




# The effects of the economic crisis on network developments at Amsterdam Airport Schiphol

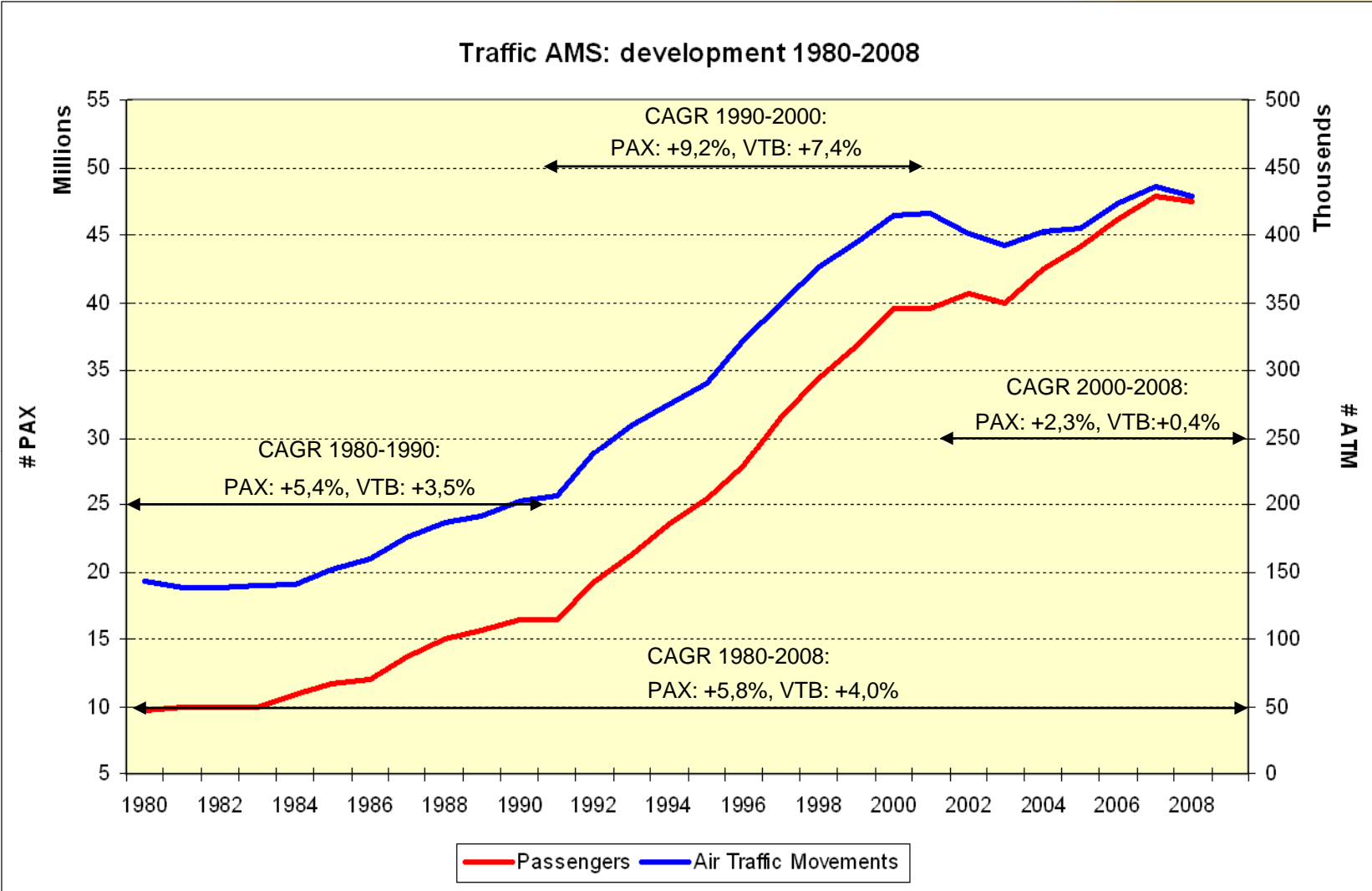
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*Airneth workshop September 22th, 2009*

