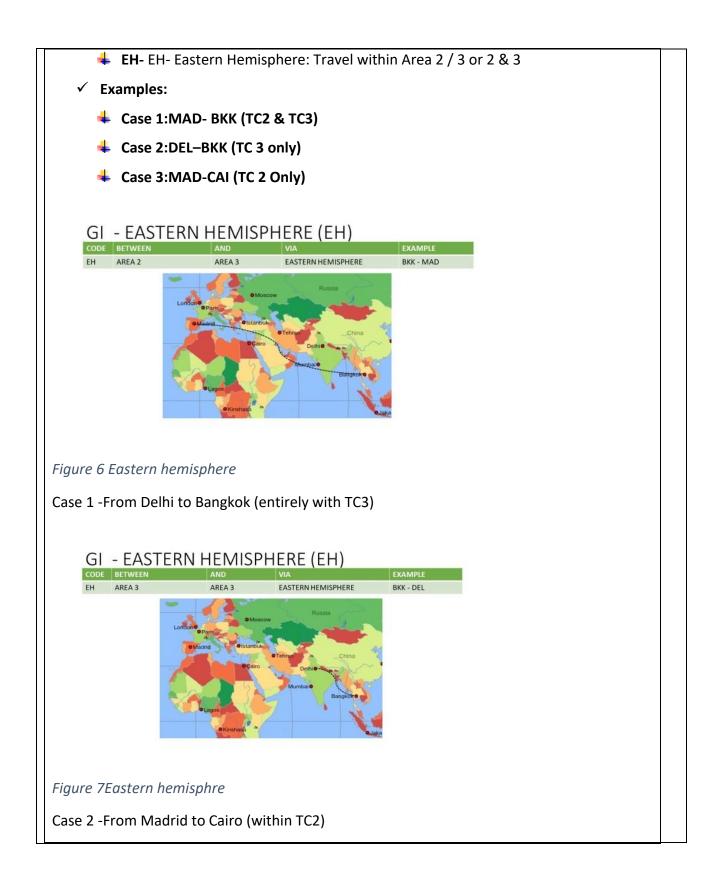
Figure 4 Global indictors

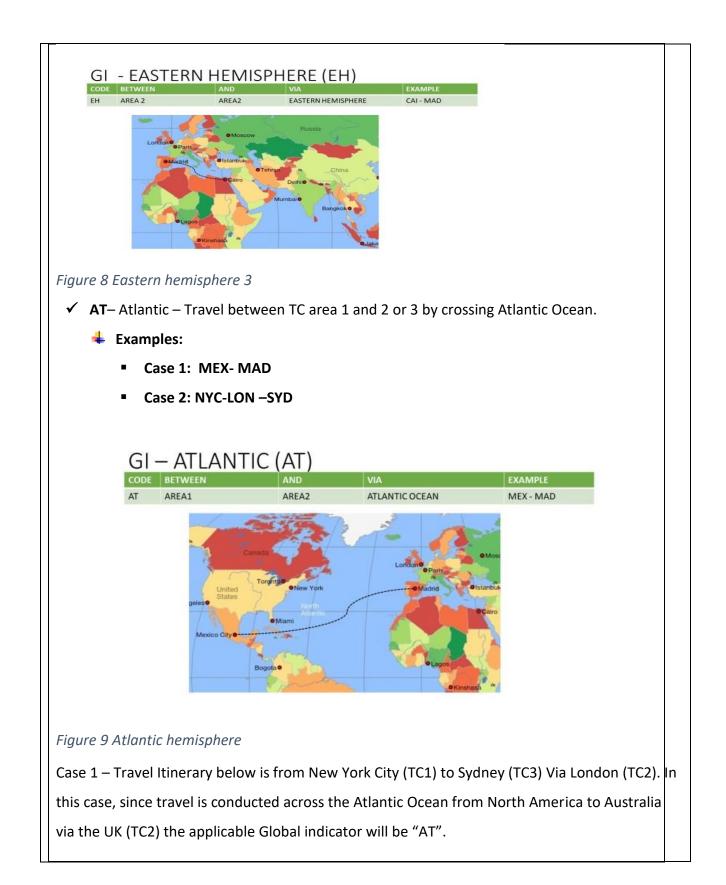
Global Indicators are two –letter codes used in fare construction to determine the routing to which the fare applies. It is the first step for construction of airfares and is used to determine routes, stopovers etc. Choosing an incorrect Global Indicator during fare construction may lead to choosing the wrong fare for the itinerary.

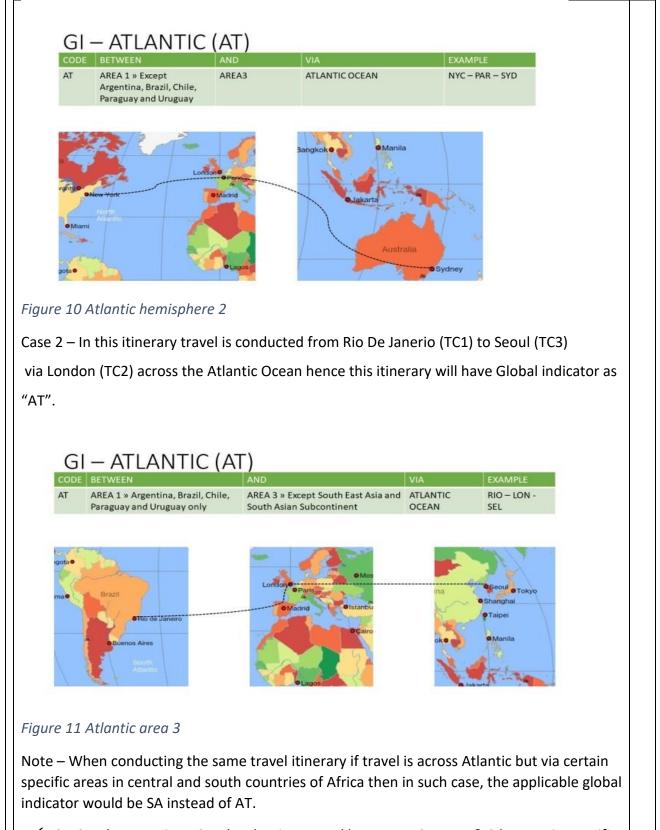
To understand the direction of travel, you have to understand the how the travel industry divides the entire earth and the different countries into Traffic Conference Areas. Geographically the world is divided into the Western, the Eastern, the Southern and the Northern Hemisphere.

- ✓ Fares are established not only by class of service or fare type but also by routing type.
 For example, an economy class(Y) fare from LAX to HKG via the Atlantic Ocean would be higher than the fare paid if the passenger travelled via the pacific (PA).
- ✓ It is important to first find out what type of routing the passenger is taking in order to quote the correct fare.
 - WH– WH- Western Hemisphere: Travel wholly within Area 1 Ex: RIO - MIA.

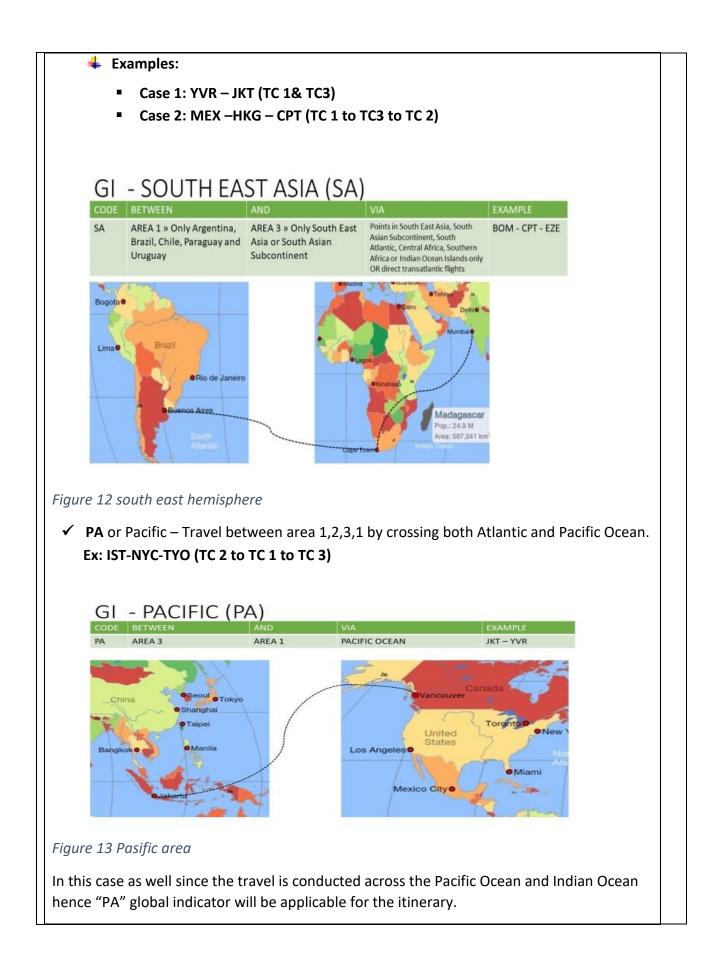


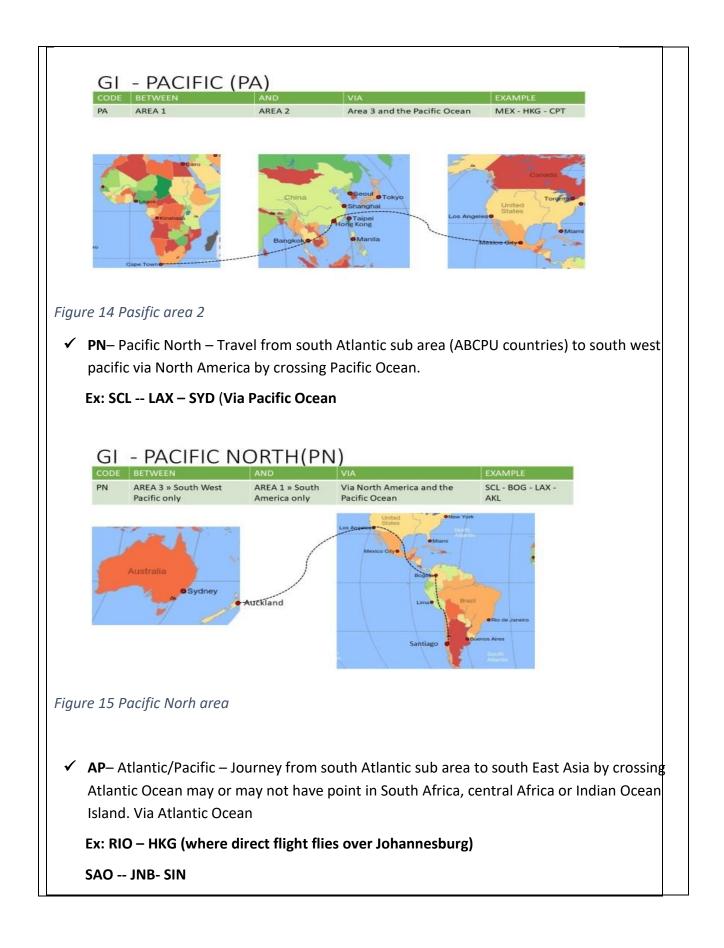


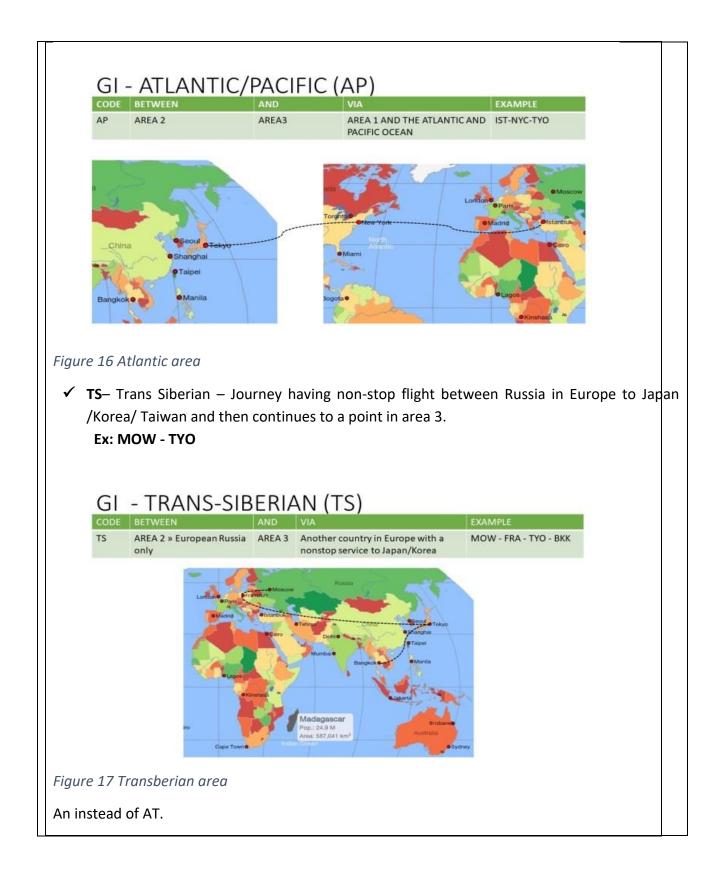




 SA-South East Asia or South Atlantic – Travel between TC area 1 & 3 by crossing Pacific Ocean







This rule/global indicator are an exception for AT global indicator. Although the itinerary is across the Atlantic however since it's via a South African country the global indicator SA



Figure 18 transberian area 2

Ex: MOW -SIN

Case 2 – In the below case travel is commenced from European Russia Moscow (TC2) to Bangkok Thailand (TC3) via Frankfurt Europe (TC2) and Japan (TC3) the global indicator for this itinerary will be TS.

Note – If the travel would have been via Frankfurt to Bangkok instead then this itinerary would have a Global indicator as FE instead of TS. (Travelling via Japan gives this itinerary the global indicator TS instead of FE.

 ✓ FE− Far East - Journey having non-stop flight between Russia in Europe to any area in TC3 except Japan/Korea/Taiwan/Ukraine



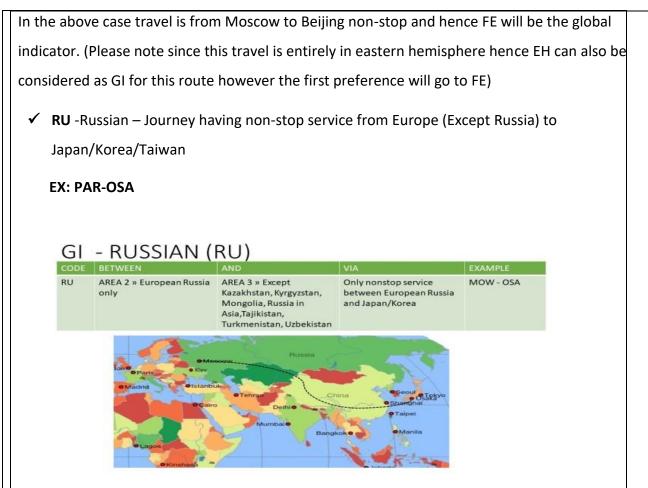


Figure 20Russian area

✓ IATA Codes

Ticketing requires grasping the knowledge of codes of airlines, air carriers and airports and terminologies such as airfare, ticket, blocking, itinerary, airline geography and so on. The encode/decode function is used to determine codes for airlines, cities, airports, countries and equipment.

Global distribution system facilitates encoding and decoding when operationalizing the ticketing. It explains that encoding is used to determine codes for cities, airports, airlines, equipment and countries from their names, while decoding is used to determine names from codes. It provides examples of command entries for encoding city codes, airport codes, airline codes, equipment types and country codes, as well as decoding entries to determine names from codes.

In airline geography, all countries cities and airports have been given three letters ISO code by IATA.

| | City / Country | Code |
|----------------|---------------------------------------|---------------|
| | India | IND |
| | London | LON |
| | Sydney | SYD |
| | Hong Kong | HKG |
| | Bombay | BOM |
| | Toronto | YYZ |
| | Tokyo | TYO |
| | Delhi | DEL |
| | Mexico City | MEX |
| | Madrid | MAD |
| | Rome | ROM |
| | Frankfurt | FRA |
| | Frankfurt hber forms the first two | |
| a givan halaw: | | |
| e given below: | | |
| | | AIRLINE CODES |

| Carrier Code | Names of Airlines Airline Code | |
|--------------|--------------------------------|-----|
| | | |
| AI | Air India Ltd | 098 |
| AF | Air France | 057 |
| BA | British Airways | 125 |
| CX | Cathy Pacific Airways | 160 |
| JL | Japan Airlines | 131 |
| NZ | Air New Zealand | 086 |
| OS | Austrian Airlines | 257 |
| SA | South African Airways | 083 |
| SR | Swiss Air 085 | |





A group of passengers from France is planning a tour for leisure purposes in Africa. The group needs someone who can arrange its tour especially for airfare and ticket. So, as an expert in constructing basic airfare, you are required to:

- a. Determine the direction of the tour for the group
- b. Identify at least one importance of IATA Global Indicators (GI)
- c. List 5 Global Indicators with their respective itinerary





Mr. John travelled from Washington DC to Paris and then went to China for a business trip.

- a. List the continents travelled by Mr. John and write brief about those continents?
- b. Identify the traffic conference area that will be used by the passenger
- c. Determine the global indicator of the passenger's itinerary

Topic 1.3: Identification of fares rules in an airline tariff





Assume that you are workin in NZUD tour company for arranging airfare for a group of passengers composed by diplomats, lesure travelers and three businessmen from India.

