Unit-1
Itinerary: Definition, Meaning, Types and Scope

Structure:

1.1 OBJECTIVES

After going through this unit, learners will be able to:

- Understand meaning and basic concept of itinerary
- Discuss various types of itineraries present in current scenario
- Explain and understand the scope and challenges of tour itinerary,
- Discuss and explore the significance and future trends of tour itinerary

1.2 INTRODUCTION

The Grand Tour was a popular travel tradition during the Renaissance, primarily undertaken by young aristocrats from wealthy families. It began in the 16th century and lasted until the 18th century. The journey was considered an essential part of education, allowing travellers to explore the art, architecture, and culture of classical civilisations. This experience was seen as a rite of passage, symbolizing status and refinement. Over time, the idea of structured travel planning emerged, giving rise to the concept of an itinerary.

- The Origins and Purpose of the Grand Tour

The Grand Tour usually started in London and proceed through Paris before focusing mainly on Italy, mainly Rome. While some travellers moved to other parts of Europe, few visited Greece, as it was still under Turkish rule.The tour aimed to expose young men to the rich heritage of Greco-Roman civilization, with visits to ancient ruins, fountains, churches, and museums. Travelers admired classical statues and paintings, often viewing them in private collections or public museums.

Beyond art and architecture, the Grand Tour provided aristocrats with opportunities to refine their skills and broaden their knowledge. They attended musical performances, visited theatres, and received tutoring in foreign languages, fencing, dancing, and horseback riding. These activities helped them develop into well-rounded individuals, preparing them for leadership roles in society.

- The Emergence of the Itinerary

As the Grand Tour became more popular, travellers recognized the need for proper planning to make the most of their journey. This led to the concept of an itinerary—a structured plan that outlined activities, destinations, and logistics in advance. By having a well-organized travel schedule, tourists can ensure they visit all significant sites without feeling rushed or overwhelmed.

One of the main benefits of an itinerary is time management. With a clear plan, travellers could allocate sufficient time for sightseeing, cultural experiences, and leisure activities. Without a structured schedule, they risked spending too much time in one place and missing out on other important locations. A well-thought-out itinerary helped them experience a balanced and fulfilling journey.

Financial planning was another major advantage. Travel during this period required careful budgeting, as expenses could quickly add up. By planning, tourists could book accommodations, transportation, and guided tours at reasonable rates, avoiding last-minute costs. This practice of booking remains essential in modern travel.

- Guides, Travelogues, and Early Souvenirs

To assist travellers, guidebooks and printed travelogues became widely available. These provided detailed itineraries, historical insights, and practical advice. Some tourists even commissioned artists to accompany them, creating sketches or paintings of the places they visited. Townscape and landscape paintings, known as *vedute*, became admired souvenirs, serving as visual token of their travels. Etchings of famous landmarks were also highly valued, offering a "snapshot" of the journey before photography existed.

Besides artwork, Grand Tourists brought back various souvenirs, including books, sculptures, clothing, glassware, coins, and other cultural artifacts. A particularly fashionable item was micro-mosaic jewellery, which featured intricate images of famous landmarks. These souvenirs allowed travellers to display their experiences, reinforcing their status and cultural sophistication.

- The Lasting Influence of the Itinerary

As structured travel planning gained popularity during the Grand Tour era, the idea of the itinerary extended beyond aristocrats to merchants, scholars, and ordinary travellers. It became a widely accepted practice for organizing journeys efficiently. Guidebooks included suggested routes, ensuring travellers could navigate foreign lands with ease. Today, itineraries remain an essential part of travel, helping people manage their time, budget, and experiences effectively.

Having an itinerary is not mandatory, but it is highly beneficial, especially for first-time travellers or those on tight schedules. It provides a sense of structure and ensures that no must-see attractions are missed. It also helps prevent overbooking and underestimating travel times, reducing stress and making the trip smoother.

A good itinerary includes key details about each day's schedule, such as travel arrangements, accommodation, planned activities, and dining reservations. It should also contain emergency contacts, important addresses, and other essential information to ensure a hassle-free experience. Whether in the past or present, having a structured plan enhances the travel experience, making it more enjoyable, efficient, and memorable.

1.3 Itinerary- Meaning and definitions

The term "itinerary" has its roots in the mid-15th century, originally referring to a "route of travel." It derives from the Late Latin word "itinerarium," meaning "account of a journey" or "road-book." This, in turn, comes from the Latin "itinerari," which pertains to a journey, stemming from "iter," meaning "away" or "journey." The verb "ire," meaning "to go," is the base of "iter."

In ancient Rome, an "itinerarium" was a travel guide listing cities, villages, and other stops along a route, including distances between each location.

Over time, the term advanced. By the early 15th century, "itinerary" mentioned about a "documentation of a travel." By 1856, it had advanced to mean a "sketch of a proposed direction" or a "list of places to be included in a period of travelling." Today, "itinerary" commonly denotes the planned route or schedule of a journey, encompassing details like destinations, activities, and accommodations. In easy term the general description goes as an itinerary defined as a detailed plan or course of a voyage

Industry-Specific Definitions of Itinerary

The term itinerary generally refers to a planned schedule of a trip or journey. However, its meaning can vary depending on the industry in which it is used. Whether in tourism, business, personal travel, or event planning, an itinerary serves as a structured guide that helps individuals manage time, logistics, and activities efficiently. Below are industry-specific meanings of the term.

1. Itinerary in Tourism

In the tourism industry, an itinerary is an elaborated plan that trace and mark the schedule for a trip, including destinations, transportation, accommodations, and activities. Tour operators, travel agencies, and tourism professionals create itineraries to provide structured travel experiences for tourists. These plans help travellers make the most of their trips without the stress of last-minute planning.

For example, a tourist itinerary may include a day-by-day breakdown of sightseeing locations, local dining recommendations, and entertainment options. Some itineraries are fixed and follow a pre-planned tour, while others allow flexibility based on a traveller's preferences.

Example:
A five-day travel itinerary to Paris might include visits to the Eiffel Tower, the Louvre Museum, and the Palace of Versailles, along with guided city tours and recommendations for French cuisine experiences.

2. Itinerary in Business Travel

In the business world, an itinerary is a structured plan for professionals travelling for work-related purposes. A business itinerary typically includes flight details, hotel bookings, meeting schedules, conference details, and contact information. Business professionals rely on itineraries to manage time efficiently and stay organized during work trips.

Having a well-planned itinerary is essential in business travel, as it helps prevent scheduling conflicts and ensures smooth coordination of meetings and events. Companies often provide their employees with digital itineraries that can be accessed on mobile devices for convenience.

Example:
A business traveller attending an international conference may have an itinerary that includes flight details, hotel check-in times, a list of networking events, and business meetings scheduled throughout the trip.

3. Itinerary in Personal Travel

For personal travel, an itinerary is a customized plan created by an individual or family to organize their trip. Unlike a tour package, a personal itinerary is more flexible and tailored to personal interests, budgets, and schedules.

Personal itineraries can include travel dates, accommodation details, transportation arrangements, sightseeing activities, and meal plans. Many travellers create their own itineraries using travel apps, online guides, or recommendations from friends and family.

Example:
A backpacker planning a month-long trip across Europe may create an itinerary listing train schedule, hostel addresses, hiking routes, and must-visit attractions in each city.

4. Itinerary in Event Planning

In event management, an itinerary refers to a detailed schedule of activities for an event, such as a wedding, conference, or festival. Event planners use itineraries to ensure that all elements of an event run smoothly, from setup to conclusion.

An event itinerary includes time slots for speeches, performances, meals, and other scheduled activities. It helps coordinators, vendors, and guests stay on track, reducing confusion and delays.

Example:
A wedding itinerary might include ceremony timings, reception events, meal service schedules, and music performance slots, ensuring that everything follows a planned timeline.

1.4. TYPES OF ITINERARIES

A tour itinerary is a structured plan that outlines the details of a travel package, including destinations, activities, accommodations, transportation, and schedules. The type of itinerary depends on the kind of tour package being offered. These itineraries serve multiple purposes, such as planning the tour, calculating costs, and ensuring a smooth experience for tourists. In the tourism industry, different types of tour itineraries act as an extended version of a tourist itinerary, each playing a crucial role in tour operations.

There are two types of itineraries, each features different reasons and customer needs:

1. General Tour Itinerary

A general itinerary is originated for a large audience and marketed to a wide number of potential travellers. It is dynamic and takes diverse interests, making it apt for various types of tourists and visitors. These itineraries are absolute for group tours and approved travel packages.

2. Personalized Itinerary

A personalized itinerary is created specifically for an individual traveller or a small group based on their preferences, budget, and travel goals. This itinerary is carefully customized to meet the specific needs and desires of the client, offering a unique and highly tailored travel experience.

Types of Tourist Itineraries

Tour operators categorize itineraries into Ready-Made and Tailor-Made itineraries, each having their own existence and meaning in the tourism market.

1. Ready-Made Itinerary

A ready-made itinerary is a pre-designed travel plan that is created in advance, without knowing who the traveller will be or when it will be purchased. This is similar to producing clothing or shoes and displaying them in a shop—customers choose

from what is available. These itineraries are developed to suit the needs of the largest number of potential travellers and are designed to be marketable and easily sellable.

Key Considerations for Ready-Made Itineraries:

- Market Demand: The itinerary should cater to popular travel interests.
- Pricing Strategy: It should be priced competitively to attract buyers.
- Marketing Strategy: Promotion should focus on the right audience.
- Competitor Analysis: Understanding what other tour operators offer.
- Company Policy: Future planning and capacity should be considered.

Ready-made itineraries are often used for packaged tours, which include accommodation, transport, and planned activities. Since these are widely available and accessible , they are also termed and known as package tours.

2. Tailor-Made Itinerary

A tailor-made itinerary is basically made on the request of an individual traveller or some small group. Unlike these, tailor-made ones involve direct communication between the traveller and the tour operator so that the required expectation could be met and that customized travel plan could be created.

Key Features of Tailor-Made Itineraries:

- The traveller's preferences determine the destinations, duration, and activities.
- The type of accommodation and level of service can be chosen.
- The itinerary can be adjusted based on budget and special interests (e.g., adventure, cultural, luxury).
- These itineraries offer a higher level of flexibility and personalization.

Factors to Consider When Creating an Itinerary

Tour operators design itineraries based on several factors, ensuring they meet the needs of travellers. Some of the key considerations include:

- Single or Multiple Destinations – The itinerary may focus on one specific place or include multiple destinations in a single trip.
- Special Interest Packages – Tailored packages such as adventure tours, cultural heritage tours, wellness retreats, or wildlife safaris.
- Tour Packages – These itineraries are designed for leisure and relaxation, including beach holidays, city sightseeing tours, or cruise vacations.

- Travel Packages – Itineraries that emphasize travel logistics, including transportation schedules, flight details, and accommodation arrangements.
- Outbound Package – Itineraries for domestic tourists traveling to foreign countries (e.g., a group of Indian tourists visiting Europe).
- Inbound Package – Itineraries designed for foreign tourists visiting a country (e.g., a group of European tourists exploring India).
- Domestic Tours – Itineraries for local travellers exploring their own country (e.g., an Indian tourist visiting Rajasthan or Kerala).

1.6 Scope of Itineraries in Tourism and Travel Industry

Itineraries play a crucial role in the tourism and travel industry by providing structured travel plans that enhance efficiency, convenience, and overall experience. From individual travelers to tour operators and corporate agencies, well-planned itineraries ensure smooth and organized travel. The scope of itineraries broadens across various sectors of the tourism industry, guiding tour operations, independent travel, business trips, and even make sustainable tourism practices viable.

1. Role in Tour Operations and Travel Agencies: Tour operators and travel agencies rely heavily on well-structured itineraries to design travel packages. These itineraries include transportation, accommodation, sightseeing, and recreational activities, catering to different customer preferences. A detailed itinerary allows agencies to offer customized travel experiences, ensuring tourists maximize their time at a destination.

2. Importance for Independent Travelers: With the rise of digital platforms, independent travelers now have access to itinerary planning tools through apps and websites. Itineraries help solo travellers and backpackers manage time, budget, and logistics effectively. Many travellers rely on online itinerary builders to create flexible travel schedules, reducing the chances of unexpected disruptions.

3. Use in Business and Corporate Travel: Corporate travel management firms develop itineraries for business travellers to optimize their schedules, ensuring productivity during work trips. These itineraries include flight details, hotel bookings, meeting schedules, and networking events. Efficient itinerary planning in corporate travel minimizes time wastage and enhances work-life balance for professionals on the move.

4. Influence on Sustainable and Responsible Tourism: Itineraries contribute to sustainable tourism by promoting eco-friendly travel options. Many travel agencies design sustainable itineraries that focus on minimizing carbon footprints, supporting local communities, and preserving cultural heritage. Responsible tourism itineraries

highlight eco-lodges, ethical wildlife tours, and community-based tourism activities, encouraging travelers to engage in environmentally and socially responsible practices.

5. Technological Innovations and Digital Itineraries: The advancement of digital technology has revolutionized itinerary planning. AI-driven itinerary planners, mobile apps, and automated booking systems provide real-time updates, recommendations, and personalized travel experiences. Digital itineraries allow travellers to modify their plans dynamically, making travel more adaptable and efficient.

1.7 CHALLENGES IN ITINERARY PLANNING

Planning an itinerary is a crucial step in organizing a successful trip, whether for leisure, business, or tourism. However, it comes with several challenges that can affect the smooth execution of travel plans. These challenges include time constraints, budget limitations, unexpected disruptions, personal preferences, transportation issues, legal restrictions, seasonal factors, and safety concerns. Below is a detailed explanation of each challenge.

1. Time Constraints: One of the biggest challenges in itinerary planning is managing time effectively. Travellers often have limited time for their trip, and squeezing multiple destinations, activities, and experiences into a short period can be overwhelming. A well-balanced itinerary should avoid a rushed schedule while ensuring that all key attractions are covered. Additionally, time zone differences, flight layovers, and long transit durations must be considered to avoid exhaustion.
2. Budget Limitations: A well-planned trip requires a budget that covers accommodation, transportation, food, sightseeing, and miscellaneous expenses. However, balancing cost and experience can be challenging. Some destinations or activities may be expensive, forcing travellers to make compromises. Unexpected costs such as currency exchange fluctuations, additional baggage fees, or emergency expenses can also disrupt the budget. To overcome this, it is essential to research costs in advance, look for deals, and set aside an emergency fund.
3. Unexpected Disruptions: No matter how well an itinerary is planned, unexpected situations such as flight cancellations, bad weather, natural disasters, or personal emergencies can arise. These disruptions can affect the entire trip schedule, leading to missed activities or additional expenses. Travellers should always have backup plans, flexible booking options, and travel insurance to minimize losses and adjust the itinerary as needed.
4. Personal Preferences and Group Travel Issues: Itinerary planning becomes more complicated when travelling in a group, as each traveller may have

different interests, preferences, and travel styles. Some may prefer adventure activities, while others may enjoy cultural sightseeing or relaxation. Balancing these interests within a single itinerary can be difficult. Communication and compromise are essential in such cases, and it is helpful to include free time in the itinerary so each traveller can explore their preferred activities independently.

5. Transportation Challenges: Choosing the right mode of transport is crucial for a smooth itinerary. However, factors such as flight delays, train cancellations, road traffic, and unfamiliar local transport systems can cause inconvenience. Additionally, travellers may face difficulties in coordinating airport transfers, rental car bookings, or intercity travel. Researching transportation options, allowing buffer time between connections, and pre-booking major transfers can help avoid last-minute stress.
6. Legal and Visa Restrictions: International travel requires careful attention to visa requirements, passport validity, and local laws. Many travellers face issues when they are unaware of visa processing times, entry restrictions, or specific regulations of a destination. For example, some countries require special permits to visit certain regions. Failing to comply with legal requirements can result in denied entry or unexpected delays. To prevent such issues, travellers must check visa policies, carry the necessary documentation, and follow local regulations.
7. Seasonal and Weather-Related Issues: Weather plays a significant role in itinerary planning. Certain destinations are best visited during specific seasons, while others may have unpredictable weather patterns. For instance, visiting a beach destination during monsoon season or a trekking spot during extreme winter conditions can ruin travel plans. Additionally, peak tourist seasons may result in overcrowded attractions, expensive accommodations, and limited availability of services. To tackle these issues, travellers should research the best travel seasons and plan accordingly.
8. Safety and Health Concerns: Ensuring safety and health while travelling is a key challenge. Political instability, local crime rates, disease outbreaks, and natural hazards can make certain destinations unsafe. Additionally, travellers may face health risks due to changes in climate, food, or water quality. Carrying a first-aid kit, getting travel vaccinations, and staying informed about safety guidelines can help mitigate these risks. Travel insurance is also a vital precaution to handle medical emergencies.

1.8 CONCLUSION

The Grand Tour significantly influenced the concept of modern travel by introducing structured planning, which led to the development of itineraries. These travel plans

help individuals manage time, control expenses, and experience different cultures in an organized way. From Renaissance-era aristocrats to today's tourists, the practice of creating itineraries remains a fundamental part of travel, ensuring a smooth and enriching journey. An itinerary is a crucial travel tool that enhances convenience and efficiency. Whether for leisure, business, or education, a well-structured itinerary allows travellers to focus on their experiences rather than logistics. The shift from printed itineraries to digital travel planning has further simplified the process, making travel more accessible and enjoyable.

The purpose of an itinerary varies depending on the type of travel. In tourism, it organizes sightseeing and cultural activities, enhancing the overall experience. Business travel itineraries ensure professionals adhere to their schedules efficiently. Personal travel itineraries cater to individual preferences, while event planning itineraries help coordinate multiple components seamlessly. Understanding these variations is key to effective trip planning.

Tour itineraries are essential in the travel industry, helping ensure well-organized and enjoyable trips. Ready-made itineraries cater to a broad audience, while tailor-made itineraries provide personalized and flexible experiences.

GLOSSARY

- Itinerary –it is described as a detailed plan or an outlining framework of the route.
- Grand Tour – this a traditional travel experience undertaken by European aristocrats during the Renaissance, also mentioned as a formative journey for education and cultural exposure.
- Ready-Made Itinerary – A pre-planned travel schedule mostly designed for a general audience.
- Tailor-Made Itinerary – A customized and personalized travel plan created based on individual preferences.
- Tour Operator – A business or an individual responsible for designing, organizing, and selling travel packages, including all the elements like transportation, accommodation, and activities and recreation.
- Tourist – A person who travels for leisure, exploration, cultural experiences, or recreational purposes.
- Inbound Tourism – Travel undertaken by foreign visitors to a specific country.
- Outbound Tourism – Travel undertaken by domestic tourists to foreign destinations.
- Domestic Tourism – Travel within one's own country for leisure, business, or other purposes.

- Travel Package – A pre-arranged combination of transportation, accommodation, meals, and activities offered by travel agencies.
- Business Travel – A type of travel undertaken for work-related purposes, including meetings, conferences, and corporate events.
- Cultural Tour – A travel itinerary focused on exploring historical sites, art, architecture, traditions, and customs of a specific region.
- Adventure Tourism – Travel that involves outdoor activities such as hiking, trekking, rafting, and other physically engaging experiences.
- Seasonal Travel – Trips which are planned according to weather conditions, festivals, or peak tourist seasons.
- Accommodation – different Lodging options for travellers, including hotels, resorts, hostels, motels, and guesthouses.
- Tour Package – A complete travel plan that includes multiple services, such as transportation, lodging, guided tours, and meals.
- Travel Guide – A book, brochure, or digital resource that provides information about a destination, including attractions, local customs, and travel tips.
- Excursion – A short trip or activity within a larger journey, usually for sightseeing or recreational purposes.
- Layover – A stop between flights where travellers wait before continuing to their final destination.

SUMMARY

Itineraries and its types play a crucial role in the tourism and travel industry, allowing tour operators to create well-structured experiences. Different industries utilize itineraries for various purposes. In tourism, itineraries help travellers explore cultural and natural attractions efficiently. In business travel, they ensure the smooth scheduling of meetings and corporate events. Personal travel itineraries provide flexibility, while event itineraries coordinate activities seamlessly. Planning an itinerary involves multiple challenges, such as time management, budgeting, transportation, seasonal factors, and legal requirements. However, with proper research and flexibility, these challenges can be managed to create a smooth and enjoyable travel experience. Tour itineraries vary based on travel purposes, including leisure, adventure, cultural, business, and educational tours. A well-structured itinerary ensures that travellers make the most of their time, minimize unexpected disruptions, and fully immerse themselves in their journey. Overall, itineraries serve as an essential tool in travel planning, ensuring efficiency, organization, and a fulfilling experience. Whether for short business trips or extensive vacations, a carefully crafted itinerary enhances the overall travel experience, making it more enjoyable and stress-free.

1.11 SELF-ASSESSMENT QUESTIONS

Short Answer Questions:

1. What is an itinerary?
2. What are the two main types of itineraries?
3. How does a ready-made itinerary differ from a tailor-made itinerary?
4. Why is an itinerary important in travel planning?
5. Name two industries where itineraries are commonly used.

Long Answer Questions:

6. Explain the significance of the Grand Tour in shaping modern travel itineraries.
7. Discuss the key elements of an itinerary and their importance in travel planning.
8. What challenges do travellers face while planning an itinerary, and how can they be managed?
9. How do different types of itineraries cater to various travel needs? Provide examples.
10. Describe the role of tour operators in designing and implementing itineraries.

1.12 REFERENCES AND SUGGESTED READINGS

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Unit-2 –Time Zones & Calculation of Time; GMT variations

Structure:

2.1 Objectives

After completing this unit, you will be able to:

- Understand the Greenwich Mean Time
- Explain the time difference structure
- Calculate the transportation time

2.2 Introduction

Greenwich Mean Time (GMT) originated at the Royal Observatory in Greenwich, London, in reference to solar time and eventually became universal time standard. Zulu time, also known as Greenwich Mean Time, was written even before the introduction of UTC on January, 1972. The scientific community no more uses it as "Greenwich Mean Time". The sun rarely crosses the Greenwich meridian precisely at the same time as Mean Time because of the tilt of the Earth's axis and uneven speed in its elliptic orbit, Greenwich at noon. The equation of time reveals that; this occurrence might be up to sixteen minutes from noon GMT. The yearly average of

genuine Sun's irregular motion is the fake mean sun, which is why Greenwich Mean Time must include the mean.

2.3 AMBIGUITY IN THE GMT DEFINITION

In the past, there were two different per hour counting methods that use the phrase GMT. The old astronomical traditions of defining noon as zero hours (see Julian day) was established by Ptolemy's work. The Roman civic tradition of calling midnight "zero hours" stood in opposition to this. For astronomical reasons as well, the latter standard was adopted after January 1, 1925, which caused a 12-hour gap, or 1/2 a day earlier. The name Greenwich Mean Astronomical Time (GMAT) was made for a clear allusion to the earlier noon-based cosmic norm for GMT. The conflicting names UT and UTC, which frequently identify midnight as zero hours, differ from the more exact.

Throughout history, the there are two different ways GMT has been used, sometimes it begins at midnight and other times at noon. To make observational data more efficient and put all of the nights together under one calendar date.

2.4 STANDARD-MEASURING GREENWICH CLOCK

The United Kingdom became a highly established shipping nation, and the mariners maintained at least one chronometer calibrated to GMT with the aim to determine the longitude from the Greenwich meridian, that was thought to be zero degrees longitude. It should be noted that shipboard time remained solar time even after the chronometer was synchronized with GMT. But finally, GMT became a globally accepted reference time that was independent of location because of this practice and the fact that mariners from other countries were using Nevil Maskelyne's technique for lunar distance estimation with Greenwich observations.

When the Railway Clearing House chose Greenwich Mean Time in 1847, and nearly all railroad operators on the island of Great Britain adopted it the following year, the notion of railway time emerged. Although it was eventually accepted for various reasons, local mean time was declared the official time through a court’s settlement in 1858. In 1880, GMT gained official recognition the British Isles. In 1924, Greenwich Observatory began broadcasting hourly time signals, making the observatory's time ball obsolete.

Atomic clocks gives more definitive time basis than the daily Earth's rotation, that is a little inconsistent. Coordinated Universal Time, which was upheld by a global network of atomic clocks, took the place of GMT as the worldwide time standard on January 1, 1972. When Universal Time (UT) was first coined in 1928, it referred to

mean time at Greenwich, which was determined in accordance with the original description of the universal day.

The Greenwich meridian is controlled by the transit equipment's centre at the Greenwich Observatory, which is no longer exactly the same as it once was. Although the equipment is still operational, it is no longer being operated. Instead, the meridian of source for global time and longitude is now determined statistically using information from different time-determining stations, which is takes account by the BIPM, when synchronising the global time signals. However, imaginary line that is currently the world's Prime Meridian is only a few meters from the line in the courtyard of the ancient observatory.

2.5 GREENWICH MEAN TIME TABLE

The goal of standard time is to standardize the way local time is defined in every nation. To establish a uniform local time in each country, the globe was divided into 24 time zones, with each getting 15 longitudes each. The time variance among zones is exactly an hour. GMT is the exact time zone that acts as the origin centre of guidance, situated between 7'30" longitude west and 7'30" longitude east of the Greenwich Meridian (longitude 0).

GMT Table

Towards West	Towards East
-12 -11 -10 -9 -8 -7 -6 -5 -4 -3 -2 -1 0 +1 +2 +3 +4 +5 +6 +7 +8 +9 +10 +11 +12	

Timetables offered by airline companies are based on the 24-hour clock. However, certain nations, including the USA, employ a different approach known as the American system. For this reason, the day is split into two 12-hour segments.

2.6 GREENWICH MEAN TIME DIFFERENCE

The time at the Prime Meridian (0° longitude) is known as GMT (Greenwich Mean Time). The location, which may be either forward (+) or backward (-) GMT, affects the time variance among GMT and other time zones.

For example:

- New York (EST): GMT -4 (during daylight saving time, GMT -5)
- London (BST in summer): GMT +1 (otherwise GMT 0)
- Delhi (IST): GMT +5:30
- Tokyo (JST): GMT +9

I) Condition - A

If the GREENWICH MEAN TIME between two countries is positive or negative, in both cases subtract higher to lower.

Example 1: If the GMT of HKG (Hong Kong) is (GMT +0800) and GMT of JST (Tokyo) is (GMT +0900), then the GMT difference will be: 0100.

Example 2: If the GMT of EST (New York) is (GMT -0400) and GMT of YYC (Calgary) is (GMT -0200), then the GMT difference will be - 0200.

(For more, please refer the table mentioned above)

II) Condition – B

If the GMT of a country is negative and other country's is positive or vice versa, in both situations add both GMTs.

Example 1: If the GMT of IST is (GMT +0530) and GMT of BRT is (GMT -0300) then, the GMT difference will be: 0830.

2.7 CALCULATION OF TOTAL TRANSPORTATION TIME

Example: Calculate the total transportation time for flight EK 225 from Dubai to San Francisco?

Given Data:

Departure Time: 8:50 AM (Dubai Time, GST) on 18th March

Arrival Time: 1:50 PM (San Francisco Time, PDT) on 18th March

Time Zones:

Dubai (GST) is +4 hours ahead of Coordinated Universal Time (UTC+4).

San Francisco (PDT) is -7 hours ahead of Coordinated Universal Time (UTC-7).

Solution: The calculation of total transportation time

The time difference between Dubai and San Francisco is 11 hours.

