

ACI-NA 2018 AIR SERVICE DATA SEMINAR

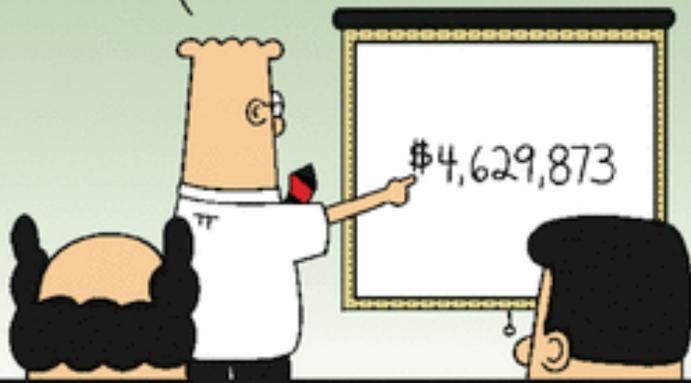
Demographics – Adding Business Intelligence to Air Service Development Decisions



Demographic Data Analysis

2

I DIDN'T HAVE ANY ACCURATE NUMBERS SO I JUST MADE UP THIS ONE.



scottadams@aol.com

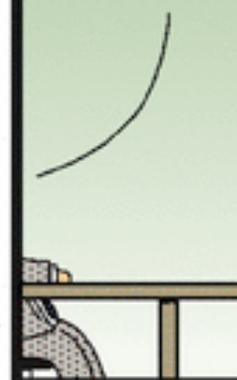
www.dilbert.com

STUDIES HAVE SHOWN THAT ACCURATE NUMBERS AREN'T ANY MORE USEFUL THAN THE ONES YOU MAKE UP.



5-8-08 © 2008 Scott Adams, Inc./Dist. by UFS, Inc.

HOW MANY STUDIES SHOWED THAT?



EIGHTY-SEVEN.



What Do Airline Planners Want To Know?

3



- Does Your Market Provide a Better ROI than Other Opportunities?
- How Much Money Can We Make?
 - Potential Traffic and Revenues
 - Expected Costs to Access Your Market
 - Projected Market Shares
 - Market Growth over Time
- Can We Establish a Sustainable Advantage?

What Do They Already Know

4



- Historical traffic and revenue by airport pair
- Passenger routings by airline & city-pair
- Historical market shares & growth rates
- Historical & near-term schedules & capacity
- Market share projection models
- Detailed cost models
- Everything they need to “Do the math”

Where Do Demographics Fit In?

5



- Does Your Market Provide a Better ROI than Other Opportunities?
- How Much Money Can We Make?
 - **Potential Traffic and Revenues**
 - Expected Costs to Access Your Market
 - Projected Market Shares
 - **Market Growth over Time**
- Can We Establish a **Sustainable Advantage**?

What Can Demographic Analysis Tell Us?

6



- Population
- Age & Gender
- Income profiles
- Nationality, ancestry & ethnic backgrounds
- Employment rates
- Key industries
- Occupations
- Education levels
- Core-based Statistical Areas
 - Metro & Micro Urban clusters

What Can Demographic Analysis Really Tell Us?

7



- How big is your potential market?
 - Population, Employment, Economic Activity
- What drives demand in your market?
 - Age, Income levels & other demographic characteristics
 - Specific industries
- Do specific city-pairs have profit potential?
 - Are there unique economic ties to other potential air travel markets?
- How fast will your market potential grow?
 - Are population characteristics or industries driving faster than average demand growth?
- What is unique about your market that makes it sustainable?

Sources for Demographics

8



- U.S. Census Bureau
- Bureau of Labor Statistics (BLS)
- Bureau of Economic Analysis
- State & Local Governments
- Business & economic development agencies
 - EDC's and Chambers of Commerce
 - Universities
 - Tourism Agencies
- Most of these are free.....