Amsterdam  
Airport Schiphol 

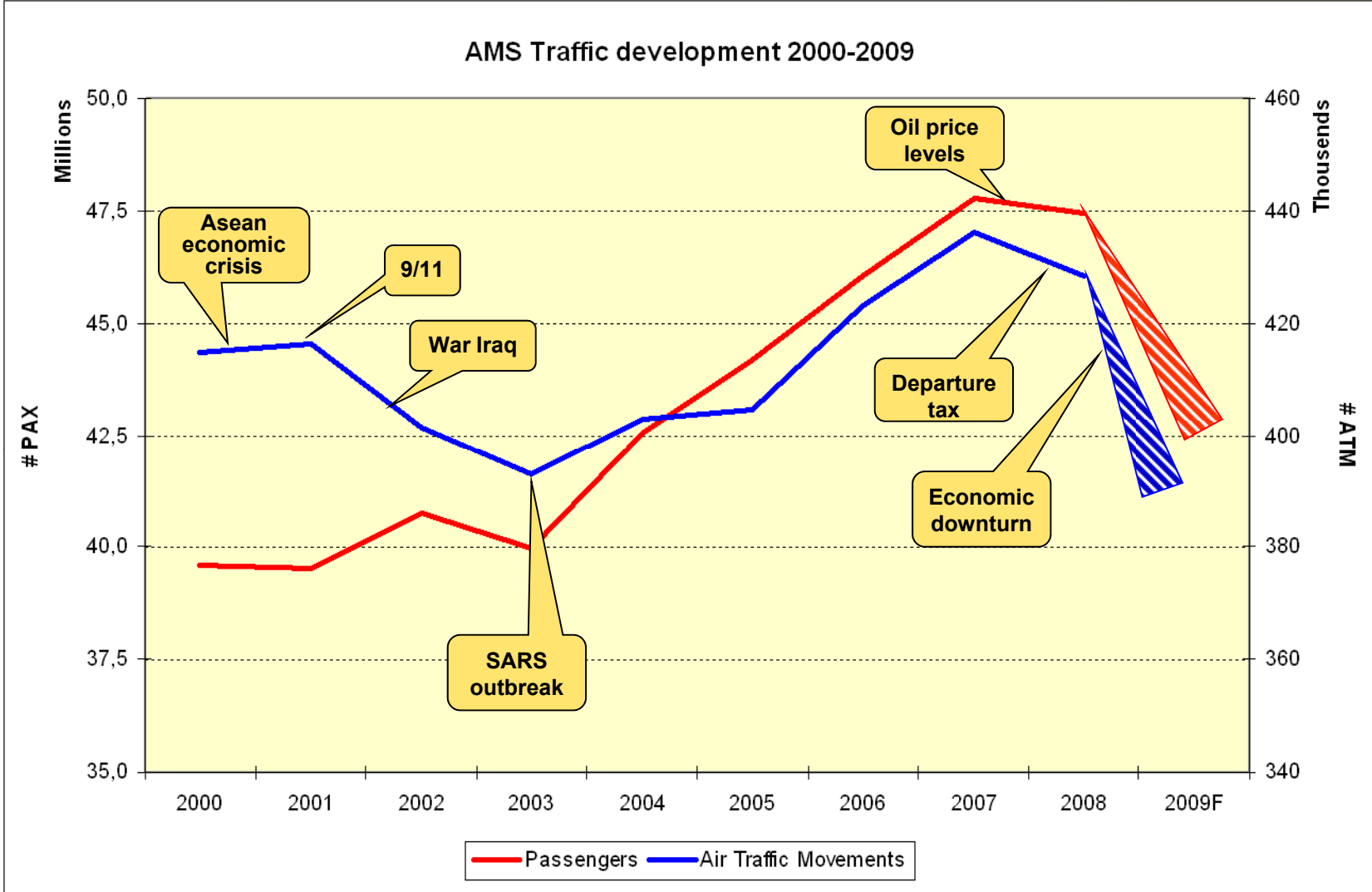
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