# Supply characteristics of the air transport industry in P R China and India

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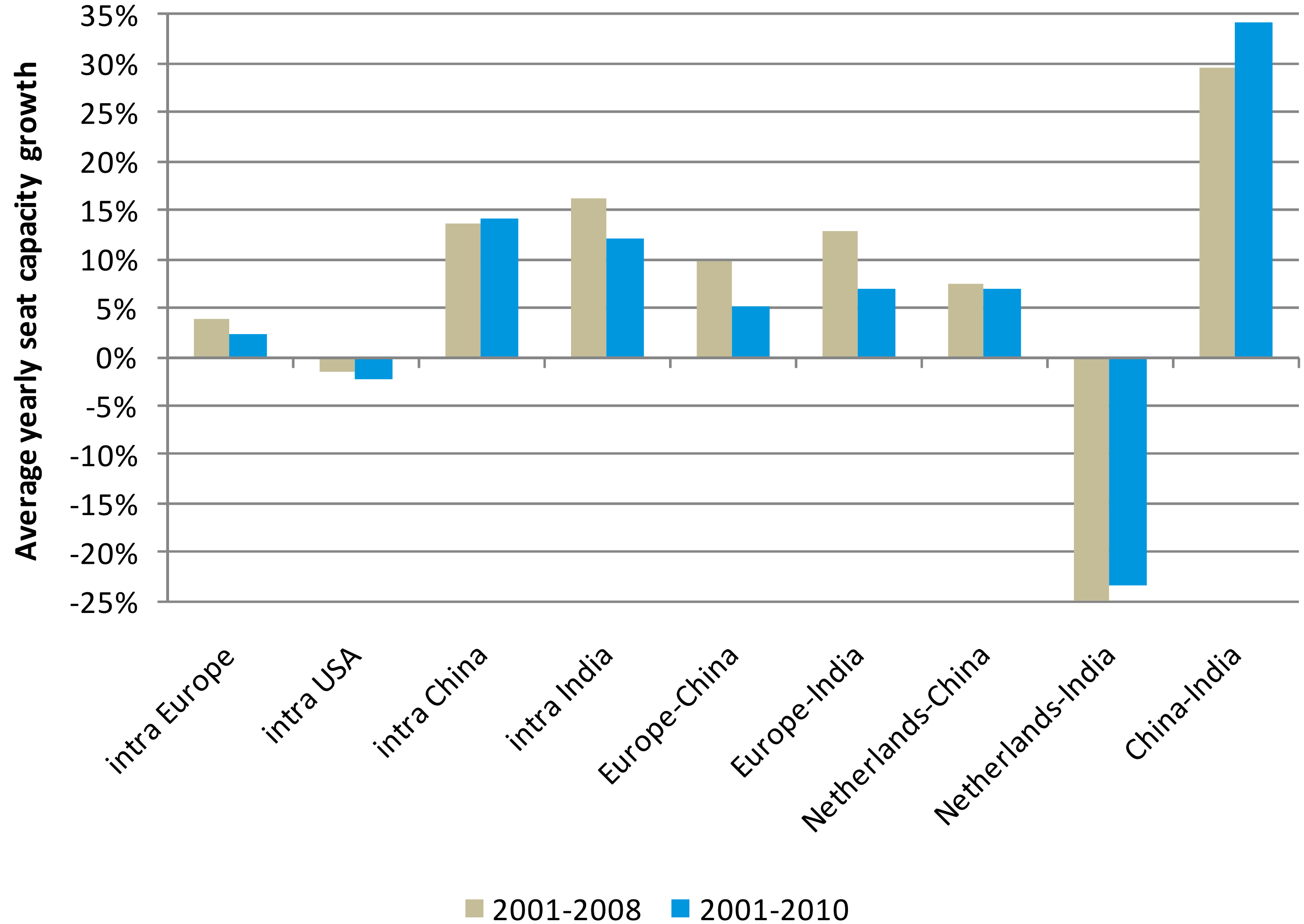
# Objective

To give a bird’s eye view of air service supply in and to P R China and India, as far as the passenger market is concerned

