Düsseldorf on the hunt for more long-haul connectivity

Interview: Thomas Schnalke, CEO Düsseldorf Airport
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CLOSER TO CENTRAL EUROPE

Ivana Bohucka, Airlines strategy director, Pelikan.sk

Four countries, one market: Together with Vienna Airport, the online travel agency Pelikan.sk ensures a perfect connection between Slovakia, the Czech Republic, Hungary and Austria. And both business and leisure travellers trust their regional market expertise and know-how, and reap the benefits of this unique offer. Vienna Airport is within easy reach and the perfect gateway between Central Europe and the world.

viennaairport.com/closerto
With the upcoming Standard 3 deadlines, airports across Europe are evaluating which explosive detection systems (EDS) meet their detection and throughput needs. Top concerns to address: unprecedented passenger loads combined with increased security threats.

“When we take customers through a test scenario, the number one question they ask is around speed and the ability to screen more bags with a specific machine,” explains Jimmy Dickerson, EDS Product Application Manager, Smiths Detection. “Can we run at a half a metre per second and maintain all of the performance characteristics that we could with our point two and point three metre per second machine?”

“The big concern is volume and if increasing the speed degrades our system performance in any way. Testing has proven it does not at all,” points out Sally Nordeen, Senior Director of Global EDS, Smiths Detection. “In fact, a big differentiator is that at all the speeds, a decision on the bag is made before it leaves our machine – maximising space efficiencies with the baggage handling system.”

For many airports where space is a premium, this is a big win. Which is why selecting an EDS provider experienced in Standard 3 implementation is critical as they’ll be adept at addressing specific needs and constraints.

“Our role is to work with the customer, identify their needs, and recommend the best system at whatever speed will help them achieve their throughput requirements and overall operational efficiencies,” says Nordeen.

Overall cost of ownership is another factor customers review when determining what types of systems to put in. A well-maintained EDS scanner should last 15 years or more. This makes it important to look at a partner offering a scalable platform that can easily be upgraded as compliance and throughput needs continue to evolve. Questions airports should ask prospective suppliers: Does their system have the bandwidth and headspace to expand and grow as needed? How do they handle upgrades in a live, networked environment? Can they be done in the field to minimise disruption?

Finally, any EDS supplier should provide a proven track record of service quality. What preventative maintenance programmes are in place to further optimise performance of the security equipment? How are issues communicated, addressed or resolved?

“Proactive service personnel with access to a global supply chain network better ensure quick response and resolution times. Which all comes back to experience. Experience with the technology and experiencing solving problems as they arise. “We have a deep understanding of the technology and have integrated our machines into any operating environment you can imagine. From parking lots to mezzanines, stand-alone units to multi-terminal, multi-airport implementations,” concludes Nordeen. “Years of designing, engineering, manufacturing, and servicing EDS has created expertise valued by our customers. An expertise that helps us provide a better product and better service overall.”

Key criteria for selecting your Standard 3-EDS supplier

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For more information on our Standard 3-approved CTX EDS offerings, visit morphodetection.com/acieurope
On 14 June, at our 27th General Assembly in Paris, I will pass the baton as President of ACI EUROPE to my successor. Looking back at the past 2 years, it is quite striking to see how our environment has changed. The ultimate legacy of the Global Financial crisis has revealed itself. Political disruption is now prevailing over the economy in reshaping our societies and exposing businesses to new risks.

In such an environment, regulatory risks are set to increase – on the back of public policy becoming more instable and less predictable. While this is very visibly the new reality that businesses are themselves bracing for in the US, it is also unfolding in Europe. Brexit is here to remind us that where politics are concerned, what was once unthinkable can actually happen – and that the cosiness of the EU Single Market can suddenly no longer be taken for granted.

All this means that while futureproofing your business never was the exclusive preserve of individual company action, it now, more than ever, requires collective action at industry level. This is where – in my view – the strategic relevance of trade associations is coming to the fore. And that strategic relevance is only set to increase in the coming years. Being uniquely positioned to access privileged information, decipher complex political environments and navigate legislative processes – trade associations allow their members to anticipate, adjust and respond to political disruption.

ACI EUROPE is the trusted and authoritative voice for airports in Brussels and beyond and I am confident that our industry is amongst the best placed in Europe. As the outgoing President of the association, you may think I am slightly biased... but this happens to be exactly what several high-ranking Commission officials have said publicly – and reiterated to our Board earlier this year.

These things do not come easily, nor by chance. In the case of ACI EUROPE, they were built over years of consistent, constructive and trustful engagement with our institutional stakeholders. For this reason, I am immensely proud of the work our team is doing in Brussels to represent and advance your interest. From security, safety and the environment to consumer rights, economic regulation, Open Skies and Brexit – there is no policy issue that ACI EUROPE is not actively engaged on. Keeping airports united on all these things is no small feat. One only has to look at how the airlines remain so fragmented in their own representation. But our unity is essential – and it is the result of a sound governance and collective leadership. Alexandre Dumas put it more succinctly: "One for all and all for one!"

Looking forward, there are challenges aplenty. I know ACI EUROPE is ready – with a sound strategy, a strong service ethos and a talented team. Its focus will continue to be on delivering value to its members and positioning airports as sustainable businesses in their own right, supporting prosperity by driving international connectivity. I wish the next President and everyone working at ACI EUROPE every success in the year ahead and hope that they can continue to count on the engagement of the membership as they strive to represent this wonderful industry in an ever-evolving world.
Dublin Airport

Has processed an extra 525,000 pax in 2017 vs 2016 (Jan-Apr)

Dublin Airport has unveiled a series of unique Irish art installations that it hopes will help leave passengers with a positive lasting impression of Ireland. Three locations after the passenger security screening areas in both terminals have been chosen to depict native wildlife and the unique quality of Irish light.

Gatwick Airport

Handled around the same amount of pax in 2016 as the rest of London’s smaller airports combined

Gatwick passed the 44 million passengers a year mark for the first time on 7 April 2017 – a world record for a single runway airport. Driven by growth in long haul routes, the airport has reported its busiest-ever March, with over 3.3 million passengers passing through – up 8.4% on the same month in 2016. Despite record pax numbers, Gatwick has recently been accredited as carbon neutral – the highest level of Airport Carbon Accreditation.

Eindhoven Airport

Has processed an extra 260,000 pax in 2017 vs 2016 (Jan-Apr)

Eindhoven Airport achieved 20% growth in passenger numbers in the first quarter of 2017. This means that the second-largest airport in the Netherlands is one of the fastest-growing airports in Europe. This year the airport will surpass 5 million passengers for the first time. With significant growth also comes busy days; the Friday before the Easter holiday commenced, the airport noted its busiest day so far. Most travellers opted for the sun, as Faro and Barcelona were the most popular destination among all travellers on 14 April.

Bremen Airport

Has handled 660,000 passengers so far in 2017 (Jan-Apr)

Bremen Airport was the setting for a first plane to land in Germany using only sat nav. It was the first time that a passenger aircraft landed in Germany using a new satellite-based precision approach procedure without the aid of the conventional ground-based navigation infrastructure. This was made possible by EGNOS (European Geostationary Navigation Overlay Service), a satellite-based augmentation system (SBAS) that supplements GPS and other satellite navigation systems. It improves the position accuracy of GPS from 10-20m to 1-3m. Bremen is the first airport in Germany to have implemented a precision approach procedure using SBAS.

Palma de Mallorca Airport

Has handled 4.7m passengers so far in 2017 (Jan-Apr)

Palma de Mallorca Airport successfully adopted Airport Collaborative Decision Making (A-CDM), becoming the 22nd airport in Europe and the 3rd in Spain to fully implement this operational procedure. A-CDM enables airports to enhance their operational efficiency through greater information sharing among involved airport partners and the EUROCONTROL Network Manager. It also allows for better coordinated processes in order to improve flight punctuality, traffic predictability and lower environmental impact.
**Bologna Airport**

Is on course to break the 8 million barrier in 2017 for the first time

Bologna Guglielmo Marconi Airport is offering passengers new self-service convenience when checking in their baggage with the introduction of SITA’s Scan&Fly bag drop units. Passengers can now check in their own bags in less than a minute, resulting in fewer queues and a better passenger experience overall.

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**Oslo Airport**

Has averaged 8.2% monthly growth in 2017 (Jan-Apr)

Designed by Nordic-Office of Architecture and directly named world’s greenest terminal, the 115,000sqm expansion of Oslo Airport sets new standards in sustainability. Snow from the runways will be collected and stored during wintertime in an onsite depot to be used as coolant during the summer. Natural materials have been used throughout the building: the new pier is entirely clad in timber sourced from Scandinavian forests. Recycled steel and special, environmentally friendly, concrete mixed with volcanic ash has been used throughout. By choosing environmentally friendly materials, the building’s CO2 emissions were reduced by 35%.

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**Copenhagen Airport**

Will get close to breaking the 30m annual pax barrier for the first time in 2017

Copenhagen Airport is inviting Danish and international companies to create a new airport business park that could act as the catalyst for the gateway to handle up to one million tonnes of cargo annually. The proposed new development will mean “more jobs, more exports and even better opportunities to do business with the wider world”. If it becomes reality, the new business park will cover an area the size of 25 football pitches.

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**Kiev Boryspil Airport**

Has averaged 32.1% monthly growth in 2017 (Jan-Mar)

Boryspil International Airport is hoping to double its passenger numbers in the coming years, led by the transit markets and outbound leisure. After the period of political instability in the region, the airport has shown strong growth for the last two years. Ryanair has disclosed plans to start serving Ukraine. Kiev will be served thrice-weekly from Eindhoven, five times per week from London Stansted, thrice-weekly from Manchester, and four times per week from Stockholm Skavsta. Ryanair estimates it will carry 250,000 passengers per annum across the new routes.

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**Ljubljana Airport**

Has achieved +15% monthly growth in every month so far in 2017 (Jan-Apr)

Aerodrom Ljubljana, the manager of Ljubljana Airport which was acquired by Germany’s airport operator Fraport in 2014, has rebranded to become Fraport Slovenija. A €16 million expansion of the passenger terminal is also planned by the spring of 2020. The announced expansion of the passenger terminal will prevent congestion due to the growing number of passengers, and will allow for further expansion if necessary.

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**Sarajevo Airport**

Will handle nearly 3 times as many pax in peak months (Aug) vs low season (Jan)

Bosnia’s Sarajevo Airport is set to implement a 38 million marka (€19.4 million) expansion project to accommodate rising passenger numbers. The airport’s Terminal B will be expanded by 9,000sqm to increase its passenger processing capacity above the current 1 million mark. The main reconstruction and expansion project will be drawn up by local company Group Arch.
The Rhine-Ruhr region is an economic powerhouse. It accounts for about 15% of Germany’s GDP, making it the third-largest metropolitan area in the EU in terms of gross regional product (GRP) – behind only Paris and Greater London, and the 16th largest in the world.

Düsseldorf Airport is at the heart of this thriving region, and its location means it has an above-average demand for business travel – some 40% of trips are business-related. Rhine-Ruhr is home to 12 Fortune Global 500 companies, including two headquartered in Düsseldorf – Metro Group (a diversified retailer), and Henkel (a chemical and consumer goods company).

“The metropolitan regions of London, Paris, and Düsseldorf (Rhine-Ruhr region) are in a league of their own,” says Thomas Schnalke, CEO Düsseldorf Airport. “Our airport secures the international accessibility of many cities in our catchment area. Direct connections to global economic regions are an important factor in our globalised world. The airport and its connectivity is one of the most important reasons why thousands of international businesses have located to the Rhine-Ruhr region and generated secure jobs and prosperity here. The airport alone is responsible for 54,000 direct and indirect jobs.”

The Düsseldorf story is one of continued growth. 2016 saw a seventh consecutive annual traffic record, with a 4.7% rise to 23.5 million passengers. That has continued into 2017 – the airport’s 90th anniversary year – the latest figures show an impressive 14% growth in the first five months, and about 25 million passengers are expected for the year as a whole.

“Düsseldorf Airport has a passenger market share of more than 60% and is the only airport with a considerable number of long-haul flights,” Schnalke says. “Our airport’s exceptional location in the heart of one of Europe’s biggest metropolitan areas, the very positive economic development in Germany, and the steadily growing need for mobility by both people and businesses, has been resulting for years now in more and more airlines connecting Düsseldorf and the whole world, and adding more flights and larger aircraft.” Schnalke explains.

This success is being achieved against the backdrop of a diverse, competitive airport landscape in the state of North Rhine-Westphalia, with its six international airports (Düsseldorf, Cologne/Bonn, Dortmund, Münster Osnabrück, Paderborn Lippstadt, and Weeze).

“Düsseldorf Airport has a passenger market share of more than 60% and is the only airport with a considerable number of long-haul flights,” Schnalke explains. “The next largest airport, Cologne/Bonn (11.9 million passengers), features a large cargo business and has been focusing on the low-cost segment. The remaining four airports offer primarily leisure traffic in low volumes and connecting services for the larger hubs of Munich and Frankfurt.”
'Perfect travel experience for all passengers'

Thanks to the dense networks of one-world member airberlin, and Star Alliance member Lufthansa, Düsseldorf Airport offers comprehensive connectivity. Schnalke comments that the continued development of these partnerships is essential, while the focus has also been on further deepening its network of long-haul connections.

This summer, airlines are offering a record 135 weekly departures to long-haul destinations. A strong demand for additional intercontinental routes, for example to China and India, comes from both businesses and leisure travellers. “That is why issuing a new operating license is an important first step even to be able to offer the requisite slots,” Schnalke explains. “In the long-term, we want to offer an appealing set of quality and budget airlines and make a perfect travel experience possible for all passenger groups. Düsseldorf is among the five European airports with the largest excess demand for slots. People and businesses want to be mobile and connected to the world, so we applied for a 19% increase in moving capacity. That will mean several minor construction projects, such as creating eight additional parking positions. We expect a decision from the Ministry of Transportation by next year.”

The airport is proactive in stimulating new route development. It offers financial support to airlines when they reach a degree of capacity use that is either above average or shows improvement when compared to the previous year.

Similarly, financial support is offered to airlines if they expand passenger numbers on intercontinental routes, or if their volume of connecting traffic increases. Incentives range from €0.80 to €1.30 per passenger.

Significant enhancements to the long-haul network include Singapore Airlines commencing a three times weekly A350-900 service from Singapore in July last year, and Air Seychelles starting a twice-weekly A330-200 service from the Seychelles in March 2017. Meanwhile, Emirates now operates the A380 on both of its daily Dubai-Düsseldorf services. “Besides Singapore and the Seychelles, we offer direct flights to destinations like Tokyo, Hong Kong, Beijing, Dubai, Abu Dhabi, and many in North America and in the Caribbean,” Schnalke says. “We think that a strong Federal State like North Rhine-Westphalia [2016 GDP: €669.7bn], which would rank as number five in Europe as an independent country, needs connections to the leading economic centres of the world. That is why we’ll keep working on expanding our long-haul capacities. The demand definitely exists.”

airberlin expanded its hub operation at Düsseldorf on 6 May, with the introduction of a five times weekly service to Orlando, adding to its existing North American routes from Düsseldorf to New York, Los Angeles, Miami, Fort Myers, Boston, and San Francisco.

