



TFWA Asia Pacific

Workshop C: Safeguarding Our Industry

Patti Chau

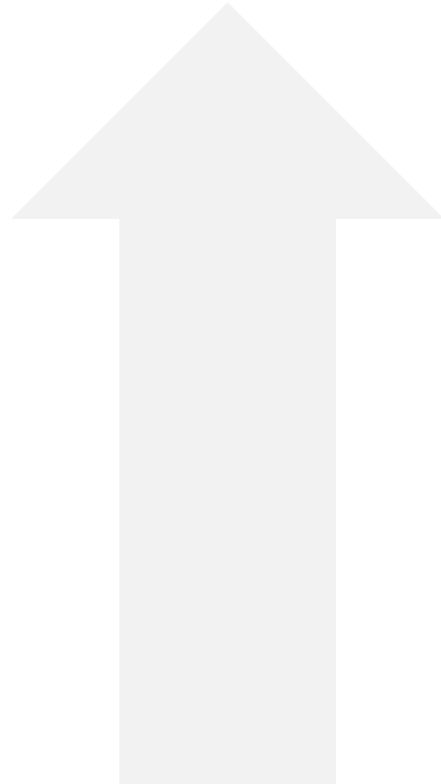
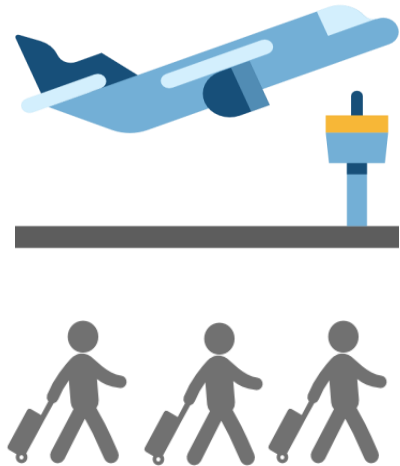
