

EXECUTIVE PROFILE: SANJIV KAPOOR

Based in New Delhi, India, Alton Aviation Consultancy senior advisor Sanjiv Kapoor discusses airline recovery strategies, the market outlook for India and the year ahead.



With over 20 years' experience in the airline industry, Sanjiv has worked with carriers in Asia, Europe, and the US as part of management, as a management consultant, and as an investment advisor in the aviation space.

A native of Kolkata (Calcutta), India, Sanjiv received his BA from Dartmouth College, majoring in Computer Science and Government, and his MBA from Wharton (University of Pennsylvania).

Sanjiv started his aviation career in the US at Northwest Airlines in 1997, working within the finance, planning and procurement divisions. Thereafter, he held senior roles at Bain and Company – in Singapore, and subsequently in Dallas and London – as a leader in its airline practice, prior to returning to the airline business in 2010.

Sanjiv's most recent airline management role was Chief Strategy and Commercial Officer of Vistara (Tata – Singapore Airlines) from 2016 through the end of 2019, following his role as the Chief Operating Officer of SpiceJet, India's #2 low cost carrier, during its turnaround in 2014-2015.

Can you tell us a bit about your current role at Alton?

Within my role as senior advisor at Alton, my focus is on airlines and airports strategy, due diligence, performance improvement on both the revenue and cost side, organizational effectiveness, and turnarounds.

Can you tell us about your most recent experience before joining Alton as a senior advisor?

Immediately before I joined Alton as a senior advisor I was at Vistara, where I helped drive its growth from nine aircraft and 40 daily flights in 2017 to 41 aircraft and over 200 flights a day in 2019. This helped establish the airline as a leading revenue performer in India, and in the process, won several "Best Airline in India" awards and created a clear niche for a premium full-service "five-star airline" (as per Apex) in one of the most price-sensitive markets in the world. At Vistara, all traditional commercial functions as well as strategy, network planning, marketing and advertising, loyalty, digital strategy, ground services, inflight service, and cargo reported to me.

Prior to Vistara, I was the chief operating officer and de-facto chief executive officer at SpiceJet, India's second largest low-cost carrier. I led the company through its unprecedented turnaround from November 2013 until October 2015, shepherding the airline through a period of record high oil prices and a cash crunch, to a complete cultural and operational transformation, ownership change, and profitability within 15 months. In the process, SpiceJet fundamentally shook-up and changed the Indian airline industry and delivered a turnaround that was covered extensively in the media.

What is the market outlook in India for 2021 and beyond?

The Indian domestic aviation market has been recovering at a faster pace than most major markets, with capacity now at 70% of what it was pre-pandemic, and passenger numbers at around 50%.

I expect domestic aviation to be back to 2019 levels by the end of 2021, though the customer mix may be a little different – I anticipate that we will see less corporate flying and more people visiting family and friends or those travelling to and from their home for work.

However, the outlook for international travel is less positive. Thus far, only limited international travel has resumed through bilateral air corridors and is subject to many restrictions. I expect testing and quarantine requirements to carry on through most of this year which will continue to dampen demand, and I also predict that normal international scheduled flying will remain restricted for much of 2021.

There is a silver lining though for Indian and “home market” airlines as the new restricted bilaterals prevent 6th-freedom connecting carriers from carrying Indian passengers on connecting flights via their hubs. This will make long-haul flying more attractive and lucrative for carriers at both ends of the routes, and it explains for

example, why there has been such a sharp increase in non-stop flights between India and the US during the pandemic by US and Indian carriers.

Finally, cargo will remain a bright spot, not only for delivery of Covid-related supplies and vaccinations, but also because of the boost that e-commerce has received due to the pandemic. People are much more comfortable shopping online now, for items big and small. The sharp rise in, and adoption of, electronic payment methods has also helped drive this.

Compared to other countries, India’s aviation market has fared better than most during the Covid-19 pandemic, especially those west of India. India’s resilience and bounce-back has been second only to China.



What developments are you excited about seeing in the coming months?

There are three main areas that I am looking forward to seeing develop over the next few months. Firstly, the widespread rollout of vaccinations and “digital passports” for those vaccinated and immunized, as well as possibly for those who have recovered from Covid and are still in their immune period. This is something that would go a long way in restoring confidence in travel, especially if quarantine periods are much reduced or eliminated as a result.

Secondly, a move towards a newer approach to network planning, away from hub-and-spoke and more towards direct point-to-point. This is also exciting as it can open up opportunities for new players and eco-friendly aircraft types such as the Airbus A220 and the Embraer E2 series that are optimized for this approach.

Finally, a drive towards digitalisation, automation, and self-service and a permanent step away from paper. This will be very welcome in a place like India where the love of filling paper forms, of manual handling, and of rubber-stamping has been hard to shake-off.