Meanwhile, All Nippon Airways (ANA) has upgraded its daily Düsseldorf-Tokyo Narita service to the 787-9, three years after launching the route. “This underscores the attractiveness of Düsseldorf Airport for long-haul routes to Asia,” Schnalke comments. Indeed, North Rhine-Westphalia has a major Japanese community of some 12,000, with 7,000 alone living in Düsseldorf – the most of any European city. Around 120 Japanese companies have their European headquarters in Düsseldorf, including major brands such as Alps Electric, Canon, Fujifilm, Mitsubishi, Mitsui, Shiseido, Toshiba, and Toyota.

Constant non-aeronautical revenue development

Düsseldorf is similarly progressive in its approach to generating non-aeronautical revenues. These have been steadily maintained at about 40% of the airport’s total revenues and are, therefore, a major part
of its business success. "It goes without saying that these areas have to keep up with the times and constantly develop," Schnalke asserts. "Our new conference centre, new restaurants and bars in the terminal, and our parking robot Ray are just a few examples."

The new 3,000sqm conference centre at the heart of the airport further enhances Düsseldorf’s position as a business travel destination. DUSconference, as it is known, opened on 10 May and is a partnership with SSP, which will also open eight food & beverage outlets at the airport.

"Easy access makes international airports attractive meeting locations," says Schnalke. "That is why we have elevated our conference centre to a new level by investing €2.5 million, and found a partner in SSP that is not just strong, but has also turned an innovative food & beverage concept into a high-quality product."

The diverse DUSconference offer includes ‘Web Corners’ and ‘Plug-in Workstations’, which are designed to provide flexible, quiet work areas that can be rented without a reservation. Meanwhile, ‘Think Tank’ meeting rooms offer space for small groups to hold creative sessions. "Because no registration or set appointments are required, they make perfect options for working on the go," Schnalke notes. "A business lounge allows meeting in a relaxed atmosphere and, if you need more space, there are meeting rooms for up to 12 people – some with a direct view of the apron and runways. For larger groups, there are also meeting rooms for up to 320 people."

DUSconference guests can also choose from a selection of diverse brands from the SSP portfolio, from fine pastry goods from the French Boulangerie Épi to creations from the famous TV chefs Tim Mälzer and Jamie Oliver served in Hausmann’s and Jamie’s Deli. The airport is building on this with the continued development of its 230,000sqm office and business park, which will be fully complete in 2018. The anchor tenant is Düsseldorf’s first Maritim Hotel – directly connected to the terminal and the biggest convention hotel in North Rhine-Westphalia. Other tenants include Verein Deutscher Ingenieure (the association of German engineers), and Porsche.

The Düsseldorf story is one of continued growth. 2016 saw a seventh consecutive annual traffic record, with a 4.7% rise to 23.5 million passengers. The latest figures show an impressive 13.8% growth in the first five months of 2017, and about 25 million passengers are expected for the year as a whole.

### Airport Carbon Accredited: Level 3 Optimisation

Environmental sustainability is front and centre of all infrastructure investment decisions at Düsseldorf. The airport recently progressed to Level 3 Optimisation of ACI’s Airport Carbon Accreditation, and is evaluating the steps necessary to progress to Level 3+ Neutrality.

"Protecting the environment and thoughtful handling of natural resources are powerful motivators for the steps we take," Schnalke explains. "We are currently in the process of building a fleet of electric vehicles. Also, we have replaced lighting with LEDs wherever possible. Several solar, photovoltaic, and thermal power stations produce clean electricity. Moreover, our new administrative building adheres to the most modern environmental and energy standards."

The airport also now has two hybrid vehicles in its fleet, which are used on the apron. "We are particularly striving to reduce our CO2 emissions in the long-term," Schnalke adds. "We have set ourselves the objective of converting around 30 vehicles to alternative fuels by 2020. We already have 15 electric vehicles as part of our fleet, and with 19 hybrid vehicles expected this year, we will reach our target this year. This is a great result and at the same time an incentive to continue driving our sustainability strategy."

### A beacon of digital innovation

We are, of course, living in the age of the connected traveller. Already, 83% of passengers carry smartphones, while 60% of travellers use social media on their journey. Tech-savvy Millennials, and
For us, innovation is about exploring new horizons. Thanks to our SITA Lab team, we’re researching, developing and trialing tomorrow’s solutions with the community. We’re constantly pioneering groundbreaking technology for passengers, airlines and airports. We’re restlessly inventive and continually inspired by the challenges of leading the community into a future where the possibilities are endless.

Explore more at: www.sita.aero/innovate
Air Seychelles started a twice-weekly A330-200 service from the Seychelles to Düsseldorf in March 2017. This summer, airlines are offering a record 135 weekly departures to long-haul destinations from Düsseldorf.

subsequently Generation Z (those born from 1995 onwards), expect a more personalised travel experience with digital communication at its heart.

Düsseldorf is clearly embracing this trend. "Digital communication channels for travellers are already extremely important today, and will become even more important in the future," says Schnalke. "That is why we are currently working on many new digital products. Our website dus.com is a source of information for travellers, their friends and family, and other target groups. We’re already successful in this area today."

The airport is particularly proactive across social media, and has accumulated 117,000 ‘likes’ on Facebook, 1,500 followers on Twitter, and 5,200 followers on Instagram. "We are also looking at beacons as a very important technology, which we will use more in the retail areas in future," Schnalke adds.

Indeed, these digital developments are just part of a wider emphasis on enhancing the passenger journey through the airport. "Düsseldorf Airport’s lifeblood is its proximity," Schnalke comments. "What generally creates a special customer experience for our passengers is easy access, short distances onsite, extensive flight options from our partners for optimised connections, and a high quality of stay as experienced in the architecture, shopping and culinary options. Of course, there is always room for improvement. That’s what we work on every day – successfully."

While Düsseldorf’s focus is firmly on the future, the airport did take time to mark its 90th anniversary on 19 April alongside passengers, colleagues, visitors, and the media, with a major ceremony planned in 10 years for its centenary.

The main focus right now is on the peak summer travel season. "We want everyone who uses the airport for their vacation travel this summer to enjoy their time with us. Moreover, expanding our moving capacities is essential for us. That’s the only way for us to develop in the future. Just as importantly, we will move our airport into the digital age more and more. There’s a lot to be done – but it’s fun," Schnalke concludes.
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Lisbe2020
Airport Commercial & Retail executives gather in Nice

26th ACI EUROPE Airport Commercial & Retail Conference & Exhibition, Nice, 3-5 April

Report by Inês Rebelo

On 3-5 April, Nice Côte d’Azur Airport hosted the 26th ACI EUROPE Airport Commercial & Retail Conference & Exhibition in Nice, under the theme “Sales Solve Everything: The average spend per passenger at Europe’s airports is just €10.38 – surely we can do much better!”

Following Olivier Jankovec’s state of the industry presentation and Sarah Branquinho’s welcome address focused on the state of play in the duty free industry, Richard Cymberg, General Director Global Client Management, L’Oréal Travel Retail, gave his keynote speech. He spoke about the new behaviour of consumers and the strategy of the group to attract the growing Chinese travellers. He also stressed the importance of accessing data as “data is the new oil”.

Panellists included airport commercial executives from Aeroporti di Roma, Nice Côte d’Azur Airport, Budapest Airport, Gatwick Airport, Groupe ADP and Riga International Airport. They also included representatives from brands, as well as business partners from retail, food & beverage and travel services, such as Lagardère, Dufry, Autogrill and Travelex. Panellists discussed the new trends in the airport commercial and retail business. The topics ranged from airport retail space and F&B to car parking and retail revamp of airport terminals. The main transversal subjects were the need to enhance a collaborative data exchange and “eating is the new shopping”.

The 27th ACI EUROPE Airport Commercial & Retail Conference & Exhibition will take place on 13-15 March 2018 in Tel Aviv, hosted by Israel Airports Authority.
The First Working Session was entitled ‘Is there a big problem in the airport retail space? Are conversion rates and yields performing far below expectations?’ Participants included: Eugenio Andrades, Divisional Chief Executive Officer UK, Central and Eastern Europe, Dufry; Francis Gros, Head of Global Channels, Luxottica Group; Peter Mohn, CEO m1nd-set; and Rachel Bulford, Head of Retail, Gatwick Airport.

The Second Working Session was entitled ‘Less is more: Are some key profit centres under-appreciated and worryingly over-exploited by over-ambitious concession targets?’ Participants included: Anthony Wagerman, CEO Travelex; Arturs Saveljevs, Director of Commercial Department, Riga International Airport; Frank van der Sant, CCO APCOA Parking; James Ware, General Manager/Vice President France, Enterprise Holdings; and Kam Jandu, CCO Budapest Airport.

The Third Working Session was entitled ‘Exclusive previews: Brand new centres of commercial excellence opening in 2017-20.’ Participants included: Filip Soete, CCO Aéroports de la Côte d’Azur; Ambroise Fondeur, Chief Business Officer, Lagardère Travel Retail; Ugo de Carolis, CEO Aeroporti di Roma; and Walter Selb, CEO HMSHost International.

The Fourth Working Session was entitled ‘Is F&B both underperforming but, at the same time, the great hope for the future?’ Participants included: Simon Best, Commercial Director, Counter Intelligence Retail; Ezio Balarini, Group Chief Marketing Officer, Autogrill Group; Gérard D’Onofrio, Managing Director, SSP France; and Alexandre de Palmas, CEO Northern Europe, Areas.

The Fifth Working Session focused on the buying trends of the much talked-about, but little-understood millennials, Chinese travellers, and the increasingly affluent aging traveller. Participants included: Tony Whittaker, Leader, Disruptive Technology Group, Travel & Transportation, UNISYS; Paula Oliver, Managing Director, Wildstone Airports; Jérôme Lepage, Marketing & Business Development Director – International Transport, JCDecaux and Vice Chair, ACI EUROPE Commercial Forum; and Luke Barras-Hill, Deputy Editor, TRBusiness.

The conference and exhibition were augmented by two memorable social events. The Welcome Reception took place poolside at the event venue, the Hyatt Regency Palais de la Méditerranée. Meanwhile, the Gala Dinner was held at the majestic Le Negresco.
Travel non-stop every day to the most important cities in the world – with the shortest routes for convenient connections.
What have been your initial priorities since being appointed CEO of ADP Ingénierie?

**Gratien Maire**, CEO ADP Ingénierie:
My first priority was to get to know all the managers and meet the company's staff at the head office in Athis-Mons, after which I went to see those working in Dubai and the surrounding Middle Eastern states. At the same time, I made contact with our major clients in each location. My second priority was to get to grips with details of the 5-year ‘ADPI 1 WORLD’ development plan, which was initiated by my predecessor and approved by our shareholders at the end of 2016. My third priority was to get the work to implement this plan underway, including the principle of restructuring the company to support the upcoming launch of its new range of services.

The mission is “to develop engineering and innovation within the international scope of Groupe ADP”. What is your strategy for achieving this?

**Maire**: 80% of ADP Ingénierie’s business is conducted abroad, while the remaining 20% is focused on Groupe ADP and a handful of airport hubs in mainland France and French overseas territories. As the engineering subsidiary of Groupe ADP, we naturally play a leading role in the group’s new international development strategy. This is based around three key areas: engineering, airport operation, and the acquisition of holdings.

Your career includes working as a diplomat and also within the French armed forces, most recently as Deputy Chief of Staff. What lessons can you take from your previous experiences and apply to your new role as CEO of ADP Ingénierie?

**Maire**: Firstly, I have no doubt that France still has a very strong image abroad. This is something I have seen for myself in ADP Ingénierie’s international business. One of our company’s strengths lies in its in-depth knowledge of the airport industry and the huge respect it has for its clients. Our services are always informed by what characterises our clients, their country, culture, traditions and vision of the future. We very often work with a local partner in the country in question.

It was recently announced that ADP Ingénierie has been selected to design the new Air Traffic Control Centre of Bahrain International Airport. What innovations are you bringing to the airport?

**Maire**: The Air Traffic Control Centre will be located directly opposite the new passenger terminal, which we also designed, and will be responsible for overseeing en-route flights. Outside of Asia, there are fewer new airport design projects than there were in the past. It is, therefore, vital that we can contribute to modernising, expanding and optimising existing airports. Secondly, this contract forms part of our ongoing relationship with a client for whom we previously designed a new passenger terminal, a key principle of our development strategy.

Looking ahead, what are your key objectives for the remainder of 2017 and beyond?

**Maire**: My aim is to grow ADP Ingénierie’s business in an ever-changing environment. The needs of our clients are evolving in a growing market, so we must constantly adapt.

My objective for 2017 is to put the ADPI 1 WORLD business plan and the associated restructuring project into practice as part of the implementation of Groupe ADP’s international development strategy. Our new services will help to win us new clients, while at the same time building loyalty among existing ones.
Imagine a game that puts you in the seat of an airport operator. Got it? Now add to it 28.5 million passengers flying through this airport on a yearly basis. It is Russia’s second-busiest airport, Moscow-Domodedovo, that launched a game enabling you to get a feel for what it’s like to facilitate 225,000 aircraft movements a year. Agata Lyznik gets her game on.

So you think you can run an airport?

The game – now in its second edition – was developed by Moscow-Domodedovo and is structured as a series of challenges of growing intensity and difficulty. No level can be skipped, so only success can unlock the next challenge! Titles such as ‘Jingle bells’, ‘Hot summer’, and ‘Polar night’ evoke the situations encountered by the player, that keep even the most seasoned airport operators up at night in real life. An additional touch is the simulation of the – at times extreme – Russian weather conditions. In snow and in mist, the airport operator – you, this time – needs to keep the business running.

Each arriving plane needs a parking spot and a series of services: getting passengers out and back in, unloading and reloading luggage, refuelling and refilling the catering supply. Efficient ground handling makes money (curiously, the currency is Domodedovo €), with which you can pay for time-saving upgrades, e.g. advanced fuel service or electronic check-in. Small planes are quite easy to discern from the other lot, whereas medium and large aircraft often create confusion, especially if you are playing the game on a smartphone. Bigger tablet screens solve this issue, but bring about another: they might slow you down. To each, his/her own preferred device!

DME Live has quite an unusual origin. It was actually conceived as a part of Domodedovo’s innovative Human Resources strategy of engaging young talents. A special team was set up to create both online and offline gaming simulators to train future employees of the company in how to run an airport. This edutainment approach proved very popular and Domodedovo’s bright minds quickly realised the game’s potential to appeal to a broader audience.

The first version was released in 2011 and was enthusiastically received. However, with the technologies and processes in aviation changing significantly over the years, a need for a new version arose. DME Live version 2.0 was released in March 2017 in AppStore and Google Play. Since then, both versions of DME Live simulators have been downloaded more than 1 million times.

