

ACI EUROPE / [anna.aero](http://anna.aero)

# Airport Exchange

## Network Planning Conference

# Introduction

Barcelona - 24 November 2009

**Ralph Anker**

Editor

[anna.aero](http://anna.aero)

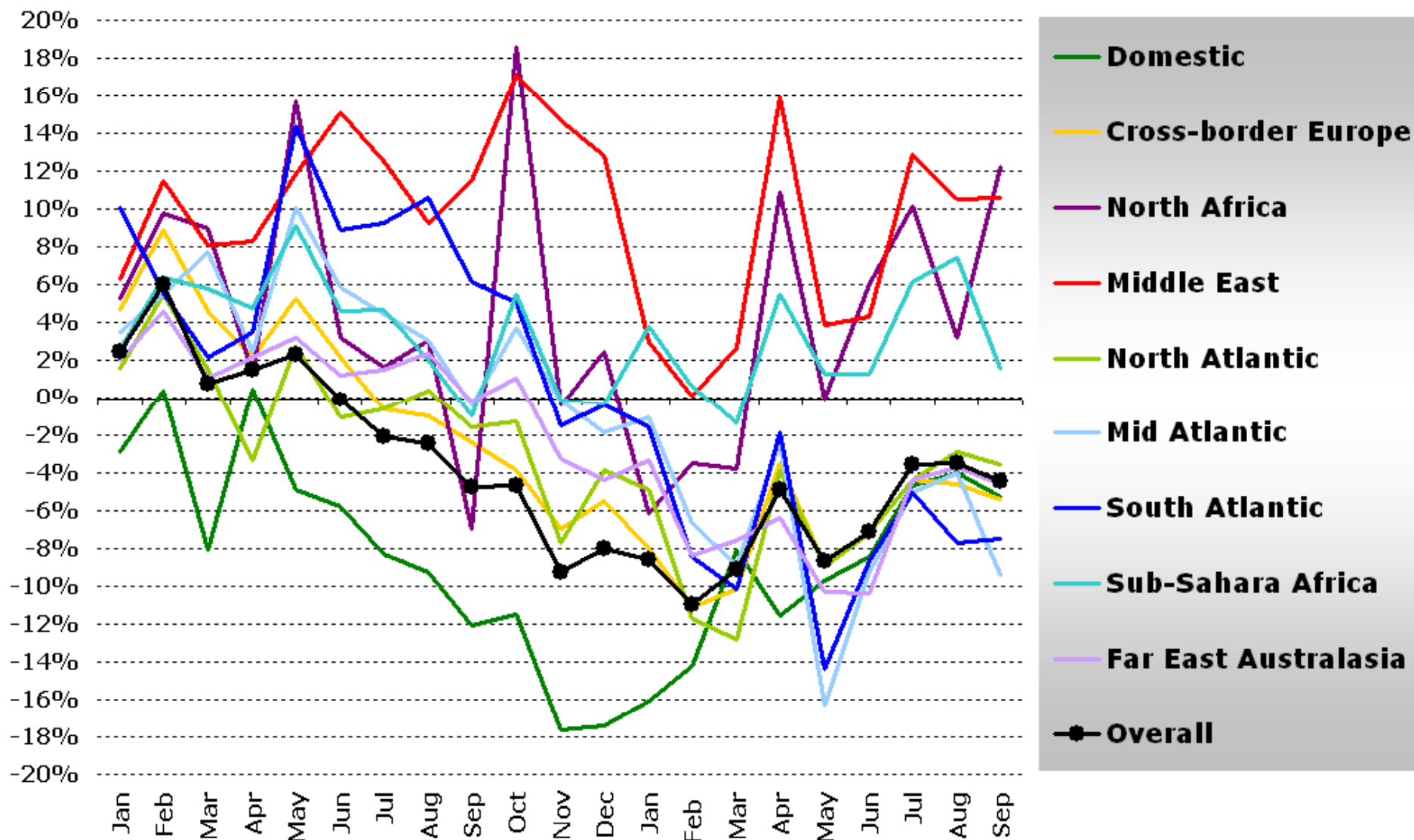
[ralph.anker@anna.aero](mailto:ralph.anker@anna.aero)



