

FROM THE FLIGHT DECK

‘Workforce diversity helps to create memorable experiences for our customers.’

Interview with Pieter Elbers, CEO, IndiGo



Pieter Elbers, CEO, IndiGo

Pieter Elbers is the new poster boy of civil aviation – being in the industry for over 30 years and currently heading one of the fastest growing airlines in one of the largest aviation markets in the world. Prior to joining IndiGo in September 2022, he was the President & CEO of KLM. After starting his career in KLM as Manager, Aircraft loading, he went on to hold various key managerial positions in The Netherlands, Japan, Greece and Italy. He was promoted to COO in 2011 and President and CEO in 2014. Pieter has a bachelor’s degree in Logistics Management and a master’s degree in business economics, and has completed various executive programs at IMD, Lausanne and Columbia University, New York. Recently he was also made the 82nd Chair of the IATA Board of Governors, succeeding RwandAir CEO, Yvonne Makolo Manzi.

In this exclusive interview to AirWaves, the AirlinePros international newsletter, Pieter talks about the change that awaited him as he made his move from a European carrier to an Asian one, his plans for IndiGo, tackling skill shortage, sustainable fuel, and agenda as the new Chair of the IATA Board of Governors.

Pieter, you come from an airline with a history of over a century to join one less than 20 years old – with a different history, culture, and workforce ethics. How did you find the change?

As you rightly said, it is a multi-faceted change, not just in the airline but also the geography, demography, and the culture it operates in. Residing in a country that is headed towards becoming the third largest economy in the world, is professionally very enthralling. The vast geography allows us at IndiGo to take advantage of the strong domestic demand by

strengthening connections within India, while the aspirations of Indian travellers are helping us expand to newer international shores.

Moreover, the rich Indian culture, juxtaposed with a diverse workforce at IndiGo helps us in creating memorable experiences for our customers. It is intellectually and culturally stimulating to be a part of this environment with a young but foundationally strong airline. I feel honoured and humbled, to be a part of India's most preferred carrier, flying towards new heights and across new frontiers!

There is alignment between the goals of Indian aviation sector and the goals of development of the country as a whole,' as you have said. This means an alignment between where IndiGo is going and where India is headed to. As the largest domestic carrier, surely this must be some responsibility.

The Indian aviation industry has seen a rapid resurgence in travel, and we're excited to be a part of this bustling space. The domestic air passenger traffic is likely to have witnessed an annual growth of 13% to grow to 154 million in 2023-24. With only 10% of the 1.47 Bn population currently travelling by air, we believe that there is enormous potential for train travellers to upgrade to air travel. We are committed to giving wings to India's spirit and aspirations by building a strong domestic and international connectivity and providing increased accessibility at affordable fares.

Can you afford to stick to your low-cost model when it comes to launching long-haul routes? Would you say travellers' requirements are different when they travel long haul – do fliers value convenience or comfort over cost?

Indian consumers who comprise a majority of our customer base, are still very conscious of price and value offered by an airline. IndiGo's growth strategy is enabled by delivering an affordable, efficient, and convenient product to a continuously increasing number of customers. Having said that, we remain adaptable to the changing needs of our customers and maintain the flexibility to make decisions accordingly.

What opportunities and challenges have you identified in the USA and Canada? Do you have any plan to fly across the Atlantic using own metal at any point?

We are focused on expanding our network, both in our home market as well as overseas. Over the past year, we have successfully grown our international network across Europe, Central Asia, Middle East, South-East Asia, and Africa. Through our codeshare with Turkish Airlines, we have expanded our network with seamless access to New York, Boston, Chicago, and Washington via Istanbul. We don't have plans to fly to USA or Canada directly, also given that these routes can be operated on wide-body aircraft that is not on our radar as of now.

One major problem facing airlines globally is skill shortage. Your 500-plane order takes your total number of pending equipment to over 1300. How do you ensure enough skilled manpower?