Aleksandr Vlasov, Press Secretary of Domodedovo Airport, comments: “Our goal was to make a user feel like he is the General Manager of Domodedovo Airport, the one who is responsible not only for business results but for services as well. In order to achieve close affinity to the reality, we introduced such features as the exact copy of the Moscow-Domodedovo Airport with two runways and a full range of ground support equipment (jetways, buses, ambulifts, deicers, boarding ramps, refuellers, etc.), narrow-body and wide-body types of aircraft with appropriate ground handling for all of them, changing weather conditions and time of the day/night.”

The game is safe for children, but cannot be played in multi-player mode. It’s a good test of dexterity and strategic thinking, a must-have for any aviation geek and most importantly – it’s fun to play!
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Airport operations centres (APOCs) are expected to become the nerve centres of future airports, allowing an unparalleled overview of operations and allowing effective, fast decisions on how the airport can function most efficiently, especially under challenging circumstances. In this article, Florian Guillermet, Executive Director of the SESAR Joint Undertaking, explains the steps taken by European partners to move beyond airport collaborative decision-making (A-CDM) to deliver the APOC and total airport management (TAM).

Towards total airport management

Airports are busy and complex environments to manage, involving a multitude of operations and stakeholders that need to be synchronised to ensure the best possible passenger experience. They are also essential nodes within an intricate air-space Network, ensuring seamless traffic flow. Needless to say then that if disruption hits an airport – especially a major hub – then it can have a significant knock-on effect on the rest of the Network.

Airport collaborative decision-making (A-CDM) is seen as a means to address disruptions by better sharing information locally between stakeholders such as airport operators, ground handlers and air traffic control. A-CDM is also about sharing information with the Network Manager to enhance the air traffic flow and the capacity management in the European airspace. A total of 22 airports across Europe, accounting for a third of all departures, have already implemented A-CDM, resulting in important local benefits including reduced push-back delays, shorter taxi-out times, better use of ground handling resources, fewer late stand/gate changes and increased peak departure rates. At the network level, a recent study estimated that the implementation of A-CDM results in savings of over 34,000 tonnes of fuel per annum and has the potential to increase en-route capacity by more than 3.5%.

These results clearly show that A-CDM pays off, which is why at SESAR we wanted to evolve the concept even further. Together, our SESAR partners have come up with the airport operations centre or APOC. Organised as a physical or virtual centre, the APOC provides stakeholders, including airlines, ground handlers, air traffic control, security, emergency services and airport management, with a set of commonly agreed performance indicators in order to take decisions. These indicators are drawn from the airport operations plan (AOP), which includes a range of information from airside processes and those landslide processes impacting air traffic management, such as passenger flow data and meteorological data.

Using a real-time monitoring system, a decision-support system and a set of standard, collaborative procedures, the APOC staff can continuously monitor the AOP and detect and even anticipate deviations from the plan and potential disruptions. They can then take corrective action in advance to maintain performance even in adverse weather or exceptional conditions. As stakeholders update their intentions, or accurate flight progress information is received, the AOP is refined and used to manage resources and coordinate operations. In other words, the APOC offers stakeholders a very transparent picture of what is happening at the airport and provides them with the means to work together to deal with situations before they become real problems.

The APOC also connects the AOP with information from the Network Operations Plan (NOP), a comprehensive global plan for the network. This is critical step to improving the accuracy of short-term air traffic flows in the network, as well as enabling improved target time coordination and decision-making. The combination of AOP and NOP increases predictability across the network and, of course, at individual airports. Ultimately, both empower airports to be the ground coordinators of their local operations but also the Network at large. And better predictability means reduced delays, unnecessary fuel burn and cost savings for airlines and better services for passengers.

SESAR validations, including live trials taking place in large hubs as well as airports with high seasonal traffic, showed the feasibility of integrating a variety of processes into the AOP and connecting it to the NOP. These two solutions are essentially the basis for building an APOC. The outcomes of this work have been so convincing in terms of improved predictability and more efficient airport operations that in 2014, London Heathrow and Paris Charles de Gaulle took the plunge and implemented initial APOCs. Other airports, such as Brussels Airport, have since followed suit.

Our work has shown that potential of APOC is reliant on information and lots of it. A study published in 2016 within the framework of SESAR, followed by a live trial at Heathrow, illustrated how integrating big data techniques into the APOC can provide accurate forecasts so that airports better understand the key factors that influence passengers’ connection.

Towards total airport management
time and reduce the risk of missed flights. In addition, better predictions of passengers’ transfer activities also improve the accuracy and stability of the target-off-block-time (TOBT), which is critical for optimised air traffic flow management in Europe. Put simply, these predictions allow stakeholders – the airport and airlines – to take strategic decisions, such as holding an aircraft at the gate so that delayed passengers can board and the consequences that this may have on traffic.

Of course, sharing data to allow for greater common situational awareness can have its drawbacks. Increased reliance on data also increases the risk of cyber attacks that disrupt airport operations. It is therefore vital to address cyber threats and look at how to mitigate them together. A study undertaken within the context of SESAR explored how cybersecurity should be addressed in the APOC. The study presented cyber-attack scenarios, ways of building trust between APOC partners, and approaches of sharing information on cyber-threats and risk. The study also provides a cyber-security maturity assessment tool with which airports can determine how resilient their operations are to cyber attacks. Cyber protection is among the elements that will be further investigated in SESAR 2020, the next wave of research and innovation.

In collaboration with industrial partners, a security assessment will be performed on the APOC tools and prototypes in order to identify system vulnerabilities and data security risks.

SESAR 2020 will apply a “secured by design” principle to the delivery of all its airport solutions as it moves towards what is called “total airport management”. This holistic approach foresees closer integration of both landside and airside performance monitoring, combining data-derived trends for instance on meteorological conditions, flight prioritisation, runway traffic loads and turn-around times of aircraft, with data on baggage and passenger operations all leading to improved departure time predictability. The future APOC dashboard will rely on increasingly standardised data formats, enabled by system-wide information management, as well as big data in order to show “what has happened”, “what is happening” but importantly “what is predicted to happen”.

Disruptions at a major European airport do not only significantly impact the airport itself but can also lead to delays and ramifications further down the line in the overall network. To address this, SESAR researchers will look at further connecting the Network Manager with individual APOCs, as well as the feasibility of coupling hub APOCs, looking at scenarios such as coordinating diversions of carriers from one hub to another. But the potential of APOC is not just for the large airports. Smaller or regional airports can also benefit from this advanced collaborative-decision-making. These airports are key for local and regional sustainability and connectivity, however with limited resources, they have been unable to access this type of tooling to date. The goal therefore in SESAR 2020 will be to ensure that the APOC and total airport management is scalable so that only those elements bringing most benefit at an affordable level will be implemented locally.

SESAR is working closely with ACI EUROPE and SESAR European Airports Consortium (SEAC) to move towards APOC and total airport management for airports large and small. Rather than a closed club restricted to its members, SESAR encourages airports to participate in open calls for demonstrations that will be published in the coming two years on this topic.

**Footnotes:**
2. Eurocontrol operational plan (OTP) and its seamless integration with the network operations plan
3. INDO - Confidential data
4. Assembling Firms & Airlines: Reengineering Big Data Study – Eurocontrol, University College London (UCL), University of Virginia and Heathrow Airport (Within framework of SESAR Project 06.03.01 / OFA05.01.01)
5. Addressing airport cyber-security – Eurocontrol, Heathrow, Groupe ADP and Professor Chris Johnson of the University of Glasgow (Within framework of SESAR Project 06.03.01 / OFA05.01.01)
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**The ASQ Awards are provided based upon the top three mean scores on overall satisfaction from the ASQ Survey
The 10th ACI EUROPE Regional Airports Conference & Exhibition took place on 15-17 May in Cork, hosted by Cork Airport. Over 170 representatives from airports, airlines, industry suppliers and institutional stakeholders participated in this year’s event, which was on the theme of ‘A New Era of Engagement and Digital Innovation’. Inês Rebelo reports.

At the gathering of the regionals

Cork Airport is on a roll. Having recently secured Norwegian and Wow Air's transatlantic flights making it 'Europe’s newest transatlantic airport', it hosted this year’s ACI EUROPE Regional Airports Conference & Exhibition on 15-17 May. The Conference, which celebrated its 10th anniversary, was preceded by a meeting of ACI EUROPE’s Regional Airports’ Forum. Its Chair, Alberto Martin Rodriguez, Aena’s outgoing Director of Gran Canaria Airport, stepped down from his two-year term and has been succeeded by Henri Hansson, Senior Vice President, Technical and Environmental Services, Finavia, as the new Chair of the Forum. Niall MacCarthy, the Managing Director of Cork Airport was elected Vice-Chair.

Speaking of the conference, MacCarthy said “Cork Airport is delighted and proud to host this very important conference in Cork. Not only was it a fantastic opportunity for delegates, exhibitors and speakers alike to engage and share their views on the future of our industry, it was also a unique opportunity for us to showcase our region to an influential international audience. I am very confident the dividends from our hosting of the ACI EUROPE Regional Airports Conference & Exhibition will lead to long-standing relationships with a view to growing our business further at Cork Airport.”

And indeed, true to his word, Cork Airport showcased its exceptionally collaborative links with various business partners in the region, with social events
at the Jameson Midleton Distillery and the renowned Castlemartyr Hotel.

Over the 2 days of conference, with air transport expert John Strickland as Chair (for the fourth year in a row) there were panel sessions that saw European regional airports address a plethora of topical issues, ranging from ‘owning the customer using digital’ and ‘regional tourism engagement’ to ‘the transatlantic challenge’, EASA and employee engagement. The discussions were held with experts from the airport industry and aviation partners, including Robert Sinclair, CEO of Bristol Airport; Peter Kearney, Director ATM Operations & Strategy Irish Aviation Authority (IAA); Emilia De Santis, Terminal Manager & PH Terminal, Naples International Airport; Anthony Martin, Managing Director VINCI Airports, and Ulrich Heppe, CEO Fraport Bulgaria.

Regional connectivity
With Keynote Addresses by Deirdre Clune, the region’s Member of the European Parliament, Committee on Transport and Tourism, and by Filip Cornelis, Acting Director, Air Transport, DG MOVE, European Commission, air connectivity and Brexit were also discussed. In this regard, Deirdre Clune underlined the importance of airports in order for regions to remain competitive and the benefits of local connectivity, recognising that Brexit will present new opportunities and challenges. Cornelis emphasised how air connectivity is a central theme of the EU Aviation Strategy and the pivotal role of the Single EU Aviation Market, set up 25 years ago, in increasing the network of air routes in Europe. “Before the existence of the Single EU Aviation Market, there were 10 routes from Cork. Now, more than 35 routes are operated from Cork, including travelling to the US.” He added “Connectivity brings growth and dynamism to small medium-sized cities - thanks to regional airports.”

Connectivity is undeniably one of the key factors of the economic development generated by regional airports, so maintaining it and increasing it is the best way to stimulate investment and growth. The potential of the low cost long haul services opens an optimistic window of opportunities for some regional airports, as Olivier Jankovec, Director General ACI EUROPE, pointed out in his State of the Industry presentation. However, Jankovec warned that Brexit along with changes in airline business models, may jeopardise the activity of regional airports. Over the past years, since Ryanair started operating from more primary airports, ACI EUROPE has noted an 11% reduction in the number of bases it has at regional airports.

The perils of Brexit
With 15.4% of the EU-27’s regional airports with less than 1 million passengers per year being the most dependent on UK traffic, Brexit poses connectivity and business disruption risks to these airports in particular. ACI EUROPE assured its regional airport members that it continues to highlight the implications for the aviation market between the EU and the UK post-Brexit to the EU’s Brexit negotiating team.

Green is a regional colour
In his welcome address, Alberto Martin Rodriguez, outgoing Chair of the Regional Airports’ Forum and Director of Aena’s Gran Canaria Airport, stated that environmental responsibility is one of the key duties of regional airports and he reminded them of their role in increasing airport sustainability. He underlined that the airport industry committed to actively tackling climate change 9 years ago with the launch of ACI EUROPE’s initiative Airport Carbon Accreditation, the only global carbon management standard for airports. “This programme comprises airports of all sizes operating under various different business models and among the 31 carbon neutral airports in the world, 12 have less than 6 million passengers, and 4 of them less than 500,000 passengers. All 12 of those airports are regional airports located here in Europe,” he underlined.

Evidently, there is a growing culture of regional airports doing their part when it comes to reducing their carbon emissions. The total number of regional Carbon Accredited Airports in Europe is now up to 87, which corresponds to 45.5% of the current 189 certified airports worldwide by Airport Carbon Accreditation. Nevertheless, it is imperative that regional airports continue to pursue these environmental efforts and that Europe’s regional airport community as a whole effectively responds to climate challenges.
realising its environmental commitment to the farthest extent possible. In this regard, Marina Bylinsky, Environmental Strategy & Intermodality Manager ACI EUROPE, explained why regional airports should embark on an environmental journey towards carbon neutrality and how their participation in Airport Carbon Accreditation can help them achieve it. "Today more than ever, to earn their licence to operate, airports of all sizes need to actively contribute to reducing the climate impact of aviation. Airport Carbon Accreditation helps them adopt a proactive and long-term approach to carbon management while also providing a framework for its public recognition," Marina noted.

**EU funding possibilities for regional airports**

In addition to the limitations imposed by size, fixed costs, regulatory constraints and the dominant position of some air carriers, access to EU funding represents a major challenge for regional airports.

According to ACI EUROPE, regional airports provide 1,890,000 direct, indirect and induced jobs in Europe, contributing €84.5 billion GDP. Given the economic value of regional airports and the strategic role of regional connectivity to boost businesses and jobs, access to EU funding becomes an essential tool for regional airports to compete and innovate.

With this in mind, ACI EUROPE officially released its brand new Guide to European Finance Instruments for Airports at the Regional Airports Forum meeting on 15 May. With vital information from the European Union’s Multiannual Financial Framework 2014-2020 and other sources, the Guide provides an extensive overview of European funding possibilities for airports, the instruments and mechanisms currently available, the type of assistance provided and contacts for the relevant people within each organisation. "With this Guide, ACI EUROPE intends to help its regional airport members identify the European funding opportunities available with the hope of encouraging them to apply for it and, eventually, benefit from it in order to modernise their airport infrastructures and operations. This will better empower regional airports to continue to be a driving force of economic growth in their regions," Federico Bonaudi, Facilitation, Parliamentary Affairs & Regional Airports Manager ACI EUROPE, said.


The 11th ACI EUROPE Regional Airports Conference & Exhibition will take place on 14-16 May 2018 in Naples, hosted by Naples International Airport.
SESAR Deployment Airport Grouping (SDAG) encourages regional airports to apply for EU funding to modernise their ATM infrastructure

Established in 2014, SESAR Deployment Airport Grouping (SDAG) is majority owned by ACI EUROPE. It secures the participation of the airport operators in the SESAR Deployment Manager, the EU-mandated industrial partnership tasked by the European Commission to plan and coordinate the synchronised modernisation of Europe’s Air Traffic Management (ATM) network to enhance safety and efficiency in Europe’s air transport system. Within this framework, SDAG is responsible not only for ensuring that airports implement enhancements that deliver performance improvement and make the necessary investment but also for safeguarding that technologies and procedures have proven benefit. SDAG is also committed to delivering coordinated deployment together with Air Navigation Service Providers (ANSPs) and airlines to allow for rapid return on investment.