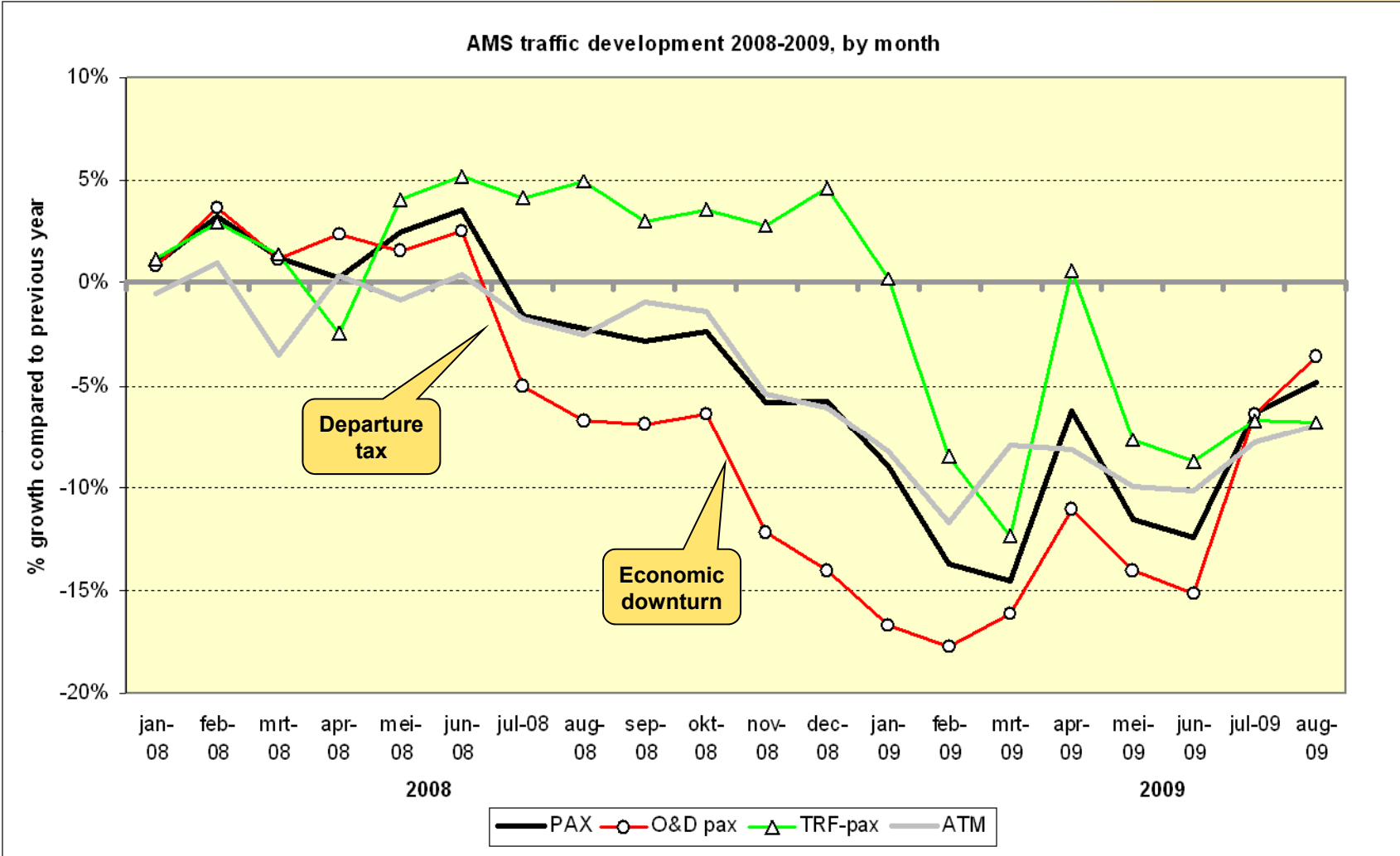
# AMS Traffic pushed fiercely by development of hub system by KLM during the nineties; volatile start of 21st Century