United States Census Data

9



Topics
Population, Economy

Geography
Maps, Products

Library
Infographics, Publications

Data
Tools, Developers

Surveys/Programs
Respond, Survey Data

[Census.gov](#) > [Topics](#) > [Population](#)

Population

About this Topic

[America Counts: Stories](#)

[Data](#)

[News](#)

[Publications](#)

[Surveys/Programs](#)

[Videos](#)

[Visualizations](#)

[Working Papers](#)

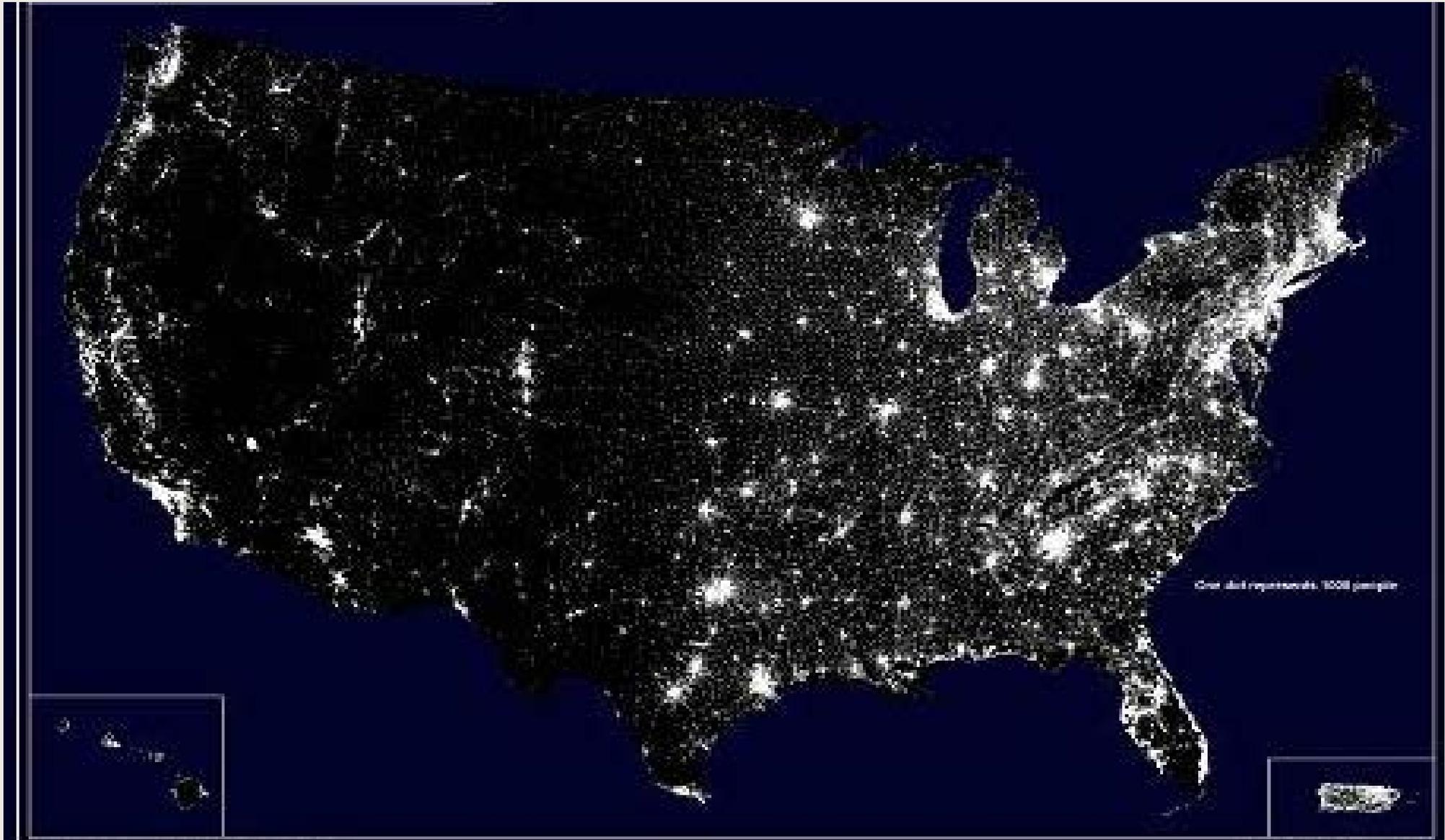
The U.S. Census Bureau is the leading source of statistical information about the nation's people. Our population statistics come from decennial censuses, which count the entire U.S. population every ten years, along with several other surveys.

