



Bryan van der Beek



LOW-COST LEADERSHIP

AJAY SINGH



SpiceJet

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Managing director, SpiceJet

India’s SpiceJet has come through a phoenix-like turnaround from the brink of closure in 2014 to cement itself as one of the country’s premier low-cost carriers. It has reported 12 successive quarters of profitability in the process and full-year net profits of \$69 million and \$64 million in fiscal 2016 and 2017, respectively.

Helping the carrier’s turnaround is its chairman and managing director Ajay Singh, who returned to the fold in 2015. Under his leadership, SpiceJet has pursued a programme of measures related to network expansion, revenue enhancement, cost management, customer retention and improved employee welfare.

Today, SpiceJet is the third largest airline in India by domestic passengers with a market share of around 13%. It has maintained this position with the highest load factor in India of at least 90% for 34 months in a row.

In addition, the airline has modified its strategy to maximise revenue through high aircraft utilisation, while income growth is

backed by tactical pricing and dynamic revenue management.

For Singh, the turnaround has been personal, as he recounted to FlightGlobal: “A little bit of it was also emotional – it was a brand that I helped start and it was painful to see it fall into such disarray. I wanted to make sure the brand survived. SpiceJet was a brand that most people in the country already knew, and therefore, it would be relatively easy for me to take that brand forward [rather] than to start something else.”

The awards judges cite Singh’s leadership as a key factor in SpiceJet’s turnaround. “He’s achieved something which merits recognition,” one judge says.

Another judge adds: “To go to a company that was on the verge of collapse and turn it around in an Indian market where there is overcapacity... he’s done it. It’s a great story.”

SpiceJet now operates an average of over 400 daily flights to 51 airports, covering 44 domestic and seven international destinations from its hubs at Delhi, Kolkata, Mumbai and Hyderabad.

SpiceJet has also enhanced its network by launching 20 new domestic routes – some under India’s Regional Connectivity Scheme. More domestic links are planned, especially to tier-two and tier-three points.

In support of its ambitions, SpiceJet placed an order for 100 Boeing 737 Max 8 aircraft in January 2017 and revealed itself as the airline behind a previously unattributed Max 8 order. That took its total order to 155 Max 8s with purchase rights for 50 additional aircraft – including an option to convert some of those to widebodies – for a total of 205 aircraft.

SpiceJet also concluded a purchase agreement with Bombardier for up to 50 Q400s. The deal is the largest single order ever for the turboprop aircraft programme, valued at up to \$1.7 billion. On delivery, the airline will become the first in the world to operate a 90-seat turboprop, pending certification.

Flight Fleets Analyzer shows that it currently operates a fleet of 58 aircraft: 36 737s and 22 Q400s.

Aaron Chong

PAST WINNERS

2017 Jozsef Varadi, Wizz Air | 2016 Enrique Beltranena, Volaris | 2015 Aditya Ghosh, IndiGo | 2014 Ben Baldanza, Spirit | 2013 Carolyn McCall, EasyJet | 2012 Lance Gokongwei, Cebu Pacific | 2011 Aditya Ghosh, IndiGo | 2010 Michael O’Leary, Ryanair | 2009 Maurice Gallagher, Allegiant | 2008 Alan Joyce, Jetstar | 2007 Joe Leonard, AirTran Airways | 2006 Constantino de Oliveira Jr, Gol | 2005 Tony Fernandes, AirAsia | 2004 Phil Trenary, Pinnacle Airlines | 2003 Jim Ream, ExpressJet | 2002 Jerry Atkin, Skywest Airlines

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