

# KAROBAAR

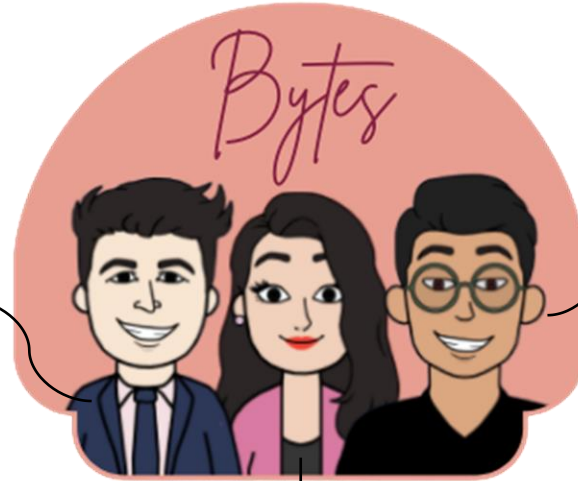
Round 3



Phoenix Airlines



Vishal : Money Matters,  
On Ground Execution



Sukraat: Design Chief,  
Hospitality & Training

Aaditi: Tech Support,  
Operations Head

We believe that 80% of all problems can be solved by Marketing, Innovation and Persistence, rest 20%, solves itself.



# Business Model Canvas



## The Idea

- To create an ecosystem of all ancillary services related to travel so that the customer can get everything at one place, one app, one brand – Phoenix.
- Starting from picking the customer on time through Uber, to airport waiting area arrangement, to flight travel, to in-flight entertainment, to taking an Uber to destination, to the required hotel stay with Trivago, to visiting everywhere with our Uber Itinerary Program and back.
- We are there for our customers at every step, planning everything for them, giving them every possible service with our tie-ups – to provide a hassle free memorable travel experience for lifetime.

## Stages of your Idea (Idea Implementation)

- Post the round of seed funding, we will get a NoC from civil aviation ministry and then we will go on lease the aircrafts and seek licenses for the same. Side by side we will also start the lateral hiring of airline and ground staff. Buy our branding products to be fitted in the plane as well as in ground equipments like tractor and stairs.
- Post this we can take required permissions, develop the app, promote our airlines and alongside setup the counter on Bangalore airport. Have tie-ups with Uber, Trivago and Amazon Prime and integrating the same in the app.
- We can then start our flights after fulfilling the other required formalities of finalizing a fuel provider, food provider, uniform provider, etc. and then we can start our operations.

## Value it will provide

- Low Cost, Affordable and Reliable Airlines for Domestic and International Travel
- Reliable Cargo and Shipping option
- A proper integrated ecosystem of complimentary services at one place to make your trip easy and smooth
- Reliable partners (Uber, Trivago and Amazon) for every possible experience you're your home to back there

## The Product

Our main product is the one-stop-travel solution that we are providing through integration of ancillary services and providing each one of them at a lower price to actually tap in the middle class segment of India.

All of this will be handled mainly through our Phoenix app and website

## Current Team & Future Plans

Presently, we are a team of 3 founding members.

Post seed funding we will be bring in 10-15 administrative managers on the board

This team will expand to ~300 as we hire our on ground and crew.

We will be hiring ~150 more people in our managerial team next year to run the operations of the app and to grow it.

## Funding Plans

We are expecting to raise \$4-5mn from angel investors. Through this we will be able to kickstart our business. Although at smaller level than expected, we will invest back the revenue in the business

Post this we will be looking on for Series A funding for an amount of \$14-15 mn and then as the operations grow we will go on for further rounds of funding.



# Go to Market Strategy



Target  
market

Customer  
Profile

Brand  
Positioning

Service  
Offerings

Marketing  
Strategy



Tier 1 and Emerging  
Cities

Upper Middle class and  
Above

Convenient Air Travel  
and logistics for  
everyone

One stop shop for  
logistics

Heavy push on  
aggregators + Push  
selling the app

Airport + On demand  
Cab Infrastructure

Frequent and  
Impromptu travellers

Tagline :  
Rise with Phoenix

Competitive pricing and  
services

Tie Ups and Loyalty  
programs for corporates

Tourist + Business  
Centres

No compromise on  
exclusivity and comfort

All in one travel solution

Exclusivity for fliers  
before, during and after  
flying

In-flight upselling via  
varied marketing stunts



# User Persona



**Sukriti**

## Demographics

Age : Early 30s  
Profession : Corporate Employee  
Salary : 10+ LPA  
Location : South Mumbai  
Married, With Kids

## Goals & Challenges

Save time online  
Get personalized service and reminders  
Assistance with on boarding  
In-Flight entertainment for kids



How can We help?