- a. What are the main factors considered while preparing the passenger's ticket fares?
- b. Determine different types of airfares which may be paid by the above passengers

Key Facts 1.3: Identification of fares rules in an airline tariff

• Fares rules in an airline tariff

Fare rules are the terms and conditions for the fare, which are developed by the airlines or IATA. IATA has developed headings and paragraphs to categorize airfare rules and these can be accessed using a CRS. Promotional airfares have airfare rules that must be accessed by the agent and explained to the client.

Fare rules are essentially the terms and conditions that govern how you can use your ticket, and they can vary widely depending on the airline, the fare class you purchase, and the route you're flying.

The class of service is indicated by a letter code in the fare basis (e.g., Y for Economy, J for Business and F for First) Class of services

✓ There are Three classes in an aircraft;

- First class - (F)
- Business class (C/J)
- Economy class (Y)

The class of service in airline is determined by the fare and the cabin in which the passenger will sit. In the first-class cabin, seats are usually larger and more comfortable, and passengers receive the carrier's highest level of service. Larger aircraft may also include premium economy and first-class air travel.

| Every passenger reservation must specify a class of service, so that the correct fare can |
|---|
| be determined. |

| Booking Code | Class | Description |
|--------------|----------------|---|
| FP | First class | The carrier's highest level of service |
| CJ | Business class | The carrier's superior service level |
| Y S | | The carrier's standard level of service |
| K L M H V | | Discounted fare for the carrier's standard level of service |

It is also important to be aware that the services provided for each class of travel will be different and will also vary for each airline. This will include baggage allowance, check-in procedures, airport lounge access and on-board meals and entertainment. This information should be researched and advised to the client. Each class of travel will have a range of airfares (prices) available for sale by the travel enterprise. For example, this means that everyone travelling in business class is not paying the same price as the airline allocates some seats at lower airfares, which will have rules and conditions that the passenger needs to be aware of. The higher priced fares in business class will be sold to passengers who want more flexibility with the rules and conditions of the airfare, or may be purchased simply because all of the lower priced fares have been sold.

• Fare basis

A fare basis is a price category determined by the class of service and factors such as the destination, season, and day of the week, one-way or round-trip travel advance purchase or length of stay.

Fare Basis codes are alphanumeric codes used by airlines, present on passenger tickets, to convey information to its staff and travel agents about the rules applicable to the particular fare charged. Each fare has a primary code and one or more secondary codes.

In some cases, the booking code is the same as the fare basis. For example, F is the fare basis for first-class fares, and Y is the fare 61 basis for the full (-undiscounted) coach fare. Different airlines use various primary codes for the same class. For example, 'C; class on same airlines is the same as 'J' class on some other airlines.

For example, 'C; class on same airlines is the same as 'J' class on some other airlines. Various primary codes are used for discounted coach travels including B, M, Q, V, H and so forth, as given in Table

| Code | Primary Fares | | |
|------|---|--|--|
| Р | Premium First Class | | |
| F | First Class | | |
| A | Discounted First Class | | |
| J | Premium Coach | | |
| С | Premium Coach | | |
| S | Standard Class | | |
| Y | Coach or Economy | | |
| К | Discount Coach | | |
| В | Discount Coach | | |
| М | Discount Coach | | |
| Q | Discount Coach/Off-Pack Economy | | |
| L | Discount Coach/Off-Pack Economy | | |
| V | Discount Coach/Off-Pack Economy | | |
| Х | Free Travel (e.g. Mileage Club Members) | | |

Secondary codes set each fare basis apart from other fare bases with the same primary code. For example, 'AP' is used to indicate an advance purchase requirement, and 'NR' denotes a non-refundable fare. The below table gives some Secondary Fare Codes.

| Code | Secondary Fares |
|------|--|
| AP | Advance Purchase |
| CA | Discounted fare for government employees |
| CD | Senior Citizen Discount |
| СН | Child's Fare (2-11 yrs.) |
| CL | Clergy Fare |
| D | Discount Fare |
| DG | Discounted Government Fare |

| E | Excursion Fare | |
|----|--|--|
| G | Group Fare | |
| Н | High (Day of Week, Time of Day, or Season) | |
| IT | Inclusive Tour Fare | |
| L | Low (Day of Week, Time of Day, or Season) | |
| М | Military Discount | |
| MR | Military recruit | |
| N | Night off peak | |
| NR | Non-refundable | |
| Р | Family Plan | |
| PE | Penalty for cancellation or change | |
| PE | Round trip fare | |
| R | Stand by fare | |
| W | Weekend travel | |
| E | Excursion Fare | |
| G | Group Fare | |
| Н | High (Day of Week, Time of Day, or Season) | |
| IT | Inclusive Tour Fare | |
| L | Low (Day of Week, Time of Day, or Season) | |
| М | Military Discount | |
| MR | Military recruit | |
| N | Night off peak | |
| NR | Non-refundable | |
| Р | Family Plan | |
| PE | Penalty for cancellation or change | |
| PE | Round trip fare | |
| R | Stand by fare | |
| W | Weekend travel | |
| Х | Exception (may also mean weekday or midweek) | |
| Z | Youth fare | |

• Carriers' fares

"Carriers' fares" in an airline tariff simply refers to the various prices offered by different airlines for the same route or itinerary. It's essentially a landscape of options, with each carrier vying for your business through its unique combination of price, service, and scheduling.

 ✓ Full-service carrier fares: These typically offer the most comprehensive experience, including meals, baggage allowances, and in-flight entertainment, but are often the most expensive.

- ✓ Low-cost carrier fares: These prioritize affordability by stripping away certain amenities like meals and checked baggage, often charging extra for them.
- ✓ Hybrid carrier fares: Some airlines offer a mix of services and pricing between fullservice and low-cost models

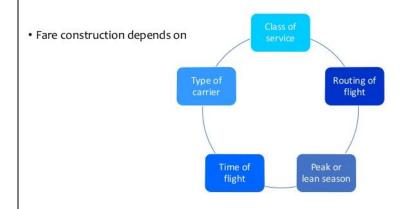


Figure 21 Factors in fare construction

• Types of fares

The price paid to travel on an aircraft of a particular carrier by a passenger is called Airfare. Airfares can be either Published or Unpublished. A Published airfare is the one that can be purchased by anyone from the Airlines, Airline Booking websites, Travel agencies or other Online booking sites.

These fares are published by the Airline carriers on the public domain to make passengers aware of the fare being charged by a particular carrier on specific route/destination. Unpublished airfare is also known as Private Fare, Negotiated Fare, Consolidator Fare or Wholesale Fare. These fares are not published by the airline in the public domain.

Airlines often give these fares to travel agencies under a service level agreement contract and confidentiality contracts. The objective of unpublished fares by airline companies is to ensure better yield management of the seats using price dynamics and by assigning it to a third party for selling it

Fares are divided into normal fares and special fares.

✓ Normal fares:

Are fares that do not have as many restrictions as special fares? In case there are restrictions, these would usually include conditions regarding:

- Number of stopovers and transfers in the routing
- Seasonal or day of week periods of application
- Flight/carrier application

✓ Special Fares

Special fares are low promotional fares that have more restrictions than the normal type. Such restrictions are mostly in respect of:

- 4 Length of stay such as minimum and maximum stay requirements.
- Advance purchase requirements
- Reservations, payments and ticketing limits
- Day/time of travel
- Eligibility restrictions
- Refund ability and changeability

✓ Other fares

| Type of Fare | Detail | |
|---------------|---|--|
| APEX Fare | This is a discounted international fare which is purchased in | |
| | advance. The number of days that the purchase has to be made in | |
| | advance depends on the airline. There may be other restrictions | |
| | imposed by airlines on such type of fares like fees for change or | |
| | non–refundable criteria. | |
| Discount Fare | This is a cheap fare for a limited time on both International and | |
| | Domestic sectors and may have a lot of restrictions. Example of | |
| | such fares includes seat sale for particular sectors of flight or a | |
| | Super Wednesday sale etc. There may be other restrictions as | |
| | imposed by the airlines like Travel Dates, Minimum Stay, | |
| | Maximum Stay, No refund etc | |

| Full Fare/ Unrestricted | This is the most expensive fare that the airlines publish. Refund |
|----------------------------|--|
| Unrestricted | and change are often permitted by the airlines in this type of fare. |
| | The tickets with Full fare can be purchased on the same date of |
| | travel. The price indicated by the airlines for this type of fare is a |
| | benchmark for discounted fares. |
| ∔ Joint Fare | When more than one airline work together as a partner under a |
| | contract to get a passenger to a particular destination |
| | |
| Through Fare | This type of fare means that one fare is charged to the passenger |
| | from his departure source to the destination source in spite of a |
| | stopover by the airline in a third city. |
| 4 Bereavement | This is usually a last-minute discounted fare offered by the airlines |
| Fare | and is often given to passengers who have to attend funerals in |
| | emergency. The facility is absolutely airline specific. |
| Open Jaw | This type of fare is for Return tickets where the Departure Source |
| | and the Destination source may be different each way. Open Jaw |
| | fares may be categorized as Destination Open Jaw or Origin Open |
| | Jaw. |
| | Example of Destination Open Jaw: |
| | New York to Rome and Paris To New York Example of Origin |
| | Open Jaw: |
| | New York to Rome and London to Boston |
| Multicity | This type of fare is for single Airline tickets with multiple stops. |
| | This type of ticket actually converts layovers to stopovers for |
| | |
| | travelers and saves a lot of money for them. |
| | |
| | travelers and saves a lot of money for them. |

• FARE RULES

These codes also link to specific fare rules in fact some of the most common fare rules to encounter:

- Advance purchase requirements: Some fares require you to purchase your ticket a certain number of days in advance of your travel date. For example, a "21-day advance purchase" fare would require you to buy your ticket at least 21 days before you fly.
- Minimum and maximum stay requirements: Some fares have minimum and maximum stay requirements. For example, a "7-day minimum stay" fare would require you to stay at your destination for at least 7 days. A "14-day maximum stay" fare would require you to return within 14 days of your departure date.
- Blackout dates: Some fares have blackout dates, which are dates when the fare is not available. Blackout dates are often during peak travel times, such as holidays and weekends.
- Change and cancellation fees: Most fares have change and cancellation fees. The amount of the fee will vary depending on the fare class and how far in advance you change or cancel your flight. Some fares are non-refundable, which means you will not get any money back if you cancel your flight.
- Baggage fees: Most airlines charge fees for checked baggage. The amount of the fee will vary depending on the airline, the fare class you purchase, and the number of bags you check. Some fares may include a free checked bag allowance.
- Routing restrictions: Some fares have routing restrictions, which means you can only fly on certain airlines or through certain cities.
 Discounted airfares are always subject to certain restrictions. Lower the fare; the more are the restrictions applicable. These restrictions, commonly referred to as fare rules, they fall into six main categories: -
- Minimum or Maximum stay: With most discount fares, the length of time between outbound and return flights is restricted. For example, a fare may be valid only if the passenger is willing to stay over until the next Sunday before starting a return trip. This may be called a Saturday stay-over. A maximum stay may also apply. For

example, passengers may be required to return no later than 21 days after arriving at their destination.

- Advance Purchase: In most of the discount fares, advance purchase prior to departure date is required; say 30 days in advance, which is commonly known as 'Super Saver'. Generally, the longer the advance purchases requirement, the lower the fare.
- Validity Dates: The discount travel is generally valid on certain dates. It has both an effective date and an expiration date. Certain dates may also be blacked out, meaning that the travel is not valid on those dates.
- Combinability: Discount fares can be combined with other fare types. For example, a traveler using an M-class fare on one segment may be able to use a V-class fare on another segment in the same trip.
- Routing: Only permitted routings may be used in restrictive fares. The rating specifies the connecting and stopover points that can be used with a particular fare basis.
- ✓ Penalties: Generally, for cancellations or changes in itinerary under restrictive fares, penalties are imposed. In some cases, restrictive fares are non-refundable.
- Other Restrictions: A number of other special conditions may also apply to discount fare. For example, a fare rule may require all segments of the itinerary to be confirmed at the time of ticketing, or may prohibit travel on certain dates of the week.

• Conditions in a tariff

The conditions in an airline tariff are essentially the rules and regulations that govern the use of your ticket. They can seem overwhelming at first, but understanding them is crucial for a smooth and hassle-free travel experience.

• Standard Conditions

- ✓ Normal and special fares are governed by Standard Conditions.
- These are general principles that describe how to apply a fare.
- The principles of Standard Conditions are set by the airline industry and apply to IATA fares.

| There are two Standard Conditions: | | | | |
|---|---|--|--|--|
| • There are two | Standard Conditions: | | | |
| ✓ Standard Condition100 (SC100) for special fares. | | | | |
| SC100 is | SC100 is a set of rules or conditions that apply to most special fares in the airline | | | |
| industry. | It's like a contract between you a | and the airline, outlining the limitations | | |
| and reg | ulations associated with the | discounted price you're getting. | | |
| Understa | nding SC100 is crucial before | booking a special fare to avoid any | | |
| unexpect | ed surprises or inconveniences. | | | |
| ✓ Standard Co | ndition101(SC101) for normal far | es | | |
| Standard Cor | ndition 101 (SC101) is the counter | rpart to SC100, focusing on the | | |
| conditions and rules governing normal fares in the airline industry. Unlike special | | | | |
| fares, normal fares generally offer more flexibility and less stringent restrictions, but | | | | |
| come at a higher price. | | | | |
| Category of tools | Tools and equipment | Use of the tools and | | |
| | | | | |
| and equipment | | equipment | | |
| | | | | |
| REUSABLE | GDS/CRS | Booking and ticketing | | |
| | Calculator | Calculation | | |
| | Pen | Writing | | |
| | | | | |





During a busy holiday season, Enjotour Airlines encounters a situation where several passengers purchased non-refundable economy tickets for a popular route. Due to adverse weather conditions, the airline had to cancel several flights, leaving passengers stranded or needing alternative arrangements.

Enjotour Airlines is facing challenges in managing various fare types and rules, leading to customer dissatisfaction and operational hurdles. The airline offers a range of fares, including economy, premium economy, and business class, each with its own set of rules and restrictions.

- a. Identify the fare rules applicable to this situation.
- b. What is the fare that may you propose to this family?





KOBOKO, on a shoestring budget, has accurately planned his Euro trip, booking budget flights on Budget Fly between each city for one week. Unfortunately, his flight from BETURA to KARISI gets delayed significantly due to bad weather. Kabuki arrives at his connecting flight to KARI mere minutes after its departure, leaving him stranded in KARI, unfortunately, there left an economic seat in another flight for a passenger with a length of stay of three days and she decided to go.

- a. Identify the categories of all the special fares published Kabuki
- b. What is the fare code of BETURA to KARISI?
- c. Using the system, identify its applicable fare rule

Topic 1.4: Explanation of currencies conversion





A traveler from India wants to visit Rwanda as his point of arrival. He wants to get different tourism experiences available in one month in 2024. Unfortunately, the traveler has cash in hand and it becomes a challenge to him for paying the reservation in your company. As a travel agent contacted by the traveler:

- 1. What is the role of NUC in currencies conversion?
- 2. Identify different main factors considered while converting currencies
- 3. Determine various factors considered when choosing the Best Option for currencies conversion

Key Facts 1.4: Explanation of currencies conversion

• Currencies conversion

With so many currencies across the globe from different countries it would be a very difficult task for airlines to issue tickets in every currency and keep a control on the same. To ease the global ticketing, IATA introduced a fictitious or private currency known as the Neutral Unit of Construction (NUC) for conversion and recording airfare calculation. IATA as a regulating body issues the Rate of Exchange for currencies against the NUC every month in its IATA Rate of Exchange (IROE). The module will acquaint you with the NUC and the rate of conversion of a local currency to a NUC from the data table as provided for reference.

A private currency is issued by a private entity used for various purposes in different countries as per the laws of the concerned country. The NUC is used for the purpose of conversion and recording fare calculation information and is not used as a legal tender. With over so many currencies in the world conversions and calculations for airfare in different countries and sectors would be a Currency Conversion challenging and cumbersome task for all the stake holders involved in the ticketing process.

To address the issue, International Air Transport Association (IATA) from 1st July 1989, introduced the NUC for ticketing purpose; a common denominator used to calculate a total when adding fares in different currencies.

The ticket component prices are converted from the original currency (of the country of commencement of travel) and recorded on the airline ticket. The currency is managed by IATA through a set of exchange rates issued every month.

✓ Currency related terms

There are many terms associated with currency, and understanding them can be helpful in navigating financial transactions and staying informed about economic matters.

Basic Terms:

- Currency: A medium of exchange, usually in the form of paper money or coins, that is officially recognized as legal tender for the payment of debts and the purchase of goods and services.
- Foreign Exchange (Forex): The process of exchanging one currency for another. This is facilitated by foreign exchange markets, where currencies are traded at fluctuating rates.
- **Exchange Rate:** The price of one currency in terms of another.
- Denomination: The face value of a piece of currency (e.g., a one-dollar bill, a teneuro coin).

✓ Financial Transactions:

- Remittance: The transfer of money from one person or entity to another, usually across borders. Remittances can be made through banks, money transfer services, or other channels.
- Conversion: The process of changing one currency into another. This can be done at foreign exchange bureaus, banks, or through online platforms.
- Devaluation: The deliberate downward adjustment of the exchange rate of a currency relative to other currencies.