SDAG marked its presence, for the first time ever, at an ACI EUROPE event at the 10th Regional Airports’ Conference and Exhibition in Cork, with a dedicated stand. It was represented by Barbora Smolikova, SDAG Project Manager.

SDAG’s mission is to foster European airports’ modernisation in the field of Air Traffic Management (ATM). There is a single and unique roadmap, or flight path if you like, for adopting new technologies related to ATM. It is called the Deployment Programme and is basically a translation of a EU Implementing Regulation, called the Pilot Common Project (PCP), which stipulates the new technologies and procedures airports, commonly with ANSPs and airlines, have to implement by when. The PCP makes this mandatory for 25 major airports in Europe, but all the other airports can apply for funding as well.

As such, SDAG had a clear message for the regional airports present in Cork: there is a roadmap for modernising your ATM tasks AND you can receive European funding for it, up to 50% of the total investment.

The financial instrument is called Connecting Europe Facility (CEF) funding, which is the funding instrument that supports investments in building, developing or upgrading new transport infrastructure in Europe in order to materialise Europe’s transport infrastructure priorities. With this funding, airports can develop or rehabilitate their facilities and technology to optimise their operations and improve their performance. Barbora Smolikova says “Regional airports can have the best of both worlds: they can follow the Deployment Programme and apply for funding, in order to modernise their procedures and technology, but they do not have the obligation to do so. We strongly believe that submitting projects will make sure your airport keeps up with the new technologies for ATM at airports”.

The SDAG support ranges from the identification of possible projects, via preparation of the application for funding through the implementation of the project, until it is operation and the final reporting.

If you missed the SDAG stand in Cork, you can visit it at our General Assembly, Congress & Exhibition on 12-14 June in Paris or contact Barbora Smolikova (barbora.smolikova@airportgrouping.org, tel. +32 471 759 854).

Modernising your ATM infrastructure? Benefit from SDAG support and enhance your efforts to receive EU funding for your airport!

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1. CEF funding under Priority 3.1. Single European Sky comprises Pilot Common Project (PCP)-related projects and non-PCP related ones. The Pilot Common Project (PCP) is a European legal framework that identifies six ATM functionalities that have been considered as mandatory to be implemented by European Union and its Member States’ ATM operators. The CEF funding is provided under the Single European Sky ATM Master Plan. Therefore, PCP-related projects can only be submitted by the 25 ACI EUROPE member airports that are in the scope of R 176/1/25. However, these European airports and all other ones, including regional airports, can submit projects that are beyond the PCP, thus benefiting from CEF funding.
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On 1st January 2018 National Competent Authorities and Airport Operators will enter into a new phase of the European regulatory environment for aerodromes (ADRs). The date is the milestone for completion of the conversion process of aerodrome licences from a national to the new European certification scheme. Report by ACI EUROPE’s liaison officer to EASA, Ansgar Sickert and Giulio De Crescenzo, EASA Manager Aerodrome Section.

Aerodrome Certification – State of play & what to expect

Background on EASA Standardisation

Regulation (EC) No 216/2008 (hereinafter referred to as the ‘Basic Regulation’) places an obligation on the Agency to conduct standardisation inspections in order to monitor the application of the Basic Regulation and its implementing rules (IRs) by national Competent Authorities.

The working methods for carrying out Standardisation activities are described in Regulation (EU) No 628/2013, the so-called Standardisation Regulation which was issued on 28 June 2013 and entered into force on 1 January 2014. Said Regulation introduced a system-oriented Continuous Monitoring Approach (CMA) to standardisation. Under this Regulation, the Agency’s standardisation activities are focused on safety performance and on the efficient use of resources. The objective is to improve the monitoring of the Competent Authorities’ ability to discharge their safety oversight responsibilities without increasing the inspecting burden on them as well as to provide a feedback loop for the Agency’s rulemaking process.

The means by which these standardisation activities are carried out consists of two parts: a monitoring part, where information is gathered and analysed in order to prioritise inspections, and secondly of an inspection part, where audits are carried out with the aim of directly verifying the application of the rules on the ground. Reports on standardisation activities are provided to the European Commission and to the Member State concerned.

Since the Agency started standardisation activities, the scope of the Basic Regulation has been extended from initial and continuing airworthiness to include aircrew, air operations, ramp inspections, air traffic management and air navigation services and finally, starting from 1st January 2018, Aerodromes.

Standardisation activities are carried out within the Agency’s Flight Standards Directorate and are distributed across the different operational departments, organised by technical domain.

Preparation for Aerodromes Standardisation has begun

At the end of 2015, a full project plan was established by the EASA Aerodromes Section. The overall objective of this project was to plan for all necessary steps required to meet the deadline of January 2018 for the first inspections.
The inclusion of Aerodromes into the existing Standardisation tools and systems has progressed well and both the project plan and the planning remain on track.

One year ago, a network of Sectoral Focal Points for Aerodromes amongst the EASA Member States was established. Next to this, the Competent Authorities also got the possibility to nominate experts to take part in future standardisation inspections, an opportunity most Member States took advantage of, which reflects their positive attitude towards ADR standardisation.

As preparation for the beginning of next year’s post certification standardisation cycle, so called test inspections have already started this year with “trial visit” in three countries that have volunteered to act as test cases. The test inspections are an important tool for learning and sharing experience and expertise for all parties involved. The maturity of the ADR STD system will be assessed.

Coordination with the industry is mainly via, ACI EUROPE, Europe’s main industry association for airports and aerodromes. To facilitate this, the Aerodrome Section is in the unique situation to be working together with an ACI liaison officer who is located at EASA’s Cologne Headquarter. In addition, there are periodical participations from ACI in EASA meetings and vice versa. This close cooperation greatly promotes not just contacts with the industry but fosters mutual understanding of and swift reactions to critical issues and new developments affecting the industry.

Identified challenges

- There are some important differences when it comes to Aerodromes standardisation compared to the other domains. The Aerodromes field has never been covered by a JAA (Joint Aviation Authority) and there are a large variety of aerodromes with highly individual infrastructures, environments and constraints. Because of this specific background and to allow the necessary flexibility for locally customised compliance, the National Competent Authorities, have a higher degree of discretion in the ADR domain. ADR rules are characterized by a long transition period, many flexibility provisions and an extensive use of soft law.
- The main part of ICAO Annex 14 containing design specifications have been transposed into ADR Certification Specifications (also known as CS) that are non-binding in nature. Competent Authorities may have different flexibility mechanism to assess their final technical decisions in this regard.
- Everything is in place to enable a smooth conversion to aerodrome certificates as per Regulation (EU) No. 139/2014. The only risk from the regulatory point of view are changes to the regulation during the conversion period. Some of these changes are under control by EASA (e.g. new issue of the Certification Specifications driven by changes at ICAO level) with the final aim to minimize the impact on the CAs by loading significant changes in the regulations on them and aerodromes.

Certification – Status Update

In 2016, a mid-transition survey was sent out by the Agency to the Competent Authorities of EASA Member States in order to assess the overall current status of the certification process in the Member States. The responses received revealed that there were minor differences between the number of aerodromes in the scope of the Basic Regulation and
the number originally collected by the Agency in 2013. On the other hand, it also revealed that a modest number of aerodromes had been certified. However, most States indicated that they had anticipated a long and in-depth preparation period which would culminate in the conversions in the course of this year.

A follow up survey compiled at the end of April 2017 provides the most current picture of the status quo of the certification process. According to the survey, 581 aerodromes are in the scope of the Basic Regulation. With ADR in the scope the Basic Regulation according to Article 4 (3a) refers to:

Aerodromes, including equipment, located in the territory subject to the provisions of the Treaty, open to public use and which serve commercial air transport and where operations using instrument approach or departure procedures are provided, and:

(a) have a paved runway of 800 metres or above; or
(b) exclusively serve helicopters;

110 aerodromes, even if in the scope of the Basic Regulation, are exempted based on the provisions of Art. 4 of the Basic Regulation. Member States may decide to exempt from the provisions of the Regulation an aerodrome which:

— handles no more than 10,000 passengers per year, and
— handles no more than 850 movements related to cargo operations per year.

This means 23% of aerodromes are exempted from the regulation leaving a total of 471 Aerodromes to be certified by their respective Competent Authorities in accordance to the new European requirements. When the survey results were collated in late April only 131 (approx. 28% of ADRs in the scope) of the total had achieved certification. The other 72% or 340 airports and National Competent Authorities have their work cut out to meet the deadline in the remaining 6 months.

From the information received, 15 Member States have already certified at least 1 Aerodrome according to the new rules and 16 Member States had no aerodromes certified by April 2017.

From the above analysis, a first conclusion suggests that, with only about six months from the effective implementation of the new provisions, concerns are justified if nearly ⅔ of aerodromes can be certified by the end of the year. While experience gained in other areas suggests that many Competent Authorities accelerate their internal processes towards the approaching deadline, both aerodromes and competent authorities should urgently review or where required establish their implementation programmes.

Both airport operators and National Competent Authorities should consider that the basis for a balanced certification process lies in the respective organisations’ Management System as widely available at ICAO level for all Airports. The ADR.OR.D.005 “Management system” indicates: “The aerodrome operator shall implement and maintain a management system integrating a Safety Management System”, which must necessarily be balanced and proportionate at the same time. Air traffic growth requires improvements globally. For Member States, however, in order to maintain a high level of safety, additional measures are required. The growing complexity of the system, the growing integration and automation, require a more formal and integrated approach to Safety.

Ultimately, there is a need for a balanced and proportionate approach, which should also be more and more coordinated and harmonized to deal with actual problems faced by Airport Operators and which must always be proportionate and in line with the complexity of the Organization we are dealing with at any given time.

The airport’s complex world certainly needed a more rational approach, without losing sight of the importance of the primary objectives in terms of overall safety safeguards. The European Aerodrome Certification process is one important step on the path to a more uniform and therefore clearer approach to running modern airport infrastructure across the geography of EASA’s member states. As an organisation, EASA strives to work closely with all stakeholders to achieve ever higher levels of safety across Europe and beyond – it is an effort that can only be achieved by connecting with every link in the chain.
Karen Dee, new Chief Executive of the UK Airport Operators Association, interviewed by Ross Falconer.

**New AOA Chief Executive calls for certainty on post-Brexit air services agreements**

Karen Dee, Chief Executive, UK Airport Operators Association: “Clearly, Brexit is a top priority in our manifesto and we have greatly benefited from working closely with ACI EUROPE in ensuring there is a pan-European airports position on this – it’s been and will continue to be an incredibly important and valuable partnership.”

It is certainly an exciting time to enter the air transport industry in the UK, with the government planning to start working on a new Aviation Strategy this year and, of course, the forthcoming negotiations for the UK’s exit from the EU. It is against this backdrop that Karen Dee took over as the new Chief Executive of the UK Airport Operators Association (AOA) in March. "Theresa May’s surprise announcement of a General Election on 8 June has meant that some of the more detailed discussions with politicians and civil servants have been put on hold, so I’ve had a bit more time to spend with our airport members, to get to know them and understand more about their operations,” she explains. “Aviation is such a dynamic and competitive sector – I’ve been so impressed to see how our members keep such complex facilities operating smoothly.”

Dee brings a wealth of experience in the transport sector. Her previous roles include positions at the Confederation of British Industry, Road Haulage Association, Department for Transport and, most recently, the Freight Transport Association. “What all of my previous roles have in common is that they have involved me in campaigns to persuade government to adopt a particular policy position or approach – or equally to persuade them not to do something,” says Dee. “While some of the detailed policy issues I’ll be involved in at AOA will be different, the overall approach will not. Perhaps the biggest learning point from these past roles is that you always need to be in a position to answer the ‘where’s the evidence?’ question that inevitably follows any request for policy change.”

**AOA’s General Election manifesto**

In May, AOA released its own General Election manifesto, with the UK’s aviation connectivity after Brexit a top priority. “We have greatly benefited from working closely with ACI EUROPE in ensuring there is a pan-European airports position on this – it’s been and will continue to be an incredibly important and valuable partnership,” Dee comments. “Our collective job is to convince all our governments and the EU to provide certainty as soon as possible, and demonstrate that the European aviation market benefits from close UK integration. It helps we’re unique as a sector, in that the international agreements already in place can be models for what we want to achieve.”

Clearly, aviation is critical to the success of the UK economy and for society generally, and Dee adds that there is a real understanding in government of the importance of aviation for the UK – 73% of visitors to the UK arrive by plane and 40% by value of the UK’s exports travel by air.

The second key priority in the manifesto is the Aviation Strategy, which the outgoing government had begun developing. “We need a fair framework for growth across all UK airports, enabling them to provide the connectivity the UK needs as it seeks to forge a new path post-Brexit. That includes, very importantly, significant investment and improvement in surface access.”

A linked priority is the completion of ongoing work on airspace modernisation, which is increasingly urgent with one in three planes expected to depart more than 30 minutes late by 2030. Meanwhile, the UK will need a competitive aviation sector to ensure British business can take advantage of the competitive sector to ensure British business can take advantage of the opportunities of Brexit, and Dee stresses the need to reduce Air Passenger Duty, which is more than double that of the few other EU countries that charge it. This puts UK airports at a significant competitive disadvantage.

“Aviation policy in the UK has suffered from quite a bit of stasis in the past few years and finally we saw some clear steps forward – we need to get the new government to continue to make those steps. That includes progress on the Brexit negotiations, which are critical, and that means we will be gathering more evidence to make our case for a strong agreement – in close discussion with ACI EUROPE, of course,” Dee concludes.
Groupe ADP aims to become a world leader in airport design, construction, and operations. The group directly or indirectly manages 34 airports that handled nearly 252 million passengers in 2015.
AIRPORT TRAFFIC ANALYSER APP

It’s no secret that ACI has been tracking traffic data for most of its 26 year existence, but monthly reporting by ACI EUROPE of this important data-set only really began in the past 15 years. Since then, its relevance and significance have risen steadily, particularly after the economic and financial crisis, tracking the bounceback in traffic that followed it.

Teresa Ziober, ACI EUROPE’s resident Economic Research Analyst says "When it comes to traffic data, we have always seen significant engagement from member airports – they all want to be in the report, they each compete to make it into the Top 5 in their group. It’s a vital metric in airport industry. Our reporting puts individual airport’s performance into a wider context and gives it more visibility, which our members clearly find very valuable. When I started here in 2010, we had just over 100 airports in the report, they each compete to make it into the Top 5 in their group. It’s a vital metric in airport industry."

Work began on the project last year and delegates at ACI’s Airport Economics & Finance Conference in London in March of this year had a sneak preview of a beta-version of the result: the Airport Traffic Analyser App – an all-new tool that aims to empower users by putting the latest European airport traffic data at their fingertips. Early reaction has been very positive.

