

Post-COVID Recovery Analysis: Indian vs Gulf Airlines (2019–2025)

Data Analyst Assignment

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Objective & Scope

This analysis evaluates the post-COVID recovery trajectory of major Indian and Gulf airlines by comparing financial, passenger, and operational performance from 2019 to 2025. The study uses 2019 as the baseline year (Index = 100) to assess the speed and strength of recovery across regions.

The airlines analyzed include IndiGo, Air India, and SpiceJet from India, and Emirates, Qatar Airways, and Etihad Airways from the Gulf region. The objective is to identify differences in recovery patterns and understand the structural drivers behind regional performance.

Methodology Overview

Recovery was measured using indexed comparisons with 2019 as the baseline year (Index = 100). Individual recovery indices were calculated for key dimensions including revenue, passenger traffic, fleet size, and load factor. A Composite Recovery Index was derived as the average of these individual indices to enable consistent airline-to-airline and region-to-region comparison.

Data was sourced from airline annual reports, investor presentations, and publicly available industry disclosures for the period 2019–2025. Where exact figures were unavailable, reasonable estimates were used and applied consistently across airlines.

Currency & Reporting Period Normalization

Indian airline financials reported in INR were converted to USD using a fixed project exchange rate of ₹75 per USD. Gulf airline currencies (AED and QAR) were converted using their official USD peg rates.

All airlines report on a fiscal year basis (April–March) except Etihad Airways, which reports on a calendar year basis (January–December). Reporting period differences were normalized to ensure comparability across airlines.

Key Recovery Trends

Passenger traffic across all airlines collapsed sharply in 2020–21 due to COVID-19 travel restrictions. Indian airlines demonstrated a faster recovery from 2022 onward, supported by early normalization of domestic travel demand. In contrast, Gulf carriers experienced a delayed recovery due to heavy reliance on international and long-haul traffic.

Revenue recovery lagged passenger recovery across both regions, reflecting pricing pressure and yield normalization in the immediate post-COVID period. Among Indian carriers, IndiGo showed the strongest and most consistent recovery, while Qatar Airways emerged as the strongest performer among Gulf airlines post-2022.

Operational Drivers of Recovery

Load Factor (Capacity Utilization)

Load factor trends indicate that Indian airlines restored capacity utilization faster than Gulf carriers following the pandemic. This was primarily driven by the rapid return of domestic travel demand, allowing Indian airlines to fill seats efficiently even as capacity was gradually restored.

Gulf carriers experienced a slower load factor recovery due to delayed reopening of international routes and long-haul travel corridors. By 2024–25, load factors across both regions converged, indicating broad demand normalization despite differing recovery timelines.

Fleet Size & Capacity Strategy

Fleet size trends highlight a clear divergence in post-COVID capacity strategies. Indian airlines, particularly IndiGo, expanded their fleets aggressively post-2022 to capture recovering domestic demand and strengthen market share. This expansion supported faster recovery but also required efficient utilization to sustain profitability.

Gulf carriers followed a more conservative fleet restoration approach, aligning capacity additions with the gradual return of international demand. Etihad Airways, in particular, showed a slower fleet recovery reflecting restructuring efforts and strategic realignment.

Network Structure & Route Recovery

Domestic-focused network structures proved more resilient during the recovery phase. Indian airlines benefited from dense domestic route networks, enabling quicker restoration of operations. Gulf carriers, operating hub-and-spoke international networks, required longer normalization cycles as global travel demand recovered unevenly.

India vs Gulf: Overall Assessment

Overall, Indian airlines recovered faster in percentage terms compared to Gulf carriers, driven primarily by early domestic demand normalization rather than airline scale alone. While Gulf carriers such as Qatar Airways demonstrated strong long-term resilience, regional recovery averages remained below Indian airlines through 2025.

Conclusion:

Recovery speed in the aviation sector was driven more by network structure and market exposure than by airline size. Domestic-heavy carriers demonstrated greater resilience during crisis recovery, while international-focused airlines followed a slower but structurally stable rebound path.