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Service delivery in Indian airline industry: A conceptual study

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Abstract
Marketing airline products and services has always been highly competitive and requires that rigorous strategic planning is put in place for achieving maximum growth and profitability. With the domestic travel becoming more cost effective, the Airline industry is tapping the potential to the maximum to penetrate deeper to attain competitive edge. The international travel still needs a buffer from the marketers for innovation in service, price promotion, brand building and the like. The present study is a conceptual study of the Indian Airline Industry.

Keywords: Passengers, travel, innovation

Introduction
Today competition is not only rife, but growing more intense constantly. However companies need to start paying keen attention to their competitors, they must understand their customers. Airlines are suffering from such competition. They have to believe customers as core concept of their business: customer satisfaction is what guarantees the future of airlines and it is achievable by an adoption between their services and passengers' needs. In another word, service quality is typically defined in terms of consumer satisfaction. Pricing and service quality are the key variables that decide the brand equity of each player in the airline industry. Airlines are now among the first companies to fully adopt the relationship marketing concept.

The world airline industry has gone through a rollercoaster ride for the past few years. Among factors contributing to the situation are, increasing fuel prices, escalating security insurance, rapid deregulation of the industry, as well as natural disaster, ranging from the outbreak of diseases to eruptions of volcanoes that hinder the air travel growth.

Customer demands that change with competitive circumstances of modern day, force firms improve themselves for new strategies to differentiate them from their competitors and to acquire competitive advantage. In terms of airline sector; fast changing life styles, intense work periods and desire of award oneself after those hard periods, increasing expectations of people about using their spare time valuable and amusing; support travel and experience activities.

Airline pricing is becoming more transparent when the customers are able to obtain prices of air tickets from different sources such as the airline's website. Information on prices is also shares in blogs and forum. The airline should in addition identify the high demanding period of time for their flight so that they could arrange an attractive schedule by coordinating with the airport authority. Many customers are willing to pay more money to choose flights that suit their time, especially the business travelers who prices sometimes are not their main concern. This allows the airline to earn additional revenue by operating a flight with high demand and charge a higher price. The airline can also offer incentives for returning customers by offering special fares.

Additionally, the main objectives of the airline companies are to create customer engagement, brand loyalty, customer service and profitability. To reach these objectives, most airline companies assure they must increase their resources allocated to social media channels. The main problem appears as there is no best practice; which integrates all channels in a consistent way, generates internal value and at the same time provides a consistent and integrated experience to customers.

"Social media leaders understand and appreciate the magnitude of the shift in customer empowerment and the opportunities and risks that these tools create. As a result, they approach their social media efforts differently.