# Outline

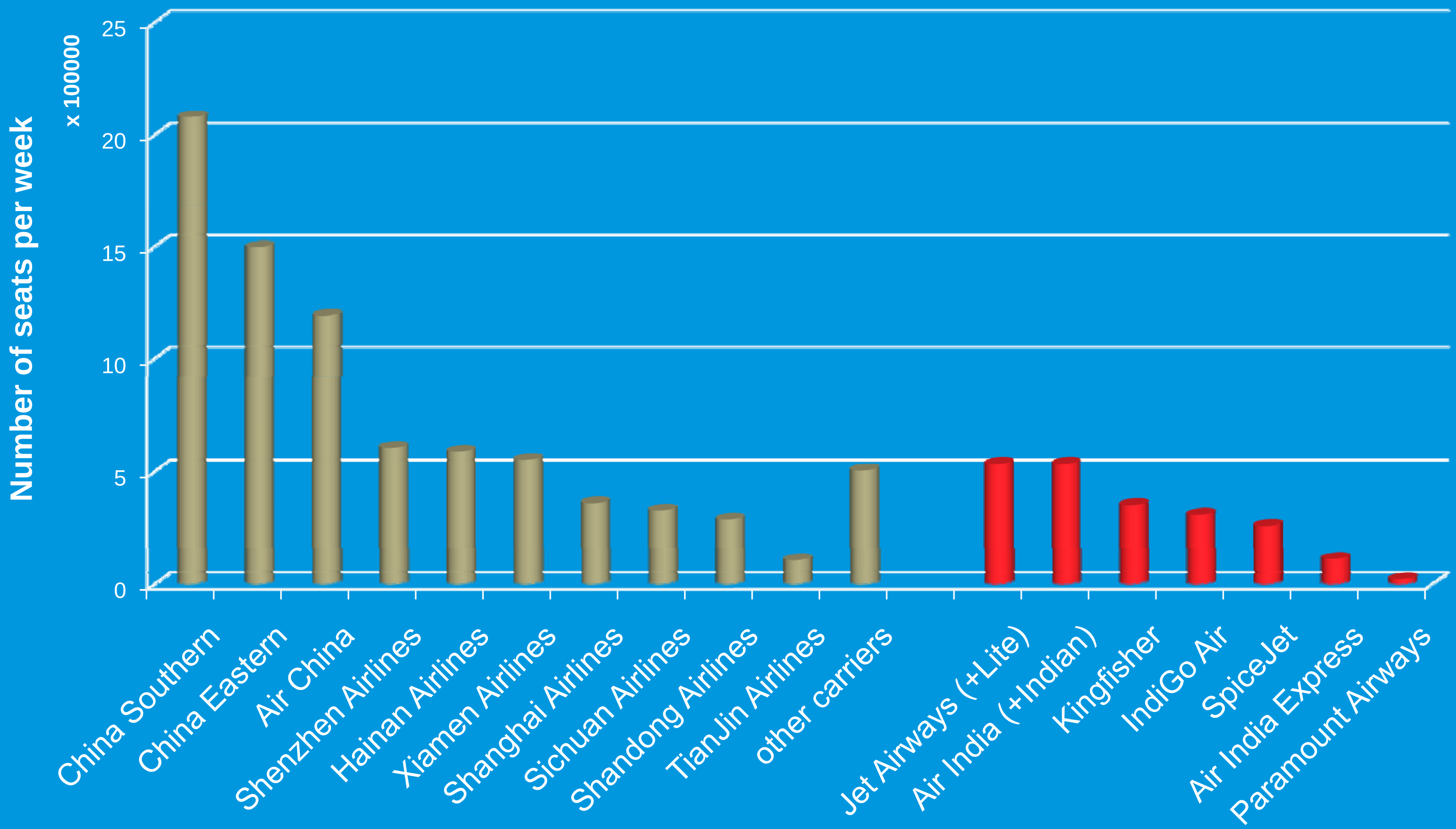
- Aviation growth in PR China and India in perspective
- Introducing the airlines
- Hubbing in PR China and India
- Direct and indirect connectivity between Europe and PR China/India

