

# BAGGAGE CLAIM PROCEDURES IN AVIATION BY AUTOMATIC SYSTEM WORLD TRACER

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The final thesis deals with the use of automatic World Tracer system, which is used to find lost baggage and is the essential part of service at department Lost and Found. This service is used by passengers traveling by air every day at every airport in the world, addresses the different types of claims and manages the various complaint procedure. Complaint procedures involve late, damaged or pilfered baggage. The aim of my thesis is to analyze complaint procedures, World Tracer system and develop options for improving this service at the airport in Košice. The main chapters of this diploma thesis are the analysis of the current situation in the air transport and complaint procedures in aviation, not only at the airport in Košice, but also worldwide. On the basis of data processing, research for and acquired experience in the provision of services. The final section describes the proposed optimization process, developed learning aids and targets for further improvement of service Lost and Found at the airport in Košice.

**Keywords:** World Tracer, Lost and Found, lost baggage, damaged baggage, pilferage

## 1 INTRODUCTION

The issue of mishandled, lost or damaged baggage is very sensitive nowadays. Remarkably, given the nearly three billion passengers using the air transport system last year, it means that for every hundred passengers traveling fewer than one bag was reported as mishandled. For the industry it translates into an annual cost saving of US\$2.1 billion for 2012.

We are now seeing the rewards of a concerted collaborative effort to improve the baggage handling operations of the industry and in so doing reducing a major cause of passenger dissatisfaction. Delayed baggage, which was responsible for 82.9% of mishandling, fell 2.4% in 2012 to 5.67 per thousand passengers. The major cause of delayed bags is the transfer between flights which historically has proved to be a critical pinch point in the process. The good news is that we are moving in the right direction with mishandled transfer baggage falling to 48% of delayed baggage from 53% in 2011.

### 2012 BAGGAGE FACTS-AT-A GLANCE



Figure 1 – Statistics in 2012

## 2 LOST AND FOUND

### 2.1 IN GENERAL

A lost and found Office or baggage claim Office is an office in a large public building or area where

visitors can go to retrieve lost articles that may have been found by other visitors. Frequently found at museums, amusement parks, airports and schools, a lost and found will typically be a clearly marked box or room in a location near the main entrance. We are talking about lost and found office at the airport, which solves problems with mishandled baggage and other claims. Checking the bag at the airport is the essential part of the complex of passenger checkin process, which volume is increasing every year. In general the checkin process consists of mentioned steps below:

1. Checking the baggage at the check-in desk
2. Measuring the weight of baggage and marking with bag tag
3. Security control of baggage with x-ray system, because of dangerous goods, flammable materials and other things, which can not be transported on board of the
4. Transportation of baggage from checkin desks to baggage separation system
5. Segregation of baggage to particular flights
6. Transportation of baggage from separation system to the aircraft
7. Loading baggage to the aircraft

As we can see, the possibility of mishandling baggage is very high. It can be declined only with one hundred percent working system.

### 2.2 PASSENGER RIGHTS WITH BAGGAGE ISSUES

In this part of article I would like to write the basic facts about passenger rights in air transport. This scenario is for flights within EU. If your bag is mishandled, lost, damaged or stolen the refund is up to 1220 euro, except baggage when the damage was caused by own failure of baggage. In that case, flight provider has no responsibility for damage. In case of passenger

belongings and hand baggage, air provider is only responsible for loss, when the failure was caused by his own fault.

#### Checked-in luggage

If your registered luggage is **lost, damaged or delayed**, you may be entitled to **compensation** from the airline, up to about **€1,220**

*Exception* - if damage is caused by an inherent defect in the baggage itself.

#### Hand baggage (including personal items)

The carrier is liable if it was responsible for the damage.

Make sure to file your claim within **7 days** of receiving your luggage (or 21 days if your luggage was delayed). If you wish to pursue other legal action, you must do so within **2 years** of the date your luggage arrives. If you are travelling with **expensive items**, you might be able - for a fee - to obtain a compensation limit higher than €1,223 by making a special advance declaration to the airline - at the latest when you check in.

Though the best thing is really to take out **private travel insurance**. There is no standard form for the special declaration. It is up to the airlines to choose the type of form they provide.



