

February 2008

AIRPORT MARKETING STRATEGY

By Mark R. Davidson, A.A.E., Vice President

This past Sunday, several of my friends and family members gathered at my house to watch Super Bowl XLII. Similar to years past, once the game went to a time out, we all stopped what we were doing to watch the most expensive commercials of the year. This year, similar to previous years, it seemed that big companies such as Anheuser-Busch, General Motors, FedEx, Coke, and Pepsi, were the ones that spent millions of dollars to get their marketing message to the massive audience of approximately 98 million viewers, according to Nielsen. And just like previous years, there were some good ones and some pretty bad commercials. Which brings me to my point, I don't recall seeing any municipalities or authorities running any advertisements for their airports during the game. Was this not the right venue? Was 98 million viewers too broad of a market? (I am totally discounting the idea that it was it the \$2.7 million for a 30 second spot them at bay?)



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Whether you operate a small general aviation airport or a large hub one, developing a marketing strategy can be difficult. Each year, airport managers are faced with marketing questions such as which trade show to exhibit at or which aviation publications should the airport advertise in. To create a successful marketing strategy, management must understand and answer the following questions:

- Where are we today?
- Where are we going?
- Where can we go?
- Where do we want to go?
- How can we get there?

Once these questions are addressed and marketing data is collected using surveys and historical operational data, management should consider the following issues:

- Marketing Objectives
- Target Market
- Positioning Strategy
- Allocation of Resources

This past week I attended the NBAA's 19th Annual Schedulers and Dispatchers Conference, and I counted approximately 20 airports exhibiting at the Conference. Before spending the funds to exhibit at this event, I'm sure these airports went through a marketing analysis to determine if the event would provide the most bang for the buck. This process may have been formalized in a business/marketing plan, or maybe it was just the result of a quick decision by management. Either way, a number of factors were likely considered, at a minimum. First of all, these airports probably considered their marketing objective for the planning period, which possibly included increasing revenues and public exposure within the next couple of years. Secondly, these 20 airports had to define their target market, which in this case, involved marketing to general aviation traffic like charter companies, flight departments, and fractional ownership companies. Thirdly, these airports had to consider positioning strategies by determining how the offering should be presented to the selected market segments. (In this case, the airports obviously decided that the Conference would provide a great forum to get in front of the business general aviation decision makers.) Finally, a decision was made to budget the funds to reserve a spot in the exhibit hall, develop a booth concept, allocate personnel to the booth, and purchase marketing brochures and promotional items to handout. (By the way, I love cheap airport pens and gawdy T-shirts.)

This article only touches upon a few of the elements of a marketing strategy and plan. Marketing an airport can be difficult, and a specific marketing strategy needs to be developed for each individual airport. Airports that have air carrier service will probably not be at events such as Sun 'n Fun, while

general aviation airports will probably stay clear of Air Transport Association (ATA) events. Then again, it doesn't hurt to dream big sometimes!

Jokes of the Month

An older gentleman was on the operating table awaiting surgery and he insisted that his son, a renowned surgeon, perform the operation. As he was about to get the anesthesia, he asked to speak to his son.

"Yes, Dad, what is it? "

"Don't be nervous, son, do your best and just remember, if it doesn't go well, if something happens to me, your mother is going to come and live with you and your wife."

A distraught senior citizen phoned her doctor's office. "Is it true," she wanted to know, "that the medication you prescribed has to be taken for the rest of my life?"

"Yes, I'm afraid so," the doctor told her.

There was a moment of silence before the senior lady replied, "I'm wondering then, just how serious is my condition, because this prescription is marked 'NO REFILLS'."

Two old guys are pushing their carts around Wal-Mart when they collide. The first old guy says to the second guy, "Sorry about that. I'm looking for my wife, and I guess I wasn't paying attention to where I was going." The second old guy says, "That's OK, it's a coincidence. I'm looking for my wife, too. I can't find her and I'm getting a little desperate."

The first old guy says, "Well, maybe I can help you find her. What does she look like?" The second old guy says, "Well, she is 27 yrs old, tall, with red hair, blue eyes, long legs, and is wearing short shorts. What does your wife look like?"

To which the first old guy says, "Doesn't matter, let's look for yours."



Answer:

Although geometry is not our speciality, the answer is 5 cm. We came to this conclusion using the Pythagorean Theorem formula. It is usually written as the equation below, where *a* and *b* are the measures of the legs of the right triangle and *x* is the measure of the hypotenuse.

$$a^2 + b^2 = x^2$$

$$4^2 + 3^2 = 16 + 9 = 25 = 5^2$$

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Airport Business Solutions is recognized as the leader in valuation, analysis, and consulting services to airports and aviation businesses, and offers a diversity of backgrounds and experience which provides a new, creative, and "outside the box" perspective on a myriad of aviation issues and problems.

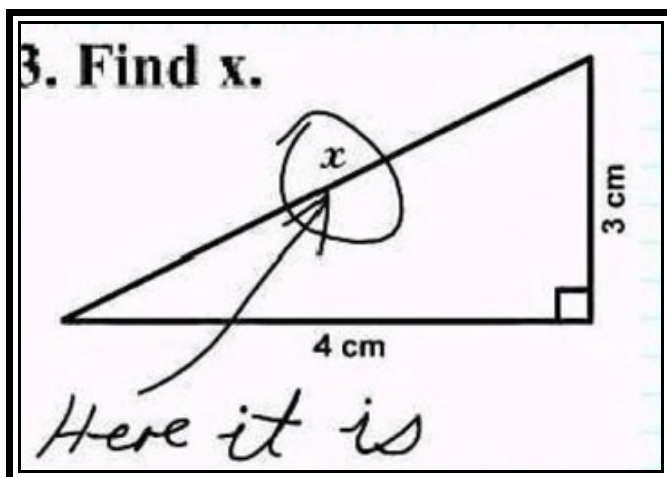
Our international affiliate, Airport Business Solutions International, has helped numerous airports worldwide with a variety of airport management and operational issues and problems, including business planning and privatization assessments.

ABS Aviation Management Services offers contract airport and FBO management to airports looking to maintain the revenues generated by ownership, while avoiding day-to-day management and operational issues.

ASK ABS

Once again, a valued part of our monthly newsletter is a section called "Ask ABS". Within this section, we answer aviation-related questions from our readership. (If we do not receive a question, we usually make one up.) Each month we will publish one question that we receive with a joint reply from our professional consulting team. Please submit any questions via e-mail to Mark Davidson at mdavidson@airportbusiness.net

This month's question comes from a reader that called to ask what "X" was in the previous issue of the Airport Beacon Report. If you do not recall, we included the following picture in our newsletter:



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