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Passenger Traffic 2017



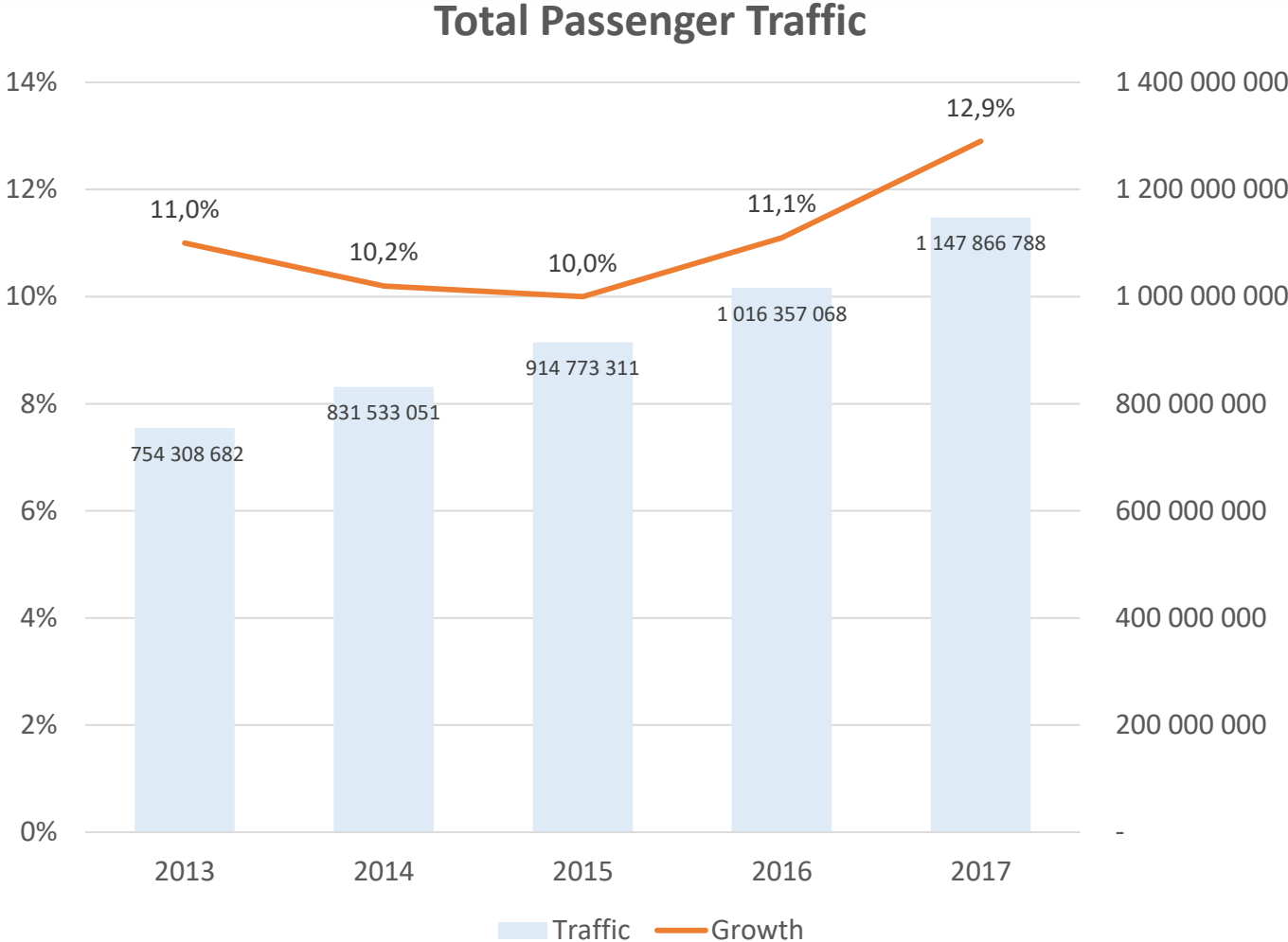
- **Asia-Pacific: +8.0%**
- **Middle East: +5.2%**
- **Global: +6.6%**

