

IndiGo goes global, ties up with Travelport to boost its distribution channel

In a major development, which is likely to augment IndiGo's presence in the global marketplace, the domestic carrier has tied up with one of the world's foremost GDS provider, Travelport. The move will help create more visibility and consequently more business for IndiGo. Also, with the full range of airline products on display, it could rake up more revenues for the carrier with larger sales of its ancillary products. We bring you excerpts of the speech made by Aditya Ghosh, President and whole-time Director, IndiGo as he talked about the significance of this agreement and its likely impact on the future of travel and tourism in India.



ADITYA GHOSH
PRESIDENT AND WHOLE-TIME DIRECTOR, INDIGO

IndiGo's content will be available through all Travelport's point of sales solutions, including Travelport's universal API. This means that all the travel agents who use Travelport will have full access to IndiGo's content. The functionality and the content will be the same as IndiGo's current market practice for agency distribution, and importantly there is no channel pricing differential, so it is not like we are slapping out a fee for agents to use this channel.

any additional cost of expanding its own sales and marketing teams, or the traditional costs associated with participating in the global distribution platform using old style industry platform.

Partnership with Travelport expands IndiGo's global reach while maintaining its low-cost space

The LCC model has evolved over time based on customer demand across various geographies. While direct distribution remains an important model of distribution for IndiGo, this new partnership allows IndiGo to reach new customers, both in India and international markets. This is not unusual for LCCs and we have seen others do it, too, through Travelport – including Ryanair and EasyJet in Europe. IndiGo will be able to extend its distribution through travel agents, throughout the world, through this agreement while maintaining its low-cost space in order to reach new customer segment.

IndiGo's content will now remain available through Travelport via real-time external API link rather than traditional methods, often favoured by legacy network carriers – and still have their fares and ancillary products displayed in exactly the same way.

IndiGo will also benefit from distribution their branded fares and ancillary content by Travelport's travel merchandising, making it possible for travel agents to see pictures and product descriptions related to IndiGo fare products and compare the branded products side-by-side on the same screen, directly from the availability of the inventory. They will be able to do bookings of ancillaries for their customers, including excess baggage, meals and seat selection, lounge access and

things like that. Initially, IndiGo's fares and ancillary revenues will be available in India and then it will be rolled out in a phased approach over 2017.

The agreement makes every travel agent a product expert, will help them gain workflow efficiency

With the ability to differentiate its value proposition to customers, IndiGo is empowering each agent to be a product expert on the airline sales offering. For the first time, travel agents will have access to competitive content from IndiGo, fully integrated into their preferred workflow. The availability of the content by Travelport's travel commerce platform provides travel agents with workflow efficiency gains, for sharpening in booking content and also allows them to offer customers greater flexibility, choice, and access to low-cost fares from a single aggregated fare display.

IndiGo's content will be available through all Travelport's point of sales solutions, including Travelport's universal API. This means that all the travel agents who use Travelport will have full access to IndiGo's content. The functionality and the content will be the same as IndiGo's current market practice for agency distribution, and importantly there is no channel pricing differential, so it is not like we are slapping out a fee for agents to be able to use this channel.

We are very excited about it, because it is yet another important step in our journey to realise the dream to establish a large, reliable and consistent air transportation network in our country, and the region that allow tens of millions of people to chase their dream and opportunities every year. **TFE**

By **TF BUREAU**

IndiGo gains global distribution of content without traditional costs associated with marketing outreach

We work with a lot of partners, travel agents and corporate customers, both in the domestic and the international market. So, tying up with Travelport is a logical extension of that distribution strategy. So, with

this agreement with Travelport, IndiGo gains global distribution of its content via Travelport's presence across over 68,000 online and offline travel agents worldwide. IndiGo's decision to call Travelport its strategic distribution partner will now allow IndiGo's customers more choice, and provide IndiGo access to a wider segment of corporate customers and travel agencies in India and overseas. Without incurring, and that is the important part,