Step 1: Convert Arrival Time to Dubai Time

San Francisco time: 1:50 PM (PDT)

Adding 11 hours to convert to Dubai time:

1:50 PM + 11 hours = 12:50 AM (next day in Dubai Time, GST)

Step 2: Calculate the Total Flight Duration

Departure (Dubai Time, GST): 8:50 AM

Arrival (Dubai Time, GST): 12:50 AM (next day)

Now, subtract:

From 8:50 AM to 12:50 AM (next day):

From 8:50 AM to 8:50 PM = 12 hours

From 8:50 PM to 12:50 AM = 4 hours

Total Flight Duration = 12 hours + 4 hours = 16 hours

Final Answer: The total transportation time for Flight EK 225 from Dubai to San Francisco is 16 hours.

2.8 THE DIFFERENCES BETWEEN GEOGRAPHICAL AND LEGAL GMT

Real time zones fail to strictly match meridian lines as they are set by an assortment of economic, legal and political variables, besides physical or geographical. Geographically speaking, the Greenwich Mean Time zone would be precisely the region between meridians 7°30'W and 7°30'E. Although GMT is universal timekeeping standard, there is difference between its legal and regional use. Since the Prime Meridian (0° longitude) passes through Greenwich, London, GMT is purely dependent on Earth's rotation. On the contrary, Legal GMT is a standardized time that several nations have chosen; it is frequently modified for social, political, or economic reasons.

Time zone changes are the cause of one significant variance. Countries frequently alter their legal time to better fit their everyday schedules, even if GMT technically adheres to the meridian-based longitudinal divisions. Geographically, Spain is at GMT, but because of its historical and commercial connections to the region, it observes Central European Time (GMT+1). In the same way, China maintains national unity by using a single legal time (GMT+8) even though it is spread over five geographical time zones.

Daylight Saving Time (DST), which is a legal GMT shift in many nations implement in the summer to extend daylight hours, is another factor. Legal GMT does not always coincide with the geographical reference because of this transient discrepancy.

Some countries also keep politically driven time zones in place. For example, North Korea briefly adopted a special time zone (GMT+8:30) before switching back to GMT+9.

These discrepancies demonstrate how theoretical GMT—which is determined by Earth's rotation—and real GMT— which is impacted by legal and social obligations—

differ. Legal GMT continues to change, reflecting human interests in astronomical accuracy, whereas geographical GMT is a constant reference.

2.9 Summary

The Greenwich Mean time and Universal time, along with the GMT factors for every nation, has been meaningfully defined in this chapter. There was a clear mention of the differences between legal and geographic GMT. It is made very obvious that we can determine the GMT difference between two countries if the local time of one country along with its GMT factor and the GMT factor of another is known.

Check Your Progress

- Discuss the evolution of Greenwich Mean Time (GMT) from a solar-based local time to a global timekeeping standard.

- How did the transition in 1925 from noon-based to midnight-based reckoning impact timekeeping standards?

2.10 Glossary

- Greenwich Mean Time (GMT): The world's time standard has historically been the mean solar time at the Royal Observatory in Greenwich, London.

- Coordinated Universal Time (UTC): The primary time standard used to govern clocks and time around the world; it took the place of GMT as the global standard in 1972.
- Zulu Time: "Z" stands for zero hours offset and is a military and aviation term that is comparable to GMT or UTC.
- Universal Time (UT): UT0, UT1, and UT2 represent variations of this Earth-rotation-based time standard
- British Summer Time (BST): The UK observes daylight saving time in the summer; typically, GMT+1.
- Greenwich Mean Astronomical Time (GMAT): An outdated time standard that defined zero hour at noon.
- Atomic Clock: An extremely accurate clock that relies on atom vibrations as the foundation for UTC.
- Prime Meridian: The reference point for GMT is the meridian (longitude 0°) that passes through Greenwich.
- Time Zone: A region that, for legal, business, and social reasons, adheres to a uniform standard time that is typically offset from GMT/UTC.
- Daylight Saving Time (DST): During warmer months, clocks are advanced to prolong evening daylight.
- Geographical GMT: The optimal GMT determined only by the longitudinal division of the Earth between 7°30′W and 7°30′E.
- Legal GMT: Countries adopted official time, which may deviate from GMT for political, social, or economic reasons.
- Railway Time: The GMT-based standardised time that British railroads adopted in 1847.
- Transportation Time: The total time spent travelling between two places, frequently modified to account for time zone differences.

2.11 Self-Assessment Exercise

- Explain the ambiguity in the definition of GMT with reference to astronomical and civil timekeeping traditions.
- Analyse the significance of GMT in the context of global transportation and communication.
- Compare and contrast 'Geographical GMT' and 'Legal GMT'. What are the implications of this distinction in real-world timekeeping across countries?
- What led to the need for refined universal time standards, and how do atomic clocks influence this system?

- Examine the historical development of GMT as the Prime Meridian and its adoption in global longitude and time zone systems.
- What role did the International Meridian Conference of 1884 and Nevil Maskelyne's lunar distance method play in this process?
- Discuss the impact of political, social, and economic factors on the adoption and modification of GMT in different countries.

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Unit 3 - Nature and relevance of saleable tourist itineraries

Structure:

3.1. OBJECTIVES

After reading this unit learners will be able to:

- To understand the concept of itineraries which are saleable.
- To Explore the Key Components of a Well-Structured Itinerary.
- To Explore Future Trends in Itinerary Planning

3.2. INTRODUCTION

A saleable tourist itinerary refers to a well-structured and marketable travel plan designed to attract and satisfy tourists while being profitable for travel businesses. These itineraries are carefully crafted to cater to different traveller preferences, ensuring a seamless and enjoyable journey. A successful itinerary includes essential elements such as destination highlights, transportation details, accommodation options, sightseeing schedules, and leisure activities. Saleable itineraries are designed with a focus on convenience, affordability, and experience enhancement. They can be pre-packaged (fixed itineraries) or customized (tailor-made itineraries) to meet the specific needs of tourists. A well-developed itinerary not only ensures smooth travel logistics but also enhances customer satisfaction, making it a crucial component of the tourism industry.

Itineraries play a very basic role in the tourism industry as they provide structure and organization to travel experiences. A well-planned itinerary enhances a tourist's journey by ensuring efficient time management, cost optimization, and hassle-free travel arrangements. Tour operators and travel agencies rely on carefully curated itineraries to attract customers by offering seamless experiences, reducing uncertainty, and maximizing the value of a trip.

For tourists, a well-defined itinerary eliminates last-minute confusion, helping them explore destinations efficiently. It also ensures that travellers make the most of their time by including key attractions, activities, and cultural experiences in a logical sequence. Moreover, itineraries help maintain a balance between travel, relaxation, and exploration, leading to greater customer satisfaction.

From a business perspective, structured itineraries serve as a marketing tool, making it easier for travel companies to sell tour packages. They help create demand for specific destinations, influencing traveller decisions, and improving the overall tourism experience. Additionally, sustainable itinerary planning ensures that tourism activities contribute positively to local economies while minimizing environmental and cultural impact.

In today's digital era, technology-driven itinerary planning has further enhanced the importance of itineraries. With online itinerary builders, AI-powered recommendations, and real-time modifications, travellers now have greater flexibility and convenience in planning their trips. As tourism continues to evolve, well-designed and marketable itineraries will remain a key driver of the industry's growth and success.

3.3. Elements and Nature of a Saleable Tourist Itinerary

An itinerary is a crucial tool for organizing travel, ensuring that every aspect of a journey is well-planned and efficient. A well-structured itinerary includes several key elements, each contributing to a seamless and enjoyable experience. Below are the essential components of an itinerary, categorized into specific sections.

1. Basic Information

Every itinerary should start with basic details about the trip. This section provides a clear overview, helping travellers understand the key aspects of their journey.

a. Tour Name & Theme

The itinerary should specify the name and theme of the tour, such as "Golden Triangle Tour" for a cultural experience or "Wildlife Safari in Africa" for an adventurous journey.

b. Traveler Details

This includes personal information such as name, contact number, and passport/visa details (if required), ensuring smooth travel without documentation issues.

c. Tour Operator Details

Providing the travel agency's name, contact number, and email address ensures that travellers can seek assistance when needed.

d. Booking References

This section includes flight ticket numbers, hotel reservation confirmations, and tour booking references, allowing easy access to important details.

2. Destination Details

A good itinerary provides information about the places covered during the trip, helping travellers prepare in advance.

a. List of Cities & Countries Covered

For example, a Golden Triangle tour itinerary might include Delhi, Agra, and Jaipur.

b. Maps & Directions

Travelers can benefit from maps, GPS links, or written directions to help them navigate unfamiliar locations.

c. Cultural & Historical Background

A brief introduction to the history and cultural significance of each destination enhances the travel experience.

3. Travel Schedule & Transportation

A well-defined travel schedule ensures smooth movement between destinations, reducing delays and confusion.

a. Departure & Arrival Details

The itinerary should mention dates and times for flights, trains, or road trips to keep travellers informed.

b. Mode of Transport & Tickets

Information on transportation methods such as flights, trains, rental cars, or private transfers should be included, along with ticket details.

c. Pickup & Drop-off Details

This includes airport transfers, train station pickups, and intercity transport arrangements.

d. Driver & Guide Information

If applicable, the itinerary should mention the contact details of drivers or tour guides for smooth coordination.

4. Accommodation Details

Mentioning accommodation details prevents last-minute confusion and ensures a comfortable stay.

a. Hotel Name & Address

For instance, "Taj Palace, New Delhi" should be mentioned in the itinerary with complete address details.

b. Check-in & Check-out Timings

This helps travellers manage their arrival and departure schedules efficiently.

c. Room Type & Facilities

Travellers should know their accommodation type (e.g., deluxe room with breakfast, Wi-Fi, pool facilities, etc.).

d. Hotel Contact Details

Reception desk numbers and emergency contacts should be listed for easy communication.

5. Daily Activities & Sightseeing

An itinerary should include a structured schedule of activities to maximize the travel experience.

a. Timings of Tours & Activities

For example, "Visit to the Taj Mahal at sunrise" should be clearly mentioned with specific time slots.

b. Guided Tours & Entry Fees

Details about pre-booked attractions, tour guides, and entry fee requirements should be provided.

c. Shopping & Leisure Time

A good itinerary allocates time for exploring local markets, souvenir shopping, and independent activities.

d. Adventure & Cultural Experiences

Examples include camel rides in Rajasthan, boat cruises in Kerala, or cultural dance performances in Udaipur.

6. Meal Plans

Providing meal information ensures travellers are aware of their food arrangements during the trip.

a. Types of Meals Covered

This specifies whether breakfast, lunch, or dinner is included in the itinerary.

b. Restaurant or Hotel Dining Information

Example: "Lunch at a rooftop restaurant in Jaipur with local Rajasthani cuisine."

c. Dietary Preferences

Special meal options such as vegetarian, vegan, halal, and gluten-free meals should be accommodated where necessary.

7. Free Time & Optional Activities

Not all parts of the trip need to be strictly scheduled—some flexibility allows travellers to explore at their own pace.

a. Recommended Shopping Areas

Example: "Bapu Bazaar in Jaipur for traditional handicrafts and jewelry."

b. Optional Activities

Additional experiences such as spa treatments, photography tours, or cooking classes can be included.

c. Evening Leisure Suggestions

Example: "Attend a Rajasthani cultural dance show in Udaipur at Bagore Ki Haveli."

8. Emergency Contacts & Safety Information

Safety is a crucial aspect of travel planning, and an itinerary should provide emergency contact details.

a. Local Emergency Numbers

Police, ambulance, and fire department numbers should be listed for easy reference.

b. Tour Operator Helpline

A 24/7 contact number should be available for immediate assistance.

c. Nearest Hospitals & Medical Centers

Providing hospital locations helps travellers in case of medical emergencies.

d. Embassy/Consulate Information

For international travellers, embassy contact details should be included.

9. Budget & Payment Information

A breakdown of costs helps travellers manage expenses and avoid unexpected charges.

a. Tour Package Inclusions & Exclusions

Clearly state what is covered (e.g., meals, transport, activities) and what is not (e.g., personal expenses, tips).

b. Payment Due Dates & Methods

Specify whether payments should be made via credit card, bank transfer, or cash.

c. Currency Exchange Information

For international trips, provide details about currency exchange rates and locations.

10. Special Notes & Guidelines

Additional travel tips help travellers prepare better and enjoy a smooth journey.

a. Packing List & Weather Forecast

Example: "Warm clothes for winter travel in Himachal Pradesh."

b. Dress Code & Cultural Etiquette

Example: "Wear modest clothing when visiting religious sites in India."

c. Local Language Basics

Including common phrases like "Thank you" or "Where is the nearest bus stop?" can help travellers communicate.

3.4 TYPES OF SALEABLE TOURIST ITINERARIES

Itineraries are broadly categorized into two types:

1. General Tour Itinerary: This type of itinerary is designed for a wide range of travellers and is marketed to a diverse clientele. It remains flexible and accommodates various interests.
2. Personalized Itinerary: Also referred to as a tailor-made itinerary, this is specifically curated for an individual traveller or a group based on their unique preferences and requirements.

Classification of Tourist Itineraries

The tour operations sector differentiates itineraries into two primary categories:

- Ready-Made Itineraries: These are pre-planned and developed in advance, without any prior knowledge of the customers who will purchase them. They resemble mass-produced consumer goods like clothing and shoes, created to cater to a broad audience. Such itineraries are structured to maximize market appeal and are often used for packaged tours, also known as package holidays. When crafting a ready-made itinerary, tour operators must consider factors such as company capacity, market segmentation, pricing strategies, competitor policies, and future business objectives.
- Tailor-Made Itineraries: These are customized itineraries created on request, designed to suit an individual traveller's specific needs. As these are personalized, direct communication between the traveler and the tour operator is necessary to align the itinerary with the traveler's requirements. Such itineraries take into account factors like trip duration, destinations, travel dates, accommodation preferences, services required, and budget constraints.

Key Considerations in Itinerary Planning

An itinerary can be structured based on the following aspects:

- Single or Multiple Destinations: Whether the itinerary covers one or multiple destinations.

- Special Interest Packages: Designed for specific experiences, such as adventure, cultural exploration, or leisure holidays.
- Tour Packages: Created primarily for relaxation and pleasure trips.
- Travel Packages: Focused on travel logistics and planning.
- Outbound Packages: Designed for domestic tourists traveling to foreign countries.
- Inbound Packages: Developed for international tourists visiting a country.
- Domestic Tours: Catering to local travellers exploring their own country.

Understanding Customer-Made (Tailor-Made) Itineraries

A customer-made or tailor-made itinerary is designed exclusively to meet the traveller's specific needs. Unlike pre-designed tours, tailor-made itineraries provide greater flexibility, personalized services, and an enhanced travel experience.

For crafting such itineraries, tourists usually share information such as preferred destinations, accommodation choices, meal plans, budget, special interests, and additional services like guided tours or language assistance. The more details provided, the better the customization.

Many travel agencies also offer specialized forms to collect such details and create the most suitable itinerary. These tailor-made programs allow travellers to modify and adjust services based on their preferences, ensuring a customized and fulfilling experience.

Advantages of Tailor-Made Itineraries:

- Designed around specific traveller preferences.
- Greater flexibility in choosing destinations, accommodations, and activities.
- Provides personalized experiences.
- More control over budget and scheduling.

Example of a Tailor-Made Itinerary

Complete Himachal Tour: Chandigarh – Shimla – Manali – Dharamshala – Dalhousie – Amritsar – Chandigarh (12 Days / 11 Nights)

- Day 1: Arrival in Chandigarh, sightseeing at Pinjore Garden and Rock Garden. Overnight in Chandigarh.
- Day 2: Travel to Shimla, leisure time, overnight stay.

- Day 3: Excursion to Kufri and Shimla sightseeing.
- Day 4: Travel to Manali, and explore the Mall Road.
- Day 5: Visit Rohtang Pass or Snow Point.
- Day 6: Manali sightseeing - Manu Mandir, Hadimba Temple, and Vashista Kund.
- Day 7: Travel to Dharamshala, and visit Dalai Lama Monastery and Bhagsunag Temple.
- Day 8: Travel to Dalhousie, leisure time.
- Day 9: Excursion to Khajjiar.
- Day 10: Travel to Amritsar.
- Day 11: Visit Golden Temple and Wagah Border.
- Day 12: Return journey from Amritsar.

Understanding Ready-Made Itineraries

A ready-made itinerary is a pre-arranged travel plan that includes accommodations, transportation, local sightseeing, and additional services. These itineraries are created by tour operators and sold as complete travel packages. Often, they include services such as rental cars, insurance, and guided activities.

These packages, commonly known as package tours, provide convenience as they cover transportation, lodging, most meals, and sightseeing experiences. They are ideal for travelers looking for a hassle-free experience.

Benefits of Ready-Made Itineraries:

- Includes professional tour management.
- Scheduled flights and structured travel plans.
- Expert local guides for immersive experiences.
- Comfortable transportation with air-conditioned vehicles.
- Pre-arranged accommodations in premium hotels.
- Assistance from airport representatives.

Example of a Ready-Made Itinerary

Rajasthan Forts & Palaces Tour (15 Days / 13 Nights)

- Day 1: Arrival in Delhi, city sightseeing.

- Day 2: Old Delhi tour (Red Fort, Jama Masjid, Raj Ghat).
- Day 3: Travel to Agra, visit India Gate, Humayun's Tomb.
- Day 4: Explore the Taj Mahal, Agra Fort.
- Day 5: Travel to Jaipur, and visit Fatehpur Sikri and Bharatpur.
- Day 6: Jaipur sightseeing – Amber Fort, City Palace.
- Day 7: Travel to Bikaner, leisure time.
- Day 8: Visit Junagarh Fort, and explore Bikaner city.
- Day 9: Travel to Jaisalmer, and visit Jaisalmer Fort.
- Day 10: Travel to Manvar, desert safari, cultural performances.
- Day 11: Travel to Rohet, and visit Mehrangarh Fort.
- Day 12: Village safari and cultural immersion.
- Day 13: Travel to Udaipur, and visit Ranakpur Jain Temples.
- Day 14: Udaipur sightseeing – City Palace, Jagdish Temple.
- Day 15: Departure.

3.5 CONCLUSION

A well-planned itinerary plays a crucial role in ensuring a smooth and enjoyable journey. It streamlines every aspect of travel, from accommodation and transportation to sightseeing and meals, allowing travellers to focus on their experiences rather than logistical concerns. Whether the purpose of travel is leisure, adventure, business, or cultural exploration, a structured itinerary enhances efficiency and creates lasting memories. Both customized and pre-designed itineraries have their advantages—while tailor-made plans cater to individual preferences, ready-made itineraries offer convenience and structure. The ideal choice depends on factors such as budget, flexibility, and personal travel preferences.

3.6 GLOSSARY

- Seasonality – The variation in travel demand based on different times of the year, affecting pricing and availability.
- Sightseeing – Visiting places of interest, such as landmarks, historical sites, and natural attractions, as part of a tour.
- Travel Voucher – A document issued by a travel agency or tour operator that serves as proof of payment for services like hotels or excursions.
- Half-Day Tour – A short excursion or guided tour lasting approximately 3–5 hours, usually covering specific attractions.

- Full-Day Tour – A tour that lasts for an entire day, typically 6–10 hours, including multiple sightseeing stops and activities.
- Group Tour – A pre-arranged travel package where multiple travellers follow the same itinerary, usually led by a guide.
- FIT (Free Independent Traveler) – A traveller or group that plans and books their itinerary without relying on pre-packaged tours.
- Stopover – A short stay at an intermediate destination, typically between connecting flights, often lasting less than 24 hours.
- Red-Eye Flight – A late-night or overnight flight that arrives at the destination in the morning, commonly used for maximizing travel time.
- Leisure Travel – Travel undertaken for relaxation, vacation, or recreational purposes, as opposed to business or work-related trips.

3.7 SUMMARY

A saleable tourist itinerary is a well-planned travel schedule designed to attract and cater to potential tourists. It focuses on market demand, traveller preferences, cost-effectiveness, and unique experiences to enhance its appeal. Key elements include destination selection, accommodation, transport, activities, and local attractions, ensuring a seamless and enjoyable journey. A successful saleable itinerary is flexible, well-structured, and competitively priced, making it appealing to travel agencies and customers alike. Proper marketing and customization further enhance its value, making it a profitable offering in the tourism industry.

3.8 SELF ASSESSMENT QUESTIONS

Short Questions

1. What is a saleable tourist itinerary?
2. Name two key elements of a successful saleable itinerary.
3. Why is flexibility important in a tourist itinerary?
4. How does customization enhance the value of an itinerary?
5. What role does cost-effectiveness play in itinerary planning?

Long Questions

1. Explain the importance of destination selection in designing a saleable tourist itinerary.
2. How do market demand and traveller preferences influence the development of a tourist itinerary?
3. Discuss the significance of transport and accommodation in ensuring a smooth itinerary experience.
4. Compare and contrast structured and flexible itineraries in terms of customer satisfaction.

5. What strategies can travel agencies use to market and promote a saleable tourist itinerary effectively?

3.9 REFERENCES AND SUGGESTED READINGS

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BTTM
Unit-4
Travel Documentation, Baggage Regulations and Airport and Aircraft procedures
Structure:

4.0 Objectives:
The following are the major objectives of the present Unit:

- Understand essential travel documents like passports, visas and health certificates.
- Learn baggage allowances, restrictions and special handling.
- Familiarize with airport procedures, including check-in and security.
- Study in-flight protocols.

- Manage travel challenges effectively.

4.1 Introduction

This unit "Travel Documentation, Baggage Regulations and Airport and Aircraft Procedures" equips learners with all the necessary information ideal for seamless traveling. It includes significant issues like the issuance of passports, visas, health documents and also rules regarding baggage such as allowances, restrictions, special handling and others. The unit also deals with operating procedures at the airport including passenger check-in, security screening, customs clearance and in-flight procedures. These are some of the processes that make travellers well informed and confident. After studying the module, the learners are equipped with "how to" for the different complexities of traveling.

4.2 Meaning of Travel Documentation

Travel documentation means the official records and credentials necessary for an individual to travel within any country or abroad seamlessly, as well as legally. These documents serve as proof of identity, citizenship and authorization for entry, transit, or stay in a particular country. These works include a passport, a visa, health certificates, travel insurance and tickets, which each have their specific importance in ensuring that legal, health and security conditions are satisfied. They allow the immigration officials, airlines and customs officers to identify the traveller and check if they qualify to go in or out of a certain place. Aside from legal necessities, travel documentation is important for the convenience and safety of the travellers to avoid delays, penalties, or restrictions in the course of the journey. It is the key to well-arranged and legitimate travel, for the benefit of the traveller and his destination country observing both international and national travel regulations.

4.2.1 Importance of Travel Documentation

Travel documentation refers to the collection of documents to support a traveller's identity claim, statements made about health and asserting nationality in a traveling zone. Passports, health certificates and visas are a few examples of such documents that cater to international and domestic regulations. When travel documents are prepared accurately, it will ensure a smooth travel experience and will help avert issues like boarding refusal, delay restrictions, or at customs and immigration checkpoints. Timely and careful preparation of travel documentation is most relevant today when traveling to different countries, regulations differ greatly and can change due to various factors such as health, terrorism and politics. Conformance with documentation guarantees minimal hurdles during processing, legal issues and ensures adherence to policy set by the government and the airline. Travellers, whether going for business, vacation, or any other purpose should place great importance on maintaining and presenting proper travel documents in order to enjoy a safe and smooth journey.

4.2.2 Types of Travel Documents

Travel documents are paramount to facilitate safe and legal travel across borders. Different categories of travel documents address immigration, security and health requirements deals with specific concerns. They include the following:

Passport

A passport is an official document issued by a country's government that entitles the holder to travel abroad and serves as an identity and nationality verification document. Passports carry the traveller's names, personal details, photograph and validity period.

Visa

A visa is an entry document obtained from the destination country that permits an individual to enter, remain, or pass through the country for a particular period. Different types of visas include tourist visas, business visas, student visas and work visas.

Health Certificates

Health certificates, including vaccination proof like Yellow fever and COVID-19, attest to the fulfillment of health requirements necessary for entry into the host country to avoid disease outbreaks.

Travel Insurance

Even if it is not a legal document, an insurance policy is necessary due to the need to cover medical expenses, cancellation of the trip, or lost luggage while on travel.

Travel Itinerary

A travel itinerary often for visa applications or border checks involves going beyond simply including tickets like boarding pass, hotel booking, tour bookings as those serve as evidence of any planned travel.

National ID Card

Some areas may only require a national identity card for intra-country or intra-region travel especially for those countries under some travel agreements such Schengen countries or GCC.

Emergency Travel Documents (ETD)

These are issued in critical situations, such as loss of a passport while traveling abroad. ETDs enable travellers to come back to their country or continue with their intended travel plan.

Refugee Travel Documents

These are given to refugees or stateless persons which allow them to travel abroad under the safeguard of international treaties or conventions.

Permits and Authorizations

Depending on the intention of the travel, some countries require specific travel permits such as work permits or eTA (Electronic Travel Authorization).

4.3 Passport and Visa

In the realm of global travel, passports and visas function as the primary relaying documents between a traveller and their identity or nationality and serve as a gateway to transit or enter the country.

Passport

A passport is an official government document concerning the person's identity and citizenship that enables him or her to travel abroad.

Essential Features Remnants of a Passport:

Private details: Full name, date of birth, nationality and a photo attachment.

Identification number: This is used for specific reference.

Date of expiration: The day after which the passport is no longer usable.

Visa pages: For affixing visas or other entry/exit markings.

Different Classes of Passport Documents:

Ordinary Passport: Used by travellers like tourists and business people.

Diplomatic Passport: Used by diplomats and other government officials.

Official Passport: Used by other government officials attending officially designated conferences and meetings abroad.

Emergency Passport: Issued to individuals whose passport has been stolen or lost while traveling to different countries.

Visa

A visa is an official authorization given by the country of destination that allows a traveller to enter, reside, or pass through that country for a specific duration and intention.

Types of Visas:

Tourist Visa: For leisure travel and sightseeing.

Business Visa: For attending meetings, conferences, or work-related activities.

Student Visa: For pursuing education in a foreign country.

Work Visa: For employment in the destination country.

Transit Visa: For passing through a country en route to another destination.

eVisa and Visa-on-Arrival: Electronic or on-the-spot visas for quicker processing.

Passport Application Process

Eligibility: Citizenship, proof of identity and residence documents required.

Steps: Complete application form, attach documents, pay fees and attend biometric/appointment if needed.

Processing: Takes a few weeks or expedited for urgent cases.

Delivery: Sent by mail or collected from the issuing authority.

Passport Renewal Process

When to Renew: At least 6 months before expiry or if damaged/used up.

Requirements: Expiring passport, updated photos and proof of any personal detail changes.
Steps: Fill renewal form, submit old passport, pay fees and attend biometric appointment (if applicable).
Processing: Standard or expedited options available.

4.4 Baggage regulations

Baggage regulations are important guidelines put in place by airlines and regulatory authorities to guarantee the safety, security, and efficiency of air travel. These guidelines outline the weight, size, and number of bags passengers are allowed to bring, which can vary depending on the airline, class of travel, and destination. There are two categories of baggage: checked (hold) luggage and carry-on (cabin) luggage, each with its own specific limitations. Certain items are not allowed on board, such as dangerous materials, sharp objects, and liquids exceeding the specified limits, in order to maintain safety. Special types of baggage like sports equipment, musical instruments, or medical supplies typically require advance notice and may incur extra fees. Adhering to baggage regulations helps prevent delays, additional charges, and potential security concerns, ensuring a smooth travel experience for passengers.

4.5 Airport Procedures

Airport procedures are the formal steps travellers follow at airports, including check-in, security screening, immigration, customs and boarding, to ensure safe, organized and compliant travel.