# Introductory overview

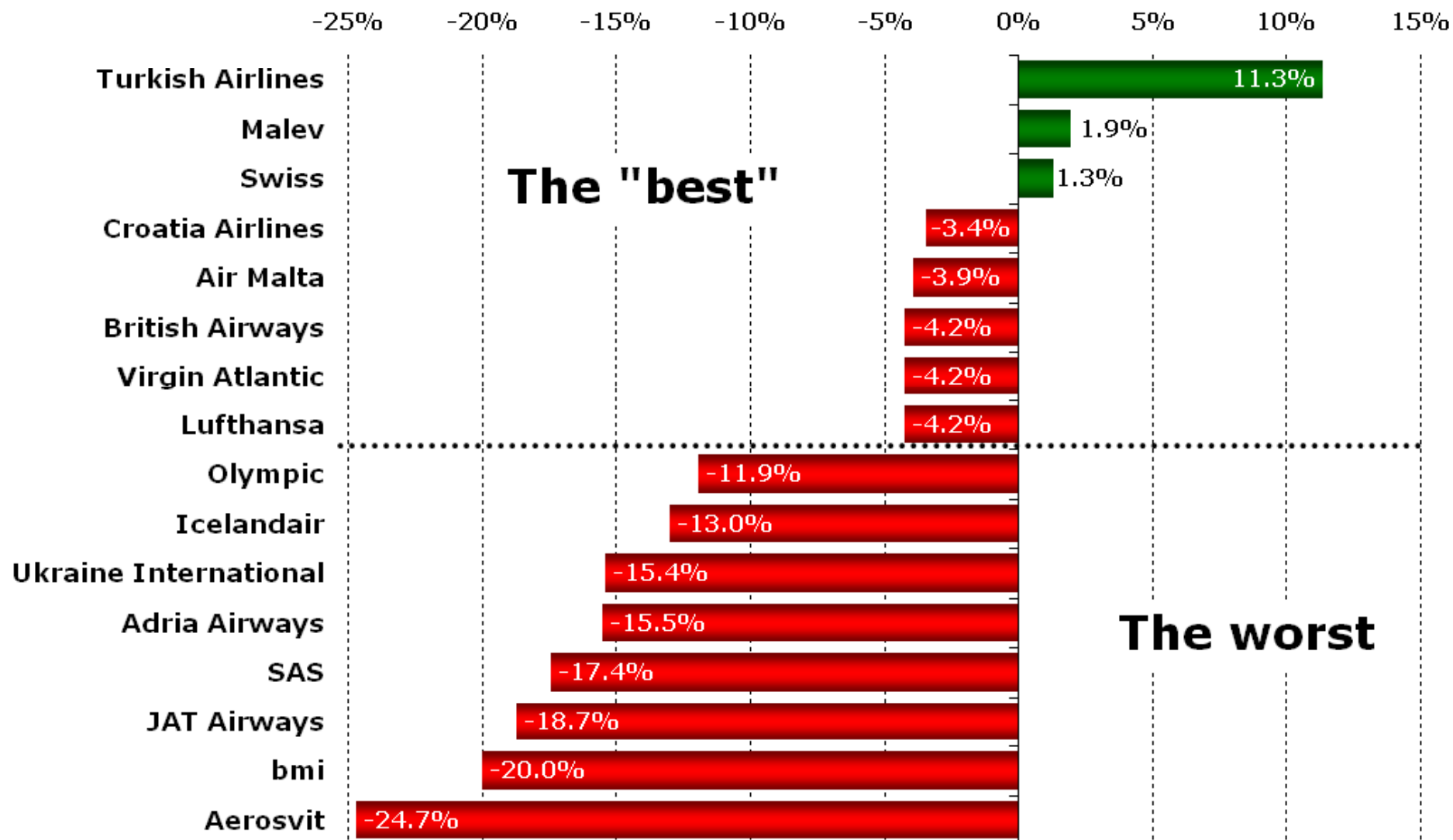
- Demand trends in Europe
- Winter 2009 indicators
- Economic factors
- Trends in European route development
- Mixed fortunes for Europe's airports
- Conclusions