Table 1: A summary of the Most Important Airline Service Quality Aspects

Author	Year	Context	Main findings/ the important of airline service quality aspects
Evans [16]	2001	Airline alliances service quality	The study highlighted the motivation factors for airline alliances and categorised internal and external factors that influence airline alliances. The internal factors are risk sharing, economics scales, scope and learning, access to assets, resources and competencies and shape competition. External factors include the information revolution, economic restructuring and global competition.
Tsaur *et al*	2002	Service quality in low-cost airlines	The study found the efficiency of service and friendliness of attendants plays a significant role in customer satisfaction.
Weber and Sparks [62]	2004	Airline alliances service quality	The study suggested that airline alliances are no longer only concerned about their own service standards and policies relating to service failure events but also need to be mindful of those of their partner airlines.
Duval [15]	2005	Airline alliances service quality	The study found that the government of New Zealand having majority of ownerships in Air New Zealand have a significant negative influence on New Zealand public.
Atalik [4]	2007	Service quality in full service airlines	The results highlight five important factors of service quality that reduce Turkish frequent flyers customer: 1. Lack of free tickets and upgrades of the flight class. 2. Behaviour of personnel. 3. Card ownership issues (e.g. high miles needed to retain membership). 4. Nature and level of priority services offered within the program. 5. Lack of alliance with other airlines.
Pakdil and Aydin [45]	2007	Service quality in full service airlines	The results show that the responsiveness dimension was the most important to the customers of Turkish airlines.
Tiernan *et al.*	2008	Service quality in full service airlines	The key findings show that the differences between US and EU airlines service quality: Flights arriving on-time (US 71.63%; EU 77.58%); Flights operating as scheduled (US 84.6%; EU 88.68%); Bags delivered without problem (US 83.34%; EU 82.87%). The results from the study confirm that the service quality of EU airlines on these key issues is generally higher than US airlines.
Nadiri *et al.* [40]	2008	Service quality in full service airlines	The study found appearance of employees and onboard facilities had a significant impact on customer satisfaction and repurchase intention
Lu and Ling [37]	2008	Service quality in full service airlines	The results show that airline services such as frequent fly programs, in-flight entertainment and safety performance have a significant direct influence on the satisfaction of Taiwanese travellers. By comparison, only in-flight entertainment was found had a significant direct influence on satisfaction of mainland Chinese passengers.
Leong [36]	2008	Service quality in low-cost airlines	The study found in-flight entertainment, checking-in service, and convenience booking were weaknesses. The study concluded with the suggestion that the management should allocate more resources to make improvements in these areas.
Tsantoulis and Palmer [61]	2008	Airline alliances service quality	The results show that joining a co-brand alliance had no direct effect on individual airline service quality.
Weber and Spark [63]	2009	Airline alliances service quality	The study found pre-consumption mood did not appear to impact consumer evaluations and behaviour. Consumer's pre-consumption mood (e.g. positive or negative) is related to the service employee behaviour.
Nejati *et al.* [46]	2009	Service quality in full service airlines	The main results highlight that the most crucial factors of service quality that influence Iranian customers are: Flight safety, Good appearance of flight crew and Offering 24 hour customer service.
Forgas *et al.* [17]	2010	Service quality in full service airlines	The study found trust and overall customer satisfaction had a significant effect on customer loyalty.
Chang and Chang [10]	2010	Service quality in full service airlines	The results show that interactional and procedural justice both had a significant effect on recovery satisfaction. The study concluded that recovery satisfaction plays a mediating role in the relationship between service recovery and overall satisfaction.
Kim and Lee [4]	2011	Service quality in low-cost airlines	The results indicated that two dimensions (tangibles and responsiveness) were the most important in determining Korean passenger satisfaction.
De Jager *et al.* [14]	2012	Full service airlines	The study found timeliness and in-flight services are the most important service factors for both South African and Italian travellers.
Nikbin *et al.* [43]	2012	Service quality in full service airlines	The study found customer satisfaction had a significant effect on switching intention.
Yang *et al.* [68]	2012	Service quality in low-cost airlines	The study found service quality had a significant influence on customer value, airline image and behavioural intentions.
Wen and Chi [65]	2013	Service quality in full service airlines	Procedural and the interactional justice were found had a significant direct influence customer's positive emotion.

Sen Choon Leow (2015) Airline Service Failure and Recovery: A Conceptual and Empirical Analysis

Global Aviation Challenges 21st Century

- New operating environment
- Bankruptcy and shut downs
- "Generic" vs. "Airline" business plan

- "Flexible" strategic plan (key)
- Treat as a "business"
- Regulation vs. Liberalization vs. Deregulation
- Rising costs (fuel, labor, maintenance, security)
- New generation airlines vs. legacies (tiers)
- Restructuring and alliances
- Excessive capacity
- Competition (transport and technology)
- Customer (target, loyalty)
- Organizational design
- Internal challenges
- Strategy
- Duplication
- Functional and departmental barriers
- Staff relations and new types of employees (Generation Y)
- Legacy system dependencies
- Lack of compromise
- Air carrier ownership and control
- Sustainability of air carriers and safeguards
- Physical and environmental constraints
- Air transport and the global trade mechanism
- Consumer protection and passenger rights
- Impact of technology (aircraft, e-commerce, CRSs and GDSs, Internet) on liberalization process
- Future approaches to regulatory reform

Failures in Airline Business Planning

- Undercapitalization
- Overexpansion
- Lack of flexibility
- "Wrong" leadership
- "Wrong" money
- Unable to obtain sustainable, competitive advantage
- Failure to demonstrate revenue growth and profitability

Today competition is not only rife, but growing more intense constantly. However companies need to start paying keen attention to their competitors, they must understand their customers. Airlines are suffering from such competition. They have to believe customers as core concept of their business: customer satisfaction is what guarantees the future of airlines and it is achievable by an adoption between their services and passengers' needs(Yadav)**.**

Mobility 3.0: The Future- New Horizons

While Mobility 1.0 and 2.0 have enabled airlines to move beyond basic and maturing services, Mobility 3.0 will ultimately empower airlines to combine 1.0 and 2.0 capabilities with context-aware applications to transform their business models, enhance their relevance to customers, and provide passengers with greater control over every aspect of their travel— anytime, anywhere, through any device.