4.5.1 Check-In and Boarding Process

Passengers can check in either at the airline counter or online in order to obtain boarding passes and check their luggage. Following this, they make their way to the boarding gate, where staff will check their documents and boarding passes before granting them access to the aircraft.

4.5.2 Security Screening and Customs Clearance

Security screening includes examining carry-on items and making sure passengers follow safety regulations, such as not carrying prohibited items. International travelers must go through customs clearance to declare goods and adhere to import/export laws.

4.5.3 Immigration and Transit Procedures

Immigration includes the verification of passports, visas, and travel information when entering or leaving a country. Transit processes aim to facilitate easy transfers between flights, sometimes involving security checks or immigration procedures based on the airport's rules.

4.6 Aircraft Procedures

Aircraft procedures are the rules and protocols that passengers need to adhere to while boarding, during the flight, and when deboarding. These consist of guidelines for boarding, seating arrangements, safety measures during the flight, and appropriate passenger conduct to guarantee the safety and comfort of everyone on board.

4.6.1 Boarding and Seating Protocols

Passengers board the aircraft in designated groups or zones based on their seat numbers. Once on board, they locate their assigned seats, stow luggage in overhead bins or under the seat and follow crew instructions for settling in.

4.6.2 In-Flight Safety Guidelines

Passengers need to be attentive during safety demonstrations, secure their seatbelts while the aircraft is taking off, landing, or experiencing turbulence and adhere to instructions given by the crew. Instructions regarding emergency procedures, such as the proper use of oxygen masks and life vests, are provided to ensure the safety of passengers.

4.6.3 Passenger Conduct and Etiquette

Passengers should follow proper etiquette, such as keeping noise levels low, respecting personal space and cooperating with the crew. Avoid disruptive behavior to ensure a comfortable and pleasant flight experience for everyone.

4.7 Post-Arrival Formalities

Upon landing, passengers must complete several formalities to exit the airport and reach their destination smoothly.

4.7.1 Customs Declaration and Inspection

International travellers must declare goods exceeding duty-free limits and present forms/documents for customs inspection to ensure compliance with regulations.

4.7.2 Collecting Checked Baggage

Passengers proceed to the baggage claim area to collect checked luggage. Lost or delayed baggage should be reported to the airline immediately.

4.7.3 Transportation and Connectivity at Destination

After exiting the airport, travellers can use available transport options such as taxis, buses, or car rentals for connectivity to their final destination.

4.8 Dealing with Common Travel Issues

Travelers frequently encounter difficulties while on their journey, but being able to manage them effectively can lead to a more seamless experience. Taking swift action, maintaining open and clear communication with airline or airport personnel and familiarizing oneself with travel regulations are crucial in addressing problems efficiently.

Common Travel Issues

Flight Delays or Cancellations: Stay updated on flight status and ask airlines for rebooking or compensation if applicable.
Lost or Delayed Baggage: Report immediately to the airline's baggage claim desk and provide details for tracking and recovery.
Missed Connections: Contact the airline to rebook on the next available flight.
Travel Document Problems: Ensure all documents are valid; resolve errors with relevant authorities promptly.
Health Emergencies: Carry necessary medications and know the location of airport medical facilities.
Overbooked Flights: Speak to the airline for compensation or alternative arrangements.
Language Barriers: Use translation apps or seek help from multilingual airport staff.
Preparedness and knowing whom to approach for help can significantly reduce travel-related stress

4.10 Check Your Progress

Answer the following question: -

- How can travellers ensure they follow safety protocols and procedures onboard an aircraft?

4.11 Summary

Proper preparation and following rules and procedures are essential for a smooth journey when traveling. Essential travel documents include passports, visas, identification, tickets and boarding passes. To prevent delays or denied boarding, it is important for these documents to be accurate and valid. Rules on baggage size, weight and prohibited items must be followed by travellers according to baggage regulations. Understanding both carry-on and checked baggage policies is crucial to avoid additional charges or security problems during travel. At the airport, procedures like check-in, security checks, immigration and customs clearance are crucial steps. Travellers must arrive early, follow airport signage and cooperate with security and immigration officers to ensure a hassle-free process. Onboard, passengers must adhere to aircraft procedures such as stowing luggage, wearing seatbelts and following crew instructions for safety. Familiarity with these procedures ensures a comfortable and secure flight experience.

4.12 Glossary

Travel Documentation: Essential documents required for travel, such as passports, visas, tickets and identification.
Passport: An official government-issued document allowing individuals to travel internationally.
Visa: A permit issued by a country that allows travellers to enter, stay, or work within its borders for a specified period.
Boarding Pass: A document provided after check-in that grants passengers access to the aircraft.
Check-In: The process of confirming your presence for a flight and receiving your boarding pass.
Baggage Regulations: Rules and policies set by airlines regarding the size, weight and content of luggage.
Carry-On Baggage: Small bags or items passengers are allowed to bring into the aircraft cabin.
Checked Baggage: Larger luggage stored in the aircraft's cargo hold.
Prohibited Items: Items banned from being carried on board for safety or security reasons (e.g., weapons, flammable items).
Security Check: A process at the airport where passengers and their belongings are screened for prohibited items.

4.13 Self-Assessment Exercise

1. What are the key travel documents required for international travel and why are they important?
2. Explain the difference between carry-on baggage and checked baggage. What are the general restrictions for each?
3. What steps are involved in the airport check-in process and what is the significance of a boarding pass?
4. Describe the purpose of security and customs checks at the airport. How can travellers prepare for these procedures?
5. What are the common prohibited items in baggage and why are these restrictions enforced?
6. What are some essential aircraft safety procedures that passengers must follow during a flight?

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UNIT-6

Flight Schedules, Flight Connections and Itinerary Planning

Structure:

6.0 Objectives

The following are the major objectives of the present Unit:

- Understand the role of flight schedules in travel planning.
- Calculate travel times and manage layovers effectively.
- Learn to use tools for booking flights and managing reservations.
- Create organized itineraries for various travel scenarios.
- Handle unexpected travel issues like delays and missed connections.

6.1 Introduction

In this unit, we will examine flight schedules and flight connections together with the strategies to develop efficient trip schedules. These fundamental concepts need complete understanding among travellers along with travel professionals to achieve efficient smooth travel. The following material discusses how to calculate travel durations and how to manage stopovers together with different flight booking resources. After completing this unit, you will be able to build perfect travel plans that handle different situations while handling possible difficulties.

6.2 Meaning of Flight Scheduling

It is defined as the planning and organizing flight times for airlines. This means picking times when the flights will take off and land, including the frequency of the flights between certain origin and destination airports. In the process, factors such as the availability of aircraft, the crew schedule, airport slots and the demand of passengers are considered.

Flight scheduling is an effective thing that aid airlines improve their operation, minimize delay and deliver a convenient travel option to passengers. In doing so, it guarantees the travellers that there are flight options available at the time when they need to travel and it helps the airlines to use resources and ensure earning a profit.

6.2.1 Importance of Flight Schedules in Travel Planning

Flight schedules play an important role in the process of travel preparation by providing important information to passengers regarding the times of departure and arrival, thus enabling them to choose flights that align best with their travel plans. These schedules aid in the development of efficient travel itineraries by enabling passengers to optimize their routes and minimize layover durations, especially beneficial for trips involving multiple destinations. Furthermore, having access to flight schedules allows passengers to identify cost-effective flight options by comparing offerings across different airlines. The availability of schedules also offers flexibility, empowering passengers to adjust their plans according to changes and availability. Accurate flight schedules facilitate effective time management by ensuring that passengers arrive at the airport with ample time for necessary procedures such as check-in and security checks, thereby reducing stress levels during travel. Finally, dependable flight schedules contribute to the overall safety and consistency of airline operations, building trust among passengers and encouraging repeat bookings.

6.2.2 Types of Flights: Direct, Non-Stop and Connecting

In the context of air travel planning, it is essential to have a thorough understanding of the various categories of flights that are available, including direct, non-stop and connecting flights.

Non-stop flights: Non-stop flights represent the most direct option as they transport passengers from the departure airport to the destination airport without any intermediate stops, offering the fastest travel time and appealing to travelers seeking efficiency and convenience.

Direct flights: Direct flights may include one or more stops during the journey but do not necessitate passengers to switch planes. Throughout the trip, passengers stay on the same aircraft, even during brief layovers at intermediary airports, providing a degree of flexibility in scheduling while still offering a relatively straightforward travel experience.

Connecting flights: Connecting flights involve layovers at one or more airports before reaching the final destination, requiring passengers to deplane and board another aircraft, which can result in extended travel durations. Although connecting flights may be cost-effective at times, meticulous planning is necessary to ensure adequate layover time between flights and to reduce the possibility of missed connections.

6.3 Understanding Flight Timings

Understanding flight timings is very important for effective travel planning, as it involves various factors that can impact a traveller's schedule and experience.

6.3.1 Time Zones and International Date Line

Time zones are extremely important in determining flight schedules, as they establish the local time at both departure and arrival points. The global time system is divided into 24 zones, usually differing by one hour each. Passengers must consider these time differentials in order to prevent misunderstandings when organizing flights or transit arrangements. Positioned at around 180 degrees longitude, the International Date Line is a fictional boundary that designates the point at which dates alter. Crossing this boundary can bring about an abrupt alteration in time and date, a factor that travelers must take into consideration when devising their travel plans.

6.3.2 Calculating Travel Time and Layovers

The computation of travel duration encompasses more aspects than solely the length of a flight; it also takes into consideration the durations of layovers at connecting airports. Travellers are advised to consider the total duration of the journey, which is the aggregate of the durations of flights and layovers. It is crucial to factor in layover durations when arranging connecting flights in order to guarantee that there is adequate time to transfer between planes without encountering missed connections. This computation assists travellers in effectively organizing their arrival at the destination and any subsequent engagements.

6.3.3 Seasonal Variations in Flight Schedules

Flight timetables may differ considerably depending on the time of year. Airline companies frequently modify their schedules to suit fluctuations in passenger demand, which can be influenced by holidays, peak vacation periods and weather patterns. For example, during the summer season there may be an increase in flights to popular tourist destinations, whereas in winter there could be a decrease in services for less-traveled routes. It is advisable for travelers to be mindful of these seasonal variations in order to identify optimal flight choices and plan their journeys accordingly.

6.4 Tools and Platforms for Flight Scheduling

Assisting the world of flight scheduling can be simplified through various tools and platforms designed to help travellers find and manage their flights effectively. Understanding these resources is essential for planning a smooth travel experience.

6.4.1 Airline Websites and Mobile Applications

Airlines provide websites and mobile applications for travelers to search for flights, view schedules and handle reservations. These platforms commonly offer functionalities such as mobile check-in, electronic boarding passes and real-time flight status updates, thereby enhancing the convenience associated with travel planning and management.

6.4.2 Online Travel Agencies and Aggregators

Online travel agencies (OTAs) and flight aggregators like Expedia, Kayak and Skyscanner assist travelers in comparing flight choices provided by various airlines. These websites enable users to refine their search results based on price, duration and layover duration, facilitating the discovery of optimal offers. Additionally, OTAs frequently present bundled offerings incorporating accommodations and vehicle rentals.

6.4.3 Global Distribution Systems (GDS)

Global Distribution Systems (GDS) are utilized by both travel agents and airlines for the purpose of obtaining flight details and making reservations. Platforms such as Amadeus and Sabre offer instantaneous updates on flight availability and pricing. Although designed mainly for industry professionals, GDS data can also assist travelers in comprehending pricing patterns and available choices.

6.5 Flight Connections

Flight connections involve the transfer from one flight to another at a stopover airport during a trip. Comprehending flight connections is essential for efficient trip organization, as it influences the total travel duration and the ease of reaching the ultimate destination. Here are key aspects of flight connections:

Types of Connections:

Direct Connections: Passengers remain on the same aircraft for the entire journey, even if there are scheduled stops. This type usually offers a simpler travel experience.

Connecting Flights: Passengers must change planes at an intermediate airport. This can involve a layover, where travellers get off from one flight and board another.

Layover Times:

Layover time is the duration between the arrival of one flight and the departure of the next. It's important to ensure there is enough time for customs, security checks and boarding. Airlines typically specify minimum connection times (MCT) that must be met to avoid missing the next flight.

Managing Connections:

Travellers should plan their itineraries carefully to account for potential delays or cancellations. It's advisable to book flights with reasonable layover times and to check the airport layout for easier navigation between gates.

Baggage Handling:

In most cases, checked baggage will be automatically transferred to the next flight when connections are made on the same airline or partner airlines. However, travellers may need to recheck their bags if flying with different carriers.

6.6 Itinerary Planning

Itinerary planning is about organizing travel details to create a clear schedule for your trip. A well-planned itinerary helps you make the most of your travel experience.

6.6.1 Components of a Travel Itinerary

A travel itinerary typically includes several key components:

Travel Dates: When you will be leaving and returning.

Destinations: The places you will visit during your trip.

Flight Details: Information about your flights, including departure and arrival times.

Accommodation: Where you will stay, including hotel names and check-in/check-out times.

Daily Activities: A plan for each day, including sightseeing, dining and any special events.

Important Contacts: Emergency numbers, hotel addresses and travel documents.

6.6.2 Choosing the Best Flight Combinations

When selecting flights, consider these tips:

Direct vs. Connecting Flights: Decide if you prefer direct flights for convenience or connecting flights that might be cheaper.

Layover Times: Ensure you have enough time between connecting flights to avoid missing connections.

Flight Times: Look for flights that fit your schedule and minimize travel time.

Airline Options: Compare different airlines for the best prices and services.

6.6.3 Group and Corporate Travel Itineraries

Group and corporate travel itineraries are essential for organizing travel plans for multiple individuals traveling together for business or leisure purposes. These itineraries help streamline the travel process, ensuring that everyone is on the same page and that logistics run smoothly.

1. Understanding Group Travel Itineraries

Group travel itineraries are designed for a set number of travellers, such as friends, family, or tour groups. These itineraries include:

Shared Accommodations: Arrangements for hotels or other lodging that can accommodate the entire group.

2. Corporate Travel Itineraries

Corporate travel itineraries are tailored for business trips, often involving meetings, conferences, or events.

6.7 Check Your Progress

- Describe the importance of clear communication in sharing travel itineraries with all participants. What information should be included?

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6.8 Summary

Group travel itineraries organize plans for multiple travellers, focusing on shared accommodations, coordinated schedules and group activities. Corporate itineraries cater to business trips, including flight bookings, meeting schedules and expense management. Effective planning involves collaboration, using travel tools, clear communication and flexibility to adapt to changes. These itineraries ensure smooth logistics, minimize confusion and create a seamless travel experience for all participants.

6.9 Glossary

Group Travel Itineraries: A thorough plan created for a group of travelers that details shared travel plans, accommodations, and activities.

Corporate Travel Itineraries: A well-organized schedule developed for business travelers, which includes meetings, conferences, and travel logistics tailored to professional requirements.

Shared Accommodations: Housing arrangements suitable for multiple travelers, such as group reservations in hotels or sharing rental properties.
Coordinated Travel Plans: Synchronized travel arrangements for groups, which include flights, transportation, and schedules to ensure smooth movement for the entire group.
Group Activities: Planned events or trips meant to be enjoyed collectively by all members of the travel group.
Meeting Schedules: A predetermined timetable of business meetings, which includes information on time, location, and participants.
Ground Transportation: Local transportation options like buses, shuttles, or car rentals utilized to travel between locations during a trip.
Expense Management: The process of monitoring and controlling costs incurred during travel, including rules for reimbursements.
Travel Management Tools: Applications or software used to plan, organize, and share travel itineraries and updates in real-time.
Flexibility: The ability to adjust or change travel plans to accommodate any unexpected events or changes during a trip.
Communication: Ensuring that all essential information about the itinerary and travel documents is shared with participants for clarity and convenience.

6.10 Self-Assessment Exercise

1. What are the key components of a group travel itinerary and how do they differ from a corporate travel itinerary?

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2. Explain the importance of coordinated travel plans in group itineraries. How do they enhance the travel experience?

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3. What role does expense management play in corporate travel and how can it be effectively handled?

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4. List three tools or strategies that can be used to create and share travel itineraries for group and corporate trips.

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5. Why is flexibility important in itinerary planning and how can you account for unexpected changes during group travel?

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Unit 7 - Fares: Tariff Terminology, Types of Fares, Fare calculation, Currency Conversion Table and Modes of Payment

Structure:

7.1 OBJECTIVES

By the end of this unit, learners will be able to:

1. Define key fare-related terms and differentiate between various types of fares used in the travel industry.
2. Analyse the principles of fare construction, including mileage-based pricing and zonal fare systems.
3. Understand the role of exchange rates in international fare calculation and their impact on ticket pricing.
4. Recognize various payment methods used for travel fares, including cash, credit cards, and digital transactions.

7.2 INTRODUCTION

Transportation has evolved significantly over time, shaping the way people travel across different modes of transport, including air, rail, road, and sea. Initially, air travel was slow to develop after the Wright brothers introduced the great landmark of flight. However, major technological advancements were made following the two World Wars, ultimately leading to improvements in comfort and technological refinements in aircraft. The introduction of jet-powered vehicles revolutionized transportation, bringing unparalleled speed, efficiency, and convenience to passengers. In 7958, the rise of jet travel marked a key shift, causing a substantial growth in long- distance travel throughout all modes of transportation.

As tourism flourished, transport providers adapted to the increasing need for efficiency, affordability, and safety. Factors such as speed, reliability, and passenger comfort became primary considerations influencing travellers' choices. Despite rising fuel costs and global economic fluctuations, the transportation industry continued to progress, with technological advancements leading to the development of larger, more fuel-efficient vehicles. By the 1990s, further innovations were anticipated, such as high-capacity aircraft, advanced rail networks, and enhanced road transport systems, all designed to optimize operational costs and cater to growing passenger demand. Among all transport modes, air travel has been a major driver of modern tourism growth, but rail, road, and sea transport have also contributed significantly. As the industry continues to evolve, fare strategies and technological advancements will remain central to shaping the future of global travel.

7.3 Introduction to Tariff Terminology

Key Tariff Terminologies

- Tariff – A structured system of fares, fees, and rules set by transport providers, governments, or regulatory authorities.
- IATA Rate of Exchange (IROE) – The exchange rate published by the International Air Transport Association (IATA) used for fare calculation in different currencies.
- Bank Buying Rate (BBR) – On the rate at which banks buy foreign currency, used in international fare calculations.
- Bank Selling Rate (BSR) – On the rate at which banks sell foreign currency, relevant in ticket pricing for cross-border travel.
- Fuel Surcharge (YQ/YR Surcharge) – An additional fee applied to compensate for fluctuating fuel costs.
- Government Taxes & Airport Fees – Charges imposed by governments or airport authorities, including departure taxes, security fees, and passenger facility charges.

- Seasonal Tariff – A pricing structure where fares vary based on demand, with higher fares during peak travel seasons and lower fares during off-peak periods.
- Promotional Tariff – A temporary fare discount offered as part of a marketing campaign.
- Freight Tariff – The cost associated with transporting cargo rather than passengers.
- Standby Fare – A discounted fare for passengers willing to wait for available seats without confirmed reservations.

Maximum Permitted Mileage (MPM)

Maximum Permitted Mileage (MPM) describes the maximum distance a deck passenger is authorized to travel between two cities on a given route without suffering extra charges. It is used in fare determination that whether a routing is on the allowable mileage limit set by airline pricing rules.

Key Features of MPM:

- Defined by IATA: The International Air Transport Association (IATA) establishes MPM values for various city pairs.
- Used in Mileage-Based Fare Calculation: If the actual distance travelled (Total Ticketed Point Mileage or TPM) exceeds the MPM, surcharges (such as extra mileage surcharges) may apply.
- Flexible Routing: Allows passengers to take indirect routes within the permitted mileage without additional fare costs.
- Application in Airfare Construction: It helps in calculating normal and special fares, ensuring that passengers follow a valid route for their ticketed fare.

MPM and Extra Mileage Allowance

- If the actual travel distance stays within 100% of the MPM, no surcharge applies.
- If the distance exceeds 100% but remains within 125% of the MPM, an extra mileage surcharge (EMS) is added to the fare.
- Routes exceeding 125% of MPM are generally considered invalid for the given fare.

Ticketed Point Mileage (TPM) vs. Ticketed Permitted Mileage (TPM & TPM Limit)

TPM refers to the actual distance, measured in miles, between two consecutive points on a ticketed itinerary. It is used to check whether a travel route stays within the

permissible limits set by airlines. The mileage values are published by the International Air Transport Association (IATA).

Example Scenario:

- MPM between City A and City B: 5,000 miles
- Actual TPM (chosen route): 4,800 miles → Valid, within MPM
- Actual TPM (alternate route): 5,300 miles → Surcharge may apply (if within 125%)
- Actual TPM: 6,500 miles → Exceeds 125% of MPM, requiring fare adjustment or rebooking

Higher Intermediate Point (HIP)

Higher Intermediate Point (HIP) is a fare construction principle used in airline pricing to ensure that passengers do not underpay for a ticket when travelling through an intermediate point with a higher fare. It is a comparison mechanism to check if a higher fare applies at a midpoint of the journey.

How HIP Works:

- When a passenger travels through an intermediate city (stopover or connection), the fare for that city is compared with the fare for the full journey.
- If the fare for the intermediate city is higher than the originally calculated fare, the Higher Intermediate Point (HIP) check applies.
- The passenger is required to pay the higher fare unless they qualify for an exception (e.g., a through fare or fare combination rule).

Example of HIP Application:

Route:

- Passenger books a ticket from City A → City C with a stopover in City B.

Fares for Individual Segments:

- City A → City C (through fare): $500
- City A → City B: $600 (higher than A → C)
- City B → City C: $200

HIP Check Result:

- Since the fare for City A → City B ($600) is higher than the through fare from City A → City C ($500), the fare needs to be adjusted.

- The final fare will be $600 + $200 = $800 instead of $500.

Types of Transaction

SITI (Sale Inside, Ticketed Inside)/ SOTI (Sale Outside, Ticketed Inside)

1. Ticket Issued in the Country of Travel Commencement:
    - The ticket is purchased and issued in the same country where the journey begins.
2. Applied Between the Origin and a Stopover Point:
    - The fare is calculated for travel from the starting point to an intermediate stopover location.
3. Applied Between a Stopover Point and the Final Destination:
    - The fare applies to the segment between a layover point and the ultimate destination of the journey.
4. Applied Between Two Stopover Points:
    - When a traveller moves between two intermediate stopover locations, this fare transaction is used.

Example:

- Route: BOM – DEL – PAR (x)
- Since PAR is a transit point and not a stopover, HIP (Higher Intermediate Point) does not apply.

SOTO (Sold Outside, Ticketed Outside) / SITO (Sold Inside, Ticketed Outside)

- Applicable for fare calculations between the starting location and the ticketed point.
- Applied when determining fares between a ticketed point and the final destination.
- Considered for fare assessment between any two ticketed points within an itinerary.

Example Route:

- BOM – DEL (use this HIP, as it is a ticketed point) – SIN

HIP (Higher Intermediate Point) Application:

- In SITI/SOTI transactions, HIP checks are conducted only at stopover points.

- For SOTO/SITO transactions, HIP checks apply between one stopover point and another.
- Fare assessments are done between any ticketed point to another ticketed point, but only in a single direction.

BHMC- (BLACK HAUL MINIMUM CHECK)

BHMC, or Back Haul Minimum Check, is a fare validation rule applicable only for one-way journeys. It is used to verify fares from the starting point to any ticketed location along the route. This check is conducted after applying the Higher Intermediate Point (HIP) rule to ensure correct fare calculations.

DMC- (DIRECTIONAL MINIMUM CHECK)

(DMC) is a fare validation process that applies specifically to one-way journeys. It is used to assess fares between any two ticketed points, regardless of direction. This check is applicable only in SOTI, SOTO, and SITO transactions and is conducted after the Back Haul Minimum Check (BHMC). The highest Neutral Unit of Construction (NUC) from any direction is considered as the applicable DMC.

CTMC- (Circle Trip Minimum Check)

CTMC is a fare assessment rule that applies exclusively to return journeys. It is used to verify the fare from the origin to any point within the itinerary.

OVER POINT This happens when a passenger reaches a layover point and stays for more than 24 hours before departing.

NON-STOP-OVER POINT This happens when the passengers reaches a stopover point and is set to maket within 24 hours of arrival.

ADD-ONS When a through fare is unavailable, it can be calculated by adding an extra amount to an existing published fare. The resulting fare is then considered the official fare between the two points.

ADD ON AMOUNT Refers to an additional amount used solely to create an unspecified through fare.

ADMINISTRATIVE SERVICE CHARGE An Administrative Service Charge is typically the same as a change fee or the cost of exchanging a ticket for future travel.

INVENTORY refers to the available booking classes, such as F, P, J, C, Y, M, B, Q, H, V, and L. Fare rules may include phrases like "INVENTORY MUST BE AVAILABLE FOR FARE TKTD," often found in the rerouting section.

CO TERMINALS are different airports regarded similar for the fare calculation. For example, if Fort Lauderdale (FLL) and Miami (MIA) are co-terminals, they are treated

as the same airport for ticket pricing under a specific fare rule. Co-terminals in a fare rule may not always relate to a passenger's actual route.

DIRECT A flight from point A to point B with the same flight number and no aircraft change, though it may include stops, is described as a direct flight. In fare combinations, the most restrictive rule applies. For example, if one fare is non-refundable, the entire ticket becomes non-refundable. Similarly, stricter advance purchase and stay requirements override less restrictive ones. Sorting out all the details of fare combinability on your own can be extremely difficult. Online reservation systems usually handle this automatically. If you need further assistance, it's best to contact your travel agent.

DISCOUNTS Fare rules often include three types of discounts: newborn, adolescent, and senior. Newborn under two typically fly free on domestic flights if they don't occupy a seat. Children's discounts usually apply to ages 2-11 but may not be available on heavily discounted fares. Many airlines offer senior discounts, sometimes extending them to a travel companion. Age requirements for senior discounts vary by airline, so it's best to check with the carrier.

END ON END Combining two round-trip fares to make a comprehensive itinerary is known as a combination fare approach. As an example, a traveller buys two round-trip tickets: one from AAA to BBB and another from BBB to CCC. This approach might occasionally be less expensive than purchasing a round-trip ticket directly from AAA to CCC. If this combination is allowed, it is shown in the fare rules. While most airlines forbid back-to-back ticketing, end-on-end combinations are occasionally exploited to discover cheaper tickets.

Date of transaction: denotes the day the MCO or PTA ticket was issued.

Global indicator: denotes the worldwide standard that applies to the fare as indicated in the fare book.

Miscellaneous charge order (MCO): is a document that the carrier or its representatives issue asking the individual listed on it to receive a suitable passenger ticket, baggage check, or service modification.

Prepaid ticket advice (PTA): indicate informing someone in another city via phone, commercial wire, or letter that someone in one city has asked for the issuance of prepaid transportation as specified by the authorities.

Stopover: occurs when a passenger (or any one) arrives at an almost or intermediate point and is not scheduled to depart within 24 hours of arrival.

Tariffs: means the published fare, rates, charge and /or related condition of carriage of a carrier.

Non-stop: Used to describe a flight from A to B with no en-route stops. Compare with direct.

The Originating Flight is the first flight listed on a passenger's ticket, marking the start of their journey.

PTA (Prepaid Ticket Advice) is a payment method that allows someone else to purchase a ticket for a traveller, even if they are in a different city. The passenger can then collect the ticket from the airline or a travel agent in their location. Some fare rules mention that "PTA satisfies ticketing requirements," meaning that once the PTA is arranged, the ticketing conditions—such as issuing the ticket within a specific timeframe—are considered fulfilled, even if the physical ticket has not yet been printed. With the introduction of electronic tickets, PTA has become much less common, as e-tickets provide a more convenient solution. Unlike electronic tickets, airlines typically charge a processing fee for PTA transactions.

