

SITA

RIGHT SIZE FOR REGIONAL SKIES

Modular management systems
for growing airports

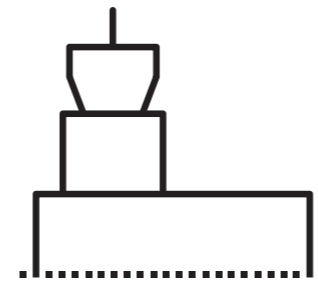




THE ONLY WAY
IS UP

It's not easy being a regional airport. People want local convenience but expect big city service.

You need to work hard to persuade airlines to serve your region at a realistic cost. Local governance and financial limits may also prevent you from having a free hand. So, your cost model and revenue opportunities are constricted.



One of the few upsides of being smaller is that it's relatively easy to organize your airport operations. With enough trained staff, hard work and attention to detail, you can just about run your airport off a spreadsheet.

(Of course, after the Covid shutdown, the entire airport industry struggled to retain experienced people or to find and train talented, committed new starts. So that doesn't help.)

None of these factors will surprise you.

THERE ARE
INTERCONNECTED,
ALMOST INVISIBLE
PRESSURES BUILDING
BEHIND THE SCENES.

The challenge is to not only recognize the likely impact on your operations and re-think how your team can cope – but to re-imagine the kind of airport you can run.



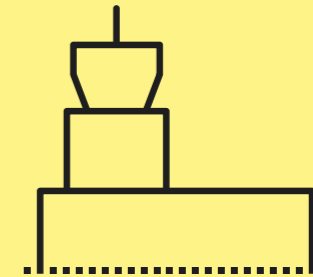
10 WAYS PRESSURE IS BUILDING ON REGIONAL AIRPORTS

1. Passenger numbers



Traveler numbers in the US have already surpassed pre-Covid levels. Airports have managed the bounce-back superbly. However, according to Airports Council International (ACI), growth is predicted to continue **+26% by 2027**.

2. Crowded major airports



If you've been in a major airport lately, you'll have noticed that they tend to be stretched to capacity. Operational hiccups at peak periods can cause chaos – with queues of heated travelers and tired children enduring a less than optimal experience.

Now imagine 26% more passengers. As people become frustrated by inconvenience at major airports, where will that extra growth go?

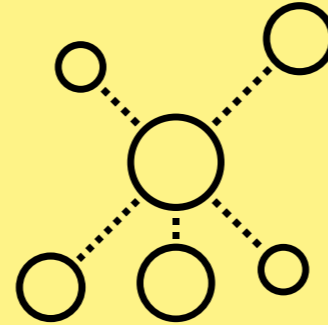
3. Regional growth



The official estimate from the Federal Aviation Administration (FAA) is that regional passenger flows will increase on average by 2.7% over the next 20 years.

Which sounds quite manageable until you work out that a compound increase of 2.7% a year for 20 years gives you **growth in annual passenger numbers of 70.38%.**

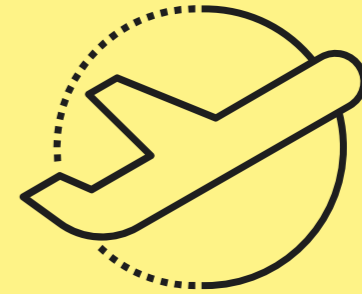
4. Regional hot spots



Of course, not all regional airports are equal. Some are already growing fast. Since the pre-Covid baseline, the top 25 regional airports will experience, on average, **almost 30% growth by 2025** – with the top two fastest growing airports seeing nearly 90% and 75% growth respectively.

(See chart on page 09)

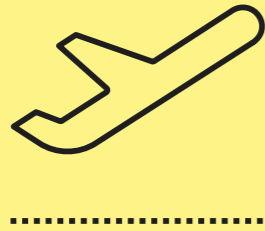
5. Aircraft innovation



Modern aircraft make more long-range flights both practical and cost-effective from regional airports. As well as opening up the world, these innovative aircraft are smaller, quieter and more fuel efficient.

More destinations make regional airports more attractive to passengers and airlines.

6. Low-cost carriers

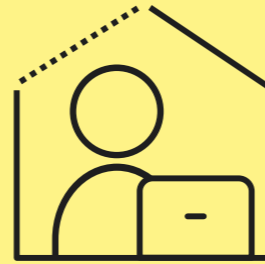


The presence and expansion of low-cost carriers (LCCs) is a major factor in the growth of regional airports.