Examples of Mobility 3.0 services and applications include:

- **Personal Travel Assistant**

For travel-related interactions such as alerts pertaining to all aspects of the journey, including drive time to the airport, flight times, and security line status

- **Mobile Marketing:** Dynamic packaging of personalized offerings and discounts
- **Mobile Concierge Service:** With the push of a button, access a virtual concierge whose familiarity with the user's profile (likes, dislikes, etc.) enables delivery of a highly personalized experience
- **Mobile Payment:** Smart phone as a secure e-wallet, taking advantage of context aware security capability
- **Augmented Reality:** Context- and location-aware applications enable an immersive, context-rich environment for the passenger
- **Real-Time Business Intelligence for Airlines:** Rather than conduct analytical yield management on a batch basis, airlines can perform optimized real-time yield management based on passengers' location, what they are doing, and what they might want.

Customer Satisfaction

The concept of customer satisfaction has been a historical thought of marketing schools. The earlier study of customer effort, expectations, and satisfaction can be traced back to the research done by Cardozo (1965) [19]. Soderlund (1998) [56] pointed out that customer satisfaction is getting much attention in many organizations and academic researches. Different researchers have defined satisfaction differently; thus different measuring tools have been proposed accordingly Customer satisfaction stimulates repeat purchases and favourable word-of-mouth (Rogerson, 1983) [52].

It acts as an exit barrier and therefore, able to help the company in retaining its customers (Anderson and Sullivan, 1993 [2]; Cardozo, 1965 [19]; Fornell, 1992 [18]; Halstead and Page, 1992), securing customer loyalty (Selnes, 1993) [55], and producing supercilious long-term financial performance (Karna, 2004 [25]; Kirwin, 1992) [29]. Authors such as Cronin and Taylor (1992), Fornell (1992), Jones (1990) [24], and Parasuraman *et al*. (1991a, b) [46] all agreed that customer satisfaction influences purchase repetition and personal communication in regards to the product. Reichheld and Sasser (1990) [51] found that profitability of a company escalates proportionally with the number of loyal customers. Referring to Heskett *et al*. (1990) [19], getting new customers is more expensive than retaining the existing target groups.

Perception of Services Branding	Expectation of Satisfaction of Services Branding	Satisfaction of Services Branding
▪ Price ▪ Core Service ▪ Feeling ▪ Reputation ▪ Employee ▪ Word-of-Mouth ▪ Servicescape ▪ Publicity ▪ Advertising	▪ Price ▪ Core Service ▪ Feeling ▪ Reputation ▪ Employee ▪ Word-of-Mouth ▪ Servicescape ▪ Publicity ▪ Advertising	Two possible outcomes [1] If difference is positive or "0"< Satisfied> [2] If difference is negative < Dissatisfied >

