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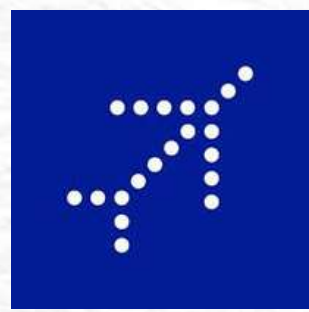
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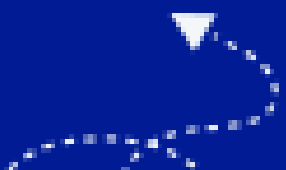




Introduction



- **Market Leader:** IndiGo Airlines, operated by InterGlobe Aviation Ltd, holds a 63.6% market share in India as of 2025.
- **Extensive Operations:** Founded in 2006, IndiGo operates a fleet of over 300 aircraft and serves 100+ destinations, including international routes.
- **Low-Cost Excellence:** Known for its on-time performance, affordable pricing, and wide domestic network as a leading LCC.
- **Strategic Advantage:** Cost-efficient, high-frequency flights with a strong brand, focusing on growth and sustainability.





Introduction



IndiGo is India's largest and most preferred passenger airline and amongst the fastest growing airlines in the world.

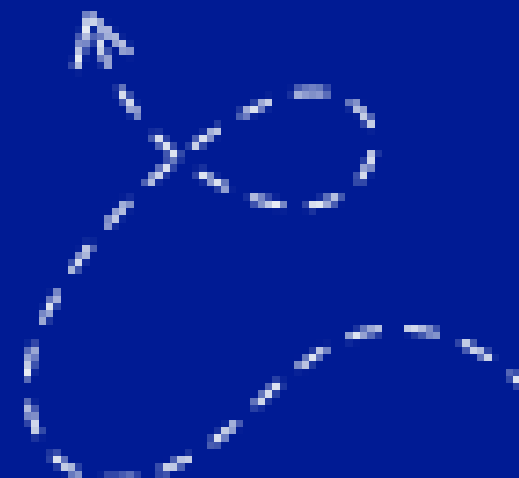


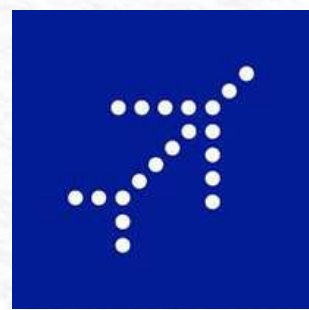
Our customers 	Our fleet 
<div><div>31.1 million</div><div>12.7% vs. Q3 FY2024 (27.5 million)</div><div>113 million customers in CY2024</div><div>339,535 customers welcomed daily (on an average).</div></div>	<div><div>199 A320 neo</div><div>128 A321 neo</div><div>48 ATR</div><div>2 B777</div></div> <div>3 A321 freighter 45 A320 neo</div> <div>12 B737</div> <div>Order backlog of ~932 aircraft (including ATR and A350) <small>As of 31st Dec, 2023</small></div> <div>Average age of our aircraft is 4.8 years <small>(including wet leased aircraft)</small></div>



Industry Analysis

- India : 3rd Largest Domestic Aviation Market
- 15% YoY Growth in total air passengers (37.6 Cr in FY 2024)
- Domestic Traffic : 30.6 Cr (+13 % YoY)
- International Traffic : 7Cr (+22% YoY)
- Under Regional Connectivity Scheme (RCS) - UDAN (Ude Desh ka Aam Nagrik)
 - 583 RCS routes connect 86 airports, including 13 helicopters & 2 water aerodromes
 - 2.8 Lakh Flights are operated
- Operational Airports - Doubled from 74 (2014)-->157(2024)
- India's domestic airline capacity 7.9 M (2014)-->15.6M(2024)