Provide an interface (website, **app, on-screen widget**) having everything  
– Flight timings, prices, cab bookings, hotel tie ups, sight seeing options

Use **In-Flight WiFi** and provide quality entertainment for all classes above Economy

Instead of Lounge Facilities, we have a specific section in the waiting area for Phoenix Flyers



**Parth**

## Demographics

Age : 25  
Profession : Web Designer  
Salary : 8 LPA  
Location : Hyderabad  
Unmarried

## Goals & Challenges

Affordability  
Impromptu travel plans  
All in One platform for coordination  
Travel assistance and guidance



# Marketing and Promotion



## The Boarding Pass Promotion

Customers upon entering the flights, will notice a boarding pass kept on their seats (no personalisation required)

This Fake Boarding pass shall hold information about in-flight services, entertainment and details about **premium membership** with Phoenix Airlines



## Tempt and Inform

Visibly noticeable Counterfeit 2000 rupee note distributed in the daily newspapers of all cities with Phoenix's Services

On the flipside, will be a fake boarding pass with QR code to install this → app meanwhile **"You just saved ₹2000"** as a promo offer for first time booking

## App Intricacies

Profile, Helpdesk, Safety and Security Information

Flight Details, Uber, Hotel Check In, Luggage Check In, Meal Booking, Widget Customisation

Booking assistance and Details – Date, Pax etc.

Sightseeing and Virtual Boarding pass





# Human Resource Planning



Particulars	Cost	
Outsource hiring work to flying companies	15 LPA for pilots 6 LPA for Air hostesses	18 Pilots and 50 Air hostess
On ground staff	3 LPA / recruit	Panache Academy 150
Management	16 LPA / recruit	MBA institutes 100
Training and Development cost	30k on avg. per person / year	-
PMS(outsourced)	3,00,000 / year for software 5,00,000 / operator per year	Oracle or SAP 3-4 PMS Operators
Payroll outsource	30,000 / Year for software 5,00,000 / operator per year	greythr.com / paybooks.com 2 operators

## Major HRD Strategies

Skill  
Management

Work Environment and ethics

Accountability & ownership

Training and  
Development

Quality

Cost Reduction

Other  
Attributes

Intrapreneurship and Innovation

Culture Building

## Other Initiatives

Disaster  
Management  
Training

Basic First Aid -  
Trauma Care

Office  
Automation and  
Computer Based

Frequent  
Interaction and  
Feedback

Fire Fighting and  
Rescue

Communication  
Skills and other  
soft skills...

Accountability  
with Incentives

Quick Redressal  
of Grievance

## Way Forward

Industry  
Oriented  
courses

International  
Exposure

Reward  
Component for  
Innovative  
Professionals

Attractive  
Service  
Conditions

Growth  
Oriented  
Environment to  
Retain Talent

Industry Level  
Payout





# OPERATIONS PLAN



**Airplane model:** Airbus 320 and Airbus 310

**Engine :** CFM International LEAP-1A engines

**Seating capacity & cost:**

Airplane Model (selected on basis of reports on Annual Rating of Airlines)	Seating capacity	Cost (list price)	Lease price
Airbus 310 (Top 5 safest planes)	180	\$101 million	\$1,50,000
Airbus 320 (Top 5 safest planes)	180/186	\$110.6 million	\$1,80,000

**Cargo & Freight Charges:** Air freight rates generally range from **INR 300-12000**, while the value of air cargo typically exceeds INR 500 per kilogram.

**Maintenance cost:** We are planning to keep airplanes' maintenance cost low at just 4-5%% compared with 8-12% to its peers.