Not content with tracking airports’ efforts to harness digital and mobile tech (in several ACI EUROPE reports published in the past years), during its 27th Annual Congress in June, ACI EUROPE will show off its very own dedicated App, the Airport Traffic Analyser, freely available on iOS, Android and in a WebApp. Elliot Bailey reports.

Traffic analysis, on the move

During its 27th Annual Congress in June, ACI EUROPE will show off its very own dedicated App, the Airport Traffic Analyser, freely available on iOS, Android and in a WebApp.

How it works

As each new monthly ACI EUROPE Airport Traffic Report is released, registered users can – if they allow – receive an alert on the device of choice, informing them that the latest traffic results are now accessible, directly on their smartphone, tablet or computer.

The App is divided into 5 sections – WELCOME, which provides the user with all the latest summary aggregate data for growth in passenger traffic, freight and aircraft movements, for all of Europe, as well as for the EU and Non-EU blocs.

The second section is AIRPORT – the first page of which provides the user with the latest Top 5 listings across the 4 ACI traffic groups. Then staying within the AIRPORT section, there are 2 other pages – My Airports Latest Month & My Airports YTD – allowing the user to view comparisons he/she has set up between the airports of their choice (you can compare up to 6 airports in the same comparison and set up to 5 distinct comparisons). These comparisons can be carried out based on the monthly result or on the Year-to-Date result, generating customised, interactive tables and graphs that are shareable.

The third section COUNTRY also has 3 pages – the first of which provides the latest maps of Europe with the aggregate traffic growth percentage placed on each country. As with the AIRPORT section, the other 2 pages allow the user to view the comparisons they have established comparing traffic performance between the countries of their choice.

The fourth section LIBRARY allows users to view the latest ACI EUROPE publications – on any subject – and the final section provides the necessary CONTACT details. Quite aside from the customisation feature in the AIRPORT and COUNTRY sections, it is impressive to see how shareable the various tables and graphs generated by the App are. It allows the users the possibility of sharing them via email or directly on social media channels like Facebook and Twitter.

ACI EUROPE will be actively promoting the App from the summertime onwards and hopes that the fact that it is free will pique interest from new users, further expanding the audience that the report currently enjoys. Robert O’Meara, Director of Media & Communications at ACI EUROPE says “Airport traffic performance is really the common denominator dataset that every department in an airport stays up to speed with – it is useful to everyone from C-level executives, to operations to route development to retail and beyond. More than that, it receives a regular drumbeat of media interest too. So with the research we had done on airports work with digital & mobile, we recognised that there was an opportunity to try to do something groundbreaking that could better serve our existing audience and potentially raise further awareness of our work and publications – on traffic and more.”

For more information about the new Airport Traffic Analyser app, go to www.aci-europe.org/trafficapp
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raków Airport’s team has shown strong determination in delivering an exceptional passenger experience in the past few years. In March, it was announced that the airport had won in the ‘Best Improvement by Region – Europe’ category in ACI’s Airport Service Quality (ASQ) Awards.

“The award, granted for the first time, motivates the whole team to take further steps to develop airport facilities at each step of the passenger path,” says Radosław Włoszek, President of the Board, Kraków Airport.

This year’s ASQ survey results confirm that passengers’ assessment of Kraków Airport is getting better and better. Last year was an eventful one for Kraków Airport, and was marked by the completion of its passenger terminal, together with a footbridge and a new train station. The new train station, car park, and soon hotel, at the airport are all connected with a footbridge leading to the terminal, which allows for an easier transition to the security checkpoints or check-in desks.

“Now it is easier and more convenient to get to the terminal, park your car, and pick up or drop off passengers using the Kiss and Fly bay,” Włoszek explains. “Looking carefully at the expectations of individual groups of passengers, we keep introducing more and more facilities at our airport. This is made easier thanks to ASQ surveys, staying in touch with passengers via social media, analysing reports from airport information desk staff, and the suggestions of carriers offering flights from Kraków Airport.”

As part of the airport’s ambition to provide a better passenger experience, it is focusing on implementation of the most innovative, modern technologies. This year, it has implemented a system providing real-time information on the level of traffic in front of security checkpoints, which makes it easier for the passenger to decide on when to go to the security checks. Passengers arriving at Kraków Airport receive clear visual information about the available means of transport to match their budget and timing.

Additionally, this year the airport is planning to launch a bag-drop zone with 10 self-check-in desks. “We will be the first airport in Poland to offer this solution to passengers,” Włoszek adds. “We are also developing a database of automated passenger messages as part of our FIDS system. We receive a lot of positive feedback from passengers who appreciate the high comprehensibility and clearness of our display messages.”

The new infrastructure has had a significant impact on all areas of Kraków Airport’s business. Indeed, figures certainly suggest that the share of non-aviation revenue per passenger has increased. Włoszek explains that over the past five years, this indicator was less than +3% on average, while currently it is at +16%. Consequently, the share of non-aviation revenue in total has been increasing steadily by approximately 3.5% from 31% in 2011-2015 (average per year) to almost 35% in 2016. In the first four months of 2017 it was almost 38%.

“However, it must be noted that the new terminal also contributes to higher maintenance costs of the new infrastructure; depreciation costs have increased significantly,” says Włoszek. “We are working to optimise the revenue and cost structure with a view to investments planned for the near future, and further development of the airport.”

2016 was also a successful year in terms of passenger numbers. Traffic grew 18% to almost five million in 2016, while the latest traffic figures for April show 17% growth year-on-year.

“Our success comes from implementing a consistent strategy aimed at passenger growth, coming from both LCC and traditional carriers,” Włoszek explains. “The key elements of our route development strategy are: diversification of airlines operating to Kraków Airport, as well as diversification of the network.”

He adds that upholding this diversity of carriers is certainly not an easy task, however, the airport is working hard on
maintaining this mix. As a result, Kraków Airport passengers can benefit from both the offer of major full-service carriers, such as Lufthansa, KLM, British Airways, LOT, and SWISS, and the largest low-cost airlines like Ryanair, easyJet, Norwegian, and Eurowings.

This year, the airport expects to serve over 5.5 million passengers. This growth also comes with the introduction of 28 new regular connections and one new airline, El Al. While the majority of the new routes will be operated by LCCs, LOT Polish Airlines is introducing a Chicago O'Hare service. "Development of long-haul services is a key element of our strategy, and the Chicago route is the best evidence of the significant potential for further development of a long-haul market from Kraków," Włoszek comments. "Despite the many new connections launched over recent months, and planned for the rest of 2017, we are still working on opening new destinations and increasing frequencies on the existing routes where we identify the biggest potential. And, last but not least, we are concentrating on providing our passengers and airlines with the highest possible quality of airport service. This balance is the reason for our consistent success."

As part of the airport’s progressive modernisation strategy, last year it received approval to build a new runway by 2021. Currently, the planned construction is at the environmental audits stage, where an environmental impact report is being prepared. "Designing the new runway, we look at new technological developments," says Włoszek. "Therefore, last year we signed an agreement with the Polish Air Navigation Services Agency (PAŻP) on the implementation at Kraków Airport of instrumental flight procedures based on GBAS (Ground Based Augmentation System), which uses satellite technology to assist the air traffic control navigation system."

Modern brand philosophy

The airport’s modern brand philosophy is indeed becoming more visible. It recently introduced a new logo, as part of its rebranding project. "The new logo is a symbol of opening up to more upcoming challenges, and evolution in Kraków’s management strategy," explains Radosław Włoszek, President of the Board, Kraków Airport.

Last year was an eventful one for Kraków Airport, and was marked by completion of its passenger terminal, together with a footbridge and a new train station. The new train station, car park, and soon hotel, at the airport are all connected with a footbridge leading to the terminal, which allows for an easier transition to the security checkpoints or check-in desks.

Kraków Airport is shortlisted in this year’s ACI EUROPE Best Airport Awards, following an exciting year in which it has experienced strong growth, terminal modernisation, and increased passenger satisfaction.

Looking ahead, Włoszek adds: "Building the new runway is one of the biggest investments in Malopolska and the most important task my team is faced with. However, we do not forget about other important plans, such as developing a masterplan, or ensuring convenient access to the airport for passengers from all over the region. An airport is not just about infrastructure, so we are also working on introducing more innovative passenger facilities."
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The South West UK economy continues to prosper, with the region second only to London in terms of its contribution-per-head to the overall UK economy. This generates strong outbound business and leisure traffic – and with world-renowned attractions, such as Stonehenge and the World Heritage City of Bath, on its doorstep, the airport is also welcoming a growing number of international visitors.

"Add to this major events such as the Glastonbury Festival and the UEFA Champions League Final in Cardiff – both of which will generate significant additional traffic for us – and it is clear that 2017 is going to be a big year for Bristol Airport," says Robert Sinclair, CEO Bristol Airport.

Indeed, it is a big year not least because of the 60th anniversary of operations on the current site, which was officially celebrated on 3 May. The airport brought together the old and the new, in the shape of a vintage DC-3 and an A319, which its largest carrier easyJet named Spirit of Bristol to mark the occasion. "It was fantastic to see these two aircraft, which both revolutionised commercial air travel in their time, line up alongside each other in front of our old terminal building from where operations began back in 1957," Sinclair enthuses. "There have been so many highlights in our 60-year history, but, for me, the construction of the current terminal – which opened in 2000 – was an incredibly important development. It put us in a great position to attract the new generation of low-cost airlines, which have since revolutionised air travel and enabled regional airports to offer connectivity which would have been unthinkable outside major capital cities only a few years before."

Continued upward trend in Q1 2017

Just 33,000 travellers used the airport in its first year – equivalent to a busy 24 hours today. Bristol is now England’s third-largest regional airport, with direct services to over 120 destinations in 30 countries.

2016 was another record year, and a seventh consecutive year of growth. The airport welcomed 7.5 million passengers in 2016 – an 11.3% increase on the previous year. Scheduled and charter traffic contributed to this increase, through a combination of new routes and increased frequency and capacity on existing services. The upward trend continued into the first quarter of 2017, and over eight million passengers are expected for the first time this year.

“We haven’t seen an impact from Brexit, but we are concerned that a lack of clarity on future air services agreements could impact airline decision-making over the next 12 months,” Sinclair explains.

Bristol Airport adopts a proactive partnership approach with airlines, through which it identifies mutually-beneficial route opportunities, which add value to the network and sustain the continued growth of its operations.

Robert Sinclair, CEO Bristol Airport: “We negotiate commercial deals with our airline partners which should ultimately see both parties benefit. We want to see sustainable growth through routes which add value for passengers who live in, visit or do business with our region.”
Bristol Airport factbox

2016: 7.5 million passengers

2016 PASSENGER TRAFFIC GROWTH: 11.3%

2017 PASSENGER TRAFFIC GROWTH (Q1): 12.5%

KEY AIRLINE CUSTOMERS:
Aer Lingus Regional, Aurigny, flybe, bmi regional, British Airways, Brussels Airlines, easyJet, KLM, Ryanair, Thomson, Thomas Cook, Wizz Air, WOW air

NUMBER OF ROUTES: 120

TOP 3 DESTINATIONS:
Dublin, Amsterdam, Edinburgh

and are sustainable over time. This has delivered tangible results. WOW air announced in March that it will begin services from Bristol to Chicago via Reykjavik on 13 July; on 20 May the airport welcomed the return of British Airways with four routes – Florence, Ibiza, Malaga and Palma de Mallorca; and Thomson Airways restarted flights to Cancun and Orlando Sanford on 6 May.

“We are on the record as saying that we believe Bristol should be the ‘next cab off the rank’ for long-haul services from the UK regions,” says Sinclair. “Direct transatlantic flights have been successful before – with Continental Airlines between 2005 and 2010 – and are certainly high on our list of priorities, as is a Middle East service. But we also see short-haul opportunities in Scandinavia, for example. We can tap into a wealth of regional data to support the business case for routes, and we will work with airline partners to evaluate options and provide marketing support. As passenger numbers increase and we continue to invest in high quality facilities, we believe airlines will want to have a presence in Bristol.”

Digital marketing is a real area of focus, and the airport is strengthening this function so it can amplify airlines’ route marketing campaigns through its own channels. Indeed, Bristol Airport is particularly proactive on social media, with over 43,000 ‘likes’ on Facebook and more than 18,000 followers on Twitter.

‘Sustainability central to our thinking’

Planning permission is already in place for development up to 10 million passengers per year, a milestone forecast to be achieved as soon as the start of the next decade, and the airport will be updating its master plan over the coming months. “Now is the right time to start thinking about how we can continue to meet the growing demand for air travel to and from our region in future,” Sinclair comments. “We will be seeking the views of passengers, employees, neighbours and others, to help us shape our vision. We understand there will be challenges, but there is also a huge opportunity to create jobs and generate economic benefits for years to come, which we hope will be embraced by our stakeholders.”

A £23 million (£27m) upgrade of the immigration hall was completed earlier this year, enlarging and enhancing the passport control area and installing 10 of the latest ePassport gates. “As well as introducing this new equipment, we also redesigned the space to create a more welcoming environment and to streamline the border process for passengers,” Sinclair notes.

Work continues on a new reception centre in the airport’s Silver Zone, as part of a £20 million (£23m) investment across Bristol Airport’s car parks. There are also plans to refurbish the check-in hall, introducing some of the ‘sense of place’ design that has been central to recent developments. Meanwhile, additional aircraft stands are close to completion, so capacity is being added across the airfield and in the terminal.

Sustainability is at the heart of these developments. Bristol Airport is accredited at Level 1 Mapping of ACI’s Airport Carbon Accreditation, and is working towards Level 2 Reduction with the ultimate goal to become carbon neutral.

The South West region is home to a thriving low-carbon and renewable energy sector, and Bristol was the European Green Capital in 2015. Bristol Airport itself is located just outside the city in rural North Somerset, and the coast and countryside are central to its tourism offer. “We are sensitive to the environment in which we operate, and sustainability is central to our thinking as we turn our thoughts to the future,” says Sinclair. “In the meantime, initiatives such as our Airport Environmental Improvement Fund, which contributes more than £100,000 (£116,000) a year to local community projects and noise insulation for homes, are helping to mitigate the impacts of our operations today.”

Looking ahead, the airport is focused on maintaining its customer service standards through the busy summer season, and beyond the airport boundary there are plans to work with stakeholders to identify long-term surface access solutions. “And, working with colleagues in the industry, I will be urging Government in the UK and EU27 to prioritise aviation in Brexit negotiations,” Sinclair concludes.
Leverage the power of Airfare Analytics to be proactive in your network monitoring and route development. Our Airport Solutions support network performance monitoring, profitability analysis and route development. How? Turning 400 billion airfares used by airline for price setting into detailed information on over 80,000 routes.
Airfare analytics tools have the potential to be a powerful resource in airports’ strategic decision-making processes. For aviation marketing departments, these tools may help gain a better understanding of the market and of individual airlines.