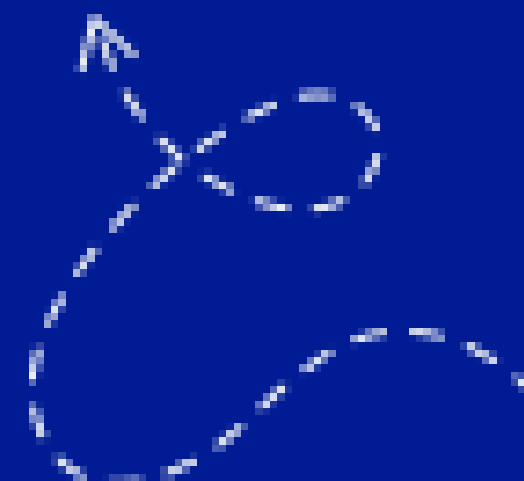
PESTEL Analysis



P	Political	<ul style="list-style-type: none">• NCAP 2016- UDAN subsidies up to 50% on airport charges, 100% FDI• India-Middle East tensions may impact routes (12%+ of international revenue)• 100% FDI in civil aviation (49% through automatic route for foreign carriers)
E	Economic	<ul style="list-style-type: none">• India's GDP is projected to grow at 6.4% in FY 2024-25, boosting air travel• Aviation Turbine Fuel accounts 40-45% operating costs, with prices fluctuating• INR devaluation increases aircraft lease payments & fuel costs
S	Social	<ul style="list-style-type: none">• 350M middle class population with growing disposable income• 70% prefer Low cost Carriers• 12.03% CAGR post-COVID
T	Technological	<ul style="list-style-type: none">• Fuel-efficient planes with 20% lower fuel consumption• Predictive analytics for demand forecasting, pricing optimization• 70% bookings via app
L	Legal	<ul style="list-style-type: none">• IndiGo must comply with DGCA safety & operational standards• Rules on refunds, baggage loss claims, and passenger rights• Scrutiny under Competition Commission of India (CCI)
E	Environmental	<ul style="list-style-type: none">• Aviation contributes 1.5% of global CO₂ emissions; India's growing at 7% YoY• India aims for carbon neutrality by 2070, pushing airlines toward fuel-efficient aircraft & SAF adoption

CONCLUSION

Indigo Airlines in a dynamic environment influenced by economic growth, fluctuating fuel costs, regulatory scrutiny and technological advancements, while also adapting to sustainability goals and geopolitical risks.





Porter's 5 forces



Threat of New Entry

- Low (high capital, regulations, brand trust)
- Only 6 airlines, with IndiGo alone having 63.6% domestic market share



Supplier Power

- Moderate-High (Boeing & Airbus dominate 90%)
- Fuel costs contribute ~40% of airline expenses
- 11-30% state taxes



Competitive Rivalry

- High- Air India (after Vistara & AirAsia merger) controls ~26% market share
- Akasa Air is also growing, while SpiceJet struggles.



Buyer Power

- High- Indian passengers are highly price-sensitive, with ~80% preferring budget carriers



Threat of Substitution

- Moderate (Railways: 23M daily vs. Airlines: 0.4M)
- Growing high-speed rail network and improved road infrastructure

Industry Attractiveness: Unattractive
High operational costs, intense price competition, and regulatory burdens make profitability difficult, despite rising passenger demand



SWOT Analysis



STRENGTHS

- 63.6% Market Share, 400+ aircraft, lowest CASK ₹4.62
- 2200+ daily flights, 80+ domestic & 30 international destinations

WEAKNESSES



- 100% Airbus fleet (limits diversification)
- International revenue only 17.6% (vs. global avg 40%)
- Poor customer service ranking: 103rd out of 109

SWOT ANALYSIS

- Target: 30% international revenue by FY26
- Codeshare with Turkish, Qantas, Japan Airlines, British Airways
- IndiGo CarGo: 13.5% YoY growth

- ATF costs 40% of expenses, surged by 1.45% (₹1,318.12/KL)
- Vistara-Air India merger = stronger competition
- 5000+ additional pilots needed by 2035