Read More

- [Age and Sex](#)
- [Ancestry](#)
- [Children](#)
- [Computer and Internet Use](#)
- [Foreign Born](#)
- [Hispanic Origin](#)
- [International](#)
- [Language Use](#)
- [Migration/Geographic Mobility](#)
- [Population Estimates](#)
- [Population Projections](#)
- [Race](#)
- [Veterans](#)

United States Census Data – Population Distribution

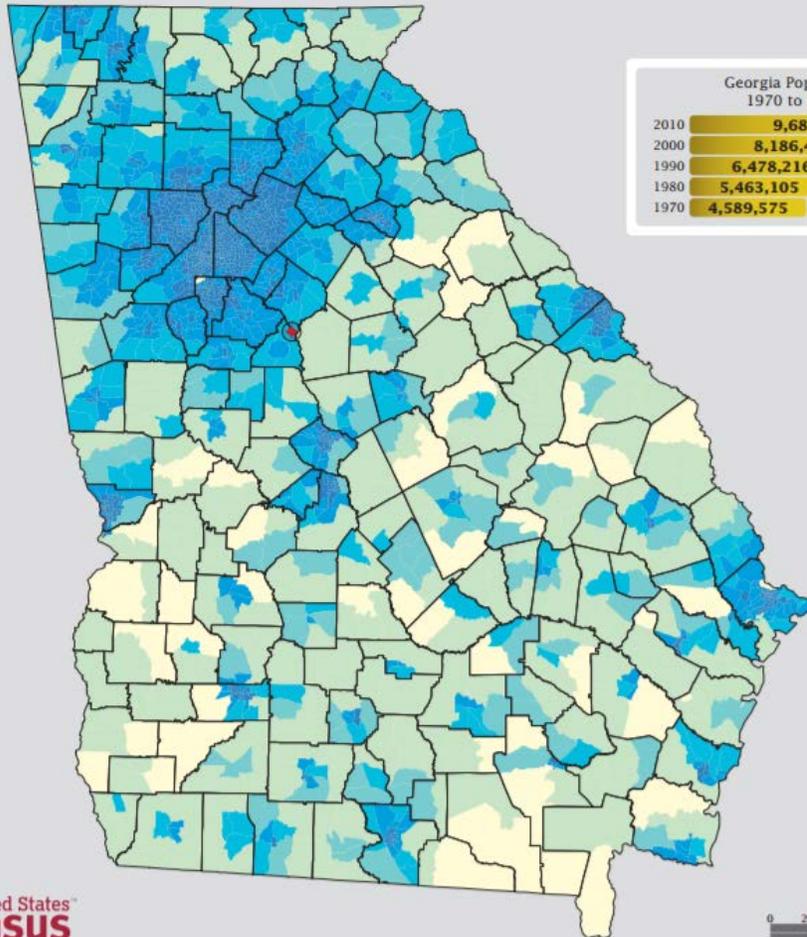
10



United States Census Data

2010 Census: Georgia Profile

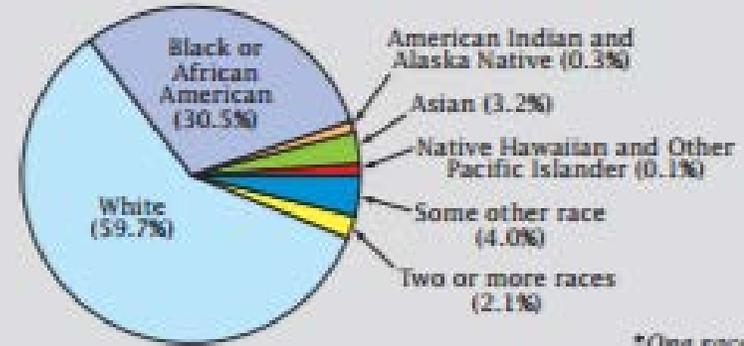
Population Density by Census Tract



Georgia Population 1970 to 2010	
2010	9,687,653
2000	8,186,453
1990	6,478,216
1980	5,463,105
1970	4,589,575



State Race* Breakdown



*One race

Housing Tenure

Total Occupied Housing Units:
3,585,584

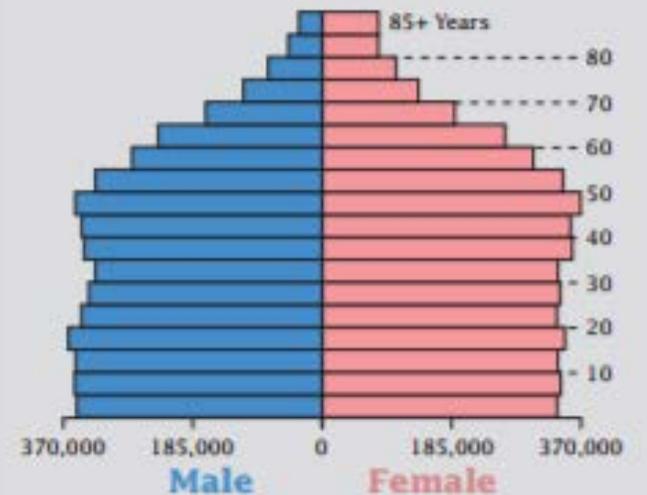
65.7% Owner Occupied 34.3% Renter Occupied

Average Household Size of Owner-Occupied Units:
2.67 people

Average Household Size of Renter-Occupied Units:
2.56 people

Population by Sex and Age

Total Population: 9,687,653



Bureau of Labor Statistics Data

12

The image shows a screenshot of the Bureau of Labor Statistics website. At the top, there is a red header with the text "UNITED STATES DEPARTMENT OF LABOR" and "BUREAU OF LABOR STATISTICS". Below the header is a navigation bar with several menu items: "Home", "Subjects", "Data Tools", "Publications", "Economic Releases", "Students", and "Beta". The "Subjects" menu is expanded, showing a grid of categories and their sub-items.

UNITED STATES DEPARTMENT OF LABOR A to Z Index | FAQs | About B

BUREAU OF LABOR STATISTICS

Home ▾ **Subjects** ▾ **Data Tools** ▾ **Publications** ▾ **Economic Releases** ▾ **Students** ▾ **Beta** ▾