Last decade characterised by political and economical upsets, affecting Air Traffic development. The impact of the current economic crisis however is unprecedented



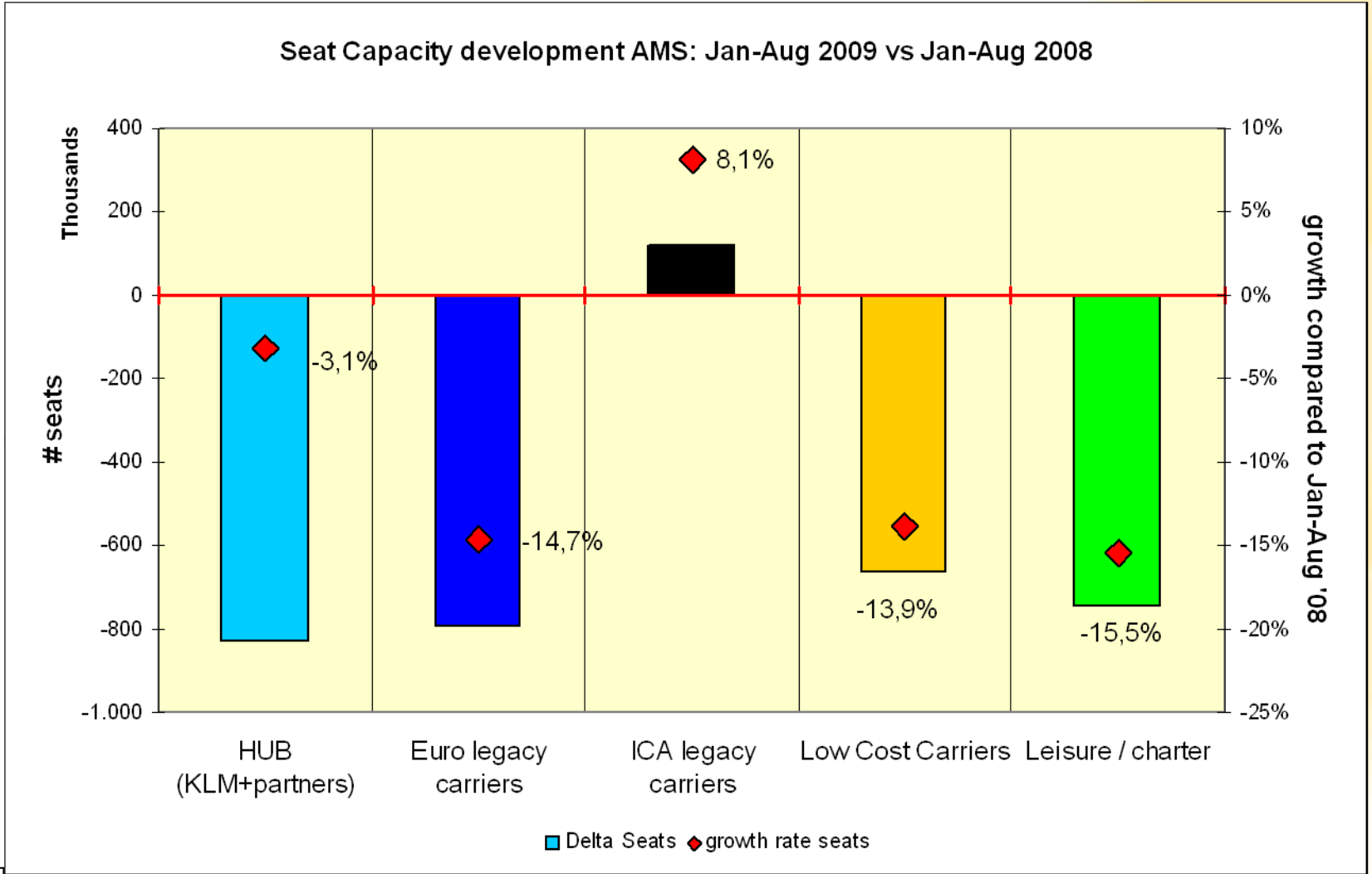
# In 2008 and 2009, traffic fell as deep as "double digit" negative growth due to economic crisis and impact Departure Tax



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Relatively speaking, biggest drop in seat capacity offered within Euro, LCC and Leisure segments. In terms of absolute volume, HUB segment affected most



Note: MP and HV are not included in HUB segment, but in LCC and leisure segments instead