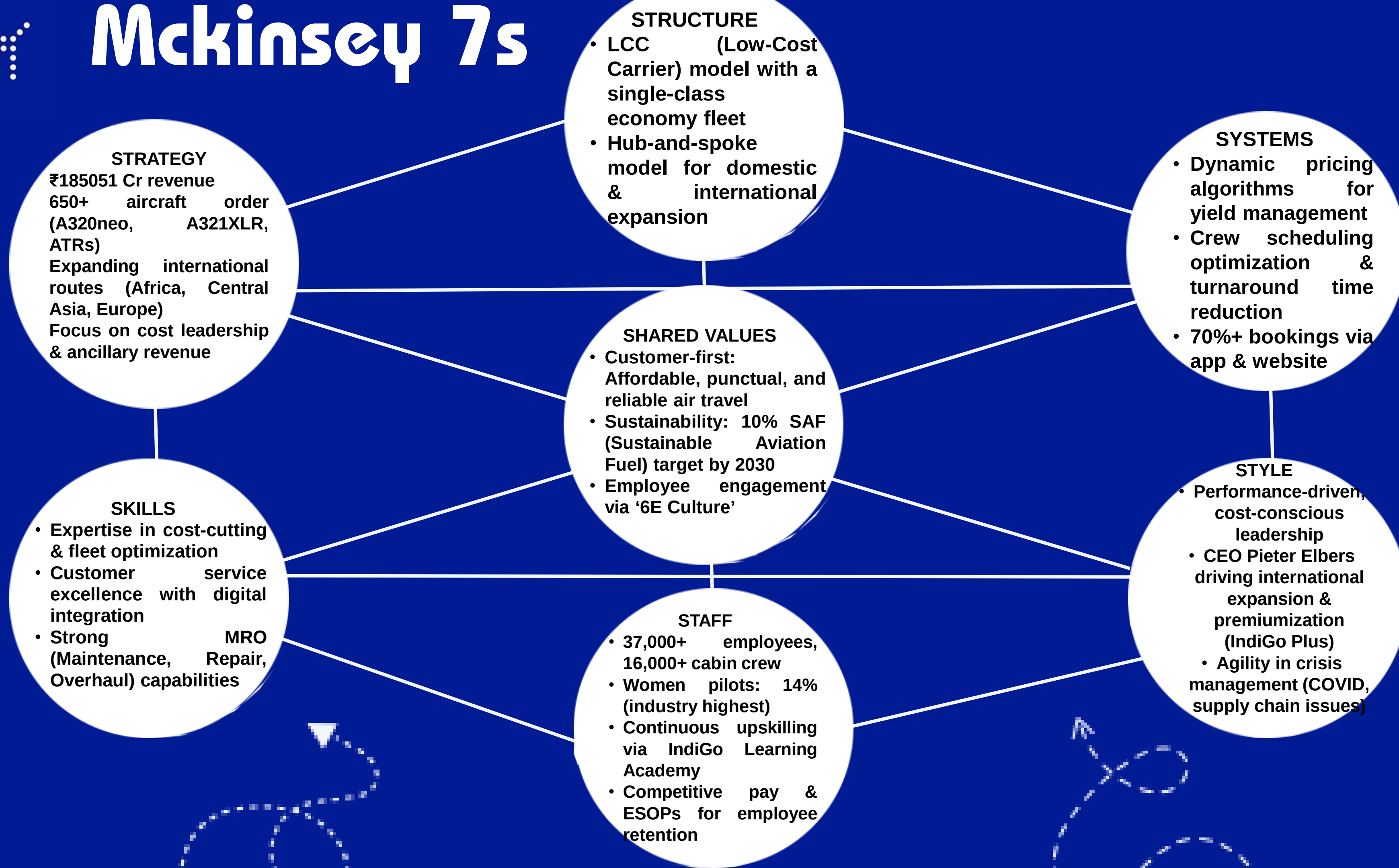
OPPORTUNITIES

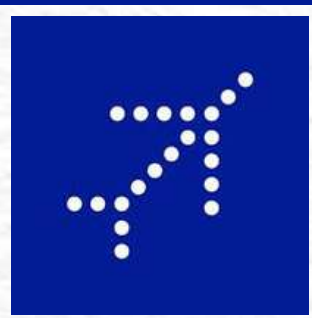
THREATS



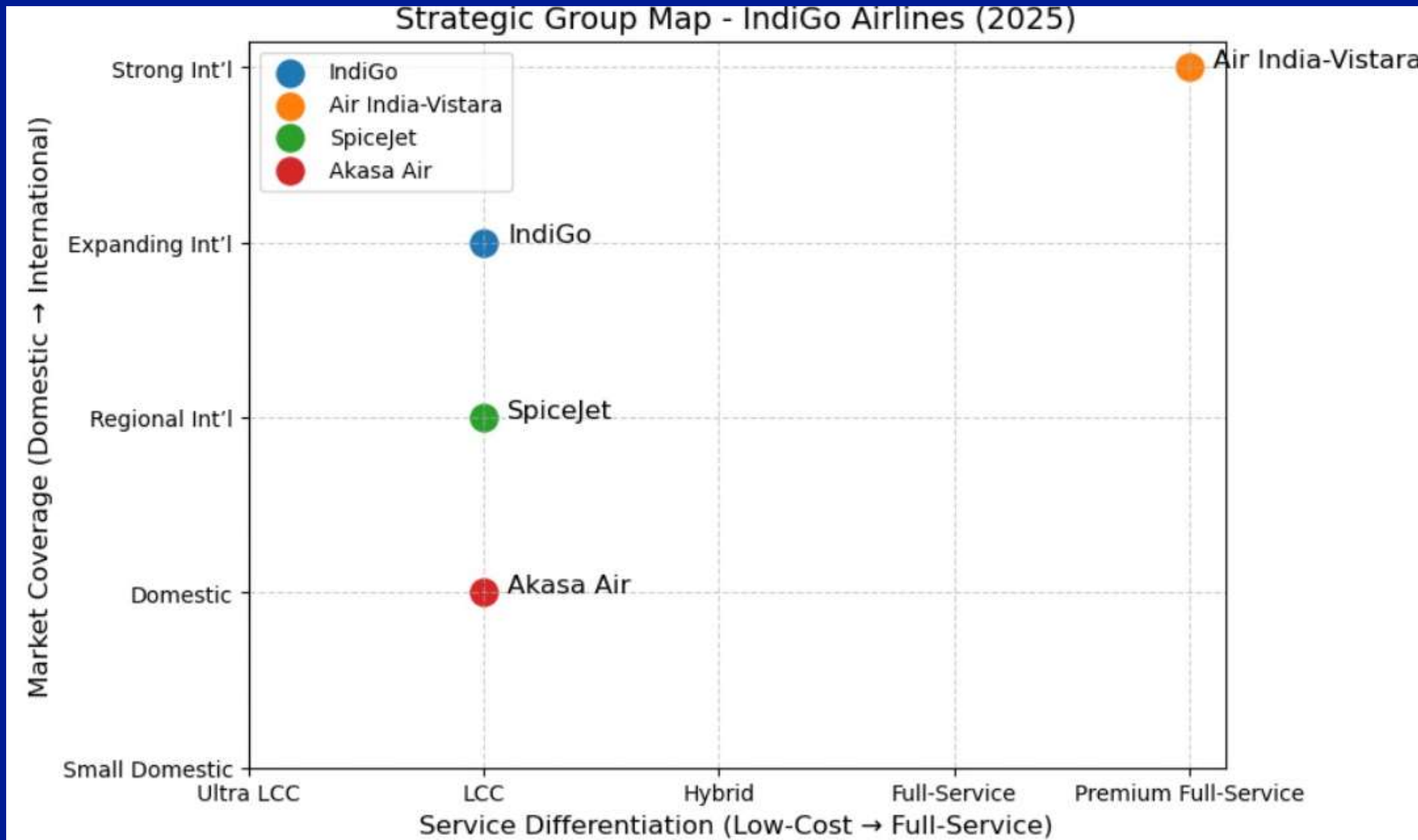


McKinsey 7s





Strategic Group Map



IndiGo(63.6%): Strong international expansion, but faces rising competition from Air India-Vistara on global routes.

Air India-Vistara(27%): Premium positioning, but high operating costs could impact profitability.

SpiceJet(2.3%): Regional presence, but financial instability limits growth potential.

Akasa Air(4.7%): Promising domestic growth, but lacks international reach and market differentiation.

Value Chain Analysis

Support Activities

FIRM INFRASTRUCTURE

- Revenue (Quarter Ended Mar'24): ₹185051 M
- EBITDA Margin: 27.4%
- Debt-to-Equity Ratio: 1.01 (Controlled despite fleet expansion)

HUMAN RESOURCES MANAGEMENT

- Employee Productivity: 500+ passengers/employee (Highest among Indian airlines)
- Pilot-to-Aircraft Ratio: ~11 per aircraft

TECHNOLOGY DEVELOPMENT

- Fuel Efficiency AI: ~3% savings via route optimization
- Dynamic Pricing Algorithms: Adjust fares based on demand patterns
- Digital Check-in Penetration: 85% (Reduces airport congestion)

PROCUREMENT

- Bulk Aircraft Orders: Cost per aircraft ~5% lower than competitors
- Fuel Hedging Strategy: Locked prices → Reduced cost volatility

Margin

Primary Activities

INBOUND LOGISTICS

- Fleet Size & Type: 350+ aircraft
Largest in India
- Fuel Cost % of Operating Ex
- Supplier Contracts: Airbus bulk orders (~500 aircraft)

OPERATIONS

- Turnaround Time (TAT): 20 min → Faster aircraft redeployment
- Load Factor: ~86%

OUTBOUND LOGISTICS

- Number of Destinations: 120+
- Hub Utilization: Delhi, Mumbai, Bengaluru
- Cargo Revenue Growth: ~13.5%