# Average yearly seat capacity growth per geographical market




Source: OAG (3rd week of February)

# Airline ranking according to weekly seat capacity (2010)



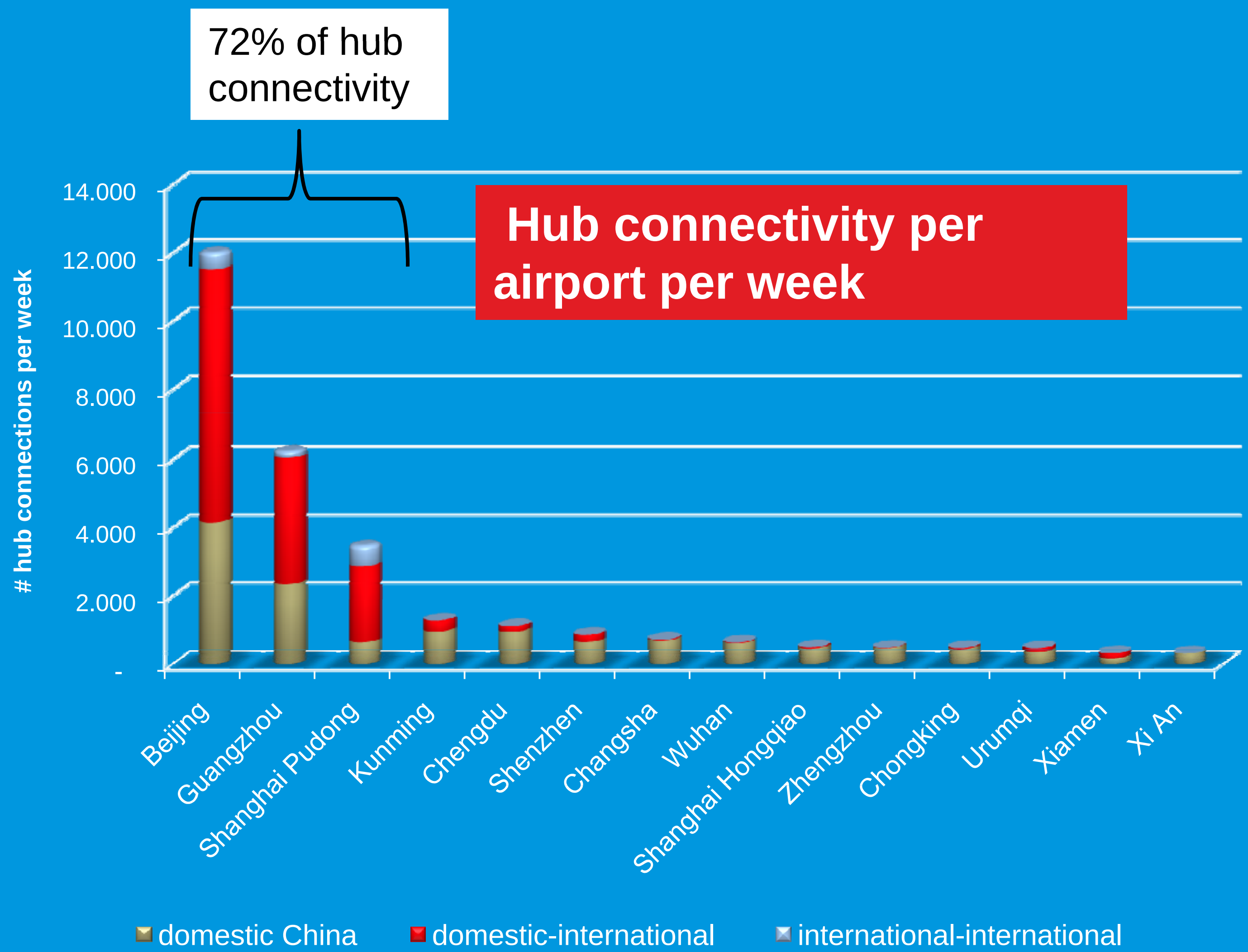

Source: OAG (3rd week of February)