Airports like Fort Lauderdale have grown due to increased operations by airlines like Southwest, Spirit, and JetBlue.

Fast growing start-up Breeze Airways now serves nearly all regional airports.

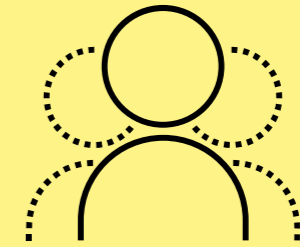
7. Remote working



Blame it on Zoom. When you can work from home, you can work from anywhere. Accordingly, the pandemic made remote working from more affordable areas an option for many people. This amplified an existing migration pattern where people from the northeast and upper Midwest urban areas moved to warmer weather sunbelt cities. In 2021, almost 8 million people moved between states.

Predictably, people still need to travel for business or family reasons. When you're willing to move for lifestyle, a convenient local airport seems like the inevitable choice.

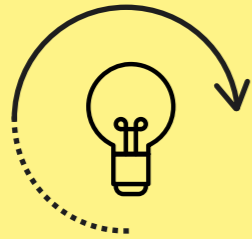
8. Staffing



Many experienced staff left the airport industry during the pandemic – and never came back. But fresh recruitment has also proved to be a struggle for many airport businesses.

We've all heard reports that younger people have a different attitude to their working life. Is that true to an extent? Or just an old folks' tale? Regardless, location and working hours probably make airports less attractive to potential employees. Certainly, old-fashioned working practices and out-of-date technology are not going to help bring in the best new talent.

9. Sustainability



As our own experience of searing heatwaves, powerful storms, droughts and floods may suggest, climate change will be a key concern for decades to come.

In a growth cycle for your airport, it will be challenging to adapt – and report on – your efforts at controlling carbon emissions and protecting natural resources and wildlife.

10. Reporting

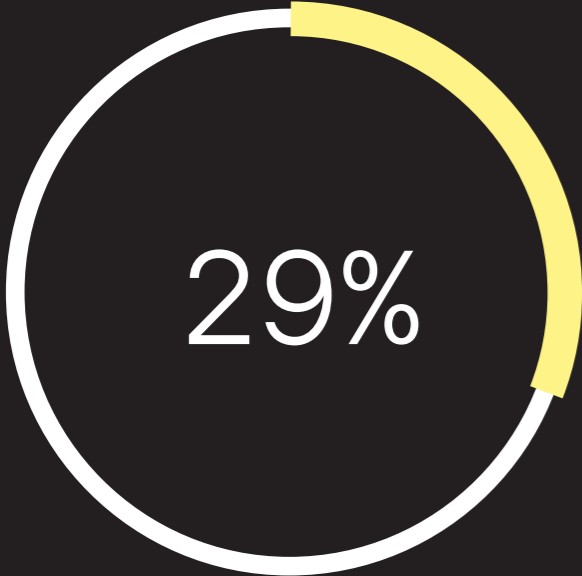


Depending on your ownership structure, you will be required to provide information to stakeholders on performance. These days, simple financial data is unlikely to suffice. Especially where there's significant involvement from local government and policymakers. Reporting on performance and economic impact can be onerous.

But it's also important for stakeholder management and for your own peace of mind. In a growing airport, with increasing operational demands, the ability to source your own data and prepare reports will be vital. Trying to do it manually would be madness.



