



Air Fares & Ticketing 1

Written to support BTEC qualifications in
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Overview



This module gives candidates an opportunity to develop their knowledge and understanding of dealing with air travel. It is intended for any candidates who are keen to work both in the leisure and business travel, tour operating and, of course, the airline industry. It is designed to provide competence in fares and ticketing and students will study the itinerary planning, Fares, Ticketing and the Mileage System.

There are nine outcomes to this module. The candidate will be able to:

- **Describe IATA codes**
- **Define IATA areas**
- **Explain IATA terms and definitions**
- **Identify fare types**
- **Select the most appropriate fare for a given itinerary/journey**
- **Construct basic fares using the mileage system**
- **Interpret ticketing entries and associated document entries**
- **Identify baggage allowances, taxes, fees and charges**
- **Identify payments**

Initially, the first three outcomes cover all the different terminology candidates need to know including coding and decoding within air fares and ticketing.

Outcomes four, five and six investigate the skills and knowledge required for understanding different fares and the ability to select the most suitable fare in a given situation. Candidates will be able to calculate complex fares on the completion of outcome six.

Outcome seven explores the different ticket types that are available and the knowledge needed to interpret them correctly. Finally outcome eight and nine looks at the key areas of baggage, taxes and correct payment methods.

IATA Traffic Conference Areas

TC1 comprises:

- North and South American continents and adjacent islands
- Central America
- Greenland
- Bermuda
- West Indies and other Caribbean Islands
- Hawaiian Islands including Midway and Palmyra

TC2 comprises:

- Europe and adjacent islands (includes Russia, west of the Ural Mountains)
- Iceland
- Azores
- Middle East
- Africa and adjacent Islands

TC3 comprises:

- Asia and adjacent islands
- Australia, New Zealand and adjacent islands
- Pacific Ocean islands except those in TC1

Additionally:

- Western Hemisphere is another term for TC1
- Eastern Hemisphere is the whole area of TC2 and TC3

Exercise 2.1

State which IATA Traffic Conference Area (TC) the following cities are situated in.

1. Bangkok

2. Nairobi

3. Istanbul

4. Mexico City

5. New York

6. Mumbai

7. Barcelona

8. Toronto

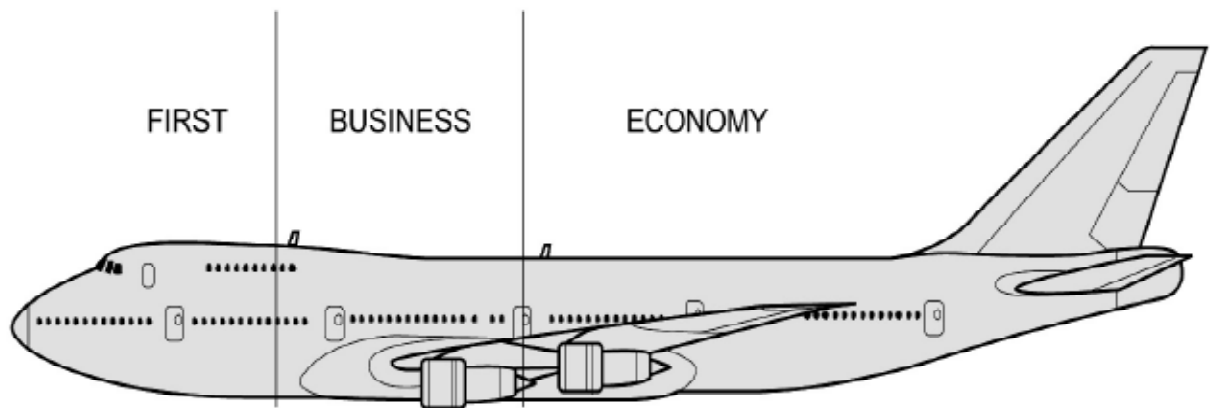
Codes

It is obviously impractical to name every city, airport, country and state in full when referring to them in connection with airline fares or itineraries. Equally it is essential to ensure there is no confusion. For this reason there are codes for the following:

- **Cities**
- **Airports**
- **Countries**
- **States**
- **Airlines**
- **Aircraft types**
- **Currencies**



Overview of Fare Types



Scheduled aircraft are often split up into different cabin sections, with different prices charged for the product and service delivered. Imagine you were going to a music concert and there were different prices of tickets on offer. You might just want the cheapest or you might pay more to get a better view!!

The same principle applies for air travel. The passenger chooses where to sit dependent on how much they want to pay, and what service they require.

Features of each cabin section is described on the following pages:

First

- First class looks to opulence and luxury.
- Normally small section at front of aircraft with fewer seats.
- Wider seats with more legroom, which normally convert into flat beds.
- More upmarket meals with greater choice.
- Finer selection of wines and complimentary drinks.
- Largest choice of in flight entertainment.
- Designated check-in areas and check-in closer to flight departure time.
- Access to airport airline lounges.
- Free baggage allowance is greater, usually 40kgs.