Voluntary rerouting allows passengers to modify their itinerary before departure, including changes to flights, dates, times, or destinations. While a change fee applies, rules ensure fairness between passengers paying different fares. Rerouting provides flexibility but maintains balance so higher-paying travellers do not face unfair disadvantages. Rules vary pre- and post-departure.

7.4 TYPES OF FARE

Airfares are typically determined based on one-way or round-trip travel. That can be categorized as published, unpublished, or negotiated fares. Negotiated fares are those agreed upon between airlines and agencies as corporations or government , often at a discounted rate.

Unpublished fares also referred to as consolidated fares, are offered by consolidators or bucket shops and are not publicly available.

Classification of Airfares

1. Published Fares
    - Available for purchase by anyone through an airline’s website, call centre, or travel agencies.
    - The fare rules are standardized and publicly accessible.
    - Restrictions may include advance purchase requirements (e.g., 14-day booking) and minimum stay conditions (e.g., a Saturday night stay).
    - Airlines' promotional seat sales also fall under published fares since they are openly available to travellers.
2. Unpublished Fares

- Typically offered at discounted rates by consolidators who buy seats in bulk.
- Fare rules vary significantly and may include anything from strict no-change policies to free modifications, depending on availability.
- Additional conditions may include restrictions on seat selection and frequent flyer mile eligibility.
- Airlines do not directly sell unpublished fares online or over the phone, making them unavailable through standard airline booking channels.

Main Types of Published Airfares

1. APEX Fares (Advance Purchase Excursion Fares)
    - Discounted international fares requiring advance ticket purchase (e.g., 7, 14, or 21 days before travel).
    - Usually non-refundable and subject to change fees and other restrictions.
2. Discount Fares
    - Limited-time offers, such as seat sales, which are available at reduced prices.
    - Often come with strict conditions like specific travel dates, minimum stay requirements (e.g., a Saturday night stay), and maximum stay limits (e.g., 30-day return policy).

Unlike most published fares, discounted fares (such as seat sale fares) come with specific rules and restrictions that travellers should be aware of. Since these fares are temporary and change frequently, it is advisable to keep a copy of the fare rules, as they may not always be available online later.

3. Excursion Fares

- These are lower-cost fares that come with specific conditions, such as booking, seasonal availability, and minimum or maximum stay requirements.

4. Unrestricted, Flexible, or Full Fares

- These are the most expensive tickets, offering maximum flexibility.
- Passengers can refund or modify their bookings without major restrictions, even on the day of travel.

5. Joint Fares

- These fares apply when two or more partner airlines collaborate on specific routes.
- They provide a discounted rate when a traveller books flights involving multiple airlines.
- Similar to excursion and discount fares, joint fares also have their own set of restrictions.

6. Through Fares

- A fare type that applies when travelling through an intermediate city to reach the final destination.
- Instead of purchasing separate tickets for each segment (e.g., Atlanta to Frankfurt and Frankfurt to Athens), a single-through fare covers the entire journey at a lower cost.

Fare Availability and Restrictions

- Airlines do not offer all seats at discounted or excursion fare rates.
- As flight occupancy increases, cheaper fares disappear, regardless of how far in advance a ticket is purchased.
- Discounted tickets typically come with restrictions, including:
    - Minimum and maximum stay limits
    - Time-of-day or day-of-week price variations
    - Change fees and penalties
    - Mileage restrictions (on through fares, passengers may be limited in the number of miles they can travel under that fare type)
    - Age-based discounts (youth, child, and senior fares may have different eligibility rules)

7.5 FARE CALCULATION

Fare Calculation (One-way Journey)

Steps for Fare Calculation:

1. Identify the Base Fare
    - Suppose the published economy class fare from JFK to LHR is $500.
2. Check Applicable Taxes and Fees
    - U.S. Passenger Facility Charge (PFC): $4.50
    - U.K. Air Passenger Duty (APD): $100
    - Security Fee (U.S. September 11th Fee): $5.60
    - Fuel Surcharge (YQ/YR Fee, if applicable): $200

3. Total Fare Calculation
    - Base Fare: $500
    - Taxes and Fees: $4.50 + $100 + $5.60 + $200 = $310.10
    - Final Ticket Price: $810.10

Fare Breakdown:

- JFK → LHR: Base fare: $500
- Surcharges (YQ/YR, if applicable): $200
- Government Taxes and Fees: $110.10
- Total Fare Paid: $810.10

Fare Calculation (One-way Journey)

Journey Details

A passenger is travelling on a circle trip with the following route:

- Delhi (DEL) → London (LHR)
- London (LHR) → Paris (CDG)
- Paris (CDG) → Delhi (DEL)

Step-by-Step Fare Calculation

1. Determine the Half Round-Trip Fares
    - Delhi → London (Half Round-Trip Fare) = $600
    - London → Paris (Half Round-Trip Fare) = $200
    - Paris → Delhi (Half Round-Trip Fare) = $650
2. Check the Minimum Fare Rule
    - The total fare should not be less than the highest direct round-trip fare between any two points.
    - Suppose the direct Delhi–London–Delhi round-trip fare is $1,400.
3. Calculate Taxes and Surcharges
    - Airport Taxes (Delhi, London, Paris) = $100
    - Fuel Surcharge (YQ/YR) = $150
    - Security and Other Fees = $50
4. Total Fare Calculation
    - Base Fare (Sum of Half Round-Trip Fares) = $600 + $200 + $650 = $1,450
    - Taxes and Surcharges = $100 + $150 + $50 = $300
    - Final Ticket Price = $1,750
5. Fare Breakdown:

Route	Fare Component
DEL → LHR	$600 (Half RT Fare)
LHR → CDG	$200 (Half RT Fare)
CDG → DEL	$650 (Half RT Fare)
Total Base Fare	$1,450

Route	Fare Component
Taxes & Surcharges	$300
Grand Total	$1,750

Excess Mileage Allowance (EMA) refers to the additional distance permitted beyond the Maximum Permitted Mileage (MPM) for a given fare. When a journey exceeds the MPM, a surcharge is applied based on the excess mileage percentage. Airlines use the Excess Mileage Allowance Percentage Table to determine the applicable surcharge for ticket pricing.

How It Works:

1. Calculate the Total TPM (Ticketed Point Mileage)
    - The sum of the actual flown miles between each sector in a journey.
2. Compare with MPM (Maximum Permitted Mileage)
    - The MPM is the maximum distance allowed for a given fare without a surcharge.
3. Determine the Excess Mileage Percentage
    - If the TPM exceeds the MPM, check the percentage overage.
    - Airlines have specific excess mileage tables to determine the surcharge.
4. Apply the Surcharge
    - Depending on the airline's fare rules, a surcharge (typically a percentage increase) is added to the base fare.

EMS chart (values in point)

1.0000- 1.0500 = 5%

1.0600- 1.1000 = 10%

1.1100- 1.1500 = 15%

1.1600- 1.2000 = 20%

1.2100- 1.2500 = 25%

Fare Calculation (Add- ons fare)

Example Scenario:

A passenger is travelling from Delhi (DEL) → London (LHR) → Manchester (MAN). However, there is no published fare from Delhi (DEL) to Manchester (MAN). Instead, the fare is calculated as:

1. Published Fare from Delhi (DEL) to London (LHR)
    - Assume the published fare is $800
2. Add-on fare from London (LHR) to Manchester (MAN)
    - Assume the add-on fare is $100

Fare Calculation Process:

Total Fare = Published Fare + Add-On Fare
= $800 + $100
= $900

Thus, the passenger's total fare from Delhi (DEL) to Manchester (MAN) is $900, where $800 is the published fare, and $100 is the add-on fare.

7.6 CURRENCY CONVERSION TABLE IN FARE CALCULATION

Currency conversion plays a crucial role in international fare calculation, as airfares may be quoted in different currencies based on the country of origin, airline policies, and international fare construction rules. The Currency Conversion Table (CCT) is used to standardize fare calculations by converting fares from one currency to another based on the IATA Rate of Exchange (IROE).

Key Concepts in Currency Conversion for Fare Calculation

1. Neutral Units of Construction (NUC)
    - Airfares are first converted into a neutral unit called NUC, which is a standardized value used for fare construction.
    - This step ensures uniformity in fare calculation across different currencies.
2. IATA Rate of Exchange (IROE)
    - The IATA Rate of Exchange is published by the International Air Transport Association (IATA) and is updated periodically.
    - It provides the exchange rate used for converting NUC values into the local currency for ticket issuance.
3. Conversion Process
    - Step 1: Convert the fare from the origin country's currency to NUC (if required).
    - Step 2: Use the IROE to convert NUC into the applicable currency of the country where the ticket is issued.
    - Step 3: Round off the final fare amount based on standard rounding rules.
4. Example of Currency Conversion in Fare Calculation
   Suppose a one-way fare from London (LHR) to New York (JFK) is 200 NUC and the applicable IATA exchange rate for USD is 1 NUC = 1.10 USD.
    - Step 1: Convert NUC to USD: 200×1.10=220 USD200 \times 1.10 = 220 \text{ USD}200×1.10=220 USD
    - Step 2: Apply any additional taxes, fees, or charges before final ticket pricing.
    - Step 3: Round off the amount as per IATA rounding rules.

Importance of Currency Conversion in Fare Calculation

- Ensures consistency in fare pricing across different countries and airlines.
- Prevents discrepancies in fare values due to fluctuating exchange rates.
- Helps travel agents, airlines, and passengers understand the correct fare applicable in their local currency.

Step	Description	Example Calculation (LHR - JFK)
1. Convert Fare to NUC	If the fare is published in local currency, convert it to NUC (Neutral Units of Construction)	Assume a fare of GBP 150, converted to 200 NUC.
2. Apply IATA Rate of Exchange (IROE)	Use the applicable exchange rate to convert NUC to the currency of the country where the ticket is issued	1 NUC = 1.10 USD
3. Convert NUC to USD	Multiply the NUC fare by the IROE exchange rate	200 NUC × 1.10 = 220 USD
4. Add Taxes & Fees	Additional airline and government-imposed charges are added to the base fare	220 USD + 50 USD (taxes) = 270 USD
5. Apply Rounding Rules	Fare values are rounded based on IATA standards for ticket issuance	Final ticket price 270 USD (rounded as per IATA rules)

Example of Currency Conversion in Fare Calculation

Let's assume a passenger is booking a ticket from London (LHR) to New York (JFK) and the base fare is published in British Pounds (GBP) but needs to be converted into US Dollars (USD) for final ticketing.

Fare Component	Amount	Currency
Base Fare	150	GBP
Converted to NUC	200	NUC
IATA Exchange Rate	1 NUC = 1.10 USD	-
Converted to USD	220	USD
Taxes & Fees	50	USD
Final Ticket Price	270	USD

This table represents a standard currency conversion process used in fare calculations following IATA's exchange rate system (IROE) and Neutral Units of Construction (NUC) methodology. Let me know if you need more details or modifications!

7.7 MODE OF PAYMENTS

Travel fares can be paid using various methods, ranging from cash transactions to bank-issued credit arrangements. Below are the commonly used payment modes in the travel industry:

1. Cash Payments
    - Cash in Advance: Travelers pay the full fare amount upfront before availing of the service. This is common for bus, train, and low-cost airline tickets.
    - Settlement of Bills: Some businesses and frequent travellers settle bills after using travel services, usually under a pre-arranged agreement with the provider.
2. Documentary Payments
    - Traveler's Cheques: Prepaid cheques issued by financial institutions that allow secure travel payments. Though less common today, they were traditionally used for international travel.
3. Open Account
    - In this arrangement, services are provided first, and payment is made later within an agreed period. It is often used in corporate travel management.
4. Letter of Credit (LC)
    - A bank-issued document that guarantees payment to the travel provider upon fulfilling specific conditions. It is mainly used in business travel transactions.
5. Bill to Company (BTC)
    - Companies with corporate travel policies allow employees to book tickets and the expenses are billed directly to the employer instead of the traveller.
6. Credit Card Payments
    - Travelers can pay for flights, hotels, and other transport services using credit cards. This method is widely accepted and offers additional benefits such as reward points, cashback, and travel insurance.

7.8 CONCLUSION

Fare calculation in travel is a complex process influenced by multiple factors such as fare types, routing, and payment modes. Understanding published and unpublished fares, discounts, add-ons, and fare construction methods like round-trip and circle-trip fares is essential for efficient travel planning. Additionally, various payment options, including cash, credit cards, and corporate billing, provide flexibility for travellers. Mastering these concepts helps ensure cost-effective and rule-compliant bookings, benefiting both passengers and travel service providers.

7.9 GLOSSARY

- Fare – The amount paid by a passenger for travelling via public or private transport.

- Excess Mileage Allowance – The permissible extra distance allowed in fare calculations without additional charges.
- Point of Turnaround (Fare Construction Point) – The farthest geographical point in a round-trip or circle-trip fare calculation.
- Currency Conversion Table – A system used to convert fares between different currencies based on exchange rates.
- Modes of Payment – Various ways to pay for travel fares, including cash, credit cards, traveller's cheques, and billing to companies.
- Letter of Credit – A bank-issued guarantee ensuring payment to a seller upon meeting specified conditions.
- BTC (Bill to Company) – A corporate payment arrangement where fares are billed directly to the employer or organization.
- Advance Purchase Requirement – A rule requiring travellers to book tickets a certain number of days before departure to avail of lower fares.
- Non-Refundable Fare – A ticket that does not allow refunds in case of cancellation.
- Minimum/Maximum Stay Requirement – A rule determining the shortest or longest stay allowed at a destination under a specific fare.
- SITI (Sold Inside, Ticketed Inside) – A transaction where a ticket is both sold and issued in the same country as the journey originates.
- SITO (Sold Inside, Ticketed Outside) – A transaction where a ticket is sold in the country of origin but issued in another country.
- SOTI (Sold Outside, Ticketed Inside) – A transaction where a ticket is sold outside the country of origin but issued inside the country of origin.
- SOTO (Sold Outside, Ticketed Outside) – A transaction where a ticket is both sold and issued in a different country than the journey's origin.

7.10 SUMMARY

This unit covers key aspects of fare calculation, including types of fares, ticketing rules, payment methods, and currency conversion. It explains published and unpublished fares, discount policies, and special fare categories. It also highlights transaction types (SITI, SITO, SOTI, SOTO) and essential factors affecting air travel pricing and payments.

7.11SELF ASSESSMENT QUESTIONS

1. What are the key differences between published and unpublished fares?
2. Explain the concept of thoroughfare and how it helps in reducing travel costs.
3. What are the different types of airfares, and how do they impact a passenger's travel choices?

4. Describe the various modes of payment available for travel fares.
5. What is the significance of currency conversion in fare calculation?
6. Define and differentiate between SITI, SITO, SOTI, and SOTO in fare transactions.
7. How does a circle trip differ from a round trip, and what are its fare construction rules?
8. Why is it important for travellers to understand fare rules and restrictions before purchasing a ticket?

7.12 REFERENCES AND SUGGESTED READINGS

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UNIT-8

Ticketing: Issuance; Cancellation and Re-issuance; Airline Reservations

Structure:

8.0 Objectives

The following are the major objectives of the present Unit:

- To understand the process of airline ticket issuance.
- Learn how to make and manage airline reservations.
- Know airline ticket cancellation rules and refund policies.
- To understand ticket re-issuance procedures and conditions.
- To develop skills for efficient and error-free ticketing.

8.1 Introduction

Airline ticketing is a crucial aspect of air travel, covering the issuance, cancellation and re-issuance of tickets, as well as airline reservations. It ensures that passengers secure their seats on flights while adhering to airline policies, fare rules and travel regulations. Understanding ticketing procedures helps in managing bookings efficiently, minimizing errors and handling changes or cancellations smoothly. With advancements in technology, ticketing has evolved from traditional paper tickets to electronic ticketing (e-tickets), making the process more convenient and accessible for travellers worldwide.

8.2. Meaning and overview of Ticketing Processes

Airline ticketing is a crucial aspect of air travel, covering the issuance, cancellation and re-issuance of tickets, as well as airline reservations. It ensures that passengers

secure their seats on flights while adhering to airline policies, fare rules and travel regulations. Understanding ticketing procedures helps in managing bookings efficiently, minimizing errors and handling changes or cancellations smoothly. With advancements in technology, ticketing has evolved from traditional paper tickets to electronic ticketing (e-tickets), making the process more convenient and accessible for travellers worldwide.

8.3 Importance of Accurate Ticketing in Travel

Accurate ticketing is essential for ensuring a smooth and hassle-free travel experience. Errors in ticket details, such as incorrect passenger names, flight dates, or fare classes, can lead to complications, including denied boarding, additional charges, or the need for re-issuance. Proper ticketing helps passengers secure their preferred flights, comply with airline regulations and avoid unnecessary delays or cancellations. It also ensures correct fare calculations, minimizes financial losses and enhances customer satisfaction. In the case of group or corporate travel, accuracy in ticketing is even more critical to managing multiple bookings efficiently.

8.4 Types of Airline Tickets

Airline tickets are classified based on their format, travel destination and journey type. Understanding these ticket types helps travellers and agents choose the most suitable option while complying with airline policies.

8.4.1 Paper Tickets vs. E-Tickets

Paper Tickets: Traditional physical tickets issued by airlines or travel agents, containing flight details and a coupon system for boarding. These are now rarely used.

E-Tickets (Electronic Tickets): Digital tickets stored in airline databases, eliminating the need for physical copies. They are more convenient, secure and widely used today.

8.4.2 Domestic vs. International Tickets

Domestic Tickets: Used for flights within the same country, generally having simpler fare rules and fewer travel restrictions.

International Tickets: Used for flights between different countries, requiring additional documentation like passports, visas and customs regulations.

8.4.3 One-Way, Round-Trip and Multi-Segment Tickets

One-Way Ticket: Allows travel from the origin to the destination without a return journey.

Round-Trip Ticket: Includes both departure and return flights between two destinations, often at a discounted fare.

Multi-Segment Ticket: Involves multiple flight legs, either within a single airline or across different airlines, useful for complex itineraries or multi-city travel.

8.5 Issuance of Airline Tickets

The issuance of airline tickets is a crucial step in the booking process, confirming a passenger's reservation and granting them the right to travel. This process involves selecting the appropriate fare, verifying passenger details and completing payment to generate the ticket.

8.5.1 Steps in the Ticket Issuance Process

Flight Selection – Choose flight options based on timing, fare and availability.

Passenger Information Entry – Enter accurate details such as name, passport number and contact information.

Fare Calculation & Booking Confirmation – Determine the applicable fare, taxes and fees, then confirm the booking.

Payment Processing – Complete the payment through an accepted method.

Ticket Generation – Issue an e-ticket or print a paper ticket with a unique Passenger Name Record (PNR).

Ticket Delivery – Send the ticket via email or provide a physical copy if required.

8.5.2 Payment Methods and Fare Rules

Payment Methods: Credit/debit cards, bank transfers, online payment gateways and travel vouchers.

Fare Rules: Conditions set by airlines regarding refunds, cancellations, changes, baggage allowances and validity periods. Fare rules vary based on ticket type (economy, business, refundable, non-refundable).

8.5.3 Role of Travel Agents and Online Portals

Travel Agents: Assist in ticket issuance, provide travel advice, compare fares and manage complex itineraries.

Online Portals: Airline websites and third-party booking platforms allow travellers to search, book and issue tickets independently, often offering discounts and loyalty rewards.

8.6 Airline Reservations

Airline reservations involve securing a seat on a flight by booking in advance. This process includes selecting a flight, choosing a fare category and receiving a Passenger Name Record (PNR) for confirmation. Proper reservation management helps travellers avoid last-minute issues and ensures a smooth journey.

8.6.1 Importance of PNR (Passenger Name Record)

PNR is a unique reference number assigned to a passenger's booking.

It contains essential details such as flight itinerary, passenger name, contact information and ticketing status.

Airlines use PNRs to manage bookings, track changes and facilitate check-in and boarding.

PNRs also assist in coordinating special requests like meal preferences or seat selections.

8.6.2 Booking Classes and Fare Categories

Booking Classes: Airlines divide seats into different classes such as Economy, Premium Economy, Business and First Class, each with varying levels of comfort and pricing.
Fare Categories: Within each class, airlines offer different fare types, such as refundable, non-refundable, flexible and discounted fares.
Higher booking classes offer benefits like extra baggage allowance, priority boarding and lounge access, while lower classes may have stricter restrictions.
8.6.3 Managing and Modifying Reservations
Changes in Travel Plans: Passengers can modify their bookings by changing travel dates, flight times, or destinations, subject to airline policies.
Upgrades & Seat Selection: Travellers can request seat upgrades or pre-select preferred seats during or after booking.
Cancellations & Refunds: Reservations can be canceled based on fare rules, with possible refunds or penalties.
Name Corrections: Airlines allow minor name corrections to match passport or ID details, but major changes may require re-issuance of tickets.
8.7 Ticket Cancellation
Ticket cancellation is the process of voiding a booked airline ticket due to changes in travel plans. Airlines have specific policies regarding cancellations, penalties and refunds, which vary based on fare type and booking conditions. Understanding these policies helps travellers minimize financial losses and manage changes efficiently.
8.7.1 Cancellation Policies and Penalties
Refundable vs. Non-Refundable Tickets: Refundable tickets allow cancellations with minimal fees, while non-refundable tickets may not offer refunds or only provide travel credits.
Airline-Specific Rules: Each airline sets its own cancellation policies, including deadlines for free or reduced-fee cancellations.
Penalty Charges: Cancellation fees depend on the ticket type, how close to departure the cancellation occurs and airline policies.
No-Show Policy: If a passenger does not cancel in advance and misses the flight, they may lose the entire ticket value.
8.7.2 Process for Canceling Tickets
Check Fare Rules – Review the airline's cancellation policy and applicable charges.
Initiate Cancellation – Cancel through the airline's website, mobile app, travel agent, or customer service.
Confirm Cancellation – Receive a cancellation confirmation with refund details, if applicable.
Claim Refund or Travel Credit – Depending on the ticket type, passengers may receive a refund, partial amount, or future travel credit.

8.7.3 Refunds: Full, Partial and Non-Refundable Tickets

Full Refund: Usually available for fully refundable tickets or when airlines cancel flights.

Partial Refund: Some airlines deduct cancellation fees and refund the remaining amount.

Non-Refundable Tickets: No cash refund is provided, but some airlines offer credits for future travel with conditions.

8.8 Using Technology for Booking and Modifications

Technology has revolutionized airline ticketing by making booking, modifying and managing reservations faster and more convenient. Digital platforms allow travellers to access real-time flight information, change bookings and handle cancellations with minimal hassle.

Key Technologies in Airline Ticketing:

Airline Websites & Mobile Apps – Enable passengers to search flights, book tickets and make modifications instantly.

Global Distribution Systems (GDS) – Used by travel agents to access multiple airline fares and seat availability in real time.

Artificial Intelligence (AI) & Chatbots – Assist customers with booking inquiries, modifications and travel recommendations.

E-Ticketing & Digital Wallets – Provide secure, paperless ticketing with easy access via email or airline apps.

Automated Check-In & Self-Service Kiosks – Allow travellers to check in and select seats without waiting in long queues.

Benefits of Using Technology in Ticketing:

Convenience – 24/7 access to booking and modifications from anywhere.

Time-Saving – Instant updates on flight changes, cancellations, or rebooking options.

Cost Efficiency – Dynamic pricing tools help passengers find the best fares.

Enhanced Customer Support – AI chatbots and virtual assistants provide quick solutions.

With continuous advancements, technology ensures a hassle-free ticketing experience, reducing dependency on manual processes and improving customer satisfaction.

8.11 Check Your Progress

What is a Passenger Name Record (PNR) and why is it important in airline reservations?

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8.12 Summary

Airline ticketing is an essential process that includes the issuance, cancellation, re-issuance and management of airline reservations. Ticket issuance involves selecting flights, entering passenger details, calculating fares, processing payments and generating either e-tickets or paper tickets. Reservations are secured through a Passenger Name Record (PNR), which contains booking details and fare classifications. In case of changes in travel plans, ticket cancellation allows passengers to void their bookings, often subject to airline policies, penalties and refund conditions, which can be full, partial, or non-refundable. If modifications are required, ticket re-issuance enables corrections, such as name changes or date adjustments, often with fare differences or rebooking fees. The integration of technology, including airline websites, mobile apps and AI-driven customer support, has made booking and managing reservations seamless, enhancing the overall travel experience.

8.13 Glossary

Airline Ticket – A document or electronic record confirming a passenger's right to travel on a specific flight.

PNR (Passenger Name Record) – A unique booking reference containing passenger and flight details.

E-Ticket (Electronic Ticket) – A digital version of a flight ticket stored in an airline's system.

Fare Rules – Conditions set by airlines regarding ticket pricing, cancellations and modifications.

Booking Class – A category assigned to a seat based on fare type and service level (e.g., economy, business).

Refundable Ticket – A ticket that allows cancellations with a full or partial refund.

Non-Refundable Ticket – A ticket that does not allow refunds after cancellation.

Re-Issuance – The process of modifying an issued ticket, such as name correction or flight date changes.

Cancellation Fee – A charge applied when a passenger cancels a flight, based on airline policies.

GDS (Global Distribution System) – A network used by travel agents to access airline fares and availability.

No-Show – A situation where a passenger does not show up for their flight without prior cancellation.

Round-Trip Ticket – A ticket that includes both departure and return flights.

Multi-Segment Ticket – A ticket that includes multiple flight legs, often with layovers or stopovers.

Overbooking – A practice where airlines sell more tickets than available seats, assuming some passengers will not show up.
Travel Credit – A voucher or balance issued by airlines for future travel, usually given for non-refundable tickets.

8.14 Self-Assessment Exercise

What are the key differences between refundable and non-refundable tickets?

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Explain the process of ticket issuance, including the main steps involved.

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Under what conditions can a ticket be re-issued and what charges may apply?

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How has technology improved the airline ticketing and reservation process?

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8.15 Reference and Suggested Readings:

1. International Air Transport Association (IATA) – Ticketing and Reservation Guidelines (www.iata.org)
2. Airline Websites (e.g., Delta, Emirates, Lufthansa) – Ticketing Policies and Fare Rules
3. Amadeus Global Distribution System (GDS) – Airline Ticketing and Reservation Systems (www.amadeus.com)
4. Sabre Travel Network – Airline Reservation and Booking Systems (www.sabre.com)

5. Worldspan by Travelport – Global Distribution and Fare Management (www.travelport.com)
6. ICAO (International Civil Aviation Organization) – Air Transport Regulations and Ticketing Policies (www.icao.int)
7. FAA (Federal Aviation Administration) – Passenger Rights and Airline Ticketing Regulations (www.faa.gov)
8. Skyscanner & Expedia – Online Booking Systems and Fare Comparisons (www.skyscanner.net, www.expedia.com)
9. Travel Industry Reports & White Papers – Trends in Airline Ticketing and Digital Reservations
10. Airline Terms & Conditions Documents – Specific Policies on Cancellations, Refunds and Re-Issuance (Available on airline websites)

Books:

1. "Airline Operations and Management" – John G. Wensveen
2. "Introduction to Air Transport Economics: From Theory to Applications" – Bijan Vasigh, Ken Fleming, Thomas Tacker
3. "Air Transportation: A Management Perspective" – John G. Wensveen
4. "Fundamentals of Air Transport Management" – Senguttuvan P.S.

