

MANAGING REGIONAL AIRPORTS IN COMPETITIVE ENVIRONMENT

Business for all or a case for subsidisation

Organizers



ZWIĄZEK REGIONALNYCH PORTÓW LOTNICZYCH
POLISH REGIONAL AIRPORTS ASSOCIATION



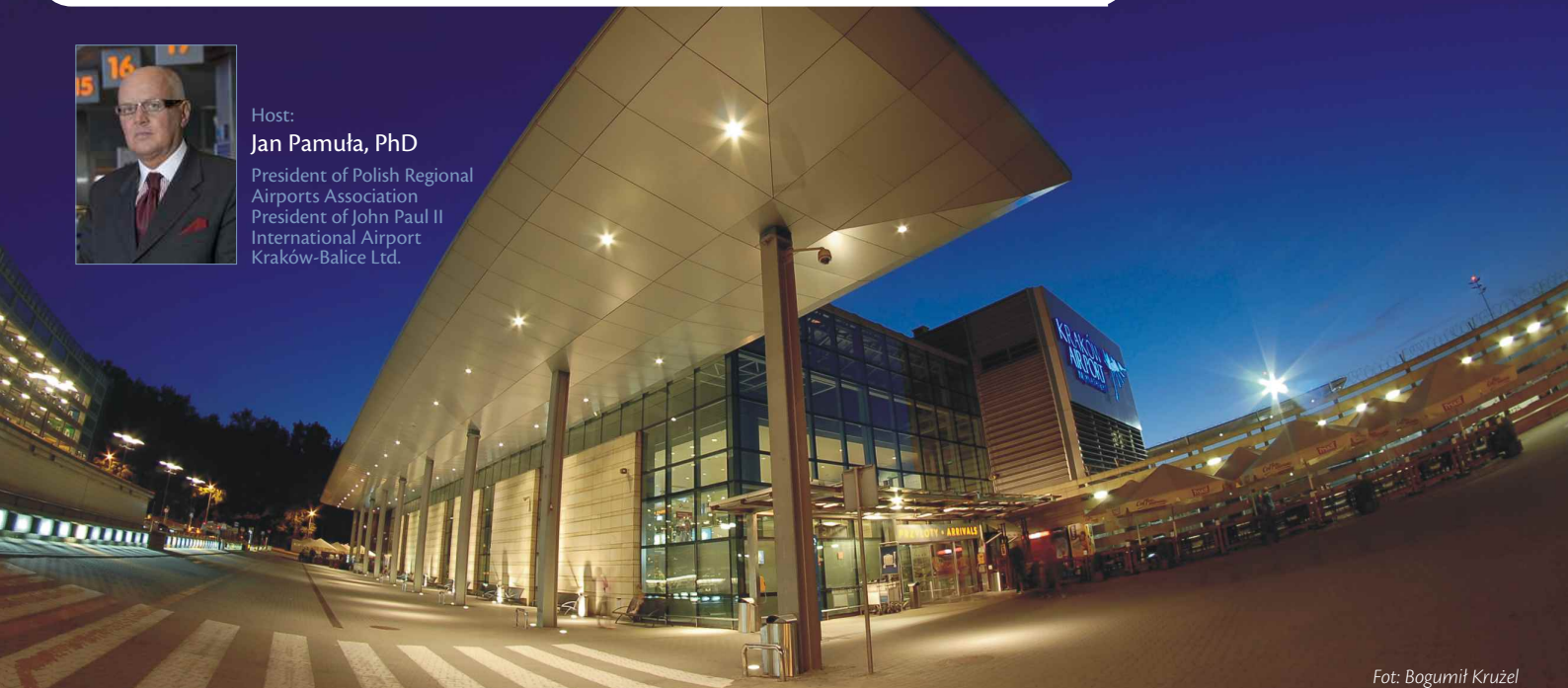
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Host:

Jan Pamuła, PhD

President of Polish Regional
Airports Association
President of John Paul II
International Airport
Kraków-Balice Ltd.