Top 10 Busiest Airports

1	Hartsfield-Jackson Atlanta International Airport
2	Beijing Capital International Airport
3	Dubai International Airport
4	Tokyo International (Haneda) Airport
5	Los Angeles International Airport
6	O'Hare International Airport
7	Heathrow Airport
8	Hong Kong International Airport
9	Pudong International Airport
10	Aéroport de Paris-Charles de Gaulle

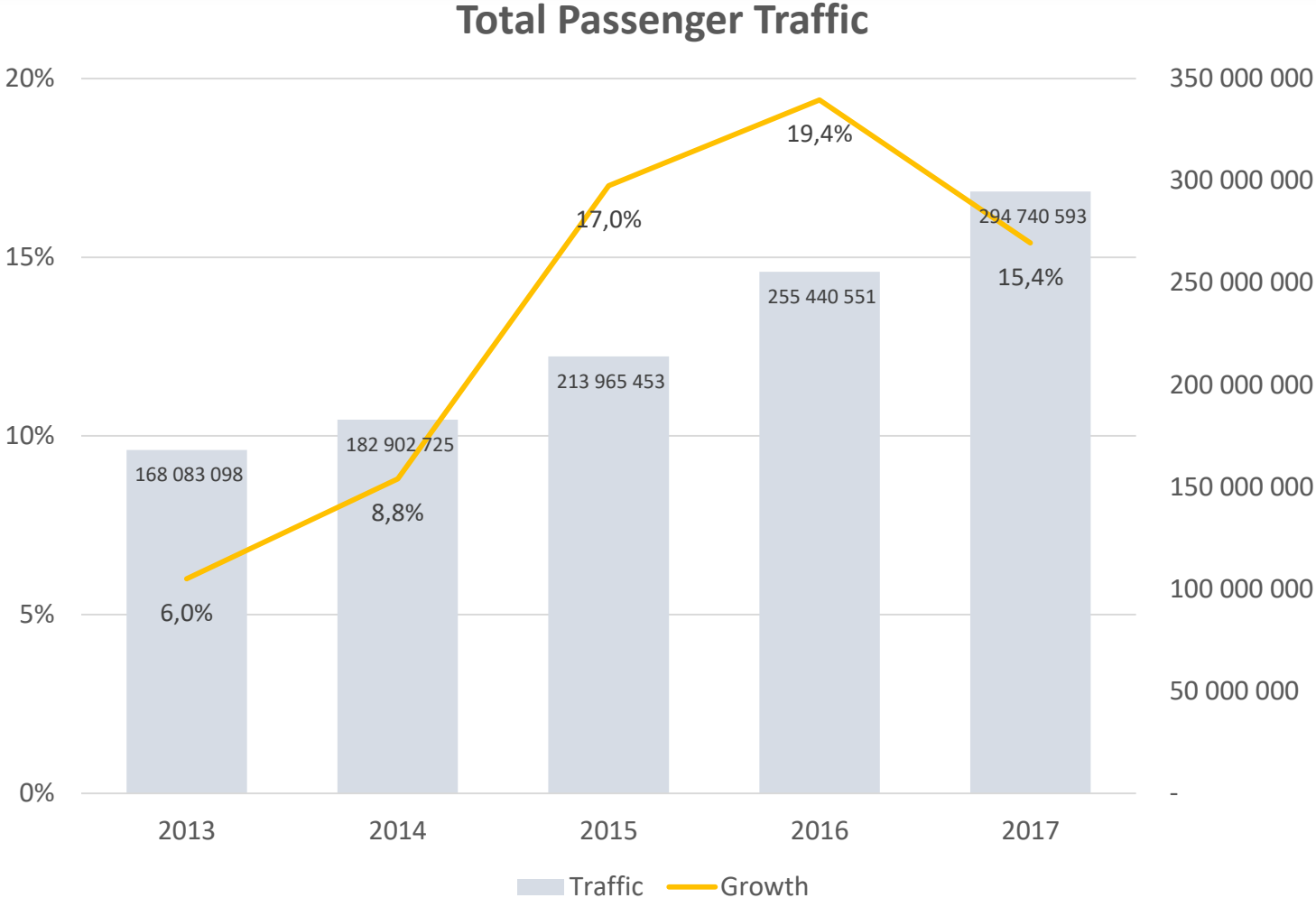
Source: ACI statistics

Chinese Airports



Source: Civil Aviation Administration of China

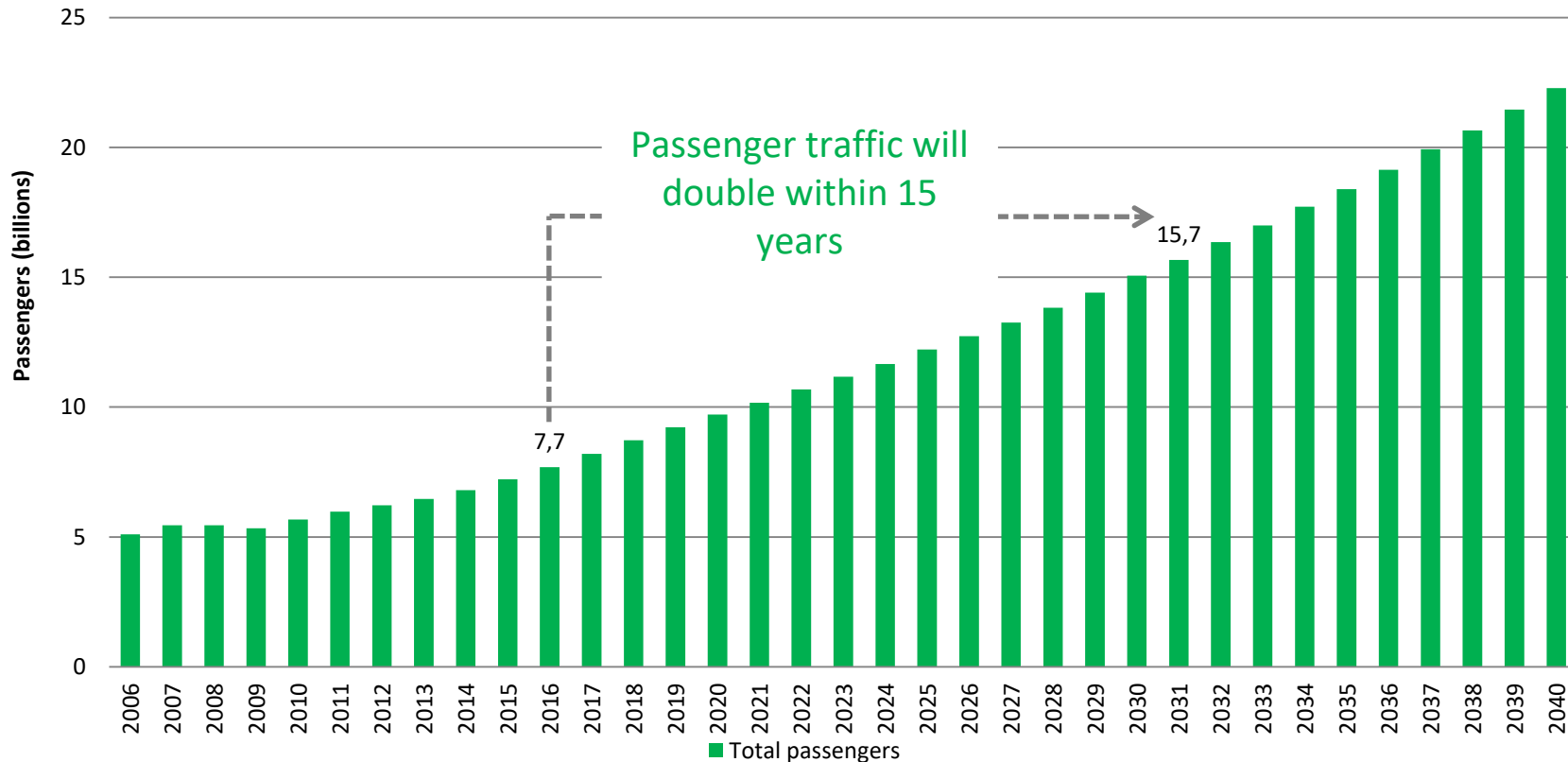
Indian Airports



Source: Airports Authority of India

Global Passenger Traffic Forecast

Total Passenger Traffic – Data and forecast (2006-2040)



