Reflection

From the CEO's desk

Dear Business Partners,

Here's wishing everyone a colourful and a splendid Holi! I hope that the colours of this festival will bring in more energy and vibrancy in our lives.

The year gone by has been one of continued transition with difficult phases for the industry. The slowdown in economy reflected in the sluggishness in the travel industry as well. Whilst the industry continues to grow, the effects of rising costs per transaction and smaller margins are more apparent as they have never been before.

In order to meet the challenges of future and provide ground breaking solutions to the industry at large we are investing in your future. We aim to deliver more advanced technology and systems to keep your business one step ahead.

JB Singh
President and CEO,
InterGlobe Technology Quotient

We are future proofing your investment with technology that grows with your needs. Our service and support continues to be an area of our focus and we would continue to invest in skill sets for our employees so that they are able to provide a better service and support to our customers. At the same time ensure that you are able to deliver higher levels of service at lower costs.

The year 2012 is seen as a year mixed with challenges and optimism. We will continue to see strong growths in travel as well as rising costs per transaction. At the same time we will continue to see increased focus in development of new destinations and significant investments in infrastructure. We at ITQ remain committed to continue investing in our business to ensure that we help you stay ahead of the curve at all times.

Here's wishing everyone a successful year ahead.

Best Regards
JB Singh

Galileo Desktop Internet Access

Galileo Desktop Internet Access (GDIA) gives Galileo users, easy and cost-efficient access to the Galileo GDS anytime and anywhere via the Internet. There's no need for a dedicated telephone line or special software. Once you are set up with GDIA, you have the flexibility and mobility you need to simply log on from any remote location and serve travellers in today's fast-paced travel environment.

Highlights
➢ GDIA allows you to access your GDS and serve customers from any location. All you need is an Internet connection, your user name and password. All of the travel content and booking capabilities you currently enjoy through Focalpoint™ are available through

GDIA.

➢ Using GDIA is simple. It is browser-based, yet it offers the same terminal emulation commands used with Focalpoint, giving you point-and-click access plus familiar commands.

➢ Your efficiency is improved because you no longer need to use any dedicated network to access

your GDS host for shopping and booking travel.

At the same time, you are assured reliable,authenticated communications when creating bookings through your GDS.

➢ You can easily access travel content from other Web sites with the click of a button, saving you time and money whist giving your customers the broadest travel options.

➢ All system upgrade enhancements are automatic. You always enjoy the latest version of GDIA without the need to check for updates or perform manual installations.

Travelport Opinion

One of the world's leading global distribution system (GDS) providers and operator of the Galileo, Travelport, recently introduced an application which connects members of the global travel industry and harnesses their collective travel knowledge. It is popularly known as Travelport Opinions. Using the tool, agents are able to create and search hotel reviews and pose questions to destination experts around the world. Apart from harnessing industry expertise, one can also network with travel professionals and get access to unbiased and trustworthy reviews. Agents can also access a wealth of hotel related media including over 110,000 photos and 2,500 videos, all within a user-friendly personalised interface.

Over 11,000 travel industry members worldwide have already signed up to the site.

Did You Know?

➢ KLM is the world's oldest airline established in 1919.

➢ Each engine on a Boeing 747 weighs almost 9,500 pounds (4,300 kg), costs about $8 million, and burns about 12 gallons of fuel per minute when cruising. Altogether the four engines account for about five per cent of the total weight of a full 747 upon takeoff.

➢ The shortest scheduled airline flight is from the Scottish island of Westray to its neighbor island, Papa Westray. Flight time: 2 minutes!

➢ American Airlines saved $40,000 in 1987 just by removing one olive from each salad served in their first-class.

The first female flight attendants in 1930 were required to weigh less than 115 pounds. In addition, they had to be nurses and unmarried.

➢ The Internet check-in was first used by Alaskan Airlines in 1999.

➢ Recent estimates suggest that India's domestic air traffic will touch 160-180 million passengers a year, in the next 10 years and the international traffic will exceed 80 million passengers a year.

➢ Airline operator Emirates plans to add new destinations in the US and Russia from Hyderabad via Dubai in the next few months.