MARKETING SALES

- Market Share: 63.6%
- Customer Acquisition Cost: ₹280 per new flyer
- Digital Penetration: ~70% app
- Ancillary Revenue %: 20.9%

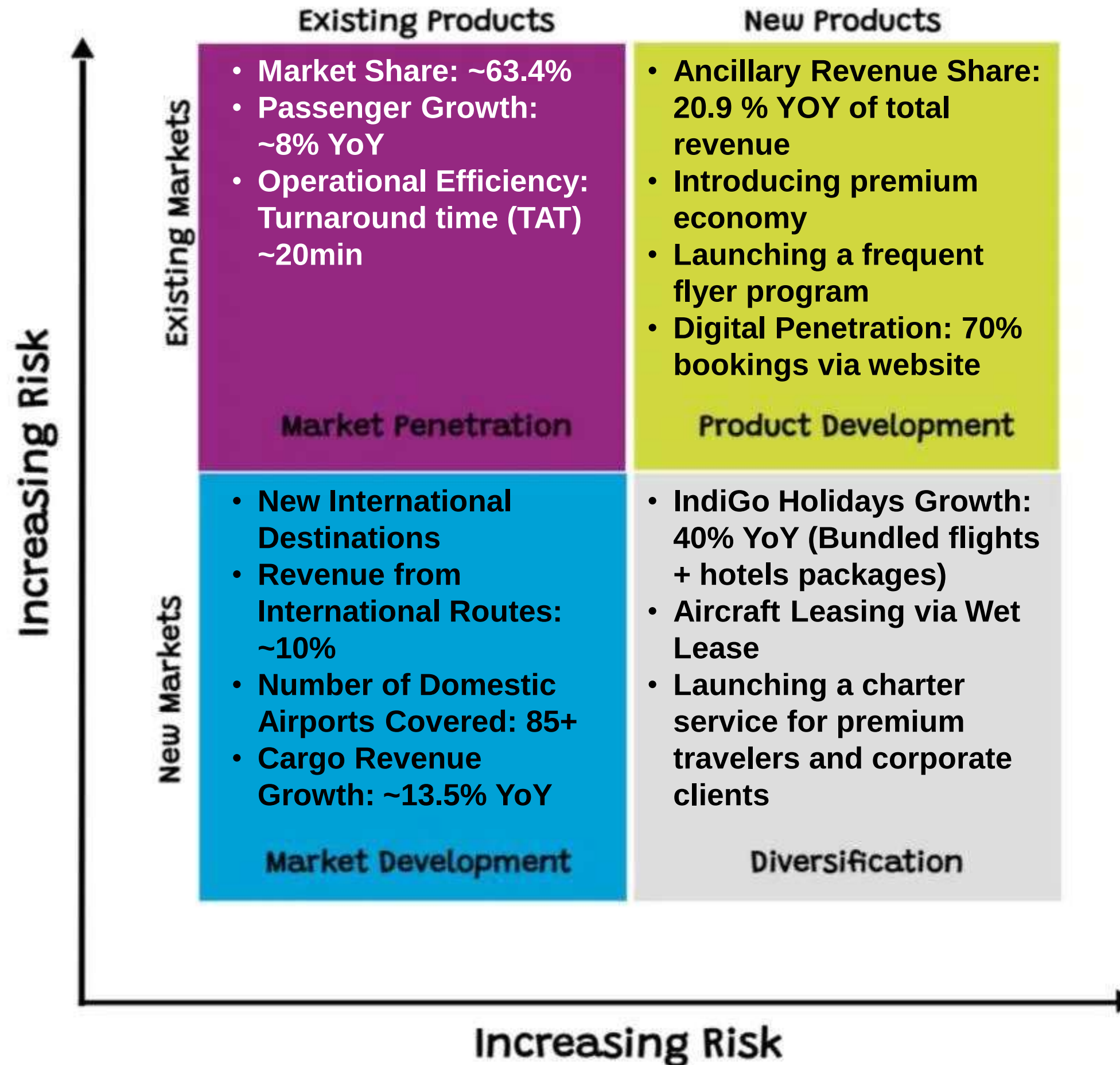
SERVICE

- Net Promoter Score (NPS): 48 (Higher than SpiceJet & Go First)
- IndiGo Rewards Members: 2M+ active users