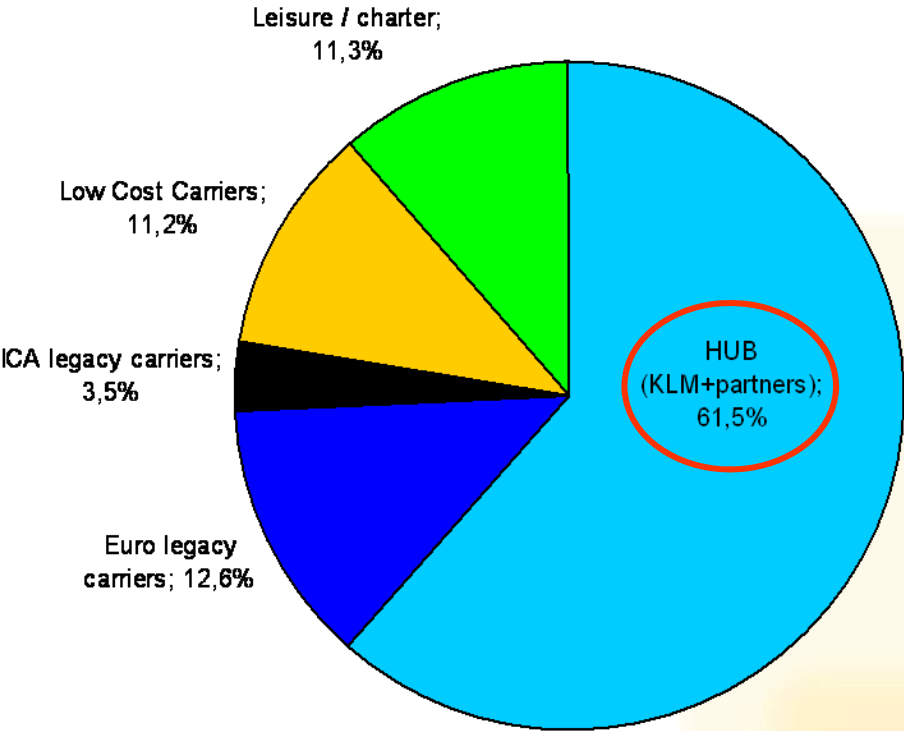
Source: Amsterdam Airport Schiphol traffic statistics



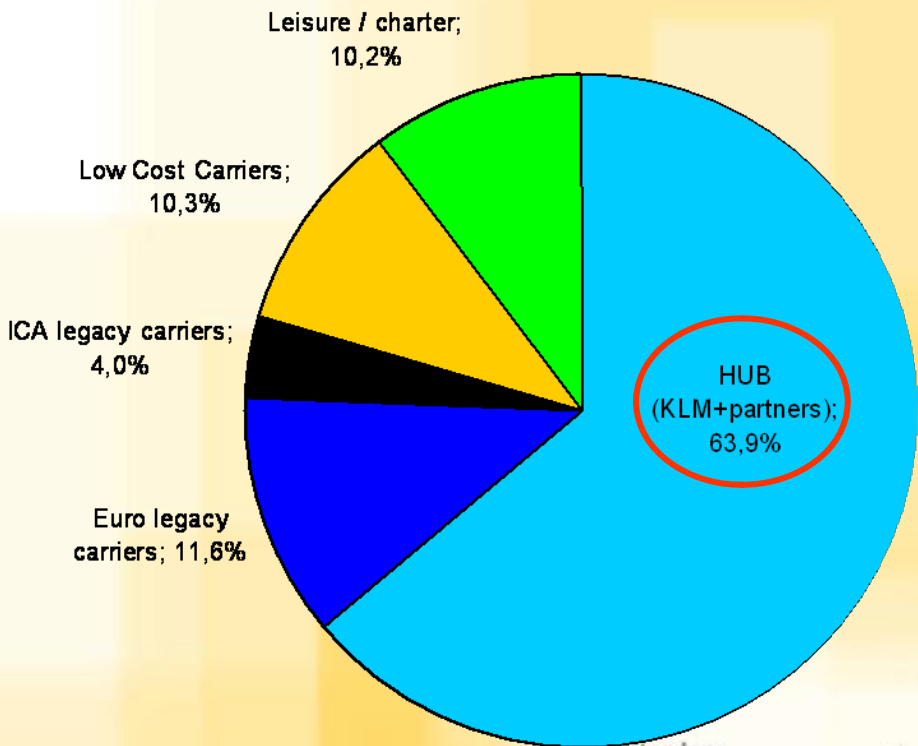
# Still, economic crisis (and impact Departure Tax) lead to a further dominance of KLM & partners at AMS

## Market Share at AMS (seat capacity)

Jan-Aug 2008



Jan-Aug 2009



Note: MP and HV are not included in HUB segment, but in LCC and leisure segments instead

Source: Amsterdam Airport Schiphol traffic statistics



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Portfolio of European destinations ex AMS hardly affected by economic crisis, although loss of some (mainly) business destinations is compensated by new leisure destinations. Average weekly frequency per destination however is down !