Infare collects 2.5 billion airfare observations every day and, based on this volume of data, has created two analytics tools – Airports & Altus – designed to translate this into actionable information. “At present we have over 15 airport customers actively using our solutions,” explains Nils Gelbjerg-Hansen, CEO & co-founder, Infare Solutions. “The tools are mainly used to get additional insight on their airline customers, which translates into network performance monitoring, profitability analysis and route development activities. The insight they get using our airfare analytics allows them to proactively address weaknesses on existing routes. What’s more, they can assess profitability and risk when developing business cases. So, overall, our analytics are used to secure efficient allocation of resources in route development and better decision-making.”

Infare Airports is an airfare aggregation tool intended to provide airports with insight into airlines’ earnings. The ability to accurately estimate earnings per carrier per route would provide airports with relevant and actionable business intelligence, and enable more proactive behaviour towards customers, as well as better utilisation of resources and network. Importantly, it allows airports to identify the most profitable routes.

Infare Altus, meanwhile, is an analytical interface based on a historical database containing over 400 billion airfares. It enables in-depth studies of airfare data, from regional trends right down to individual flight level. It is designed to allow airport or airline route planning departments to build business cases, with estimations of earning potential. The risk associated with the potential earnings on an unserved route is, naturally, a critical component in decision-making. Altus allows users to quickly get market risk insights.

“Our airport customers are all enthusiastic about the level of detail, as they can go all the way to individual carrier and flight level,” says Gelbjerg-Hansen. “They enjoy the possibility to assess risk and volatility, as this allows them to better allocate internal resources. On top of that, as the interface of both Altus and Airports is truly easy to use, users quickly get to appreciate the full analysis possibilities offered by the analytics.”

Existing airport customers include Hamburg, Copenhagen, Billund, Aviron, Montpellier, London Gatwick, London Heathrow, Dublin, Melbourne, and Brisbane. “We started the dialogue with Hamburg Airport over four years ago, when we were at the initial phase of the development of our Airports tools,” comments Anders Nygaard – Altus & Infare Airports Product Manager. “Our product development strategy is highly customer-centric and our airport solutions are not an exception to that. Improvements to functionality and usability have been often triggered by the feedback received from our users. For instance, when it comes to enhancing the tools’ customer behaviour logic and intelligent data aggregation.”

Perhaps most importantly, using such analytics tools enables airports to get closer to their airline customers, thus being able to be even more proactive in network development.
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The first priority of all airports is ensuring the most effective security measures are in place to protect travellers and staff. Europe’s airports are proactive in collaborating closely with technology providers early in their development processes to understand requirements and constraints, and build this into the design.

Smiths Detection, for example, works directly with a wide range of airports to support technology trials. These long-term collaborative relationships help airports to develop technical solutions for their operational challenges. The company also engages intensively with the industry through regional and global trade bodies, including ACI EUROPE.

“Well-designed checkpoints, staffed by well-trained and motivated teams, rapidly reduce queues; this ensures a good passenger experience,” says Kevin Riordan, Head of Airports & Checkpoint Solutions, Smiths Detection. “Operational improvements also boost staff productivity, reducing the screening cost per passenger head. Happy passengers bring a wealth of benefits to airport operators: a 1% rise in customer service levels delivers a 1.5% boost to airport revenue; greater than a 1% rise in passenger volume (a 0.7-1% increase).”

Morpho Detection became part of Smiths Detection in April, bolstering Smiths Detection’s R&D presence and customer support package. “We now have the combined expertise of two market leaders, ready to deliver the best service and security solutions to our customers and partners,” explains Cameron Mann, Global Market Director, Smiths Detection.

Customers include Bristol Airport, where Smiths Detection worked closely with a wide range of partners on the £24 million (€28m) West Terminal extension. Meanwhile, in 2016, the company was awarded contracts worth almost £19 million (€22m) by Falcon Group to provide advanced detection systems for passenger checkpoint, hold baggage and cargo screening to airports across Egypt.

Smiths Detection takes a comprehensively global approach. “We continue to see increasing growth in passenger numbers globally and, although this does vary by region, the requirements for compliant and efficient security solutions are common,” says Mann.

The company is increasingly engaged in China and Africa, which are rapidly expanding their infrastructure, but have unique requirements. It has, for example, implemented the IONSCAN 600 in Singapore and the Smart Security checkpoint in Japan. “Interest in the benefits of smart security in Asia is increasing, as is concern about the need for compliance with current and likely regulatory EU and US requirements,” Mann adds.

“Smiths Detection is able to advise on both requirements and technical solutions to meet them: we’re working closely with clients in Asia to support them on their journey.”

Smiths Detection’s HI-SCAN 6040aTiX X-ray system recently became the industry’s first solution to be awarded European Explosive Detections Systems (EDS) certification CB C1, for its automated explosive detection capability. “With regard to broader uptake of this technology, we see its deployment as inevitable; whether as a result of compliance with new regulations or the decision to seek operational benefit,” Riordan comments.

Meanwhile, HI-SCAN 6040 CTiX will be the first security system from Smiths Detection to use CT technology for the passenger checkpoint and will be launched in October.

“Looking ahead, we will continue to add value to our solutions for customers, through technology and expertise that helps airports meet their operational and security challenges. And continue our class-leading R&D, ensuring that we are always ahead of the security curve,” Mann concludes.
2016 was a memorable year for Fraport Twin Star Airport Management AD, in which it marked 10 years of the successful airport concession at Burgas and Varna airports. Fraport Twin Star Airport Management AD CEO Ulrich Heppe outlines the main successes of the airports to Marta Dimitrova.

Fraport Twin Star: ‘Building awareness and traffic for Bulgaria’s premium Black Sea coastline’

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nown as the Bulgarian Riviera, the country’s Black Sea Coast is home to white and golden sandy beaches spread across the nearly 400km Black Sea coastline. With its historical sea towns founded in the seventh century BC, as well as more modern resorts, offering water sports, nightlife and secluded beaches, Bulgaria’s coastline attracts more and more visitors every year.

Among the coastal resorts, two cities stand tall – Varna and Burgas – the pillars of Bulgarian Black Sea coast tourism.

Varna and Burgas international airports are the main hubs serving the region and are often used as a link to Bulgaria’s coast. In 2006, Fraport Twin Star Airport Management AD signed a concessionary contract to run the airports for 35 years.

Speaking to Airport Business, Ulrich Heppe, CEO Fraport Twin Star Airport Management AD, enthuses: ‘2016 was an incredible year because of the regular programme of celebrations hosted by our Burgas and Varna twin gateways. Our official anniversary on 10 November was an amazing event joined by VIPs, stakeholders and staff – the climax of Fraport Twin Star Airport Management AD’s first decade of this successful airport concession on Bulgaria’s beautiful Black Sea coast. It was also a memorable year in which we welcomed record numbers of passengers travelling to and from Varna and Burgas airports.’

Under the slogan ‘10 Years of Excellence’, the airports held events to showcase Bulgarian culture, ranging from traditional new year celebrations; dancing and music entertainment; and marking the national Day of the Bulgarian Alphabet and Culture on 24 May; to demonstrations of yoga, in conjunction with International Yoga Day. “The popularity of this innovative customer programme grew from month to month, even attracting requests from our stakeholders asking what would be coming next,” Heppe adds.

One of the main highlights for the airports in 2016 was welcoming their 35-millionth passenger since the start of the concession. What is more, the airports achieved 22% growth in passenger traffic. “Last year we could finally reap the fruits of our initiatives to transform the twin star airports into attractive gateways, while further developing strong ties with the Bulgarian tourism industry and our international travel partners,” Heppe explains.

Ulrich Heppe, CEO Fraport Twin Star Airport Management AD: “Further developing the low-cost carrier segment at both locations is another strategy that we are pursuing – especially during the off-season, so that we can create a healthy mix of carriers, ranging from major legacy to low-cost carriers serving the needs of all passengers.”

says Heppe. “Together we are building tourism awareness and traffic for Bulgaria’s premier Black Sea region.”

Depending on flight volumes and operational periods, Fraport Twin Star actively participates in joint marketing programmes with the airlines to popularise new routes.

“Our goal is to provide more opportunities, so that more people can discover our fascinating cities and explore the stunning Black Sea coast,” Heppe adds.

Recently, a number of airlines announced year-round flights to Varna from Dortmund, Munich, Eindhoven, Larnaka, Milan, Tel Aviv and Brussels. Fraport Twin Star also launched a new aviation marketing strategy called ‘Twin Star to Five’, aiming to boost off-season traffic by engaging other major stakeholders such as hoteliers, tour operators, municipalities, and airlines and airports.

“Further developing the low-cost carrier segment at both locations is another strategy that we are pursuing – especially during the off-season, so that we can create a healthy mix of carriers, ranging from major legacy to low-cost carriers serving the needs of all passengers,” Heppe explains.
‘Perfection, growth and care’

Heppe explains that during its first decade of operation, Fraport Twin Star has been focusing on “perfection, growth and care”, investing €170 million to modernise and expand facilities. Some of the most visible projects include the new passenger terminals inaugurated at Varna and Burgas in 2013; improvements to the airports’ computer and communication technology; apron expansion for aircraft positioning; construction of new technical and service buildings with the best available equipment and technologies, as well as staff training and a new career development centre.

Additionally, Burgas Airport recently completed a vital rehabilitation of taxiways A and H, which are the longest and busiest taxiways, covering around 50,000sqm. The €6 million investment also included upgrades to the lighting cabling, airfield lighting system and approach lights, their management and control technology, and runway drainage systems. An identical project will roll out at Varna Airport this year.

The expansion and modernisation of the airports is continuing apace with €10 million to be invested this year and a further €50 million over the next five years.

Fraport Twin Star Management will be making further important investments at its Black Sea gateways over the next 25 years – for example, movement zones, passenger terminals, cargo facilities, access roads, technical infrastructure, safety and security systems, technical and IT equipment, etc. Burgas Airport will receive a major runway rehabilitation by 2024; an extension to Terminal 2 will start this year and be complete by the 2019 summer season, then followed by a second extension in 2024. Projects are also underway at both airports for the runway approach lights and airfield lighting. The T3 hangar at Varna Airport will receive structural improvements in the future, too.

“This gives you an idea of our ambitious plan for the future,” Heppe explains. “Our team is inspired to lead this change and bring it into reality. Thanks to the new passenger terminals at both airports, we have already experienced positive effects from enhanced service quality, new facilities, and strong customer satisfaction and brand recognition.”

At the core of Fraport Twin Star’s vision is placing the airports in the traveller’s heart, therefore it is consistently striving to provide top-quality services for its passengers. Fraport Twin Star is embracing the traditional hospitality of Bulgarian culture in order to create a lively atmosphere in the airports’ facilities. “The new vision, based on hospitality, modernity, innovative technologies and motivated staff, is part of the new face of the sunniest airports in the Balkans. Our goal is to establish Fraport Twin Star as a leading airport operator in Eastern Europe. Furthermore, the Twin Star team should strive to continue placing both Varna and Burgas airports in the traveller’s heart,” Heppe concludes.
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Helsinki Airport and SITA Lab have started a research project to explore how the Microsoft HoloLens headset can enhance airport operations by using mixed reality (MR) technology. HoloLens, which runs Windows 10, enables users to engage with digital content and interact with holograms in the world around them. SITA Lab has been working with Helsinki Airport to use the device to reproduce the airport operational control centre (AOCC) in a mixed reality environment. In the initial stage of the project, SITA Lab used a feed from SITA’s Day of Operations technology, which is used by Helsinki Airport, and created a new way to visualise and interact with the airport’s operational data, including aircraft movement, passenger movement and retail analytics. Wearing the HoloLens headset, the operators had a set of screens meshed into a 3D view of the airport, allowing them to correlate events from the data dashboards with an immersive real-time model of the airport. HoloLens also opens the possibility of being able to access the AOCC environment from any location, on or offline, allowing experts to provide input to situations remotely. “Mixed reality, which combines augmented and virtual reality, is more than a new interface, it is a new way of looking at the world and allows things to be done in a new way,” says Jim Peters, SITA CTO and head of SITA Lab. “It enables digital and physical data to exist together. Our early research shows that there are potential uses for airlines and airports – for operations, maintenance and training. We need to learn how to interact in this new environment. In the same way that we moved from computers to smartphones and voice recognition, now we can go beyond the screen.”

Greg Jones, Managing Director, Worldwide Hospitality & Travel, Microsoft Corporation, adds: “HoloLens is now being used across various enterprises from healthcare to engineering. SITA’s work is an example of how to extend HoloLens capabilities to manage the complexity of data and decision-making in an airport environment. It shows how this new technology can be harnessed for the air transport industry and add value in areas from training to complex operational management.”

Helsinki Airport is exploring operational potential of Microsoft HoloLens

The airport experience of tomorrow is being defined through a variety of technologies, from biometrics and beacons to mixed reality headsets. Report by Ryan Ghee.

Gatwick installs 2,000 indoor navigation beacons

As part of its £2.5 billion (£2.9bn) transformation programme, London Gatwick Airport is embracing technological innovations as it seeks to simplify the passenger experience and optimise operations. Abhi Chacko, Head of IT Commercial & Innovation at Gatwick Airport, explains that the installation of 2,000 battery-powered beacons has now been completed. Although the airport has led the project, it is perhaps the airlines and their passengers who stand to gain the most. The beacons have been installed across the North and South terminals. By communicating with mobile apps, they can accurately locate where a passenger is in the airport and provide them with blue dot indoor navigation. Additionally, the beacon system also enables an augmented reality (AR) wayfinding tool, which allows passengers to use the camera function on their device to view AR directions to check in areas, departure gates, baggage belts, etc. “We wanted to enable indoor navigation on mobile apps, similar to road navigation on Google or Apple maps, but GPS doesn’t work well indoors due to a lack of satellite signals,” says Chacko. “We deployed about 2,000 battery-powered beacons in early 2017 and we are now able to provide a reliable indoor blue dot service to app developers. This is much more reliable than GPS and it can be used in airport apps, airline apps, and other third-party apps.”

Chacko explains that Gatwick chose battery-powered beacons to reduce costs, logistical complexity and deployment time. In fact, all of the beacons were installed in just three weeks, before two months were spent calibrating the blue dot and testing the accuracy of the wayfinding. Gatwick Airport has worked with London-based Pointr Labs on the project. The company’s CEO, Ege Akpinar, outlines more of the benefits of the system: “From day one we’ve focused on the computer science aspects of it, so it doesn’t use too much battery, it’s multi-platform, and it’s accurate throughout all publicly accessible areas of the airport. We’ve seen airports that are installing loads of sensors – as many as 10,000 sensors – but we can use much fewer beacons and that’s all thanks to the clever software that we’ve developed.”
Frankfurt Airport opens new Entertainment Gate

A huge LED video wall has been installed in Frankfurt Airport’s Pier B in the area between Gates B44 and B48. The 180-degree convex video wall, which measures 21m x 1.6m, displays a variety of video content, ranging from airport operations to destination previews. One film, for example, shows the journey of a suitcase from the check-in counter through the maze of underground tunnels and baggage conveyors to the airport apron and from there into an aircraft’s belly. Others highlight visuals from major cities, like New York and Tokyo across the entire screen. “The video wall innovatively enriches our broad entertainment and information offering for passengers,” says Thomas Kinzer, Head of Fraport AG’s Service Quality Department.

