

Som-Lalit Institute of Management Studies

Subject: Entrepreneurship

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In-An Airlines

In the year 1989, the CARTA company established In-An Airlines. The facility was available for both domestic and foreign services at the same time. The fantasy of flying in an In-An flight was shared by everyone. There was only one company that was at the forefront of the aviation business in 2002, and that company was In-An Airlines. Up till the year 2002, the airlines had more than 111 aircraft, 11 of which were Airbus aircraft. It had more than 5 lakhs of consumers who were happy with it. In the same year, the company began offering services for hired passenger planes. There were a great number of competitors who desired to enter the sector; however, they were unable to do so because of the popularity of In-An airlines and the trust that customers had in them. In 2004, a flight operated by In-An Airlines that was traveling from Mumbai to Dubai was hijacked, which marked a significant turning point in the company's history. For the entire aviation industry, this was of the utmost importance. In-An Airline was negatively affected because of this. In addition, one of the passengers passed away while they were traveling. A great number of inquiries concerning safety precautions were raised. People ultimately turned their backs on the World-Famous Airlines and lost their trust.

It was discovered that the new management of the company had been involved in certain fraudulent actions after the company's management had been replaced. It was a perfect chance for other competitors who were prepared to enter the market with novel techniques, and they wanted to take advantage of it. Dyno Airlines, which was In-An Airlines' very first competitor, re-entered the market with massive promotions and a variety of marketing methods. This made it extremely challenging to maintain a presence in the industry.

Q.1. What were the causes of the failure of In-An Airlines?

Q.2. Give the suggestions for the revival of the business?

Q.3. What should be the exit strategy of this business?