Source: ACI statistics

Regional Passenger Traffic Forecast

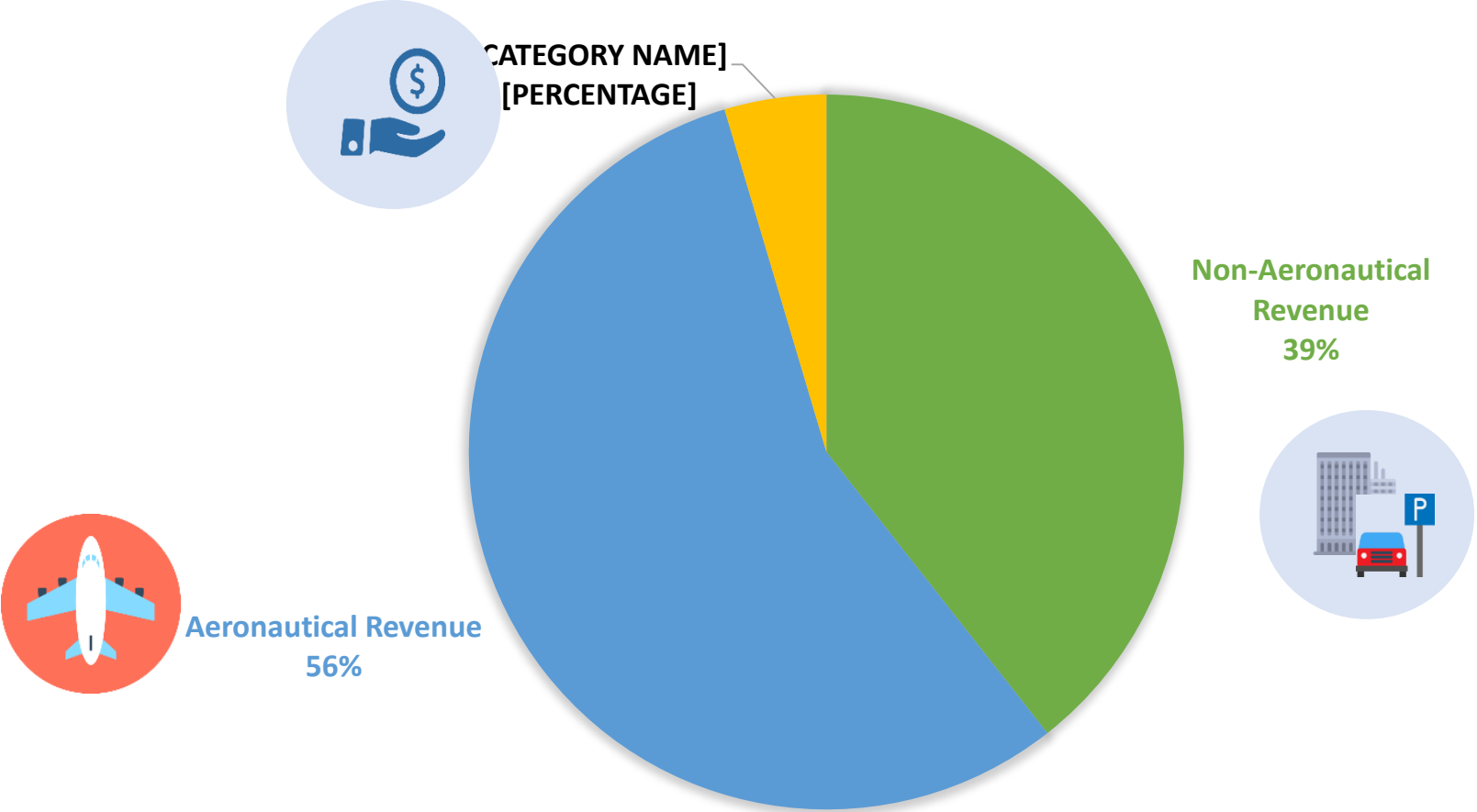
Country	Traffic volume			
	2016	2018	2021	2040
Asia-Pacific	2,726.8	3,270.9	4,009.6	10,293.1
China (People's Republic of)	1,016.9	1,232.5	1,518.7	4,057.3
Japan	293.5	337.4	383.2	558.4
India	252.6	328.9	429.8	1,424.3
Indonesia	180.2	209.6	259.1	795.6
...				
Thailand	141.5	174.2	217.0	512.4
Korea (Republic of)	136.4	155.2	192.6	468.0

The Airport Industry



ACI estimates as many as **66%** of all airports worldwide operate at a net **LOSS**.

Airport Revenue



Source: ACI statistics

Distribution of Non-Aeronautical Revenue (2016)

by key source



Retail Concessions
28.8%



Food & Beverage
5.1%



Car Parking
20.5%



**Rental Car
Concessions**
6.3%



**Property & Real
Estates**
15%



Others
24.3%

Distribution of Non-Aeronautical Revenue (2016)

