



## In-Flight Market Place: An Innovative Marketing Strategy

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### Abstract

Aviation industry is at the rampage in India. There is huge potentiality for the aviation sector in India as the percentage of people travelling by air is increasing day by day because of economic growth and opportunities. The open sky policy followed during the peak season in the last decade opened the eyes of the Government to the existence of a huge untapped market and led to a gradual shift in the policy from protection of Air India's interests to meeting the requirements of the national economy. Major changes could be observed in the areas of airport infrastructure and skilled human resources, while pricing remains enviably low, there by attracting huge number of passengers. As per 2014 reports of Ministry of Civil Aviation (MOCA), four million international passengers and ten million domestic passengers are travelling on an average every month in India by flight from 22 International airports, 7 Custom airports and 17 Domestic airports. The figures seems to be more attractive for marketers to market their products not only for elite class customers but also for the middle class segment. Especially the manufacturers of speciality goods made MoU's with specially air line operators. However marketing products 30,000 feet above sea level is definitely a different experience for the customers. Now the marketers are having brain storming session to make their in-flight marketing more effective. It is at this juncture, a study on in-flight market place has been conducted.

**Key Words:** Innovative Marketing, In-Flight Marketing, Innovative Market Place, In-Flight Market Place, Marketing 30,000 feet above sea level.

**Introduction:** Aviation industry is at the rampage in India. There is huge potentiality for the aviation sector in India as the percentage of people travelling by air is increasing day by day because of economic growth and opportunities. The open sky policy followed during the peak season in the last decade opened the eyes of the Government to the existence of a huge untapped market and led to a gradual shift in the policy from protection of Air

India's interests to meeting the requirements of the national economy. Major changes could be observed in the areas of airport infrastructure and skilled human resources, while pricing remains enviably low, there by attracting huge number of passengers. India's civil aviation industry is on a high-growth trajectory. India aims to become the third-largest aviation market by 2020 and the largest by 2030. The Civil Aviation industry has ushered in a new era of expansion, driven by



factors such as low-cost carriers (LCCs), modern airports, Foreign Direct Investment (FDI) in domestic airlines, advanced information technology (IT) interventions and growing emphasis on regional connectivity. India is the ninth-largest civil aviation market in the world, with a market size of around US\$ 16 billion. "The world is focused on Indian aviation – from manufacturers, tourism boards, airlines and global businesses to individual travellers, shippers and businessmen. If we can find common purpose among all stakeholders in Indian aviation, a bright future is at hand," said Mr. Tony Tyler, Director General and CEO, International Air Transport Association (IATA).

As per 2014 reports of Ministry of Civil Aviation (MOCA), four million international passengers and ten million domestic passengers are travelling on an average every month in India by flight from 22 International airports, 7 Custom airports and 17 Domestic airports. The figures seems to be more attractive for marketers to market their products not only for elite class customers but also for the middle class segment. Especially the manufacturers of speciality goods made MoU's with specially air line operators. However marketing products 30,000 feet above sea level is definitely a different experience for the customers.

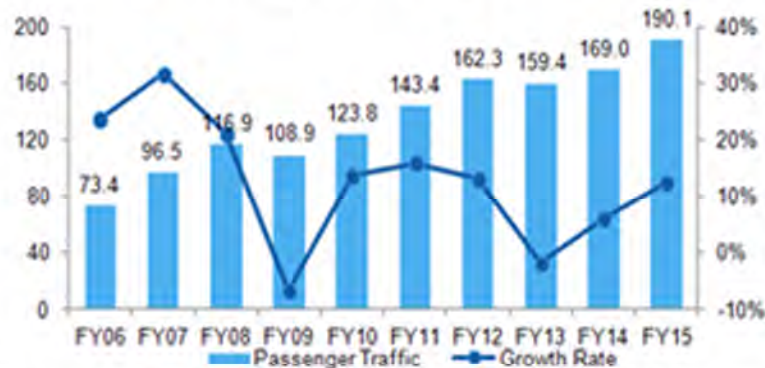


**Need for Study:** In India, during second quarter of 2015, domestic air passenger traffic surged 21.5 per cent to 20.12 million from 16.57 million in the corresponding period a year ago. Over the next five years, domestic and international passenger traffic are expected to increase at an annual average rate of 12 per cent and 8 per cent, respectively, while domestic and

international cargo are estimated to rise at an average annual rate of 12 per cent and 10 per cent, respectively. Looking at this huge growth and potentiality in number of prospective customers, now the marketers are having brain storming session to make their in-flight marketing more effective. It is at this juncture, a study on in-flight market place has been conducted in Anantapur District of A.P.