- Revaluation: The deliberate upward adjustment of the exchange rate of a currency relative to other currencies.
- Market Terms:
 - **Bid:** The price at which someone is willing to buy a currency.
 - **Ask:** The price at which someone is willing to sell a currency.
 - **Spread:** The difference between the bid and ask prices for a currency.
 - Volatility: The degree to which the exchange rate of a currency fluctuates over time.
 - Floating Rate: A currency exchange rate that is allowed to fluctuate freely according to market forces.
 - Fixed Rate: A currency exchange rate that is pegged to another currency or a basket of currencies
- Other Important Terms:
 - Inflation: A general increase in the price of goods and services over time, which can decrease the purchasing power of a currency.
 - Deflation: A general decrease in the price of goods and services over time, which can increase the purchasing power of a currency.
 - Reserve Currency: A currency that is widely held by governments and central banks as part of their foreign exchange reserves.
 - Crypto currency: A digital or virtual currency that uses cryptography for security and operates independently of a central bank
 - Legal tender: The currency officially recognized by a country for the payment of debts and the purchase of goods and services within its borders.
 - Foreign exchange regulations: The rules and restrictions set by a country's government or central bank regarding the buying and selling of foreign currencies.
 - Capital controls: Measures implemented by a country to restrict the movement of capital across its borders, which can impact currency conversion.

- Monetary policy: The strategies used by a country's central bank to manage its currency and the economy. This can influence exchange rates and conversion availability.
- Black market exchange rate: The unofficial exchange rate used in a country where there are strict currency controls or limitations on accessing the official market.

✓ The Country of commencement of travel

- The concept of "The Country of commencement of travel" (COC) is primarily relevant in the context of airline fares and pricing. It plays a role in determining the currency used for fare calculations and ticket pricing
- COC stands for "Country of Commencement of Travel". It refers to the first country listed on your flight itinerary where your journey begins.

✓ Why is COC important for currency conversion?

Airlines often use a system called the Neutral Unit of Construction (NUC) for internal fare calculations. NUC is a currency-neutral unit that simplifies accounting and avoids fluctuations in exchange rates. However, when presenting fares to passengers, they need to convert NUC to a specific currency.

The COC determines which currency is used for conversion. Airlines typically use the official currency of the COC to display the fare on your ticket.

Understanding COC helps you avoid confusion when comparing international fare prices.

✓ The currency of the country of payment

Knowing both the country where the payment originates and the country where it's received is crucial. Each country has its own currency, foreign exchange regulations, and fees associated with cross-border transactions.

The currency of the country of payment

This refers to the currency you use when making purchases or withdrawing cash in the visited country. It impacts your costs in several ways:

- Merchant's Exchange Rate: Merchants often offer to convert the transaction to your home currency at their own rate, which may not be favorable. Opting to pay in local currency avoids this potential markup.
- Dynamic Currency Conversion (DCC): Some merchants might present the transaction cost in your home currency, but the conversion happens at their rate, typically with hidden fees. Choosing the local currency option usually prevents DCC.
- Foreign Transaction Fees: Your bank or issuer might charge fees for transactions made in a foreign currency, regardless of conversion method. Paying in the local currency can sometimes avoid these fees.

Choosing the Best Option for currencies conversion depends on various factors including:

- Payment Method: Credit cards that waive foreign transaction fees might make paying in your home currency more advantageous. Conversely, debit cards often benefit from local currency payments to avoid fees.
- Exchange Rates: Compare the rates offered by your bank, merchants, and currency exchange services. Sometimes, exchanging cash beforehand in your home country might be beneficial if a favorable rate is available.
- Fees: Analyze all potential fees associated with each option, including foreign transaction fees, DCC fees, and currency exchange service charges.

Key Facts 1.4: Explanation of currencies conversion

• IATA RATE OF EXCHANGE (IROE)

IATA Rates of Exchange (IROE) provides monthly updates of IATA currency rates of exchange used by the industry for fare/rate construction. They are built based on the average of the five banking days ending on the 10th of each month. Governed by Passenger Composite Resolution 024c, the IROE enables you to build fares in the Neutral Unit of Construction (NUC). The IATA Rate of Exchange is in a form of a table and there are some interpretations that need to be understood as part of the table.

• HOW TO APPLY IATA RATE OF EXCHANGE TABLE:

✓ Symbols and Abbreviations:

- Symbol 0.000000 shown in the IROE table indicates that no updated information has been received regarding the currency and any previous notification needs to be applied.
- Symbol "NA" stands for Not Applicable in the IROE table. Currency Name and code may be present but no Rate of Exchange is applicable as per IATA notification.
- Symbol "+" indicates that the acceptance of the currency is restricted to the country concerned i.e. journeys commencing or terminating in that country or journeys that both commence and terminate outside that country by the nationals of that country.
- Symbol of **** indicates that the passenger fares and excess baggage charges are established in US Dollars.
- Symbol of '++' indicates that local currency may be accepted only in the country or which it is the national currency for. The journey being undertaken by the nationals and residents of that country but only when travel originates or terminates in that country. The payment of excess baggage in that circumstance is also undertaken when baggage is being either transported from or to the country.
- The refund of documents issued in the local currency shall be made only in the local currency and in the country to which the local currency belongs.

✓ Rounding Procedure:

After converting NUC to the local currency fares and charges are to be calculated beyond one decimal place as shown in the rounding units

Example:

- When the rounding unit is a whole number, convert to one decimal place and round up to the next higher unit.
- When the rounding unit is to one decimal place like 0.1, convert the total fare to two decimal places and round up to the next higher unit

- When the rounding unit is to two decimal places like 0.05, convert the total fare to three decimal places and round up the next higher unit.
- For ticketing purpose all NUC's are shown up to 2 decimals. Decimals beyond two shall be disregarded.

Fixed tax/fee/charge amounts imposed and specified by Government and/ or airport authorities need not be further rounded unless these are converted into another currency where the resulting value is rounded. If not converted to another currency, the original TFC local currency amounts shall be shown on traffic documents without application of the rounding rules shown in the "Other Charges" column.

• IATA RATE OF EXCHANGE (IROE)

IATA Rates of Exchange (IROE) provides monthly updates of IATA currency rates of exchange used by the industry for fare/rate construction. They are built based on the average of the five banking days ending on the 10th of each month. Governed by Passenger Composite Resolution 024c, the IROE enables you to build fares in the Neutral Unit of Construction (NUC). The IATA Rate of Exchange is in a form of a table and there are some interpretations that need to be understood as part of the table.

• HOW TO APPLY IATA RATE OF EXCHANGE TABLE:

✓ Symbols and Abbreviations:

- Symbol 0.000000 shown in the IROE table indicates that no updated information has been received regarding the currency and any previous notification needs to be applied.
- Symbol "NA" stands for Not Applicable in the IROE table. Currency Name and code may be present but no Rate of Exchange is applicable as per IATA notification.
- Symbol "+" indicates that the acceptance of the currency is restricted to the country concerned i.e. journeys commencing or terminating in that country or journeys that both commence and terminate outside that country by the nationals of that country.
- Symbol of **** indicates that the passenger fares and excess baggage charges are established in US Dollars.

- Symbol of '++' indicates that local currency may be accepted only in the country or which it is the national currency for. The journey being undertaken by the nationals and residents of that country but only when travel originates or terminates in that country. The payment of excess baggage in that circumstance is also undertaken when baggage is being either transported from or to the country.
- The refund of documents issued in the local currency shall be made only in the local currency and in the country to which the local currency belongs.

✓ Rounding Procedure:

After converting NUC to the local currency fares and charges are to be calculated beyond one decimal place as shown in the rounding units

Example:

- When the rounding unit is a whole number, convert to one decimal place and round up to the next higher unit.
- When the rounding unit is to one decimal place like 0.1, convert the total fare to two decimal places and round up to the next higher unit
- When the rounding unit is to two decimal places like 0.05, convert the total fare to three decimal places and round up the next higher unit.
- For ticketing purpose all NUC's are shown up to 2 decimals. Decimals beyond two shall be disregarded.

Fixed tax/fee/charge amounts imposed and specified by Government and/ or airport authorities need not be further rounded unless these are converted into another currency where the resulting value is rounded. If not converted to another currency, the original TFC local currency amounts shall be shown on traffic documents without application of the rounding rules shown in the "Other Charges" column.



[] [注] Task 12:

Read the following scenario and perform the tasks related:

Selling air tickets in multiple currencies with the most accurate exchange rates in the market can be exhausting. For interline tickets, you need to be consistent with the industry. So, referring to the above statement, work on the below activities:

Interpret the following symbols used in Fare construction:

| Symbols | Interpretation | |
|----------|----------------|--|
| **** | | |
| + | | |
| ++ | | |
| NA | | |
| 0.000000 | | |





Mr. Ban Su booked a ticket from Rwanda to San Francisco International Airport (SFO) in USA. The price of the ticket was 45000 for the given itinerary.

- 1. Convert the price of the Ticket to NUC unit by looking up in the Table?
- 2. Indicate the ISO alpha and numeric code for SFO



Read the following questions and cycle the correct answer:

| 1. | Germany lies in | | | |
|----|--|-------------------------|-------------------|--|
| | a. TC 1 | b. TC2 | c. TC 3 | |
| 2. | Canada is a part of | | | |
| | a. TC1 | b. TC 2 | c. TC 3 | |
| 3. | Imaginary Vertical line of | lividing the Earth equa | ally is called | |
| | a. Equator | b. Tropic of Cancer | c. Prime Meridian | |
| 4. | Two Letter words used in Fare Construction is | | | |
| | a.Fare Code b. Fare Indicator c. Global Indicator | | | |
| 5. | Any travel across Pacific Ocean shall have a GI of | | | |
| | a. AP b. PA c. PN | d. FE | | |
| 6. | Imaginary line horizontally dividing the Earth into halves is | | | |
| | a. Prime meridian | b. Equato | r | |
| | c. Tropic of Cancer | d. Tropic | of Capricorn | |
| 7. | Karori was on a tour across the globe. He had reached Kigali to explore the beaut | | | |
| | of the country. His next destination was to explore the beautiful Himalaya Mountains | | | |
| | in France. His flight to France was not direct but was via Washington DC. | | | |

- 8. Which are the countries that Karori will visit from his source of journey to his destination?
 - a. What are the Traffic Conference Areas of the countries of his travel?
 - b. What shall be his Global Indicator for travel?



- Codes play a crucial role in travel and tourism by streamling processes
- IATA Rates of Exchange (IROE) provides monthly updates of IATA currency rates of exchange used by the industry for fare/rate construction
- IATA as a regulating body issues the Rate of Exchange for currencies against the NUC every month in its IATA Rate of Exchange (IROE).
- Refer to the following link to get more clarification about traffic conference areas



- 1. Fill in and complete the self-assessment table below to assess your level of knowledge, skills and attitudes after covering this unit.
- There are no rights or wrong ways to answer this assessment. It is for your own reference and self-reflection on the knowledge, skills and attitudes acquisition during the learning process.
- 3. Think about yourself:
 - i. Do you think you have the knowledge, skills or attitudes to do the task?
 - ii. How well?
- 4. Read the statements across the top. Put a check in a column that best represents your level of knowledge, skills and attitudes

| My experience Knowledge, skills and attitudes | I do not have any experience doing this. | I know a little about this. | I have some experience doing this. | I have a lot of experience with this. | I am confident in my ability to do this. |
|--|---|-----------------------------------|--|--|---|
| Describe the airfare | | | | | |
| Identify the fare type codes | | | | | |
| Determine the IATA Rate of Exchange | | | | | |
| Classify IATA areas | | | | | |
| Explain IATA Global Indicators | | | | | |
| Interpret fare type Codes | | | | | |
| Describe IATA traffic Conference areas | | | | | |
| Identify types of air fares | | | | | |
| Explain IATA Rate of Exchange (IROE) | | | | | |
| Apply IATA Rate of Exchange | | | | | |
| Classify IATA areas | | | | | |
| Identify IATA Codes | | | | | |
| Apply encoding and decoding | | | | | |

| Explain fares rules in an airline tariff | | | |
|--|--|--|--|
| Apply currency conversion | | | |

1. Fill in the table above and share results with the trainer for further guidance.

| Areas of strength | Areas for improvement | Actions to be taken to improve |
|-------------------|-----------------------|--------------------------------|
| 1. | 1. | 1. |
| 2. | 2. | 2. |
| 3. | 3. | 3. |

UNIT 2: PREPARE AIRFARE



| IB 6251 | FRIDA | Y | | 12 JU | L 24 | | | | | | | | | | |
|----------------------|-------|----|-----|-------|------|-----|---|---|---|-----|---|---|----------|---|--|
| BRD TIME MAD 1230 | | | | | | | | | | OUN | D | | EQ 33 | | |
| TOTAL FLYI | NG TI | ME | MAD | - JFK | | 8:1 | 5 | | | | | | | | |
| CLASSES | | | | | | | | | | ••• | | | | | |
| MAD-JFK J | CD | R | I | WE | TP | Y | В | Η | K | М | L | F | V | S | |

Unit summary

This unit provides you with the knowledge, skills and attitudes required to Prepare airfare required to Construct basic airfares. It covers the Registering and recording passenger details, Preparation of flight itinerary and Recording baggage weight allowance.

² https://support.travelport.com/webhelp/smartpointcloud/Content/Learn/3Availability/timetable.htm

Self-Assessment: Unit 2

- 1. Study the unit illustration above and answer the following questions:
 - a. What do you see in the illustration?
 - b. What are the payment tools in the illustration called?
 - c. What do you think will be covered in this unit based on the illustration?
- 2. Fill in and complete the self-assessment table below to assess your level of knowledge, skills and attitudes under this unit.
 - a. There are no rights or wrong ways to answer this assessment. It is for your own reference and self-reflection on the knowledge, skills and attitudes acquisition during the learning process.
 - b. Think about yourself: do you think you have the knowledge, skills or attitudes to do the task? How well?
 - c. Read the statements across the top. Put a check in a column that best represents your level of knowledge, skills and attitudes.

| My experience Knowledge, skills and attitudes | l do not have any experience doing this. | l know a little about this. | I have some experience doing this. | I have a lot of experience with this. | l am confident in my ability to do this. |
|---|---|--------------------------------------|--|--|--|
| Record Clients' details | | | | | |
| Register Clients' details | | | | | |
| Explain types of trips | | | | | |
| Identify the types of journeys/trips | | | | | |
| Prepare flight itinerary | | | | | |
| Determine the flight availability | | | | | |

d. At the end of this unit, you will assess yourself again.

| My experience Knowledge, skills and attitudes | I do not have any experience doing this. | l know a little about this. | I have some experience doing this. | I have a lot of experience with this. | l am confident in my ability to do this. |
|---|---|--------------------------------------|--|--|--|
| Describe the flight itinerary details | | | | | |
| Classify the baggage allowance | | | | | |
| Describe the types of baggage allowance | | | | | |
| Record baggage allowance | | | | | |



| | Knowledge | | Skills | | Attitudes |
|----|--------------------------------------|----|---|----|--|
| 1. | Identify clients' details | 1. | Record clients' details | 1. | Attention to details when recording clients |
| 2. | Explain the types of trips | 2. | Register Clients' details | 2. | Attention to details when recording and registering clients |
| 3. | Describe flight itinerary details | 3. | Prepare flight itinerary | 3. | Demonstrate endurance in preparing the |
| 4. | Record baggage allowance | 4. | Describe the types of baggage allowance | 4. | Comply with national and international standards related to baggage handling. |
| 5. | Determine the flight availability | 5. | Describe the flight itinerary details | 5. | Demonstrate teamwork spirit while working with others |





Read the following scenario and perform the tasks related:

You work as a part-time worker in the pricing team for an airline that is launching a new route from a ruler area to a popular city destination. The airline wants to maximize revenue while ensuring competitiveness in the market. Answer to the following questions:

- a. Identify the clients 'details to be registered
- b. How is checking availability conducted?
- c. Provide flight itinerary details.
- d. Describe the types of baggage allowance
- e. How are baggage allowances recorded?
- f. Determine the flight availability

Topic 2.1: Registering and recording passenger details





You find a job announcement at the Leisure travel agency that it is seeking a competent ticketing agent. In addition, it is advisable to go to that travel agency before you sit for that exam for successful exam preparation. During the exam, your work supervisor is requesting you to do the following:

- 1. How much passenger information is truly necessary to collect for airfare purposes?
- 2. How can the registering and recording process be made accessible for passengers?
- 3. How can the registration process cater to passengers who have special needs

Key Facts 2.1: Registering and recording passenger details

Passenger registration and recording is a critical process in various sectors, including transportation, hospitality, and immigration. It involves collecting and documenting essential information about individuals traveling or staying in a particular location.

• Passenger details

✓ Clients' details

Travel enterprises need to maintain and update internal records, which contain information related to clients, their travel arrangements and all of the associated financial transactions related to each booking.

✓ Electronic client record systems

Electronic records are maintained using a Client Management System (CMS) and these are used by many enterprises to record client details, payments and booking information. This software has been developed specifically for the travel industry and records information using industry codes and abbreviations.



Figure 22 Client details

A CMS can often be used to generate quotations, invoices, receipts and detailed client itineraries.

✓ Manual client record systems

Despite the capabilities of a CMS to store information, quite often-manual client records or files are also maintained to store documents and notes on each client's booking. The file may include the agent's notes from the initial consultation and copies of documents including supplier invoices, passports, booking forms and insurance details.