Table 2: Items of each service branding dimensions

Dimension	Item	Source
1. Price	(i) Reasonable price	O'Cass and Grace (2003) [44]
	(ii) Value for money	O'Cass and Grace (2003) [44]
	(iii) Reliable price information	Schindler (1991)
2. Core Service	(i) Pleasant	O'Cass and Grace (2003) [44]
	(ii) Reliable	Parasuraman *et al*. (1988) [47]
	(iii) Timely and accurate	LeBlanc and Nguyen (1996) [32], Parasuraman *et al*. (1988) [47], Wen and Yeh (2010) [64]
3. Feeling	(i) Warmth	Lemmink and Mattsson (2002) [35], Price *et al*. (1995) [50]
	(ii) Fun	Arnould and Price (1993) [3]
	(iii) Secure	Wen and Yeh (2010) [64]
	(iv) Impressive	O'Cass and Grace (2003) [44]
4. Reputation	(i) Good reputation	Boyd *et al*. (1994) [7], Darby (1999), Rogerson (1983) [52]
	(ii) Well-known	Boyd *et al*. (1994) [7]
	(iii) Positive image	LeBlanc and Nguyen (1996) [32], Wen and Yeh (2010) [64], Yoon *et al*. (1993) [69]
5. Employee	(i) Competent	LeBlanc and Nguyen (1996) [32], O'Cass and Grace (2003) [44]
	(ii) Courteous	LeBlanc and Nguyen (1996) [32], O'Cass and Grace (2003) [44]
	(iii) Friendly	LeBlanc and Nguyen (1996) [32], O'Cass and Grace (2003) [44]
	(iv) Quick to assist	O'Cass and Grace (2003) [44], Parasuraman *et al*. (1988) [47]
6. Word-of-mouth	(i) Talked about	Berry (2000), O'Cass and Grace (2003) [44]
	(ii) Influenced my evaluation	O'Cass and Grace (2003) [44]
	(iii) Influenced my attitude	O'Cass and Grace (2003) [44]
7. Service scape	(i) Updated facilities	Ziethaml (1990)
	(ii) Facilities' visual appeal	Berry (2000), [5] Bitner (1990, 1992), LeBlanc and Nguyen (1996) [32], O'Cass and Grace (2003) [44], Parasuraman *et al*. (1988) [47], Ziethaml (1988)
	(iii) Employees' appearance	Berry (2000) [5], LeBlanc and Nguyen (1996) [32], O'Cass and Grace (2003) [44], Wen and Yeh (2010) [64]
	(iv) Other material appeals	LeBlanc and Nguyen (1996) [32], O'Cass and Grace (2003) [44]
8. Publicity	(i) Informative	Burnley (1998) [8], Hennessey (1992) [27], Nally (1991) [4], O'Cass and Grace (2003) [44]
	(ii) Influenced my evaluation	Burnley (1998) [8], Kim *et al*. (1999) [27], Henthorne and Henthorne (1994) [22], O'Cass and Grace (2003) [44]
	(iii) Influenced my attitude	Henthorne and Henthorne (1994) [22], O'Cass and Grace (2003) [44]
9. Advertising	(i) Reliable	Mortimer (2001)
	(ii) Informative	Crosier (1983) [18], May (1983) [28], Mortimer (2001), O'Cass and Grace (2003) [44], O'Donohoe (1994) [70]
	(iii) Impressive	Legg and Baker (1987) [34], O'Cass and Grace (2003) [44]

Review of Literature

Santos de Oliveira, Denise, and Mauro Caetano (2019) [71] examines the relationship between marketing strategies adopted by Brazilian airlines in the domestic market and the strengthening of consumer-based brand equity (particularly brand associations with brand awareness, perceived quality, and brand loyalty). A brand valued by passengers would be able to convey quality and credibility, adds value to air transport the service, and increases passengers' willingness to pay a premium for tickets. However, studies on consumer-based brand equity in the air transport sector have been scarce, especially in developing countries such as Brazil. The results show that joint investments are necessary for innovation in service, price promotion, and event sponsorship in order to strengthen the key consumer-based brand dimensions. This study provides a basis for the development of future studies on passenger-based brand equity and helps airlines target their marketing strategies with maximum effectiveness

Seo and Park (2018) [48] analyze the effects of social media marketing activities (SMMAs) on brand equity and customer response in the airline industry. A survey was conducted with a total of 302 passengers who used social media managed by airlines, and the collected data were analyzed via structural equation modeling. The results showed that trendiness was the most important SMMA component, and airline SMMAs had significant effects on brand awareness and brand image. In addition, the results demonstrated that brand awareness significantly affected commitment and that brand image significantly affected online word-of-mouth and commitment. It is expected that the results of this study may be used as fundamental data in the development of airline SMMA strategies, particularly by investigating the relative importance of each SMMA component and analyzing the effects of SMMAs **[48].**

Alagoz (2014) [1] study the experiential brand qualification of the Turkish Airlines. It reviews the experiential marketing and experiential marketing implementations. The study specifies the travel experience perceptions of the consumers. The relationship between the travel experience perceptions and the socio-economic characteristics is also studied.