## Passenger Traffic in FY15



Source: Association of Private Airport Operator, TechSci Research ;  
Notes: CAGR – Compound Annual Growth Rate, FY – Indian Financial Year (April – March)

**Objectives of the Study:** The main objective of the study is to find the awareness levels towards In-Flight Market Place among the airline passengers in Anantapur District of A.P. The focus is on the following

To study the awareness levels of airline passengers towards In-Flight marketing.

**Primary Data:** Primary data has been collected through structured questionnaire.

**Secondary Data:** Data and information has been collected from Primary as well as Secondary sources. The secondary data has been collected from Books, Journals, Magazines, Business Newspapers, World Wide Web etc.

**Area Selection for Primary Data Collection:** Anantapur District of Andhra Pradesh has been selected for the study.

**Sampling Design:** As the universe of the study is entire Anantapur District. A

**Limitations of the Study:**

Sampling technique employed is convenience sampling, hence the

To examine the socio economic profile of the respondents.

To study the satisfaction levels with regard to In-Flight marketing and

To offer suitable suggestions for further improvement of In-Flight market place.

### Methodology of the Study

Sample of 100 respondents has been collected for the purpose of the study.

After elimination of partially filled questionnaires, the resultant sample size is 90 respondents.

**Scope of the Study:** The present study aims at analyzing the awareness levels of airline passengers in Anantapur District towards In-Flight marketing.

Hence, the scope of the present study is confined to the study of awareness levels of airline passengers towards In-Flight marketing in Anantapur District of Andhra Pradesh only.

findings cannot be true representative of the actual population.

There is a possibility of bias crept in the answers given by the respondents.



The study is confined to Anantapur District of A.P.

**Data Analysis and Interpretation**

**Table 1: Travel by Airlines**

	Travelled by Airlines	Not Travelled by Airlines	Total
Number of Respondents	90	00	90
Percentage of Respondents	100%	00%	100%

Source: Field survey

It can be inferred from the above table that, 100% of the respondents have travelled by airlines.

**Table- 2: Awareness towards In-Flight Marketing**

	Fully Aware of In-Flight Marketing	Partially Aware of In-Flight Marketing	Not Aware of In-Flight Marketing	Total
Number of Respondents	47	32	11	90
Percentage of Respondents	52.22%	35.55%	12.22%	100%

Source: Field survey

It can be inferred from the above table that, 52.22% of the respondents are fully aware of In-Flight marketing activities, 35.55% are partially aware and 12.22% are Not aware of In-Flight marketing activities.

**Table-3: Educational qualifications**

	Up to XII class	Graduate	Post Graduate / Professionals	Total
Number of Respondents	27	41	22	90
Percentage of Respondents	30.00%	45.55%	24.44%	100%

Source: Field survey

It can be interpreted from the above table that, majority of 45.55% of the respondents are graduates, 30.00% of the respondents have studied up to XII class and 24.44% of the respondents are Post Graduates / Professionals.

**Table 4: Occupation of the respondents**

	Professional	Business	Employee	Home Makers	Others	Total
No of Respondents	13	21	34	15	7	90
Percentage of Respondents	14.44%	23.33%	37.77%	16.66%	7.77%	100%

Source: Field survey



It can be observed from the above table that, out of the respondents, 37.77% are employees, followed by 23.33% of the respondents are business people, 16.66% of the respondents are home makers, 14.44% of the respondents are professionals and 7.77% of the respondents are others.

Table 5: Purchases by respondents at In-Flight Market Place

	Purchased	Not Purchased	Total
Number of Respondents	51	39	90
Percentage of Respondents	56.66%	43.33%	100%

Source: Field survey

It can be concluded from the above table that, majority of 56.66% of the respondents have made their purchases at In-Flight market place and 43.33% of the respondents have not made any purchases.

Table No. 6: Type of item purchased

	Consumable	Speciality Good	Total
Number of Respondents	38	13	51
Percentage of Respondents	74.50%	25.50%	100%

Source: Field survey

It can be concluded from the above table that, among the respondents who made purchases at In-Flight market place, 74.50% have purchased consumables like food items; drinks etc. and 25.50% of the respondents have purchased speciality goods.

Table 7: Satisfaction level towards the purchases made at In-Flight market place

	Highly Satisfied	Satisfied	Dissatisfied	Total
Number of Respondents	17	21	13	51
Percentage of Respondents	33.33%	41.17%	25.49%	100%

Source: Field survey



It can be understood from the above table that, among the total respondents who made purchases through In-Flight market place, 41.17% of the respondents are satisfied followed by 33.33% of the respondents are highly satisfied and 25.49% of the respondents are dissatisfied.

**Suggestions:**

Awareness has to be created among the airline passengers about In-Flight market place. Products of customers' priority should be made available at the In-Flight market place. Price of the products sold at the In-Flight market place should be reduced to increase the

demand and to convert non users. Measures should be taken to ensure the quality of products at the In-Flight market place and procedure need to develop for addressing the Customer grievances at In-Flight market place.

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