The file may also include a copy of the itinerary, invoice, receipts and any vouchers issued by suppliers. Many travel enterprises aim to minimize waste associated with unnecessary printing. Guidelines are usually provided to staff so that each agent working for the enterprise will use the CMS and maintain manual client records in the same way. In order to create a reservation record, the following details are needed:



Figure 23 recording client details³

³ https://www.freepik.com/free-vector/people-queue-registration-check-process-administrator-receptionistsitting-desk-counter-checking-passenger-document-flight-passport-control_27398867.htm

- Guest name (and group name, if applicable)
- Guest's home or billing address
- Guest's telephone number, including area code
- ↓ Name, address, and telephone number of guest's company, if appropriate
- Name and other pertinent information about the person making the reservation, if not the guest
- Wumber of people in the group, and perhaps ages of children, if any.
- Arrival date and time
- Number of nights required or expected departure date,
- Reservation type [Guaranteed versus Non-guaranteed]
- Special requirements [i.e. infant, disabled guest, or no smoking accommodation]
- Additional information, if needed [i.e. late arrival, method of transportation, flight number, room preferences, etc.]

At the reservation process, reservation agents shall keep in mind that a rate quoted and confirmed must be honored. Moreover, reservation clerks should be aware of the following:

- Supplementary charges for extra services or amenities
- Minimum stay requirements, if any, for dates requested
- Special promotions in effect for dates requested, if any
- Applicable currency exchange rates, if quoting rates to an international tourist
- Applicable room tax percentages
- Applicable service charges or gratuities

• Updating client records

However, depending on your specific role and workflow, there might be situations where you'd update client information during the airfare preparation process.



Here are two scenarios to consider in order to update the client records:

• Client Information Changes

If the client provides any updates to their contact details (phone number, email) or frequent flyer information while you're researching flights, you might need to update their profile in your agency's system to ensure accurate records.

• Post-Booking Updates

Once the airfare is booked and confirmed, you might need to update the client record with details like the PNR (Passenger Name Record) code, itinerary details, and any additional fees associated with the booking. This creates a complete record of the client's trip within your system.

Always get client consent before updating any personal information.

Client record updates usually happen within your agency's specific travel management software, not directly with the airline system.

The focus of preparing airfare is finding the best flight option, not necessarily updating client records It is very important that client files are kept up to date. Details should be updated

immediately when:

- ✓ A client advises that any of their personal details have changed
- ✓ Payments are made
- ✓ Any amendments are made to the booking
- ✓ Any parts of the booking are cancelled and a refund has been requested

When payments are made by the enterprise to external suppliers such as BSP or a consolidator.

| Category of tools and equipment | Tools and equipment | Use of the tools and equipment |
|------------------------------------|------------------------------------|-------------------------------------|
| Reusable | A computer | Recording and registering passenger |
| | A desk or a counter | Receiving passenger |
| | Telephone | Communication |
| | GDS | Booking |
| | E-ticket and paper ticket template | Teaching tool |
| | Baggage tagging | Tagging baggage |
| Consumable | Internet | Sharing information |

Activity 2: Guided Practice



Read the following scenario and perform the tasks related:

You passed the exam to be a Destination Management Organization (DMO) officer. During your first day of work, you received a call from a person who has made a reservation to come visiting the place alone, later he decided to come as a family group.

- 1. How much individual passenger information should be collected for groups, considering the need for ticketing
- 2. How can the registration process cater to groups with passengers who have special needs?





Read the following scenario and perform the tasks related:

Assume that you are on duty to receive Amelia as a passenger who is interested in getting the most out of the historical sights, or venturing off on her own to explore hidden gems she's discovered through her extensive research.

- 1. Identify the booking system the tour company is using when receiving reservation
- 2. Apply knowledge and skills to access the booking system in order to record passenger details.
- 3. Register passenger details in the system

Topic 2.2: Preparation of flight itinerary





Read the following scenario and perform the tasks related:

Marika is planning the tour to Kigali to attend a crucial meeting. For her first tour to be done, she wanted to know detailed information that outlines her flight schedule, including essential information for her trip.

- 1. What is the necessary information of flight itinerary
- 2. What are the factors to prepare an itinerary for a passenger?
- 3. Identify the types of flight itinerary

Key Facts 2.2 Preparation of flight itinerary

• Types of journeys/trips

Itinerary is a planned route or journey for a traveler. Planning an Itinerary is important as it links all journey points of a traveler from the source of start of the journey, the stoppages at various destinations and back to the point of origin.

A flight itinerary is the proposed route for the flight. It includes the departure airports, arrival airports, connecting airports if any, time of the flight, Confirmation number, flight number, passenger name, confirmation number and other details.

A flight itinerary is essentially a detailed schedule of your planned air travel. Think of your flight itinerary as a roadmap for your air travel. It provides a clear overview of your journey and helps ensure you have all the necessary information to successfully navigate your trip. It outlines the key components of your journey, including:

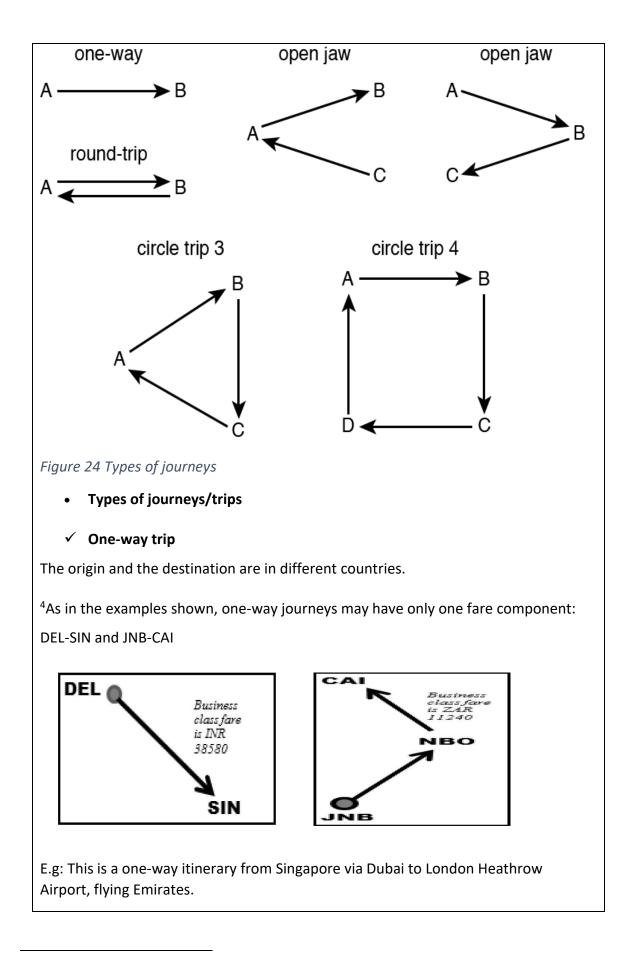
 ✓ Destinations: Your points of departure and arrival (e.g., Kigali, Rwanda to Paris, France)

- ✓ Dates and times: Specific dates and times of your flights, both for departure and arrival
- Flight details: Airline(s) used, flight numbers, and any layovers or connecting flights
- ✓ Passenger information: Names of passengers traveling on the itinerary
- Additional details: Seat assignments if specified, special requests like meals or wheelchair assistance, and potentially ticket confirmation numbers

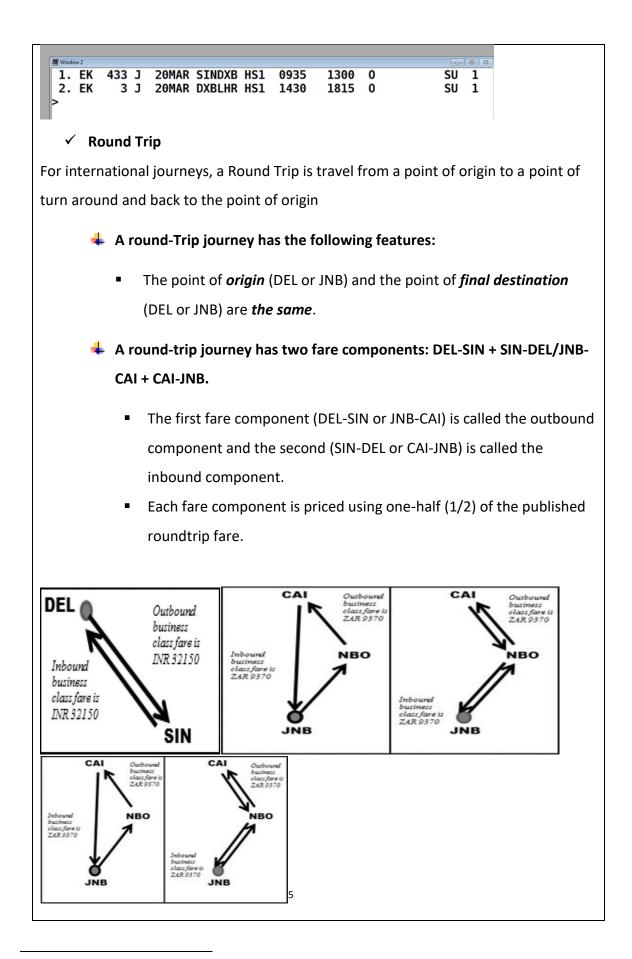
For a given trip, it the best to weigh factors programs to create the optimal itinerary for the traveler. These factors are like:

- Travel time, cost,
- Convenience (layovers, airports),
- Airline amenities, and
- Frequent flyer

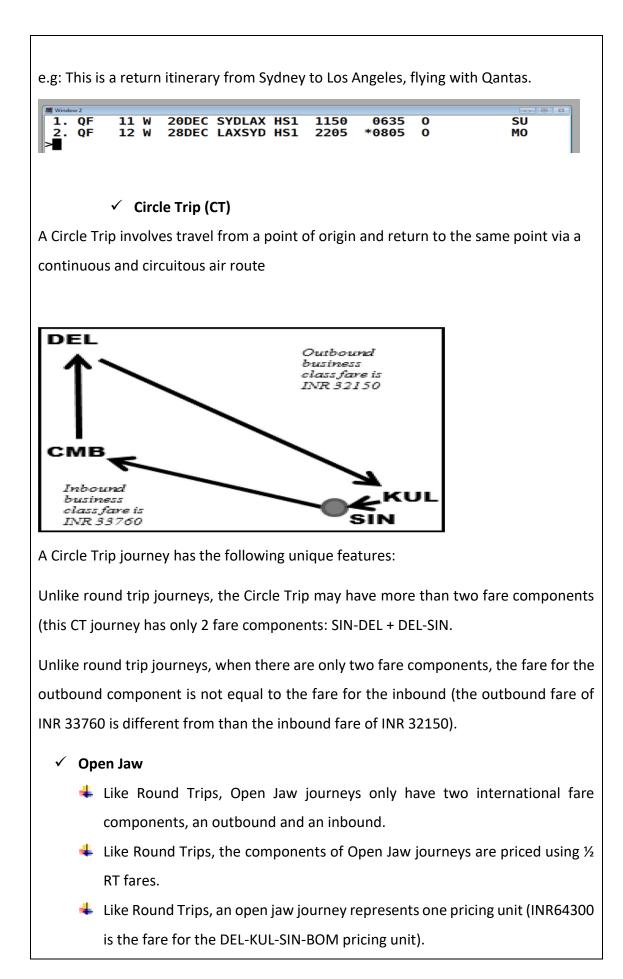
The study of Computer Reservation system starts with the basic identification of airports and that are part of different cities located across different countries across the globe.



⁴ file:///C:/Users/USER/Downloads/TICKETING%20FINAL%20(1).pdf



⁵ file:///C:/Users/USER/Downloads/TICKETING%20FINAL%20(1).pdf

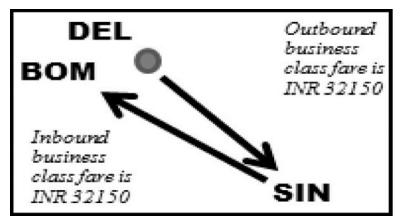


- Unlike Round Trips, the point of departure and the point of final destination are not the same and/or the outward point of arrival and the inward point of departure are not the same.
- Unlike Round Trips, the fare for both fare components can be equal or different.

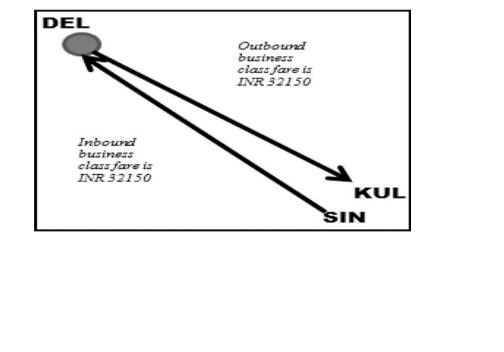
✓ There are three different types of Open Jaw journeys

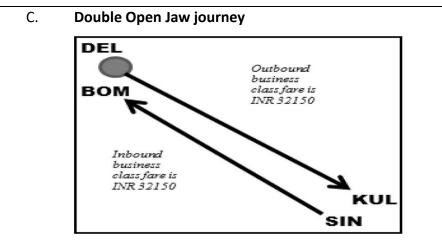
- 4 Origin Open Jaw journey
- Turnaround Open Jaw journey
- Double Open Jaw journey

A. Origin Open Jaw journey



B. Turnaround Open Jaw journey





• Checking flight availability

Once the agent has confirmed the client's needs and preferences, they can begin to look for information to construct an itinerary and calculate an airfare that meets their requirements. In order to do this, the agent will need to identify and access a range of different industry resources and have an understanding of industry concepts in order to interpret the information.

You can check airline availability for your customer in the system using a basic air availability display. You first need to know the assumptions the Galileo system makes about the flights that display on the screen.

- ✓ There are many ways to find flight availability information. Here are some of the most popular options:
 - Airline websites: Most airlines have a search function on their websites where you can enter your origin and destination city, as well as your travel dates. The website will then show you a list of available flights for those dates.
 - Online travel agencies (OTAs): OTAs, such as Expedia, Kayak, and Priceline, aggregate flights from a variety of airlines. This can be a good option if you want to compare prices from different airlines in one place.
 - Metasearch engines: Metasearch engines, such as Google Flights and Skyscanner, search for flights on a variety of websites, including airline websites and OTAs. This can be a good option if you want to find the widest selection of flights.

Travel agents: Travel agents can help you find flights, book your tickets, and make other travel arrangements. This can be a good option if you need help planning your trip or if you are looking for a personalized service.

✓ Checking flight availability in a GDS

Select carriers; to accommodate identified client requirements, you may have a request to book a specific airline or a direct flight. For example, your client may wish to fly direct from Bangkok to Sydney in September, but does not request a specific airline. There are different ways that you could approach this situation. One option is to begin by checking airline schedules (timetables) in your GDS to see which airlines fly direct between these two cities

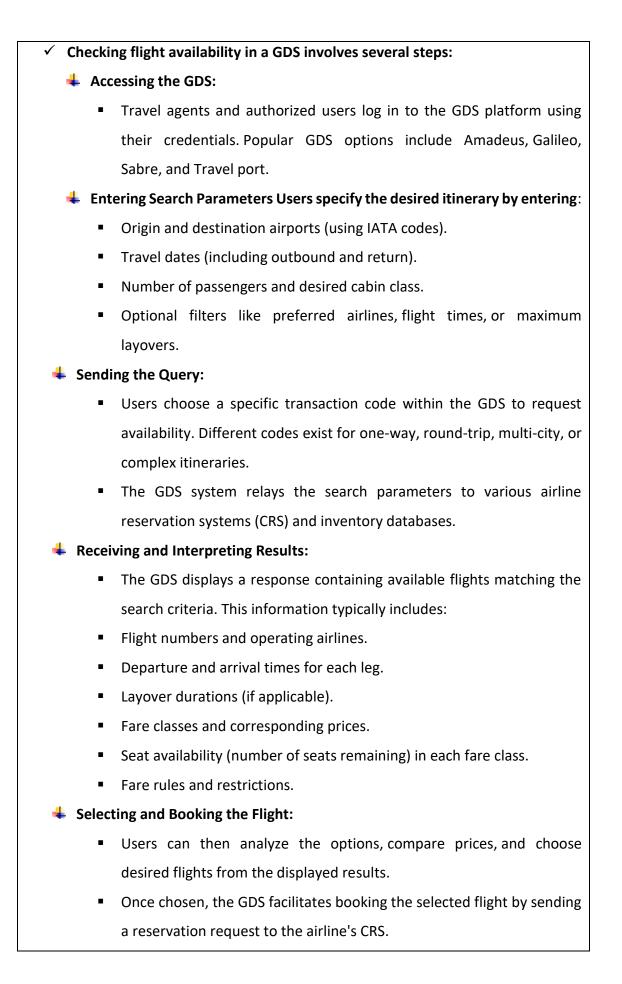
✓ Checking flight availability in a GDS involves several steps:

Once the agent has confirmed the client's needs and preferences, they can begin to look for information to construct an itinerary and calculate an airfare that meets their requirements. In order to do this, the agent will need to identify and access a range of different industry resources and have an understanding of industry concepts in order to interpret the information.

Using the Availability entry in the selected system, you could continue to book flights and start creating an itinerary. In order to do this, you would need to know which class of travel the client wishes to fly.