Fot: Bogumił Krużel

When & where

Qubus Hotel, Nadwislanska Street,
Cracow

10th-11th March 2011

KEY ISSUES:

- Central Airport for Poland vs. regional airports
- How to avoid problems in converting former military airports into regional air gateways
- Successful airport marketing in turbulent times - the case of Zurich Airport
- Contribution of network Carriers and Low Cost Carriers to the development of (regional) air transport services
- Multi modal airport access in competitive markets: luxury or necessity
- Understand airlines needs - A-CDM (Airport Collaborative Decision Making) as a strategic tool for aviation stakeholders
- Airport as regions gateways to the world

Workshops:

Airport marketing

INVITED TO PARTICIPATE:

- Airlines representatives
- Senior and middle management of airports
- Law and financial companies
- Suppliers of products and services for aviation
- Representatives of governments: the marshals, presidents, mayors, prefects
- Representatives of the departments responsible for regional development, infrastructure, acquisition of EU funds, corporate governance, marketing
- Representatives of government institutions responsible for the development of air transport
- Organizations and associations interested in developing the aviation industry

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Qubus Hotel, Nadwislanska Street, Cracow, Poland,
10th-11th March 2011

Conferences and workshops will provide comprehensive knowledge, skills and tools that determine the commercial success of regional airports, including:

- Ability to assess the benefits and risks scale development of air transport in the region
- Knowledge how to use the analytical tools to analysis the demand and reduce investment risks
- A practical approach to methods which increasing the effectiveness of airport marketing
- Ideas for cooperation between airport, airline and the region based on the experience of western experts

Speakers:

Urs Brüttsch,
Head of Department
for International
Development,
Zurich Airport

Anna Dąbrowska,
President of the Center
for Transport and
Infrastructure, Warsaw

Aleksander Domaradzki,
Managing Partner
DGL Poland

Przemysław Dwojak,
Head of GfK Polonia,
Warsaw

Markus Franke, PhD,
President Aviation
& Transportation
Consulting

Tadeusz Jarmuziewicz,
Secretary of State,
Ministry of Infrastructure

Krzysztof Kapis,
Head of the Aviation
Department, Ministry
of Infrastructure, Warsaw

Wolfgang Kurth,
Partner ADVOLAR,
Hannover

Benedikt Mandel, PhD,
President of MKmetric,
Karlsruhe

Jan Pamuła, PhD,
CEO International
Airport Krakow – Balice

Gen. Henryk Pietrzak,
Ministry of National
Defence, Warsaw

Marcin Piróg,
CEO LOT Polish Airlines

and

Mariusz Szpikowski,
President of
Air Italy Polska



Fot: Artur Badoń

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First day of conference

08:30-09:30 **Registration of participants and coffee**

09:30-09:35 **Welcome address**

Aleksander Domaradzki, Management Partner DGL Poland

09:35-09:45 **Opening address from the Polish Government**

Tadeusz Jarmuzewicz, Secretary of State, Ministry of Infrastructure

09:45-09:55 **Remarks from the Conference Host**

Jan Pamula, PhD, CEO Polish Regional Airports Association and CEO Airport Cracow

Visit card of Airport Cracow - short presentation

09:55-10:00 **Opening remarks from the Conference Chair**

Aleksander Domaradzki, Management Partner DGL Poland

Session I – Fundamentals

10:00-10:30 **Central Airport for Poland vs. regional Airports**

Krzysztof Kapis, Head of Department of Aviation, Ministry of Infrastructure, Warsaw

Synopsis of the results of the "Concept for the Central Airport in Poland" report commissioned by the Ministry of Infrastructure (partly funded by the EU) prepared in 2009-2010 by the Consortium of PricewaterhouseCoopers, Oliver Wyman, MKMetric and DFS Deutsche Flugsicherung.