Figure 2 – EU passenger rights

### 2.3 KEY STATISTICS OF MISHANDLED BAGGAGE IN THE WORLD

The air transport industry ended 2012 on a note of guarded optimism. Despite the high fuel prices and gloomy economic situation for much of the year, there was a 4.5% year-on-year increase in passenger numbers. In addition airline load factors were at near record levels of 79.1%. Handling of transfer bags remains the pinch point in the baggage handling process. Not only does increasing air traffic place greater stress on bag operations, delays and unexpected changes to schedules can quickly have a negative impact on transfer bags.

Despite the year's rise in passenger traffic, transfer bags accounted for 48% of all delayed bags, down from 53% in 2011. In real terms, 12.5 million transfer bags were mishandled in 2012, a reduction of 1.17 million on the number of transfer bags mishandled in

2011 (13.67 million bags). This shows a very positive signal that the problem of transfer bags is being addressed. The figure 2 shows the main reasons for delayed bags.

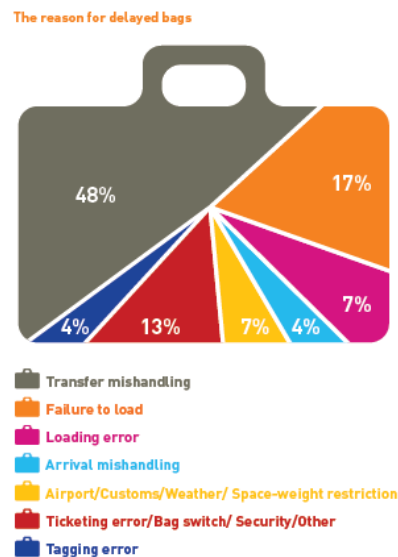


Figure 3 – Reason for delayed bags

### Air transport industry investment

So how is the air transport industry investing to meet the concerns and desires of consumers? Both airlines and airports are investing in self-service technology to relieve stress and reduce queues when passengers are checking in hold luggage. Some of these initiatives are in the early stages, but the industry has ambitious plans to ramp up activity over the next three years according to the 2012 Airport and Airline IT Trends surveys. Many airlines and airports are making head way with the provision of assisted self-service bag drops. Nearly a third of airlines offer a combination of self-printing bag tags at kiosks and assisted bag drops, and this is expected to reach 83% by the end of 2015.8 Airports are currently further ahead with their implementations of agent-assisted bag-drop locations and, over the same time frame, 79% plan to offer self-service bag tag printing and 82% expect to offer assisted bag drop.

### 2.4 CURRENT SITUATION OF LOST AND FOUND AT THE KOSICE AIRPORT

In Slovakia you can find two lost and found departments. One is located at the Bratislava International Airport and one is at the Kosice International Airport. Handling of this office is being held by Kosice airport management. From 1996 was provided by Emipol company but in 2013 has been changed to present status. Lost and Found provides below services:

- Processing AHL baggage – lost or delayed baggage
- Processing DPR baggage – Damaged baggage
- Processing of pilferage – stolen items or whole baggage
- Processing OHD files – On – hand baggage

- Processing Rush Bags – delayed bag on its way to passenger
- Customer service involves communication and providing information to passengers
- Registry of lost belongings

If we compare the baggage claim procedures between classic airlines and low-cost, you will find few differences. I would like to focus on main points. For example, CSA and Austrian airline you will get the much more support with solving your baggage reclamation claim. Claim is automatically registered in to the World Tracer system. After this follows tracing, that will start immediately. If bag was found, would be delivered to PAX as fast as possible on airline funds. When the bag is damaged, pax can get some refunds, can be cash in advance or brand new bag. It depends on passenger card tier or other benefit program. On the other hand, low cost carrier provides minimum support for passengers, registration of claim works only on the website platform and pax has to wait for response for longer period. Lost and found office does not use World Tracer for registration and tracing is being held only by communication between LaF offices and possible locations of mishandle.

If bag was found, would be delivered only to the airport for pick-up. If the bag is damaged, you have to use again, website claim registration. But in reality, the refund is given to passenger very occasionally. In general, problems with lost or delayed baggage is more often for classic airlines, because of transfer flights. In article of below you can find the baggage claim procedures.

