



iXigo.com generates Rs. 300 crores for airlines in direct sales

Meta-search model proves its efficacy in reducing airline distribution costs

New Delhi, July 23rd, 2009 – iXigo.com (www.ixigo.com), India’s fastest-growing travel site, has released key financial metrics outlining its performance and the benefits that airline partners have derived ever since its launch.

Analysis of performance data indicates that iXigo.com helped airlines in India generate Rs. 300 crores in direct-sales and saved them cumulative distribution costs of Rs. 15 crores. In addition, since bookings processed through iXigo.com are fulfilled on the airline’s own site, the leading travel meta-search has enabled airline partners generate ancillary revenues of almost Rs. 5 crores. The cumulative effect of these two factors led to a net positive impact of Rs. 20 crores for airlines.

“Distribution costs form the third biggest expense item on the P&Ls of airlines in India after fuel & personnel expenses. The data points we have aggregated suggest that the meta-search model’s growth in India is reducing distribution costs through efficient online customer acquisition, at a fraction of existing distribution channels, and is helping accelerate ancillary revenue generation”, said Alope Bajpai, Founder-CEO, iXigo.com .

iXigo.com’s business model enables consumers to search and compare airline fares and availability in an unbiased manner and once the consumer wants to book a chosen flight ticket he/she is redirected to a deep-linked page on the airline website to complete the transaction. With this efficient process, the consumer can transact securely and directly with the airline site without depending on a middleman in the process, thereby saving commissions and booking fees.

Nitin Gurha, VP, Travel Partnerships added – “We remain committed in providing our consumers a more transparent offering than that of a travel agent / travel portal and enabling a more efficient distribution channel for airlines, substantially lowering their cost of sale. Most importantly, airlines are assured of a bias-free display of inventory, with complete ownership of the customer, enabling them to cross-sell and up-sell products on their own website.”

iXigo.com, a NASSCOM top-100 innovator, currently processes more than a million travel searches every month across flights, hotels, buses and trains and has grown at a staggering pace of 18% month on month since its launch in 2007. iXigo’s success is attributed to its unique business model that allows consumers to compare multiple suppliers and book on the travel site of their liking in a transparent and unbiased process.

About iXiGO.com:

iXiGO.com is India's leading online & mobile travel search engine based out of Gurgaon. iXiGO.com searches across multiple airlines, hotels, trains and bus booking sites to find the best travel deals. Launched in June 2007 by IIT, INSEAD and Amadeus alumni Alope Bajpai, Rajnish Kumar and Dharmendra Yashovardhan, iXiGO.com has been recognized by NASSCOM as India's Top-100 Innovator. BusinessToday and Wall Street Journal/Mint have named it among India's 10 hottest startups in 2008 for its unique market approach, product usability, and passionate management team.

iXiGO is backed by BAF Spectrum, a Singapore-based seed-investment fund. For more information about iXiGO, visit www.ixigo.com or m.ixigo.com (WAP).

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