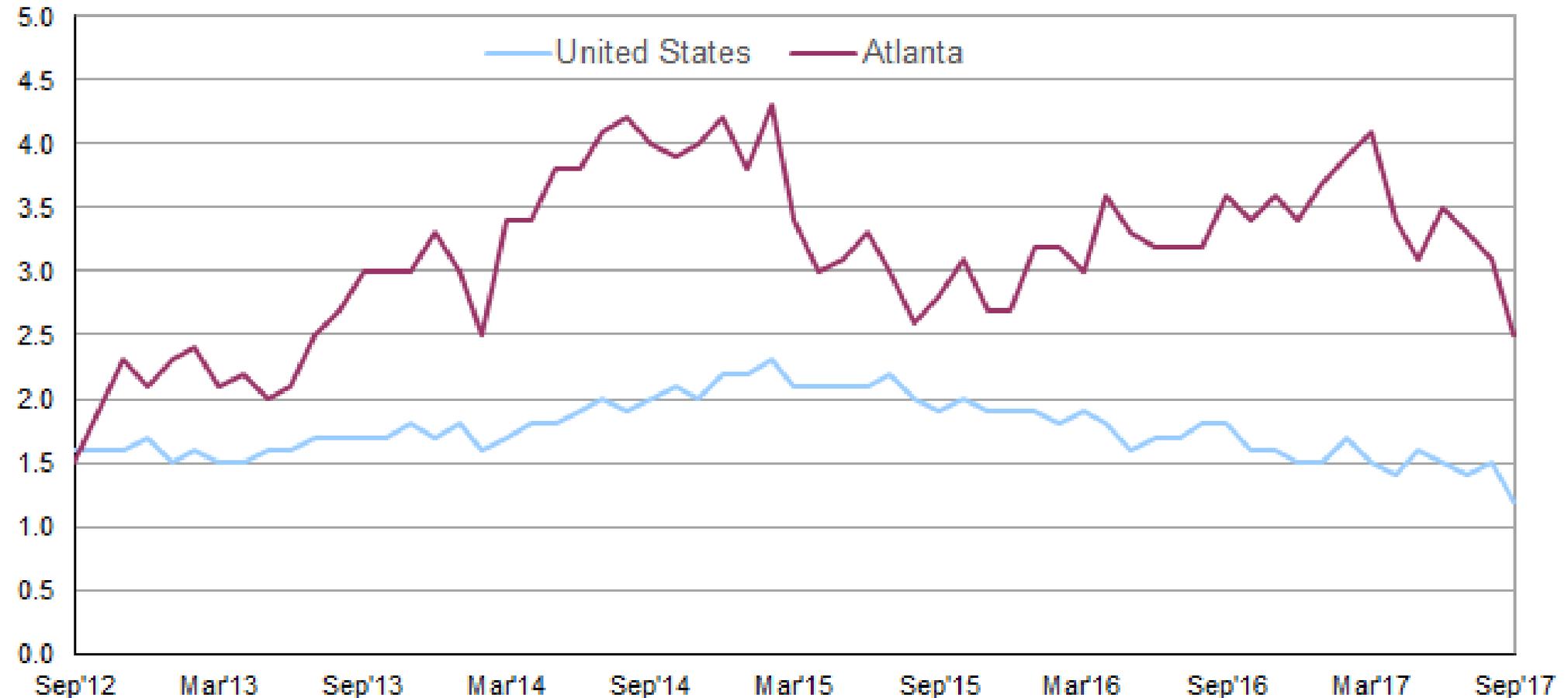
INFLATION & PRICES » <ul style="list-style-type: none">Consumer Price IndexProducer Price IndexesImport/Export Price IndexesEmployment Cost IndexContract EscalationPrice Index ResearchInflation & Prices Overview	UNEMPLOYMENT » <ul style="list-style-type: none">National Unemployment RateState & Local Unemployment RatesUnemployment ResearchUnemployment Overview	PRODUCTIVITY » <ul style="list-style-type: none">Labor Productivity & CostsMultifactor ProductivityProductivity ResearchProductivity Overview
PAY & BENEFITS » <ul style="list-style-type: none">Employment CostsNational Compensation DataWages by Area & OccupationEarnings by DemographicsEarnings by IndustryCounty WagesBenefitsCompensation ResearchStrikes & LockoutsPay & Benefits Overview	EMPLOYMENT » <ul style="list-style-type: none">National EmploymentState & Local EmploymentState & County EmploymentWorker CharacteristicsEmployment ProjectionsJob Openings & Labor TurnoverEmployment by OccupationWork Experience Over TimeBusiness Employment DynamicsEmployment ResearchEmployment Overview	INTERNATIONAL » <ul style="list-style-type: none">International Technical CooperationImport/Export Price IndexesInternational Overview
SPENDING & TIME USE » <ul style="list-style-type: none">Consumer ExpendituresHow Americans Spend Time	WORKPLACE INJURIES »	REGIONAL OFFICES » <ul style="list-style-type: none">New England (Boston)New York-New Jersey (NY City)Mid-Atlantic (Philadelphia)Southeast (Atlanta)Midwest (Chicago)Southwest (Dallas)Mountain-Plains (Kansas City)West (San Francisco)Regional Overview
	OCCUPATIONAL REQUIREMENTS »	

