

MONARCH AIRLINES FAILURE CASE STUDY.



IT PAYS TO KNOW.

Monarch Airlines was the fifth biggest carrier in the UK – and in November 2017 became the biggest airline failure in British history. This case study demonstrates how eNett International helped to mitigate the impacts of supplier default for its travel agency customers.

Challenge

Air travel involves large volumes of prepaid future bookings, with suppliers in numerous countries and different currencies. As a result, an issue affecting one airline can quickly have a knock-on effect on many other businesses and individuals.

Across Europe, all parties in the travel value chain who were doing business with Monarch Airlines were concerned when it was announced that the company had gone into administration.

eNett Solution

eNett Virtual Account Numbers (VANs) are 16-digit unique Mastercard numbers that travel agencies can use to pay their suppliers in a fast, easy and safe way.

Each VAN is backed by the Mastercard guarantee, including sophisticated chargeback capabilities.

This means VANs can protect against supplier default, such as from prepaid but incomplete travel if an airline fails, as well as other adverse events such as billing errors.

Results

For eNett customers who had paid Monarch Airlines using VANs, it was business as usual. The protection eNett VANs provided, rapidly delivered benefits to all parties:

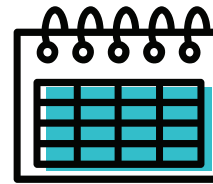
- eNett customers recovered prepayments made to the airline and were less likely to suffer financial losses;
- This had a flow on effect and delivered benefits to end travellers, who were more likely to be able to recover funds and make alternate travel arrangements;
- Governments and taxpayers also incurred less direct and indirect costs as a result of the Mastercard guarantee.



~US\$2.3M
recovered.



~6,000
chargebacks
were raised for
~30 customers.



~10 days.
Average time to
recover funds.



Our specialist team was able to proactively approach our customers and streamline our chargeback processes to deliver an outstanding outcome for travel agencies and end-travellers – recovering millions of dollars for our customers.”

Anthony Hynes

Managing Director & CEO, eNett International



To learn more, download the Travel Agency's Guide to Airline Failures report at www.enett.com/insights.

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