The planes we will be using have safety rating as per IATA operational safety audit certification and are approved by DGCA.

## Operating Model: Structure

**Airports:** Flying to smaller airports further away from city center helps us reduce airport taxes and secure subsidies from Local city council. It also helps in quick turnaround time, leading to High Fleet Utilization.

**Point-to-Point Routes:** Opposed to hub-and-spoke we will use point-to-point model, which reduces customer transfer costs & gives easy travel route.

**Distribution:** We will opt for online direct to customer sale, thus bypassing the expensive intermediary that travel agencies and also reducing customer cost without comprising on their experience.



# Operating Model: Execution



## Labor Utilization

A large majority of our pilots could actually be not salaried employees but third party contractors. With these type of contracts, we only pay pilots when they are effectively flying and fully utilized.



## Professional Fees

Employees compensation is set-up to include any potential professional fees.

This incentivizes the employees to use low cost hotels and transports.



## Strengths

Business Model based on extremely efficient operations, low-cost pricing, innovative logistics solutions. Our strategy also includes a deep focus on customer experience and looking ahead







# FINANCIAL ANALYSIS



Number of Flyers per month		200000	280000	380000	450000	520000
	<b>Total Revenue with Avg. ticket cost 4200</b>	84,00,00,000.00	1,17,60,00,000.00	1,59,60,00,000.00	1,89,00,00,000.00	2,18,40,00,000.00
	<b>Meals offered</b> considering 1 out of 4 people eat on plane and each pack costs them around 300	1,50,00,000.00	2,10,00,000.00	2,85,00,000.00	3,37,50,000.00	3,90,00,000.00
	<b>Adsense</b> 10% increase each year	10,00,00,000.00	11,00,00,000.00	12,10,00,000.00	13,31,00,000.00	14,64,10,000.00
	<b>Revenue from Cargo</b> considering 1300 Tonne per month	7,80,00,00,000.00	7,80,00,00,000.00	7,80,00,00,000.00	8,97,00,00,000.00	10,31,55,00,000.00
	<b>Total Revenue</b>	8,75,50,00,000.00	9,10,70,00,000.00	9,54,55,00,000.00	11,02,68,50,000.00	12,68,49,10,000.00

- All the expenses and revenues mentioned here are per year  
All of these are tentative figures taken in reference to Indigo Airline Balance sheet and Current Rate. There are some one-time expenses like App and Website Development expense, Seat Instalment Expense at Airport, Employee Uniform and training expense, etc. which have not been added here.



# FINANCIAL ANALYSIS Contd..



			2022	2023	2024	2025	2026
<b>Fleet Lease Per month (7 fleets)</b>	13366755	16,04,01,060.00	1,12,28,07,420.00	1,12,28,07,420.00	1,12,28,07,420.00	1,12,28,07,420.00	1,12,28,07,420.00
<b>Salaries of Crew per month</b>	584 employees		75,10,27,325.00	82,61,30,057.50	90,87,43,063.25	99,96,17,369.58	1,09,95,79,106.53
<b>Fuel Expense</b>	67 lnr/ litre		95,10,07,092.00	1,04,61,07,801.20	1,15,07,18,581.32	1,26,57,90,439.45	1,39,23,69,483.40
<b>Maintenance expense</b>			960000	960000	960000	960000	960000
<b>Marketing cost</b>		15% decrease from year 3	4,00,00,00,000.00	4,00,00,00,000.00	3,40,00,00,000.00	2,89,00,00,000.00	2,45,65,00,000.00
<b>Subscription charges</b>	-	1000 per membership and one membership can be split by 5 people	4,00,00,000.00	4,00,00,000.00	4,00,00,000.00	4,40,00,000.00	4,84,00,000.00
<b>Total Cost</b>			2,86,58,01,837.00	3,03,60,05,278.70	3,22,32,29,064.57	3,43,31,75,229.03	3,66,41,16,009.93
<b>Difference Profit</b>			5,88,91,98,163.00	6,07,09,94,721.30	6,32,22,70,935.43	7,59,36,74,770.97	9,02,07,93,990.07

- Therefore although Break Even Point seems to arrive in Year 1, we expect the same to go up to Year 3 or even Year 4.