# Number of effective competitors (domicile India and China)

| | 2001 | 2010 |
|---|---|---|
| P R China | 5,2 | 7,0 |
| India | 2,9 | 4,5 |

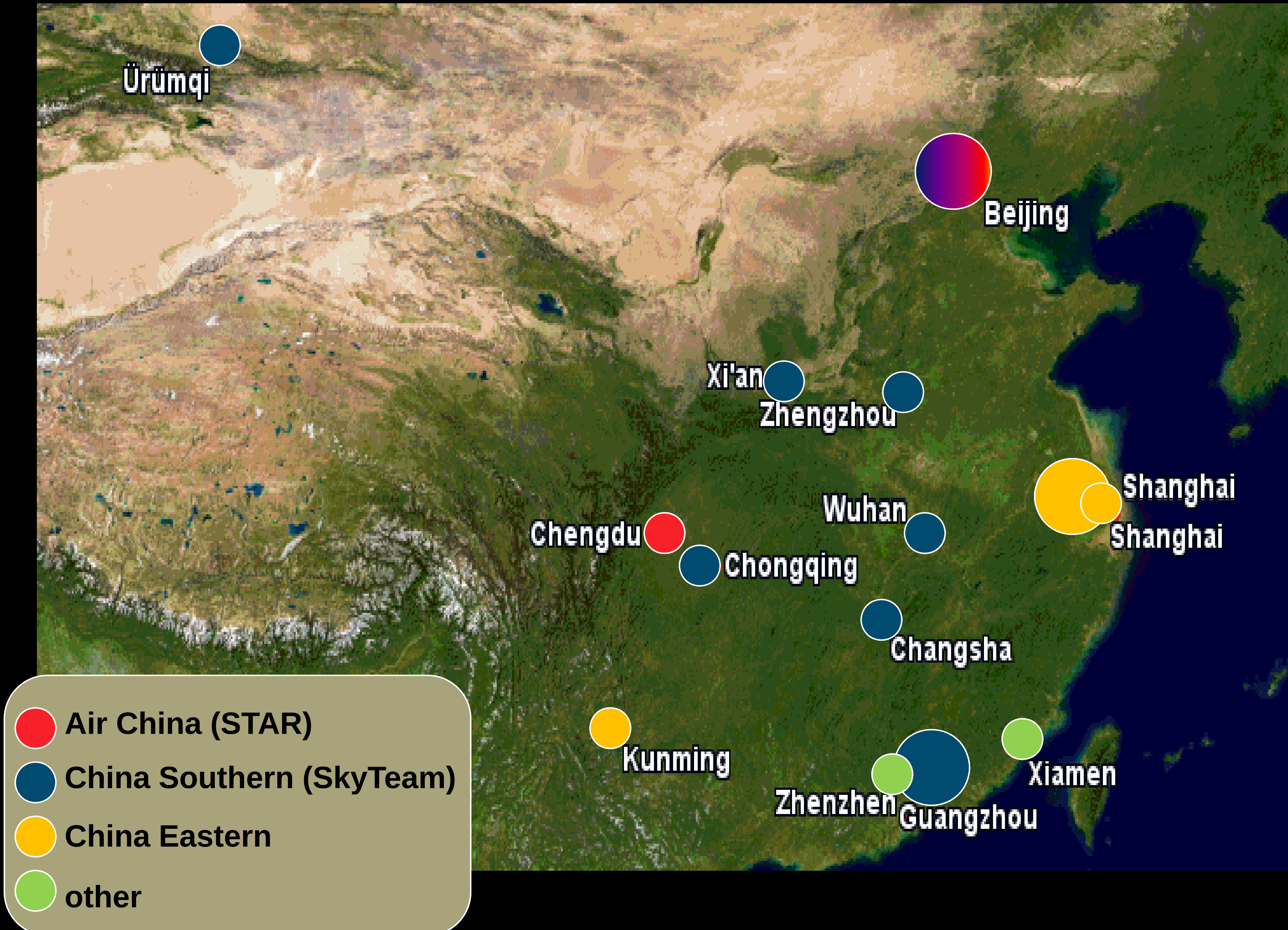
Source: OAG (3rd week of February)