➢ The first functional jetplane was the Heinkel He 178 (Germany), flown by Erich Warsitz in 1939, followed by the world's first operational jet aircraft, the Me 262, in July 1942 and world's first jet-powered bomber, the Arado Ar 234, in June 1943.

➢ First women in a flight: The Marchioness and Countess of Montalembert, the Countess of Podenas and Miss de Lagarde, in a tethered balloon in Paris. May 20, 1784.

➢ The first recorded instance of medical tourism dates back thousands of years to when Greek pilgrims traveled from all over the Mediterranean to the small territory in the Saronic Gulf called Epidauria. This territory was the sanctuary of the healing god Asklepios. Epidauria became the original travel destination for medical tourism.

➢ Spa towns and sanitariums may be considered an early form of medical tourism. In eighteenth century England, patients visited spas because they were places with supposedly health-giving mineral waters, treating diseases from to liver disorders and bronchitis.

OTA endeavors to provide 360 degree

I look back in time and I continue to be ecstatic to be part of this dynamic travel industry. Review the past and you realize how technologies have converged to bring together experiences that initially weren't even conceptualized. The most important invention in my mind is the 'Joy' of planning or booking a travel itinerary. And all at the click of your finger tips with the world right in front of you on a computer screen.

The onerous task of changing the picture of the whole travel industry has been carried out very successfully by online travel agencies. In over a decade, we have witnessed a revolution in the travel industry where there is a cut throat competition amongst travels

agents to provide the best value add service to their customers. It would certainly not be an exaggeration if we say that online travel market is the most crowded arena in the E-commerce segment with many new players entering this space. Interesting to note, the Indian online travel industry stands at Rs.25258 crore until Dec 2010 from Rs.6250 crore in 2007. Within this, currently, domestic air travel segment constitutes 63% of online travel industry followed by 28% share from online Railway tickets.

To make this scenario even more exciting, Google projects that 8% of mobile users will be booking travel from their smartphones by 2012. By the end of June 2011, India had 851.70 million mobile phone subscribers. Indian telecommunication industry is the world's second-largest in terms of number of subscribers, and the world's fastest growing market in terms of number of new subscribers. Thus, aligning with this trend, OTAs are also going mobile now!The travel industry believes that with the way bookings have migrated

Marco Gorin
Chief Commercial Officer
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from offline to online over the years, one can expect to witness migration of a certain percentage of online travel bookings to move from desktop to mobile in the time to come. Also, it would not come across as a surprise if many travellers who currently use offline channels go directly to using primarily mobile devices to make their bookings.

Travellers are moving toward becoming more empowered than ever as 2011 has progressed. The penetration of internet has made travel planning shorter, smaller and faster. Not only the air but the non-air segments have been taken over by the online travel agencies. It has been a while that travel agents have invaded into 'beyond the ticketing' segment. The non-air segment includes hotels (chains, representation companies, and independent hotel companies), ground & maritime transport (car rental companies, railway companies, ferry lines, cruise lines and insurance companies) and tour operators (specialty, mass-market and vertically-integrated tour operators). Broad areas that come into the ambit of OTAs are the ticket booking - air & non air, tele-reservation, car rentals, tour packages. Indian multinational hotel chains like the Taj Group are one such example of adopters of the dynamic GDS.

Though, we cannot ignore the role that internet has played in transforming

the face of the travel agencies of but, two other factors that have played majorly are; firstly, the smoother and safer mode of transaction in the online space and secondly, the low fare carrier that are coming into existence. Technology and market research firm Forrester Research says that the number of internet users worldwide is expected to touch 2.2 billion by 2013 and India is projected to have the third largest online population during the same time.

To draw a comparison, as online penetration growth in the more mature US and European travel markets has slowed, travel companies are looking to the Asia-Pacific and Latin America regions for the next pot of gold. In these emerging markets, macro-economic gains, increased travel and growing technology adoption will continue to fuel significant growth in online bookings.

But, all that glitters are not gold. Challenges are huge; two very specific ones are the concentration of internet and credit card usage only amongst the urban group and secondly, low margins & high operating cost. To counter these, some OTAs are spreading their wings to tier-II cities by going offline. Nevertheless, diving deep into the industry, we see that the basic service

offered by any OTA player remains the same. The USP of any OTA is not the technological leap but the experience created in the minds of the customers. Unless and until one thrust upon giving an incredible customer satisfaction, one may lose the ground. Technology may not decide the leader of tomorrow but a small innovation with difference may do.