## AEA airlines: Traffic by region January 2008 to September 2009 vly



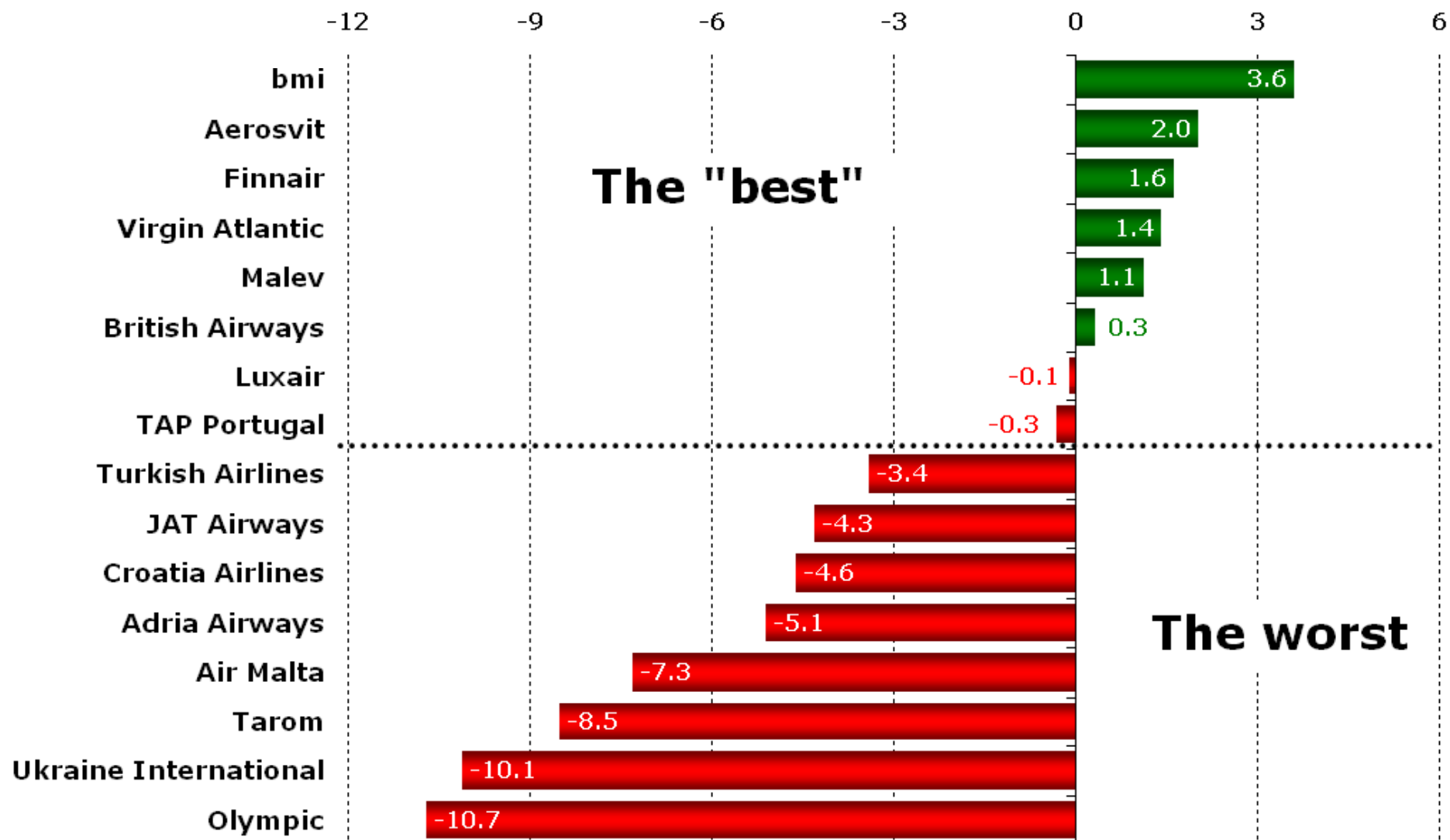
# AEA airlines performance 2009

## Change in passenger numbers 2009 (Jan-Sep) v 2008



# AEA airlines performance 2009

## Change in passenger load factors 2009 (Jan-Sep) v 2008



# Traffic