10:30-11:00 **Converting Military Airfields to Civil Airports - New Airports, New Opportunities**

Gen. Henryk Pietrzak, Ministry of Defence, Warsaw

The process to convert former military airfield property to civilian airports or GA- airfields is finishing. Till today 17 from 20 airfields belongs to the regions. The government is supporting regional air transport projects leading to better accessibility. Conversion of military airfields has proven to be the most beneficial civilian reuses of military airfields, Regions can use the airfields as a driver of economic activity creating new jobs.

11:00-11:30 **Airlines, Airports and Regions - Partnerships of Necessity or Partnerships of Choice**

Wolfgang Kurth, ADVOLAR, former CEO for Hapag Lloyd Flug, HLX, DBA, CMO Air Berlin and CEO of Air Berlin Technik Ltd.

How deeply does an airport need to partner with a specific airline? Should there always be one strong airline partner or should there be diversification? To what extent is new route development and airport development a joint issue? The role of regional authorities

11:30-12:00 **Multi modal airport access in competitive markets: luxury or necessity**

Anna Dąbrowska, President of the Management Board, CATI (Center for Analyses of Transport and Infrastructure)

How do improvements in road and rail infrastructure influence airport demand and catchment areas in terms of volume and special demand?. How should changes in demand flow influence airport and regional development strategies? How are congestion and airport access time impacted? What is the role of airport accessibility modeling?

12:00-12:30 **Coffee break**

Session II - Daily business

12:30-13:00 **Contribution of Network Carriers and Low Cost Carriers to the development of (regional) air transport services**

Dr Markus Franke, Senior Aviation Advisor and founder of Franke Aviation & Transportation Consulting, former Partner / Associate Partner with Oliver Wyman Consulting and Booz & Co.

Airlines contribute to the development of (regional) airports and the regions accessibility and prosperity respectively. How can airlines secure sustainable development and what steps are necessary to be taken? Light will be shed onto the Network Carriers and LCC critical success factors.

13:00-13:30 **Successful airport marketing in turbulent times - the case of Zurich Airport**

Urs Brütisch, Head of International Business Development, Zurich Airport

After the grounding of Zurich Airport's hub carrier Swissair in 2001, the airport operator was facing crisis being in the middle of its largest-ever expansion phase. How did it manage from impending crisis to become one of Europe's finest airports? What were the success factors in airport marketing? The successful establishment of partnerships and cooperation agreements, as well as the development of creative marketing tools will be illustrated by the example of Zurich Airport.

13:30-14:00 **AeroSvit – leading airline in Ukraina**

14:00-14:45 **Lunch**

14:45-15:15 **LOT Polish Airlines going around**

Marcin Piróg, CEO LOT Polish Airlines

15:15-15:45 **The „Bermuda Triangle” of Polish air transport system - airports, airlines and politics**

Mariusz Szpikowski, CEO Air Italy Polska, Warsaw

Poland, one of the most interesting emerging air transport markets in Europe, is served by foreign airlines. Why don't airlines registered in Poland achieve success? Why has Poland no Polish-owned big charter airline or own low-cost-carrier serving such a large country with a good geographic location? Is the dependence on the still maturing market the main issue of not achieving success or is it a lack of strategic thinking?

15:45-16:30 **Panel discussion - Airports as regions gateways to the world**

Moderation: Aleksander Domaradzki, Management Partner DGL Poland
Panel members:

Markus Franke, PhD, FATC, Düsseldorf, Germany

Krzysztof Kapis, Head of Dept. of Aviation, Ministry of Infrastructure, Warsaw

Wolfgang Kurth, CEO ADVOLAR, Hannover, Germany

Marcin Piróg, CEO LOT Polish Airlines

Mariusz Szpikowski, CEO Air Italy Polska

Representatives of Polish Regional Airport Association

Are Poland's regional airports gateways to their regions? If not why not? Are there any barriers? What needs to change? Will the UEFA EURO 2012 investments act as a catalyst for change? What do the airports, local authorities and airlines need to do? Is there room for more airports outside of the TEN-T network? Warsaw as a intercontinental hub?