The Indian aviation market is a promising and dynamic industry with tremendous potential waiting to be unlocked. With a burgeoning middle-class and a young population, the industry is poised for growth as there is an increasing propensity to travel.

We recognize that the industry is at a stage where it is rapidly expanding, and we are committed to meeting the demand by tapping into the pool of skilled manpower available in the country. We believe that by leveraging the talent and expertise of our workforce, we can continue to drive innovation and deliver exceptional services to our customers. We have



IndiGo - Amongst the lowest CO2 emitting airlines in the world!

established strategic partnerships with leading flight schools and have invested in comprehensive learning and development programmes, and a state-of-the-art training centre, ifly, to groom industry leading aviation professionals.

How do you rate your 6E Rewards Program? How is your loyalty program launch going? Can your customers expect an announcement soon?

Our 6E Rewards program is progressing well, and we have announced partnerships with various brands to offer accelerated reward points. Additionally, we are working on a comprehensive program to launch our full-fledged loyalty program in the near future. We will announce the launch once we are ready. At IndiGo, we remain committed to providing our customers with the best possible travel experience.

As the largest player of a country on the threshold of becoming one of the biggest aviation markets in the world, tell us what you think of net zero by 2050. Is it possible? What are the main challenges you foresee?

As IndiGo, we understand our responsibility to reduce our impact on the environment and have made sustainability a top priority in our operations.

- We have been investing in a new, more energy-efficient fleet. We are replacing the older generation Airbus CEOs with NEO aircraft, which have the potential to reduce fuel usage by 15%. In FY 2023, our A320 NEO family aircraft helped avoid over 1 million tons of CO2 emissions.
- We are also committed to introducing Sustainable Aviation Fuel (SAF) in our long-term decarbonization plan. To address SAF's availability, we have signed a Memorandum of Understanding with the Indian Institute of Petroleum and are engaged with oil marketing companies.

At IndiGo, we are proud to be the first airline in India to work towards good governance and an overall improvement in environmental and social performance. We are amongst the lowest CO2 emitting airlines in the world and remain fully committed to enhancing sustainability in our operations.

IndiGo was named the 'Airline of the Year' at the Air Transport Awards 2024. Among the fastest growing airlines in the world, you are flying from strength to strength. What is the next milestone in the horizon?

We are excited to receive the 'Airline of the Year' award, which is a testament to our ambition of giving wings to the nation. We recently created history by becoming the first Indian airline to carry 100 million passengers in 2023. This development further cements IndiGo's standing among the top 10 largest airlines in the world by passenger traffic.

IndiGo is committed to expanding the capacity and meeting demands of passengers. As we plan for the upcoming FY25, the investments we are making in people, planes and infrastructure will ensure that we are well-positioned for a strong future growth. IndiGo aims to double in size by 2030 with new domestic and international routes as well as destinations.

AirlinePros has been by your side supporting your progress and foray into new markets, North America in particular. We have come a long way together. How do you think this journey has been so far?

Our journey together thus far has been fruitful, and we look forward to continuing to work with AirlinePros as we expand our reach and provide even more travel options for our customers. We are confident that our partnership will continue to flourish and develop over time, and we are thrilled about the opportunities that await us in the future.

Congratulations on your appointment as the Chair of IATA's Board of Governors. You have taken over from the illustrious Yvonne Manzi Makolo, CEO, RwandAir. You had earlier on the BoG between 2016 and 2022 while you were KLM's President. Today you are the 82nd Chair. What is on your agenda?

It is indeed an honor to assume this role at a time when India is emerging as one of the world's largest and fastest growing civil aviation markets and evolving into a formidable force within the airline industry. Adhering to IATA's legacy of aviation as a force for good, we will continue in our focus of highlighting the benefits of aviation in building connections, augmenting trade, tourism, and mobility. At the same time, it is imperative we persist in our commitment towards a more diverse, equitable, inclusive, and a more sustainable aviation industry, creating positive change for generations to come.