trends - AEA airlines

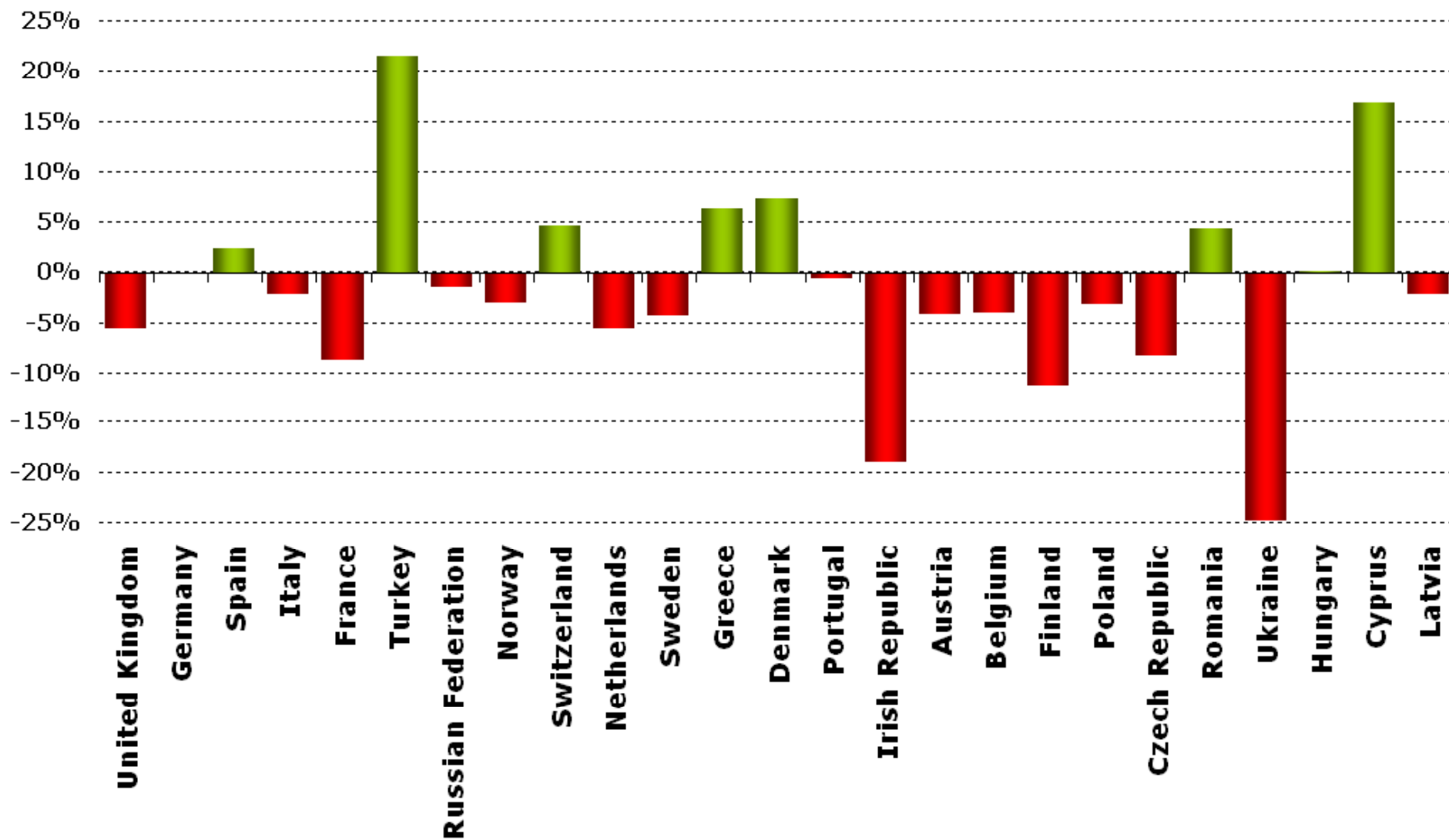
- In 2009 (Jan-Sep) AEA airlines reported:
  - ASKs fell by 4.3%
  - RPKs fell by 5.5%
  - Passenger numbers fell by 7.2%
  - Average load factor fell by 1.0 percentage points to **75.8%**
- Quote from Secretary General (17 Nov 09):