Bureau of Labor Statistics Data

13

Chart 1. Total nonfarm employment, over-the-year percent change in the United States and the Atlanta metropolitan area, September 2012–September 2017

Percent change



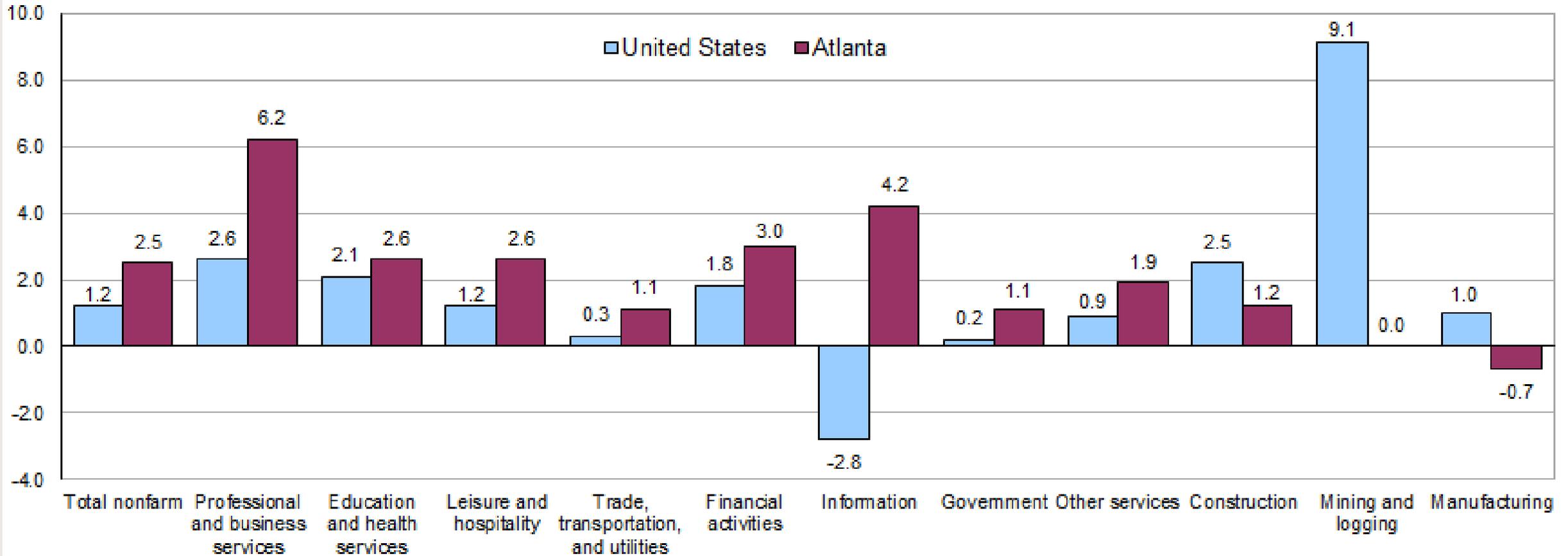
Source: U.S. Bureau of Labor Statistics.

