



John Howe | Thought Leadership
www.johnhowe.ca

E: jhowe@johnhowe.ca

T: 647.884.4802

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



Part 1

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





Part 2

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