Jai Prakash Yadav contends one of the major ways to differentiate an airline is to deliver consistently and efficiently high quality services than competitors. The key is to meet or exceed the target customer's service quality expectations. But the airlines constantly face trade-offs between customer satisfaction and company profitability. The airline therefore, clearly defines and communicates the service level that will be provided, so that will be provided, so that employees know what they should get. Unfortunately most after the airlines don't deliver what they promise(Yadav)**.**

Kee Mun (2011) [72] explores the dimensions of airlines branding satisfaction using two of the best airlines in the world (Malaysian Airlines and Air Asia). Despite overall dissatisfaction recorded by the passengers of both airlines, the information of the detailed brand satisfaction dimension scores could be used by both airlines in their efforts to develop new services, improve management and operation as well as marketing communication (Kee Mun, 2011)[26-72].

Colin Law (2017) [31] propounds that traditionally, the airline industry is dominated by the major airlines which are mainly established through the support of government. This is due to the high startup cost of equipment and infrastructures. With limited competitions, the airline industry is strictly regulated. The government is ensuring the airline's sources of income by limiting the number of airlines allowed to operate within the market. Even though some government allows other airlines to operate within the market, operating routes and prices of air tickets is set. In other words, the airline industry is a monopoly market with very few or no competitions. Customers have limited choice of air carriers, and airlines are mainly focusing on the revenue and expansion, rather than focusing on the customer's need(Law, The Study of Customer Relationship Management in Thai Airline Industry: A Case of Thai Travelers in Thailand, 2014).

Tahanisaz, Sahar and Sajjad shokuhyar (2020) [10] proposes a novel model for clustering air passengers to identify passengers with similar expectations. Thus, the passengers' expectations of the service quality attributes in each cluster were measured and converted into quantitative degrees of customer satisfaction by applying the Kano model. The researchers employ Importance-Satisfaction Analysis (ISA) to find as to which service quality indicators fall into the "Keep up the proper work"," Concentrate here"," Possible overkill", and "Low priority" category for eliciting applicable marketing strategies(Tahanisaz, 2020) [59].

Sarker, Mohd-Any and Kamarulzaman (2019) [10] find that the intense competition taking place in the airline sector requires a concurrently suitable branding strategy. Although contemporary brand equity models have been acknowledged and tested in the service branding context, they are not quite adaptable to the airline sector. These models are more appropriate for product-dominant brands, as they ignore the crucial roles of direct service experience and brand consistency in creating airline brand equity(Sarker, 2019) [54].

India- A Fastest Growing Domestic Aviation Market

India is the fastest growing domestic air travel market globally in 2018 with the country seeing 18.6% more people flying within the country than the previous year. The International Air Transport Association (IATA) came out with the full year aviation data for 2018, which stated "India domestic market recorded the fastest full year domestic growth rate for the fourth year in a row (18.6%)", followed by China (11.7%).

"In both countries, domestic demand was underpinned by a robust economic expansion as well as by increasing number of domestic pairs- particularly in India, which recorded its 50th consecutive month of double-digit annual growth in October. In China, there have been some recent signs of slowdown in passenger demand, reflecting increasing concerns of a moderation in economic activity".

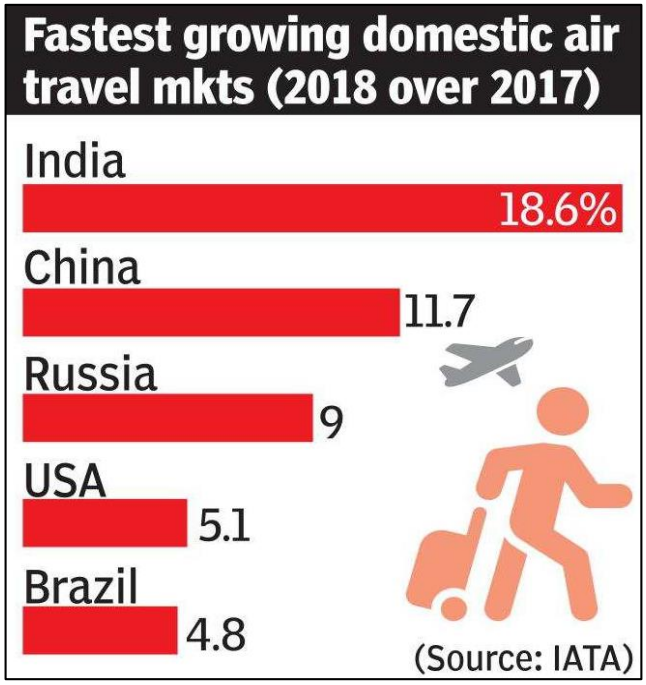

Fig 1: Fastest growing domestic air travel markets (2018 over 2017)

According to Directorate General of Civil Aviation, India had 13.9 Crore domestic air travellers in 2018- up 18.6% from 11.7 crore in 2017. The growth in 2017 over 2016 was 17.3%. And the growth in domestic flyers in 2016 over 2015 and 2015 over 2014 was 23.2% and 20.3% respectively.