Growth on average by 2025



US Regional Airports Ranked by Growth
2019-2025

Rank	Airport	City State	2019	2020	2021	2022	2023	2024	2025	2019 v 2025 Growth
1	SRQ	Sarasota/Bradenton, FL	967	617	1,648	1,768	1,782	1,796	1,810	87.1%
2	EYW	Key West, FL	481	321	696	817	825	832	839	74.6%
3	BZN	Bozeman, MT	786	446	974	1,185	1,199	1,214	1,228	56.3%
4	COS	Colorado Springs, C	843	364	938	1,231	1,247	1,264	1,280	51.8%
5	JAN	Jackson, MS	526	207	480	765	772	779	785	49.4%
6	MYR	Myrtle Beach, SC	1,305	558	1,630	1,895	1,909	1,925	1,939	48.6%
7	MLB	Melbourne, FL	249	117	176	339	352	355	359	43.7%
8	HRL	Harlingen, TX	346	177	324	460	470	480	489	41.5%
9	VPS	Destin-Fort Walton	806	499	1,019	1,082	1,093	1,104	1,115	38.3%
10	EUG	Eugene, OR	611	274	578	752	762	772	782	28.0%
11	PSP	Palm Springs, CA	1,287	632	1,047	1,558	1,588	1,617	1,647	28.0%
12	LIH	Lihue,Kauai, HI	1,688	511	1,000	2,081	2,104	2,127	2,150	27.4%
13	BOI	Boise, ID	2,060	989	1,816	2,371	2,429	2,462	2,494	21.1%
14	ACK	Nantucket, MA	134	48	135	157	159	160	162	20.5%
15	PNS	Pensacola, FL	1,119	593	1,169	1,289	1,308	1,327	1,346	20.3%
16	OGG	Maui, HI	3,995	1,202	2,804	4,673	4,716	4,759	4,802	20.2%
17	FAT	Fresno, CA	989	495	974	1,138	1,155	1,172	1,189	20.2%
18	BGR	Bangor, ME	300	117	329	340	353	355	357	18.7%
19	KOA	Kona, HI	2,023	660	1,414	2,308	2,334	2,360	2,386	17.9%
20	FNT	Flint, MI	301	175	234	349	351	352	353	17.4%
21	SAV	Savannah, GA	1,499	598	1,394	1,698	1,718	1,738	1,757	17.2%
22	MFR	Medford, OR	523	243	437	591	598	604	611	16.9%
23	RAP	Rapid City, SD	351	186	348	380	397	401	405	15.3%
24	TVC	Traverse City, MI	281	141	307	314	317	320	323	15.2%
25	ROC	Rochester, NY	1,294	418	947	1,325	1,470	1,478	1,485	14.8%
Total			24,764	10,538	24,764	30,868	31,407	31,753	32,092	29.6%

Source: Boyd Group International

Last update: 01-17-2022

Competing Airports

Most large metropolitan areas have seen a growth in additional airports.

Sometimes, this is due the lack of capacity and perceived inconvenience of the main airport(s). But, sometimes, neighboring jurisdictions see their regional airport as an economic development opportunity.

Consider the growth of Westchester County Airport (HPN), Long Island's MacArthur Airport (ISP) in the NYC area and West Palm Beach (PBI), Fort Lauderdale-Hollywood Intl Airport (FLL) in South Florida.



AND, AS THE SAYING GOES,
“IF YOU BUILD IT,
THEY WILL COME.”



Key question:

HOW CAN YOU
SCALE OPERATIONS
IN A GROWING
REGIONAL AIRPORT?

DOING THINGS THE HARD WAY: PAIN POINTS FOR AIRPORT MANAGERS

“That’s the way it’s always been done.”

“If it ain’t broke, don’t fix it.”

“People don’t like change.”

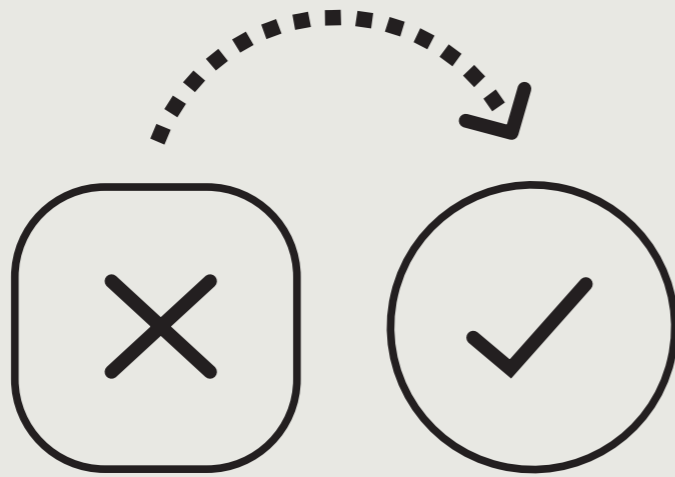
Your airport works.

Planes take off and land; passengers are processed. What’s not to like?

Why bother investing in the future?

One of the challenges is that what got you so far won’t get you much further.

You’ve probably maxed out all the operational efficiencies in your current set-up. You’ve used all your experience and smarts to keep those plates spinning. You’ve thrown people at problems. At a personal level, you can’t work much harder or put in even more hours.



In truth, to ready your airport for growth, you need to recognize the inbuilt limits of traditional methods.

