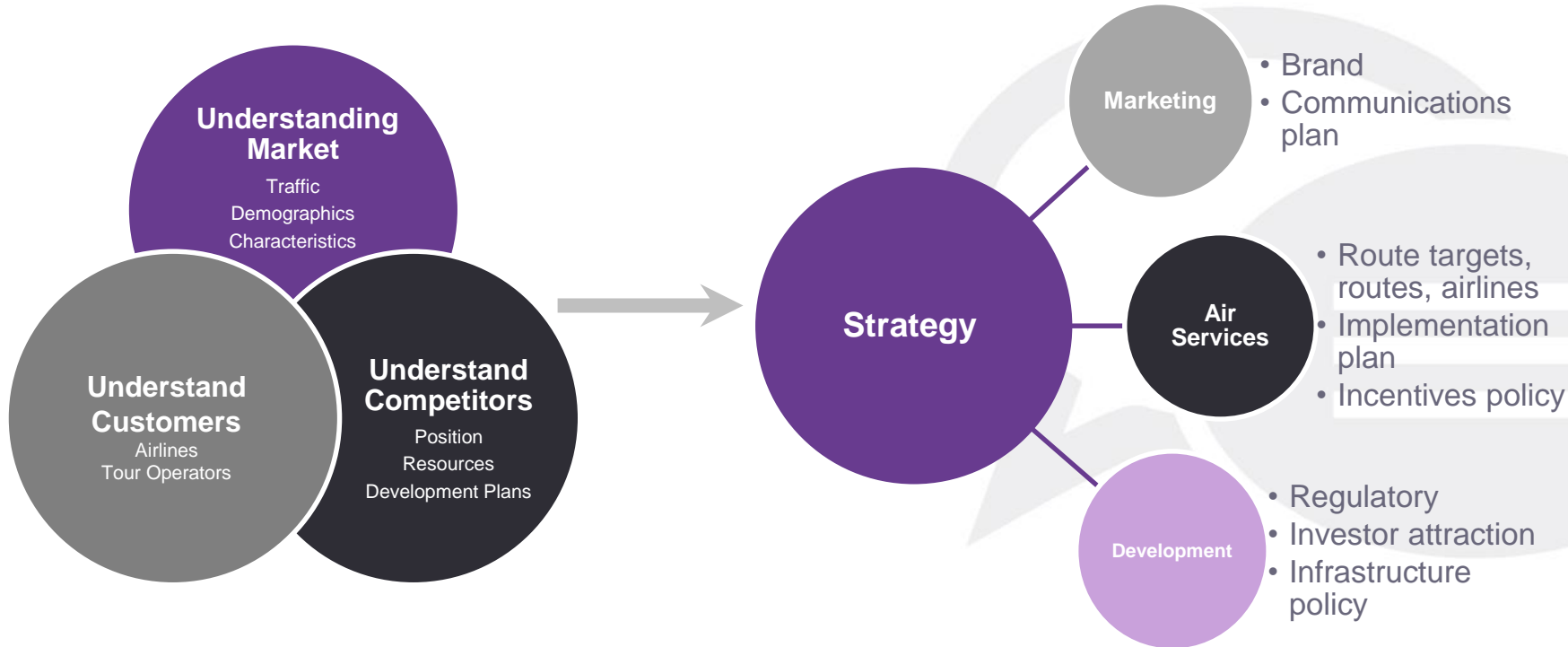


# THE FUNDAMENTALS OF ROUTE DEVELOPMENT

UNDERSTANDING YOUR MARKET

MODULE 2



# ROUTE DEVELOPMENT FOUNDATIONS

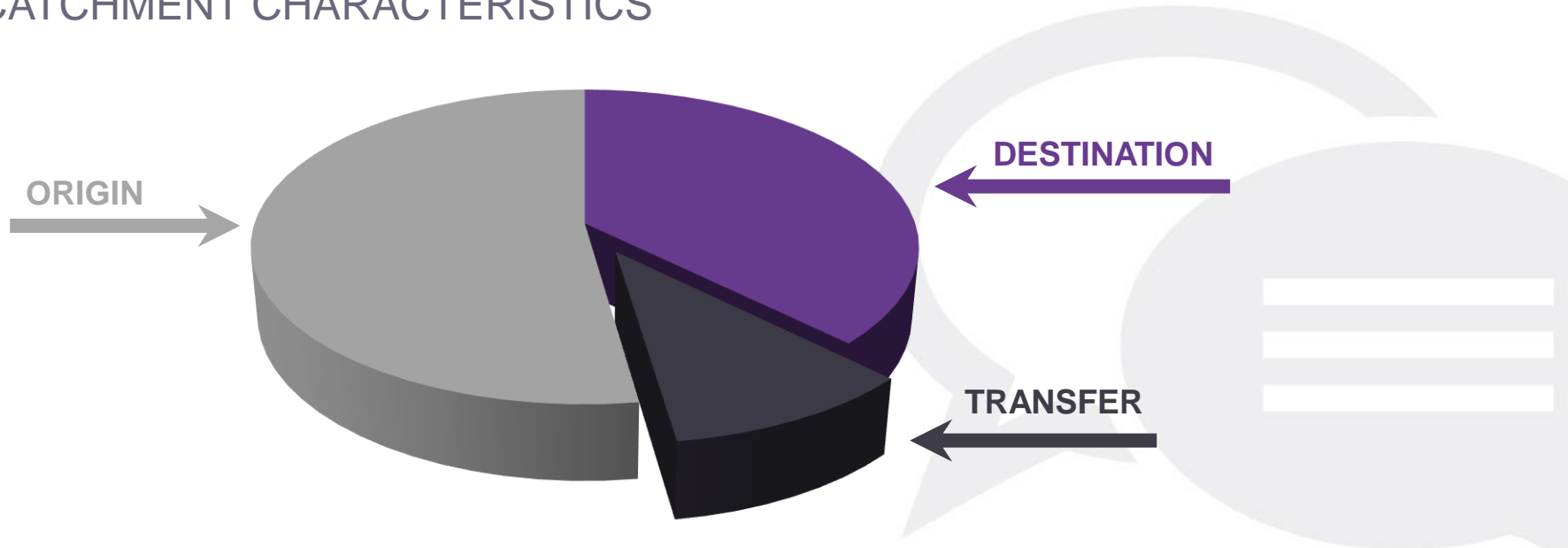
WHAT MARKET DO YOU SERVE?

### WHAT IS YOUR AIRPORT/DESTINATION SELLING TO YOUR CUSTOMERS?

- Access to profitable markets
- Assistance in meeting strategic objectives
- Cost efficiencies
- Opportunity to beat competition
- A centre for long term investment through growth