by key source



Retail Concessions
World: 28.8%

APAC: 41.6%
ME: 56%
NA: 8.4%



Food & Beverage
World: 5.1%

APAC: 3.2%
ME: 4.9%
NA: 7.6%



Car Parking
World: 20.5%

APAC: 7.5%
ME: 9.1%
NA: 40.8%



Rental Car Concessions
World: 6.3%

APAC: 0.8%
ME: 0.9%
NA: 17.4%



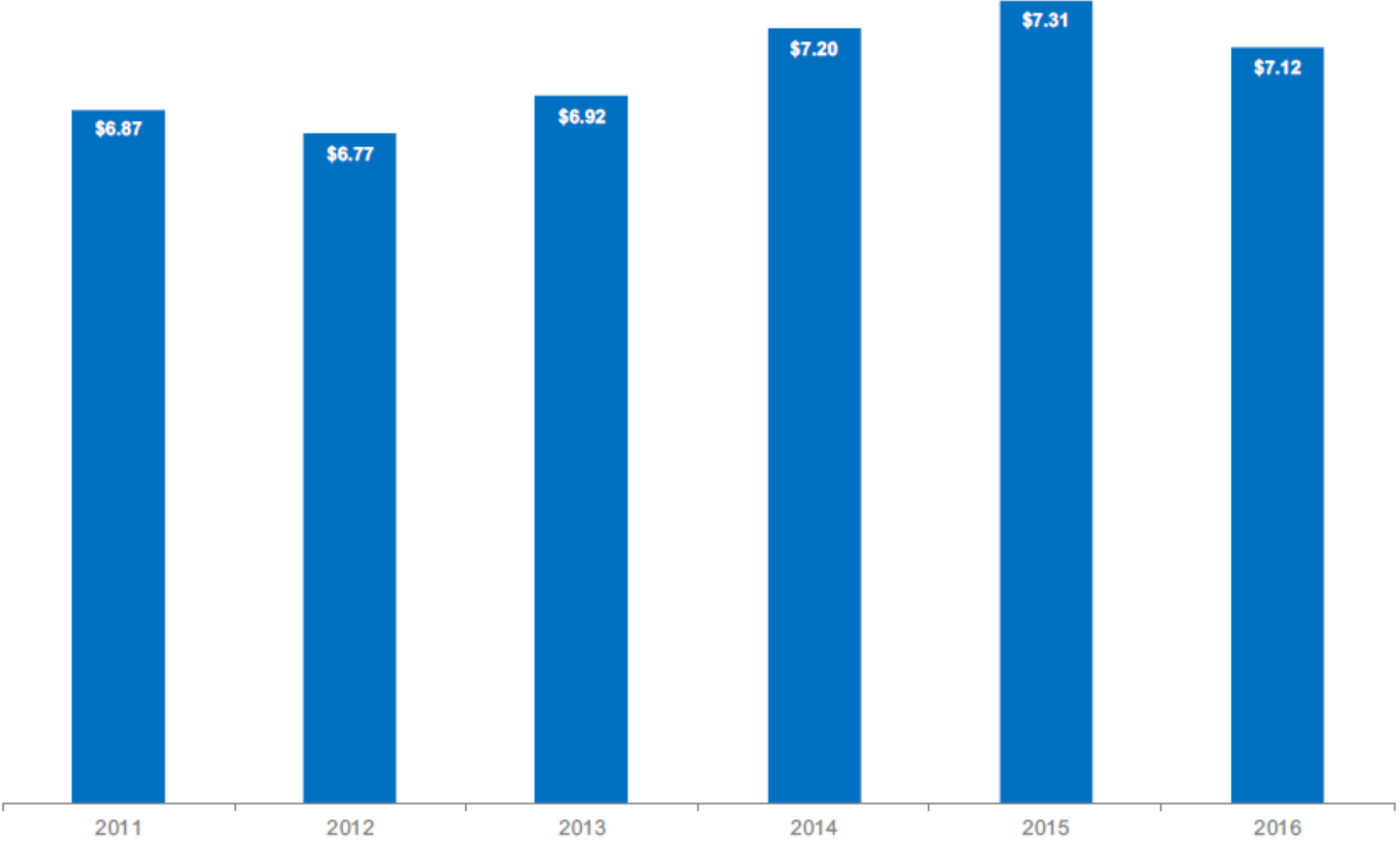
Property & Real Estates
World: 15%



Others
World: 24.3%

Evolution of Non-Aeronautical Revenue

Non-aeronautical revenue per passenger (US\$, 2011-2016)



Customer Experience and Non-Aeronautical Revenue Relationship



- Have been good innovators



- Have diversified their income streams
- Have concessionaires and segment experts



- Spend lots of resources getting to know their passengers through extensive research, ASQ, pax flow monitoring

