

WORKING OF CIVIL AVIATION INDUSTRY IN INDIA WITH SPECIAL REFERENCE TO INDIGO AIRLINES

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ABSTRACT

The civil aviation industry in India operates through a complex and interconnected system involving airlines, airports, regulatory bodies, service providers, and supporting infrastructure. At the core of this system are the airlines, which range from major carriers like Air India, IndiGo, SpiceJet, and Vistara to smaller regional and low-cost airlines. These airlines are responsible for managing fleets, scheduling flights, selling tickets, and providing passenger and cargo services. IndiGo Airlines operates as a key player in India's aviation sector, offering affordable and reliable air travel services while maintaining a focus on operational efficiency, customer satisfaction, and safety standards. Working of IndiGo Airlines in India revolves around operational efficiency, customer satisfaction, strategic route planning, fleet management, digital innovation, cost optimization, safety standards, and market leadership, all of which contribute to its success and competitiveness in the dynamic aviation industry.

Keywords: Fleet Modernization, Risk Management, Corporate Governance, Technical Dispatch Reliability.

Introduction

India is home to several airlines that operate domestic and international routes, catering to a diverse range of passengers and cargo transportation needs. The industry is primarily driven by airlines that operate flights for passengers and cargo. These airlines vary in size and scope, ranging from major carriers like Air India, IndiGo, SpiceJet, and Vistara to regional and low-cost carriers. Airlines manage their fleets, routes, ticketing, and passenger services. Here are some of the major airlines in India:

- **Air India:** Air India is the flagship carrier of India, offering both domestic and international flights. It serves as the national airline and is known for its extensive route network, including destinations in Asia, Europe, North America, and the Middle East. Air India operates a mix of wide-body and narrow-body aircraft in its fleet.
- **IndiGo:** IndiGo is one of the largest low-cost carriers in India and is known for its operational efficiency, punctuality, and affordable fares. It primarily operates domestic flights but also serves international destinations in Asia and the Middle East. IndiGo's fleet consists mainly of Airbus A320neo aircraft.
- **SpiceJet:** SpiceJet is another prominent low-cost carrier in India, offering domestic and international flights to destinations across South Asia, Southeast Asia, and the Middle East. The airline focuses on providing budget-friendly fares and has a fleet of Boeing and Bombardier aircraft.

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- Vistara: Vistara is a full-service carrier that operates domestic and international flights with a focus on premium services and passenger comfort. It offers a mix of economy, premium economy, and business class seating options. Vistara's fleet includes Airbus A320neo and Boeing 787 Dreamliner aircraft.
- GoAir: GoAir is a low-cost carrier that primarily operates domestic flights within India. It is known for its no-frills approach, competitive fares, and efficient operations. GoAir's fleet consists of Airbus A320neo aircraft.
- AirAsia India: AirAsia India is a joint venture between Tata Sons and AirAsia Berhad, operating as a low-cost carrier in India. It serves domestic routes as well as international destinations in Southeast Asia. AirAsia India's fleet includes Airbus A320neo aircraft.
- Air India Express: Air India Express is a subsidiary of Air India and focuses on serving international routes to destinations in the Middle East and Southeast Asia. It primarily operates low-cost flights catering to leisure and budget travelers.
- Alliance Air: Alliance Air is a regional subsidiary of Air India, operating domestic flights to regional destinations within India. It serves as a feeder airline, connecting smaller cities and towns to major airports.

These are some of the major airlines in India, each catering to different market segments and offering a range of services from low-cost travel to full-service amenities.

Materials and Methods

For the purpose of depth study the contents have been taken from interview, relevant books and articles from journals and websites. The method used in analytical and descriptive. Both primary as well as secondary sources of information have been taken.

Result and Discussion

IndiGo is a prominent airline in India known for its operational efficiency, punctuality, and affordable fares. It is one of the largest low-cost carriers in the country, offering domestic and international flights with a focus on budget-friendly travel. IndiGo primarily operates Airbus A320neo aircraft and has gained a reputation for its no-frills approach, competitive pricing, and reliable services.