Unit-10 – Impact of Automation on Ticketing Business; Prevailing Scenario and Future Perspective

Structure:

10.13 Reference and Suggested Readings

10.1 Objectives

Upon finishing this unit, you will be capable of:

- Understand automation in airlines business
- Understand the transition to e-ticketing
- Analyse the impact of automation on sales and customer experience
- Analyse the role of online flight booking platforms

10.2 Introduction

Automation is a procedure by which machines or computers carry out jobs without requiring human intervention. Humans don't have to do work by hand every time; instead, a robot or intelligent machine does it for them. In other words, automation is the process of using knowledge and control systems to lessen the need for human oversight. For example; flight schedules, passenger reservations and seat assignments, aircraft loading, flight inventory, ticket purchases, and fare tariffs are all tracked and maintained by airline reservation systems. In addition to meeting customer needs throughout the duration of each customer's reserved flight, the contemporary airline reservation system also lays out supervisory responsibilities for every flight. In the past, airline reservation systems operated independently. A specific number of airline employees could use each airline's unique system, which was discounted from other airlines or ticket agents. In the 1970s, travel agents fought for airline system access.

These days, a network of computer reservation systems (CRS) links, stores, and retrieves air travel data, making it available to numerous airlines and travel agencies. In addition to combining the purchasing and selling of tickets for several airlines, the global distribution system (GDS) creates a more extensive network of information on airlines, by enabling customers to choose seats, book hotels, and rent cars directly. To be able to offer information to individual travellers or potential clients, travel agencies, and other the airline employees, nearly all of the major airline reservation systems are connected to GDS.

10.3 RESERVATION SYSTEMS FOR AIRLINES

The background of airline reservation systems started in the late 1950s. Back then, major airlines like American Airlines needed a faster way to see flight details in real time from any office. They also wanted to make booking tickets easier and more organized. To solve this problem, they created a system called Sabre (Semi-Automated Business Research Environment), which began functional in 1964. The greatest achievement of Sabre was keeping flight seat information up to date in real time. This meant that agents all around the world could check available seats without making mistakes.

Before Sabre, booking a flight was much harder. Airlines used manual systems, meaning that groups of people sat in a large room displaying the seats on aeroplanes using physical cards. If someone booked a seat, they had to manually update the cards, which took a lot of time and often led to errors. Sabre made everything much quicker and more accurate, changing how airlines handled reservations forever.
Today, an airline reservation system is like a big computer program that helps people book plane tickets. It keeps track of seats, flight times, and passenger information. It's like a digital helper that makes sure that people have a spot on the plane when they want to fly somewhere.
Airline reservation systems are one of the established passenger service systems (PSS), that are applications that enable direct communication with passengers. The airline reservations system (ARS) was among the first developments that improved efficiency. ARS eventually got replaced by the computer reservations system (CRS). A global distribution system (GDS), that facilitates reservations for the majority of major airlines in a single system for the distribution channels, links which process reservations for a particular airline.
Overview
Flight schedules, ticket records, passenger reservations, and fares are all managed by airline reservation systems. They facilitate direct distribution via internet or mobile applications and airline systems. In accordance with IATA and ICAO standards, travel agencies use Global Distribution Systems (GDS) to access the same information using standardized messaging (Type A for secure data and Type B for general communication).
Amadeus, Sabre and Travelport (that merged Worldspan and Galileo) are the main providers of GDS, which were formerly owned by airlines but are now run by independent businesses. Abacus (Asia), Travelsky (China), Infini, Axess (Japan), and Topas (South Korea) are examples of regional GDS. Virgin America, which was previously on aiRes (IBS Software), has switched to Sabre, while Navitaire supports ticketless airlines. Certain airlines, such as Deltamatic and EDS SHARES, use proprietary systems. Serving more than 100 airlines, SITA Reservations is the most extensive neutral multi-host system.
Inventory Management
A list of every flight and the number of seats available on each is called an airline's inventory. First class, business class, and economy class are among the various classes into which these seats are separate from one another. Up to 26 different booking types, each with its own cost and regulations, are possible within each class. The tool that maintains records of all the seats and classes is called an inventory management. It determines the amount of seats are available for each type of reservation and has the authority to open or close reservations in response to

demand. A Fare Quote System, which brings together ticket prices and booking conditions, is used to determine seat prices.

The inventory system frequently works with a Yield Management System to ensure that the right seats are available at the best prices. Based on how many people want to book or what rival airlines are charging, this system assists the airline in modifying prices and seat availability. When there are a lot of empty seats on a flight or during holidays, airlines may occasionally provide exclusive offers or discounts. These deals ensure that the plane is as full as possible by drawing in more travellers. These offers are also tracked by the inventory system.

Availability Display And Reservation (PNR)

An availability display is what customer look at when they want to see which flights are available between two cities. This resembles a large list that presents every flight they are able to take, the number of available seats, and the various seating options, such as aisle or window seats, among others. There may not always be direct flights between those two cities. In that scenario, the display may display flights from partner airlines that collaborate to get the customer to their destination, or it may show flights where the customer can switch planes.

The airline creates a unique file known as a Passenger Name Record (PNR), which functions as a travel folder, when a customer books a flight. The customer's name, contact information, any special requests (such as requesting a vegetarian meal), flight information, and ticket information are all contained in this folder. Some airlines allow customers to save this information in a profile so they don't have to fill it out again when they book a flight.

The airline creates a list known as the Passenger Name List (PNL) in advance of the customer flight departing. This list assists airport employees in identifying passengers and helps them with check-in, where they handle passengers' bags and issue boarding passes. Other airline departments, such as those in charge of flight scheduling, crew management, and food preparation, also benefit from the data from customer PNRs. The airline updates its records after the flight that reflects who actually boarded the aircraft, who failed to show up, and whether any passengers arrived without a reservation but were assigned a seat. This aids the airline in effectively managing their finances and keeping track of everything. Finally, administrative systems receive the data required for revenue accounting and reporting.

FARE QUOTE AND TICKETING

Airlines have different ticket prices depending on factors like how early a customer books or how long they plan to stay when they want to travel from one city to another. There are limitations on these prices. All of this data is stored by airlines in a system that comprises of:

- Fare Tariffs: Lists of ticket prices for different trips.

- Rule Sets: The specific rules for each ticket price, like how early customer need to buy the ticket or how long customer have to stay.
- Routing Maps: Maps showing the paths planes take between cities.
- Class of Service Tables: Information about seating options, like first class or economy.
- Tax Information: Details about any extra charges or taxes added to the ticket price.

Every ticket has a unique code known as the fare basis code. This code provides the customer with the ticket's price, rules, and seating class. Through groups like ATPCO and SITA, airlines communicate ticket costs and regulations to travel agencies and other systems, guaranteeing that everyone is aware of the most recent information.

These rates and regulations are set by teams within airlines. In order to remain competitive, their managers also keep an eye on what other airlines charge and modify their own rates accordingly. Airlines can open or close reservations for specific seating classes to manage the number of seats sold at each price.

Customers typically purchase electronic tickets, which are stored in the airline's computer system instead of being printed on paper. All of the customer's travel information, including name, flight information, and ticket number, is stored on this electronic ticket. The majority of airlines have been using electronic tickets since 2008, which has reduced the need for paper tickets and made travel more convenient.

10.4 AIR TICKETING

In the year 1978 the US government approved the Airline Deregulation Act which helped transform the airline operations. Before the deregulation act, government controlled airline operations, airline scheduling, airline routes, and ticket costs. The Airline Deregulation Act limited governmental interference in airline operation. The Deregulation Act took off government restrictions, which allowed airlines full operational control. The act aimed at promoting airline competition, which would increase flight choices and lower ticket prices. The Airline Deregulation Act, encouraged a free-market atmosphere that gave customers more options and competitive prices.

10.5 AUTOMATED TICKETING AND REAL-TIME SALES REPORTING

At present most of the tickets are issued electronically and stored in airline's cloud servers, which were printed in the past. The electronic ticket today holds all the important flight information like customer name, flight number, departure time, vessel number, airport codes, etc.

The e-tickets are generate through advance computer software, which makes e-tickets accurate and consistent. The airlines makes sures that the automated booking process is simplified and free of errors. The sophisticated computer programs also helps in managing flights by allowing real time tacking.

The airlines has to make sure that tickets are accepted and recognised globally, therefore, the airlines has to follow guidelines laid down by IATA and other international bodies. This ensures smooth travel of customers.

Overview

The ticketing process provides a sizeable automated sales activity, e-ticket usage, and reporting for sales offices, individual ticket agents and airlines overall.

The airlines management receives current, precise, comprehensive sales, and financial reports from airline as a whole. Quick access to information and error reduction enhance financial management.

E-Ticketing

Previously, customers had to show a paper ticket at the airport. The customer's flight ticket is now electronic, meaning, customers have a digital ticket instead of a paper one. Customers present a barcode or QR code on their device when it's time to board, and the airline scans it to allow them to board. Benefits of E-Ticketing

- Convenience: e-ticket is safely stored on customer device.
- Check-In: Many airlines allow customer to check in online using e-ticket, saving time at the airport.
- Environmentally Friendly: Using e-tickets reduces paper use, helping the environment.

The e-ticket database can be accessed independently and is not connected to the airline's reservation database. All online flight segments and interline flight segments are eligible for the sale of e-ticketing. The airline, GDS or interline partner may sell an e-ticket. Airports where flights are ground handled can also use e-tickets thanks to the most advanced ground handling capabilities in the industry.

10.6 THE EFFECT OF AUTOMATION ON TICKET SALES

Airlines kept records of passenger reservations in the 1940s using big books, which was laborious and prone to errors. In 1946, American Airlines developed a system known as the Electromechanical Reservisor to enhance record upkeeping. Although this early machine reduced errors, it still required human operation. A faster system became necessary as more people began to fly. So, American Airlines and IBM collaborated to create the fully computerised reservation system in the 1960s, known as SABRE, which significantly increased the accuracy by allowing real-time flight reservation without human involvement.

After SABRE's success, other airlines created their own systems, including Programmed Airline Reservation System by the Trans World Airlines, Delta Automated Travel Account System by the Delta Airlines, and Apollo by United

Airlines. By the mid-70's, agents had access to reservation systems, allowing them to book flights and issue boarding passes, simplifying the ticketing process.

The Airline Deregulation Act, passed by the United States's government in 1978, removed several limitations on the airline operations. This act gave airlines the freedom to decide on their own routes and prices resulting in improving competition and lowering passenger fares. That said, other airlines were convinced that airlines that founded reservation systems were unfairly profiting from them. To guarantee fair competition among airlines, the United States Department of Transportation wanted all flight information to be presented objectively. This led to code-sharing, that gave customers options to online book airlines seats from a single window.

In the 1990s, buying plane tickets underwent a major shift, as businesses like Expedia and Travelocity developed websites where customers could buy tickets online. This made it easier for everyone to choose flights, compare prices, and plan trips from home at any time. The websites became a one-stop online shop for customers. Buying and selling services like hotel reservations, travel insurance, and car rentals, etc.

Even today, technology continues to evolve as airlines implement advance computer programs to adjust ticket pricing in response to customer demand, helping customers find suitable options. Many airline companies offer discounts and benefits encouraging customers to book directly from company website.

10.7 BOOKING FLIGHT TICKETS ONLINE

Online ticketing can be a demanding experience, the process involves repeatedly scanning a database of flights while adjusting many variables, such as carriers, prices, travel dates, and times.

After the search results are shown, customers must look through the lists of possible flight options. The aim is to find out the best one-way or two-way flights that meet customer requirements and preferences.

To make an online airline ticket booking simple and convenient, here is a step by step process:

- Select a website or app for booking flights: Start by going to the website of a reliable airline or using a travel booking website such as makemytrip, goibibo, etc. These websites make it simple to locate and reserve flights.
- Enter travel information: Enter the customer's departure and destination, the dates of the trip, and the number of passengers. This makes it easier for the website to find flights that fit users' schedules.

- View available flights: A list of flights is displayed on the website or app after information has been entered. To select the airline that best fits their requirements, users can compare costs, departure times, and airlines.
- Decide on the flight: Click on a flight to find more information after user have found the right flight. Before proceeding, make sure everything appears to be in order.
- Enter passenger information: Enter each passenger's full name, birthdate, and contact details, among other details. Verify again that all of the information is correct.
- Choose additional options: Some airlines give extras like in-flight meals, extra baggage, or seat preference. Choose which of these add-ons customer require.
- Proceed to Payment: To book the flight ticket, enter payment details. Before entering sensitive information, make sure the website is secure.
- Receive Confirmation: E-ticket and a confirmation email will be sent to the user following payment. Keep this email secure because it's important.
- Online Check-In: Customer can use the airline's website or app to check-in online as the departure date approaches. They can select their seats and obtain boarding pass in this step.
- Arrive at the Airport: Bring e-ticket and any necessary identification to the airport on the day of flight departure. Proceed to the airline counter to check luggage; if not, take boarding pass and go directly to security.

Customers can compare options, plan trip at their own pace, and frequently find better deals when booking flight tickets online. Just be sure to use trustworthy websites and verify all the information before confirming reservation.

10.8 PASSENGER RESERVATION SYSTEMS

Long ago, ticket booking used to be done by hand. At ticket counters where people would come in, to a clerks who kept extensive books to track reservations. This approach was laborious and prone to mistakes. To handle reservations more effectively, airlines implemented computerised systems in the 1960s. American Airlines, for instance, created the SABRE system, which lowered errors and enabled real-time booking. As technology developed, these systems became more complicated, eventually leading to the online reservation systems of today.

In essence, passenger reservation systems are computer system facilitate booking travel. The number of seats available on buses, trains, and aeroplanes are updated in real time when bookings are made. The system records the user's information, allocates a seat, and confirms the reservation when a ticket is purchased. They also securely handle payments, ensuring reliable and safe transactions. After making a reservation, the system sends the consumer a confirmation message containing their travel details.

New technologies have been combined into present reservation systems to enhance the travel experience. By using online and mobile ticketing, customers order tickets from the convenience of their homes and save time. Dynamic pricing, enables ticket costs to change based on demand, the time of booking, and other factors, benefiting both customers and operators. Based on past travel preferences, some companies even offer personalised recommendations.

Large customer data is a key component in improving reservation systems, as data science help businesses plan for peak hours and estimate demand by examining past data sets. Companies are able to offer quality services and enhance the customer. Additionally, data insights support operational optimisation and ensures efficiency. Passenger reservation systems have revolutionised the way people travel. The technological advancements have made travel easier, efficient, and enjoyable. We should anticipate more developments that will enhance travel experiences.

10.9 LET US SUM UP

Reservation systems and mobile connectivity will make booking and cancelation on the move simpler in the future. AI will become more advanced, offering smarter travel suggestions and more personalized assistance. Blockchain technology may improve the security and transparency of transactions. Additionally, virtual and augmented reality could allow travellers to take virtual tours before booking their trips, helping them make more informed choices.

Airlines are transitioning to entirely digital boarding procedures as technology advances. This change attempts to decrease paper waste and enhance the customer experience. Even more sophisticated technologies might be used in air travel in the future. According to some airline executives, biometric systems, such as fingerprint or facial recognition, may eventually replace traditional boarding passes by 2030, further streamlining the boarding process.

10.10 Check Your Progress

- Discuss in detail the role of automation in airline reservation and ticketing systems..

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- Discuss the impact of the Airline Deregulation Act of 1978 on the advancements in the airline industry

11.11 Glossary

- Airline Reservation System (ARS): An automated system that travel agencies and airlines use to handle ticketing, fare quotes, flight reservations, and passenger check-in.
- Computer Reservation System (CRS): A computer-based system used by airlines to store and retrieve information, manage bookings, issue tickets, and monitor seat inventory.
- Global Distribution System (GDS): Travel agencies and other service providers can access airline schedules, seat availability, prices, and booking features through a global computerised network.
- E-ticketing (Electronic Ticketing): A paperless ticket issuance process in which the ticket is electronically saved in the airline's database and accessible with a booking reference.
- PNR (Passenger Name Record): A passenger's or group of passengers' itinerary, personal information, and preferences are all stored digitally in the reservation system's database.
- Ticketing Time Limit (TTL): The amount of time that a reservation must be confirmed with payment and ticket issuance before it is automatically cancelled.
- Online Booking Engine (OBE): An online tool or interface that lets users look for flights, verify their availability, and book them straight with the airline or travel company.

11.12 Self-Assessment Exercise

- How have developments in technology transformed the process of booking flights and managing airline operations from the 1940s to the present day?
- Explain the evolution of airline reservation systems from manual booking to automated systems.
- Describe the components and functions of a modern airline reservation system. How do Global Distribution Systems (GDS) and Passenger Service Systems (PSS) work together in this ecosystem?
- Discuss how booking classes, fare quotes, and yield management are integrated into the reservation process.
- How has automation improved airline ticketing and real-time sales reporting?

- What challenges do customers face and how do travel websites simplify the booking experience?
- How do automation and digital systems contribute to better customer service and operational efficiency in the airline industry?

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Unit-11 – Contribution of IATO
(Indian Association of Tour Operators)
in Growth of Indian Tourist Transport Industry
Structure:

11.1 Objectives

Following finishing of this unit, learners will be ready to:

- Comprehend with the organisation of tourism
- Familiarize with Indian Association of Tour Operators
- Learn about the functions and relevance of IATO

11.2 Introduction

Tourism organisations act as a hub where people share their thoughts and tackle common challenges together. Think of it as a group of people collaborating to attain a common objective. When these organisation connect with others in same field, it becomes a collective effort to improve and develop that particular area of expertise. This collaboration can happen at various levels, ranging from regional to global. In the case of tourism, these organisation come together to promote and develop the industry as a whole. As a result, the role of tourism organisations in boosting tourism through joint efforts is crucial.

11.3 Tourism Organisations

Numerous tourism-related organizations has developed throughout time. They has been essential to the shaping of tourism policies, planning, marketing, infrastructure

development, negotiations, and the defence of visitors' rights, among other things. The necessity for such organizations has been defined by features like, significance of tourism in producing job opportunities, foreign exchange, and development, which has affected their growth and roles. These organizations operate at many levels, including international, national, state, and local, and are found in both the public and commercial sectors.

11.4 Indian Association of Tour Operators (IATO)

The Indian Association of Tour Operators (IATO) was founded in 1982 (Delhi), the country's capital, with the objective of advancing, assisting, and protecting tour operators' stakes. The association serves tour operators in an attempt to develop cooperation and mutual respect among nations. IATO encourages, cultivates, and supports its members in upholding and developing the industry's highest ethical standards. It has been contributing significantly to the growth and marketing of inbound travel. In addition to taking the initiative to ensure the tourism industry's general well-being. IATO has contributed to a variety of steps that needs to be taken in to assist, motivate, and advance the promotion of travel and tourism all throughout the nation at large. Regardless of their nationality, ethnicity, colour, or creed, the association has pushed for fair access to travel services for all travellers.

11.5 IATO – Profile, History & Objective

In tourism business, the IATO is a countrywide organization and all aspects about the travel and tourism industry are addressed by its more than 1600 members. Today, IATO has grown widely recognised and interconnected throughout the world. It has solid connections and regular interactions with other travel associations in the world, including USTOA, NATO, and ASITA. It is also expanding its global network with executive organizations to better provide international tourists visiting India and also the entire region.

Travel ease is the highest priority, and IATO operates together with government agencies on every important problem that affect India's tourism industry. It operates with government departments and ministries, business and industry, and diplomatic missions. It serves as a bridge between the industry and decision-makers, giving both parties a comprehensive viewpoint and coordinating their shared goal of facilitating tourism. Every IATO member provides their clients with individualized attention while upholding the highest standards of professional ethics.

IATO is always actively responding to its social responsibilities as the national tourist industry's apex body. Every IATO member actively engages in fulfilling their social responsibilities both as a continuous endeavour and during times of national emergency and natural disaster. Additionally, they have organised blood drive camps, set up supplies of emergency for the victims, carried out relief operations, adopted a village, and supplied the facilities required for rehabilitating and relief, among other things.

IATO has five categories of membership: active, allied, associate, international and honorary. Prior to being accepted into the IATO society, the Indian government's Department of Tourism must recognise and certify each of its active members.
Every two years, the active members pick an executive committee to oversee IATO's operations. The president chairs the executive committee, made up of six office bearers and nine executive members. The executive committee gathers once a month to discuss membership issues and the state of tourism industry. IATO networks at the local level, through its' state-level chapters.
Each of the twelve Action Committees within IATO is dedicated to a particular field and is led by convenor who receives assistance from the committee members, which are:

- Adventure Tourism Development Committee
- Civil Aviation, Press & PR Committee
- Domestic Tourism Development Committee
- Grievances Committee
- Guides Coordination Committee
- Host Committee
- Hotel Relations Development Committee
- IATO News Committee
- Legal Affairs, Insurance & Consumer Committee
- Privilege Card Development Committee
- Railways Co-ordination & Dev. Committee
- Surface Transportation Development Committee
- Website Development Committee

On the first Saturday of each month, IATO members get together to socialize and hear from a guest speaker who explores current affairs. At this meeting, the members receive a report on the month's events.
At the IATO annual conference, unresolved and significant topics are highlighted and debated based on input from the action committees and chapters. Every year, the IATO has its annual conventions in various Indian states. This National Industry Convention is contested by several states.

11.6 Aims and Objectives of IATO

In India, IATO is a major tour operator's organization. It contributes to the growth and promotion of travel and tourism. The main objectives of IATO are:

- To promote national integration, international welfare, and goodwill.
- To take necessary steps in the promotion, encouragements, and growth of national tourism industry.
- To develop, promote, and encourage friendly feelings among the tour operators and travel agents/agencies.
- To protect the interest of the members.

- To set up and maintain high ethical standards.
- To settle the disputes of the members.
- To communicate and negotiate with chambers of commerce, IATA, DoT, Ministry of Tourism, and other organizations in other countries.
- To organize the promotional tour with DoT, Airlines, and International Tourism bodies.
- To institute awards for excellence in the travel trade.
- To assist students with the scholarship to pursue higher education or research for the development of tourism.
- To undertake such welfare activities as the members cannot take individually.
- To print and publish information materials for the benefit of members.

11.7 Role and Functions of IATO

The tour operator industry has become more well-known and significant worldwide since the establishment of IATO. In the area of developing and promoting tourism, IATO has done an outstanding job. The IATO's major responsibilities and roles are as follows:

- Encourage national integration and international understanding.
- Function as an image builder.
- Manage overseas 'Farm Tour'.
- Stimulate tourism education and research.
- Resolve disagreements between the members.
- Protect the members from the mal-practices.
- Provides information.

Tourism and travel organizations exist in practically every nation. These organisations establish rules and goals to safeguard the interests of members and visitors. The organisations both directly and indirectly boost travel and enhance the host nation's reputation internationally. These groups assist in creating comprehensive and successful tourism policies and initiatives.

11.8 IATO Membership

All tourism and travel organisations are qualified for becoming members of IATO (within the country and abroad) if they have:

- Excellent executive reputation.
- Strong financial situation.
- Minimum two years of travel business standing.
- Acknowledged by Department of Tourism, Government of India.

The association occasionally impose additional terms and restrictions. Organisations must submit application using necessary form, and association members must propose and second the application, at least one must be a current member, in order to become a member of the IATO. A majority of the members of the executive committee must approve the application after it has been reviewed. The executive

committee's choice will be final. However, depending on the membership category, there may be additional requirements.

Membership:

Active Members, Associate Members, Allied Members, Honorary Members, and Overseas/International Members are the five different membership categories offered by IATO. All present members of the IATO fraternity requires a minimum of three years of involvement in escorting foreign visitors to India. Furthermore, officially recognised and verified by the Department of Tourism Government of India before they can be accepted.

Active Member (the eligibility for this category includes):

An organization with a well-established location in India. The department of tourism must recognize the business as a travel or tour company/operator, working for least a year. The majority of its yearly foreign exchange earnings and tourism marketing activities total to an amount of at least 10,00,000 rupees.

Allied Member:

Any business or organization recognized by the state government or trade association, which is regularly involved in tourism and travel industry (state tourist organizations, hoteliers, caterers, excursion agents, forwarding and clearing agents, transport contractors, carrier companies, shipping companies, and trade publications).

Other Categories:

Other member categories comprises of foreign allied members, associate members and honorary members.