\checkmark Checking flight availability in a GDS

Select carriers; to accommodate identified client requirements, you may have a request to book a specific airline or a direct flight. For example, your client may wish to fly direct from Bangkok to Sydney in September, but does not request a specific airline. There are different ways that you could approach this situation. One option is to begin by checking airline schedules (timetables) in your GDS to see which airlines fly direct between these two cities



 Confirmation details like ticket number and passenger information are generated and provided to the user.

✓ Flight itinerary details

A flight itinerary is a proposed route for your flight. It includes the departure and arrival airports, connecting airports (if any), dates and times of the flights, flight numbers, passenger name, any meal preferences (if applicable), and your confirmation number.

- Airport codes
- The flight seat and class
- Type airline and flight number
- Departure city
- Arrival city
- 👃 Departure time
- Arrival time
- City code
- Airline codes
- Fares, fare basis and fare rules, including fare types and classes
- Destination codes
- International Air Transport Association (IATA) codes and areas
- IATA terminology and definitions
- Global indicators
- International sales indicators
- International airline and airfare terminology
- Normal and discounted fares
- Information on, and interpretation of, net fares
- Taxes, including airport tax, departure tax, noise tax, Goods and Services Tax
 (GST)
- and other relevant taxes and government charges applicable to the host country
- General air travel rules and restrictions of the host country
- Terms and conditions applicable to specific fares

⁶SYD QF LAX QF SYD

| 📕 Window 2 | | | | | |
|------------|------|------------|-------------|-------|---|
| 1. QF | 24 Y | 01SEP BKKS | /D HS1 1825 | #0645 | 0 |
| 2.QF | 23 Y | 08SEP SYDB | (K HS1 0945 | 1635 | 0 |
| N | | | | | |

Figure 25 Flight itinerary

An agent might say:

"You are confirmed to fly on Tuesday the 1st of September with Qantas Airways in economy class on flight QF24. The flight departs Bangkok at 6.25pm and arrives into Sydney at 6.45am the next morning. You will stay in Sydney for 6 nights before returning to Bangkok on Tuesday the 8th of September on Qantas flight QF23, departing at 9.45am and arriving at 4.35pm."

TU TU TU

It is not necessary to explain that the booking is made in My class but it is recommended to mention the class of service, particularly for business and first-class itineraries.

Activity 2: Guided Practice



A passenger from China is planning to visit Rwanda as his tourism destination to get different tourism experience available in the country. Fortunately, there are different airlines, which operate their travels to Rwanda during different days of the week. So as an airline-ticketing agent:

- 1. What is the information on flight availability?
- 2. What are the ways to find flight availability information?
- 3. Can itinerary information be dynamically updated?

⁶

file:///C:/Users/USER/Desktop/WORKSHOP%20DIFFERENT/RTB%20MANUALS/TG_TORAF402_2023%20DEC_2 2/TG_TORAF402%20CONSTRUCT%20BASIC%20AIR%20FARES_2023%20DEC_22/TMConstructticket-%20(1).pdf





- 1. KABISA, is a passenger from Kamembe airport in western province of Rwanuda want to go to Kigali city. Assume that you are working as a ticketing officer at Kamembe airport, using the selected system:
 - a. Register passenger details
 - b. Record passenger details
 - c. Check flight availability
 - d. Prepare flight itinerary
 - e. Describe itinerary details

Topic 2.3: Recording baggage weight allowance





A group of passenger has a tour to France for vaccation. Because the group has to spend one month at the destination, it is better to carry some necessary facilities for its length of stay. As an airline ticketing officer:

- a. Identify the factors to consider while packing the baggage
- b. Who is responsible for recording baggage weight allowance?
- c. Describe the types of the Airline baggage allowances
- d. What are the prohibited items in an airline baggage allowances

Key Facts 2.3: Recording baggage weight allowance

• Types of baggage allowance

An airline ticket is basically a contract between the airline and the passenger. As per this contract the airline agrees to transport the passengers and his or her luggage to some destination. Baggage is defined as the personal effect transported by a passenger.



- Airline baggage allowances can be confusing, as they vary depending on:
 - The airline,
 - 🖊 The route,
 - 🖊 The fare class, and even
 - The frequent flyer status.

The amount of baggage that may be transported by each passenger free of charge is subject to a limit, called the free baggage allowance. Excessive baggage beyond this limit is subject to an additional charge. Each airline has its own free baggage allowance, based on the number of pieces and the weight of each piece. For example, passengers traveling on some airlines are allowed three pieces of checked luggage or two pieces of checked luggage and one carry on item. The weight of each checked bags may not exceed 20 pounds.

The combined dimension of each piece, calculated by adding the length, width, and depth may not exceed 62 inches. For bags that exceed the limits, an excess baggage charge varies from route-to route and the type of aircraft. Most domestic airlines transport two checked bags up to 70 pounds each and one carry-on bag free of charge.

The carry-on item must be small enough to be stored on the aircraft under a passenger seat or in an overhead storage compartment provided for cabin baggage. On major foreign carriers, the free baggage allowance is usually 30 to 40 Kgs. (66 to 88 pounds). However, by law, the maximum liability is fixed per passenger on domestic flights.

Baggage allowance: The amount of luggage the passenger may carry without additional cost. Baggage allowances should be understood and communicated to the client at the time of quoting.

✓ Types of baggage

There are two types of baggage that passengers are permitted to take with them on their journey.



Figure 26 Types of baggage

These are called checked baggage and carry-on baggage.

Checked baggage is given to the airline at the airport and is carried in the hold of the aircraft.

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Carry-on baggage, often referred to as hand luggage, is carried onto the aircraft by the passenger.

The weight and size of baggage that a passenger can take on a flight varies for each airline and the class of travel. Some low-cost carriers charge passengers for carrying any baggage while full-service airlines have a free baggage allowance included in the fare. This information is easily accessed from airline websites.

Airlines will also have policies relating to the carriage of larger items of luggage.

- ✓ Other types
 - Free Baggage Allowance (FBA): The maximum amount of luggage you can bring for free, determined by your fare class, route, and sometimes other factors like

⁷file:///C:/Users/USER/Desktop/TMConstructticket-.pdf

frequent flyer status. This can be expressed as a number of pieces (Piece Concept) or total weight (Weight Concept).

- Weight Concept: When your FBA is defined as a total weight limit, like 23kg, regardless of how many pieces you have. This provides more flexibility in packing.
- Cabin Baggage Allowance: The luggage you can carry onto the plane with you, also often defined in terms of pieces or weight. This typically fits under the seat or in the overhead compartment and has stricter size and weight limits than checked baggage.
- Piece Concept: When your FBA is defined as a specific number of pieces, like 2 bags, with no weight restrictions per piece. This is simpler but offers less flexibility for heavier items.
- Excess Baggage: Any luggage exceeding your free allowance, usually subject to additional fees.
- Special Items: Certain items requiring special handling, like sports equipment, musical instruments, or oversized items. These may incur additional fees or require pre-registration.
- Infant Baggage Allowance: Free baggage allowance for infants without their own seat, typically less than adults and often including a stroller or other baby essentials.
- Group Bookings baggage allowance: Some airlines offer special baggage allowances for large groups travelling together, which may differ from individual allowances. It's best to check with the airline directly for details.

✓ Dangerous goods and restrictions

All airlines will also impose restrictions on dangerous goods that cannot be packed into baggage. Dangerous goods include explosives, flammable liquids, alarms, weapons, etc.



Figure 27 Dangerous goods/items⁸

There are also restrictions on the amount and size of liquids, aerosols and gels that can be included.

Baggage Allowances

This information provides a guide for passengers in flights operated by member airlines of IATA and most other international carriers.

It is important to note that some airlines may deviate significantly from these quoted standard allowances and excess baggage charges, either throughout their domestic/international network or on specific routes only. Therefore, to avoid unexpected charges, it is essential to check with the airline, or the travel agent, before traveling.

Free Baggage Allowance:

These are smaller items that passengers can take with them onto the aircraft. In addition to the checked baggage allowances, each passenger may carry, without additional charge, hand baggage suitable for placing in closed overhead rack, or under the passenger's seat. The maximum dimensions (the sum of the three dimensions of all such carry-on items) shall not exceed 45 inches. (115 cm).

| Category of tools and equipment | Tools and equipment | Use of the tools and equipment |
|------------------------------------|---------------------|--------------------------------|
| REUSABLE | Computer | Accommodating the system |
| | GDS | Recording baggage |
| | Tags | Tagging baggage |
| CONSUMABLE | Internet | Access to the system |

⁸ file:///C:/Users/USER/Desktop/TMConstructticket-.pdf



造 Task 23:

An airline ticket is basically a contract between the airline and the passenger. As per this contract the airline agrees to transport the passengers and his or her luggage to some destination. As a baggage handler:

- b. Define baggage and baggage allowances.
- c. Identify the types of baggage as used in air transportation
- d. Describe the main types of baggage allowance
- e. What do you mean by excess baggage?



A passenger is flying out of Kigali, Rwanda on a budget airline to start your long-awaited vacation. He meticulously packed bag, well under the airline's advertised weight limit. At check-in, the agent weighs his bag, and to his shock, it shows that his bags are weighted more than allowed.

Your work supervisor is requesting you to do the following

- a. Identify different types of baggage to classify the passenger's baggage
- b. Determine the conditions of each baggage to facilitate the understanding of the passenger.



- 1. Using the selected system, determine the electronic ticket information
- 2. Which type of itinerary has only one fare component and a travel origin that differs from the final destination?
 - a. One Way
 - b. Round Trip
 - c. Circle Trip
 - d. Open Jaw
- 3. Which type of itinerary typically involves returning to the departure airport but follows a different route than the outbound journey?
 - e. One Way
 - f. Round Trip
 - g. Circle Trip
 - h. Open Jaw
- 4. Which type of itinerary always has two fare components but allows the point of

departure and final destination to be different?

- i. One Way
- j. Round Trip
- k. Circle Trip
- I. Open Jaw
- 5. Which type of itinerary is the simplest, featuring only one leg of travel from origin to

destination?

- a. One Way
- b. Round Trip
- m. Circle Trip
- n. Open Jaw
- 6. Baggage Tags are designated with Airport codes of
 - o. ICAO
 - p. IATA
 - q. SITA
 - r. No Codes



- A flight itinerary is different from a flight ticket.
- An itinerary just provides the information, but it does not confirm your seat on the plane.
- To board, you'll need an actual ticket, which you typically get after paying for your flight.
- Baggage allowance depends on the airline policy.



Read the statements across the top. Put a check in a column that best represents your level of knowledge, skills and attitudes.

| My experience Knowledge, skills and attitudes | I don't have any experience doing this. | l know a little about this. | I have some experience doing this. | I have a lot of experience with this. | l am confident in my ability to do this. |
|---|--|--------------------------------------|--|--|--|
| Record Clients' details | | | | | |
| Register Clients' details | | | | | |
| Explain types of trips | | | | | |
| Identify the types of journeys/trips | | | | | |
| Prepare flight itinerary | | | | | |
| Determine the flight availability | | | | | |
| Describe the flight itinerary details | | | | | |

| My experience Knowledge, skills and attitudes | I don't have any experience doing this. | l know a little about this. | I have some experience doing this. | I have a lot of experience with this. | l am confident in my ability to do this. |
|---|--|--------------------------------------|--|--|--|
| Classify the baggage allowance | | | | | |
| Describe the types of baggage allowance | | | | | |
| Record baggage allowance | | | | | |

1. Fill in the table above and share results with the trainer for further guidance.

| Areas of strength | Areas for improvement | Actions to be taken to improve |
|-------------------|-----------------------|--------------------------------|
| 1. | 1. | 1. |
| 2. | 2. | 2. |
| 3. | 3. | 3. |

UNIT 3: ISSUE ELECTRONIC TICKET



Unit summary

This unit provides you with the knowledge, skills and attitudes required to issue electronic ticket required to Construct basic airfares. It covers the Description of types of tickets, Collection of payment, Uses of Electronic Miscellaneous Document, and Description of credit card payment.

https://thetravelhive.weebly.com/information-and-communication-technology-systems-for-travel-tourism-organizations-241773/computerized-reservation-systems

https://www.indifi.com/blog/most-popular-digital-payment-methods-that-all-retail-shops-should-implement/

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Self-Assessment: Unit 3

- 1. Study the unit illustration above and answer the following questions:
 - a. What do you see in the illustration?
 - b. What are the uses of tools in the illustration called?
 - c. What do you think will be covered in this unit based on the illustration?
- 2. Fill in and complete the self-assessment table below to assess your level of knowledge, skills and attitudes under this unit.
 - a. There are no rights or wrong ways to answer this assessment. It is for your own reference and self-reflection on the knowledge, skills and attitudes acquisition during the learning process.
 - b. Think about yourself: do you think you have the knowledge, skills or attitudes to do the task? How well?
 - c. Read the statements across the top. Put a check in a column that best represents your level of knowledge, skills and attitudes.

| My experience Knowledge, skills and attitudes | l do not have any experience doing this. | l know a little about this. | I have some experience doing this. | I have a lot of experience with this. | l am confident in my ability to do this. |
|---|---|--------------------------------------|--|--|--|
| Classify the airline tickets | | | | | |
| Describe the types of airline tickets | | | | | |
| Identify the ticketing processes | | | | | |
| Determine the methods /ways of issuing airline ticket | | | | | |

d. At the end of this unit, you will assess yourself again.

| My experience Knowledge, skills and attitudes | I do not have any experience doing this. | l know a little about this. | I have some experience doing this. | I have a lot of experience with this. | l am confident in my ability to do this. |
|--|---|--------------------------------------|--|--|--|
| Identify the participants in airlines ET process | | | | | |
| Determine the types/methods of payment | | | | | |
| collect payments | | | | | |
| Describe the components of electronic ticket | | | | | |
| Interpret passenger data and proof in an E- ticket | | | | | |
| classify EMD | | | | | |
| Describe the participants in the EMD process | | | | | |
| Determine the credit Card Payment methods | | | | | |
| Describe the credit Card Security procedures | | | | | |



| | Knowledge | | Skills | | Attitudes |
|----|------------------------|----|--------------------|----|---------------------------------|
| 1. | Classify the airline | 1. | Describe the types | 1. | Comply with national and |
| | tickets | | of airline tickets | | international standards related |
| | | | | | to airline ticket |
| 2. | Collect payment | 2. | Describe methods | 2. | Pay attention to details while |
| | | | of payment | | collecting payments |
| 3. | Identify components | 3. | Interpret tickets | 3. | Comply with national and |
| | of E-ticket | | | | international standards related |
| | | | | | to airline ticket |
| 4. | Identify the ticketing | 4. | Distribute airline | 4. | Demonstrate teamwork spirit |
| | processes | | ticket | | while working with others |
| 5. | Describe the EMD | 5. | Use Electronic | 5. | Comply with national and |
| | process | | Miscellaneous | | international standards |
| | | | Documents | | |
| 6. | Description of credit | 6. | Use credit card | 6. | Before and after handling |
| | card payment | | | | produce, always thoroughly |
| | | | | | check your balance |





Read the following statement and answer the related questions.

There is no need to print tickets thanks to e-tickets. In other words, e-ticket or online flight tickets have replaced the print ones. The only thing you need is to fill the relevant sections and selecting the suitable flight listed on the page and completing your purchase by paying with a debit or a credit card.

- a. Determine the main benefit of e-tickets mentioned in the passage.
- b. Describe the types of airline ticket
- c. Describe the ways typically used to purchase an e-ticket
- d. Identify the information needed to provide when buying an e-ticket
- e. Identify the steps involved in the process of buying an e-ticket
- f. Describe the types of payment methods for purchasing e-tickets
- g. Identify the institution in which you can get a credit card for payment

Topic 3.1: Description of types of tickets





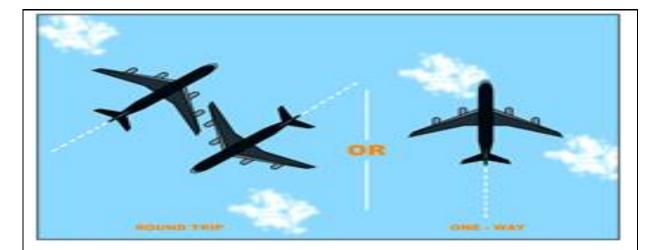
You are an airline agent for a world travel airline that is planning to expand its services. Your task is to prepare different types of airline tickets to help your team plan for the new passengers.

- 1. Identify the types of airline tickets
- 2. Which of the following statements about airline tickets is true?
 - Paper tickets are becoming increasingly rare as electronic options become more popular.
 - b. All airlines still require paper tickets for international travel.
 - c. E-tickets offer the same level of security as paper tickets.
 - d. Airlines charge extra fees for issuing electronic tickets.
- 3. Which type of airline ticket allows for travel from one origin city to a destination city, but not back?
 - a. Round-trip ticket
 - b. One-way ticket
 - c. Refundable ticket
 - d. Non-refundable ticket

Key Facts 3.1: Description of types of tickets

• Definition

An Airline Ticket is a document or electronic record, issued by an airline or a travel agency, which confirms that an individual is entitled to a seat on a flight on an aircraft. Airline ticketing is the process of reserving and purchasing an airline ticket for travel. It can be done online, by phone or through a travel agent.