“The foundations for a sustainable European air transport sector are crumbling. Portions of our industry are close to collapse. Some network airlines are ceasing to exist as independent entities. Others are exiting markets that they will not re-enter. Secondary markets are losing service. Tens of thousands of people employed by or sustained by the airlines are losing their jobs.”

# LCCs are not AEA members

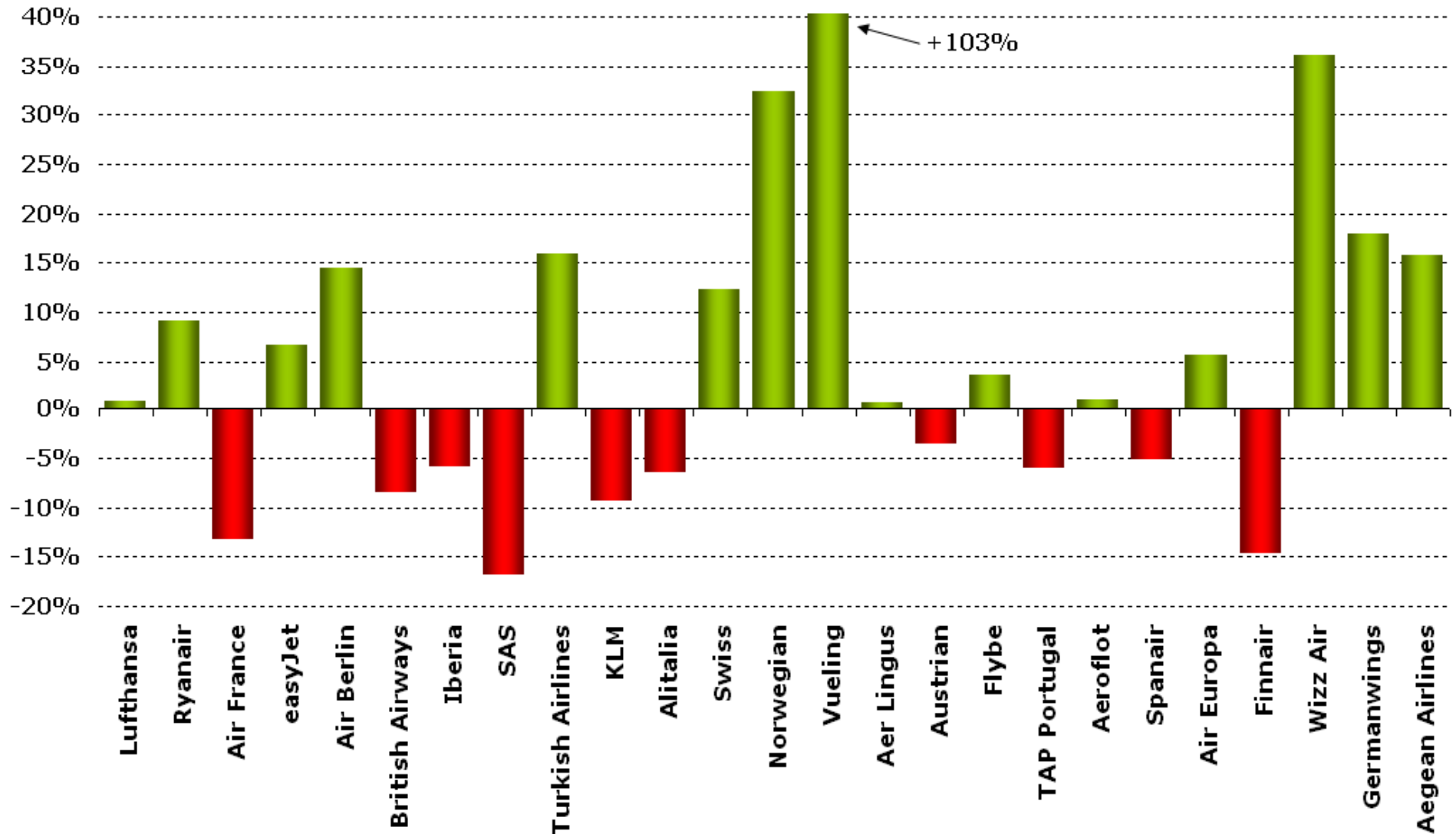
- Apart from AEA airlines Europe is blessed with some major non-AEA airlines
  - LCCs such as bmibaby, easyJet, germanwings, Norwegian, [Ryanair](#), [Vueling](#), Wizz Air
  - Assorted charter/hybrid carriers such as Aer Lingus, airberlin, Pegasus, [Transavia.com](#), TUIfly.com
  - Regional carriers such as [airBaltic](#), Flybe, Meridiana and Widerøe

