



## Strong need for arresting revenue leakage in the global airline industry

Airline profitability is under stress due to high costs and pressures on yield. Airline managements are focused on the two-pronged approach of:

- Cost reduction through resource and process optimization
- Revenue enhancement and protection through robust system, stronger audit, control and compliance measures

Cost reduction measures within airline revenue accounting that airlines are actively leveraging, include:

- Sampling
- First and Final Billing
- Striking bi-lateral agreements with the alliance partner

While these approaches may reduce staff costs and the related cost of processing, in many instances, airlines are leaving money on the table by not validating the interline billings thoroughly. Industry estimates show that at least 1 – 2percent of revenue dilution is due to weak interline agreement and billing processes. Arresting revenue leakage from this avenue will have a direct impact on the bottom line of the airlines business and this is therefore, one of the most compelling profit improvement opportunities for airlines.

Revenue protection and enhancement through the interline agreements is a BIG opportunity. There is a strong need for a system that could analyze data proactively to setup the right provisos, bi-lateral agreements, SLA and analyze the prorate values and accept and reject the best values for the airline.

The Proration Process is Characterized by:

Decision-making steps to determine:

- Which category of Interline agreement would be beneficial for the airline -Multilateral Proration Agreement (MPA) or Special Prorate Agreement (SPA)?
- How would revenue be shared between partners in the partnership?

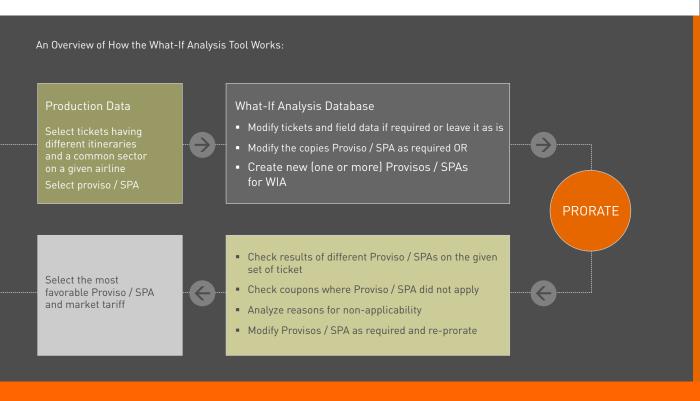
Implementation and execution of the agreement that would need to ensure:

- Adherence to rules and regulations related to MPA / SPA as the case may be
- Capability to handle multiple factors in the proration process including fare components from sectors spread across numerous geographies, side trips or fare differentials / surcharges





In addition to proration, SmartPro<sup>SM</sup> has a revenue recovery feature in the form of the 'What-If' analysis tool. The 'What-If' analysis feature supports airlines in decision making, setting up of the better proviso, bilateral agreements and SPAs thus improving on airline yield.



## SmartPro<sup>SM</sup>

- Equipping airlines with the ability to file the most complex SPAs
- Prorate sales information through most file types
- Handle erroneous tickets; and ensure high accuracy

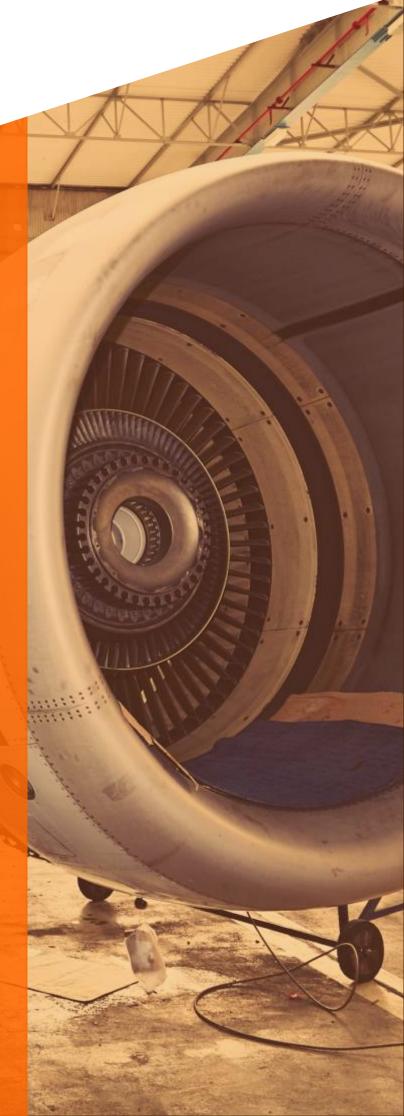


**Smart**Pr**\$** 

SmartPro<sup>™</sup> is WNS' proprietary proration engine. It has been designed and developed with the customer – the airline's needs in mind. WNS has a long-standing legacy of working closely with global airlines, having started out as the captive of a world-class airline. SmartPro<sup>SM</sup> is a result of hands-on experience of the challenges and complexities of the revenue accounting and proration process. WNS ideally would offer this as a first pass solution to airlines, however, considering the stress involved in a system transition, SmartPro<sup>™</sup> is available as a tool for second pass interline audit:

- Audit inward billing Review the overbilled coupons
- Audit outward billing Check for the correct applicable interliable fare and under billing

This service comes at no additional direct cost as it is based on contingency model (nominal fee on recovered revenue only)



## SmartPro<sup>SM</sup> – Key Features

- Allows filing of the most complex SPA's
- High accuracy level
- Compliant with IATA, MPA and ICH standards
- The system determines if a segment conforms to SPA or MPA proration
- Performs batch proration of sale information processed through TCN, e-Ticket files, BSP, ARC and Direct sales files
- Has an on-line proration facility to support invalid / erroneous tickets
- Takes into account published and unpublished fares, provisos, bilateral agreements, mileage factors, routes and currency conversions

- Ticket or Proration errors can be automated or manually allocated as per pre-defined / defined conditions
- Error tickets / coupons solved by users are passed through quality control
- Complete or sample-based quality control facility available
- Mass proration, mass correction and mass release features available at quality control level
- Tickets / coupons released after Quality Control are passed to the Revenue Accounting system for further processing

## SmartPro<sup>SM</sup> – Advantages

- Web-based, user friendly and accessible from anywhere in the world
- Fully automated
- Ability to meet SIS
- Mass prorate,mass correct and mass release options that ensure simultaneous updation
- Correction and release of prorate values, thus saving time and costs
- In-built QC module ensures high level of accuracy
- Multiple search options available to retrieve tickets. This smart feature allows you to plan your work, you can easily pull all the coupons with same prorate amounts, fare basis, or SPA and process them accordingly
- Flexible and dynamic reporting

- What-If Analysis tool:
  - Allows better evaluation and selection between Bilateral and Multi-lateral agreements
  - Helps in planning strategy for negotiation of SPAs, Codeshare agreements
  - Helps in huge time saving for analysis and decision making
  - Helps improve revenue streams for the airlines
  - Helps develop flexible recommendations
  - Helps assess the risk and decide on the right strategy



WNS is a leading global Business Process Management company catering to 200+ global clients by combining operational excellence with deep domain expertise across key industry verticals, including Travel & Leisure. With its rich legacy as a British Airways Captive, WNS is the world's largest specialist travel BPM company providing an end-to-end suite of solutions for the travel industry. WNS is a trusted partner to many leading global airlines, OTAs, TMCs, hotels, cruise liners and car rental companies, delivering solutions for their transaction, transformational and innovative needs. WNS has delivery centers world-wide, including China, Costa Rica, India, the Philippines, Poland, Romania, South Africa, Sri Lanka, UK and US.



To know more about SmartPro<sup>SM</sup>



To know more, write to us at marketing@wns.com or visit us at www.wns.com

