

GoAir creates affordable comfort class

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AT a time when domestic airlines including full-service providers are trying to expand their low-cost operations, the Mumbai-based budget airline GoAir sees big potential in a business-cum-comfort format.

The Wadia group-promoted airline is selling the first two rows in its aircraft as 'business comfort class' offering only window and aisle seats to passengers. These passengers are given free in-flight meals at an additional cost of Rs 2,000.

The reason is purely business. "This segment has been growing at over 25 per cent. There are restrictions in some companies that employees only of certain levels can travel business class. We are trying to cater to those who want the comfort of business class without having to pay that much," Praveen Nair, general manager (sales), GoAir, said.

While other low-cost carriers such as IndiGO and SpiceJet have no such model, GoAir has been doing it for quite some time. Nair said a number of people preferred this offering as there was a huge cost advantage.

"They (travellers) have to shell out a flat Rs 2,000 for the comfort compared to Rs 14,000 for conventional business class travel, depending on the route and airline. This is one of the reasons for the surge in this format," he said.

The carrier has a load factor of a little over 70 per cent in its 182-seater A320 aircraft. It has a market share of 5.7 per cent. It carried 2.26 lakh passengers



Business sense

- The airline offers window and aisle seats of the first two rows as 'business comfort class'
- These passengers are given free in-flight meals at an additional cost of Rs 2,000
- The airline is on an expansion spree & has announced the addition of four new destinations

in August 2010.

The airline, which was in the news recently for a possible stake sale, is on an expansion spree. It has recently announced the addition of four destinations — Patna, Pune, Leh, Lucknow — and two new Airbus A320s to its network in the next two months.

Last week it received delivery of a new A320 aircraft. With the new aircraft in place, it aims to garner over seven per cent share in the next three months.

Nair said the carrier would promote the 'comfort class' more aggressively this year.

When contacted, both SpiceJet and IndiGo officials said that they had no immediate plans to get into this type of segment.

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