Here's a quick reminder of how hard it can be to square that circle currently:

Inefficiency and Delay

An outdated operations process often relies on human resources, such as running off spreadsheets. Disparate systems can lead to inefficiencies and delays in daily operations. This includes longer turn-around times for aircraft, slower passenger processing, and inefficient baggage handling.

Lack of Real Time Data

Without modern operations management, airports can struggle to access real-time data needed for efficient decision making. The opportunity to integrate various airport systems gives you a centralized source of information and enhances situational awareness and improves operational efficiency.

Here's a quick reminder of how hard it can be to square that circle currently:

Poor Communications

Disparate systems can hamper communications between different airport departments and stakeholders (e.g. airlines, ground handlers, passenger processing). This can lead to miscoordination, slower response times for operational issues. This general lack of synchronized efforts can lead to:

Increased Operational Costs:

Manual and outdated processes can ramp up operational costs due to higher labor requirements and inefficient resource management.

Limited Scalability:

Processes which rely on people are hard to scale effectively, to handle increased air traffic, and more passenger and cargo volumes. Modern systems offer the flexibility needed to meet growing operations related demands with significant disruptions.

Reduced Competitiveness:

Airlines and passengers want airports with efficient, reliable, and modern systems that make for a smoother and faster travel experience. Airports which don't modernize / automate their operations risk losing business to more advanced competitors.

Poor Data Accuracy and Reporting:

Lack of integration and reliance on manual data entry can lead to inaccuracies in operational data, affecting reporting and analysis. Data consistency and accuracy, improved reporting and better strategic planning are the hallmarks of professional airport management.

Compliance Challenges:

Modern regulatory requirements often demand robust data management and reporting. Antiquated systems can struggle to meet these requirements, leading to potential compliance issues and stakeholder headaches.



SOME TALK
THE TALK.
WE RUN THE
RUNWAYS.

SITA Airport Hive: Right-sized for regional airports

When it comes down to it, people (and airlines) want the local convenience that regional airports offer. But they still expect big airport services – fast, timely and efficient.

Faced with growing pains, many regional airports are held back by thinking small. Traditional operational systems that once worked perfectly, now seem slow, inefficient, and prone to amplifying problems.

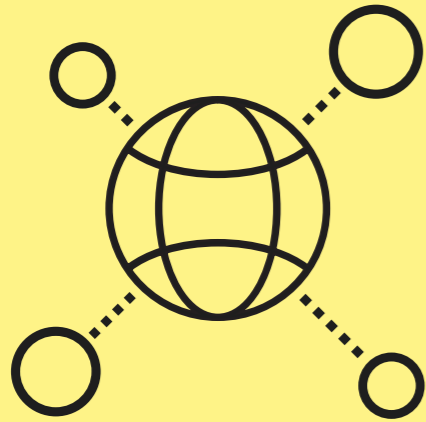
You've probably wished that you had a full-blown airport operating data base system (AODB) but hesitated due the scale and potential cost of installation, training and maintenance.

Now with SITA Airport Hive, there is an alternative solution readily available.

With 75 years' experience in airport operations, we believe it's the easiest, most convenient, and attractive way for regional airports to move with the times and get ready for expansion.



Modular, Powerful and Easy to Use



Modular by design, SITA's Airport Hive gives you the functionality you need – making it affordable, versatile and tailored to your needs.



Flight Management:

Data-rich tools for seamless flight operations. Tailored critical flight information ensures situational awareness and rapid response.

Billing:

Take the hard work out of finance. Improve your cash flow by ensuring accurate and timely invoicing for airlines and service providers.

Resource Management:

Conflict-free planning to allocate resources efficiently and maximize airport capacity and minimize delays.

Flight Information Display System (FIDS):

Bring your customer experience into the 21st century with integrated real-time data for smart and versatile signage, including advertising, way-finding, and line management.

Flight Schedule Planning:

Modernize your flight schedule processing, (supports formats like SSIM and AIDX).

Master Data Management:

It ensures one version of the truth across the whole stakeholder landscape when it comes to industry data such as IATA and ICAO codes. Also ensures all the airport resources such as stand, gates, desks, belt are uniform across all the applications that are planning and executing operations in relation to them. Fully accessible to other systems.

Advanced auditing:

The Auditing tool empowers the airport to carry out rapid investigations into critical data changes. A quick search can reveal who, what, when and why the data was amended. This is especially useful when the data change has caused operational issues.

Mobile:

Airport Hive Mobile provides real time access to your operational flight information with the full capability of editing and maintaining flight records. This delivers a mobile collaboration platform for all your airport business stakeholders. Especially useful for handling agents.

