Small Airports: Practical Guidance for Survival

December 5, 2011
2011 Fall ACRP Webinar Series

• October 24 - Wildlife vs. Aviation: Repelling and Deterring Techniques

• November 14 - Current Trends at Airports: Rights and Responsibilities

• December 5 - Small Airports: Practical Guidance for Survival
ACRP Webinar Series Co-Hosts

MoDOT

Kansas Department of Transportation

MWA

Kansas Association of Airports

Federal Aviation Administration

Iowa Department of Transportation

IPAA

Iowa Public Airports Association

Nebraska Association of Airport Officials
Today’s Agenda

1) Introductions
2) Presentations
3) Q & A
4) Close
Today’s Speakers

Moderated by Mike Salamone, Senior Program Officer and Manager, ACRP

Presentation 1: Overview of Report 44: A Guidebook for the Preservation of Public-Use Airports
- Thomas Thatcher, L.R. Kimball
- Laurie Cullen, Independent Consultant

Presentation 2: Overview of Report 28: Marketing Guidebook for Small Airports
- Lois Kramer of KRAMER Aerotek Inc.
What is the Airport Cooperative Research Program (ACRP)?

- Industry-driven, applied research program that develops near-term, practical solutions to problems airport operators face.
- Managed by the Transportation Research Board (TRB) of the National Academies.
- Sponsored by the Federal Aviation Administration.
- Research is conducted by you—individuals and firms selected on the basis of competitive proposals.
Ways to Get Involved in ACRP

• Submit a research idea, also called a Problem Statement.
• Prepare a proposal to conduct research.
• Volunteer to participate on a project panel. We reimburse for travel.
• Apply to be an ACRP Ambassador or member of the ACRP Speakers Bureau.
• Use our research results.
Visit www.TRB.org/ACRP

For information on ACRP’s:

• Research projects
• Anticipated projects
• Publication lists
• Success stories
• Email news alerts
• Announcements
• And more!
ACRP Report 44: A Guidebook for the Preservation of Public-use Airports

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L.R. Kimball

Laurie K. Cullen, A.A.E.
Independent Consultant
Thomas P. Thatcher, AICP, PP, CFI
Principal Investigator

- Senior Research Manager, L.R. Kimball
- Former NJ State Aviation Director
- Commercial Pilot & Flight Instructor
- National & State Certified Land Use Planner
Laurie Cullen, A.A.E.,
Research Oversight Panel Member

- Accredited Airport Executive
- Former Program Manager, Massachusetts Port Authority
- Former Executive Vice President, RI Airport Corporation
- Former Vice President, HNTB Corporation
ACRP Report 44 Oversight Panel

Dennis W. Leong, Wisconsin DOT, Panel Chairman
Debbie K. Alke, Montana DOT
Laurie Cullen, A.A.E., Independent Consultant
Jack W. Ferns, New Hampshire DOT
Reiner Pelzer, DVRPC
Jack E. Thompson, Jr., C&S Companies
Kerri Woehler, H. Paul Consultants
Sharon Glasgow, FAA Liaison
John L. Pfeifer, AOPA Liaison
Christine Gerrencher, TRB Liaison
Lawrence D. Goldstein, ACRP Senior Program Officer
ACRP Report 44: A Guidebook for the Preservation of Public-Use Airports

- Documents public-use airport loss as a national transportation infrastructure problem
- Identifies and documents public-use airport closure risk factors
- Identifies and documents public-use airport closure protective factors
- Identifies key stakeholders
- Presents means for stakeholders to organize airport advocacy action
- Presents additional airport preservation strategies and mechanisms
- Published July 2011
Popular Public Perceptions
Why Airports Close

1. Housing gets built near the airport
2. People move in near the airport
3. The new neighbors complain about the airport
4. There is public/political pressure to close the airport
5. The airport closes
Airport Closure is the Last Event in a Series of Events

- Airports rarely “suddenly” close
- There are readily observable precursor risk conditions
- Most risk conditions can be seen years in advance
- Most conditions can be managed or reversed
Airport “Preservation” Versus Airport “Rescue”

• “Airport preservation” involves protecting an airport by taking planned long term actions to continuously improve an airport’s business economics, customer base, infrastructure, and community and environmental standing.