IndiGo is India's largest and most preferred passenger airline and amongst the fastest growing airlines in the world. It has a simple philosophy: offer fares that are affordable, flights that are on time, and provide a courteous and hassle-free travel experience across our unparalleled network. It shows that low cost does not mean low quality. With their fleet of over 320 aircraft, they operate well over 1,900 daily flights, connecting over 110+ destinations (of which 32 international), welcoming 85+ million customers on board in 2023. They have an industry leading on-time performance and one of the highest customers NPS in the Indian market. At IndiGo, they will continue to extend our scope, by spreading our wings internationally, developing from a domestic carrier to a global aviation giant.

India by IndiGo

Right from IndiGo's started in 2006, it has been its mission to connect the vast and diverse India, supporting social cohesion, mobility and economic progress. With their unparalleled network they are giving wings to the nation, enabling air travel to all large, medium, and smaller cities across India. Their many first-time flyers are a true testimony to this, just as the economy and trade that can flourish as a result of all these connections. And so, their purpose is 'Giving wings to the nation, by connecting people and aspirations'. This is also briefly captured as 'India by IndiGo'.

IndiGo understand that a highly engaged and motivated workforce leads to higher levels of customer service. Its core strength lies in our highly skilled, motivated, and engaged employees, who enable us to deliver the courteous and hassle-free service to the 300,000 passengers flying with us each day. The teamwork displayed by its employees is tangible across our stations and departments. They are proud to have 'ifly' one of the largest aviation training academies in the world, where the IndiGo spirit is created for over 2,000 people a day.

Over the years a strong IndiGo culture has been build and nurtured. This is centered around our five core values: Always safe, passionately consistent, Service from the heart, Humility with pride and 'Power of We' which its staff exhibit in their daily work. With our Made in IndiGo program, it gives room to our home-grown 6E employees to flourish.

Sustainability Commitment of IndiGo

At IndiGo, we strive to deliver our customer promise in the most sustainable way possible. With our investments in the new generation aircraft, it has been able to reduce CO2 footprint by around 20% in financial year 2023 as compared to 7 years ago. As if now, around 80% of its fleet is new generation and due to that, it is one of the lowest CO2 emitting airlines in the world. Apart from this, sustainability is integrated at the operational level and we are making a series of investments towards more responsible flying including single engine taxiing, introduction of electric ground vehicles, electronic flight bags and water conservation techniques on-board.

Being a responsible airline, it believes that Corporate Social Responsibility (CSR) is an important aspect of our growth strategy. Its CSR arm, 'IndiGo Reach', contributes towards the goal of sustainable development for communities. It focuses on four themes: children and education, women empowerment, environment, and heritage. With different programs being implemented across 18 Indian states IndiGo has been able to reach over 100,000 beneficiaries.

Recognitions of IndiGo

As India's most preferred airline, IndiGo recognized by several reputed organizations from around the world:

- IndiGo awarded with the CAPA Environmental Sustainability Awards for 2023 in the category Asia Environmental Sustainability Airline of the Year.
- IndiGo awarded with "World's Youngest Aircraft Fleet" in the 100+ aircraft category by aviation.
- IndiGo ranked as the 5th most punctual mega airline in the world by the Official Aviation Guide ('OAG').
- IndiGo awarded as the "Best Low-Cost Airline in India & South Asia" by SkyTrax in 2023, for the 13th time in a row

Working of IndiGo Airlines in India

IndiGo Airlines operates within India's civil aviation industry through a comprehensive network of flights, efficient operations, and customer-centric services. Here's an overview of how IndiGo Airlines works in India:

- **Flight Operations:** IndiGo Airlines operates domestic and international flights, connecting major cities, regional hubs, and popular tourist destinations within India and abroad. The airline's fleet primarily consists of Airbus A320neo aircraft, known for their fuel efficiency and reliability.
- **Route Network:** IndiGo Airlines has a wide-reaching route network that covers key domestic routes across India, including metro cities like Delhi, Mumbai, Bangalore, Kolkata, and Chennai, as well as secondary cities and tourist destinations. The airline also operates international flights to destinations in Asia and the Middle East.
- **Operational Efficiency:** IndiGo Airlines is known for its operational efficiency, punctuality, and on-time performance. The airline emphasizes quick turnarounds, streamlined processes, and effective management of flight schedules to minimize delays and ensure a smooth travel experience for passengers.
- **Low-Cost Model:** IndiGo follows a low-cost carrier (LCC) model, offering affordable fares and a no-frills approach to air travel. The airline focuses on cost-effective operations, revenue management, and ancillary services to keep ticket prices competitive and attract budget-conscious travelers.
- **Customer Services:** Despite being a low-cost carrier, IndiGo places a strong emphasis on customer satisfaction and service quality. The airline provides basic amenities, comfortable seating, in-flight refreshments, and online services such as booking, check-in, and flight status updates to enhance the passenger experience.
- **Technology Integration:** IndiGo Airlines leverages technology extensively to improve operational efficiency and customer convenience. This includes online booking platforms, mobile apps, self-service kiosks at airports, digital check-in processes, electronic boarding passes, and in-flight entertainment systems.

- **Safety and Compliance:** IndiGo Airlines adheres to strict safety standards, regulatory requirements, and industry best practices to ensure the safety and security of its flights and passengers. The airline's pilots, crew members, and ground staff undergo rigorous training and certification programs to maintain operational excellence.
- **Market Position:** IndiGo Airlines holds a significant market share in India's aviation industry, competing with other domestic and international carriers. The airline's strong brand presence, operational reliability, competitive pricing, and customer-centric approach contribute to its success and popularity among travelers.

Findings

Market Share of Indigo Airlines in India

As of recent data, IndiGo Airlines holds a significant market share in India's aviation industry. It is one of the largest airlines in the country and a dominant player in the domestic air travel market. IndiGo's market share fluctuates over time based on various factors such as route expansions, competition, and market demand. However, it consistently maintains a substantial portion of the market share due to its extensive route network, operational efficiency, affordable fares, and strong brand presence.

Working of IndiGo

- Affordable Rates
- On Time Performance
- Courteous and hassle-free service
- Unparalleled Network

Key highlights on the Performance of Indigo

- Domestic Market Share (As on December 2023)- 62%
- 7th Largest airlines by daily departure
- 2000+ daily flights 99.91% TDR (Technical dispatch reliability)
- On Time Performance- 78% (As per DGCR)
- Workforce 36K+ (44.5% Women workforce)
- 118 Destination – (80 Domestic and 32 International)
- Low cancellation charges- 1.6% (As per DGCR)
- 82K tones Cargo carried
- Avoided 1million+ tones of CO2 emissions
- One of the Largest training academics in the world with 2000+ staff trained everyday
- 27.5 million customers serve a day (December 2023)

Sources- 6E footprint Q3 FY24 Report IndiGo

IndiGo Fleet

- 184 A320 neo
- 94 A321 neo
- 44 ATR
- 2 B777
- 3 A321 freighter
- 31 A320 ceo

Note: Average age of their aircraft is 4.15 years.

Financial Performance of IndiGo

- Revenue- Rs 194.5 Bn (30.3% year over year increase)
- EBITDAR – Rs 54.75 Bn (28.1% Margin Compared to 22.8% in the last year 2022)
- CASK- 4.52 (5.2% year over year decrease)
- Load Factor- 85.8% (0.7% year over year increase)

Sources- 6E footprint Q3 FY24 Report IndiGo

IndiGo's ESG Footprint 2023

Corporate Governance of IndiGo

- Fostering ethics and integrity through 6E code of conduct
- Risk management and emergency response framework
- First airline in India to release ESG report

Environmental Aspect

- Fleet modernization (CEO-NEO) 15 % reduction in fuel usage – 80% neo fleet
- Ground support equivalent automation 5% in carbon emission
- CO2 emission – 20% per ask in FY23 vs FY16

Social Aspect

- Strong focus on DEI
- IndiGoReach Project- 45K children educated
- IndiGoReach Project - 54K women empowered

Sources: ESG Footprint Q3 Report 2024, IndiGo

Initiative by IndiGo for Women Empowerment

IndiGo joined this initiative in 2022 to become one of the change agents in the aviation industry to make it truly diverse and inclusive, along with other airlines and industry partners. They are committed to the 25 by 2025 initiative by IATA,

wherein IndiGo is aiming at:

- 1/2 - 50% women representation on overall headcount
- 1/3 - 33% women representation in non-crew
- 1/4 - 25% women representation in leadership positions

All its operational and corporate teams are working towards achieving these targets.