Not all routes offer all three classes of service. For example, most European routes only offer economy and business, and on domestic routes within the UK you might only get economy class throughout.



Category Codes

The following booking class codes can all be seen at the start of a fare basis.

First Class:

F First Class

P First Class Premium

Business Class:

J Business Class

C Business Class

Economy Class:

These are more varied than the previous two but here are the most common:

Y Economy/Coach

B Economy/Coach Discounted

L Economy/Coach

M Economy/Coach Discounted

There are other variations of these which you may come across in the appendix.

In some cases prime codes for Normal Fares will be followed by **OW** or **RT** to indicate One Way (single), or Round Trip (return), journeys.



Fare Selection

Choosing the correct fare for a customer is very important. The Passenger Air Tariff is one source to find out the answer though naturally this is usually done online using a GDS system. Either way, you need to understand how to interpret the information provided.

To illustrate how to do this we will work through the process when a client asks:

“How much is the air fare from London (UK) to Mauritius?”

To select the fare manually we must first follow some important points as mentioned below.

- **One way** fares are published in light print
- **Return** fares are published in **bold** print
- When there is no return fare published for the class you require, use two one way fares
- If there is no C Class fare published between points in Europe, use the Y Class fare
- When there is no airline shown in the carrier code column this indicates it is available to all airlines.



Exercise 7.2

Which Global Indicators apply to the following journeys?

1. Dublin - Rome - Nairobi - Cape Town:
2. London - Karachi - Bangkok - Auckland:
3. Madrid - Mexico City - Caracas:
4. Manchester - Toronto - Vancouver:
5. Frankfurt - Moscow - Tokyo - Sydney:
6. Amsterdam - Johannesburg - Perth:
7. Chicago - Honolulu - Tokyo:
8. Dublin - Chicago - Seattle - Sydney:
9. Paris - Bangkok - Tokyo - Auckland:
10. Sydney – Los Angeles – Rome:

Choosing the Correct Special Fare

Having identified what different special fares are available we now need to choose the current type for a passenger.

- The advantage of a special fare is the price.
- The disadvantage for the passenger is that there are often far more restrictions and conditions than for a normal fare on the same route
- The disadvantage for the agent is that the fare rules must be checked very carefully to confirm that the proposed booking conforms to all the conditions.

Example:

A traveller would like to book the following and purchase the ticket on 30th September. What is the lowest possible fare applicable to this journey?

From	To	Carrier	Date	Class
London (LON)	Mauritius (MRU)	BA	09OCT	Y
Mauritius (MRU)	London (LON)	BA	20NOV	Y



Exercise 14.3

Calculate the **NORMAL** fares for the reservations below.

1. The reservation is made on 22DEC.

B.EVAN/RICHARDMR

HM 027 F 06JAN LGW SEZ 1815 *0930

HM 010 F 14JAN SEZ LGW 2330 *0825

Fare:

Fare Basis:

Fare Type:

2. The reservation is made on 22APR.

ITSUI/YUMIKOMS

MH 3 C 24MAY LHR KUL 1055 *0930

MH 92 C 26MAY KUL NRT 0900 1700

CX 505 C 11JUN NRT HKG 1830 2215

CX 251 C 12JUN HKG LHR 2355 *0545

Fare:

Fare Basis:

Fare Type:

3. The reservation is made on 22AUG.

RODGERS/CHARLESMR

OA 270 Y 17SEP LHR ATH 1635 2210

OA 325 Y 23SEP ATH CAI 2315 *0135

AZ 897 Y 19OCT CAI FCO 1550 1815

AZ 204 Y 22OCT FCO LHR 1455 1635

Fare:

Fare Basis:

Fare Type:

Infant Fare Conditions

The following important conditions apply to infant fares:

- An infant may only travel at the infant discount providing they are accompanied by a passenger paying the full adult fare.
- If two infants are travelling with just one adult passenger, only one is entitled to the infant discount. The second infant will travel at the child discount.
- An infant paying infant fare is not entitled to a separate aircraft seat. 'Second' infants paying children's fare will occupy a separate seat.
- Infants paying infant fare are not entitled to a separate baggage allowance. Most airlines will, however, allow certain items of baggage such as fully folded baby buggy, baby food etc.

IMPORTANT! These are the general regulations for international travel. Conditions for DOMESTIC journeys (itineraries entirely within one country), are often different. Some fares allow no discounts at all.



Open Jaw

An open jaw is...

“when you travel to one city and return from another”

The fares we have constructed so far have all been for continuous travel. The passenger travelled by air between each point in the itinerary. Not all journeys are like this though.

Examples

- London to Orlando; return from Miami or Tampa
- Dublin to Toronto ; return from Vancouver
- Paris to Sydney; return from Melbourne or Brisbane.

For an open jaw to be permitted, a traveller must usually fly in and out of the same country. There are exceptions of course but you need to check the rules for these.