• “Airport rescues” are emergent actions to save an airport from imminent closing and frequently do not deal with the underlying reasons why an airport came to the brink.
Illustrating the Problem: Total Airports

Total public-use airports and landing facilities from 1969 to 2007 (Source: FAA)
Illustrating the Problem: Annual Airport Losses

Public-use airport closures by year, 1997 to 2007 (Source: FAA)
Illustrating the Problem: Type of Ownership

Public ownership versus private ownership of public-use airports, 1970 to 2007 (Source: FAA)
Depth of Research

- 481 persons interviewed or polled
- 200 recently closed public-use airports analyzed
- 10 recently completed State Airport System Plans analyzed
- 8 in-depth case studies
- Analysis of historical data trends
- Documentation of all U.S. public-use airports closed since 1977
- Literature review
Research Findings

The research identified 16 different risk factors that put airports at risk of closing, classified by:

1. Grant obligation status
2. Economic issues
3. Community and environmental issues
4. Infrastructure investment issues
Grant Obligation Status

Airports without federal or state airport aid grant obligations are at increased risk of closure.
Economic Risk Factors

- Private versus public ownership
- Generational shift in management or ownership at privately-owned airports
- Low levels of airport traffic and/or airport-based aircraft
- Few customer services
- Low levels of total airport revenue
- Poor marketing and airport promotion
- Poor or no written business planning
- Poor or no written business succession and continuity planning
Community and Environmental Risk Factors

- Poor community outreach and education
- Nearby incompatible land use, planning, and zoning
- Poor community relations
- Being perceived as unresponsive environmental stewards
- Failure to be perceived as being part of a community’s “economic vision”
Infrastructure Investment Risk Factors

- Airports with shorter runways and less total available operational infrastructure
- Deferred maintenance and/or deteriorating airport infrastructure
Airport Advocates

- Airport Owners
- Airport Managements
- Airport Oversight Boards
- Government and Public Officials
- Public Agencies
- Airport Employees
- Fixed Base Operators

- Airport Users
- Airport Tenants
- Chambers of Commerce
- Civic Groups
- Aviation Trade and Advocacy Organizations
- Community Members
Putting Advocacy Into Action

- Airport Advocate Leadership Opportunities (see page 24)
- Organizing Airport Advocacy (see page 25)
- Airport Advocates Issues Checklist (see page 26)
General Observations and Findings for Airport Preservation

• Public ownership is better than private ownership
• Federal and State grant obligations are very important
• Community outreach/education/integration is vital
• Airports need to be on a sound business footing
• Invest and improve airport infrastructure and services
• Manage or eliminate adversarial relationships
For additional information:

ACRP Report 44: A Guidebook for the Preservation of Public-Use Airports


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Marketing for Small Airports
A Practical Guide for Survival

Lois Kramer
KRAMER aerotek, inc.
ACRP Report 28
Marketing Guidebook for Small Airports

Research Agency – Oliver Wyman Inc.
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Project Administrator – Robert Hazel
Subcontractors – KRAMER aerotek inc. and GMH Consulting LLC
ACRP Manager – Mike Salamone
SPO – Marci Greenberger
Project Panel

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Richard Howell, Director, San Luis Obispo County Regional Airport
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Christine Gerencher, Senior Program Officer, TRB
Lois Kramer
Principal Investigator

- Principal Investigator on ACRP Synthesis 19: Airport Revenue Diversification
- Principal Investigator on ACRP Synthesis 25: Strategies for Reuse of Underutilized or Vacant Airport Facilities
- CEO of KRAMER aerotek, an aviation consulting firm
What’s in the Guidebook

1. How to create a low cost public relations & marketing plan
2. How to target the right audience
3. How to create a consistent & strong message
4. What are effective tools to deliver the message
Crafting the Message

Our services are a bit dull and not many people turn up. We do not have a website as we do not really know how to make one, and there is not anyone available to speak to you at the moment as we are all quite busy. What with one thing and another, Ps we need some money for the roof.
Today’s Agenda

1. Is It Public Relations or Marketing or Both?
2. Why Market the Airport?
3. The Airport Brand
4. What the Marketing Guidebook Offers
Marketing or Public Relations?
Social Media Marketing
- Multi-directions
  - Airport to customer
  - Customer to airport
  - Customer to customer
- Participatory

Traditional Marketing
- One way
  - Airport to customer
  - Airport to community
- Lead generated
- Influence decisions through marketing
- Image, opinion, and reputation through brand and PR
Marketing and PR are Integral to the Entire Airport Enterprise

- Future direction
- Mission/Vision
- Goals

- Customers
- Stakeholders
- Prospects
- Airport Enterprise

- Development Goals
- Alternatives
- Demand/Capacity
- CIP

Strategic

Business

Master Plan

Marketing and Public Relations
Why Market the Airport?
Common Situations Airports Face

- Air service is reduced or gone...what to do next?
- The airport wants to recruit new business tenants
- The airport is considering a runway extension ... Not everyone agrees
- Most residents have never even seen the airport let alone know its value to the community
A Marketing Plan Organizes

- The **marketing goals**
- Who are the **target audiences**
- The **message** the airport intends to communicate
- The **methods of communication** will the airport use to reach its audience
- The **staff and financial resources** to support the effort
- How the airport **measures success**
Effective Marketing Plans

