

**GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA**

STARRED QUESTION NO:18
ANSWERED ON:18.11.2002
MARKET SHARE OF AI
PRABHA RAU;VILAS BABURAO MUTTEMWAR

Will the Minister of CIVIL AVIATION be pleased to state:

- (a) Whether the market share of Air india has declined considerably;
- (b) if so, the factors responsible therefor;
- (c) the steps taken to improve its image and provide better facilities and services to the passengers;
- (d) Whether Air India is operating more discounted economy class seats than the high yield first class and business class seats; and
- (e) if so, its effect on profitability of the Air India?

Answer

THE MINISTER OF CIVIL AVIATION (SHRI SYED SHAHNAWAZ HUSSAIN)

(a)&(b): Air India's market share has declined marginally from 22.5% in 1991 to 20.4% in 2001. The decline in market share has been largely caused by the decline in Air India's capacity share. Foreign airlines capacity to/from India has grown more strongly than that of Air India.

(c): Air-India has been able to maintain a healthy seat factor of 69% inspite of the overall recession and economic down trend world wide. Air India has taken following steps to improve its image in order to provide better facilities to passengers (i) Introduction of 4 direct flights per week between Mumbai/Dubai/Mumbai with standardized departure timings to meet the requirements of the market. (ii) Upgradation of the facilities in first and executive class by changing the seats to flat beds in the first class and sleeperettes in the executive class as well as upgradation in the inflight service. (iii) Extention of frequent flyer programme worldwide during the current year; The e-marketing facility has also been extended worldwide effective July 2002; (iv) Hub & Spoke agreement with Indian Airlines to provide seamless connections to passengers between foreign stations and interior domestic points ; (v) Introduction of a "we care" programme, wherein the frontline staff are trained at booking office and airports in order to upgrade and improve the services offered to our passengers.

(d)&(e): Yes, Sir. Air India offers more capacity on economy class than on the first and executive classes, keeping in view the market trend on different routes.