Margin



Ansoff Matrix



Business Model Canvas

<div>Key Partners</div> <div></div> <div><ul style="list-style-type: none">• Aircraft Suppliers: Airbus(500+ aircraft orders)• Fuel & Logistics:<div>1.ATF Suppliers IndiGo hedges fuel to manage ~40% of operating costs</div><div>2.GMR Group & AAI → Airport operations & infrastructure</div>• Technology & Payment Partners: Google Flights, Skyscanner, Banks & FinTech Firms(Co-branded IndiGo HDFC Credit Card)• Government & Regulations: UDAN Scheme(Expanding to Tier-2/3 cities)</div>	<div><div>Key Activities</div><div></div><div><ul style="list-style-type: none">• Fleet Management & Operations: 350+ aircraft → Largest in India• Dynamic Pricing AI, On time Performance• Customer Experience & Loyalty Programs• Ancillary Revenue Share (20.9% of total revenue)</div></div> <div><div>Key Resources</div><div></div><div><ul style="list-style-type: none">• Fleet → 350+ aircraft, with 500+ orders• Human Capital → 37200 employees• Technology → AI-based dynamic pricing, fuel efficiency monitoring</div></div>	<div><div>Value Proposition</div><div></div><div><ul style="list-style-type: none">• Low-Cost, High-Efficiency Carrier (CASK ₹4.62)• Widest Network → 126 domestic & international destinations• Low Turnaround Time (TAT) (around 20 min)• Affordable Premium Add-ons → IndiGo Flexi, 6E Prime, Extra Baggage</div></div>	<div><div>Customer Relationships</div><div></div><div><ul style="list-style-type: none">• Indigo App & Website• Social Media Engagement• Loyalty & Retention• Personalized Digital Experience: AI-driven recommendations on app & digital boarding</div></div> <div><div>Channels</div><div></div><div><ul style="list-style-type: none">• Direct Sales → website & mobile app (~70% bookings)• Online Travel Aggregators (OTAs) → MakeMyTrip,• Corporate & Travel Agents → Business & group bookings</div></div>	<div><div>Customer Segments</div><div></div><div><ul style="list-style-type: none">• Budget Travelers → 60%+ of total passengers (low-cost, no-frills)• Business Travelers → ~25% (corporate tie-ups, premium economy)• International Flyers → 15% & growing (expanding to Gulf, ASEAN, Central Asia)</div></div>
<div><div>Cost Structure</div><div></div><div><ul style="list-style-type: none">• Fuel Cost → ₹59791M for quarter ended Mar'24• Other cost excluding fuel->₹392,773M (Aircraft leasing and maintenance, employee salaries, technology and marketing)</div></div>	<div><div>Revenue Streams</div><div></div><div><ul style="list-style-type: none">• Ticket Revenue → ₹165,019 M• Ancillary Revenue → ₹18750 M (baggage fees, in-flight sales, subscriptions)• Cargo & Logistics (IndiGo CarGo) (~13.5% YoY growth)• Partnerships & Leasing → Aircraft leasing, travel packages, & co-branded credit cards</div></div>			



Balanced Scorecard



If my vision succeeds, how will I differ?	To my shareholders (Financial Perspective)	To my customers (Customer Perspective)	With my internal management processes (Internal Perspective)	With my ability to innovate and grow (Innovation & Learning)
What are the critical success factors?	- Revenue Growth & Cost Leadership - High Load Factor - Sustainable Profitability	- Customer Satisfaction & Loyalty - On-Time Performance - Digital Service Enhancement	- Operational Efficiency - Predictive Maintenance - Crew & Fleet Optimization	- Employee Upskilling & Retention - AI-Driven Decision Making - ESG & Sustainability Initiatives
What are the critical measurements?	- Revenue per Available Seat Kilometer (RASK) - Cost per Available Seat Kilometer (CASK) - Profit per Route	- Net Promoter Score (NPS) - On-Time Performance (%) - Personalized Offers Uptake (%)	- Turnaround Time per Aircraft (TAT) - Fleet Utilization Rate (%) - Flight Delay & Cancellation Rate (%)	- Training Hours per Employee - Digital Transformation Index - ESG Compliance Score
How will these be connected to feedback and reward?	- Investor Confidence & Market Valuation - Dividend Payouts & Stock Performance	- Loyalty Program Benefits - Customer Experience Innovations	- Real-time Operations Dashboards - AI-Powered Crew & Flight Adjustments	- Employee Performance Incentives - AI & Automation Adoption Recognition