Summer schedule 2009: 161 destinations (incl charter)



### Destinations compared to S08

#### New

Karpathos, GR  
 Bratislava, SK  
 Kefalonia, GR  
 Forli, IT  
 Chios, GR  
 Mulhouse/Basel, FR  
 Minsk, BY  
 Thessaloniki, GR  
 Skiros, GR  
 Samos Island, GR  
 Terceira, PT  
 Volos, GR  
 Jerez De La Frontera, ES  
 Zakynthos, GR

**14 New**

#### Lost

Milan-Orio Serio, IT  
 Gerona, ES  
 Groningen, NL  
 Galway, IE  
 Krakow, PL  
 Le Havre, FR  
 Maastricht, NL  
 Santander, ES  
 Skopje, MK  
 Vilnius, LT  
 Waterford, IE

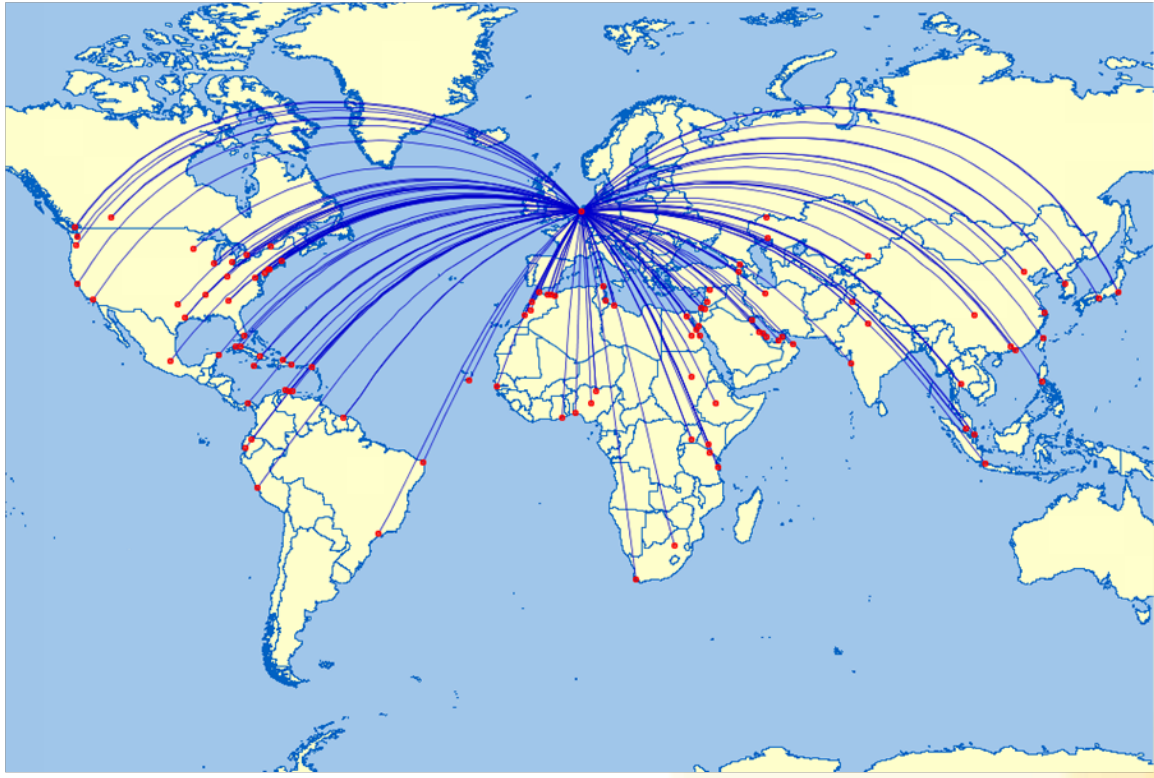
**11 Lost**

→ Weekly frequency on European destinations however is down by **-7,4%**:

**3.037** during S09, versus **3.280** in S08

Also number of Intercontinental destinations ex AMS hardly affected by economic crisis, number of weekly frequencies however is !

Summer schedule 2009: 103 destinations (incl charter)



| Destinations compared to S08 |                         |
|------------------------------|-------------------------|
| New                          | Lost                    |
| Banjul, GM                   | Hartford, CT, US        |
| Djerba, TN                   | Colombo, LK             |
| Holguin, CU                  | Fort Lauderdale, FL, US |
| Kathmandu, NP                | Phuket, TH              |
| Luxor, EG                    | Hydrabad, IN            |
| Monastir, TN                 | Miami, US               |
| Natal, RN, BR                | Montego Bay, JM         |
| Taba, EG                     | Porlamar, VE            |
| Uralsk, KZ                   | Sal, CV                 |
| Orlando, FL, US              | San Jose, CR            |
|                              | Tobago, TT              |
| <b>10 New</b>                | <b>11 Lost</b>          |