# Introducing the Chinese hubs

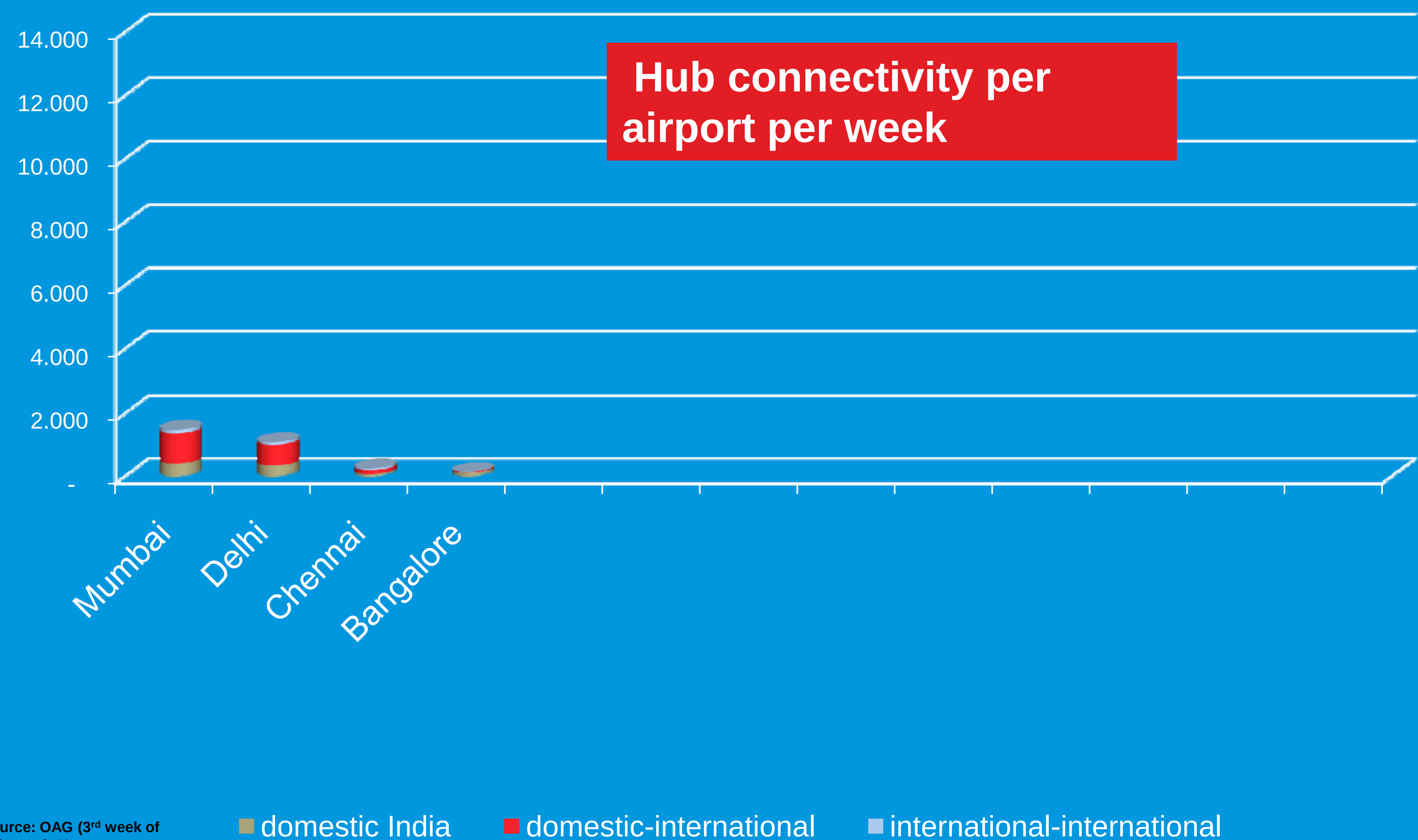



Source: OAG (3rd week of February); Netscan

# Chinese hubs and their hub carriers