IFE Matrix for IndiGo Airlines



Key Internal Factors	Weight	Rating (1 = Major Weakness, 2 = Minor Weakness, 3 = Minor Strength, 4 = Major Strength)	Weighted Score
Strengths			
Market Leadership (63% market share)	0.15	4	0.6
Fleet Size & Modernization (437 aircraft)	0.12	4	0.48
Operational Efficiency (30-min turnaround)	0.12	4	0.48
Cost Structure (Single aircraft type - A320)	0.1	4	0.4
Financial Strength (₹80.5 billion profit in FY24)	0.1	4	0.4
Expanding International Presence (40 destinations by 2025)	0.08	3	0.24
Strong Domestic Connectivity (85+ domestic cities)	0.08	3	0.24
Weaknesses			
No Premium Services (No business class, lounges)	0.12	1	0.12
Weaker Loyalty Program (6E Rewards lacks strong benefits)	0.08	2	0.16
Limited International Reach vs Air India (40+ destinations)	0.08	2	0.16
Dependence on Domestic Market (High reliance on India’s aviation demand)	0.07	2	0.14
Total	1	—	3.42

- 1-POOR
- 2-AVERAGE
- 3-GOOD
- 4-EXCELLENT

Total Score:3.42

Strengths- Market Leadership ,fleet size,and strong domestic connectivity.

Weakness-Slower International Expansion and weaker loyalty program.

Conclusion-Indigo has a strong internal position indicating strengths outweigh its weaknesses supporting continued growth and expansion.



Competitive Profile Matrix (CPM) for IndiGo Airlines



Critical Success Factors	Weight	IndiGo Rating	IndiGo Score	Air India Rating	Air India Score	SpiceJet Rating	SpiceJet Score
Market Share	0.2	5 (63%)	1	3 (14%)	0.6	1 (2.3%)	0.2
Fleet Size & Modernization	0.15	5 (437 aircraft)	0.75	3 (100 new aircraft)	0.45	2 (declining fleet)	0.3
Financial Strength	0.15	4 (₹24.42 billion profit)	0.6	3 (₹44 billion loss reduction)	0.45	1 (financial struggles)	0.15
Customer Satisfaction	0.1	4 (0.2% complaints)	0.4	3 (1.5% complaints)	0.3	1 (16.1% complaints)	0.1
Operational Efficiency	0.15	5 (30-min turnaround)	0.75	3 (45-min turnaround)	0.45	2 (50-min turnaround)	0.3
Pricing Strategy	0.1	4 (₹4,598 - ₹5,871)	0.4	3 (₹5,739 - ₹5,871)	0.3	2 (₹4,102 - ₹10,621)	0.2
Technology & Digital Services	0.1	4 (in-flight entertainment)	0.4	3 (modernization efforts)	0.3	2 (lagging)	0.2
Loyalty Programs	0.05	3 (basic program)	0.15	4 (revamped program)	0.2	2 (limited program)	0.1
International Expansion	0.1	4 (40 destinations)	0.4	4 (42 destinations)	0.4	2 (13 destinations)	0.2

Total Score: IndiGo: 4.85, Air India: 3.45, SpiceJet: 1.75
· Flight prices are for a delhi to Mumbai flight.

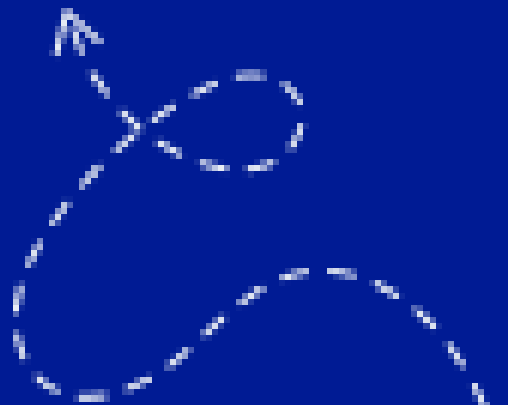


VRIO Matrix for IndiGo Airlines



Resource/Capa bility	Valuable? (V)	Rare? (R)	Inimitable? (I)	Organized to Exploit? (O)	Competitive Implication	Data/Statistics
Market Leadership	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	Sustained Competitive Advantage	63% market share (Dec 2024)
Fleet Size & Modernization	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	Sustained Competitive Advantage	437 aircraft (largest in India)
Operational Efficiency	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	Sustained Competitive Advantage	30-min turnaround time (better than Air India - 45 min, SpiceJet - 50 min)
Financial Strength	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	Sustained Competitive Advantage	₹80.5 billion profit (FY24)
International Expansion	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input checked="" type="checkbox"/> Yes	Temporary Competitive Advantage	40 international destinations (2025 target) but still behind Air India (50+ destinations)
Cost Structure	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	Sustained Competitive Advantage	Single aircraft type (A320 family) reduces costs
Premium Services (Business Class, etc.)	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input checked="" type="checkbox"/> No	<input checked="" type="checkbox"/> No	Competitive Disadvantage	No business class or premium lounge access, unlike Vistara & Air India
Loyalty Program (6E Rewards)	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	<input checked="" type="checkbox"/> No	<input checked="" type="checkbox"/> Yes	Competitive Parity	6E Rewards exists but is not as strong as Air India's Flying Returns or Vistara's Club Vistara