Two codes you should be aware of when reading rules are:

NOJ If travelling at Normal fares this would be the abbreviation.

OJ If the fare is a Special fare the abbreviation would be **this**.



Currency Conversion

Example 1: GBP

GBP - Convert a fare of NUC868.69 to GBP.

Stage 1 Refer to the Conversion Charts to obtain the Rate of Exchange (normally abbreviated as ROE). The ROE for UK is 0.617797.

Stage 2 Multiply the NUC amount by the Rate of Exchange
 $868.69 \times 0.617797 = 536.67$.

Stage 3 Round as instructed, showing correct number of decimals.

GBP536.67 becomes GBP537.00

The Mileage System

Unless the fares rule prohibits stopovers or transfers passengers do not have to travel directly to their destination or turnaround point.

They may travel by any number of intermediate points, at the published fare for their 'end to end' journey, subject to two important conditions.

- They are only permitted to travel a certain number of miles for each route
- They may not travel via any point having a higher fare than that for the 'end to end' journey. This is covered in the Level Two Course

The maximum miles that a passenger may travel is known as the 'Maximum Permitted Mileage' abbreviated as **MPM**.

The MPM for any journey is given at the top of each fares table.

FARE TYPE	LOCAL CURRENCY	NUC	CARR CODE	RULE	GI MPM & ROUTING
LONDON UK (LON)					
UNITED KINGDOM					POUND STERLING (GBP)
To CAIRO (CAI)					EH 2672
Y	584	945.29			EH
Y	1063	1720.62			EH
C	875	1416.32			EH
C	1593	2578.51			EH

The Maximum Permitted Mileage for a journey between London and Cairo is 2672.

Exercise 21.4

Calculate the Normal BUSINESS Class fare for the following itinerary. List your TPMs, show all your calculations in NUCs, convert to local currency, and complete the linear fare construction below.

From	To	Carrier	Date	TPM
London (LON)	Khartoum (KRT)	BA	04JUL	
Khartoum (KRT)	Dubai (DXB)	SD	11JUL	
Dubai (DXB)	Delhi (DEL)	AI	14JUL	
Delhi (DEL)	Singapore (SIN)	AI	14JUL	
Singapore (SIN)	Taipei (TPE)	SQ	28JUL	

Fare Component(s) (FCP)	
NUC	
Rule	
MPM	
TPM	
Extra Mileage Surcharge (EMS)	
Sub Total	
Total	
International Rate of Exchange (IROE)	
Local Currency Fare (LCF)	
Linear/Automated Format:	

Baggage Allowance

With the purchase of an airline ticket, a passenger is allowed to carry a certain amount of baggage free of charge. This allowance includes hand luggage and 'checked baggage'.

Hand luggage, also known as 'cabin luggage' includes items that might reasonably be taken on board the aircraft by passengers. (One small bag, not weighing more than 6 kgs; coats, umbrellas. etc.)

Checked baggage is taken by the airline staff at check-in, and will travel in the aircraft hold. The exact amount of checked baggage allowed will be measured either by one of two methods:

- **The Piece System** – the number of pieces of luggage
- **The Weight System** – the weight of the luggage



Introduction

This section covers:

- **Electronic tickets**
- **ATB tickets**
- **Multiple Purpose Documents (MPDs and MCOs)**



Exercise 4.5

Answer the following questions concerning the electronic ticket below.

ELECTRONIC TICKET RECORD
 INV: CUST: IAT000 PNR: WPTRKG
 TKT: 118 13424261077 ISSUED: 27SEP10 PCC: 04D9 IATA: 96114104
 NAME: WRIGHT/CALLUM
 NAME REF: TOUR ID: 000001
 FOP: CA

CPN	A/L	FLT	CLS	DATE	BRDOFF	TIME	ST	F/B	STAT
1	LH	811	C	11NOV	HELMUC	1600	OK	F	OPEN
2	LH	835	C	11NOV	MUCIST	1915	OK	F	OPEN
3	LH	834	C	21NOV	ISTFRA	1810	OK	F	OPEN
4	LH	810	C	21NOV	FRAHEL	2155	OK	F	OPEN

FULLY ENDORSEABLE
 FARE EUR1129.00 TAX 94.80YQ TAX 15.21FI TAX 6.96DQ
 TAX 10.49DE TAX 38.23RA TAX 17.77TR
 TOTAL EUR1312.46

HEL LH X/MUC LH IST M750.38 LH X/FRA LH HEL M750.38NUC1500.76END ROE0.751949XT6
 .96DQ10.49DE38.23RA17.77TR

1. According to the reservation status on the ticket, space is:

- a) Subject to availability
- b) Not confirmed
- c) Confirmed

2. The form of payment (FOP) is made by:

- a) Cheque
- b) Cash
- c) Mastercard
- d) Diners Club Credit Card

3. What is the country of origin?

4. The code starting 118 indicates:

- a) The reservation status code
- b) The origin and destination city codes
- c) The PNR booking reference code
- d) The ticket number