11.9 IATO – A Timeline

A glance over IATO and its activities over the years:

1988	
Airport Entry Passes Streamlined	Issuance of Airport Entry Pass to the tour operators was streamlined after meetings with SC Tripathi, Commissioner, Bureau of Civil Aviation Security, Ministry of Home Affairs, Govt. of India. Tour operators are allowed to get up to 10 passes depending on the company's turnover.
Deferment of Service Tax	On 25th July, 1988, IATO invited Madan Lal Khurana, Union Minister of Tourism, to thank him for his support and initiating deferment of 5% Service Tax till 31st March, 2000.
1999	
Service Tax on foreign exchange earning exempted	IATO's continued efforts to get service tax deferred or exempted which was to be dated March 31, 2000. Our efforts bore fruit and the government exempted foreign exchange earnings from service tax vide its notification issued on 9 April, 1999 which

	provided that amount (foreign exchange) not repatriated from or sent outside India would be exempt from service tax.
Launch of IATO Website	On 5th June, 1999, for the benefit of its members, IATO launched its website (www.iato.net) which was formally inaugurated by MP Bezbaruah, Secretary Tourism, Govt. of India. Each member was charged a nominal fee of Rs 600 towards one page of information about their company. Initially, approximately 350 members had hosted their information and joined the stream. Through its endeavours, IATO has influenced key decisions at the central and state level, all of which has demonstrated long-term benefits to tourism. Its initiatives has also mobilised and benefited members at all the levels.
2000	
Agreement on Code of Practice signed between IATO and Hotel Association of India (HAI)	On 28th April, 2000, IATO and HAI signed Code of Practice, the lines of UFTAA and IH&RA. With the signing of this agreement, charging of Telegraphic Transfer (TT) rates by the hoteliers which was bone of contention and created a very unpleasant feeling, ended. While signing the Code of Practice, HAI agreed to stop charging TT rates and adopted charging Cash Rates.
Jammu & Kashmir and North East Chapters formed	On 21st September 2000, two new IATO Chapters, the Jammu & Kashmir Chapter and the North East Chapter were formed.
Formation of IATO State Chapters	On 21st September, 2000, to strengthen IATO's base at the state level and for coordinating efforts at the national level, the IATO Chapters were formed in each state. This was done to ensure effective state level interaction with the local government and strengthen interaction between the members inter-state basis. The state level chapters were formed under the chapter chairman, who will interact with the members of his state.
2001	
Monuments Entry Fee	After a yearlong battle and after having made several representations at various levels, IATO was able to get the entry fees reduced effective October 1, 2001. The revised fees were US $5 or Rs 250 for heritage monuments and US $2 or Rs 100 for non-heritage monuments.
2002	

Marketing Development Assistance (MDA) Scheme revived	MDA scheme for tourism industry for participation overseas travel marts, sales cum study tours and printed materials for publicity was revived by the Govt. of India, Ministry of Tourism.
2003	
Marketing Development Assistance (MDA) Scheme Extended	MDA Scheme for tourism industry for participation overseas travel marts, sales cum study tours and printed materials for publicity was extended till 2007 with increase in turn over ceiling from 5 crore to 10 crore. Also, the amount for reimbursement was increased.
Luxury Tax in Tamil Nadu, Delhi and Karnataka Reduced	Tamil Nadu Government recognised the needs of Tourism Industry and reduce the Luxury Tax. Similarly, Luxury Tax in Delhi was also reduced to 10% for the period 01.12.2002 to 31.03.2003. Later, Karnataka government announced reduction of Luxury Tax to 10% on the actual tariff.
2004	
Central Excise Tax on ATF was reduced on IATO's demand	Inland Air Travel Tax (IATT) was Abolished on IATO's recommendations. IATT of 15% was abolished in the interim budget.
2005	
Signing of Agreement on Code of Practice	MoU was signed between IATO and FHRAI on agreement on Code of Practice on 8th October, 2005. Subhash Goyal, President, IATO and MP Purushothaman signed the agreement in the presence of Rajeev Talwar, ADG, Tourism and Amitabh Kant, Joint Secretary, Tourism.
2007	
Entry of Tourist Vehicles in Ranthambore National Park	Rajasthan High Court suddenly banned the entry of tourists vehicles into the Ranthambore National Park which caused lot of inconvenience to the members. A writ petition was filed by IATO in the high court of Jaipur along with ITDC and entry was allowed.
75 per cent Abatement of Service Tax	IATO has been struggling for years to get some relief for its members on the service tax issue since its introduction a decade ago. IATO's constant efforts managed to obtain service tax exemption on the foreign exchange earned by tour operators twice earlier. But in the years before 2006, IATO changed

	its focus to get a higher abatement of 60 per cent not justified. There had been a series of meetings in the last two years and IATO has collected data from many members, which was essential for the Ministry of Finance. Finally, on August 23, 2007, a notification was issued by the Ministry of Finance giving 75 per cent abatement to operators on their tour packages. The copy of the circular was made available to all our members.
Reduction in Passenger Tax on Tourist Coaches by the Haryana Government	IATO has been emphasising on all state governments to reduce the steep passenger tax on tourist vehicles. The association approached the Chief Secretary of Haryana, Uttar Pradesh and Rajasthan in this regard and the Haryana Government reduced passenger tax by 40 percent on tourist coaches.
2008	
IATO Newsletter	IATO newsletter came with the first issue of the month in January 2008. It is being published regularly and circulated in all the government ministries, state tourism departments, India tourism offices, airlines, embassies, and tourism professionals
Round Table Meet & Launch of New Logo	A round table meeting between IATO and Ministry of Tourism officials was arranged. The goal was to talk about a number of issues that could hinder the growth of tourism and looking for solutions. On this occasion new IATO logo was launched. The map of India in the logo symbolize the pan-India presence of IATO and the crescent shaped graphics symbolize the dynamic nature of the association.
Global Campaign to select the New Seven Wonders of the World	India's pride, the Taj Mahal, was accorded its due recognition and secured the highest number of votes in the new list the seven Wonders of the World. The result was declared on July 7, 2007 in Lisbon, Portugal. In this regard, IATO had constantly appealed to all its members through circulars, during luncheon meetings and also placed posters at all important places like streets, hotels, and in the offices of its members, requesting all to vote for the Taj Mahal. The efforts of IATO were highly appreciated by the Minister for Tourism.
Transport Tax on Tourist Vehicles in Rajasthan	Transport Tax on tourist vehicles in Rajasthan for IATO members who are registered in Rajasthan was reduced by 50%.
Monument Entry fee	IATO was pleading with the Ministry of Culture and ASI to reduce the monument entry fee for the foreigners as it was very

reduced for the BIMSTEC and SAARC countries	high and making our packages very costly. ASI reduced the entry fee for the nationals of BIMSTEC and SAARC countries Rs. 5 for the category A and category B monuments respectively.
Launch of Year Long Training programmes	IATO initiated a unique programme to supplement, reinvest and boost the soft skills of the employees of its members. Certain programmes were also introduced specially to cater to senior managers and agency needs. These were aimed to update and impart skills according to the current market trends in the changing market scenario.
2009	
MoU being signed between IATO and ASI	For maintenance of public amenities at ASI protected monuments, an MoU was signed between IATO and ASI on 15 December, 2009. A committee called Monuments Infrastructure Development Committee was formed for this purpose by IATO. Under the agreement, IATO will take over maintenance of public amenities at 5 monuments in Delhi and Agra.
Reduction in Service Tax	Service tax was reduced from 12% to 10% w.e.f. 24th February, 2009.
Reduction in Luxury Tax	With our continued efforts, Karnataka Government reduced the luxury tax by 2%. Similarly, Delhi Government also reduced the luxury tax from 12.5% to 10%.
New Office for IATO	IATO bought new office space at Rajendra Place, New Delhi, in the same building where the existing office was located. New Office Space inaugurated with traditional pooja in tune with the IATO's new vision, a new logo was launched on 2nd June, 2008. The new logo symbolize the transformation within the organization and IATO's vision to satisfy visitor demand with all sincerity.
2010	
Visa On Arrival	With our continued efforts, visa on arrival for the nationals of Finland, Japan, Luxemburg, New Zealand and Singapore introduced. Which was a big achievement for IATO. It has now been extended to tourists from Philippines, Vietnam, Indonesia, Cambodia, Laos and Myanmar from January 2011.
Guidelines for Tourist Visa streamlined	Due to security reasons, some changes were made to Visa regulations which are detrimental to tourism industry. With IATO's intervention, Visa regulations were streamlined and tourists are allowed re-entry to India within 60 days after visiting

	the neighbouring countries vide circular no. 379 dated 26 April. 2010 issued by Ministry of Home Affairs (Foreigners Division).
National Tourism Awards	IATO took up with the Ministry to increase the no. of categories for the benefit of our members and categories were increased from 4 to 6 with 3 awards in each category.
Seamless Travel along Golden Triangle	Our members were facing lots of problems in Golden Triangle, i.e. Delhi-Agra-Jaipur-Delhi due to obstacles to paying Road Tax and Toll Tax etc. On IATO's request, all the three states agreed that the tax can be paid in Delhi w.e.f. 17 July. 2010 facilitate seamless travel.
Introduction of Specially designed common entry tickets for ASI Heritage Monuments	After long persuasion, ASI introduced specially designed common entry tickets for world heritage and other centrally protected monuments. These tickets can be purchased in advance and are available for sale at the office of all the 24 circles of the ASI, Museums and the monuments.
Commonwealth Games	IATO plays important role in augmenting government efforts in developing infrastructure, airport facilitation and has agreed to provide information counter assistance for servicing tourists enquiries including rendering assistance under capacity building programme and Earn While You Learn projects.
2011	
Revision in Application form and the amendment in Motor Vehicle Act	A notification was issued by the Delhi Government making it compulsory for the operators, travel agents, excursion agents to register with the Delhi Govt. and get licence. However, there were some clauses in the application form and the guidelines which did not relate to our members and were detrimental. With IATO's intervention, the Motor Vehicle Act has been amended as needed. and also the application form.
IATO shifts to a new location	Hawan/Puja was held on 23 April, 2011 and the office was shifted to the new premises on 27th April, 2011. Transfer of flat no. 404 in Padma Tower II was a very old pending issue which was resolved and the property was transferred in IATO's name.
2012	
IATO Website Modernised	The website www.iato.in has been given a new look and made more user friendly. IATO website has all government circulars, IATO circulars, guidelines, classification norms, MDA norms, visa regulations, currency exchange and newsletter for easy reference and for global reach.

IATO Office Gets A New Look	IATO's old office was under renovation for some time. This has now been completed. Hawan was organized on August 14. The Conference Room, Board Room and state of art equipment for A/V presentation, training programme and small library with reference books are the main feature of the renovated office.
2013	
CMS integration and automated lead distribution system	IATO's new website (powered by a custom-developed Content Management System and a dynamic lead distribution system) was launched.

Source: IATO Website (newiato.iato.in)

11.10 IATO Recommendation for Draft Civil Aviation Policy

The forward-thinking ideas and effort to implement a tourist-friendly policy were recognized by IATO. The group asserts that the Government of India enforces stringent regulations on international charters, especially those pertaining to travel package charters.

The IATO suggested several changes to India's National Civil Aviation Policy for tourists, with an emphasis on easing regulations and encouraging international travel charters. These actions are meant to boost India's aviation sector, improve airport experiences, and boost tourism.

Key Issues Highlighted

- Stringent Regulations on International Charters: When compared to international standards, the current tourism package charter (ITP) requirements are excessively restrictive. Keeping with international norms governments has limited power, if necessary. Charter regulation is left to stakeholder associations with voluntary codes of conduct in many nations..
- Ministry of Tourism vs. DGCA Role: The policy should make clear that the Ministry of Tourism, not the DGCA, authorizes tour companies. The DGCA's role should be restricted to basic monitoring for international carriers and flight certifications.
- Policy Proposals Welcomed:
    - Reducing limitations on the number of passengers and international charter flights.
    - Free landing rights at airports that offer immigration and customs services.
    - Permissions to switch to scheduled carriers for inbound charter customers are removed.

- Authorization for automated clearance procedures and online applications.

Additional Recommendations proposed by Indian Association of Tour Operators

Airports

- Introduce biometric facilities at all international airports, removing the requirement for prior biometric formalities at embassies.
- Standardize parking fees across airports and designate dedicated parking areas for tourist vehicles.
- Operationalize unused airstrips for adventure and religious tourism.
- Establish air ambulances at major and remote airports for tourist safety.
- Reduce entry pass fees for Ministry of Tourism approved tour operators.
- To help foreign visitors, major airports should include free IATO counters.
- To keep tourists safe from touts, designate distinct welcome areas with visible signage for local businesses.
- Set up, Welcome to India signs in many languages at foreign airports.

Airlines

- Put a cap on airfares to prevent overcharging during the busiest travel seasons.
- Increase foreign visitors' domestic luggage limit to 20 kg.
- Provide incentives to regional airlines that fly to remote areas.
- To prevent monopolies, let airlines select the ground handling companies they want to use at airports.

Charter Policy

- To maintain economic viability, broaden charter flight operations to permit the transportation of Indian passengers in both directions.
- In order to encourage operations, lower landing costs for charter planes.
- Remove the higher security deposit required to reserve a slot, since this has discouraged charter operators.

FDI and Taxes

- Provide tax holidays for aviation investors for the first 10 years, similar to the IT sector.

Conclusion

By reducing rules and regulations, encouraging improvements to infrastructure, and strengthening operational independence for airlines and tour operators, these proposals aim to establish an aviation environment that is welcoming to tourists. It is expected that these actions will increase foreign visitor arrivals and support the expansion of India's tourism industry.

11.11 Check Your Progress

- Write about the primary duties and functions of IATO.

_____

_____

- Examine the importance of the IATO' innovative work.

11.12 Summary

On completion of unit, the learners will comprehend IATO attempts to develop global goodwill and understanding for the best possible outcome. The Indian tourism industry is supported by the association of travel businesses. Organisations actively engaged in the travel sector for a minimum of one year and a strong professional reputation are the foundations of these associations.

11.13 Glossary

- Policy Formulation: The process by which tourism organizations contribute to developing rules, regulations, and strategic frameworks guiding tourism development.
- Inbound Travel: Tourism involving international visitors traveling to a country; IATO plays a major role in marketing and facilitating inbound tourism to India.
- Ethical Standards: Principles and moral obligations that IATO members are expected to uphold in professional conduct and service delivery.
- State-Level Chapters: Regional branches of IATO that address local tourism issues and act as points of contact between members and the central organization.
- Action Committees: Specialized teams within IATO focused on specific areas such as aviation, grievances, hotel relations, legal affairs, and more, each led by a convenor.
- Professional Recognition: The requirement for IATO members to be certified by the Department of Tourism and demonstrate competence and experience in dealing with international tourists.
- Dispute Resolution: IATO's role in mediating and resolving conflicts among its members to maintain industry harmony and ethical practice.

- Social Responsibility: IATO's commitment to humanitarian and relief activities during emergencies and national crises, such as disaster relief and welfare initiatives.

11.14 Self-Assessment Exercise

- Explain the significance of tourism organizations in the development and promotion of the tourism industry.
- Describe the history, structure, objectives, and key functions of IATO.
- How does IATO contribute to the promotion of tourism in India and internationally?
- Examine the membership structure of IATO. What are the eligibility criteria and responsibilities associated with each category of membership?
- Why is professional recognition and ethical conduct important for IATO members?

11.15 Reference and Suggested Readings

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Unit-18 – Import–Export Flow Chart and Airway Bill Completion

Structure:

11.1 Objectives

Once this unit has been read, learner will be able to:

- Figure various type of organisational structure in travel business
- Explain the benefits of organisational structure
- Define the department in travel business

11.2 Introduction

The Air Waybill (AWB), better known as an air consignment note, is an international airline's receipt for goods and services as proof of the contract of carriage; it is not a document of title to the goods, so it can be negotiated. The shipper receives a receipt when he delivers goods to be forwarded, which serves as evidence that the shipment was delivered in good order and condition and that the shipping instructions, as

stated in the Shipper's Letter of Instructions, are acceptable. IATA has created the format for air waybills, which are applicable to both domestic and international travel. These come in two varieties: the neutral air waybill and the one with the airline logo. If the items doesn't fulfil the requirement of the contract, the carrier will not be held responsible for them as long as the air waybill is not dated or signed twice. When the shipment is delivered to the consignee, the validity of the transport contract and air waybill ends.

11.3 PROFILE OF A SHIPMENT

Consider a situation where a large package needs to be sent from a village to a foreign nation. We refer to that as exporting. Importing occurs when a package is sent to a person in a village by someone from a different country. The shipment profile functions similarly to a basic plan that facilitates seamless import and export.

Export Process:

The first step in exporting something is to properly pack the items. Complete the paperwork with information about the contents, weight, and destination. Important information, such as the sender's name, the recipient's address, and the item's value, are tracked by the shipment profile. As soon as everything is prepared, the package is shipped, flown, or driven to the other nation. After customs officials verify that the package meets with regulations, it is delivered.

Profile of a Shipment – Export Process

- Shipper
    - Schedule shipments
    - Plan and mark cargo
    - Develop B/L for cargo movement in the terminal
    - Make arrangements with Trucker
- Trucker & Carrier
    - Undertake cargo for transit to Port
- Forwarder (if applicable)
    - Provides dock receipt and special permits (if any, to delivering motor carrier)
    - Terminal operator
    - Ingates container against booking number
    - Steamship company
    - Issues Ocean Bill of Lading to shipper or agent

Import Process:

The process of receiving a package from another nation is referred to as importing. Keeping track of the package's origin, sender, and contents is another benefit of the shipment profile. The package is examined by customs officials to ensure it is permitted in the nation. Occasionally, the recipient must pay taxes or fees before

they can receive the package. Once the duty is paid, it is then delivered to the recipient.

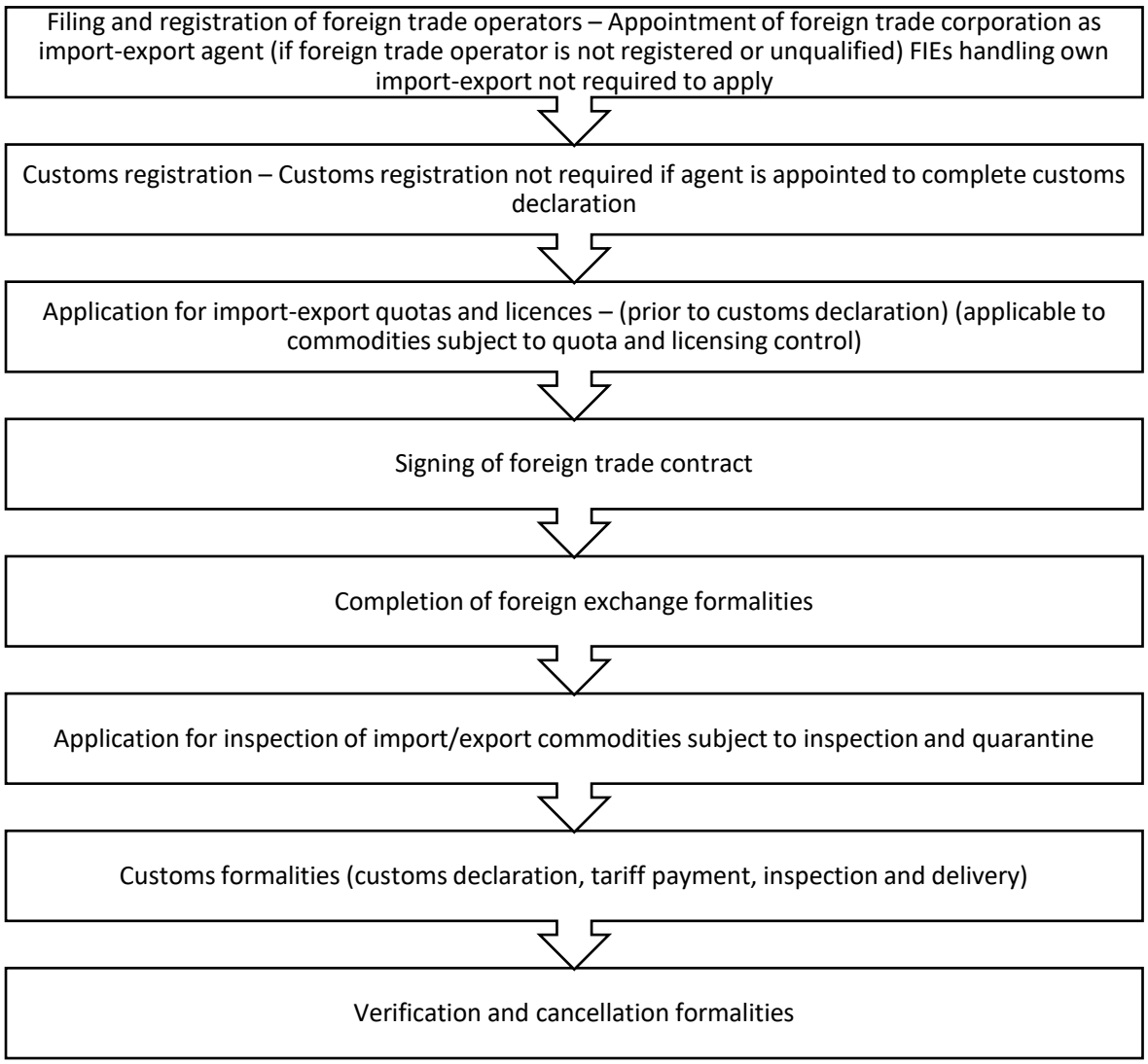
Profile of a Shipment – Import Process

- Ship Company
  - Inform consignee before vessel's arrival
- Agent or Consignee or Broker (before contacting trucker)
  - Procure customs and freight release
  - Clearances from department of agriculture
- Trucker & Carrier
  - Acquire container(s)
- Terminal Operator
  - Confirm permit documents and issues container

The shipment profile is crucial for both importing and exporting since it records all the information required to ensure a quick and easy process. It also helps to guarantee that everything is done according to the rules and that no errors are made. Thus, the shipment profile serves as a roadmap for maintaining organisation whether a package is being sent or received from another nation.

11.4 IMPORT – EXPORT FLOW CHART

In air cargo logistics, an import-export flow chart shows the detailed procedure for transporting goods by air from one nation to another. Below is a brief summary:



11.5 ACCEPTANCE FOR VARIOUS TYPES OF CARGOS

Acceptance in air cargo management refers to making sure the cargo is appropriate for air transportation. It is an essential step to keep transportation efficient and safe. During the acceptance process, the cargo's packaging, labelling, and documentation are examined to ensure that they meet safety and legal standards. Information about the contents, weight, and any special handling instructions are all part of proper documentation. To endure handling during loading, unloading, and transportation, the packaging needs to be sturdy. Indicating whether the cargo is hazardous, perishable, or delicate requires labelling as well.

As part of the acceptance process, it is also confirmed that the cargo satisfies the aircraft's weight and size requirements. Sensitive or expensive items are handled with extra care to guarantee their safety. Perishable goods occasionally require temperature-controlled containers or other special setups. To reduce any risk during the flight, personnel handling dangerous goods must adhere to stringent regulations. Air cargo management makes sure that the goods being transported are safe for the crew and the aircraft by carrying out comprehensive inspections. By

lowering the possibility of mishaps or delays, this procedure facilitates the efficient delivery of goods to their final location. Maintaining the standard and security of air cargo transportation depends heavily on appropriate acceptance procedures.
The various types of cargos are:

• Bulk cargo	• Overweight containers
• Chemicals with strong odour	• Reefer as dry (RAD)
• Cold wave container	• Scrap (metal, plastic, etc.)
• Hide	• Shippers own containers (SOC)
• Hot cargo 1	• Stone products
• Hot cargo 2	• Steel products
• Logs/lumber	• Steel coil
• Magnetic cargo	• Used parts, machinery
• Malt	• Valuable cargo
• Military goods	• Waste, etc.

11.6 Types of Cargos

The term "cargo" describes products or items that are moved from one location to another, usually by means of trucks, trains, ships, flights, or other forms of transportation. To guarantee that cargo arrives at its destination securely and undamaged, proper handling, packing, and documentation are crucial. For cargo to comply with safety and legal requirements while in transit, cargo management requires meticulous planning and coordination. Cargos can be classified as:
Bulk Cargo: Large amounts of loose goods that are transported without individual containers or packaging are referred to as bulk cargo (unpacked). The correct bulkhead setting to protect the container door is the bare minimum required by CONTQC; however, the risks should be carefully evaluated at the time of booking. TMO may impose restrictions on the cargo based on their own assessment. The risks associated with transporting bulk cargo (unpacked) are listed below:

- The cargo weight, which could be further increased by rolling and pitching movement during navigation, would put a lot of pressure on container doors and panels, causing them to bulge out. As a result,
    - The cargo may spill over and the locking mechanisms on the container doors may malfunction.
    - The bulge out itself would cause handling issues even if it were not broken.
    - The cargo would readily get wet damage in the event of a hole or cut.

Chemicals with Strong Odour: Some chemicals have a strong smell that remains for months and is difficult to get rid of, which results in expensive cleaning and deodorising treatments and, in the worst situation, the complete disposal of the unit. The two products listed below have been found to contain strong odour chemicals and are strictly prohibited.

- Trichloroisocyanuric Acid (Class 5.1 UN2468)
- Crude, Refined Naphthalene (Class 4.1 UN1334)

Cold Wave Container: These are containers filled with dry ice to create an ultra-freezing condition. If the common carrier's policy does not permit accepting such containers – in any case because of incomplete technical information, potential damage to the containers, and ongoing CO2 outflow that could endanger worker safety.

Hide Cargo: Animal hides or skins that are shipped as commodities, typically for the leather industry, are referred to as hide cargo. Depending on how they were preserved, these hides can be categorised. Hide is basically categorized into two types:

- Chrome hide: These are semi-finished goods that don't produce so-called "hide juice." 40-foot containers are used primarily for this transportation.
- Wet salted hide: A hide that has been treated with salt and brine, this type of hide can occasionally produce hide juice and leave a strong smell in the container. Since wet salted hide weighs significantly more than chrome hide, 20-foot containers are typically utilised.

In order to prevent challenges with juice or odour, flawless packing and lining are necessary conditions for acceptance.

After being devanned, hide typically needs additional cleaning and a waiting period of seven to ten days (because of lingering odour issues). Although the general prohibition policy is not applied to this commodity, the aforementioned characteristics and issues must be noted when accepting reservations. According to their own trade management policy, some TMOs forbid this cargo.

Hot Cargo (1): A reefer cargo that has not been sufficiently frozen or cooled to match the reefer's setting temperature upon stuffing is known as "hot cargo" or "hot stuffing." Shippers occasionally fail to realise that reefer units are not made to freeze or quickly cool down to the setting temperature; instead, they are made to maintain temperatures. Shippers should therefore be reminded that it is their duty to make sure that prospective cargoes are at an appropriate temperature before packing them into reefers. Hot cargoes are generally not accepted, and if shippers are required to load them, they must obtain a Letter of Guarantee before shipment.

Hot Cargo (2) (Exceptional treatment for certain Asian countries): Despite the general rule mentioned in item Hot Cargo (1), some Asian nations report that it is difficult to fully implement the rules because shippers are reluctant to issue L/G and are not entirely used to freezing or cooling their cargo to the setting temperatures (partly because they lack freezing facilities). L/G should always be obtained when the difference between the actual and setting temperatures is greater than 5°C, according to a recently established practical rule (for frozen cargo only). This is not advised by law and will be reviewed right away if certain issues arise.

It is requested that shippers be advised that the unit should always be turned off during cargo stuffing and restarted upon (temporary) door closing in order to prevent any unit disorder, which is frequently reported in relation to hot cargo stuffing. Additionally, manual defrosting is recommended, but only after thorough consultation with IEC (ECNT) or other approved specialists.

Logs/Lumber: Logs should not be permitted because they seriously harm containers when they are being packed, transported, and unpacked. Due to the possibility of container damage, timber should only be used once a TMO-approved method of lashing and stowage has been established. The cargo needs to be packed or the container needs to be lined if the lumber has been treated in any way, such as with creosote.

Magnetic Cargo: Strongly magnetic cargoes have the potential to negatively impact onboard nautical instruments. In this context, the following details must be obtained from the actual supplier before booking magnetic cargo.

- Leaking magnetism from the package (a maximum of 1 gauss is acceptable)
- Packing material and style (packing for magnet shields is necessary)

Malt Cargo: The term "malt cargo" refers to the transportation of malted grains, such as barley, which are mostly used in the production of food, beer, and spirits. Shipments of malt to Japan have long been considered crucial base cargoes for a number of trade routes. General Guidelines for Malt/Hop shipments were issued in April 2003, and a Malt Task Force was established due to the sensitive nature of this cargo. Basic policy:

- Container's condition: Food grade status (no oil stains on the outside of the container, no bird droppings, no sharp objects that could tear liner bags, etc.)
- Container's age: Not more than eight years old, nor less than twelve months.
- Liner bags: Properly fitted inside container
- Stowage: Under deck stowage

Military Goods: Under the common carrier's policy, weapons, ammunition, and other military supplies have never been allowed. Naturally, there are wide range of products that have or may have military or paramilitary uses, so there must be extreme caution and due diligence when accepting cargo. This policy cannot change just because the shippers and/or consignees are governmental entities.

Carrying illegal or suspicious goods can have serious consequences, such as a vessel being denied port access, severe penalties, and possible claims for loss of hire, loss of credit, etc.

Overweight Containers: Containers that are overweight (beyond the maximum payload) must never be loaded or accepted because doing so could seriously harm the containers and endanger the safety of those handling them. For safety reasons, the POD terminal may refuse to discharge them or require L/G for even a small excess of weight. The booking office must verify the manifested cargo weight and

the maximum payload of the containers in order to identify overweight containers. If the shipper exhibits an incorrect manifestation, it can also be identified at the terminal gate or another location where the containers are weighed. Shippers are blacklisted and their cargoes are excluded if they produce over-weight containers without taking the necessary precautions.

Reefer As Dry (RAD): Cargo that is normally shipped in refrigerated (reefer) containers but is handled as dry cargo (i.e., without active temperature control) for certain shipments. When the products are non-perishable or have a short shelf life at room temperature, this method is frequently employed. By utilising existing refrigerated equipment, using reefer containers as dry can maximise logistics without resulting in extra energy expenses or operational limitations. In an effort to reduce the cost of empty repositioning, reefer containers have been marketed as dry use. The expensive freezer or intricate structure inside the reefer containers may be easily damaged if the cargoes are not properly selected or packed into containers.

Scrap Cargo (Metal, Plastic, etc): Waste materials or abandoned goods that are shipped for recycling, reuse, or disposal are referred to as scrap cargo. Paper, textiles, plastic waste, electronic waste (e-waste), and metal scraps (such as steel, copper, and aluminium) can all be considered as scrap cargo. Scrap cargo must be securely fastened once it has been determined that it is not waste in order to prevent damage to containers. Without exception, bulk scrap should not be accepted. Shippers should inspect all scrap metal to make sure it is radioactively free.