- Indigo has sustained competitive advantages in market leadership and operational efficiency.
- International expansion is growing but not yet a major differentiator.
- Weakness include premium services and loyalty programs where competitors like Air India performs better





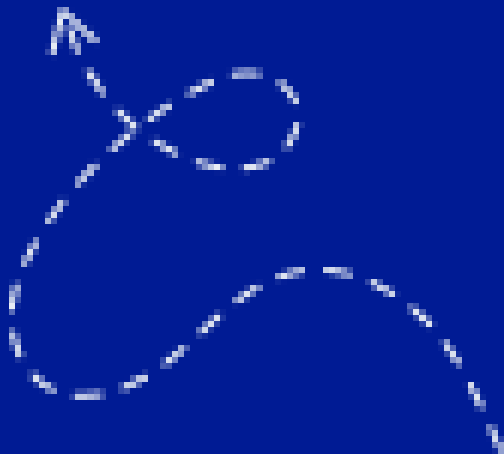
KPI Matrix for IndiGo Airlines



Category	Key Performance Indicator (KPI)	Current Value (2024-25)	Benchmark/Target
Operational Efficiency	Average Turnaround Time (TAT)	30 mins	<35 mins
	On-Time Performance (OTP)	87%	>85%
	Fleet Utilization (Hours/Day)	12-14 hours	12+ hours
Financial Performance	Annual Revenue (₹)	₹600 billion	₹500B+
	Net Profit Margin	13.40%	10-15%
	Cost per Available Seat Kilometer (CASK)	₹3.12/km	Industry Avg: ₹3.5/km
Customer Satisfaction	Net Promoter Score (NPS)	62	>60
	Customer Complaint Rate (/10,000 pax)	4.2	<5
	Baggage Handling Complaints (/1,000 pax)	1.8	<2
Market Performance	Domestic Market Share	63%	Maintain >60%
	International Destinations Served	40	50+ by 2025
Technology & Innovation	Mobile App Active Users	12 million/month	Increase 10% YoY
	Digital Check-in Adoption Rate	82%	>80%
Loyalty & Ancillary Revenue	6E Rewards Program Members	5 million	Expand to 6M+
	Ancillary Revenue % of Total Revenue	22%	>20%

Conclusion:

Indigo Airlines demonstrates strong operational efficiency ,financial stability and market dominance with room for improvement in customer satisfaction and digital adoption





Conclusion

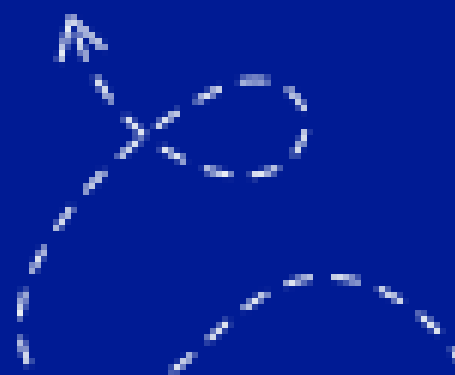
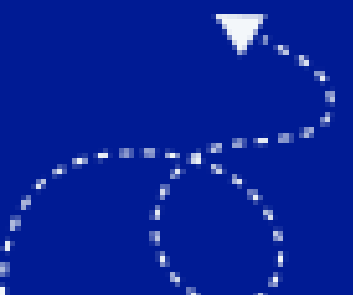


IndiGo is well-positioned in the market with strong internal and external alignment.

1.Strengths to Leverage: Its extensive route network, operational efficiency, and market share are core pillars for sustained growth.

2.Areas to Improve: The airline must address comfort/luxury, international expansion, and employee satisfaction to enhance customer experience and operational resilience.

3.Strategic Outlook: Focusing on regional and international route growth, sustainable practices, and diversification beyond a single aircraft type can ensure long-term competitive advantage. Monitoring external risks like fuel price volatility and regulatory challenges will also be crucial for sustained profitability.





Thank You