Airport API:

Unlock the true power of real-time data through our modern, cloud-based Airport API. Configure real-time flight data access within minutes to enable rapid sharing of key operational information to any stakeholder.

REST APIs and Integration Services:

A seamless system that allows you to build the right system for your airport's needs – giving you the tools you need now, with flexibility for the future.

Reporting:

Reveal unparalleled insights with our dedicated reporting database.

- Pre-defined Reports
Ready-to-use insights at your fingertips.
- Data Extracts
Effortlessly extract and analyze your data.
- Custom Reporting
Seamlessly share data with other reporting systems via REST API and/or SQL Access.

Transform your data into a strategic asset to empower your airport's data-driven decision making.

Light touch, cloud-based, future proof

Airport Hive is easy to use. It's a ground-breaking solution that's designed with familiar user-interfaces. It's intuitive, so you can navigate with ease and reduce your reliance on lengthy tutorials or extensive training.

Each module is accessible through a web browser or mobile. Due to its modern design and 'event-based' microservices, it's light on processing and data management. This reduces your running costs and keeps you ahead with continued innovations.

Through the API-first decoupled architecture, Airport Hive cuts down the need for manual data entry and delivers seamless integration, unmatched flexibility and top-tier scalability. As a result, you can maximize operating efficiencies at a surprisingly affordable cost.



WHAT SMALLER AIRPORTS NEED. MICROSERVICES.

Airport Hive is based on six core benefits that deliver modern, secure, and dynamic airport microservices. Efficient design means the system only updates relevant information. Light and fast on its feet, the system gives you up-to-the-minute consistent data to help you improve arrival and departure punctuality and better manage airport load factors.

Data-driven approach:

Our REST API and event-driven microservices approach connects all our systems with your systems and multiple data sources. This makes your data more accessible across all your teams and processes. So, you can enable stronger collaborations across your airport and gain control of all your information – live and accurate.

Advanced security:

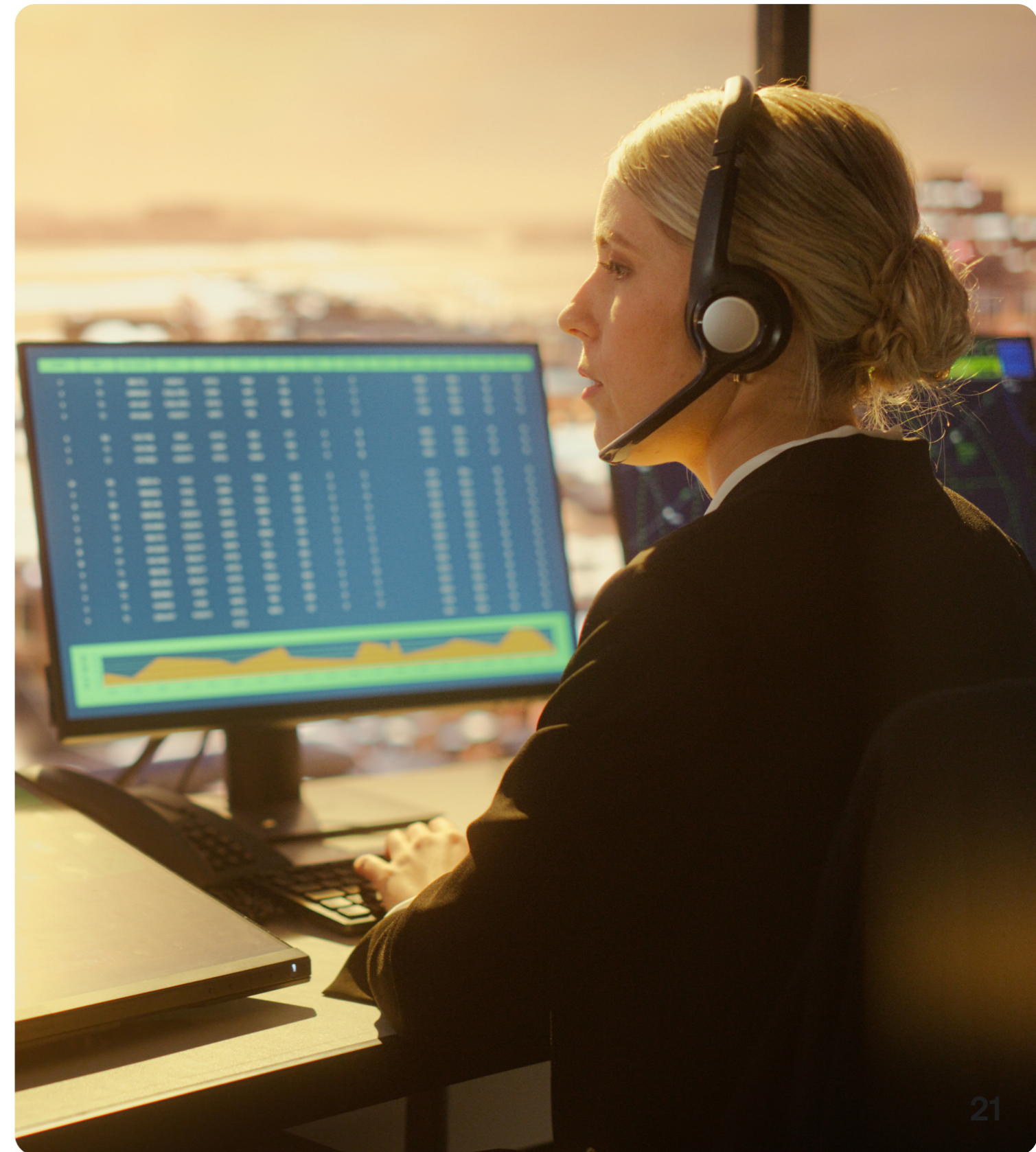
Airport Hive is highly secure. Continuous testing, authentication safeguards and best practice programming keeps the system as free of vulnerabilities and impervious to attack as possible.