Suggestions

Improving the working of IndiGo Airlines in India involves strategic initiatives aimed at enhancing operational efficiency, customer experience, market competitiveness, and sustainability. Here are some suggestions by which IndiGo Airlines can improve its performance:

Operational Excellence

- It should Optimize flight scheduling and aircraft utilization to minimize turnaround times and improve operational efficiency.
- It should Implement advanced maintenance practices and predictive analytics to reduce aircraft downtime and enhance reliability.
- It should Invest in technology for real-time monitoring of flight operations, crew scheduling, and maintenance activities.

Customer Experience

- It should Enhance customer service training for staff to ensure consistent and personalized interactions with passengers.
- It should Introduce innovative services such as in-flight entertainment options, Wi-Fi connectivity, and improved cabin amenities.
- It should Streamline the booking process, offer flexible ticketing options, and provide seamless travel experiences across all touchpoints.

Fleet Modernization

- It should Continue investing in fuel-efficient and eco-friendly aircraft to reduce carbon emissions and operating costs.
- It should Upgrade onboard systems, seating configurations, and amenities to align with evolving passenger preferences and comfort standards.
- It should Expand the fleet strategically to serve new routes, increase frequency on popular routes, and capture market demand.

Digital Transformation

- It should Enhance digital platforms for online booking, mobile check-in, seat selection, and ancillary services to improve customer convenience.
- It should Leverage data analytics and AI-driven insights to personalize offerings, optimize revenue management, and enhance operational decision-making.
- It should Implement digital solutions for operational monitoring, crew communication, and customer feedback management.

Sustainability Initiatives

- It should Adopt sustainable aviation practices, such as biofuel usage, carbon offset programs, and waste reduction measures, to minimize environmental impact.
- It should Collaborate with industry partners, regulators, and stakeholders to promote green initiatives and support the transition to a more sustainable aviation sector.
- It should Educate employees and customers about sustainability efforts and encourage eco-friendly behaviors throughout the travel experience.

Partnerships and Collaborations

- It should Strengthen alliances with global airlines, travel agencies, and tourism boards to expand route networks, enhance connectivity, and attract international travelers.
- It should Collaborate with airports, ground handling providers, and service vendors to improve ground operations, baggage handling, and airport services.
- It should Forge partnerships with technology providers, startups, and innovation hubs to drive digital innovation, develop new solutions, and stay ahead of industry trends.

Employee Engagement and Development

- It should Foster a positive work culture, employee engagement, and professional development opportunities to attract and retain talent.
- It should Invest in training programs, leadership development, and performance incentives to empower employees and ensure high standards of service excellence.
- It should Encourage collaboration, innovation, and continuous improvement initiatives among teams to drive operational efficiency and customer satisfaction.

By Implementing these suggestions can contribute to IndiGo Airlines will continue success, market leadership, and reputation as a customer-focused, efficient, and sustainable airline in India's aviation industry.

Conclusion

IndiGo Airlines operates as a major player in India's aviation sector, renowned for its efficient and customer-centric approach. The airline's operations revolve around several key aspects. Firstly, its operational model emphasizes punctuality and reliability, ensuring quick turnarounds and optimized flight schedules. Secondly, IndiGo's extensive route network spans major domestic destinations and international hubs, strategically chosen to meet diverse passenger needs. The airline's modern fleet, primarily comprising Airbus A320neo aircraft, ensures fuel efficiency, operational reliability, and passenger comfort. IndiGo prioritizes the customer experience, offering seamless booking processes, efficient check-ins, comfortable seating options, and onboard amenities. Additionally, the airline leverages digital technology for enhanced customer engagement, streamlined operations, and cost-effective practices. IndiGo's focus on safety, regulatory compliance, and industry best practices further reinforces its position as a market leader in India's aviation industry.

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