Travelport's platform allows integrated workflow comparison, selling of whole range of products

Gordon Wilson, President and CEO, Travelport underlined the importance of marketing merchandise to induce profits for the airline, and iterated that Travelport platform's capability to market a whole range of ancillary products made it a lucrative proposition for LCCs. He also underscored his commitment towards the Indian market, noting that from the GDS point of view, in terms of volume of tickets booked, it was already the third largest market globally. Excerpts:

Distribution is a key focus area for Travelport

We are a B2B platform and basically provide reservation facilities for travel agencies, online and Offline. We cater to 60,000-70,000 travel agencies and hundreds of travel consultants. What we do is we aggregate the content for hundreds of airlines, hundreds of thousands of hotel properties, car rental companies, cruise and rail etc. into one standardized workflow shopping comparison and integrated booking and change management capability. We processed 82 billion dollars' worth of travel last year. That consisted of 117 million airline tickets, about 65 million hotel room-nights and around 91 million car rental days.

Our computing power is on an industrial scale. We search and price billion itineraries a day, around the world. We are in 180 countries.

Where Travelport really focuses is on five key areas. What we do not do is that we do not provide the backend inventory management system for airlines. We are focussed on distribution. How we take that content and distribute it around the world. There are two exceptions to that. We run the systems with Delta Airlines and Virgin Atlantic. We lead our industry in the realm of airline and merchandise their content.

LCCs, hotels and payment solutions core segments of engagement

We are working with IndiGo, but talking about low cost airlines we pioneered the technology for LCCs to come to our platform using newer technology, enabling those low-cost airlines who in turn have pioneered this ancillary selling ability – to sell their full range of products through the travel agency and media.

In the hospitality segment, we have 6,50,000 independent bookable hotels, around the world, in our system, and we have generated some 65 million room-nights.

Last but not the least, we are the leaders in B2B payment. We have automated payments that go between travel

agencies and travel products to buyers – hotels, airline industry and like. We have a very fast growing business in that area.

Travelport provides the mobile apps that are used by airlines, which collectively carried 210 million passengers last year. Airlines that operate our mobile app include Singapore Airlines, LATAM, Etihad among others. We just integrated Apple Pay; Singapore Airlines was the first in the world to integrate their inflight entertainment to the mobile app, meaning a passenger on the Singapore Airlines can pre-select what they want to watch on the plane, and the mobile app syncs with the inflight entertainment. So, one can have a customized, personalised experience on the plane.

Ability to sell the whole range of IndiGo products helped persuade IndiGo come to our platform

I think one of the key reasons why we have been successful in persuading IndiGo to come to our platform is that we can not just show their fares and the availability, we can also show through the travel agencies, online and offline and with corporate travel booking tools, all the range of IndiGo products, including ancillary and offered seats, bags, pre-ordered meals, fast-track security and whatever else it offers, we can make it available through our platform. And now we do that



GORDON WILSON
PRESIDENT AND CEO, TRAVELPORT

I think one of the key reasons why we have been successful in persuading IndiGo to come to our platform is that we can not just show their fares and the availability, we can also show through the travel agencies, online and offline and with corporate travel booking tools, all the range of IndiGo products, including ancillary and offered seats, bags, pre-ordered meals, fast-track security and whatever else it offers, we can make it available through our platform.

with over 180 others. I think the figure is 192. Merchandising is a key area of profitability and differentiation for airlines. So, the fact that we can do this on our platform is one of the reasons we have been successful in bringing in a whole range of carriers, including LCCs. We were the first ones to bring LCCs onto our system. We have got about 30 LCCs operating in the Asia-Pacific region.

India extremely important aviation market

India is a hugely important market for Travelport. We have been in this market for 20 years. We have a huge strategic partnership with ITQ – which distributes Travelport products to travel agencies in the Indian marketplace. It has been a very successful partnership for both our businesses. **TFE**