According to IATA, domestic air travel globally climbed 7% last year, which was unchanged from the rate in 2017. All markets showed annual growth, led by India and China, which both posted double-digit annual increases. Capacity rose 6.8% and load factor was 83.0% up 0.2% percentage point compared to 2017.

Upcoming Airports

Gujarat

- The Civil Aviation Ministry has sanctioned 7,737 crore for two airports at Hirasar near Rajkot and the Dholera airport, coming up in the Ahmedabad district of Gujarat. A sum of ₹2,654 crore has been sanctioned by the Government for the Hirasar airport and ₹5,083 has been cleared for the proposed international airport at Dholera.

Delhi NCR

- Jewar airport, which was initially planned to have four runways, will now have six runways as the UP cabinet recently gave a heads up to that. The new airport will reduce load on Delhi's IG Intl Airport and much like it, will have international connectivity with USA, UK, Singapore, Australia and the Middle East.

Karnataka

- India's third busiest airport - the Bengaluru's Kempegowda International Airport is expecting a 70% surge in passenger traffic over the next two years. Bangalore International Airport Authority (BIAL), which owns and operates it has announced an investment of

$2 billion for a new terminal and a second runway.

Tamil Nadu

- To come up at Cheyyur near the scenic East Coast Road (about 100km south of Chennai) will be Chennai's second international airport. An aero city may come up around it.

Odisha

- The PM recently inaugurated an airport in Jharsuguda – also known as the powerhouse of Odisha. It is the first airport in Odisha to provide connectivity to Bhubaneshwar, Raipur and Ranchi under the Regional Connectivity Scheme (RCS) - UDAN.

Andhra Pradesh

- Bhogapuram Airport, a greenfield international airport project about 40 km from Visakhapatnam, being built by the Bhogapuram International Airport Company Limited (BIACL), as part of an aerotropolis, which will also have a Maintenance, Repair and Overhaul (MRO) facility along with an Aviation Academy. The airport will be developed by the Government of Andhra Pradesh under PPP model, and is expected to be completed by 2022.
- Orvakal Airport in Kurnool is a greenfield project, which will be catered by low-cost airlines operating domestic flights under the government's UDAN scheme.
- Vijayawada Amaravati International Airport in Mangalagiri will connect capital city Amravati to international destinations.

North East

- After Guwahati and Imphal, the Agartala airport is set to become the third international airport in the north-eastern region by early 2020.

Arunachal Pradesh

- The Hollongi Airport is located about 25km from Itanagar, will provide easy access to the state capital, and will be connected to other state capital cities with direct flights, and even neighboring countries.

Goa

- The Mopa International Airport will be the gateway to north Goa, and will be built in four phases, with its passenger-handling capacity increasing over the last phase. It will have a modern infrastructure built by GMR Infrastructure Ltd.

Maharashtra

- The Navi Mumbai Intl Airport will be constructed in a phased manner from 2019 until 2031, and once ready, it will decongest the increasing air traffic at Mumbai's Chhatrapati Shivaji International Airport.
- Sindhudurg Airport at Chipi Parule near Malvan, is the state's 14th airport. It connects the Konkan region comprising parts of Maharashtra, Karnataka and Goa. Located 25km from the Mumbai-Goa highway, it is driving distance from Tarkarli Beach in Maharashtra, and to north Goa's Arambol and Mandrem beaches.
- Chhatrapati Sambhaji Raje International Airport will be Pune's second international airport at Purandar, the air force base.

Punjab

- Ludhiana International Airport being built in the existing IAF base in Halwara, a 32-km drive from Ludhiana City. To be developed by the Punjab government and the AAI, its international civil terminal in the first phase is expected to be completed in 2022. It will ease the air traffic load of the Amritsar International Airport.