“The spectacular installation creates a genuine ‘wow effect’ and turns the time that travellers spend waiting in the gate area into an experience to write home about.” The Entertainment Gate, as Fraport has named it, is part of the airport’s initiative to add new services and facilities, while improving existing ones, to enhance the customer experience at Frankfurt Airport.

A shift towards smarter self-service solutions

As passenger numbers continue to grow, airports put strong focus on finding the most efficient way to provide a seamless journey for travellers. With self-service solutions, from e-gates to self-boarding, becoming increasingly popular to help process passengers more efficiently, eezeetags’ innovative self-tagging solutions are becoming central to the end-to-end passenger process. Recently, Dublin Airport increased its installation of self-service bag drop (SBD) solutions from 188 units, making it the world’s biggest installation yet. eezeetags contributed to this having already collaborated with other airports worldwide. Last year, London Gatwick Airport opened the world’s largest bag drop zone as part of its North Terminal transformation programme. White easyJet is the biggest user of the bag drop installation at Gatwick, this year British Airways has also deployed eezeetags’ self-tagging solutions on 10 self-service bag-drop points. Additionally, Thompson/TUI will have dedicated self-service bag drop installations in Gatwick this summer, using eezeetags. London Stansted Airport also recently added more Sonic bag-drop machines, therefore increasing the number of passengers that use eezeetags.

By providing a seamless, contactless passenger flow through all checkpoints, Seamless Gateway eases congestion throughout the airport, while offering a contemporary travel environment for passengers. The one-solution approach to airport touchpoints simplifies the clearance process for passengers with an identical process throughout, eliminating confusing clearance tasks and removing the need for the passenger to interact with officers or touchpoints. This project in collaboration with Amsterdam Airport Schiphol is an important step in the digital transformation of the airport.

Dublin Airport has enhanced its self-service bag drop (SBD) offer to an impressive 118 Sonic units, making it the world’s biggest SBD installation.

Providing seamless, contactless passenger flow

“This year, we are proud to unveil Seamless Gateway, a brand new concept that literally allows a passenger to go through checkpoints without stopping and heralds a revolution in the dynamic between passenger, airport, airlines and border authorities,” enthuses Miguel Leitmann, CEO Vision-Box. Providing an on-the-move, contactless and streamlined passenger journey, Seamless Gateway eliminates stops at airport control points and represents the next evolutionary step both in the way passengers interact with the airport and in stakeholder collaboration. “This innovation truly is a stimulating new chapter for the passenger services model and stakeholder collaboration,” says Leitmann. “How does it work? As passengers cross through the airport, information is collected in the Passenger Data Envelope (PDE), a plug-and-play, info-driven, data stream portfolio is created for each individual. This data stream is used to guarantee a reliable passenger identification, real-time passenger flow monitoring, clearance exception handling, and a higher level of trust in the integrated security and border identity services. By providing a seamless, contactless passenger flow through all checkpoints, Seamless Gateway eases congestion throughout the airport, while offering a contemporary travel environment for passengers. The one-solution approach to airport touchpoints simplifies the clearance process for passengers with an identical process throughout, eliminating confusing clearance tasks and removing the need for the passenger to interact with officers or touchpoints. This project in collaboration with Amsterdam Airport Schiphol is an important step in the digital transformation of the airport.

Wilma van Dijk, Safety, Security & Environment Director, Schiphol Group, states: “Amsterdam Airport Schiphol has been boosting innovation in every aspect that concerns passenger experience together with our partners the Ministry of Security & Justice, Royal Netherlands Marechaussee, KLM Royal Dutch Airlines, and Vision-Box. For us, modernisation goes hand in hand with innovative technology. The state-of-the-art Seamless Gateway supports us with our Digital Airport Program.”

Frankfurt Airport Business
Edinburgh focused on strong domestic market, and increasing European and long-haul connections

With its compelling architecture and quirky atmosphere, Edinburgh is ideal for tourists and is enjoying popularity in the UK and across Europe as a must-see destination.

Each year, the city welcomes art enthusiasts to the world-renowned Edinburgh Fringe Festival, as well as sports fans to its European rugby tournaments, such as the Six Nations.

Edinburgh Airport serves as an important entity to provide this link between Scotland and the world. In 2016, a record 12.4 million passengers used the airport, marking 11% growth on 2015. “Our passenger figures underline Edinburgh Airport’s growing international ambitions and ongoing demand to fly to and from this great city,” enthuses Gordon Dewar, Chief Executive, Edinburgh Airport. “We have seen a solid increase in the number of international passengers, which highlights the ever-increasing draw of Edinburgh as a global destination. An increase in visitors to the city stimulates the economy, creates new jobs and offers direct international links for all of Scotland.”

21% growth in international traffic

Indeed, this increase is largely due to 21% growth in international passengers from the new services launched over the last year. 27 new international routes commenced from Edinburgh in 2016, making it a total of 132 destinations with 37 airlines. There were significant increases in services from Jet2.com (33 new routes), easyJet (7 new routes), and Vueling (9 new routes). Today, Edinburgh continues its focus on a strong domestic market, alongside increasing its European connections and long-haul destinations.

Dewar is positive that this growth will continue throughout 2017. “Over the last five years, we have increased our overall passenger numbers by 32%,” he notes.

Additionally, in March the airport welcomed record passenger numbers, representing the busiest March for a Scottish airport ever (965,000 passengers), with a 41% increase on the same month last year.

Meanwhile, the airport continues the redevelopment of its airside retail space. Last year it opened 13 new outlets, and refurbished nine existing outlets. “We’ve seen our retail sales increase against our 2015 figures,” says Dewar. “And it’s not just our sales that have had outstanding results; our World Duty Free store received the ‘Store of the Year’ UK Dufry Award for Excellence in Travel Retail.”

Central to the airport’s philosophy is providing a better passenger experience. The airport is investing in reducing crowd flows by improving wayfinding and passenger walking routes, increasing check-in desk numbers, and adding self-bag drop points. It has also introduced a process by which passengers with hidden disabilities can be easily identified by members of staff through the use of pin badges and lanyards.

Edinburgh Airport is shortlisted in this year’s ACI EUROPE Best Airport Awards, which reflects the airport’s drive to be an award-winning airport. “We constantly set ourselves a challenge – not only do we want to be an award-winning airport, but we want to be the best business we could be, in Edinburgh and in Scotland.”

The focus is to move from delivering great operations as a business-to-business and infrastructure management company to more of a passenger-centred activity to grow brand advocacy, redefine relationships, and develop a new, sustainable business line, ensuring profitability and sustainable growth,” Dewar concludes.

Gordon Dewar, Chief Executive, Edinburgh Airport outlines the airport’s aim “to grow brand advocacy, redefine relationships and develop a new, sustainable business line ensuring profitability and sustainable growth”, to Marta Dimitrova.

Edinburgh Airport factbox

2016: 12.4 million passengers

2016 PASSENGER TRAFFIC GROWTH: 11%

KEY AIRLINE CUSTOMERS: Flybe, Jet2.com, easyJet, Ryanair, Norwegian

NUMBER OF ROUTES: 132

TOP 5 DESTINATIONS: London, Amsterdam, Dublin, Bristol, Paris
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Cobalt – the airline to Cyprus and soon the world as carrier strategies for the long-haul

Andrew Madar, CEO Cobalt, interviewed by Jonathan Ford.

Having taken flight for the first time on 7 July 2016, Cobalt has grown to have six aircraft in its fleet and serves 16 destinations across Europe, ranging from London Stansted and Paris CDG to Heraklion and Thessaloniki. Now the carrier, which is entering its second year of operation, is established from Larnaca and is gearing up for its next step – long-haul.

It has been no easy feat for the start-up carrier, with it having some issues during its initial operations, but Cobalt has survived its first year and is now backed by a sound investment and a clear strategic plan. Andrew Madar joined Cobalt as CEO in August 2016, with his aviation career beginning in engineering. “I wanted to be a pilot originally, but I could not afford it, so I became an engineer,” he comments.

Since gaining three degrees in aerospace engineering and business administration, Madar has worked for companies including Boeing and GE, where he worked for over 20 years, as well as Comac in China.

Changing from LCC to hybrid

Originally set-up to be a low-cost carrier (LCC), the structure of Cobalt’s strategy and concept has now changed to a more hybrid model. “We are never going to be able to compete with the likes of Ryanair head-to-head with a pure LCC concept, and I don’t think we have that type of market either,” says Madar.

The airline now allows passengers to book economy comfort seats on some flights due to the fleet currently having mixed configurations, but soon a premium economy product will be offered on all aircraft. “We are going to turn the comfort seats into premium economy shortly with some additions,” Madar explains. “The price ratio for these seats will be slightly higher than the price of an economy seat. Eventually when everything is in place we will be offering a business seat. We may call it ‘Business Light’. It will be business class with a bunch of goodies attached to it, and that will be offered at a market-driven price.”

The airline has also started carrying cargo from Cyprus and is hoping to have interlining agreements with other carriers in the future on some of its routes, including on its future long-haul services.

While the airline has changed its original concept from being a pure LCC to a hybrid carrier, it does not have plans to grow at a fast pace. “Cobalt is not going to become a big carrier right away,” Madar

Cobalt factbox

BASE: Larnaca

DESTINATIONS: 16 (as of June 2017)

FLEET: 6 aircraft
• 4 A320s and 2 A319s
• Future fleet: A330-200s

2016 PASSENGERS: 100,000+

STAFF MEMBERS: 252
adds. "It keeps us under the radar, so we do not make too much of a wave in anybody else’s game plan. We can have a nice, steady, safe growth and operation that will allow us to focus on our next phases. Cyprus’ size, population and market in winter does not justify a bigger fleet for an airline based here, so that’s why we are not going to go into a rapid growth phase."

**Next stop long-haul**

Cobalt already has a presence in the Middle East, with the airline serving Tel Aviv and Beirut. It has big plans for the region, with future destinations mentioned by Madar including Tehran, Kuwait and Dubai. However, the biggest step in the airline’s future route development is the establishment of long-haul operations, with the first destination to be in China, with plans for these operations to begin at some point in 2018. "We are committed," Madar asserts. "There is no way we are going to do long-haul and not have a connection to China. Right now we are eagerly followed and encouraged by the Chinese Government, particularly with Cyprus being part of the ‘One Belt, One Road’ initiative. They like what we are doing here. We have some investment from China, which has basically put a spotlight on our airline."

Emphasising the airline’s planned network to China, Madar adds: "With a direct flight to China, we won’t go crazy, and we will not have a massive schedule with daily frequency. We will start off with around two or three weekly flights."

Although it has not been confirmed by the airline where it will initially fly to in China, Beijing, Shanghai and Guangzhou are highlighted as strong contenders by Madar, but secondary cities including Chengdu and Chongqing should not be ruled out either.

Other destinations that are part of the airline’s long-haul plans are India, South Africa and the US. Cobalt is currently pursuing options for two wide-body aircraft to join its fleet in order to carry out its long-haul operations, with the aircraft of choice being the A330-200.

**Connections will help drive traffic**

Although the next focus of the carrier’s strategy is on long-haul that does not mean growth in Europe is obsolete. "Connections at the moment are short-haul to short-haul, such as Beirut to Paris and Madrid," says Madar. "Larnaca is a good place for a connection hub, but we have some work to do with the airport. We have a good relationship with Hermes, and that is not the issue, we just have to figure out the logistics and do some test runs, and that is why we are offering connections at the moment on some of our routes."

Future destinations for the carrier in Europe are highly likely to be in Germany, the Netherlands, Scandinavia and Russia, with St Petersburg and Moscow key markets that the carrier hopes to be serving before the end of 2017.

**Paphos not to be neglected**

Also on the agenda for the airline is the establishment of a base in Paphos. When asked by Airport Business about the basing of an aircraft in Paphos, Madar states: "Yes, Paphos will have an aircraft there. We want to take the national carrier flag title and to do that we need to help Cyprus as much as possible. Flying just from Larnaca does not give us that title."

Currently, Cobalt only flies to Paphos on a w-pattern rotation from Larnaca, a route which it started in May after Ryanair pulled services. With other services planned to come online from Paphos later this year, routes that are most likely to be launched include destinations in the UK, Germany and Greece.
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Over the past few years, Zagreb’s Franjo Tuđman Airport has been registering a continuous increase in traffic volume, positioning itself as the largest and busiest international airport in Croatia.

The arrival of 10 new airlines, including KLM, Brussels Airlines, SWISS, Qatar Airways and Emirates, has increased the airport’s competitiveness and ensured a better offer of scheduled services for travellers. The airport welcomed 2.8 million passengers in 2016, a 6.9% increase compared with 2015.

This year, Franjo Tuđman Airport has welcomed two new airlines – Monarch with flights to London and Manchester which launched on 28 April, and Emirates with a daily 777-300ER service between Zagreb and Dubai that commenced on 1 June.

In addition, the airport anticipates increased frequencies on existing routes. Iberia will double the number of flights between Zagreb and Madrid, while Czech Airlines and LOT will increase seat capacity on routes to Prague and Warsaw by at least 50%. Meanwhile, Croatia Airlines has started four new routes from Zagreb to Oslo, Helsinki, Stockholm and Bucharest. “In 2017, we are expecting an 8% increase in traffic,” says Jacques Feron, CEO of MZLZ, concessionaire of Franjo Tuđman Airport.

New ‘21st century airport terminal’

Following the airport’s rapid growth, in March it unveiled a new €300 million terminal building, which ensures a smooth passenger journey. The building is characterised by contemporary design and innovative solutions which are spread over 65,000sqm.

“The new terminal building is projected to stand out in the region with its contemporary design and state-of-the-art technological infrastructure. It is a 21st century airport terminal,” Feron explains. “It is also an environmentally advanced building in accordance with LEED Silver requirements.”

Indeed, the airport is accredited at Level 2 Reduction of ACI’s Airport Carbon Accreditation.

In this first phase of the development, the terminal has a capacity of five million passengers, while in the second phase of the project it will be capable of handling up to eight million.

Innovative solutions highlight the contemporary design of the terminal. “All areas, corridors and lounges have been designed according to the highest international standards in order to guarantee a smooth circulation in all public areas,” Feron comments.

For instance, a state-of-the-art baggage handling system enables the conveying, screening and sorting of all baggage in a fully-automated process. Franjo Tuđman Airport is, for the first time ever, operating eight boarding bridges, removing the need to transfer passengers to remote gates by bus.

In order to upgrade and improve the quality of service for travellers, the new terminal features an additional 30 check-in counters, 23 passport control counters, and 1,100 car parking spaces.

In terms of its commercial offering, the airport focuses on a greater selection of products. “Aside from the typical assortment of goods for travellers, there are special sections of exclusive brands, as well as Croatian products,” says Feron.

As part of its efforts to attract new routes, Zagreb Airport offers a solid incentive programme, which provides financial support via discounts on landing and passenger service charges for new routes, as well as frequency increases on existing routes. “We have updated the programme recently, together with the opening of the new terminal building, in order to extend our financial support to a greater variety of flights,” Feron adds.