Hosting choices:

You may want to choose where you host your software. All Airport Hive modules can be run in the cloud, on premise, or as hybrid.

Future proof architecture:

Our microservices approach provides us flexibility in choosing the most efficient technology stack to meet your business needs while minimizing associated software license costs for you. This delivers effective migration and upgrades, better scalability, improved agility, and faster time-to-market for new features. Our aim is to have zero technical debt.



**Commitment to Continuous Innovation:**

Our modules are automatically updated and containerized. So, you don't have to worry about maintenance or 'patches'. Airport Hive applications are independent of your infrastructure. And we deliberately design our applications to ensure you are not locked into specific hardware vendors.

Right size your airport management:

As the pressure grows on regional airports – as your airport expands and your own roles and responsibilities becomes ever more complex – it's important to have a partner who understands the airport business.

SITA has been in the airport technology business since before there was any 'technology' to speak of. For over 75 years, we've grown up with the air travel industry. Our cutting-edge solutions work for airports because we really do know the business in-depth.

So, when we say that 'right-sizing' your airport operations management is the way forward for regional airports, we mean it.

From airport operations to biometrics, we offer airports products and systems that are tried, tested and trusted. If you'd like to learn more, let's get our relationship off the ground.



SITA AT A GLANCE

The air transport industry is the most dynamic and exciting community on earth – and SITA is at its heart.

- We strive to be the chosen technology partner of the industry, a position we will reach through flawless customer service and a unique portfolio of IT and communications solutions that **cover the industry's ever need 24/7.**
- We're the **innovators of the industry.** Our experts and developers keep it fueled with a constant stream of ground-breaking products and solutions. We're the ones who see the potential in the latest technology and put it to work.
- Our customers include airlines, airports, and governments. We work with around **400 air transport industry members** and **2,800 customers** to ensure we are always delivering the most effective and efficient solutions.
- **We own and operate the world's most extensive communications network. It's the vital asset that keeps the global air transport industry connected.**
- We're **100% owned by the air transport industry** – a unique status that enables us to understand and respond to its needs better than anyone.
- Our annual IT surveys for airlines, airports and passengers are industry renowned and the **only ones of their kind.**
- Since 2019, **we've significantly reduced our emissions** and, in 2021, we became a **certified CarbonNeutral®** company under The CarbonNeutral Protocol.
- We **sponsor .aero**, the internet domain reserved exclusively for aviation.
- **In 2022, we had consolidated revenues of \$1.394 billion.**

For further information,
please visit www.sita.aero

WE'RE HERE TO ANSWER YOUR QUESTIONS

So come and talk to us. Let's help you use Airport Hive - the end-to-end, tech-enabled AODB platform that will significantly improve your airport's operations.

SITA



For more information [click here](#) or email us info@sitaaero.com



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