Kerala

- Sabarigiri International Airport is being developed at Cheruvally Estate near Erumely in Kottayam district. It will be the nearest airport for Sabarimala and the fifth international air travel hub in Kerala. Currently, the Cochin International Airport is the nearest airport to Sabarimala.

Himachal Pradesh

- The state government has initiated 30 acres of land acquisition for the extension of Kangra Airport in Dharamshala. Currently, the airport can handle landing of small 80-seater planes. The expansion will facilitate airbuses. A new airport has been sanctioned for Mandi district of the state.

***Source*:** Indian Aviation on a Growth Path; NBM & CM Infra Construction and Equipment Magazine

Key Drivers of Change

- Environmental activism
- Infectious diseases and instability
- New modes of consumption
- Middle class growth in China and the Asia-Pacific region
- Global aging
- Risk of terrorism

Challenges

The study identified several factors that could impact the future growth of Indian aviation

- **Policy:** Baseline growth rate of 6.1% annually is expected to result in a total market of 520 million Indian passengers in 2037. Globally, liberalization and policy stimulus could see India's growth rate rise to 9.1%, taking the total market to nearly 900 million by 2037. Equally, protectionist and other negative policy impacts globally could hold India's growth back to 4.9% and the total market would be 400 million in 2037.
- **Ease of Doing Business:** Over the last five years India has risen from 132 to 100 on the World Bank's Ease of Doing Business survey. Continued improvement in this area will be critical to sustainable growth of aviation.
- **Travel and Tourism Competitiveness**: India has also risen from 52nd place (2015) to 40th (2017) place in the 2017 World Economic Forum's Travel and Tourism Competitiveness Index. Improvements in visa policies, infrastructure and preservation of monuments have assisted this rise. Continuous improvements in these areas as well as in human resources development, airport infrastructure density, and tourism infrastructure are among the areas that could further enhance India's competitiveness.

Main Recommendations

- IATA should establish an industry-wide corporate responsibility programme, with a focus on transparency, safety and the environment that could help IATA to drive global standards and ensure the sector remains competitive in a world where there is increasing competition from other transport modalities.

- With the increasing risk of pandemics, a global approach to managing infectious diseases becomes ever more important. While airlines need to be vigilant and prepared, IATA should also stress the increasingly important role that all stakeholders, particularly governments, need to play to ensure that responses are in line with WHO guidance and international health regulations.
- The industry should make every effort to understand consumer attitudes in emerging markets, as well as how government and business in these countries view the role of the airline industry, in order to get ahead of potential future regulation.
- The industry should establish core principles on facilitating the travel of older passengers and those with reduced mobility. An increasingly active aging population and changing attitudes to disability are likely to result in a greater need for the industry to support passengers with special requirements, for example on account of age, medical need or disability.
- The industry should monitor proposals to extend or evolve the security cordon around airports to ensure that governments continue to be ultimately responsible for the safety of their citizens.
- The industry should work with appropriate organizations to drive the establishment of globally harmonized standards to address biohacking.

Conclusion

India is one of the largest aviation markets in the world and annual air passenger traffic is estimated to touch 1.1 billion in the coming years. It is quite apparent that the Indian Aviation Industry is on a speedy growth, with potential to reach greater heights. It is estimated that 80-90 new airports are likely to come up in the next 20 years under the NABH Nirman initiative. These would include regional airports and aerodromes in larger cities with the Civil Aviation Ministry urging state governments to undertake development of new airports in their respective states by forming SPVs and through the PPP model. All major airports are also augmenting their airside and terminal capacity to address rising demand.

While the Civil Aviation Ministry is continuing its focus on developing new airports and in enhancing regional connectivity, there will be many challenges to contend with - from strengthening the infrastructure to implementing more sustainable, eco-friendly designs that include solar power systems, rainwater harvesting, and a noise-absorbing green belt; besides facilities like aircraft rescue and firefighting.

To boost India's civil aviation industry, all the industry stakeholders should collaborate with policy makers to implement efficient and rational decisions, with the right policies and focus on quality and cost management. According to Vision 2040, with the right policies and with efficient execution, India can surprise the world by not just meeting but overshooting the Vision 2040 targets.

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