BEHIND TRAVEL DISTRIBUTION

Travellers are moving toward becoming more empowered than ever as 2012 has commenced. The penetration of GDS and travel agents across globe has made travel planning shorter, smaller and faster. But, have you ever pondered as to how the mechanics behind travel distribution work.

The GDS Company's basically fuels the travel industry by connecting buyers and sellers through agency, online and corporate travel channels. For this, they aggregate content and distributes. They also provide transaction processing solutions. Now, the question arises here is that where is the technical work done. The technical work is taken care at their data centers.

Travelport, which is predominantly a global distribution system (GDS) business and operates in 174 countries, has its data centres located in the US city of Atlanta close to Hartsfield-Jackson Airport. These centres are usually based out at the outskirts of the city in a non-fancy building. However, full proof security is provided to these centres as they give dwelling to very sensitive information which runs on

digital platform. Interestingly, if you deep dive more into it, you would find that there are over 7,000 physical and virtual servers running.As per technical information, for travel shopping systems, eight mainframes are capable of crunching 60,000 million instructions per second. Technology experts say that there are more than 35 million lines of code supporting the systems of more than 9 petabytes of shared data storage.

Almost 37,000 messages are processed every second and the response times for agency customers and the airlines hosted by

Travelport are typically less than 300 milliseconds. As the cliché goes, no change makes you stagnant; each piece of the systems are either replaced or upgraded every 18 months.

On the top of it, the facility is mirrored – meaning that there is a double the amount of every piece of hardware to ensure that if something goes wrong; there is a backup of all the data, including passenger name records, fares, routes, availability, etc. Not to forget, it is the control centre which takes the breath away.

The control centre is staffed by just seven people working in three shifts, 24 hours a day. Every piece of kit is monitored constantly for traffic fluctuations, errors and other issues affecting customers.

The GDS has consistently been relied upon throughout the evolution of the travel industry and forms the backbone of its basic form of function. It is arguably the most influential link in the travel value chain. GDS products and attitudes about travel technology have driven much, maybe most, of the way suppliers, TMCs and many corporate buyers think about the travel technology landscape.

Dynamism of the GDS was proved with the various audiences the GDS addressed; the traditional player, TMCs, e-tourists both B2C and B2B. Web capabilities have enriched the user experience for the e-tourist as GDS functionality has allowed users to build personal itineraries. On the other hand, in the case of business travel, online agencies are still outperformed by corporate travel agencies, who continue to play a vital role as a distribution channel.

CORRECT BOOKING PRACTICES

Travelport Galileo is focused on creating awareness about Correct Booking Practices, to ensure error-free bookings. These practices help save time and efforts for agencies and airlines, besides avoiding unnecessary costs. To ensure that there is free flow of communication between your GDS and the airline system, Travelport Galileo recommends that you pay special attention to the following Do's and Don'ts to help your agency minimise booking errors, and enhance your efficiency, while saving costs:

Do's
➢ Ensure passenger's name in the BF (Booking file) matches the name as in the passport.
➢ Keep in mind the maximum name length restriction for individual carriers when issuing E-tickets.
➢ Ensure the agency details and the passenger contact is fed in the first phone field.
➢ Sell segments using carrier specific display for accurate availability information.
➢ Use the entry @ALL to correctly update the status code of all the segments.
➢ Use XI entry to cancel the active PNR (X1 to cancel active segment 1).
➢ Use XK to remove HX, UC, UN, and passive segments like AK (Do @1XK to cancel a passive segment

Don'ts
➢ Avoid creating a booking in a cancelled BF (Booking file).
➢ Do not add / cancel the same segment in one transaction.
➢ Avoid making direct changes in a BF (Booking file) with the airline.
➢ Ensure there is an * and a Vendor Locator returned against the segments before makin any amendments.
➢ Do not make duplicate bookings.
➢ Do not break marriage logic segments.
➢ Do not force to create a waitlist segment on a closed flight.
➢ Avoid issuing an E –ticket that does not have an E indicator next to the segment.

Happy Selling