16:30-17:00 **Questions from the conference floor...answers from the panellists**

Moderation: Aleksander Domaradzki, Management Partner DGL Poland



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Session III – Innovative solutions for airports

09:00-09:30 Understanding airlines needs - A-CDM (Airport Collaborative Decision Making) as a strategic optimization and marketing tool

Jan Kroh, CEO jPalio, Warsaw

Airport CDM aims to facilitate the collaboration of all the main airport partners (ATC, Aircraft Operator, CFMU and Ground Handlers). Sharing operational data in a transparent way as this is prerequisite to achieving common situational awareness for enhancing decision making. This is necessary to maximize operational efficiency for best use of constrained airport infrastructure and resources. What are the barriers in practice?

09:30-10:00 Intelligent RFID system for airport applications - passenger, luggage and asset tracking

Artur Hanc, PhD, CEO EC Electronics, Cracow

For Airports security to ensure that passengers are never separated from their baggage from a safety perspective, we must be able to ensure that if a passenger has checked in on a flight and is not present in the aircraft when it is due to depart, it must be possible for us to locate and offload their baggage as soon as possible in order to avoid departure delays.

10:00-10:30 Customer Relation Management with avatars, kiosks and smart phones

Romuald Chazbijewicz, CEO NetTechnology, Warsaw

Deeper collaboration among airlines and airports must create a stronger, more complete value proposition for passengers, spanning the entire journey rather than being confined to an airport's boundaries. The main condition for successful application of all new communications channels for Customer Relation Management and „many to many marketing” is easy to handle, user friendly interface to the airport- / airline IT system and sharing of passenger data by the airlines with airports. For different communication channels you need different avatar solutions. NetTechnology has all of them.

10:30-11:00 Application of UAV for automatic airport perimeter surveillance

Grzegorz Chmaj, PhD, UAVS Poland, Cracow

How many people we need for airport perimeter surveillance? Is it possible to automate airport perimeter surveillance? How to employ an unmanned aerial vehicle to support airport perimeter surveillance?. Would it be cutting edge solution? To answer these questions an unmanned aerial vehicle based on scale helicopter will be presented.

11:00-11:30 Coffee break

Session IV – Business intelligence for airports and airlines

11:30-12:10 SABRE Airport Data Intelligence (ADI)

Christophe Ritter, Senior Partner, Sabre Airline Solutions, France

Wondering how you're doing against the competition? Or how to present a strong case for adding an airline to your airport? Or how traffic flow impacts your revenue stream? How to build a business case for targeted airlines using the Airport Data Intelligence global database with all the information needed to benchmark your market against competitors

12:10-12:50 Data Resources and Data Tools for Airline and Airport Business Planning

Mangesh Kanjalkar - Commercial Manager OAG Aviation, United Kingdom

In an aviation climate of significant change, further liberalisation and increasing competition, route development is becoming an airports most important management function. Effective route development based on market Intelligence is the ultimate condition of development for each category of airport.

12:50-13:40 Air Transport Market Forecasting in a Dynamic Market Environment with Uncertain Data

Benedikt Mandel, PhD, CEO MKmetric Karlsruhe, Germany

Due to a diminishing classical data sample about travellers' decisions new approaches based on well experienced methods have to be used providing market transparency for airlines and airports. Furthermore to support their decision process simulation skills are required to secure investments for new routes. The system approach allows for more independence and flexibility across strategic, tactic and political investigations.

13:40-14:20 Using geomarketing for demand localisation inside the region

Przemysław Dwojak, GfK Polonia, Warsaw

Analysis of geographic distribution of customer potential and scoring of microgeographic areas with regard to local demand for travel services. Integration of various type of data (e.g. sales data, surveys outcome, traffic modeling, geographic data) as the solution for building the optimal marketing strategy for local and regional air transport services.