## CATCHMENT CHARACTERISTICS

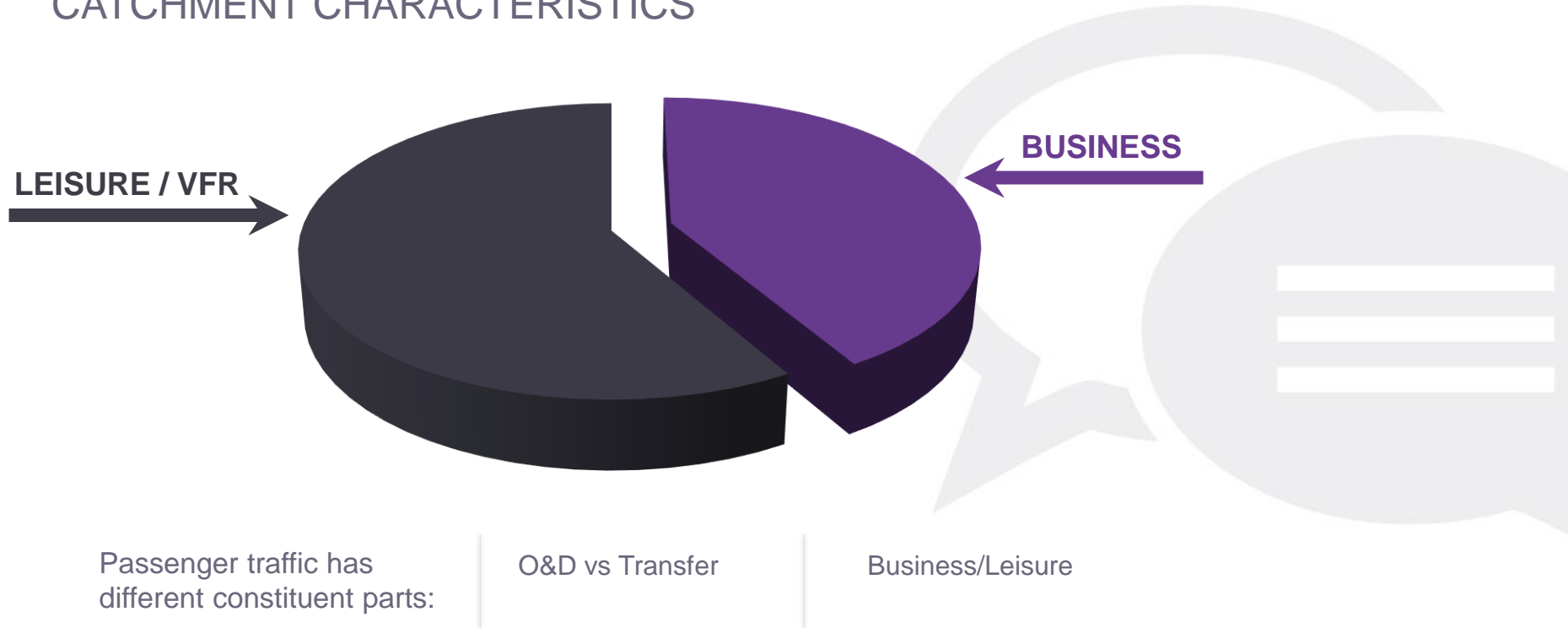


Passenger traffic has  
different constituent parts:

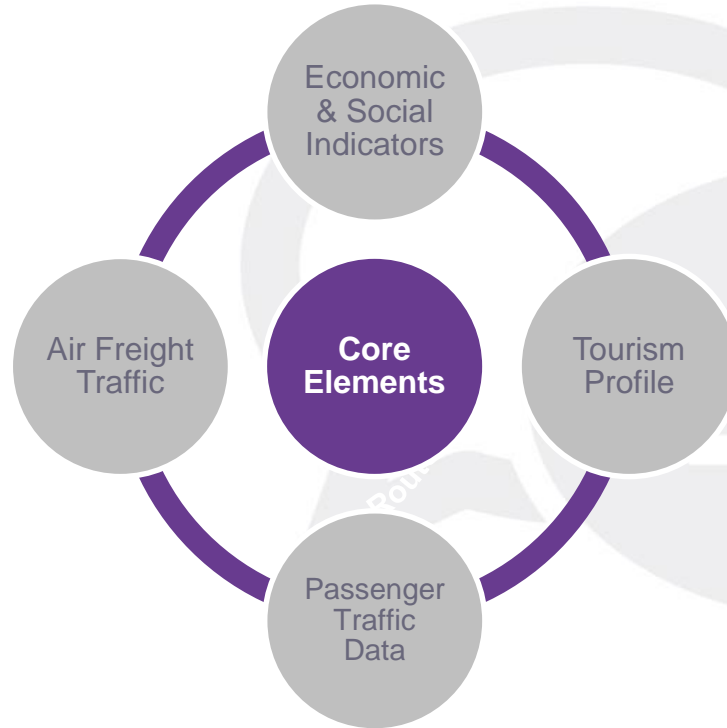
O&D vs Transfer

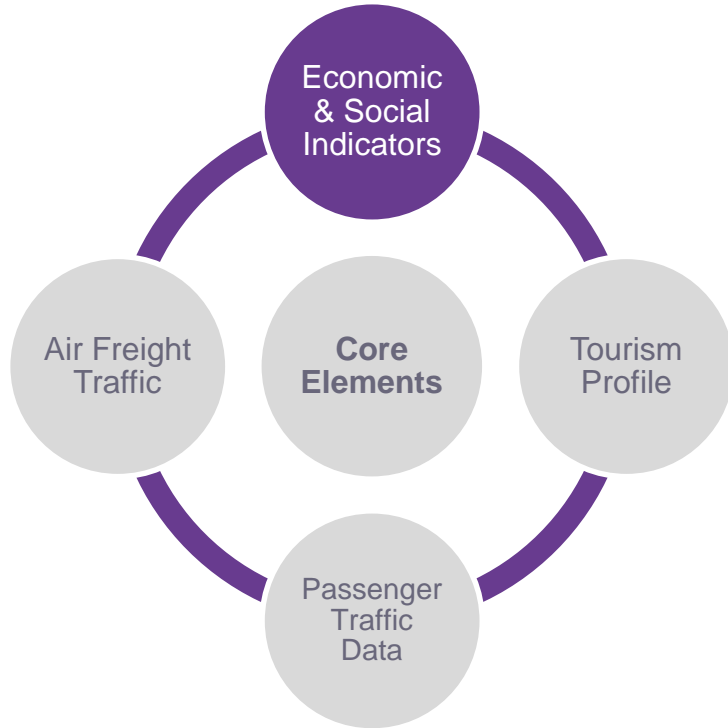
Business/Leisure

## CATCHMENT CHARACTERISTICS



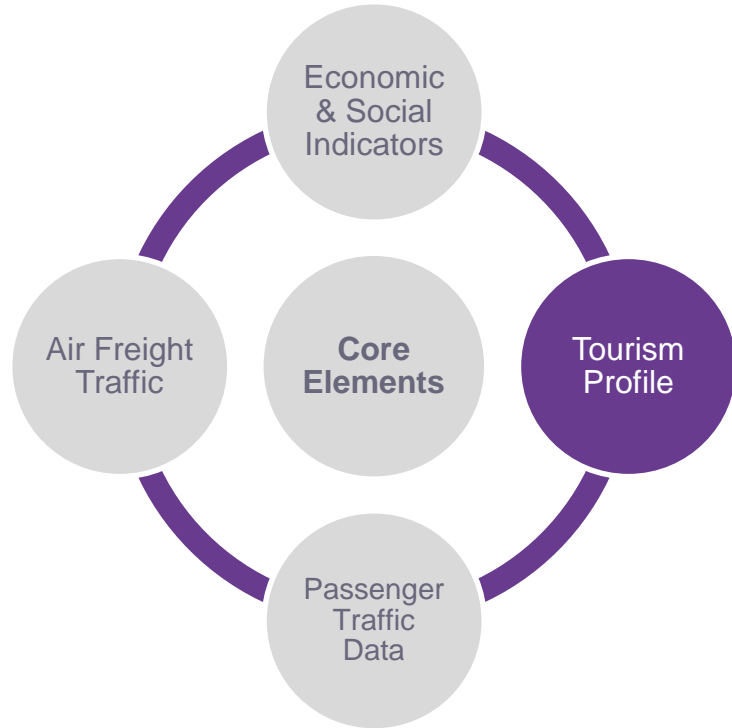
Quantifying the market could involve aspects other than hard and fast passenger traffic volumes