• The airline ticket may be one of two types:

- ✓ Paper Ticket: which comprises coupons or vouchers
- ✓ Electronic ticket: often called E-ticket, is the digital ticket equivalent of a paper ticket

General ticketing information

- ✓ All of the relevant details in relation to the air booking and the tickets issued are held in the passenger PNR and are sent electronically to the airline. The information can be displayed in the CRS if necessary
- ✓ A separate ticket is issued for each passenger
- ✓ A ticket number can only be issued for up to four flights on an itinerary. Where the itinerary consists of more than 4 flights, multiple tickets must be issued and must be in numeric order. These are called conjunction tickets. This happens automatically, regardless of how the ticket is issued
- ✓ Tickets cannot be transferred from the named ticketed passenger to anyone else
- Until about ten years ago, tickets were issued on paper, rather than electronically. It may be useful to highlight the benefits of e-ticketing which is more convenient and cost effective.

• Type of airline ticket

Airline tickets can be categorized in a few different ways, but the most common is by travel class. This refers to the level of comfort and amenities you'll receive during your flight.

- ✓ One-way tickets:
 - Allow travel from point A to point B only, without a return flight included.
 - Useful for:

- One-way journeys, like relocation or visiting a one-way destination.
- Combining with other modes of transportation for the return leg.
- Open-jaw trips where you arrive in one city and depart from another.
- Generally, cheaper than a round-trip ticket for the same distance.
- Often, less flexible than round-trip tickets, with stricter change and cancellation policies.

✓ Round-trip tickets:

- Include both outbound and return flights from point A to point B with a single ticket.
- Suitable for:
 - Traditional return journeys to and from the same destination.
 - Planning your entire trip in advance.
- Typically, more expensive than a one-way ticket for the same distance.
- Usually more flexible than one-way tickets, allowing for easier changes and cancellations.

✓ Non-refundable tickets:

- Offer the lowest fares available for a specific route and date.
- Once purchased, cannot be refunded regardless of the reason for cancellation.
- May allow changes to travel dates or flights for a fee.
- Best for travelers with fixed travel plans who are confident they won't need to cancel or change their trip.

✓ Refundable tickets:

- Offer greater flexibility compared to non-refundable tickets.
- 4 Can be fully refunded within a specified timeframe, usually before departure.
- Often come with higher ticket prices than non-refundable options.
- Ideal for travelers who require flexibility due to potential changes in plans or uncertainty.

✓ First Class Ticket:

First class ticket is forming tickets that allow travel in first class.

- First class travelers have access to spacious seating, quality food, drink and other inflight amenities.
- These tickets are often the most expensive type of ticket available.
- First class ticket holders also have access to the airport lounge while waiting for their flight and a variety of entertainment options on-board.

✓ Business Class Ticket:

- This type of ticket allows the purchaser to sit in business class.
- It is a ticket that provides travelers with a more comfortable travelling experience than coach/economy.
- One of the benefits of business class is increased leg room.
- However, it does not have the features or luxuries that are available to travelers carrying first class tickets.

✓ Coach Ticket:

- 4 Coach Tickets are a type of ticket in which fliers travel in coach or economy class.
- **4** This is the most basic means of travel and it is also the least expensive.
- Holders of coach tickets are often given limited snacks and drink and other comfort features such as leg room are limited.

✓ Domestic Sector Tickets:

- It is a form of commercial flight within civil aviation where the departure and the arrival take place in the same country
- International Sector Tickets:
- It is a form of commercial flight within civil aviation where the departure and the arrival take place in different countries.

✓ Conjunction Ticket

- A Ticket issued to you which also contains another Ticket for passage which together constitute a single contract of carriage.
- A set of two or more airline tickets to cover a single itinerary. The tickets are stapled together and issued at the same time, which constitutes a single contract of carriage.

✓ Open ticket

An open ticket is a travel document without a certain return date, but with a fixed validity period.

Methods /ways of issuing airline ticket

Once full payment has been received from clients, their tickets can be issued. There are different ways of doing this. When bookings are made through the CRS, the process for issuing tickets will vary depending on whether or not the enterprise is accredited

✓ Requirements

Amadeus, Galileo, Sabre and other CRS systems all offer an e-ticketing facility. In order to use this functionality, the enterprise needs to ensure that the following requirements are met:

- Agency activated for e-ticketing
- Airline/s approval for e-ticketing
- Electronic ticket numbers assigned by BSP
- Appropriate CRS e-ticket training is provided
- The booking has been created and a PNR is assigned
- The airfare is current and has not missed the Ticketing Time Limit (TTL)
- The airfare and taxes have been stored in the PNR.
- ✓ Issuing an e-ticket with a CRS involves a few key steps:
 - Reservation: A travel agent or you (through a booking website) searches for a flight and makes a reservation in the CRS. This holds your desired seat(s) for a certain timeframe.
 - Payment: Once you confirm the reservation and complete payment, the CRS processes the transaction.
 - E-Ticket generation: The CRS automatically generates an e-ticket containing your passenger information, flight details, and confirmation code.
 - Delivery: The e-ticket is typically sent to your email address or made available through the travel agent's or booking website's app. You can then download or print the e-ticket for your records.

✓ Electronic Ticket (e-Ticket):

- **4** This type of ticket is issued in the paper; it is also called the paperless ticket.
- The information on the ticket is stored electronically in GDS and Airline reservation system.
- The same may be booked by the passenger personally by visiting the travel agencies websites or company online portals.
- The tickets shall be issued and shall be sent to the registered email- ID and mobile number.
- The message on phone received or email shall be shown to the airline executive at the respective airport along with their identity card proof then after verifying the identity of the travelers the boarding pass shall be issued per sector separately.
- In order to issue the e-ticket, it is essential to have database in line with an airline reservation system.
- This is the system, connected to all the airline affiliations and travel agencies as well.
- The travelers may visit the websites for online collaborator and they can book the tickets as per choice of destination and type.
- They are also offered the various methods of payment like credit cards or internet banking etc.
- It reduces the worry of printing the ticket to board into the plane and also avoids any fear of forgetting or losing the same. Requires:
- Paper Ticket (Manual Ticket):
 - Physical document issued by the airline or travel agent.
 - Contains passenger information, flight details, and barcode for scanning.
 - Presented at check-in for verification and processing.
 - \rm Offers:
 - Tangible document for peace of mind.
 - No reliance on technology at check-in.

🔸 May involve:

- Risk of losing or damaging the ticket.
- Inconvenience of carrying and storing the document.
- Potential delays at check-in for processing the paper ticket.

✓ Self-Service Ticket:

- Obtained through self-service kiosks at the airport or check-in counters.
- Passengers follow on-screen instructions to enter travel details, choose seats, and print boarding passes.
- Reduces dependence on airline staff and waiting times.
- 4 May require familiarity with technology and navigating the kiosk interface.

Remote Ticket:

- Issued or managed remotely through online or mobile channels.
- Includes e-tickets purchased online, mobile boarding passes downloaded on smartphones, or tickets delivered electronically to email or travel apps.
- Offers flexibility and convenience for managing bookings and accessing travel documents on the go.
- Requires reliable internet access and familiarity with using mobile apps or online platforms.

Each GDS will issue electronic ticketing information (e-tickets) in different formats but the content is the same.

✓ The e-ticket information will include:

- The passenger's name and flight itinerary
- The allocated ticket number/s
- The date of issue
- The agency details
- The value of the ticket/s
- The CRS record number (PNR)

• The benefits of E-Tickets

E-tickets have revolutionized air travel, offering a convenient and efficient alternative to traditional paper tickets. The numerous benefits they bring to passengers and airlines alike:

✓ For Passengers:

- Convenience: Say goodbye to bulky ticket booklets! E-tickets are stored electronically, accessible anytime from your phone or email. No risk of loss, forgotten documents, or last-minute scrambles.
- Speed: E-tickets streamline the check-in process. Simply present your passport and booking confirmation, and you're good to go. No waiting in line for paper ticket processing.
- Flexibility: Need to change your seat or update your booking? With e-tickets, it's just a few clicks away. Easy modifications and online management mean less stress and more control over your travel.
- Environmental Footprint: Ditch the paper and embrace a greener choice. E-tickets eliminate the need for printing and paper waste, contributing to a more sustainable travel experience.
- Security: E-tickets are stored securely in the airline's system, minimizing the risk of theft or forgery compared to paper tickets.
- Real-time Updates: Receive instant notifications about flight changes, gate information, and boarding announcements directly on your phone or email, keeping you informed and in control.

✓ For Airlines:

- Cost Reduction: Issuing and processing e-tickets eliminates the need for printing and handling paper, reducing operational costs and administrative overhead.
- Efficiency: Faster check-in processes thanks to electronic verification lead to shorter queues and improved passenger flow.

- Accuracy: No more misplaced or damaged tickets to deal with. Electronic records ensure clear and accurate passenger information, minimizing errors and delays.
- Data Insights: Access to real-time data on ticket purchases and passenger behavior allows airlines to personalize offers, optimize schedules, and improve customer service.
- Environmental Responsibility: Embracing paperless ticketing contributes to a greener industry, enhancing an airline's environmental image.

• The ticketing processes

Whether you're navigating the exciting world of travel planning as a passenger or keeping the gears of air travel turning smoothly as an airline, understanding the ticketing process is key. The following are the process for both perspectives:

✓ Passenger Perspective:

- Choosing your journey: Define your travel needs destination, dates, flexibility, and budget. Research flight options through websites, travel agents, or mobile apps.
- Booking your ticket: Select your preferred flight, fare class, and seat. Compare prices across different airlines and channels. Enter passenger information and payment details.
- Confirmation and documentation: Receive your booking confirmation with flight details, itinerary, and e-ticket information. Manage your booking online, including seat selection, meal preferences, and check-in options.
- Check-in and boarding: Present your travel documents (passport, booking confirmation) at check-in counters or kiosks. Obtain boarding passes and luggage tags. Proceed through security and gate boarding.
- Travel and arrival: Enjoy your flight! Upon arrival, follow airport procedures for baggage claim and customs clearance.

✓ Airline Perspective:

- Inventory management: Manage aircraft seating capacity and fare availability across various channels. Update fares and promotions based on demand and market conditions.
- Booking and reservation system: Maintain a robust booking system for passengers to search, select, and purchase tickets. Process bookings, reservations, and payments securely.
- Passenger communication: Issue e-tickets and confirmations. Send updates on flight changes, gate information, and boarding announcements. Offer customer support for ticketing inquiries and modifications.
- Airport operations: Facilitate check-in processes, including passenger verification, boarding pass issuance, and baggage handling. Coordinate with ground crew and air traffic control for efficient departures and arrivals.
- Revenue management and accounting: Manage ticket revenue, track ticket sales and trends, and reconcile financial transactions. Comply with industry regulations and reporting requirements.

✓ Identify coupons in an electronic ticket

In an electronic ticket (e-ticket), a coupon refers to a separate document within the overall ticket data that represents a specific segment of your journey. Think of it as a smaller piece of the puzzle that makes up your entire trip. Each coupon typically contains information about:

- Flight segment: This includes the origin, destination, and flight number for the specific leg of your journey.
- Fare component: This identifies the type of fare you purchased, such as economy, business, or first class.
- Status code: This indicates whether the coupon is valid for use ("O" for Open), already flown ("E" for Flown), or unusable ("X" for Void).
- The number of coupons in your e-ticket will depend on your itinerary:
- Single flight: If you have a one-way or round-trip flight with no stopovers, you'll likely only have one coupon in your e-ticket.

- Multi-city trip: If you have a trip with multiple destinations and layovers, you'll have a separate coupon for each flight segment. For example, a trip from New York to Tokyo with a layover in Seoul would have three coupons: one for NYC-Seoul, one for Seoul-Tokyo, and potentially a "dummy" coupon for the layover itself.
- ✓ Coupons in e-ticket is important for several reasons:
 - Verifying your itinerary: You can quickly confirm which flight segments are included in your ticket and ensure you have the correct boarding passes for each leg.
 - Making changes: If you need to modify your itinerary, knowing which coupon represents each flight segment helps you communicate your request accurately to the airline or travel agency.
 - Understanding fees: Sometimes, additional fees like baggage charges or seat selection may be associated with specific coupons within your e-ticket. Identifying these coupons can help you understand the breakdown of your total travel cost.
- ✓ Explain the usage of electronic tickets

By embracing e-tickets, both passengers and airlines can enjoy a smoother, easier, and more sustainable travel experience. E-tickets offer a win-win situation for everyone. They provide passengers with convenience, flexibility, and security, while airlines benefit from improved efficiency, cost reduction, and a more sustainable image.

- ✓ Participants in airlines ET process
 - Passenger: The central figure in the air travel journey, the passenger is the individual who uses the services of airlines and travel intermediaries to book and complete a flight.
 - Airlines (Carriers): Companies responsible for operating aircraft and transporting passengers from point A to point B. They manage ticketing, check-in, boarding, baggage handling, and in-flight services.
 - Travel Agencies and Online Booking Platforms: Intermediaries that assist passengers in finding and booking flights, often comparing fares across various

airlines and offering package deals. They can also handle visa applications, travel insurance, and other travel arrangements.

- Third-Party Service Providers: Entities that offer specialized services within the air travel ecosystem, such as:
 - Ground handling agents: Assist with baggage handling, passenger check-in, and aircraft servicing at airports.
 - **Catering companies:** Provide food and beverages for passengers on flights.
 - Maintenance, Repair, and Overhaul (MRO) providers: Maintain and repair aircraft for airlines.
 - **Fuel suppliers:** Provide fuel for aircraft.
- IATA (International Air Transport Association): A global trade association representing airlines worldwide. They set industry standards, facilitate cooperation between airlines, and advocate for the interests of the air transport sector.
- Validating Carrier: The airline responsible for issuing the ticket and managing the passenger's reservation. They are the primary point of contact for the passenger in case of any issues.
- Marketing Carrier: The airline that promotes and sells the flight, even if they don't operate it themselves. They may have code-share agreements with other airlines, allowing them to sell seats on their flights.

Op**erating Carrier:** The airline that actually flies the aircraft and is responsible for its safe operation. They may not be the same as the validating or marketing carrier.

| Category of tools and equipment | Tools and equipment | Use of the tools and equipment |
|------------------------------------|---------------------|--------------------------------|
| Reusable | Computer | Accommodating the system |
| | Gds | Booking |
| | Ticket template | Teaching tool |
| Consumable | Internet | Access to the system |





A passenger has made a reservation of an airline ticket for a journey from Tanzania to Rwanda trough out the international travel agency, which has an office in Kenya. So, assume that you are working in the company:

- a. Determine the key steps of issuing an airline ticket.
- b. Identify different ways of issuing airline ticket
- c. Describe the participants in airlines ET process





Assume that you are working in Recreational tour agency for arranging and facilitating passengers to prepare their air tickets and you received a group of passengers composed by diplomats, leisure travelers and three businessmen from India. Identify the types of airline ticket

- 1. Determine the process of delivering airline ticket
- 2. Identify the main information of each group's ticket

Topic 3.2: Collection of payment





Sarah excitedly books a non-refundable round-trip ticket to Paris for a work conference. She has no friend in France to pay for the ticket because she has cash in hand while the airline from France does not have an air ticket agent in Sara's country of origin

 With the rise of new payment technologies like crypto currencies and buy now, pay later options, how might airlines adapt their collection methods to cater to a wider range of customer preferences while still ensuring secure and efficient transactions?

Key Facts 3.2: Collection of payment

• Introduction

The methods of payment in the digital era have taken a next generation leap. The traditional instruments of payment have given way to modern payment options online for customers. The methods of payment are specific to different organizations and acceptance of payments through various modes is prerogatives of the organizations. Payment systems today must be highly secure, offer a great customer experience and work seamlessly across multiple sales channels.



⁹ https://www.indifi.com/blog/most-popular-digital-payment-methods-that-all-retail-shops-should-implement/

These payment systems have to meet high consumer expectations, comply with strict regulatory requirements and deliver operational efficiencies. The majority of payment systems today rely on online communications for authorization, verification, authentication and funds transfer and airline companies and travel agents have to ensure high end security for a hassle-free experience.

✓ Airlines offer a few ways to collect payment for airline tickets:

- Online: This is the most common way to pay for flights. Airlines accept major credit and debit cards, along with some alternative payment methods like PayPal or mobile wallets, depending on the airline.
- By phone: You can call the airline directly and make a payment over the phone with a customer service representative.
- At the airport: Some airlines allow you to pay for a ticket in person at the airport ticket counter. This might come with a service fee.
- Travel agencies: If you book your ticket through a travel agency, you will typically pay the agency directly.

Each enterprise will have policies and procedures relating to accepted payment methods, particularly for credit card and cheque payments.



Figure 28 Credit card payment

¹⁰It is important for an agent to be familiar with these procedures before providing information to a client on the payment options. It is also important to follow enterprise policies as incorrect procedures may result in a financial loss to the enterprise

✓ Enterprise policies

Enterprise policies and procedures relating to payments from clients will include:

- ✤ Whether cheques are accepted as a form of payment
- ↓ If credit card payments can be accepted over the phone
- Not accepting or charging additional fees for the use of certain credit cards, such as American Express
- Allowing corporate clients to have an account that is paid for at the end of each week or month, rather than processing payments for each airline booking separately
- Transaction or service fees which may apply for each component of a booking
- 4 Acceptance of foreign currencies as payment may be prohibited.
- Protocols for counting, storing and banking cash.

✓ The types/methods of payment

The various methods of payment the customers undertake may vary from country to country and be organization specific. Some of the most common methods of payment are:

- Cash payments
- 🜲 Direct deposits
- Cheque payments
- EFTPOS transactions
- Credit card payment directly to airline

¹⁰

Alan Hickman, 2015, Construct and ticket regular international airfares, Association of Southeast Asian Nations (ASEAN)

✓ The process of payment collection

4 Cash Payment:



With the advent of the digital era and majority of bookings for airlines happening online, this payment is still undertaken by customers who purchase airline tickets from offices of the travel agents or over the airline counter.