Looking ahead, the airport’s ambition is to attract more airlines and increase the number of passengers. “We are focused on providing an excellent experience at the airport, in accordance with the highest international standards in every part of the passenger’s journey, making their experience a memorable one,” Feron concludes.
Sochi, located on Russia’s Black Sea coast, entered the global spotlight in 2014 when it hosted the Winter Olympic Games. This sporting connection has since been further amplified – Sochi is home to the Russian Formula 1 Grand Prix until at least 2020, and will be one of the host cities for the 2018 FIFA World Cup.

Despite the economic downturn in Russia, Sochi International Airport has demonstrated significant growth in passenger numbers. Over 5.2 million travellers were welcomed last year – an impressive 29% year-on-year increase. That trend has continued into 2017, with 20% growth recorded in the period from January to April.

While famous for hosting the 2014 Winter Olympics, Sochi is known as the unofficial ‘Summer Capital’ of Russia, or the ‘Black Sea Pearl’. “The government of Krasnodar Region makes a great contribution towards development of the tourism industry in Sochi, evenly distributing significant events during the year,” says Leonid Sergeev, CEO Basel Aero, operator of Sochi International Airport. “The number of destinations connected to Sochi is growing thanks to the resort’s popularity. The airlines support this resort development trend, and work towards increasing load factors. We are sure the airport can do even better, as soon as comprehensive activities are conducted to attract tourists not only during the summer season, but during the winter as well.”

Indeed, tourist infrastructure, including hotels, restaurants and amusement parks, was significantly improved for the 2014 Winter Olympics. This has helped increase traffic in the winter season, with more tourists visiting the Olympic ski venues of Krasnaya Polyana.

Currently, 40 airlines operate regular and charter flights to Sochi, and the airport’s route network includes 60 domestic and international destinations. Most recently, Ural Airlines started twice-weekly services to Sochi from Tbilisi – the first time the route has been served for five years. While it is too early to identify trends on the route, it has historically been popular, and Sergeev emphasises the strong potential both for welcoming tourists from Georgia and for transit traffic.

Significantly, Sochi gained Open Skies status in October 2014, meaning any foreign carrier may pick up and drop off passengers and cargo with no restrictions on aircraft type or frequency. In addition, foreign airlines are allowed to operate transit flights between third countries with a stopover in Sochi, where they can take new passengers onboard. “The Open Skies status certainly promotes the development of international passenger traffic,” Sergeev explains. “Eight airlines used the special conditions in 2016: Israir Airlines, Mahan Air, Qeshm Airlines, Taban Air, Meraj Airlines, SCAT Airlines, SkyBus Airlines, and Turkish Airlines. For comparison, Open Skies status flights were operated by only three airlines in 2015: Mahan Air, Turkish Airlines, and SCAT Airlines. In February 2017, Condor implemented its charter programme at Sochi thanks to the Open Skies status. Sochi, as an all-season resort, can become a new destination for travellers from many countries.”

Building on this, the airport’s network development strategy is focused on increasing direct services to both Europe and Asia. Following two years of work to stimulate the Chinese market, a Sochi-Chengdu service is expected to be launched this year, and efforts are underway to secure services to six other Chinese cities: Beijing, Zhengzhou, Ürümqi, Shanghai, Kunming, and Guangzhou. Sochi is the second Russian city, after St Petersburg, to establish
cultural and business ties with Chengdu. The launch of direct air links between the two cities is a top priority, along with cultural exchange programmes and mutual business projects.

"European tourists are also interested in Sochi, so the operation of direct flights from Amsterdam, Düsseldorf, Frankfurt, and Helsinki is planned," Sergeev adds. "As for today, there are already flights from Tehran and Tel Aviv in the schedule, but we are working to increase frequencies and open new routes from countries in the Middle East."

**Service quality and technological innovation**

Sochi places technological innovation and continuous improvement of the passenger experience at the heart of its strategy. Self-service check-in and bag drop are already prevalent, while there are also plans to launch an automated boarding gate and a baggage drop off service. About 30% of travellers currently use self-service check-in at Sochi.

"One of the major projects in the field of service quality improvement is ‘Service Blue Printing’, which involves the development of behaviour and communication standards for employees during their interaction with passengers," Sergeev explains. "This year, the airport continues to work on improvement of skills by applying the best international practices, which combine safety, passenger flow growth, and a friendly atmosphere."

Sochi Airport has its own Training Centre for employees, and holds competitions on a monthly and quarterly basis to select the most client-oriented members of staff.

It is also embracing digital communication as part of its passenger engagement efforts. The airport is currently upgrading its website to make it more user-friendly and fully responsive for tablets and smartphones, while an active social media presence is central to the communication strategy (it has 2,000 ‘likes’ on Facebook, 2,000 followers on Twitter, and almost 5,000 followers on Instagram).

"On our web pages, passengers can learn about new destinations, promotions and events held at the airport and in the city, and about the opening of new retail or catering outlets," says Sergeev. "We monitor the responses of our passengers on a daily basis, analyse and solve problems, and respond promptly to each query."

This focus on service quality improvement and technological development remains Sochi’s priority, alongside the development of regional and international services, and an increase in passenger traffic. "To improve the service and to increase the capacity, we plan to upgrade the terminal, improve the in-house infrastructure, and continue to work on the implementation of modern technologies," Sergeev concludes.
The Northern Powerhouse is a flagship UK Government policy designed to boost regional economic growth in the north of England, with improved connectivity and transport infrastructure at the heart of these plans.

Newcastle Airport is perhaps the perfect embodiment of the Northern Powerhouse – traffic is growing, new routes are enhancing connectivity, and infrastructure investment has further improved the airport journey for travellers. Indeed, Transport for the North, which was created as part of the Northern Powerhouse, earlier this year published a report by the Independent International Connectivity Commission, which highlights Newcastle Airport’s very specific role as the gateway to North East England.

“We’ve done a lot of work with the UK Government in relation to the Northern Powerhouse project,” explains Nick Jones, Chief Executive, Newcastle Airport. “Almost 3,500 people work at Newcastle Airport, and it generates hundreds of millions of pounds in GVA [Gross Value Added] across the region. Of course, it’s also critical to key businesses and key sectors of the economy in terms of delivering connectivity.”

The airport is a successful public-private partnership between seven local authorities in the North East region and AMP Capital, the Australian infrastructure fund, which have a 51% and 49% shareholding respectively. “In many ways the success the airport is seeing at the moment is a result of that strong partnership, through which we’ve been able to grow passenger numbers and offer an increasing choice of destinations,” says Jones.

4.8 million passengers were welcomed in 2016 – up 6% on the previous year – and growth has continued into 2017, with over five million passengers forecast this year. This is being stimulated by a balanced mix of full-service, low-cost and charter carriers. Most recently, Ryanair added new Faro and Madrid routes to its winter schedule from Newcastle, increasing its total to 10 routes.

“Two years or so ago, Ryanair was operating just one route from Newcastle,” Jones comments. “This summer it will operate 12, so a lot of our recent growth is down to this, but we’ve also seen the return of Berlin with easyJet, as well as growth and returning routes from Jet2.com and a number of our airlines. We’ve seen strong load factors across the board, so that’s also delivering growth.”

Newcastle is directly connected to 82 destinations, with British Airways to London Heathrow being the largest single route. Meanwhile, Air France-KLM operates from Newcastle to the Amsterdam Schiphol and Paris-CDG hubs. Significantly, in 2007 Newcastle secured a daily Emirates service to Dubai. Having started with an A330 operation, the airline upgraded to a daily 777 service in 2012 and the route now carries 250,000 passengers annually. “It’s had a massive impact in terms of the regional economy,” says Jones. “The route has opened up significant trade routes for North East businesses across the globe, particularly to the east, and it’s also been a revelation in terms of cargo. The figure we quote regularly is that the value of flown exports from Newcastle before this route started was less than £20 million (€23m) per year, and that has grown to well over £300 million (€347m), so that’s been a game-changer.”

Digital communication ‘to stay one step ahead’

A progressive aviation marketing approach has been developed in recent years. The first phase was about creating awareness under the banner of ‘Discover the World from Your Airport’. Digital communication is a big part of the strategy, and the recently-relaunched airport website has a dedicated ‘Discover’ page, showcasing the destinations served directly, plus all of the potential onward connections via Heathrow, Amsterdam, Dubai, Dublin and Paris.

“It’s about reaching out to the travelling public to say it’s ‘your airport’,” Jones explains. “The Discover page has seen significant traffic over the period of the campaign, with millions of page views, so that’s been a great success.”
The new website is fully responsive for tablets and smartphones, and Newcastle Airport is very active on the main social media platforms – Twitter (66,000 followers), Facebook (31,000 ‘likes’), Instagram, LinkedIn, and most recently Snapchat. “As the preferred platform of each generation changes, we have to keep our finger on the pulse. Our aim is to stay one step ahead in that respect,” Jones adds.

Phase 2 of the campaign, meanwhile, has focused on some very area-specific marketing messages across the North East region, which have been received very positively. The campaign has covered its core catchment area of Northumberland, Tyne & Wear, County Durham, Teesside, and beyond.

“We work closely with our airline partners in terms of marketing strategy, and to ensure all routes are promoted,” says Jones. “We direct customers to the Discover website, and when a new route is launched we make it more prominent on that page.”

Success in developing the route network and increasing traffic has allowed Newcastle Airport to invest in enhancing passenger experience. The latest developments have seen transformation of the landside facility, with a new terminal floor, new self-service bag drop kiosks, and upgraded baggage systems. “We’ve installed new primary radar systems on the roof as well, so there is significant investment going on, and that follows a £15 million (€17m) investment in the departure lounge and a new 1,600-space long-term car park,” Jones notes.

Landside upgrades will be complete imminently, and focus will then shift to updating the long-term master plan to 2030. That will go out to consultation later in the year, covering all aspects of airport development and how Newcastle will accommodate an almost doubling of passenger numbers.

All of these developments are undertaken against the backdrop of a strong environmental and social agenda. A state-of-the-art noise monitoring system and air quality monitoring are just two aspects, while the airport liaises regularly with the local community in terms of biodiversity.

**Brexit and Air Passenger Duty**

While looking to a bright future, the airport has recently celebrated some significant anniversaries. 2015 saw a year of celebrations for Newcastle’s 80th anniversary, while February this year marked 50 years since then-UK Prime Minister Harold Wilson opened the current terminal building. Then May saw the 40th anniversary of then-US President Jimmy Carter landing in Newcastle on Air Force One. “The celebrations we’ve had over the last few years are a way of keeping the airport connected with the region and the community that it serves,” Jones comments.

He adds that the priorities now are two-fold: Brexit and Air Passenger Duty (APD). Once the outcome of the UK General Election on 8 June is known, Jones urges the new government to prioritise early certainty for the aviation industry, potentially through transitional agreements, and the securing of new air service agreements as part of the Brexit negotiations. “We will work alongside ACI EUROPE to achieve that,” he says.

The issue of APD is a particular concern for airports in northern England, as the devolved Scottish Government has been given the authority to reform and reduce the burden of APD north of the border. “We’re very concerned about the impact on airports in the north of England, so we’re asking the UK Government to clarify its intentions in the event that Scotland lowers APD, which we’re expecting it to do in April next year. We need clarity from the UK Government and want them to match any reductions in Scotland across the rest of the UK. That way, we’ve got a fair system and a level playing field,” Jones concludes.
Porter Erisman, entrepreneur, e-commerce consultant, and former Vice President of Alibaba Group, the world's largest e-commerce company, interviewed by Ross Falconer.

Embracing the golden era of e-commerce

It is almost impossible to talk about retail these days without mentioning e-commerce. Global retail e-commerce sales grew 24% to $1.91 trillion (€1.7 trillion) in 2016, accounting for 8.7% of all global retail spending, according to eMarketer, and the trend looks set to accelerate further.

It is a challenging time for travel retail. Generation Research figures show that global duty free & travel retail sales rose a modest 2.5% to $63.6 billion (€57bn) last year, while in Europe they fell by 0.1% to $18.83 billion (€16.8bn).

Porter Erisman, entrepreneur, e-commerce consultant, and former Vice President of Alibaba Group, believes that "for businesses that approach the e-commerce boom with an innovative spirit, this is a trend which offers more opportunities than risks."

Indeed, we are beginning to see airports successfully combine physical and digital retail, in a way that makes shopping an easy, convenient and engaging part of the traveller's journey. For example, in March Fraport and Heinemann launched home delivery for pre-ordered duty free through their Frankfurt Airport Retail joint venture.

Erisman served as Vice President at Alibaba Group for eight years, as the company grew from a start-up in founder Jack Ma’s apartment into the world’s largest e-commerce company, and is uniquely-positioned to offer insights into understanding the e-commerce boom in emerging markets.

"The most exciting retail trend is the emergence of international travel as the new luxury experience for middle-class Chinese," he says. "It’s no longer good enough to own the new iPhone. Now, Chinese consumers want to post photos of their adventures abroad on social media to share their experiences and share their status. There are more Chinese traveling abroad than ever, and their purchases represent an increasingly large proportion of retailers’ sales, even in Paris and Milan."

At the same time, these travellers have adopted e-commerce at a faster rate than their Western counterparts. So it is important for brands and retailers to not only understand the Chinese consumer, but also understand the Chinese e-commerce ecosystem. "Understanding both will help retailers understand how to catch the Chinese consumer at key touch points," Erisman explains. "My advice would be to find ways to create a seamless experience by engaging with potential customers prior to, during, and after their travels."

Mobile apps like WeChat and Tmall are playing an increasingly important role among Chinese consumers, and can provide innovative new ways to drive customers into travel retail outlets. For example, when a customer books a flight, that data can be used to trigger a shopping promotion when the customer reaches the airport to help drive traffic in-store. "At the retail outlet, different measures can be taken to create more engagement on social media, to alert other potential travellers to shopping opportunities," Erisman comments. "The seamless integration of online to offline is becoming increasingly important."

This evolution is something to be embraced, rather than feared. Airports and retailers who embrace the age of e-commerce will be well positioned to grow their businesses.

We are living in a golden age of travel, where, for the first time, hundreds of millions of consumers from emerging markets are able to go abroad. And as they do, they are demonstrating a keen interest in shopping as one of their main travel activities. "We are also living in a golden era of e-commerce, where these same consumers are using their mobile phones in innovative ways to shop online. These two trends, if embraced by travel retailers, represent a golden opportunity. But only the nimble retailers who embrace e-commerce, rather than fear it, will grow and thrive," Erisman concludes.
Oman Airports Management Company welcomes the world’s air transport community to the Gulf

“It is a great pleasure for Oman Airports Management Company to host ACI Airport Exchange in Muscat at a time of significant growth, with the new airport at Salalah having recently opened, plus the new airport for Muscat due to open in 2017 and three new regional airports. I look forward to welcoming you personally to Muscat in December for this unmissable event!”

Sheikh Aimen Ahmed Al Hosni, Chief Executive Officer, OAMC
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