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## Muskoka Airport YQA Commercial Airline Service Communications Strategy

John Howe | Thought Leadership October 2016

## Objectives

- Prioritize which airline(s) is (are) most desirable to meet Explorers
   Edge objectives and is most likely to be interested in launching
   service to CYQA
- Establish a solid passenger and revenue case for presentation to the priority airline
- Build and reinforce relationships with the priority airline(s), including:
  - Multiple decision-making levels within the airline
  - The full-service carrier's partner and alliance airlines
- Identify key local stakeholders in the tourism/destination sector to play central roles in ongoing marketing outreach strategies with the target airlines into 2017 and beyond
- Develop communications plan that incorporate the case for airline service to reach 1) airlines and 2) local tourism operators



## Starting considerations

- Airline route decisions are purely profit-driven and backed by data
- Our primary task: to win the airline "business case" by providing credible, convincing passenger and revenue forecast data – in close collaboration with the leading players in the Muskoka tourism/destination sector
- Muskoka is competing directly with other communities across
   North America for airline fleet and resource allocation decisions
- The airline industry is one of the most dynamic and volatile business sectors – and aircraft are highly mobile capital resources
- An airline could deem a new route "unsuccessful" within three to six months of start-up and rapidly redeploy the aircraft elsewhere



# Market intelligence gathering

- Understanding the airline sector's perceptions and misperceptions of the Muskoka market
- Why are airlines currently not interested in servicing Muskoka?
- What are the barriers to market entry, and how can they be overcome?
  - Market
  - Airline operations, networks and business strategy
  - Fleet
- Two key sources of market intelligence [see pages 5 and 6]
  - Interviews with up to six Canadian full-service and Tier 2 air carriers
  - Interviews with up to three regional airports in Southern Ontario



## Target airlines

## Canadian full service carriers and their partners

- Air Canada
   [Toronto Pearson, Montreal, Ottawa]
- Porter [Toronto Billy Bishop]
- WestJet [Toronto Pearson]

## Canadian "Tier 2" carriers

- Air Georgian [Toronto Pearson, Montreal]
- Greater Toronto Airways [Toronto Billy Bishop]
- Nextjet [Toronto Billy Bishop]

## US full service carriers and their partners

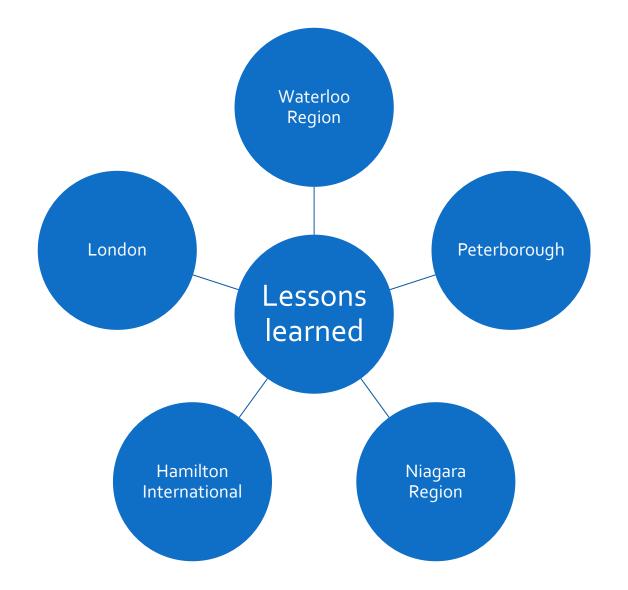
- American
   [Chicago, New York
   LaGuardia, Philadelphia
- Delta

   [Boston, Cincinnati,
   Detroit, Minneapolis-St.

   Paul, New York JFK]
- United
   [Chicago, New York Newark, Washington Dulles]



## Target airports in Southern Ontario



# Four-point airline presentation strategy

#### 1. Key messages

- The market opportunity:
- Why the airline should serve Muskoka
- Commitment by municipality and local tourism operators to making this a success

#### 2. Market size

- Estimated passenger volume and methodology
- Direct vs. indirect (transferring) market split
- Expected airline market share
- Leakage to other competing airlines and surface transportation options
- Additional market stimulation from the new airline service
- Benchmarking against a similar market/case study known to the airline

#### 3. Our knowledge of the target airline

- Fleet type and plans
- Network structure and business strategy
- Airport hubs and alliance partners
- Sales channels
- Financial performance

#### 4. Airline incentives, discounts and support

- Airport fees
- Aircraft ground handling service
- Airline crew accommodations
- Airline and tourism destination marketing campaigns
- Tourism destination all-inclusive packages
- "First and final mile" ground transportation services
- Total estimated cost of incentives vs. wider economic benefits to the community



## Work plan schedule

#### Week of Oct 17, 2016

Approve Airline communications strategy work plan



#### Week of Oct 17, 2016

Begin Airline market intelligence gathering



#### Week of Nov 14, 2016

Begin Airline presentation strategy development



#### Week of Nov 14, 2016

Deliver mid-point progress report including market intelligence report



#### Week of Dec 12, 2016

Deliver Airline presentation strategy and final report



## Optional for 2017 Week of Jan 9, 2017 and beyond

Begin 2027 Airline outreach campaign
Send delegation to Routes Americas 2017 (Feb)
and JumpStart (June) airline/airport conferences
Continuous follow-up strategy