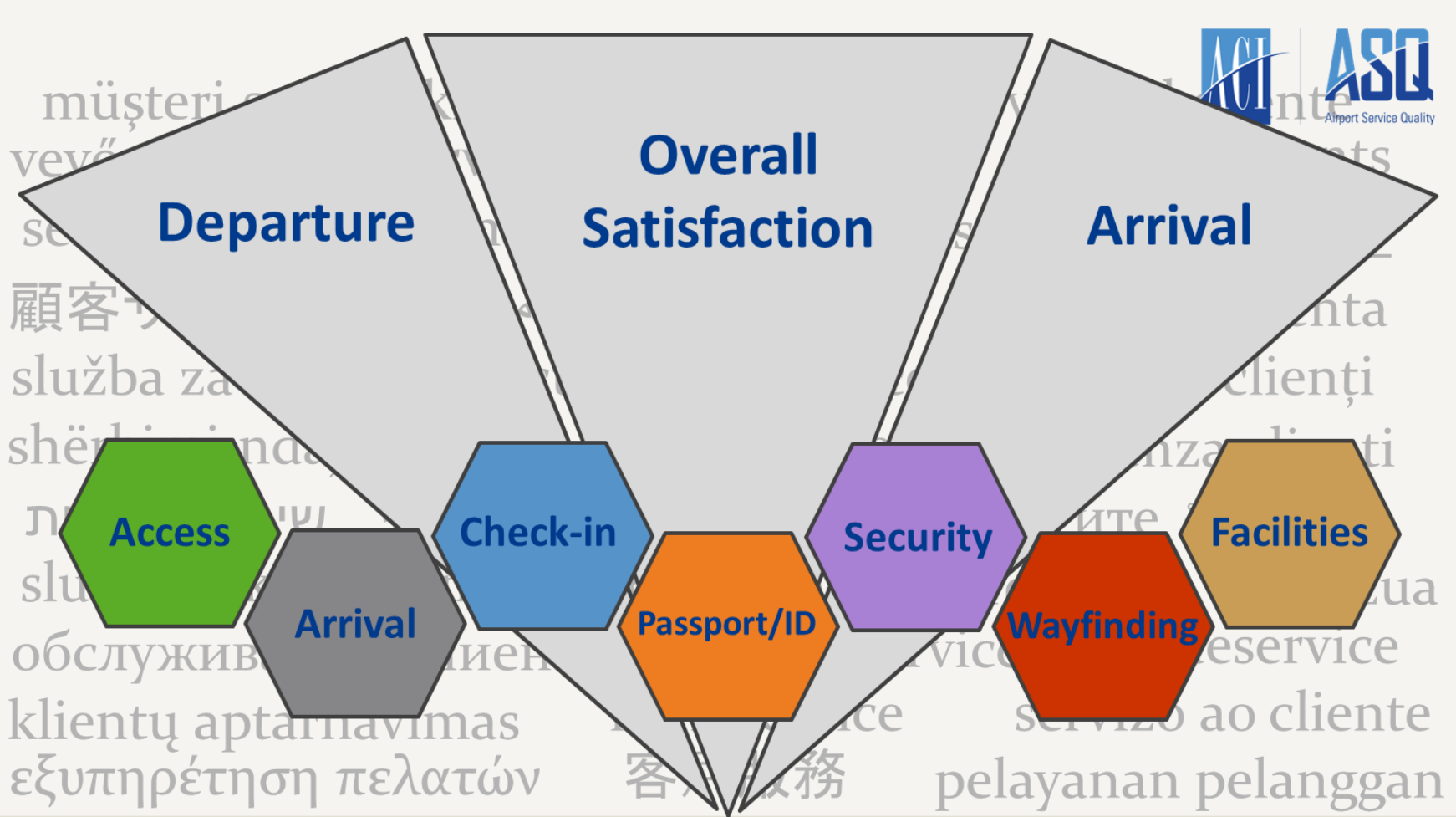


- Have always been good at facilitating passengers throughout their journey

What is Customer Experience?



ACI ASQ Survey



Distribution of Non-Aeronautical Revenue (2016)

by key source (World)



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Passenger Satisfaction



An increase of **1%** in the global passenger satisfaction mean, as defined in the ASQ

Survey, generates on average a growth of non-aeronautical revenue of **1.5%**.

Conclusion



- Make the most of a captive audience;



- Leverage the power of impulse buying;

- Continue to diversify non-aeronautical revenue;



- Leverage on technology to reach customers;

- **Share data and collaborate** to find new ways of attracting and retaining customers.





THANK YOU

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