Bureau of Labor Statistics Data

14

Chart 2. Total nonfarm and selected industry supersector employment, over-the-year percent change, United States and the Atlanta metropolitan area, September 2017

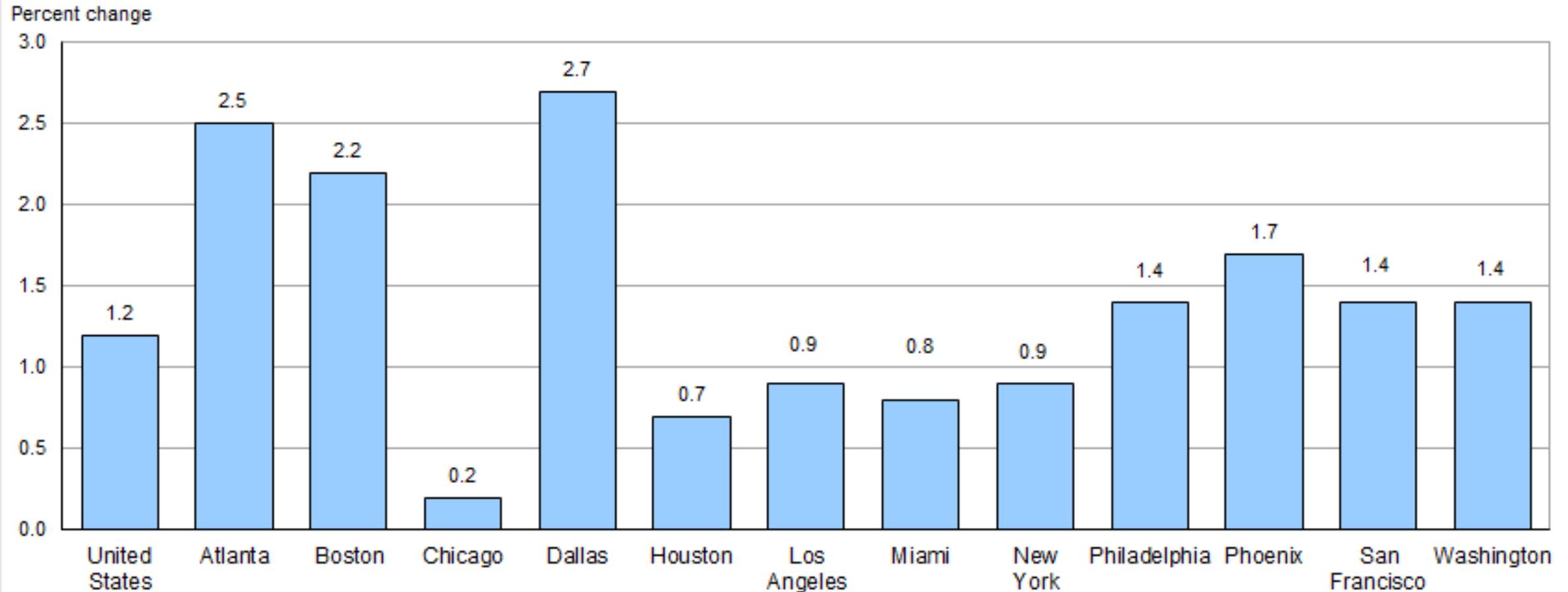
Percent change



Source: U.S. Bureau of Labor Statistics.