14:20-15:00 Session IV summary - Questions & Answers

15:00-15:45 Lunch

15:45-16:30 Panel discussion - How much innovation in airline business is enough?

Moderation: Aleksander Domaradzki, Managing Partner, DGL Polska

Panel members: Romuald Chazbijewicz, CEO NetTechnology, Warsaw

Artur Hanc PhD, CEO EC Electronics, Cracow

Mangesh Kanjalkar - Commercial Manager OAG Aviation, United Kingdom

Jan Kroh, CEO jPalio Business Solutions, Warsaw

Benedikt Mandel PhD, CEO MKmetric Karlsruhe, Germany

Christophe Ritter, Senior Partner, Sabre Airline Solutions, France

16:30-17:00 Questions from the conference floor...answers from the panellists

Moderation: Aleksander Domaradzki

Conference closing



Thank you cracow spotters for beautiful pictures

Fot: Wojciech Stawski

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Workshop: Airport marketing

Moderator: Sebastian Gościński, PricewaterhouseCoopers, Warsaw
Senior Manager CEE region leader for airports sector

09:00-09:20 Introduction to airport marketing and airline marketing

Sebastian Gościński, PricewaterhouseCoopers

- Planning and marketing in changing markets
- Airline business models, airline economics, distribution, sales
- Routes and network forecasting ex-post and ex-ante,
- Doing business together – co-operation vs. competition
- LCC's – To pay or not to pay?

09:20-10:20 The Development of New Routes - Practical Solutions

Tony Griffin – Wiceprezydent, Airport Strategy and Marketing Limited (ASM)

How should an airport plan for new routes. To what extent is collaboration between an airport and an airline necessary? What is the role of local authorities and other stakeholders? Understanding competitive marketplace for airports Strategies for working with home based/national carrier and away based carriers Strategies for presenting and negotiating with airlines Using new media in route development and airport marketing

10:20-11:20 x-via web: Online Market Analyses and Simulations of New Routes

Oliver Schnell, Senior researcher, MKMetric, Germany

How to perform in a complex world with multiple interdependencies and full of competition a sustainable route investigation? Coupling demand and supply to analyse the market for new opportunities by simulating new routes. Analyses: Catchment and route information for any airport in Europe on the fly. Forecast: Calculation of the market potential for a new route in a fast and easy way. Scenarios: Simulations for routes and networks.

11:20-12:00 Customer Driven Marketing at Airports Through Strategic Partnerships

Anette Ulmer, Vice President International Business Development, Zurich Airport

How can strategic partnerships help to support strategic transition and to reach new target groups? Which criteria should be applied for partnership formation? What needs to be done to make such partnerships beneficial for all parties and how can they be made to last?

12:00-12:30 Coffee break

12:30-13:00 Service Level Agreements as an airport marketing tool

Radosław Paruzel, COO, LOT Services

Good Services Level Agreements can generate profits for airports, airlines and ground handlers (GH). How can an agreement between airlines and GH be used to improve passenger satisfaction, also in case of disturbances? What is necessary to make an airport more attractive for airlines? How important is operational excellence of GH?

13:00-13:45 Integrated approach to developing new charter routes

Mariusz Szpikowski, CEO Air Italy Polska

Competition with non-EU charter airlines should motivate all stockholders in charter business to improve the efficiency. Without co-operation at planning it is not possible to reduce nonproductive flights, resulting in prices higher as necessary. Integrated approach to planning of routes, time table and rotations is key factor of success.

13:45-14:30 Building airline – airport relationship. Experience with Qatar Airways

Marcin Celejewski – former Network Manager Qatar Airways

Importance of smooth cooperation between airline, airports and the regions for effectiveness of all players and business development. Forms of cooperation. Current vs. start up projects. Player size importance (regional airport vs. small/mid or big airline; main airport vs. big airline). The need of creative Interaction. Traps leading to failure.

14:30-15:30 Final discussion and workshop findings

Sebastian Gościński, PricewaterhouseCoopers



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