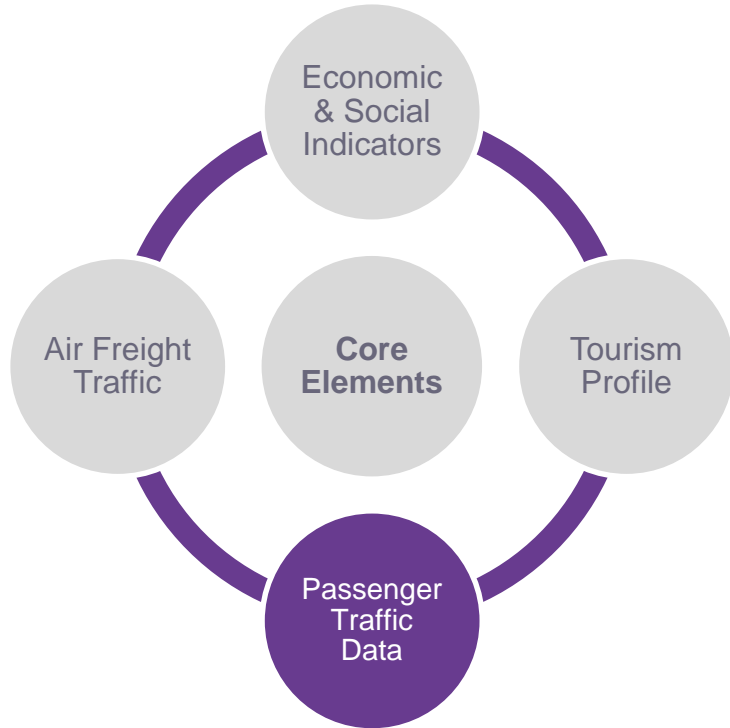


- **Corporate travel potential** – how many, how often, where to and currently who with?
- **Employment sectors** e.g. IT, pharmaceuticals – good for air travel, automotive – poor
- **Forecast economic growth rates** – propensity for air travel is influenced significantly by ‘economic wealth’ – how do you compare with the competition?
- **Commercial/economic ties** with target route destination
- **Main exports/imports** – trading partners
- **Population trends** – more people, more passengers!





- Catchment area tourism indicators
- **Origin/nationality** of visitors
- Number of **bed nights**
- Unique **leave patterns**
- Events, festivals, places of interest
- Demographics: ethnic ties generate **VFR traffic**
- Sources: PATA, WTO, your local tourism board...



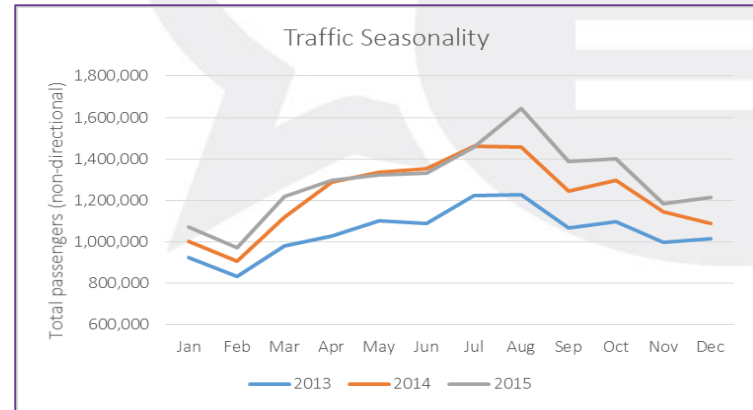
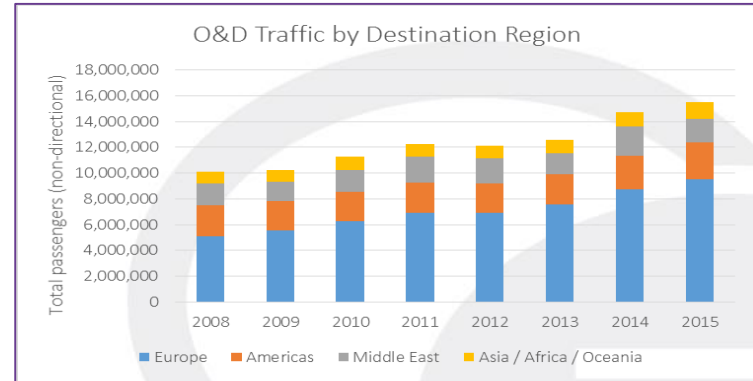
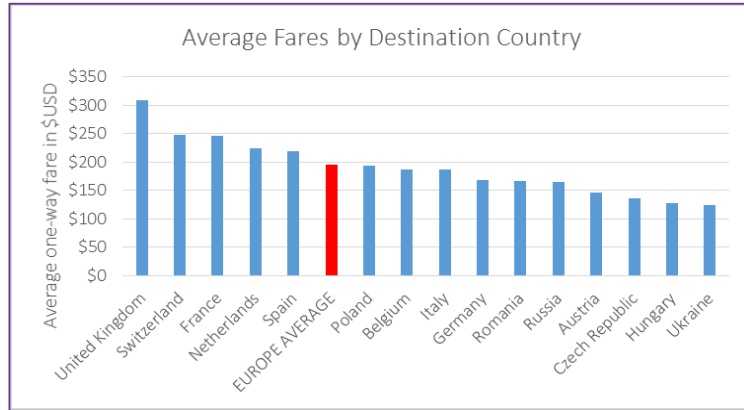
Source	Limitation
Government statistics: Free sources of information on route specific traffic Examples: EU Stats, US BTS, Australian BTRE, UK CAA, German Destatis, Mexico DGAC, Indian DGCA, numerous airport websites	<ul style="list-style-type: none"> <li>• Often hard to obtain in detailed and consistent form</li> <li>• Not necessarily by flight type (scheduled/charter)</li> </ul>
ICAO traffic by specific carrier/route, incl. load factors	<ul style="list-style-type: none"> <li>• Only ICAO carriers</li> </ul>
IATA BSP, MIDT sources from GDS and derived products Examples: Sabre Market Intelligence, IATA AirportIS, Amadeus Travel Intelligence, OAG Traffic Analyser, Travelport	<ul style="list-style-type: none"> <li>• IATA-limited USA coverage</li> <li>• MIDT needs calibrating and China not captured (TravelSky GDS not available)</li> </ul>
Airport data	<ul style="list-style-type: none"> <li>• Car park, retail transactions.</li> </ul>
Airport Passenger Surveys	<ul style="list-style-type: none"> <li>• Expensive to obtain</li> <li>• Sample data only</li> </ul>