Shippers own containers (SOC): When a SOC container is to be used for loading and shipping the cargo after booking is received. A valid CSC plate and class certificates (with a minimum six-month validity) should be checked. It is strongly advised that shippers sign an indemnity agreement with the common carrier, agreeing to hold common carrier harmless from any and all liability resulting from common carrier accepting the SOC.

Stone Cargo: The container may sustain damage from any stone product. The damage can be severe when slabs, blocks, and stone products are ordered in large quantities. Upon subsequent inspection at POD, stone cargo frequently turns out to exceed the vanning restrictions (outlined in the "Standard vanning policy" guideline).

Steel Cargo (pipe/sheet/plate): Containers are often seriously damaged by steel (metal) products because of their particular shape and high density. Hence, to safeguard containers from any potential physical damage, strict compliance to the standard vanning policy is necessary. It is important to get cargo information (dimensions, weight, packing style, etc.) and a securing method for TMO approval when receiving a booking for steel cargo or other metals.

Steel Coil: Steel coils' particular shape and weight make them unsuitable for transportation in closed van containers. It could quickly result in significant damage

to the container or a more serious incident involving other containers, a vessel, etc. CONTQC or TMO may make an exception, but only if –

- Each coil weight be less than 4kt
- Each coil weight/m2 be less than 2kt
- The carrier's requirements should meet choking and securing technique

Used Parts (Machinery): Commodities which may contain oil, like used machinery and automotive components, frequently result in major leaks when navigating. In addition to potentially polluting the ocean, it can harm ship and other nearby containers. Furthermore, dishonest shippers might mistake them for illegal "waste." These goods are only accepted if they are –

- Both shippers and consignees are reliable and environmentally conscious parties who accept full responsibility for any potential effects on the environment or equipment.
- Treatments for oil leaks should to be set up. These include clearing the drain outlet completely, removing all oil, and looking for any indications of leaks.
- It is necessary to set up additional anti-pollution measures. These include laying plastic sheets, that are strong enough for people to lift or operate other vanning or devanning equipment on them, scattering absorbent materials like sawdust, and making the required preparations to stop oil from leaking from the plastic sheets onto the floor board of containers.

Valuable cargo: Platinum, gold, silver, jewellery, precious stones, precious metals, bullion, specie, currency, negotiable instruments, securities, writings, documents, photographs, artwork, curios, heirlooms, collections of any kind, and any other valuable goods, including those with special value for the merchant, must be approved by the TMO in advance for any valuable cargo. It should be mentioned that the common carrier must obtain special insurance coverage for these kinds of cargo because it is not covered for any claims involving valuable cargo under its standard insurance policy. Before accepting the cargo, TMO is asked to get insurance coverage from GALG. It should be mentioned that appropriate security measures need to be developed and put into place while the cargo is in the care of the common carrier.

Waste: Waste frequently results as a major issues because national laws and international agreements, like the Basel convention are not fully accepted by the parties involved. In addition, a waste that is permitted today could be declared illegal tomorrow because of the regulatory changes created by intense environmentalist movement. Therefore, common carriers must get TMO's approval for taking waste cargo, after verifying the following details:

- The product is completely legal and non-hazardous for POL, transit port, and POD countries. Written confirmation from appropriate authorities is required to prove this claim.

- The product does not harm the carrier containers and is completely secure.

11.7 AIRWAY BILL

An air waybill (AWB), also known as an air consignment note, is a receipt that an international airline issues for goods and serves as proof of the carriage agreement; it is not a title document. Therefore, the AWB cannot be negotiated.

The most crucial document that a carrier issues, either directly or through an authorised agent, is the Air Waybill (AWB). This transport document cannot be negotiated. It includes cargo transportation between airports. An IATA cargo agent represents the carrier whose air waybill is issued when they accept a shipment. Eleven-digit AWB numbers can be used to make reservations, track the delivery status, and find out the shipment's current location. The number is composed of – The airline prefix is the first three digits. IATA has provided each airline a three-digit number, which means we can determine the airline that issued the document based on the prefix. The next seven running number/numbers, one for each shipment, are the following seven digits. The final digit is referred to as the "check digit."

11.8 FUNCTION OF AIRWAY BILL

One of the most important documents in international air cargo transportation is the Air Waybill (AWB). It makes a number of tasks which make it easier for goods transported by air to be tracked, moved, and recognised by law. An air carrier or its authorised agent issues the AWB, which serves as a contract between the shipper and the carrier. The key functions of the AWB are as follows:

- Contract of Carriage: Every AWB has terms of contract for carriage behind it.
- Evidence of Receipt of Goods: The receipt serves as evidence that the shipment was delivered in excellent shape within the shipping guidelines, as stated in the Shipper's Letter of Instructions. Following completion, the shipper receives an original copy of the air waybill as proof of the contract of carriage and the goods have been accepted.
- Freight Bill: As the air waybill lists charges that must be paid by the consignee, the agent, or the carrier, it can be used as a bill or invoice with accompanying documentation. The carrier's accounting uses an original copy of the air waybill.
- Certificate of Insurance: If the shipper requests, and the carrier is able to insure the shipment, the air waybill may also be used as proof for insurance.
- Customs Declaration: A commercial invoice, packing list, and other documents are required by customs authorities; however, the air waybill, which serves as evidence of the freight amount billed for the goods transported, may also be required to be presented for customs clearance. IATA created the format for the air waybill, which is applicable to both domestic and international travel. These come in two varieties: the neutral air waybill and the one with the airline logo. IATA airlines typically distribute airline air waybills to IATA cargo agents.

11.9 VALIDITY OF AIRWAY BILL

The air waybill is a legally enforceable contract. Both the shipper (or their agent) and the carrier (or its authorised agent) must sign it for it to be considered legitimate. There must be two distinct signatures, even if the same individual represents both parties. As soon as the goods and the shipper's written instructions are received, the air waybill needs to be issued. The carrier is not liable for the goods until it is double-signed and dated. When the shipment is delivered to the consignee or their agent, the contract is terminated.

Responsibility for Completion – The agent merely acts as a middleman in the agreement between the shipper and the carrier, which is contained in the Air Waybill (AWB). Additionally, because it is a contract of good faith, the shipper bears responsibility for any harm brought about by mistakes, omissions, or inaccuracies in the AWB, even if the carrier or an agent filled it out on their behalf. The shipper attests to acceptance of the terms of the contract by signing the AWB or sending a letter of instruction.

The Term Non-Negotiable – Air waybills (AWBs) are clearly marked as non-negotiable at the top, in contrast to negotiable bills of lading. This indicates that the AWB does not represent ownership or the value of the listed goods; rather, it only functions as a contract of carriage. An AWB can help with payment under a letter of credit (L/C), but it is not negotiable. In these situations, the shipper pays a bank by presenting the original AWB. The consignee is charged by the bank and needs to present a release order from their bank in order to pick up the goods when they arrive at their destination.

Usually, goods are shipped straight to the consignee listed on the L/C. However, unless the buyer is completely trusted or payment is made in advance, consigning straight to the importer—without going via a middleman like a bank—can be dangerous. Cash on Delivery (COD) agreements sometimes permit the release of goods only after payment has been received. Freight forwarders and consolidators are frequently hired by exporters, who give them a Shipper's Letter of Instruction allowing them to sign documents such as the AWB. The carrier or an authorised agent must sign or authenticate the AWB, clearly stating their role, and attest that the goods have been accepted for carriage.

In international air freight:

- A Master Air Waybill (MAWB) is issued for consolidated cargo.
- House Air Waybills (HAWBs), issued by the forwarder, detail each individual shipment within the consolidation.
- A Simple AWB is issued for a single shipment not part of a consolidation.

House and Master AWBs, and BLs – A goods forwarder that provides consolidation services issues its own House Bill of Lading (HBL) or House Air Waybill (HAWB), which are collectively referred to as AWBs in this context. The forwarder, who

functions as a deemed carrier, and the shipper enter into contracts of carriage. The forwarder then enters into a contract under a Master Bill of Lading (MBL) or Master Air Waybill (MAWB) with one or more actual carriers, frequently across multiple modes of transportation. It is also possible for the HAWB or HBL to serve as a multimodal transport document.

11.10 AIRWAY BILL NUMBER STRUCTURE AND CHECK DIGIT

An Air Waybill (AWB) number is an 11-digit identifier used to track air cargo shipments. It comprises three components:

- Airline Prefix: The first three digits represent the issuing carrier's IATA-assigned code.
- Serial Number: The next seven digits are the unique serial number assigned to the shipment.
- Check Digit: The final digit is a check digit, calculated to validate the AWB number.

Check Digit Calculation:

The check digit is determined by dividing the seven-digit serial number by 7 and using the remainder as the check digit. This method ensures that the check digit ranges from 0 to 6. Example:

- If the serial number is 1234567:
    - Divide 1234567 by 7:
    - 1234567 ÷ 7 = 176366 with a remainder of 5
- Thus, the check digit is 5
- The complete AWB number would be: [Airline Prefix] 1234567 5

This calculation method ensures that no AWB number ends with a digit greater than 6.

AWB Document Copies and Their Colours

An AWB is typically issued in eight copies, each serving a specific purpose and distinguished by colour:

- Original 1 (Green): Issuing Carrier's copy
- Original 2 (Pink): Consignee's copy
- Original 3 (Blue): Shipper's copy
- Copy 4 (Brown): Delivery Receipt or Proof of Delivery
- Copy 5 (White): Airport of Departure copy
- Copy 6 (White): Airport of Destination copy
- Copy 7 (White): Carrier's accounting copy
- Copy 8 (White): Agent's copy

These colour codes are standardized to facilitate the identification and handling of each copy's specific function.

Note: it is strictly forbidden to send dangerous goods for cargo aircraft (CAO) only. This is stated in the shipper's declaration that is attached.

11.11 Check Your Progress

- What are the basis for acceptance of cargos?

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- What is the function of airway bill?

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11.12 Summary

By following its development from solar-based local time to an international standard, the unit investigates Greenwich Mean Time (GMT) as a global timekeeping reference. It discusses the ambiguity in GMT's definition, which historically caused confusion in time assessment The unit explains how Coordinated Universal Time (UTC) eventually replaced GMT as the industry standard for precision in international communication, railway time, and navigation. It gives GMT tables and detailed instructions for finding out time differences and travel times between different parts of the world. The primary emphasis is on the difference between Legal GMT (time set by governments for pragmatic or political reasons) and Geographical GMT (based on Earth's longitudinal divisions).

11.13 Self-Assessment Exercise

- Explain the origin and importance in global timekeeping.
- Explain how GMT became a standard time for shipping, railways, and other systems.
- How is the world divided into time zones?
- Why do some countries change their legal time from GMT?

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UNIT-14

IATA Cargo Agents, Consolidators, Freight Forwarders, CHA's and Break-Bulk agents

Structure:

14.0 Objectives

The following are the major objectives of the present Unit:

- Understand the role of IATA Cargo Agents in air cargo operations.
- Learn the function of cargo consolidators in shipment grouping.
- Explore the duties of freight forwarders in logistics management.
- Understand Customs House Agents (CHAs) and customs clearance.
- Know the importance of Break-Bulk Agents in cargo deconsolidation.

14.1 Introduction

The air cargo industry plays a vital role in global trade, ensuring the efficient movement of goods across borders. Various stakeholders, including IATA Cargo Agents, Consolidators, Freight Forwarders, Customs House Agents (CHAs) and Break-Bulk Agents, work together to streamline logistics, optimize costs and ensure compliance with international regulations.

IATA Cargo Agents are accredited by the International Air Transport Association (IATA) and act as intermediaries between airlines and shippers. Cargo Consolidators combine multiple small shipments into a single unit to reduce transportation costs. Freight Forwarders manage cargo movement across different transport modes, ensuring smooth delivery. Customs House Agents (CHAs) handle customs clearance, ensuring compliance with import/export regulations. Break-Bulk Agents specialize in deconsolidating large shipments into smaller consignments for final delivery.

Understanding the roles and responsibilities of these key players is essential for efficient cargo management, cost optimization and seamless international trade operations.

14.2 Meaning of Cargo Operations

Cargo operations refer to the comprehensive processes involved in the transportation, handling and management of goods shipped by air. This includes booking shipments and preparing essential documentation, such as air waybills and customs declarations, while securing space with airlines. Proper loading and unloading techniques are vital to ensure the safe placement and securing of cargo in aircraft to prevent damage during transit. Additionally, cargo operations encompass customs clearance, where Customs House Agents (CHAs) ensure compliance with regulatory requirements for imports and exports, including the payment of duties and taxes. Temporary storage and warehousing may also be required, necessitating effective inventory management. Furthermore, tracking and monitoring cargo shipments are crucial for providing real-time updates on the status and location of goods during transit, ultimately ensuring timely delivery. Overall, efficient cargo operations are essential for optimizing supply chain efficiency, minimizing costs and enhancing customer satisfaction in the air freight industry.

14.3 IATA Cargo Agents

IATA Cargo Agents are accredited agents recognized by the International Air Transport Association (IATA) who facilitate the movement of goods through air freight. They serve as intermediaries between shippers and airlines, ensuring that cargo is efficiently transported while complying with industry standards and regulations.

14.3.1 Role and Responsibilities of IATA Cargo Agents

IATA Cargo Agents play an important role in air cargo operations, with responsibilities that include:

Booking and Documentation: Arranging shipments, preparing air waybills and handling necessary documentation for customs clearance.

Cargo Handling: Ensuring proper loading, unloading and storage of cargo to prevent damage during transit.

Liaison with Airlines: Acting as a bridge between shippers and airlines, negotiating rates and securing space on flights.

Customs Compliance: Ensuring that all customs regulations are met for international shipments, including the payment of duties and taxes.

Tracking and Reporting: Providing real-time updates to shippers regarding the status and location of their cargo throughout the shipping process.

14.3.2 IATA Accreditation Process and Standards

The IATA accreditation process involves several steps to ensure that cargo agents meet industry standards. This includes:

Application Submission: Interested agents must apply to IATA, providing details about their operations and compliance with regulations.

Documentation Review: IATA reviews the submitted documents to verify the agent's business practices and financial stability.

Training and Assessment: Accredited agents must undergo training and pass assessments related to air cargo regulations, safety and security standards.

Ongoing Compliance: IATA regularly monitors accredited agents to ensure adherence to established standards and practices.

14.3.3 Benefits of Working with IATA Cargo Agents

Working with IATA Cargo Agents offers several advantages, including:

Expertise and Knowledge: IATA Cargo Agents possess specialized knowledge of air cargo regulations, which helps ensure compliance and reduce shipping delays.

Global Network: Their accreditation provides access to a vast network of airlines and logistics providers, facilitating efficient cargo movement worldwide.

Enhanced Credibility: Being recognized as an IATA-accredited agent enhances the credibility and trustworthiness of the agent in the eyes of shippers and airlines.

Cost Efficiency: IATA Cargo Agents can negotiate better rates with airlines due to their established relationships, ultimately lowering shipping costs for clients.

Streamlined Processes: Their expertise ensures that the documentation and customs clearance processes are handled efficiently, minimizing delays and improving overall service quality.

14.4 Cargo Consolidators

Cargo consolidators combine multiple small shipments into a single larger shipment to optimize space, reduce costs and streamline air cargo logistics.

14.4.1 Definition and Role of Consolidators in Air Cargo

Cargo consolidators are entities that combine multiple smaller shipments from different shippers into a single larger shipment for transport. They act as intermediaries between shippers and airlines, optimizing cargo space and reducing shipping costs. Their role includes coordinating shipments, negotiating freight rates and ensuring proper handling and documentation for air cargo transportation.

14.4.2 Process of Cargo Consolidation

The cargo consolidation process involves several steps:

Collection: Shipments from multiple shippers are gathered at a central warehouse.

Sorting and Packaging: Goods are grouped and packed based on destination and shipping requirements.

Labeling and Documentation: Proper labeling and preparation of necessary documents, including air waybills and customs forms.

Booking and Transport: The consolidated shipment is booked with an airline for transport.

Deconsolidation at Destination: Upon arrival, the shipment is separated and individual consignments are delivered to respective recipients.

14.4.3 Advantages of Cargo Consolidation for Shippers

Cost Efficiency: Reduces shipping costs by sharing cargo space.

Better Space Utilization: Maximizes aircraft capacity, leading to lower freight rates.

Faster Transit Times: Optimized shipping schedules can lead to quicker deliveries.

Simplified Logistics: Reduces paperwork and streamlines shipping processes.

Enhanced Tracking and Security: Consolidators provide tracking systems and ensure safe cargo handling.

Cargo consolidation is a key logistics strategy that benefits both shippers and airlines by improving efficiency and reducing overall transportation expenses.

14.5 Freight Forwarders

Freight forwarders are logistics experts who coordinate and manage the transportation of goods on behalf of shippers. They act as intermediaries between shippers and carriers, ensuring smooth cargo movement across air, sea and land transport.

14.5.1 Role of Freight Forwarders in Supply Chain Management

Freight forwarders act as intermediaries between shippers and carriers, managing the transportation of goods across different modes, including air, sea and land. They optimize logistics, ensure timely delivery and handle customs regulations, making global trade more efficient.

14.5.2 Services Provided by Freight Forwarders

Cargo Booking & Space Allocation: Reserving cargo space with airlines or shipping lines.

Customs Clearance: Ensuring compliance with international trade regulations.
Warehousing & Storage: Temporary storage and distribution of goods.
Cargo Insurance: Providing protection against potential losses.
Tracking & Monitoring: Offering real-time shipment updates to clients.

14.5.3 Documentation Handled by Freight Forwarders

Air Waybill (AWB): A contract between the shipper and airline.
Bill of Lading (B/L): A document for sea freight transport.
Customs Declaration: Required for import/export clearance.
Commercial Invoice & Packing List: Detailing the shipment contents and value.

14.6 Customs House Agents (CHAs)

Customs House Agents (CHAs) are licensed professionals who facilitate the customs clearance process for import and export shipments. They act as intermediaries between shippers and customs authorities, ensuring compliance with regulations and smooth cargo movement.

Customs House Agents (CHAs) are licensed professionals who facilitate the customs clearance process for imported and exported goods. They act as intermediaries between shippers and customs authorities, ensuring compliance with all legal and regulatory requirements. CHAs handle various tasks, including preparing and submitting customs documents, calculating duties and taxes and assisting in tariff classification. Their role is crucial in preventing delays, ensuring smooth cargo movement and helping businesses navigate complex customs procedures.

The customs clearance process managed by CHAs involves several steps. First, they prepare and verify essential documents such as the Bill of Entry, commercial invoices and packing lists required for customs approval. They also classify goods using the Harmonized System (HS) codes to determine applicable duties and taxes. Once the documentation is submitted, CHAs liaise with customs officials to facilitate inspections, resolve any discrepancies and ensure compliance with import/export regulations. After clearance, they assist with duty payments, arrange cargo release and provide post-clearance support if needed. By efficiently managing these procedures, CHAs help streamline international trade, reduce transit delays and ensure goods reach their destination without unnecessary hurdles.

14.7 Break-Bulk Agents

Break-bulk agents specialize in handling cargo that cannot be containerized due to its size, shape, or special handling requirements. They play a crucial role in managing oversized, heavy, or irregularly shaped shipments, ensuring efficient transportation and delivery. These agents coordinate with shippers, airlines and logistics providers to ensure compliance with regulations and safe handling of break-bulk cargo.

14.7.1 Role and Functions of Break-Bulk Agents

Break-bulk agents are responsible for planning, organizing and supervising the transportation of non-containerized cargo. Their key functions include arranging special equipment for loading and unloading, securing necessary permits and ensuring proper documentation. They also work closely with customs officials to facilitate smooth clearance and avoid delays.

14.7.2 Handling Oversized and Specialized Cargo

Break-bulk cargo often includes machinery, industrial equipment, vehicles and construction materials. Handling such cargo requires specialized techniques, including custom packaging, reinforced securing methods and careful weight distribution. Agents coordinate with logistics providers to use cranes, forklifts and heavy-duty carriers for safe transportation.

14.7.3 Coordination Between Break-Bulk Agents and Airlines

Break-bulk agents work closely with airlines to book appropriate cargo space, ensure compliance with weight and dimension restrictions and arrange for special handling services. They also oversee loading and unloading operations at airports, ensuring that the cargo reaches its destination without damage. Effective coordination helps minimize transit risks and ensures timely deliveries.

14.8 Check Your Progress

1. What is the role of IATA Cargo Agents in the air cargo industry?

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14.9 Summary

This unit focuses on key players in the air cargo industry, including IATA Cargo Agents, cargo consolidators, freight forwarders, Customs House Agents (CHAs) and break-bulk agents. These entities play essential roles in facilitating the efficient movement of goods across international borders.

IATA Cargo Agents ensure compliance with international shipping standards and regulations, providing crucial support to shippers and airlines. Cargo consolidators optimize logistics by combining smaller shipments into larger ones, resulting in cost savings and improved efficiency. Freight forwarders manage the end-to-end transportation process, handling documentation, customs clearance and cargo tracking to streamline supply chain operations. CHAs specialize in customs clearance, ensuring that goods comply with legal requirements and facilitating

smooth transit. Break-bulk agents handle oversized and irregularly shaped cargo, coordinating special handling and transportation arrangements.

14.10 Glossary

IATA Cargo Agent – A certified agent authorized by the International Air Transport Association (IATA) to handle air cargo shipments.

Cargo Consolidation – The process of combining multiple smaller shipments into a single larger shipment to optimize cost and efficiency.

Freight Forwarder – A logistics provider that arranges the transportation of goods on behalf of shippers, managing documentation, customs clearance and cargo tracking.

Customs House Agent (CHA) – A licensed professional who facilitates the customs clearance process for imported and exported goods.

Break-Bulk Cargo – Goods that are too large or irregular in shape to be containerized and require special handling and transportation.

Air Waybill (AWB) – A document issued by an airline that serves as a contract for the transportation of cargo.

Bill of Lading (B/L) – A shipping document that details the type, quantity and destination of the cargo being transported.

Tariff Classification – The process of categorizing goods based on the Harmonized System (HS) code to determine applicable duties and taxes.

Customs Clearance – The process of obtaining government approval to import or export goods, ensuring compliance with regulations.

Break-Bulk Agent – A specialist in managing oversized or irregular cargo that requires special loading, unloading and transportation arrangements.

14.11 Self-Assessment Exercise

2. How do cargo consolidators benefit shippers and airlines?

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3. What are the key responsibilities of Freight Forwarders in supply chain management?

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4. Explain the customs clearance process managed by Customs House Agents (CHAs).

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5. How do Break-Bulk Agents handle oversized and specialized cargo in air transport?

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Unit 15 - Rules for Cargo acceptance: Rounding off Weights/ Dimensions/Currencies; Volume - Weight Concept; Chargeable Weight; Valuation charges

Structure:

15.1 OBJECTIVES

By the end of this unit, learners will be able to:

- Understand the basic principles of cargo acceptance.
- Apply rules for rounding off weights, dimensions, and currencies.
- Explain the concept of volume-weight and chargeable weight in air cargo.
- Calculate valuation charges for shipments.

15.2 INTRODUCTION

Employees responsible for cargo acceptance must thoroughly inspect all shipments to ensure compliance with the IATA Dangerous Goods Regulations (DGR). This applies not only to direct cargo but also to shipments transferred from other carriers to LTU. It is crucial to verify whether the goods being transported fall under the category of dangerous goods. If they do, the packaging and accompanying documentation must fully adhere to IATA DGR guidelines before shipment. Cargo not meeting these regulatory standards cannot be accepted for transportation.

Cargo compartments in aircraft vary significantly in terms of size, shape, access door dimensions, structural strength, and equipment availability. These variations depend on the aircraft type, series, and manufacturer or operator's requirements. Proper load planning is essential to ensure safety and efficiency, with passenger baggage receiving priority over cargo shipments when allocating space. To facilitate secure and efficient cargo loading, various loading accessories and equipment are available at designated stations such as Düsseldorf (DUS) and Munich (MUC). These include tie-down rings, straps, lashing ropes, roller platforms, plastic bags, net bags, dry ice boxes, pet kennels, and specialized pallets and containers. These items must be requested well in advance to ensure availability before the shipment date.

Cargo is generally secured using pallet nets, which play a vital role in stabilizing shipments during transit. These nets are attached to the pallet using net attachment fittings, which are locked into the designated track profile at specific marked points. Proper use of these securing mechanisms ensures that cargo remains stable throughout transportation, reducing the risk of damage and ensuring compliance with international aviation safety regulations. This standardized approach enhances operational efficiency while ensuring cargo safety and regulatory compliance in air freight transportation.

15.3 CARGO ACCEPTANCE

The process of cargo acceptance ensures that shipments are properly received, verified, and prepared for air transport. This involves coordination between freight forwarders, trucking companies, cargo handling agents, and airport ground personnel. The following steps outline the structured process of cargo acceptance.

1. Ensuring Safe and Proper Handling

Maintaining safety standards is a key priority in cargo handling. Shipments must be clearly labelled and properly identified to prevent misplacement or mishandling. The packaging must be suitable for the contents to protect against potential damage during transit.

2. Receiving Shipments

When a freight redirecting truck comes up at the carrier's space, the Cargo Handling Agent (CHA) must be notified. Before unloading, the following details should be submitted electronically to ensure smooth processing:

- Electronic Air Waybill (e-AWB) details
- Electronic House Waybill (e-HWB) for joined shipments
- Truck naming and recognition
- Estimated time of arrival (ETA)
- Security screening requirements, if relevant

After confirming this information, the carrier assigns an unloading slot and a designated position based on cargo type. Special handling areas are allocated for dangerous goods, live animals, unit load devices (ULDs), pharmaceuticals, and large-value shipments.

3. Acceptance as Ready for Carriage

Before a shipment is accepted for transport, the following steps must be completed:

1. Security Clearance Verification – Confirm that the shipment has undergone all required security screenings.
2. Ready-for-Carriage Check – Matching documents with the actual shipment and ensuring compliance with all operational restrictions and embargoes.
3. Final Validation – Cross-checking the shipment details with the original booking and updating records accordingly.

The shipment must meet all regulations, including:

- Airline-specific transportation policies
- Local and international export rules
- Transit airport and airspace restrictions
- Import laws of the destination country

4. Reservation and Pre-Alert for Cargo Acceptance

Before accepting a shipment, a reservation must be made. If the airline office handles the booking, all necessary shipment details should be provided well in advance. This includes:

- Flight schedules for multi-sector connections

- A loading plan for special cargo based on the aircraft type
- A pre-alert sent to cargo service providers at least six hours before departure

5. Cargo Acceptance Cut-Off Times

To maintain timely operations, shipments must be received before the following deadlines:

- General Cargo – 3 hours before departure
- Perishable Goods (PER) & Live Animals (AVI) – 2 hours before departure
- Diplomatic Mail (DIP), Express Cargo & Postal Mail – 2 hours before departure
- Transshipment Cargo – 24 hours before departure
- Quick Ramp Transfer Cargo – 1 hour 30 minutes before departure

6. Weight Measurement and Chargeable Weight

Every shipment must be weighed at the cargo warehouse before acceptance.

- Volume Weight – Calculated using the longest length, width, and height of the package.
- Chargeable Weight – The larger value between actual gross weight and volume weight is used for billing. If a lower charge applies to a higher weight category, the higher weight will be considered.

7. Loading Guidelines and Compliance

Cargo must be handled according to international aviation standards, as outlined in Annex 9 of the Chicago Convention (1944). Any exceptions require official approval.

Cargo Labelling and Loading Restrictions

Every package must have a cargo label attached. However, a shipment may be rejected for transport if:

- It is improperly packed or could damage the aircraft or other cargo.
- The weight is not properly recorded.
- It poses contamination risks (e.g., wet freight, dirty pallets).
- The packaging does not meet required safety standards (hazardous goods, human remains, live animals).
- Special handling instructions cannot be followed.
- Essential loading equipment is missing or unavailable.