Figure 29 Cash payment¹¹

Though, not much in use but still it is one of the most popular modes of payment. The mode is safe for customers as chances of online frauds are minimal and is absolutely hassle free.

4 Cheques:



Another commonly used mode of payment is cheque. A cheque can be defined as an order to a bank to pay the stated amount of money on the cheque from a person's account to the person/organization whose name is mentioned on the cheque. The cheque is considered one of the safest modes of payment as one does not have to carry a large sum of money all around.

Figure 30 Cheque paymen

A cheque book is given to a person when he opens an account in a bank. Many organizations that do round the year transactions, with travel agents, for purpose of

¹¹ https://graphicriver.net/item/woman-takes-out-bank-credit-or-debit-card-from/48977229

booking airline tickets pay by cheque to the travel agent. However, the method cannot be undertaken for online purchase or over the counter retail purchase of airline tickets.

4 Credit Card:

Credit cards are the most common medium of payment online. Credit cards are issued by

financial institutions. Credit cards give customers a pre–set credit limit which can be used to pay for the purchases. The credit limit of the card is decided by the financial institution depending on the customer's credit score and monthly income.



Figure 31 Credit card

A vast majority of businesses let the customer make purchases with credit cards, which remain one of today's most popular payment methodologies for buying consumer goods and services. Most major credit cards, which include Visa, MasterCard, Discover, and American Express, are issued by banks, credit unions, or other financial institutions. Many credit cards attract customers by offering incentives such as airline miles, hotel room rentals, gift certificates to major retailers and cash back on purchases



4 Debit Card:

Debit cards are linked to an account and, in most cases, are only offered in combination with a current or savings account provided by a bank. A debit card number is 13 to 19 digits long and is printed on the front of the card along with the dates of the card's validity.

Figure 32 Debt card

The debit cards three–digit security number (CVV code) is usually on the back of the card, in or near the signature strip. The money is immediately debited from the linked account

of the bank once a payment is made through a security pin entered by the customer or a one-time pin generated and entered by the customer.

ACH/Direct Debit:

ACH, Direct Debit, E-check and others are a form of EFT (electronic funds transfers) and a means of collecting payment from a customer by pulling the funds directly from their bank account and transferring it to the merchant's account. It is referred to by different names in different countries, for example, in the United States it may be referred to as ACH and in the United Kingdom it is called direct debit.

Hank Transfers:

Customers enrolled in an internet banking facility can do a bank transfer to pay for online purchases. A bank transfer assures customers that their funds are safely used, since each transaction needs to be authenticated and approved first by the customer's internet banking credentials before a purchase happens.

4 Digital Wallets:

A digital wallet is an online stored value service where funds are preloaded and made available, using the provider's online services. Popular providers include Skrill, NETELLER, and Pay Pal. A digital wallet also known as "e–Wallet" refers to an electronic device, online service, or software program that allows one party to make electronic transactions with another party bartering digital currency units for goods and services. Consumers also benefit when using digital wallets because their information is encrypted or protected by a private software code; merchants benefit by receiving a combination of protection against fraud, faster receipt of payment, decreased transaction costs, and decreased theft loss. Popular wallets in India are Mobikwik, JioMoney, Oxigen, Vodafone mPesa etc

Wobile Payments:

Mobile payment is a new and rapidly adopted alternative payment method – especially in Asia and Europe. Instead of paying with cash, check or credit cards, a consumer can use a mobile phone to pay for wide range of services and goods. The charges are then added to their phone bill. There are primary models for mobile payments:

- Mobile wallets
- QR Code based payments
- Card–based payments
- Carrier billing (Premium SMS or direct carrier billing)
- Contactless payments NFC (Near Field Communication)
- Direct transfers between payer and payee bank accounts in near real-time (bank-led model, intra/inter-bank transfers/payments that are both bank and mobile operator agnostic)

Financial institutions and credit card companies as well as Internet companies such as Google and a number of mobile communication companies, such as mobile network operators and major telecommunications infrastructure such as Airtel from Orange and smart phone multinationals such as Ericsson and BlackBerry have implemented mobile payment solutions. Google Pay is an example of Mobile wallet

EFTPOS transactions



A common method of payment is using an EFTPOS machine for credit card and debit card transactions. The agent will need to swipe the client's card through an EFTPOS machine to process the transaction. The receipt provided will go into the cash register as you would with cash and is balanced at the end of the day, following enterprise procedures.

Figure 33 EFTPOS transaction

Credit card EFTPOS transactions usually incur fees for the agency. These fees are generally passed on to the client as a small percentage surcharge and may vary for each type of credit card. It is very important that the client is made aware of this before and at the time of payment. Outlining this on the invoice is recommended.

4 Credit card payment directly to airline.

In some circumstances, credit card details can be provided to airlines for direct payment for an airfare. This can be done through the CRS for some carriers. It is important to check with the enterprise to see if this is permitted. Some enterprises prefer to accept all payments directly and not provide client credit card details directly to the airline. In this case, payment will be processed through the EFTPOS machine.





A passenger arrived at the travel agency for making booking of airline ticket. Unfortunately, the passenger was not ready to pay because no any fees carried, so assume you are an airline customer service officer, help the passenger to know how he will pay for the service he wanted in the company by responding the below question:

- 1. Which of the following is NOT a common way to pay for an airline ticket online?
 - a. Credit Card
 - b. Cash on Delivery
 - c. Debit Card
 - d. PayPal
- 2. If you prefer to speak with someone directly about your payment, you can:
 - a. Only pay online
 - b. Call the airline and pay over the phone
 - c. Visit a travel agency
 - d. All of the above
- 3. Airlines typically charge a service fee for:
 - a. Booking a ticket online
 - b. Paying for a ticket with a credit card
 - c. Paying for a ticket at the airport counter
 - d. Using a travel agency

- 4. When booking through a travel agency, you will usually pay:
 - a. Directly to the airline
 - b. To the travel agency at the time of booking
 - c. After your flight at the airport
 - d. A week before your flight
- 5. If you don't have a credit or debit card, which option might NOT be available for you to purchase an airline ticket?
 - a. Booking online with a travel agency that accepts alternative payment methods
 - b. Calling the airline and making a payment arrangement
 - c. Having a friend or family member purchase the ticket for you with their card
 - d. Paying cash at the airport counter

Activity 3: Application

Task 30:

You excitedly booked a dream vacation and snagged a fantastic deal on a plane ticket. Reaching the airline's customer service can be a frustrating experience, especially during peak hours.

As an airline's customer service officer, perform the following tasks to facilitate the passenger:

- 1. Determine key information to enter when correcting billing information.
- 2. Identify the various payment used by the company

Topic 3.3: Interpretation of tickets





John, unaware of these complexities, assumes a smooth transition between flights, excited about his European vacation, booked a multi-city trip with a budget airline. He wishes a connecting flight from London (LON) to Barcelona (BCN) with a seemingly generous 3-hour layover.

As an airline ticketing officer,

- 1. Determine the necessary information for on an airline ticket
- 2. Identify the key components of an e-ticket

Key Facts 3.3: Interpretation of tickets

• Passenger data and proof in an E-ticket

An Airline Ticket is a document or electronic record, issued by an airline or a travel agency, which confirms that an individual is entitled to a seat on a flight on an aircraft.

- ✓ Regardless of the type, all tickets contain the following information:
 - The passenger's name.
 - Date of birth
 - Passport/identity card number
 - Country of document issuance
 - Nationality
 - \rm </u> Gender
 - The issuing airline.
 - 4 A ticket number, including the airline's 3-digit code at the start of the number.
 - The cities the ticket is valid for travel between.
 - Flight that the ticket is valid for. (Unless the ticket is "open")
 - 🖊 Baggage allowance.

| 4 | Fare. (Not always visible on a printout but recorded electronically for the airline) |
|---|--|
|---|--|

- **4** Taxes. (Not always visible on a printout but recorded electronically for the airline)
- **4** The "Fare Basis", an alpha or alpha-numeric code that identifies the fare.
- Restrictions on changes and refunds. (Not always shown in detail, but referred to).
- Dates that the ticket is valid for.
- "Form of payment", i.e., details of how the ticket was paid for, which will in turn affect how it would be refunded.
- 4 The Rate of Exchange used to calculate any international parts of the fare and tax.
- ↓ A "Fare Construction" or "Linear" showing the breakdown of the total fare.
- ✓ Components of electronic ticket
 - 🔶 PNR
 - Itinerary
 - ∔ 🛛 Ticket number
 - 🖊 FOP (Form of Payment)
 - Telephone number
- ✓ The airline ticket may be one of two types:
 - **Paper Ticket:** which comprises coupons or vouchers

During the transition period when paper tickets are issued, the standard method of ticketing is either the Transitional Automated Ticket (TAT/OPTAT)

Electronic ticket: Often-called E-ticket is the digital ticket equivalent of a paper ticket.

TKT: 030 9904 836010 NAME: SMART/PAUL MR ISSUED: 12SEP23 FOP:CASH PSEUDO: 7I99 PLATING CARRIER: VY ISO: ES IATA: 99999992 USE CR FLT CLS DATE BRDOFF TIME ST F/B FARE CPN OPEN VY 6229 D 28JAN LGWFCO 0920 OK DRFLX 1 25K OPEN VY 6228 F 04FEB FCOLGW 0650 OK FRFLX 2 25K 296.00 TAX 15.15GB TAX 21.87UB TAX FARE GBP 37.74XT TOTAL EUR 419.76 EQUIV EUR 345.00 LON VY ROM 86.60 VY LON 291.00 NUC377.60END ROE0.78 5209 XT 2.32EX7.50HB23.19IT1.53MJ3.20VT RLOC 1G 5LL5MM VY LKPHTN

Figure 34 Electronic ticket

✓ ADVANTAGES OF ELECTRONIC TICKETS:

The Electronic ticket offers many advantages for both travelers and airlines. They include security, flexibility, cost and convenience. Some of the benefits are:

An E ticket can never be lost as it is present in the Computer Reservation System of the airline and can always be retrieved.

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- A person with proper identification can only use an E ticket and is of considerable security value on part of the traveler as well as the airline.
- Changes of itineraries are easy in an E ticket where the database needs to be updated in the Computer Reservation System.
- With Paperless system the industry has saved a lot of money on paper and printing.
- Ticketing by means of electronic medium has become fast saving a lot of time and energy for the traveler.
- The airlines can continuously communicate with the passengers after the sales for any changes in the flight, cancellations or any other adjustments. Real time communication is also enabled by some airlines based on plug- ins that passengers can install in their devices to communicate with the airlines.
- Passengers can pre-book in flight necessities like food or Extra baggage or Seat of their choice during a booking process.

- Airlines with database of travelers can undertake promotional activities for future offers.
- 4 Airlines can enroll passengers as part of their loyalty programs
- ✓ Airline tickets can pack a lot of information, so here are some key factors to consider when interpreting them:

Flight Details:

- Origin and Destination: This is pretty straightforward, but double-check the airport codes (e.g., JFK for JFK International Airport) to avoid confusion.
- Flight Numbers: Each flight has a unique identifier, important for tracking and checking in.
- Dates and Times: Pay close attention to departure and arrival times, including time zones. Be aware of layovers and potential for delays.
- Airline: The airline operating the flight.
- **4** Passenger Information:
 - **Passenger Name:** Ensure it matches your passport exactly.
 - Confirmation Number: This unique code is used to manage your reservation.

Fare Details:

- Ticket Class: Economy, Business, First Class determines amenities and baggage allowances.
- Fare Basis Code: This alphanumeric code determines your fare type and any restrictions (e.g., change fees).

¹²

https://support.travelport.com/webhelp/smartpointcloud/Content/Learn/15IssueDocs/Etickets.htm?tocpath= Learn%20to%20Cloud%7C15%253A%20Issue%20documents%7C_____8





A passenger has made a booking in the company in which you are working as a ticketing agent. after the passenger received the airline ticket, he found himself unaware of interpreting the ticket.

- 1. Identify the main factors considered while interpreting the airline ticket
- 2. Determine the information carried by the electronic ticket
- 3. Identify the main parts of an electronic airline ticket





Assume that you get an opportunity to be recruited by Rwanda Airline Company. The manager is asking you to visit the airline website to find all necessary information required to construct airfare and ticket by both inbound and outbound passenger.

- 1. Identify all necessary passenger information to construct an airline ticket
- 2. Describe the main components of an airline ticket
- 3. Describe the coupon status indicator code

Topic 3.4: Uses of Electronic Miscellaneous Document





Kabisa is planning to travel to Rwanda. Because it is his first travel he wishes to make, he is unaware of different services offered in air transport. He comes to the office where you are working as an airline customer service officer:

- 1. Explain an Electronic Miscellaneous Document used in airline transportation
- 2. Identify optional services offered by airlines
- 3. Determine the types of EMD

Key Facts 3.4: Uses of Electronic Miscellaneous Document

• Definiton

An Electronic Miscellaneous Document (EMD) is a digital record used in the airline industry to track and manage various charges and services beyond the basic fare of an airline ticket. It's essentially an electronic equivalent of the older paper Miscellaneous Charges Order (MCO).

This document is used for airlines sales, direct or via travel agencies connected to a Global Distribution System (GDS), but also for services delivery at the airport and revenue collection by airlines revenue accounting system.

- ✓ Key information found on an Electronic Miscellaneous Document (EMD) focuses on travel-related service fees rather than flight details typically found on airline tickets. Here's what you'll find on an EMD:
 - Reason for Issuance Code: This code explains why the EMD was issued. It specifies the service or fee being charged, such as excess baggage fees, seat selection charges, or travel insurance.

- Passenger Information: Similar to airline tickets, the EMD might show the passenger's name for whom the service applies.
- **Amount:** This indicates the cost of the service or fee charged.
- Airline Information: The EMD may identify the airline associated with the service or fee.

EMDs don't typically contain flight details like departure times or origin/destination since they focus on additional services purchased separately from the core flight ticket.

An Electronic Miscellaneous Document (EMD) is essentially a digital receipt for optional services offered by airlines, separate from your main flight ticket. Think of it like an add-on purchase for your trip.

✓ Electronic Miscellaneous Document (EMD) covers:

- Preferred seating (e.g., exit row)
- Additional baggage allowance
- In-flight meals
- Travel insurance (purchased through the airline)
- Seat upgrades
- Lounge access

✓ Benefits:

- Faster and more efficient compared to paper receipts
- Easier tracking and record keeping for both airlines and passengers
- Reduced risk of lost or misplaced documents
- EMDs may have specific rules about refunds or changes, depending on the airline and service purchased. Always check the terms and conditions associated with your EMD.

Electronic Miscellaneous Documents (EMDs) serve as the digital equivalent of paper Miscellaneous Charge Orders (MCOs) in the airline industry.

✓ Participants in the EMD process

The participants in the EMD process for an airline ticket:

- The passenger: The individual purchasing and using the EMD to travel. They are responsible for providing accurate travel information, complying with airline regulations, and paying the relevant fares and taxes.
- The marketing carrier: The airline selling the EMD and appearing on the ticket as the primary carrier. They handle customer booking, set fares, manage the pricing and inventory of the flight, and may operate the actual flight themselves.
- The operating carrier: The airline physically operating the flight. This can be the same as the marketing carrier, but in some cases, it may be a different airline through codeshare agreements or other arrangements. They are responsible for the safe and efficient operation of the flight, including crew, aircraft, and ground handling.
- The travel agency: An intermediary acting on behalf of the passenger to purchase the EMD. They may offer travel advice, search for fares, and manage bookings, but ultimately, the contract for carriage is between the passenger and the marketing carrier.
- Ticket System Providers: These companies provide the technology platform used by travel agencies to issue and manage EMDs within their systems.
- Credit Card Companies: If the EMD is paid for with a credit card, the credit card company will also be involved in processing the payment.

✓ EMD reasons for issuance

An EMD, or Electronic Miscellaneous Document, allows you to sell and track the usage of charges, for example excess baggage charges, miscellaneous charges, penalty fees, a

residual value, lounge access charges, and so on. The EMD is the sole solution for all fees collected outside a ticket.

A miscellaneous charge order (MCO) is an accountable IATA document that records

charges when standard ticket stock cannot be used.

- It is also known as miscellaneous purpose document (MPD),
- 4 It is similar to an old-style airline ticket.
- 4 It is issued by airlines, but normally pay for services other than airfares.
- Issued by an agent or airline as proof of payment for travel arrangements like accommodations, ground transportation, or special services, or as a credit toward future air transportation.
- A MCO may be used to purchase most services offered by airlines, hotels and tour operators.
- It is worth the price written on the MCO, and is used for payment for the types of service written on the MCO.
- When an MCO is issued and/or honored for air transportation and related charges, applicable currency regulations shall apply.
- ✓ Guidelines for issuing EMD-S
 - Name of Passenger The MCO may be issued only in the name of the passenger on the original unused ticket.
 - **4** Type of Service An MCO may be issued for the following types of service:
 - air travel and related services, including lost ticket application, Crown Room membership, excess baggage fee, pet transportation charge, unaccompanied minor escort fee,
 - Future administrative service charge,
 - PTA service charge fee.
 - Endorsement Restrictions- Nonrefundable/non reversible. The endorsement box of any ticket issued in exchange for the MCO must contain the nonrefundable amount including taxes.