#### **Claim of AHL (Delayed or lost baggage)**

In case of delayed or lost baggage, there are few things what passenger has to do at baggage claim office. First step is to make a claim PIR (Passenger Irregularity report), for classic airlines it should be electronic claim in World Tracer system, for low-cost generally paper claim form. Lost and found agent with passenger cooperation have to fill the PIR mask, which contains elements. Element is two digit code, which includes information for example, mandatory element for mask is TN element, Bag tag number: OS234543. Mandatory elements are TN – Tag number, NM – name, CL – passenger tier, RT – routing, FD – flight details, PA – passenger address, if TA – temporary address, CP – contact phone, BI – baggage details, CT – colour and type of bag and DV – date of validity. Tracing will automatically start after mask is filled correctly. Passenger will receive confirmation about PIR and information what will be done next. System will compare OHD claims Tag numbers (baggage with no owner) with AHL claim. When the match has been found, the system should send the message to baggage claim offices and baggage will be delivered as soon as possible to owner.

#### **Claim of DPR (Damaged Property Report) and Pilferage**

In case of damaged or pilferage of baggage, the steps are almost equal with AHL claim. First step is to make DPR claim, passenger with coop Lost and found

agent will fill DPR mask at the World Tracer system, or for low-cost carriers only paper claim DPR. The mandatory elements are TN, NM RT,TD – Type of damage and very important element **RL** – Reason of Loss: **80** – Damaged bag **81** – Pilferage **90** – Damage with Pilferage. Passenger will get cash in advance or brand new bag depends of card level as a refund of loss. For classic airlines there is a DOLFI company, which repairs the bags at airlines expenses.

### **3 WORLD TRACER**

#### **3.1 WORLD TRACER IN GENERAL**

**WorldTracer** Services suite of industry applications is a comprehensive airline information management system for mishandled property that sets the standard for baggage services worldwide. By incorporating multi-system functionality into a single product, WorldTracer is flexible, fully integrated, and easy to use.

Co-sponsored by SITA and IATA, WorldTracer was introduced to assist in the rapid recovery of misrouted passenger baggage, allowing information exchange within a given airline as well as between airlines worldwide. Today WorldTracer consists of distinct service modules for tracing and management of baggage along with extensive reporting capabilities. These modules allow for full customization of baggage handling requirements. Continual advances in programming and technology includes the use of kiosk, mobile and PDA devices, as well as automated messaging and email advisories for immediate communication of status to passengers. Customer feedback plays an integral part in determining future system development for all modules. An active user group consisting of airlines and handling agents worldwide, meets annually to prioritize enhancements and exchange views on baggage industry trends.

With some 440+ customers, WorldTracer has achieved a global presence providing airlines and their agents, at over 2,200 airport locations, with a standard worldwide industry baggage tracing service. WorldTracer Services suite of industry applications demonstrates our commitment to meeting customer needs and serves as an example of how SITA is growing and expanding in partnership with our customers.

#### **3.2 COMPARISON TO OTHER BAGGAGE TRACING SYSTEM – NETTRACER**

NetTracer is a member of The Owens Group International, an organization with over 40 years' experience serving the transportation industry. Driven by core strengths of Innovation, Flexibility and Responsiveness, they utilized understanding of airline baggage to develop Nettracer. Key benefits are:

- Customization – meets your organizations unique business processes and system requirements
- Full Integration – minimizes manual input and simplifies operations by integrating with reservation,

tracking and scanning, WorldTracer, baggage delivery and other systems

- Ease of Use – simple web-based user interface leads to increased compliance and improved results
- Minimal Training - limits both cost and implementation time
- Responsive Support – 24/7 personal customer - centered service and support
- Business Intelligence – access to key analytics allows for timely business and operational adjustments

#### **Advantages to WT :**

more modern, more reliable, new engine, more options, easy to use, using android/IOS apps to information about bags

#### **Disadvantages to WT:**

small numbers of users, not fair future for more spreading, further investments

### **3.2 Baggage claim procedures in WT**

The main claim procedures in WT are:

- Creation of AHL claim with display mask using command WM AHL M
- Display AHL claim using command WM DAH ref. number
- Suspend AHL claim using command WM SAH
- Close AHL claim WM CAH ref. number
- Creation of DPR claim using command WM DPR M
- Display DPR mask - WM DDP ref. number
- Amend DPR claim – WM AAD ref. number
- Display messages for lost and found Office – WM CXF station for example KSC – Kosice
- Open files command – WM RAF KSC
- Registration of passenger belongings – WM RFP
- WM FWD/TTY/PXF – command for messages used in WT

Lost and found agent should know all of this commands and elements, also IATA codes of airports.