→ Weekly frequency on Intercontinental destinations however is down by **-8,9%**:  
**731** during S09, versus **803** in S08

1  
1

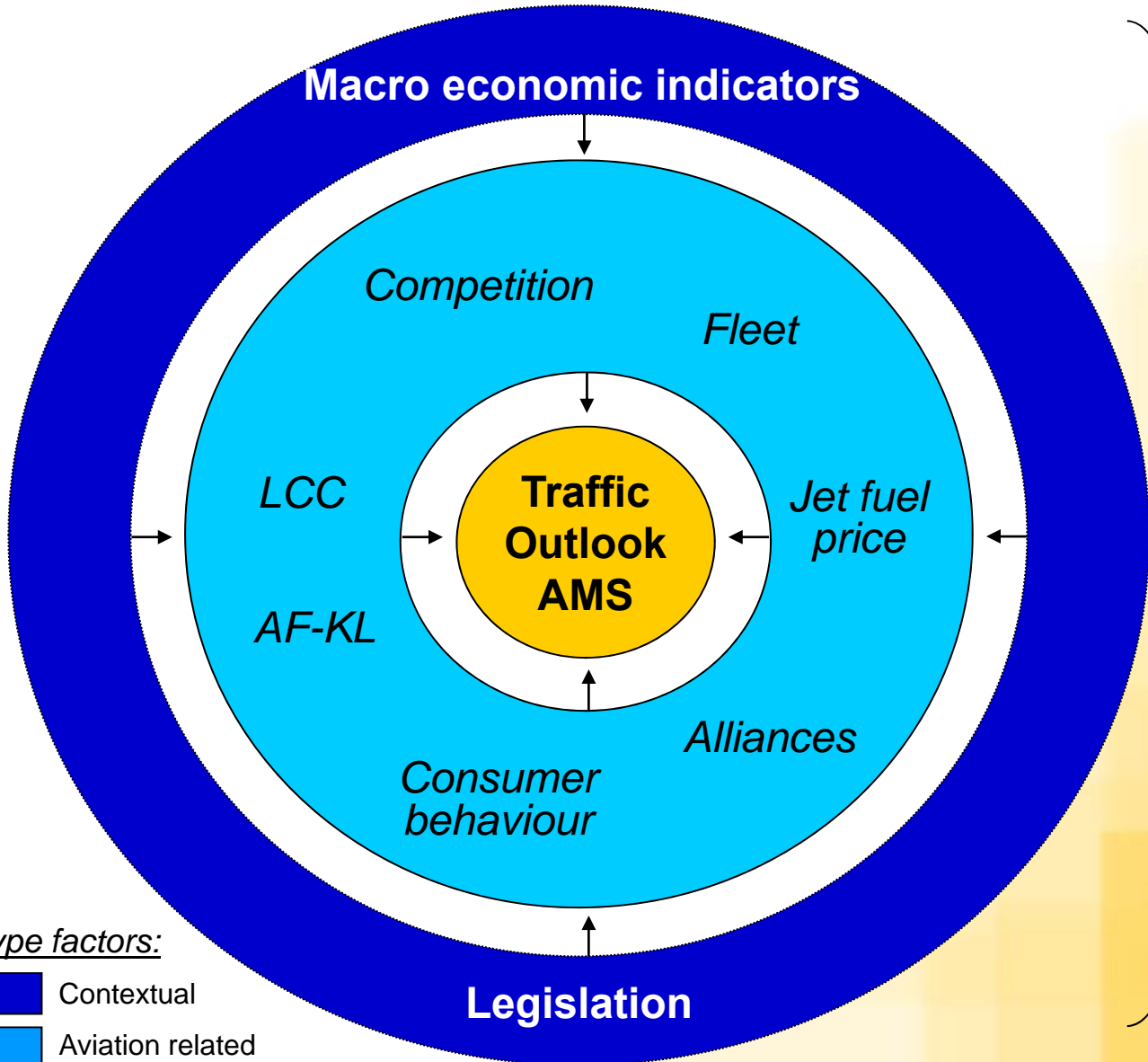


Source: Amsterdam Airport Schiphol traffic statistics, and Innovata APG (summer 2009 scheduling data)

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# Conceptual forecast model: (most important) factors driving future air traffic development at AMS