- Validity An MCO is valid for one year from the date of issue and must be presented for a ticket within that period.
 - Once the MCO is exchanged, the ticket issued then becomes valid for one year from the date of issue.
 - MCOs are not replaceable if lost or stolen.

✓ Process to issue EMD-S (e.g. Change Fee)

The exact procedures for issuing an Electronic Miscellaneous Document (EMD) can vary slightly depending on the airline and the specific service being purchased. However, here's a general overview of the typical steps involved:

- Identify the service: Determine the specific ancillary service you want to purchase, such as excess baggage, seat upgrade, lounge access, etc.
- **Access the booking platform:** You can usually issue EMDs through the airline's website, mobile app, or by contacting your travel agent.
- Select the EMD option: Look for the section related to purchasing ancillary services or EMDs specifically. Different airlines may have different layouts, but the option should be readily available.
- Choose the service and quantity: Select the desired service from the available options and specify the quantity if applicable. For example, if you're purchasing excess baggage, you'll need to enter the number of extra bags.
- Passenger information: Enter the passenger details for which the EMD is being issued, typically including their name and frequent flyer number if applicable.
- Payment: Choose your preferred payment method and complete the transaction. Common payment options for EMDs include credit cards, debit cards, and airline vouchers.
- Confirmation: Once the payment is successful, you should receive a confirmation email or notification containing the EMD details, including the reference number and any relevant information about the service purchased.
- ✓ Create Service Segment in booking file/ Creation of service segments

the general procedures to create a Service Segment in a booking file, incorporating details from common Global Distribution Systems (GDS):

4 Access the booking file:

 Retrieve the booking file you want to add the service segment to. This is typically done through your GDS or booking platform.

Select the appropriate method:

- GDS often offer two primary methods for creating service segments:
- Cryptic format: Using specific codes and syntax to enter the segment directly.
- Fill-in format: Using a graphical interface with fields to fill in.

Enter the service segment details:

- Cryptic format example (Amadeus):
- >0SVCBA EK1 HEL 15DEC -N1/D/992/CHANGE FEE/150.00
- Fill-in format:
- Select "Create Service Segment" or similar option.
- Fill in required fields:
 - o Passenger name
 - $\circ \quad \text{Airline code} \\$
 - o Date
 - Departure city code
 - Service code (e.g., "992" for change fee)
 - o Fee amount

Review and submit:

- Carefully review the entered information for accuracy.
- Submit the request to create the service segment.

4 Receive confirmation:

 If successful, you'll typically receive a confirmation message or notification.

- The Service Segment will be added to the booking file, displayed as "SVC" or similar code.
- ✓ EMD reasons for issurance
 - **4** Air transportation:
 - Airline-specific: EMDs for upgrades, priority boarding, or extra legroom might be restricted to passengers in premium fare classes or with specific frequent flyer status.
 - Open: EMDs for seat selection or in-flight meals could be used by any passenger on the flight.
 - **4** Surface transportation:
 - Individual: Train or bus tickets purchased as EMDs would belong to the named passenger.
 - Group: EMDs for group transportation services might be issued to the travel agent or tour leader representing the group.
 - **4** Baggage:
 - Passenger: Excess baggage allowances bought as EMDs belong to the passenger traveling with the baggage.
 - Third-party: EMDs for baggage shipping could be issued to the sender on behalf of the recipient.
 - **Financial impact:**
 - Passenger: EMDs for travel insurance or onboard currency exchange would be issued to the passenger using the service.
 - Airline: EMDs for ticket changes or cancellations might be issued to the airline itself for internal accounting purposes.

4 Airport services:

- Passenger: Lounge access EMDs would be issued to the passenger named on the booking file.
- Open: Parking vouchers or fast-track security lane EMDs might be used by any passenger at the airport.
- Merchandise:

- Passenger: EMDs for duty-free purchases or onboard retail products would belong to the passenger making the purchase.
- Gift card: EMDs for airport gift cards could be issued to anyone and then used by the recipient for purchases.

Individual airline use:

 Airline-specific: Each airline might have unique EMDs for internal services or programs with specific recipient criteria.

✓ The types of EMD

EMD-A (Associated EMD):

This type of EMD is directly linked to a specific flight coupon within a passenger's itinerary. It's used for services that are consumed along with the flight, such as:

- Excess baggage fees
- Seat upgrades
- Special meals
- Unaccompanied minors
- Wheelchair assistance
- In-flight entertainment
- Pet transportation

4 EMD-S (Standalone EMD):

This type of EMD is not associated with a particular flight coupon. It's used for services that are not directly tied to a specific flight, such as:

- Lounge access
- Airport transfers
- Hotel accommodations
- Ground transportation
- Travel insurance
- Vouchers
- Group deposits
- Penalty fees
- ✓ Key differences:

- Association with flight coupons: EMD-A is associated; EMD-S is standalone.
- Lifting with ticket coupons: EMD-A is lifted (considered used) at the same time as the corresponding flight coupon, while EMD-S is not.

Tax implications: EMD-A may be subject to different taxes and fees than EMD-S, depending on the specific service and jurisdiction.

✓ EMD/ MCOs Guidelines

- Does not accept manual or handwritten MCOs.
- MCOs cannot be used to pay debit memos or to collect/report cancellation penalties or exchange fees.
- Only one MCO can be issued per ticketed passenger. Cross-reference the ticket number on the MCO in the "reason for exchange" line.
- Travel agents should refer to the ARC industry agent's handbook for instructions on the completion and reporting of MCO exchange coupons.
- Travel agents in should refer to the Passenger Sales Agency Agreement and Travel Agent's Handbook for the instructions on the completion and reporting of MCO exchange coupons.
- Miscellaneous Charge Orders (MCOs) may not be used to process tour payments



Mr. KAIBU books a round-trip flight from Kigali (KGL) to London (LHR) with Airline X. He decides to pre-pay for excess baggage on both legs through an Electronic Miscellaneous Document (EMD-A) since he's bringing extra souvenirs.

- 1. Determine the necessary information of Electronic Miscellaneous Document
- 2. Determine the types of Electronic Miscellaneous Document
- 3. Identify the participant in Electronic Miscellaneous Document

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A traveler, John, books a round-trip flight with Airline X but he has excess baggage and he is advised to purchase an EMD-A (associated EMD) for seat selection and priority boarding.

- 1. Describe the EMD reasons for issuance
- 2. Determine the ways of purchasing EMD
- 3. Describe the ways of creating the EMD

Topic 3.5: Description of credit card payment





A passenger is planning a tour to Am travel agency in which you work as a travel agent and the company accept only the credit card payment. The passenger is not aware of the Credit Card Payment methods to pay for the airline tickets.

- Identify the financial institutions that can offer credit cards to a passenger who want to pay for a travel services.
- 2. Determine the components of a credit card
- 3. Describe the Credit Card Payment methods

Key Facts 3.5: Description of credit card payment

- Definition
 - Credit card: A card that represents an agreement between a lender—the institution issuing the card—and the cardholder: The cardholder may charge purchases (or borrow money), usually up to a specified limit. The lender pays merchants directly for the charged amounts. The cardholder, in turn promises to pay back the lender in full plus interest.

Credit cards may be issued by banks, savings and loans, retail stores, and other businesses.

✓ Credit card payment related terms

Acquirer: The financial institution that provides a merchant account and processes credit or debit card transactions on behalf of a merchant. They act as the middleman between the merchant and the card network, facilitating payments and settling funds.

Cardholder: The individual who owns and uses the credit card to make purchases. They are responsible for repaying the issuer for any charges made to the card.

- Merchant: The business that accepts credit card payments for goods or services. They partner with an acquirer to enable card transactions and receive payments.
- Issuer: The financial institution that issues the credit card to the cardholder and manages their account. They set credit limits, collect monthly payments, and handle billing.
- Card Payment Scheme: The network that facilitates credit card transactions between the issuer, acquirer, and merchant. Examples of major card payment schemes include Visa, MasterCard, American Express, and Discover.
- Debit card: A card issued by banks to bank-account holders. The card may be used for point-of-sale transactions in place of cash or checks. Transaction amounts are deducted electronically from a cardholder's bank account.

✓ Credit Card Payment methods

Online Bill Pays: This method allows you to electronically pay bills to various merchants and service providers directly from your bank account linked to your credit card.

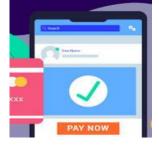


Figure 35 Online bill payment

Contactless Payments: This method involves tapping your credit card on a contactless reader near the point of sale (POS) terminal for quick and secure transactions. *Figure 36 Contactless payment*¹³



Mobile Payments: This method uses your smartphone or smart watch equipped with a mobile wallet app (e.g., Apple Pay, Google Pay, Samsung Pay) to make contactless payments.

¹³ https://n26.com/en-eu/contactless-card



Figure 37 Mobile payment

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Chip and PIN Payments: This method involves inserting your credit card with an embedded chip (EMV chip) into a chip-enabled reader and entering your PIN for secure transactions.



Figure 38 Chip and PIN payment¹⁶

Point-of-Sale Terminal: This electronic device located at a merchant's checkout counter processes credit card transactions.



Figure 39 Point of sale terminal¹⁷



Chip or Magnetic Stripe Card Reader: This device reads the data from either the chip or the magnetic stripe on your credit card to process the transaction. Figure 40 Chip or magnetic stripe card reader¹⁸

4 Split Payments: This option allows you to split a

single payment amount across multiple credit cards or payment methods during checkout.

Figure 41 Split payment¹⁹

Credit Card Security procedures

Credit card security procedures are crucial for safeguarding sensitive financial data and



preventing fraud.

Credit card security is crucial for both businesses and consumers. These procedures help prevent unauthorized access to sensitive data, ensuring financial safety and trust.

1. Build and Maintain a Secure Network and Systems:

This procedure focuses on building and maintaining strong defenses:

- Firewalls: These act as gatekeepers, monitoring and filtering incoming and outgoing traffic to block unauthorized access.
- Anti-virus and malware software: These proactive tools detect and neutralize malicious software that could steal or corrupt data.
- Encryption: This scramble sensitive data like cardholder information, making it unreadable to unauthorized individuals even if intercepted.
- Patching vulnerabilities: Regularly updating software and systems with security patches closes any potential weaknesses that hackers could exploit.

Protect Cardholder Data:

Treating cardholder data with utmost care is paramount. This involves:

Minimizing data storage: Only store the essential cardholder information needed for transactions, and avoid unnecessary data collection.

¹⁴ https://simplypayme.com/blog/how-to-accept-credit-card-payments-on-your-mobile-phone/

¹⁶ https://www.bankrate.com/finance/credit-cards/chip-and-pin-credit-cards/

¹⁷ https://www.freepik.com/premium-vector/credit-card-payment-terminal-pos-machine-realistic-3d-posterminal-credit-card-money-pay-transaction-with-purchase-receipt-payslip-bill-mobile-nfc-payment-checkoutterminal_13136667.htm

¹⁸ https://www.magtek.com/product/card-readers

¹⁹ https://www.angelleye.com/product/paypal-for-woocommerce-credit-card-split-payment/

- Secure storage: Store data in encrypted databases with restricted access, and regularly back up the data securely.
- Limited access: Implement strict access controls, granting permissions to handle cardholder data only to authorized personnel with a legitimate business need.

✓ Maintain a Vulnerability Management Program:

Proactive vulnerability management is key to staying ahead of threats. This involves:

- Regularly scanning networks and systems: Identify potential vulnerabilities in software, hardware, and configurations before attackers can exploit them.
- Prioritize and address vulnerabilities: Focus on patching critical vulnerabilities first, and have a plan for remediating others based on risk assessment.
- Penetration testing: Simulate cyber-attacks to identify weaknesses in your defenses and improve security posture.

✓ Implement Strong Access Control Measures:

Controlling who accesses your systems and data is crucial. This involves:

- Multi-factor authentication: Require more than just a password, such as a fingerprint scan or one-time code, for accessing sensitive systems and data.
- Least privilege principle: Grant employees the minimum level of access required to perform their job duties, reducing the risk of accidental or unauthorized data exposure.
- Regular access reviews: Periodically review and update access privileges to ensure they remain appropriate and revoke access for individuals who no longer need it.

✓ Regularly Monitor and Test Networks:

Constant vigilance is essential for detecting and responding to security incidents. This involves:

 Security logs: Monitor logs of network activity and system events for suspicious behavior that could indicate a security breach.

- Incident response plan: Have a plan in place for how to respond to a security incident, including steps to contain the damage, investigate the cause, and notify relevant authorities.
- Regular testing: Conduct security drills and penetration tests to assess the effectiveness of your security controls and identify areas for improvement.
- ✓ Maintain an Information Security Policy:
 - An information security policy serves as a roadmap for your security practices. It should clearly outline the organization's commitment to data security, the procedures employees should follow, and the consequences of violating security policies.





Karori is a passenger who is finally going on a dream vacation to Northern Province of Rwanda. He excitedly books his flights online and pays with your credit card. Everything seems perfect until a few hours later. He receives an email notification from his bank about a suspicious charge. Confused, he logs in and sees two identical charges for his Northern Province of Rwanda flights.

- 1. Identify the challenges that may happen when using the credit card
- 2. Describe the Credit Card Security procedures for the passenger





Keju is making booking of a plane ticket online and paid with your credit card. She received a confirmation email with your itinerary. However, a few hours later, she sees two charges for the same amount on her credit card statement where by one pending and one already posted.

Assume that you get an opportunity to work in the company, work on the following tasks:

- 1. Assess the main components of a credit card
- 2. Use the credit card to find out its functionality
- 3. Identify the person in charge to provide assistance



- 1. Credit Cards used for payment of airline ticket online have
 - a. Pre-set Credit limit
 - b. No Credit Limit
- 2. QR code-based payments are part of
 - a. Cash Payment
 - b. Card Payment
 - c. ECS Payment
 - d. Mobile Payment

State True or False

| Statement | True/False |
|--|------------|
| BSP is a transaction done between the passenger and airlines | |
| Cash payments can be done over the Internet for an airline ticket | |
| Credit limit of a Credit card is decided by the financial institution | |
| Debit cards are linked to bank accounts of the card holder | |
| Information of users of digital wallet are encrypted | |
| Credit Card points can be redeemed to book an airline ticket | |
| Airline tickets purchased have to be cancelled at least 2 hours before the departure time | |
| If an airline ticket is used for travel to another destination than specified, it is considered to be invalid | |
| Any person is eligible to travel on a ticket booked by a travel agent | |

Points to Remember

- Paper Tickets: Traditionally, paper tickets had detachable coupons, one for each flight segment of your journey. Upon boarding, the airline agent would take the corresponding coupon.
- E-tickets: These digital records don't have physically detachable coupons.
 Instead, the information about each flight segment is embedded within the e-ticket data.
- Multiple payment options: Offering customers a variety of ways to pay, such as credit card, debit card, and electronic checks, can make it easier for them to settle their bills.
- Electronic Miscellaneous Documents (EMDs) handle miscellaneous details that wouldn't typically fit on a standard boarding pass.
- They offer convenience, rewards, and can even help build your credit score if used responsibly. However, if not managed properly, they can lead to debt due to high interest rates and easy overspending.
- You are responsible for protecting your card information. This includes memorizing your PIN, keeping your card secure, and being cautious about where you use it.



 Read the statements across the top. Put a check in a column that best represents your level of knowledge, skills and attitudes.

| My experience Knowledge, skills and attitudes | I don't have any experience doing this. | l know a little about this. | I have some experience doing this. | I have a lot of experience with this. | l am confident in my ability to do this. |
|---|--|--------------------------------------|--|--|--|
| Classify the airline tickets | | | | | |
| Describe the types of airline tickets | | | | | |
| Identify the ticketing processes | | | | | |
| Determine the methods /ways of issuing airline ticket | | | | | |
| Identify the participants in airlines ET process | | | | | |
| Determine the types/methods of payment | | | | | |
| collect payments | | | | | |
| Describe the components of electronic ticket | | | | | |
| Interpret passenger data and proof in an E- ticket | | | | | |
| classify EMD | | | | | |
| Describe the participants in the EMD process | | | | | |

| My experience Knowledge, skills and attitudes | I don't have any experience doing this. | l know a little about this. | I have some experience doing this. | I have a lot of experience with this. | l am confident in my ability to do this. |
|---|--|--------------------------------------|--|--|--|
| Determine the credit Card Payment methods | | | | | |
| Describe the credit Card Security procedures | | | | | |

2. Fill in the table above and share results with the trainer for further guidance.

| Areas of strength | Areas for improvement | Actions to be taken to improve |
|-------------------|-----------------------|--------------------------------|
| 1. | 1. | 1. |
| 2. | 2. | 2. |
| 3. | 3. | 3. |

Summative assessment

Airlines compete fiercely on price, often leading to "price wars" where basic fares are heavily discounted. This can seem like a win for travelers initially, with rock-bottom ticket prices. Understanding the above statement, assume that you work for RUBUKITravel COMPANY in Rubavu district, Rwanda. Your client requests for the best special fare quote for a family of a man with one pregnant woman, two little boys and one oldest woman, who will be travelling from Kigali to South Africa on holiday. They wish to travel in the mid of October 2025 and will stay in the South Africa (SA) for two weeks.

Your task is to:

- 1. Identify the categories of all the special fares published from Kigali to South Africa
- 2. Apply the fundamentals in airfares
- 3. Prepare air fare
- 4. Issue electronic ticket

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