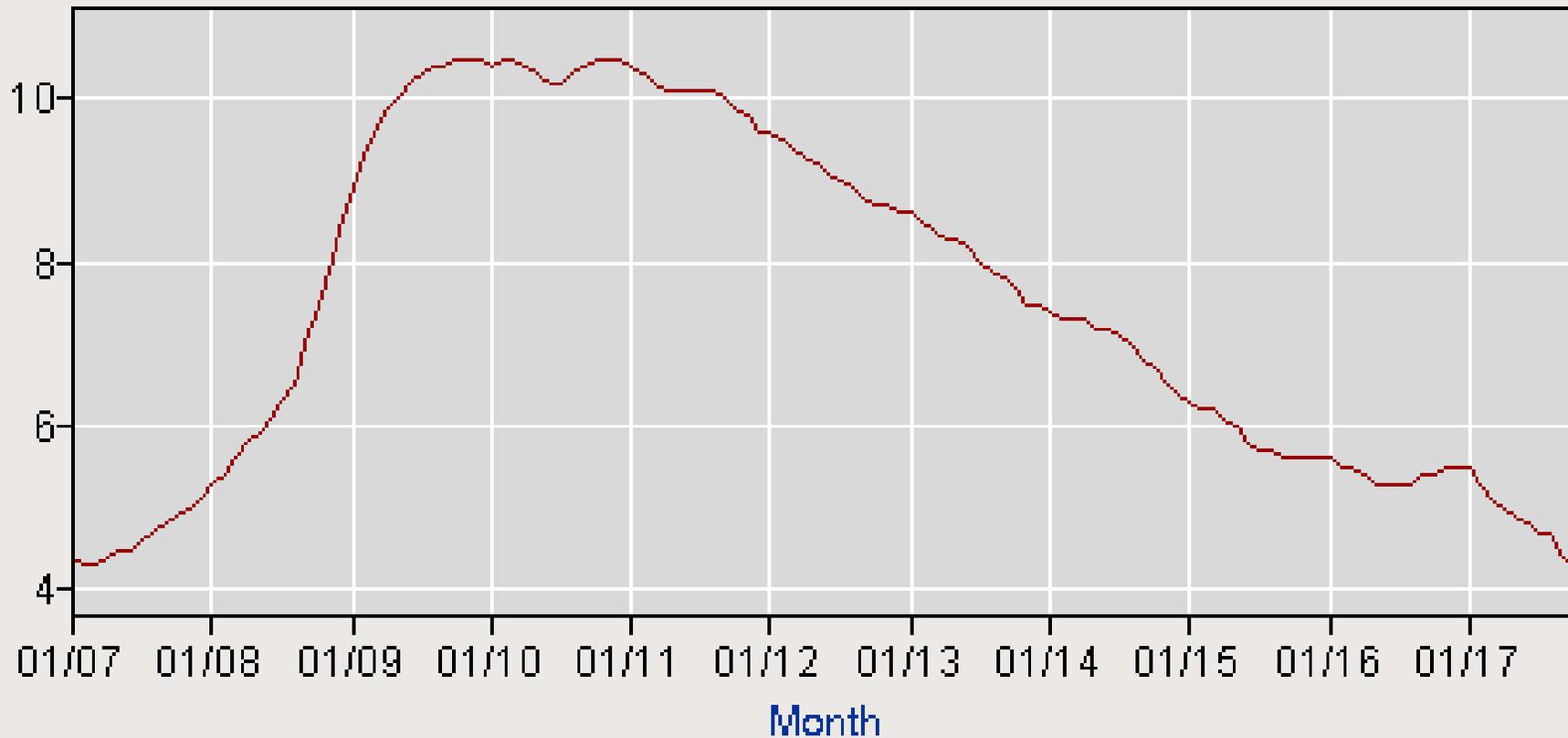
Bureau of Labor Statistics Data

Chart 3. Total nonfarm employment, over-the-year percent change, United States and 12 largest metropolitan areas, September 2017



Source: U.S. Bureau of Labor Statistics.

Georgia Unemployment Rate



Why Demographics Matter

17



- Tells the story of why your market works
- Insight into the key drivers of a market's potential
- Identifies employment groups with higher propensity to travel
- Can illuminate key relationships between industries in two different catchment areas
- Gives insight into sustainable growth markets

How to “Tell Your Story”

18



- Do your research... (and not just data mining)
- Have an ongoing dialog and relationship with your Chamber of Commerce, EDC and Tourism Authority
- Build an understanding of how your industries and demographics drive air travel demand
- Pressure test that story against historical performance (may require leakage studies if your airport is underserved)

Summary

19



- Don't just list data & statistics, provide intelligence
- Show how your demographic trends drive air travel demand
- Help the airline planner understand your market
- Tell a story



Thank You

Mead & Hunt, Inc.:

Doug Blissit
Executive Director - Strategy
doug.blissit@meadhunt.com

2011 Commerce Drive, Suite D103
Atlanta/Peachtree City, GA 30269
Phone: (678) 364-9738