Type factors:  
 Contextual  
 Aviation related

**Rule of thumb:**

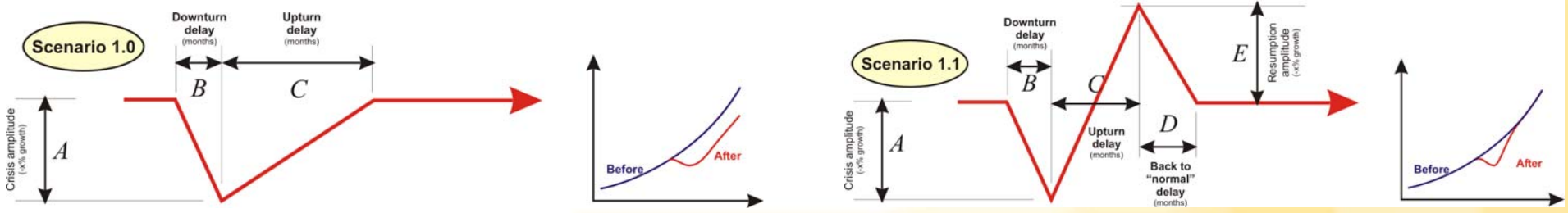
**$\Delta PAX : \Delta GDP NL \approx 2:1$**   
*(rough estimate, 1980-2008  $R^2 \approx 0,9$ )*



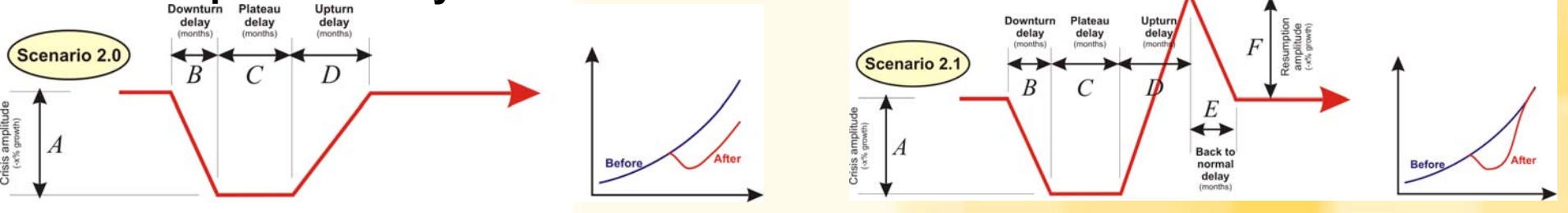
# Economic outlook, and especially pattern of economic recovery, by far most uncertain challenge shaping future air traffic development

*How will economic outlook develop ? Three possible patterns for crisis recovery. Outcome remains uncertain !*

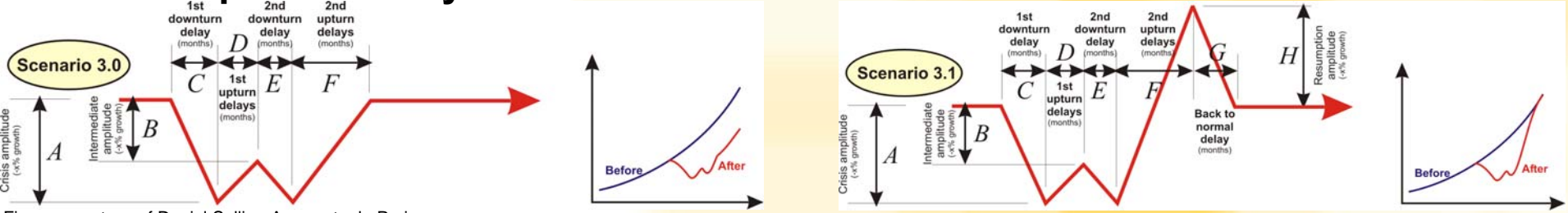
## 1. "V" shaped recovery



## 2. "U" shaped recovery



## 3. "W" shaped recovery



Figures courtesy of Daniel Sallier, Aeroports de Paris

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## **5. Key learnings**

# Key learnings

1. Current economic crisis, in combination with impact Departure Tax, has pushed AMS traffic into unprecedented negative growth
2. ....affecting nearly all airline segments at AMS
3. Impact economic crisis on network however is relatively small. Frequencies are down, but number of destinations served ex AMS remains roughly the same
4. "*Fortune telling vs forecasting*": mid/long term traffic outlook very uncertain, as economic outlook - and especially its pattern of recovery - still remains highly unclear