

30/12/2002

AirAsia makes flying affordable to everyone

WHEN AirAsia's chief executive Tony Fernandes was interviewed, the airline office had jazz music playing.

There was an air of freedom in the fast-rising airline's operations. Creativity has no boundaries there it seems. Hardly surprising, for all of them who gathered one day more than a year ago to turn AirAsia into the increasingly strong market player it is today started out in the music business, where creativity was the name of the game.

Fernandes himself seemed a relaxed person. His office indicates that he conducts his business away from the desk more often. "I am a hands-on person," he said.

New ideas are always welcome at AirAsia, Fernandes knowing too well that many organisations, including airlines, have faltered because they refused to veer from the norms and explore uncharted territories.

Two years ago, no one would have thought that he or she could fly from Kuala Lumpur to Kota Baru in the East Coast for RM38 one way. Who would have, for that would have been cheaper than even travelling by car.

Historically in Malaysia, flying has been for the middle-class upwards. The rest either travel by car, bus, taxis or simply don't travel at all.

When Fernandes sat down with his associates to form Tune Air, a holding company which eventually took over AirAsia from motoring group DRB-HICOM, the question they asked was what was it that people wanted.

Some wanted to travel in style, made reservations at airline offices, obtained tickets, checked in at the counters and served meals on board. Others wanted just to get from one point to another.

That was the market Fernandes and his associates set their eyes on. Do away with the tickets, the meals, the counter check-in procedures and an airline would save money.

Transfer the savings to the passengers by cutting the fares and they will come in numbers. It worked for Ireland's RyanAir, US's Southwest Airlines and Jet Blue. They saw no reason why it would not work here.

Fernandes, however, remains modest about what the airline has achieved so far. "There is still a long way to go. One year is too short a time to mean anything much. A decade maybe would more truly reflect our operations," he said.

The chief executive has high regards for Prime Minister Datuk Seri Dr Mahathir Mohamad. He initially thought AirAsia would not receive the Government's support in starting its business.

The national carrier, Malaysia Airlines, was at the time undergoing a massive restructuring and with the Government holding a stake in it, Fernandes thought AirAsia would have to take the backseat.

"But ours is a progressive government and the Prime Minister is a visionary leader. He actually understood our business model and thought it would work. That removed my only doubt then," he said.

Today, Fernandes has proven some of his initial doubters wrong. But, more importantly, he loves the fact that AirAsia is a truly Malaysian company.