- Focus on airport customers and services
- Strive to differentiate the airport from competitors
- Are simple to communicate to target audiences
- Motivate staff and airport stakeholders
- Are flexible and responsive to market change
The Airport Brand
Brand Strategy

Diagnostics
- Airport Situation
- Market Position
- SWOT

Brand Definition
- Vision
- Mission
- Values

Brand Development
- Foundation of Airport Stewardship
- Value Propositions
- Positioning

Brand Nurturing
- Evaluation
- Progress
- Fine Tuning

Brand Delivery
- Identity
- Messaging Architecture
- Initiatives
- Action Plans
Airport and Market Diagnostics

Assess

- **Current Situation**
  - Industry trends
  - Airport capabilities
  - Airport finances
  - Market conditions and competitors
  - Opportunities

- **Today’s Issues**

- **Tomorrow’s Challenges**

For Example:

Houma-Terrebonne Airport
Brainstorming the Mission, Vision & Values

- Our most important customers are...
- We stand out from the competition because...
- Our airport is known for......
- We are great at....
- We want our customers to be....
- We strive to...
- Our community would like.....

**Mission**

**FUNDAMENTAL PURPOSE OF THE AIRPORT**

Example: Together, we will serve our community and customers by providing excellent service, access to the rest of the world, and a safe and environmentally friendly airport.

**Vision**

**COLLECTIVE VIEW OR PICTURE OF SUCCESS**

Example: Our airport is the gateway of choice for pilots, business, and travelers and an important contributor to the regional economy.
Airport Values, Foundation, and Stewardship

- Leadership
- Strong Financial Foundation
- Operating Excellence
- Customer Service
Value Propositions

Customers
- Recreational Flyers
- Corporate Travelers
- Transient Pilots
- Aeronautical Tenants
- Industrial and Commercial Tenants

Airport Offers
- Community airport
- Reliable air access
- Safe and efficient
- Cost competitive
- Excellent customer services
- Active airport stewardship
Delivering the Message

North Texas Regional Airport

Catch the opportunity before it takes off.
Basic Marketing Toolkit

- Press Kit
  - Contact Information
  - Factsheet about the Airport
  - Airport Statistics
  - Image Library
  - Airport Newsletter
  - News Releases
  - Testimonials
  - Staff Biographies
  - Airport Tenants and Businesses
  - Airport Sponsor and Governing Groups

- Airport Name, Logo, and Tagline
- Standalone Website
- Brochure
- Airport Signage
<table>
<thead>
<tr>
<th>Step</th>
<th>Description</th>
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<tbody>
<tr>
<td>1.</td>
<td>Target and prioritize opportunities</td>
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<td>2.</td>
<td>Select objectives for next 12 months</td>
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<tr>
<td>3.</td>
<td>Identify the sequence of actions needed to accomplish each objective</td>
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<td>4.</td>
<td>Estimate the time, people and money required for each action</td>
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<td>5.</td>
<td>Prepare a list of specific tasks to accomplish each action including the person or persons responsible, dates of completion and budget</td>
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<td>6.</td>
<td>Implement, monitor progress, adjust to improve outcome</td>
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Check Progress, Refine, Implement

- **Evaluation**
  - Customer/Tenant Surveys
  - Community Awareness
  - Regional Market Share Changes

- **Track Progress**
What the Guidebook Offers
7 Steps to Build a Marketing Plan

1. Goals/Objectives
2. SWOT
3. Redefine Goals/Objectives
4. Audience/Message/Actions
5. Tools to Reach Audience and Deliver Message
6. Execute Plan
7. Monitor/Evaluate
Worksheets

- SWOT Analysis
- Planning Team for Marketing
- Financial Resources for Marketing
- Marketing Action Plan
- Record of Accomplishments

SWOT Analysis

- Strengths
- Weaknesses
- Threats
- Opportunities
Tools and Ideas

Public Relations Tools
- Earned Media
- Public Speaking
- Events
- Promotions
  - Other Print Communications
  - Sponsorships & Volunteering

Advertising Tools
- Internet & Websites
- Print Media
- Signage
- Multimedia Tools
## Funding and Resources

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<td>Marketing consultants</td>
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Closing Thoughts

- Airports today should have a business plan and a marketing plan. The stakes are high.
- A brand strategy carries across to every aspect of the airport enterprise.
- Marketing can be simple and low cost.
- A well-defined set of achievable priorities puts the team on the same path to accomplishment.
- Stay focused, but flexible.
- Track progress; celebrate success.

Try the guidebook
Thanks for listening
Challenge us with your questions

Check out ACRP Report 28
Marketing Guidebook for Small Airports

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