

Atlanta has world's most efficient airport, Korea now leads in Asia

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(Phys.org) -- Atlanta's Hartsfield-Jackson International Airport (ATL), one of the world's busiest international airports, is also the most efficient for the sixth year running says an aviation think-tank based at the University of British Columbia's Sauder School of Business.

A team of leading international aviation academics led by Sauder Professor Tae Oum found that airports in Atlanta, Seoul, Copenhagen and Sydney are the leaders in their respective continents for efficiency among international airports serving more than 15 million passengers a year.

Among Canadian airports, Vancouver International Airport (YVR) ranked highest in efficiency among those serving more than 15 million passengers per year, coming in at fourth in North America.

These findings are included in the 2012 ATRS Global Airport Performance Benchmarking Report released today at the Air Transport Research Society (ATRS) world conference in Taiwan. The annual report compares the operational and management efficiency, as well as cost competitiveness of 183 airports and 25 airport groups in North America, Europe, Asia and Oceania.

ATL generated 63 per cent of its total revenue from non-aviation activities, compared to the lowest-ranked North American airport Denver International Airport (DEN), which derived only 37 per cent of its income from alternative sources.



"Our report shows that the world's most efficient airports are supplementing core income with money generated through nonaeronautical revenue streams, such as parking, office rentals, retail activity and real estate development," says Prof. Oum. "We can also see that airports which outsource various terminal services also improve their efficiency."

In Asia, after five years on top, Hong Kong International Airport (HKG) has been bumped down to third place in overall efficiency by Korea's two leading airports. Seoul's Gimpo International Airport (GMP) ranks highest in Asia, while Incheon International Airport comes in at a close second.

"Our reports show that Gimpo's success can be attributed to their strong control of costs from 2009 onwards, with fewer personnel expenses bringing down total operating costs by 12 per cent," says Professor Oum, president of ATRS. "Despite the opening of Gimpo's sister airport, Seoul-Incheon in 2001, Gimpo International Airport has excelled in domestic and short-haul international route business, with a passenger growth of 12.5 per cent within the last three years."

Korean airports are renowned for offering a multitude of services and attractions. Incheon's extra revenue earners include a golf course, hotels, electronic marts, super-stores (e-marts), spa, ice-skating rink, casino, indoor gardens and a Museum of Korean Culture.

Professor Oum says the benchmarking report shows that more efficient airports offer lower aircraft landing fees and passenger terminal charges, leaving more money in the pockets of travellers.

Hartsfield-Jackson's diverse revenue streams allowed it to offer some of the lowest combined landing and passenger fees in North America for international flights, charging only \$301 US for a Boeing 767 to land in



2011.

The lowest combined landing and passenger fees for a Boeing 767 in the Asia Pacific are found at Kuala Lumpur Airport, at \$1,793 US while Fiji's Nadi International Airport charges the highest fees in this region and globally at \$15,823 US.

In Europe, Riga (Latvia) charges the lowest combined landing and passenger fees for a Boeing 767, at \$2,206 US, while London Heathrow comes out at the most expensive, at \$14,126 US.

Considered the most comprehensive independent evaluation of global airport performance, ATRS Global <u>Airport</u> Benchmarking Report ranks management efficiency using a ratio that divides the total number of aircraft movements, passenger and cargo volumes and non-aeronautical revenue generation by full-time equivalent employees and other operational expenses, including outsourced services.

Provided by University of British Columbia

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