### **4. OPTIMALIZATION OF BAGGAGE CLAIM PROCEDURES IN KOSICE INTERNATIONAL AIRPORT**

So Far, based on the analysis of services Lost and Found , learning new techniques in the field of operational experience next steps and possibilities are proposed for improving the service in the future . Lets focus on the field :

#### **4.1 Workplace equipment**

- The new place of office Lost and Found to larger premises with the possibility of providing baggage storage services - the best solution in this case appears to be building a terminal for departure hall , where they have access to all passengers and other persons prospecting service

complaint center. Offices in a modern terminal building are equipped with multiple air conditioning units increasing staff comfort

- Equip workplace with another workstation running World Tracer , which would function as a backup , or in cases where delayed baggage in greater number, ensuring the functioning of the WT at both stations.
- Modernize computer technology department , purchasing new monitors and more cost saving laser printers , which will ensure lower electricity consumption and thus also saving resources . Replacement of old CRT monitors for efficient LED monitors will require minimal cost
- Create separate sections Lost and Found website Kosice airport , where passengers find a summary of the information and procedures in the event of complaints and contact details for any further inquiries .
- Creation of digital data storage for backup complaint cases - one of the cloud backup services with secure access .
- Purchase a scanner for scanning needs PIR s paper , which is then digitized and archived on computer hard drives work Lost and Found and digital storage of data - cloud
- Equip with computer workstation with access to both DHC systems used at the airport in Košice . It is a system used Altea airline CSA and Lufthansa Guide system used by airlines Austrian . These systems provide access to employee to bookings of passengers
- Equip workplace with electronic board , serving to link important information and notices regarding the possibility to inform also other shifts.

### **4.3 Optimization relating to employees and their training**

- Implementation of new recruiting worker Lost and Found focusing on students LF TUKE , where in addition to oral and written examinations in the English language , was conducted personal interviews .
- Creating a training plan for new employees , which would include a detailed schedule of training from theoretical lessons to lessons in real operation . Time needed for training is expected to be a minimum of 20 hours of theory and 20 hours in real operation with trained staff

- Creating training to integrate right to the WT system
- Selecting the responsible person for training , which would verify at regular intervals findings airport employees
- Creating methodological tools that speed up the process of filling masks WT system - for example provides a mask for AHL case. The mask is prepared by , marked in red are elements that need to mask accordingly
- Schedule further training system for workers WT tells people in a training training center at the airport Schwechat
- Analyzing the most common mistakes in masks complaint cases , give reasons and solutions in order to eliminate future

#### 4.3 Optimization complaint procedures

- For passenger of traditional carriers, complaint procedures is necessary in the future to provide services Lost and Found as quickly as possible with maximum efficiency , it is therefore necessary before arriving aircraft to determine possible delays incurred storage and prepare for the case . This information can be obtained from DHC systems.
- For passengers Wizzair - in and non-scheduled air carriers during the summer months , it is necessary that the paper cases rather PIR - y , which then use a scanner to transform into electronic form and send to the destination , where the error could occur when checking luggage.
- Prepare Lost and Found department at the possible use of self-service kiosks for handling complaints , and thus to optimize and adapt procedures for new installations .
- More efficient use of some elements of the WT such as the ability to send SMS messages for information about storage passengers directly from the system , also use e-mail sent directly from the system WT .

## 5 CONCLUSION

The issue of delayed luggage is very timely and is one of the great imperfections of aviation. Passengers, as well as staff complaints department must "fit" in dealing with cases of non-delivery storage every day. One of the aims of this thesis was to analyze the current status of complaints storage solutions for aviation in terms of the present legislation.

Based on the experience of service provision, analysis and knowledge of the development of the thesis provides possibilities of improving services LaF that many of them are applicable in the near future and for some of them has already expressed an interest in their possible application. This applies to improvements in the hardware department and anticipated future introduction of self-service kiosks.

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