## Top 25 European countries Change in weekly scheduled seat capacity - W09 v W08



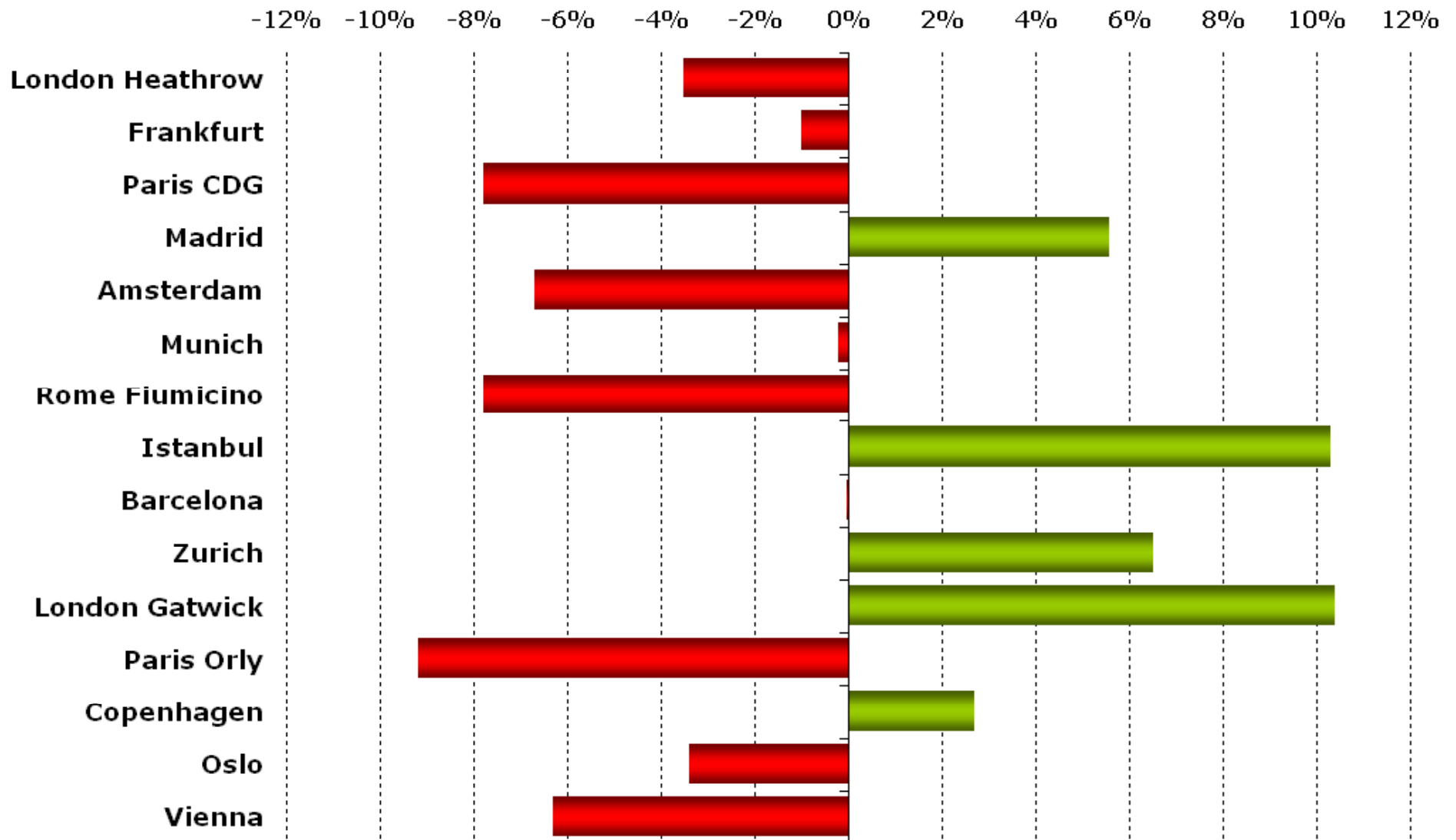
# Top 25 airlines in Europe

## Change in weekly scheduled seat capacity - W09 v W08



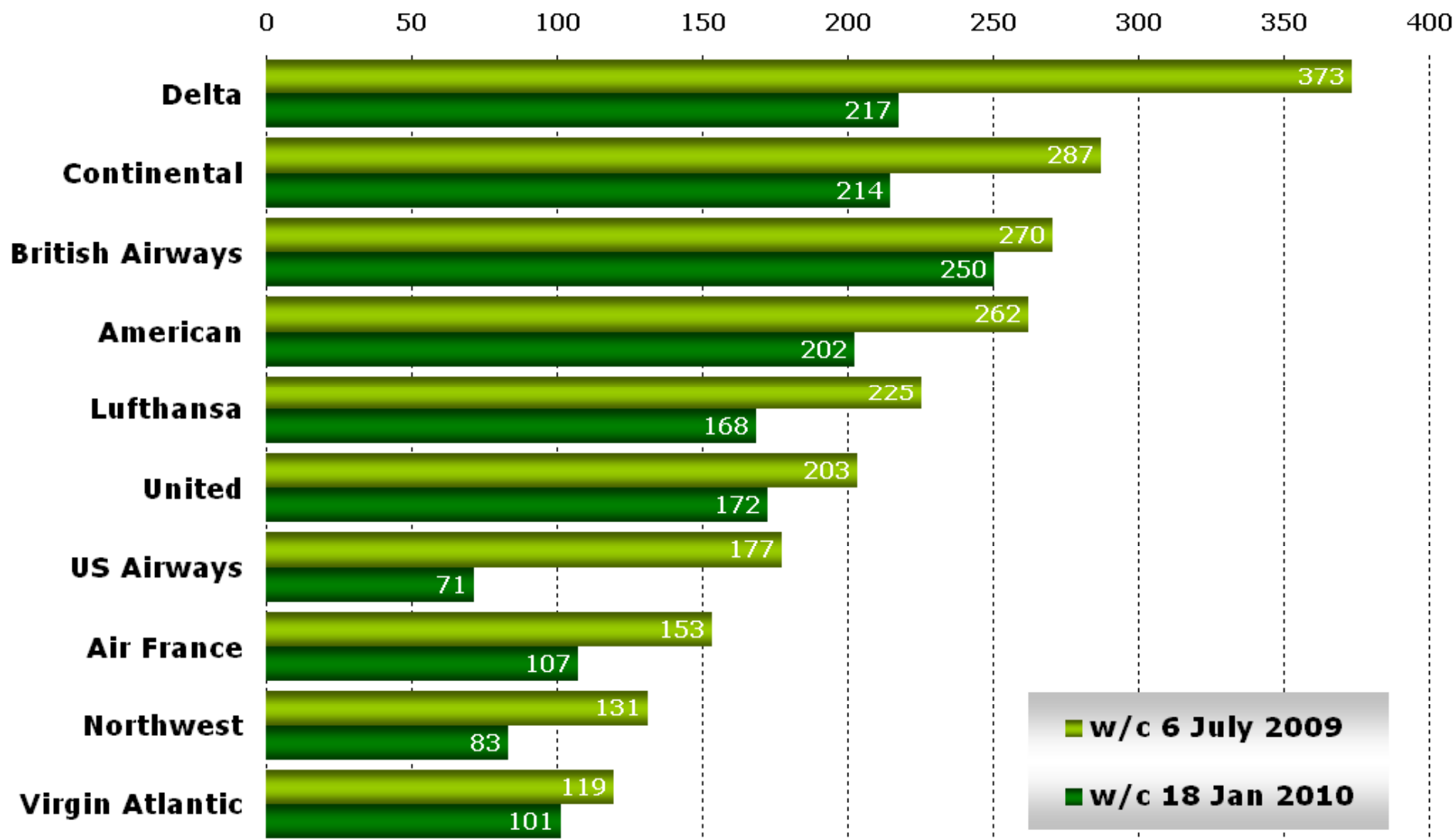
# Top 15 European airports

## Change in weekly scheduled seat capacity - W09 v W08



# Top 10 US - Europe carriers

## Weekly departures: July 2009 v January 2010



# Airline failures

- Europe has (so far) lost only a handful of airlines during 2009 ...
  - Charter airlines: Nordic Airways, Seagle Air
  - LCCs: MyAir.com, SkyEurope
  - Regional airlines: flyLAL, KD Avia
- ... and no major flag carriers (yet)
  - Although both Alitalia and Olympic have recently re-invented themselves
  - BA / Iberia merger

# GDP forecasts for 2009/2010

- Average of real GDP forecasts:

	2009	2010