**Remember:** If you can't get data at one end – look at the other!

# PASSENGER TRAFFIC DATA - EXAMPLES

## MODULE 2

- O&D traffic volumes, trends and seasonality
- Revenues, fares / yields, top markets, hub traffic, connection gateways, pax origin, etc.
- Directionality: predominantly outbound or inbound traffic?
- Indirect traffic by gateway/transfer airport
- Flying from your airport to another and connecting onwards



# ROUTE SPECIFIC DATA

## MODULE 2

- Analyse O&D traffic trends and seasonality
- But also: Type of traffic, airline revenues, fares & yields, top markets, hub traffic, connection gateways, pax origin, etc...

ASM World route development consultants

**Dest**  
 A... B... CFL OST Z... ZYR  
 A... A... AAL A... A... ABJ  
 A... A... A... A... A...  
 0 0 0 0 0 0

**DestName**  
 Brussels Ostend 0  
 Aalborg Aalesund Aarhus  
 Aberdeen Abha Abidjan  
 0 0 0 0 0 0

**DestCountry**  
 Albania Armenia  
 Austria Belarus  
 Belgium Bosnia-Herzegovina  
 Bulgaria Croatia

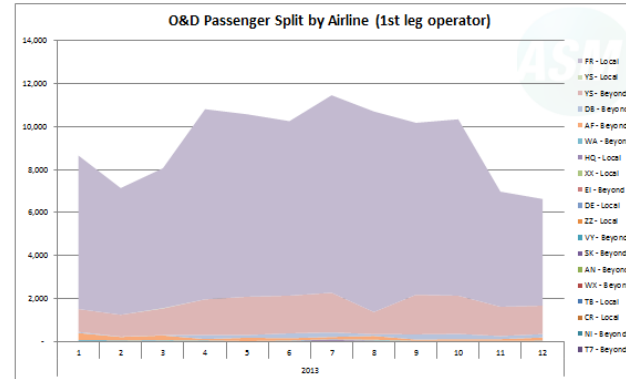
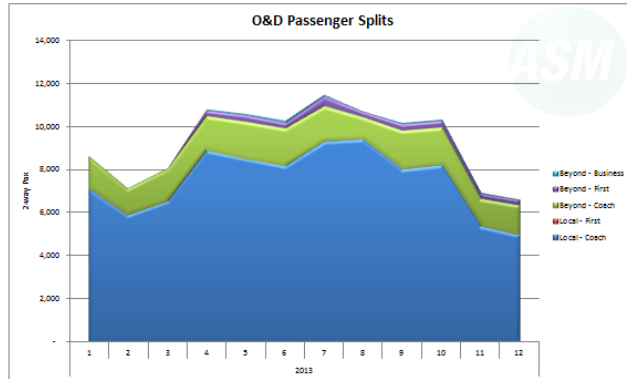
**DestRegion**  
 Europe Africa Asia  
 Caribbean Central Am... Middle East  
 North Ame... Oceania South Ame...

**Airport**  
 XXX YYY ZZZ

**Segment Type**  
 Beyond Local  
 Behind Bridge

**CabinClass**  
 Business Coach  
 First

**Year**  
 2013



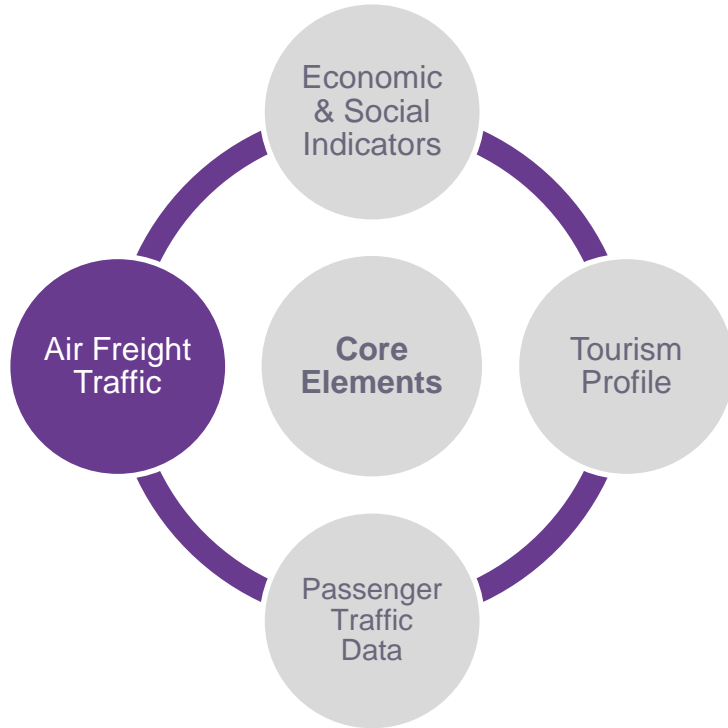
RouteType O&D

Year	Month	SegmentType		CabinClass		Local Total	Beyond Coach	Beyond First	Beyond Business	Beyond Total	Grand Total
		Local	Coach	Local	First						
2013	1	7,144				7,144	1,508		2	1,508	8,652
2013	2	5,839				5,839	1,243		3	1,243	7,142

RouteType O&D

Year	Month	Local	Car1 RF	SegmentType RF Total	AT	Beyond
2013	2					

[Glossary](#)
[Traffic Mix](#)
[O&D Passenger](#)
[O&D Revenue](#)
[O&D Fares](#)
[O&D Fares Benchm](#)
[Top O&D by Country](#)
[Top O&D by City](#)
[Top O&D by Airport](#)
[Hub by Country](#)
[Hub by City](#)



- Industry requirements
- Access links
- Consumer habits/tastes
- Directionality trends
- Economic mix
- Meet/interview **freight forwarders**

**Belly cargo can make the difference between profit and loss on certain routes!**

### **Off-the-shelf products:**

- **IATA** (air cargo manifests only)
- **Sabre AirVision Market Intelligence** (air, sea, truck manifests – 53 countries)