- Cargo documentation is incomplete or incorrect.

15.4 WEIGHT, VOLUME AND DIMENSION CONCEPT

Accurate weight determination is a critical aspect of air cargo transportation. Ensuring the correct weight of cargo and mail loads before loading them onto an aircraft is essential for maintaining flight safety, balancing aircraft loads, and complying with aviation regulations. Various methods are used to measure cargo weight, and strict documentation is required for verification.

Methods of Cargo Weight Determination

Air cargo handling personnel and contracted agents must follow standardized methods to determine the weight of cargo and mail shipments accurately. The commonly used methods include:

1. Weighing Individual Shipments: Each cargo or mail consignment is weighed separately, and the individual weights are summed up to obtain the total weight.
2. Weighing Cargo in Unit Load Devices (ULDs) or Trolleys: The total weight is determined by adding up the weights of different cargo containers such as ULDs, trolleys, and pallets.
3. Using Declared Weights on Air Waybills (AWBs) and Other Certified Documents: If weights are provided in official documents like Air Waybills (AWBs) or AV-7 forms, they can be accepted as correct after verifying through spot checks.

The aircraft handling department must familiarize itself with these weight determination methods to ensure accuracy and compliance with safety regulations.

Unit Load Devices (ULDs) and Bulk Load Handling

- ULD Weight Documentation: When cargo is loaded into a ULD, the total weight must be recorded on the ULD tag. This helps in tracking and verifying the weight during transit and loading.
- Bulk Load Weight Documentation: For cargo that is not stored in ULDs but placed directly in aircraft bulk compartments, the net weight is recorded in the "Net Weight in kg" section of the trolley tag.

Confirmation and Transmission of Cargo Weights

To ensure accuracy in weight determination, the following steps must be followed:

1. Verification and Confirmation: The responsible cargo personnel must confirm the weight by signing the ULD or trolley tag.

2. Reporting and Documentation: The final weight must be transmitted to aircraft operations as per local regulations. This can be done through electronic data processing (EDP) printouts, cargo manifests, or bulk load statements.
3. Record Keeping: A copy of the weight transmission form must be stored with the trip file for future reference and compliance verification.

Dimensional Weight and Aircraft Space Limitations

Air cargo rates are based on either the verified weight of the shipment or its dimensional weight. Dimensional weight is intended based on the space a shipment occupies rather than its actual weight. This is particularly important for:

- Wide-body aircraft: The size of cargo containers determines the shipment's feasibility.
- Narrow-body aircraft: The size of the aircraft's cargo pit opening limits the shipment size.

Understanding these constraints ensures optimal cargo space utilization and efficient load planning.

Understanding Air Cargo Dimensions and Chargeable Weight Calculation

Measurement of Dimensions

When shipping cargo by air, the dimensions of a package must always be measured in the format length × width × height and recorded in centimetres (cm). It is crucial to take measurements at the maximum points, treating all items as if they were perfectly square. For instance, if an item is cylindrical, such as a drum, it should be measured as a box, with both the length and width equal to its total diameter. This approach ensures accurate calculations and accounts for any space lost between rounded packages.

Volume and Chargeable Weight Calculation

Air freight charges are based on either the actual weight (gross weight) or the volumetric weight (chargeable weight), whichever is higher. The general formula used in air cargo for calculating volume weight is:

- 1 cubic meter = 166.667 kg of chargeable weight
- 6 cubic meters = 1 metric ton

To determine the chargeable weight of a shipment, follow these steps:

1. Calculate the volume for each parcel individually.
2. Sum up the total volume in cubic meters.

3. Multiply the total volume by 166.667 kg to get the chargeable weight.
4. Round up the final chargeable weight to the nearest 0.5 kg (500 grams).

Example Calculation

Consider a shipment consisting of the following packages:

- 1 parcel: 102 cm × 85 cm × 72 cm, weight = 15 kg
- 2 drums: Each with a height of 110 cm and diameter of 45 cm, weight = 32 kg per drum
- 1 pallet: 120 cm × 80 cm × 80 cm, weight = 56 kg

Step 1: Calculate the Volume for Each Item

- Parcel: 1.02 × 0.85 × 0.72 = 0.650 cubic meters
- Drums (each): 1.10 × 0.45 × 0.45 = 0.223 cubic meters (total for 2 drums = 0.446 cubic meters)
- Pallet: 1.20 × 0.80 × 0.80 = 0.768 cubic meters

Step 2: Calculate the Total Volume

Total volume = 0.650 + 0.446 + 0.768 = 1.864 cubic meters

Step 3: Determine Chargeable Weight

- 1.864 cubic meters × 166.667 kg = 310.6 kg (chargeable weight)
- Actual gross weight = 135 kg
- Since 310.6 kg > 135 kg, the chargeable weight used for the airway bill (AWB) is 311 kg (rounded up).

Handling Oversized Cargo

If a package exceeds the standard aircraft pallet size (305 cm × 228 cm or 244 cm), a special handling request must be made. This may involve customized pricing and coordination with the airline's charter department. Special dimensions may also lead to additional charges based on the airline's specific procedures.

Understanding Freight Costs and Factors Affecting Pricing

Freight costs are typically calculated on a port-to-port basis. When determining the total freight expense, several factors need to be considered to ensure accurate pricing. The main elements influencing the cost include:

Key Factors in Freight Cost Calculation

1. Weight Considerations: Freight charges depend on either the actual weight of the shipment or the volumetric weight, whichever is higher. This is usually measured in cubic meters (CBM) or metric tons.
2. Mode of Transport: The chosen mode of transport (air, sea, rail, or road) plays a crucial role in determining the overall cost. Air freight tends to be more expensive than sea or land transport.
3. Pallet Weight: If the goods are transported using pallets, their weight must be included in the total shipment weight.
4. Loading and Unloading Costs: In multimodal transportation, charges for loading and unloading goods at different terminals may apply.
5. Port or Terminal Fees: Various ports and terminals impose handling charges, which should be factored into the total cost.
6. Bill of Lading Fees: A bill of lading is a legal document required for shipping, and there may be associated charges for its issuance.

Additional Charges Based on Trade Terms

Besides standard freight costs, businesses may incur additional expenses depending on their trade agreements, such as:

- Transportation costs to and from the port.
- Cargo handling fees.
- Port operational expenses.
- Documentation charges for customs clearance and legal requirements.
- Financial costs, including insurance or currency conversion fees.

Factors Affecting Air Freight Pricing

Transporting goods via air freight introduces additional pricing considerations:

- Tariff Classification: Different types of cargo may be subject to varying tariff rates based on classification.
- Routing Competition: Prices fluctuate depending on the number of airlines operating on a particular route.
- Space Availability: During peak seasons, limited cargo space can lead to increased costs due to higher demand.

15.4 CARGO LOADING

Cargo loading compartments vary based on factors such as size, shape, access doors, equipment, floor strength, and securing mechanisms. These differences exist not only between aircraft types but sometimes even within different models of the same aircraft series. These variations depend on the manufacturer's design specifications and the operator's requirements. When planning cargo transportation, it is essential to consider the aircraft type and its capabilities for handling different types of cargo. This includes understanding the aircraft's weight distribution, special compartments for fragile goods, and compatibility with bulk loads or Unit Load Devices (ULDs). Additional deliberations include space for passenger luggage, staff baggage, mail, service consignment, and company cargo. Certain special items, such as live animals, human remains, perishables, or hazardous chemicals, require specific handling.

Unit Load Devices (ULDs) and Their Importance

Unit Load Devices (ULDs) are specially designed containers or pallets that help efficiently load and transport cargo. Their use ensures that goods remain secure, properly organized, and easy to handle during transit.

The accurate calculation of an aircraft's weight and centre of gravity requires precise measurements of cargo and mail load weights. The responsibility for ensuring the correct weights in-flight calculations falls on the airline's handling department and authorized ground staff at different stations.

Loading Accessories and Their Role

Proper cargo handling requires various loading accessories such as:

- Tie-down straps and ropes: Used to secure cargo and prevent movement.
- Supporting planks and platforms: Provide a stable base for goods.
- Plastic bags and foil: Protect shipments from moisture and contaminants.
- Net bags and pouches: Used for securing smaller valuable items.
- Dry ice boxes: Maintain the required temperature for perishable goods.
- Kennels for live animals: Ensure the safe and humane transport of pets or livestock.

These materials are kept at designated cargo stations and must be requested before shipment. Requests should include the item's part number or IATA ID code, the quantity needed, and the scheduled flight details.

Managing and Controlling ULDs

Airlines maintain a standard stock of ULDs at all containerized aircraft stations to meet operational requirements. Any stock changes must be reported to the central unit responsible for ULD tracking and allocation.

If excess ULDs accumulate at a station, they should be returned to the central stock or reassigned as needed. The circulation of ULDs is managed through a centralized tracking system using IATA identification codes. This ensures that loading equipment is optimally distributed and prevents loss or damage.

To keep track of ULD movements, airlines use the following systems:

- ULD Control Message (UCM): Sent for every flight involving ULDs, updating inventory after aircraft departure or arrival.
- Load Unit Control Message (LUC): Used for short-term releases of ULDs to customers or agents.
- Stock Control Reports: Weekly inventory updates are sent to the central tracking system.
- Damage Reports: If a ULD is damaged, it must be reported, and the unit should be sent for repair or replacement.

Pallet Loading Principles

A ULD consists of a pallet and a net, which together form a secure loading unit. The net acts as a restraint system, keeping cargo in place during transit. Before loading, the pallet's condition must be checked to ensure it is free from damage.

Key pallet loading guidelines include:

- Heavier items should be placed at the centre and bottom for stability.
- Smaller, lighter items should be evenly distributed over heavier cargo.
- The entire load must be secured using a pallet net or straps.
- Water-sensitive items should be covered with plastic foil.
- The height of pallet loads must not exceed 64 inches.

Container Loading Procedures

Containers provide a secure and efficient way to transport cargo. When using containers:

- The door must be secured to prevent it from falling during transit.
- Mixing different types of loads within a single container should be avoided.
- Heavy items should be placed at the bottom.

- Once loaded, the container door should be properly locked.
- Cargo inside partially filled containers must be secured using tie-downs.

Handling Dangerous Goods

Some shipments contain hazardous materials that require special handling. Only trained and certified personnel can approve the transportation of dangerous goods.

The International Air Transport Association (IATA) Dangerous Goods Regulations guide the classification and handling of hazardous materials. If a package has a warning label, staff must verify whether it meets the criteria for restricted goods before accepting it.

The following details must be included in the shipper's declaration:

- UN number and proper shipping name
- Net quantity per package
- Hazard classification
- Packing material and instructions
- Shipper and consignee details

Shipments must be checked for correct labelling and packaging before acceptance. If documentation is incomplete or packaging is damaged, the shipment should be rejected. Airlines must also send handling instructions to all relevant departments at the departure, transit, and arrival stations.

In-Cabin Cargo Regulations

Typically, commercial cargo is not allowed inside the aircraft cabin during passenger flights. However, some exceptions include:

- Stretcher cases under special conditions
- Small live animals within allowable weight limits
- Human organs for medical transport
- Small quantities of official airline documents

If cargo is loaded in the cabin, the airline must ensure that it does not interfere with seating arrangements, safety procedures, or weight distribution.

Final Considerations for Secure Cargo Transport

Efficient cargo loading and transport require strict adherence to guidelines. Using ULDs, following weight distribution principles, and securing loads properly prevent

accidents and damage. Centralized tracking systems help manage loading materials, reducing loss and ensuring cargo reaches its destination safely.

Airlines must also comply with IATA regulations for hazardous goods, maintain accurate records, and use appropriate packaging materials. Proper documentation, including ULD control messages and damage reports, ensures smooth logistics operations.

15.6 FREIGHT CAPACITY PLANNING

Importance of Load Planning in Aviation Cargo load planning is a crucial aspect of aviation logistics that ensures the efficient and safe transportation of passengers, baggage, and freight. The primary objective of load planning is to maintain the balance of an aircraft while adhering to safety regulations. Passenger baggage and essential cargo receive the highest priority, while additional cargo is accommodated based on available space and weight capacity.

Factors Influencing Cargo Load Planning

Cargo load planning is influenced by multiple factors, including:

1. Number of Passengers – The total number of passengers booked for a flight determines the amount of space available for cargo.
2. Estimated Passenger Baggage – The approximate weight of baggage per passenger varies based on the flight distance:
    - Short to medium-haul flights: Approximately 17 kg per passenger
    - Long-haul flights: Approximately 20 kg per passenger
3. Excess and Oversized Baggage – Items such as live animals, bicycles, sports gear, and other oversized baggage require special handling and space allocation.
4. Contracted Mail Load – Some flights carry mail under contractual agreements, which needs to be considered during load distribution.
5. Booked Cargo Load – This includes cargo booked in advance, including service cargo, which is essential for flight operations.
6. Free Sale Cargo – Cargo that is sold with guaranteed transportation but without prior booking.

Operational Considerations in Load Planning

The safety and operational efficiency of a flight take precedence over commercial considerations. To ensure proper weight distribution and compliance with aircraft weight limits, standard weight calculations are used:

- Passenger baggage:
  - Short/medium-haul flights: 17 kg per passenger
  - Long-haul flights: 20 kg per passenger
- Baggage Density: 170 kg per cubic meter (1-2 pieces per passenger)
- Mail Density:
  - Mixed mail: 170 kg per cubic meter
  - Letter mail: 230 kg per cubic meter
  - Parcel mail: 130 kg per cubic meter
- Oversized baggage and special cargo: Actual known weights are used
- Booked cargo: Based on actual weights
- Unreserved cargo: approximate at 180 kg per cubic meter

Financial and Legal Aspects of Cargo Load Planning

Beyond logistics and weight considerations, cargo transportation also involves financial and legal aspects. These include:

Terms of Sale and Cost Responsibilities

Understanding financial responsibilities in cargo transportation is essential. The division of cost and risk between the buyer and seller determines who is in charge for arranging and reimbursing for shipment, managed for handling risks, and also insuring the goods are well settled. The most commonly used terms of sale include:

1. Free on Board (FOB): The seller is in charge for the goods until they are loaded onto the transport container. After loading, the buyer undertakes responsibility.
2. Cost and Freight (C&F): The seller covers the cost of transporting materials and goods to the destination port, but the buyer undertakes risk after shipment.
3. Cost, Insurance, and Freight (CIF): The seller covers transportation costs and insurance until the cargo reaches the destination port. The buyer takes responsibility from that point forward.

Latest Trends in Cargo Load Planning

With advancements in technology, modern load planning systems have improved efficiency. Automated software solutions now enable airlines to optimize cargo distribution, ensuring better fuel efficiency and improved safety. Some of the latest trends include:

- Artificial Intelligence (AI) and Machine Learning (ML): AI-based systems analyze real-time data to optimize cargo distribution.

- Blockchain Technology: This ensures transparent and secure documentation of cargo transactions.
- Sustainable Aviation Practices: Airlines are implementing eco-friendly cargo management solutions to reduce carbon footprints.

15.7 CONCLUSION

Effective load planning is essential for ensuring the safe and efficient transportation of passengers, baggage, mail, and cargo. The process prioritizes passenger needs while balancing operational requirements, weight distribution, and space utilization. By considering factors such as booked passengers, baggage, cargo weight, and financial responsibilities, airlines can optimize their logistics while maintaining safety regulations. Additionally, understanding terms like FOB, C&F, and CIF helps in determining financial responsibilities and risk allocation. A well-planned cargo load system improves efficiency, reduces costs, and ensures smooth flight operations, making it a crucial aspect of airline management and global trade logistics.

15.8 GLOSSARY

- Load Planning – The process of organizing and distributing passengers, baggage, mail, and cargo efficiently within an aircraft while considering safety and operational requirements.
- Passenger Baggage – The checked-in and carry-on luggage that passengers bring on a flight, categorized based on weight and flight distance.
- Oversize Baggage – Large or bulky items such as bicycles, surfboards, or sports gear that exceed standard baggage dimensions.
- Contracted Mail Load – Pre-booked mail shipments that airlines transport as part of their cargo services.
- Service Cargo – Cargo specifically booked by airlines to support their operational needs, such as spare parts or aircraft-related materials.
- Free Sale Cargo – Cargo shipments that are booked without prior reservations but are guaranteed transport based on available space.
- Operational Requirements – The necessary conditions and limitations that must be met for safe and efficient flight operations, including weight distribution and fuel efficiency.
- Weight Distribution – The strategic placement of cargo and baggage in an aircraft to ensure balance and stability during flight.
- Financial Instruments – Agreements that define the division of costs and risks between buyers and sellers in the transportation of goods.
- Free on Board (FOB) – A trade term where the seller delivers goods to a specified location, and the buyer undertakes responsibility from that point.

- Unreserved Cargo – Cargo that is not pre-scheduled but is added to a flight based on available weight and volume capacity.
- Mixed Mail – A combination of different types of mail, including letters, parcels, and packages, transported via air cargo.
- Parcel Mail – Small packages and parcels shipped through the postal service as air cargo.
- Letter Mail – Lightweight mail such as letters and documents transported by air.
- Risk Allocation – The distribution of responsibility between parties regarding the loss, damage, or delay of goods in transit.
- Airline Logistics – The overall management of baggage, cargo, and mail transportation to ensure efficiency and compliance with aviation regulations.
- Guaranteed Carriage – A commitment by the airline to transport booked cargo on a specific flight, ensuring delivery as scheduled.

15.9 SUMMARY

Load planning in aviation is a crucial process that ensures the safe and efficient distribution of passengers, baggage, mail, and cargo within an aircraft. Passenger baggage takes priority, and the planning is based on the number of passengers booked for each flight. Several factors influence load planning, including the estimated baggage weight, oversized baggage, contracted mail load, and booked or unbooked cargo.

Operational requirements, such as weight distribution and balance, are essential considerations in load planning. Airlines use standard weight estimates to calculate load distribution, including specific weight values for passenger baggage, mixed mail, letter mail, parcel mail, and book cargo. These standardized figures help airlines maintain safe take-off, flight, and landing conditions. Financial and trade considerations also play a role in cargo transportation.

Effective airline logistics management involves ensuring proper weight distribution, optimizing available cargo space, and balancing financial risks. By following structured load planning procedures and trade agreements, airlines maintain operational efficiency and safety while fulfilling cargo transport commitments.

15.10 SELF-ASSESSMENT QUESTIONS

a) Why is passenger baggage given priority in load planning for an aircraft?
b) What are the key factors that influence cargo load planning for a flight?
c) How do operational requirements impact the distribution of weight in an aircraft?
d) What are the standard weight estimates used for different types of baggage and mail-in load planning?

e) How does unbooked cargo differ from booked cargo in terms of load planning considerations?
f) What is the significance of financial instruments in cargo transportation, and how do they affect load planning?
g) How do airlines ensure the safety and efficiency of load distribution while considering weight and balance?
h) What challenges can arise in cargo load planning, and how can they be effectively managed?
i) How does guaranteed carriage for free-sale cargo impact overall flight load planning?

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Unit-16

Cargo Rating and Documentation; GCR, CCR& SCR

Structure:

16.0 Objectives

- The following are the major objectives of the present Unit:
- Understand cargo rating principles and freight charge calculations.
- Learn essential cargo documentation like GCR, CCR and SCR.
- Ensure compliance with international shipping regulations.
- Improve efficiency in cargo rating and documentation.
- Facilitate smooth customs clearance and timely shipments.

16.1 Introduction

Cargo rating and documentation are essential aspects of air cargo operations, ensuring accurate freight charges and smooth transportation. Cargo rating involves determining shipping costs based on factors like weight, volume and cargo type, following standardized pricing structures. Proper documentation, including General Cargo Receipt (GCR), Cargo Clearance Receipt (CCR) and Special Cargo Receipt (SCR), ensures regulatory compliance and facilitates seamless customs clearance. Understanding these processes helps in efficient cargo management, reducing delays and ensuring the safe and timely delivery of goods in international trade.

16.2 Meaning of Cargo Rating and Documentation

Cargo rating refers to the process of determining the freight charges for air cargo based on factors such as weight, volume and cargo type. Documentation involves the necessary paperwork required for cargo transportation, ensuring compliance with regulations and smooth handling of shipments.

16.2.1 Importance of Cargo Rating in Airfreight

Cargo rating ensures fair and accurate pricing of shipments, helping airlines and shippers manage costs effectively. It standardizes freight charges based on industry guidelines, ensuring transparency and profitability in air cargo operations.

16.2.2 Overview of Cargo Documentation

Cargo documentation includes essential paperwork like Air Waybills (AWB), General Cargo Receipts (GCR) and Special Cargo Receipts (SCR). These documents are crucial for tracking shipments, meeting customs requirements and ensuring the smooth movement of goods.

16.3 Basics of Cargo Rating

Cargo rating involves applying standardized pricing structures to determine airfreight charges. Rates are calculated based on factors such as weight, volume, cargo type and route to ensure fair and efficient pricing.

16.3.1 General Cargo Rates (GCR)

GCR applies to most goods that do not require special handling. These rates are standard and based on weight or volume, ensuring uniform pricing for common shipments.

16.3.2 Specific Commodity Rates (SCR)

SCR is applied to designated goods such as perishables, electronics, or high-value items. These rates are lower than GCR due to high shipment volume and special handling considerations.

16.3.3 Class Cargo Rates (CCR)

CCR categorizes cargo into different classes based on handling requirements, fragility, or special care needs. This system ensures fair pricing by grouping similar cargo types under specific rate structures.

16.4 Factors Affecting Cargo Rates

Cargo rates are determined based on various factors that influence transportation costs and handling requirements. These factors ensure that pricing is fair, efficient and reflective of the actual logistics involved in air cargo movement. Key considerations include weight and volume, cargo type and the distance or route taken.

16.4.1 Weight and Volume Calculations (Chargeable Weight)

Airfreight charges are calculated using chargeable weight, which is the greater of the actual weight or volumetric weight of the shipment. Volumetric weight is determined using a standard formula to account for the space a shipment occupies in the aircraft. This ensures that lightweight but bulky cargo is charged appropriately for the space it consumes, making the pricing structure more balanced for all shipments.

16.4.2 Nature of the Goods (General vs. Special Cargo)

The type of cargo plays a significant role in determining freight rates. General cargo includes regular shipments that do not require special handling, while special cargo includes goods like perishable items, hazardous materials, fragile goods, or high-value shipments. Special cargo often requires additional safety measures, temperature control, or special packaging, leading to higher shipping costs compared to standard cargo.

16.4.3 Distance and Routes (Direct vs. Connecting Flights)

The total distance and the flight route impact cargo rates significantly. Direct flights are generally preferred for urgent shipments as they reduce transit time and minimize handling, often resulting in lower overall costs. In contrast, shipments routed through multiple connecting flights may have higher rates due to additional handling, storage fees and potential delays. Additionally, flights covering long-haul international destinations usually have higher freight charges due to increased fuel costs and regulatory compliance requirements.

16.5 General Cargo Rates (GCR)

General Cargo Rates (GCR) are standard airfreight charges applied to most shipments that do not require special handling or specific conditions. These rates are typically calculated based on the chargeable weight of the cargo, which is determined by either actual weight or volumetric weight, whichever is higher. GCR provides a uniform

pricing structure, making it the most commonly used rate category in air cargo transportation.

GCR applies to a wide range of goods, including textiles, machinery parts, electronics and other non-perishable items. The rates may vary depending on factors such as the airline, destination, fuel surcharges and airport handling fees. Since GCR does not consider specific commodity types or special handling needs, it is generally higher than specific commodity rates (SCR), which offer discounts for high-volume shipments of particular goods.

GCR is essential for businesses and logistics providers as it provides a straightforward and predictable cost structure for standard air cargo shipments. Understanding how GCR is calculated helps shippers plan their freight costs effectively and choose the most cost-efficient transportation options.

16.6 Specific Commodity Rates (SCR)

Specific Commodity Rates (SCR) are special freight charges applied to designated goods that are frequently shipped in large quantities. Unlike General Cargo Rates (GCR), which apply to standard shipments, SCR offers discounted rates for specific commodities such as perishable goods, pharmaceuticals, electronics and high-value items. These rates are negotiated between airlines and shippers based on the volume and frequency of shipments.

SCR is beneficial for industries that rely on regular transportation of specific products, as it helps reduce shipping costs while ensuring proper handling and transportation conditions. The rates vary depending on factors such as cargo type, destination and airline policies. Since SCR provides cost advantages, shippers dealing in bulk cargo often prefer this pricing structure over GCR.

16.7 Class Cargo Rates (CCR)

Class Cargo Rates (CCR) are structured pricing rates that categorize cargo into different classes based on factors such as handling requirements, fragility, or special care needs. Unlike General Cargo Rates (GCR), which apply to standard shipments and Specific Commodity Rates (SCR), which focus on bulk shipments of designated goods, CCR groups cargo into predefined classes, each with its own pricing structure.

CCR is used for cargo that requires specialized handling, such as live animals, hazardous materials, fragile goods and temperature-sensitive shipments. The classification system ensures that each type of cargo receives the necessary care and attention during transportation while maintaining fair and consistent pricing. Airlines determine CCR based on factors like risk, packaging needs and required safety precautions.

By using CCR, airlines and logistics providers can standardize pricing for various cargo categories while ensuring compliance with international air transport regulations. This system helps shippers understand the cost implications of different cargo types and choose the most appropriate transport solutions for their goods.

By utilizing SCR, businesses can optimize logistics costs while ensuring efficient and reliable transportation of specialized goods. Understanding SCR allows shippers to take advantage of lower freight charges and enhanced service agreements for high-demand commodities.

8.8 Check Your Progress

What is an e-ticket?

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8.9 Summary

This unit covered key aspects of ticketing, including issuance, cancellation, re-issuance and airline reservations. It emphasized the importance of accurate ticketing for effective travel management, as well as the distinctions between different types of tickets, such as paper tickets and e-tickets. The role of the Passenger Name Record (PNR) in managing bookings and ensuring smooth travel experiences was highlighted.

The unit also discussed the various cancellation policies and procedures, emphasizing the importance of understanding refund options. Additionally, the impact of technology on the ticketing process was explored, showcasing how online systems have streamlined booking, modification and customer service. Overall, mastering ticketing processes is essential for travel agents, airline staff and travellers to ensure efficient travel planning and execution.

8.10 Glossary

E-ticket: An electronic ticket stored digitally, allowing for easier management and modifications compared to paper tickets.

PNR (Passenger Name Record): A unique identifier that contains essential details about a passenger's itinerary, including flight details and personal information.

Refundable Ticket: A type of airline ticket that allows passengers to cancel their reservation and receive a full or partial refund, usually subject to specific conditions.

Non-Refundable Ticket: A ticket that cannot be refunded if canceled, meaning the passenger forfeits the fare upon cancellation.

Cancellation Policy: The guidelines set by airlines regarding how and when a ticket can be canceled, including any associated fees or penalties.

Reservation: The act of booking a seat on a flight, which includes selecting flights, providing passenger information and confirming payment.

Chargeable Weight: The weight used to calculate freight charges, determined by the greater of actual weight or volumetric weight.

Itinerary: A detailed plan of a passenger's travel schedule, including flight times, dates and connecting flights.

Travel Agent: A professional who assists clients in planning and booking travel arrangements, including flights, accommodations and tours.

Class of Service: The level of service provided on a flight, which may include Economy, Business, or First Class, each with different pricing and amenities.

8.11 Self-Assessment Exercise

1. What does PNR stand for in airline reservations?
2. Name one type of airline ticket.
3. What is the purpose of a cancellation policy?
4. How can technology improve the ticketing process?

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