Belgium	-3.0	+1.1
France	-2.1	+1.4
Germany	-4.9	+1.6
Italy	-4.9	+0.8
Netherlands	-4.0	+1.2
Spain	-3.7	-0.2
Sweden	-4.5	+1.9
Switzerland	-1.7	+1.0
United Kingdom	-4.5	+1.3

In 2009 Q3 euro zone came out of recession as GDP grew by 0.4%

- ~ Germany +0.7%
- ~ Italy +0.6%
- ~ France +0.3%
- ~ Spain -0.3%

Source: The Economist 21-27 November 2009

# Network growth in Europe 2009

- anna.aero analysis of new routes started in 2009 in Europe shows that the majority were started by low-cost airlines
  - **Ryanair** (more than 250 new routes!)
  - **easyJet** (more than 60)
  - **Wizz Air** (more than 50)
  - **Norwegian** (more than 40)
  - **Cimber Sterling** (more than 30)
  - At low weekly frequencies:
    - Cimber Sterling 2.6, Wizz Air 2.6, Norwegian 2.7, Ryanair 3.2, easyJet 4.7

# Airports' mixed fortunes in 2009

- Several small, secondary airports that have attracted LCC services are growing fast:
  - Brussels Charleroi (Belgium), Memmingen & Weeze (Germany), Trapani (Italy), Oslo Torp (Norway), Reus (Spain), Istanbul SAW (Turkey)
- Several small, secondary airports have seen traffic fall as LCCs have withdrawn services:
  - Dortmund (Germany), Forli (Italy), Maastricht (Netherlands), Bratislava & Kosice (Slovakia), Blackpool, Durham Tees Valley, Glasgow Prestwick, Norwich (UK)

# Conclusions

- Many European airlines are struggling to survive
- Network expansion not a priority
  - In fact, a good opportunity to axe unprofitable routes without too much resistance
- Not all European countries equally badly affected by current economic situation
- Fuel price drop has come as a big relief
- People still want a holiday!
- New routes are primarily being generated by low-cost carriers