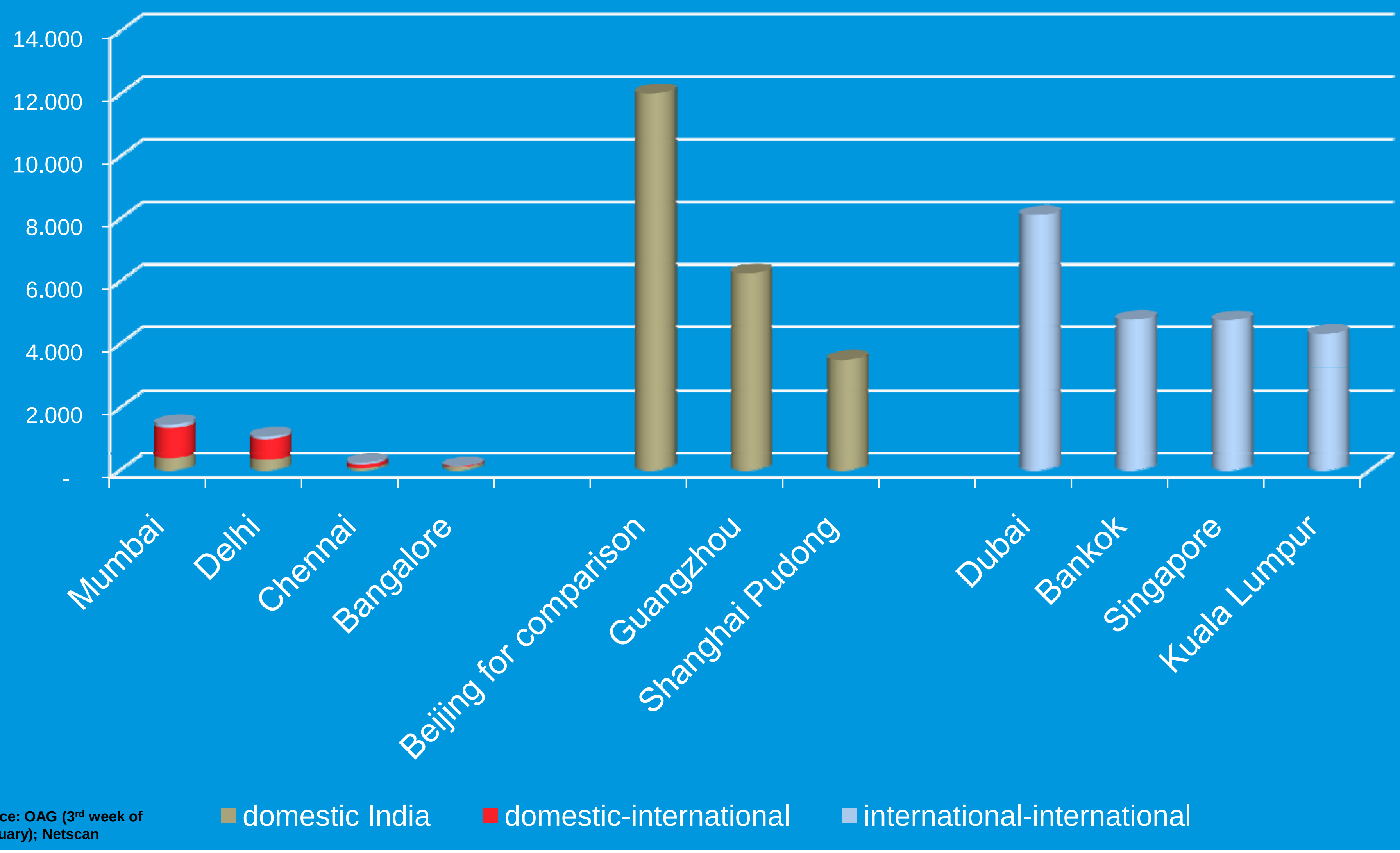


# Introducing the Indian hubs and their hub carriers



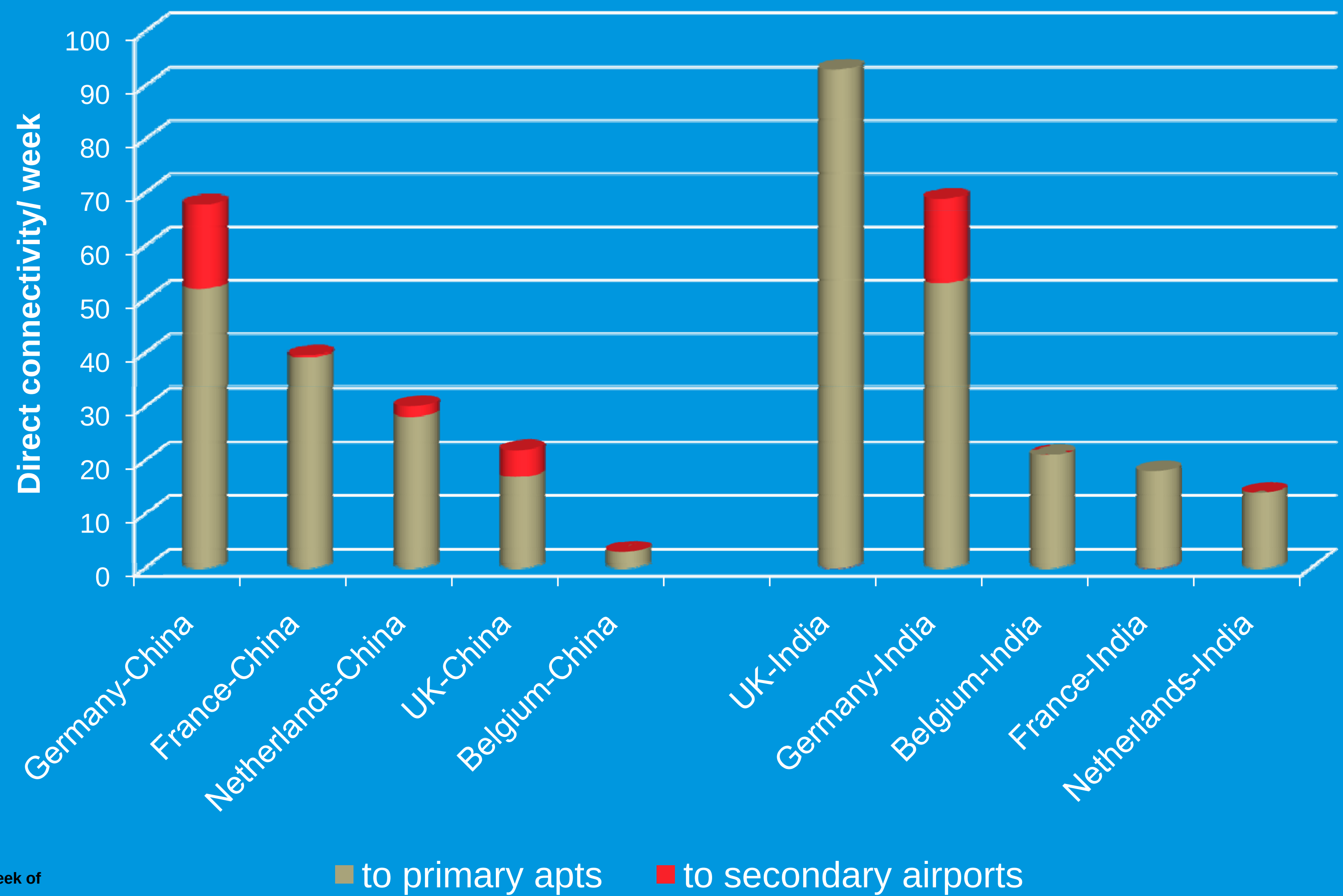

Source: OAG (3rd week of February); Netscan

# …in comparison to Chinese and major hubs in the region




Source: OAG (3rd week of February); Netscan

# Direct connectivity per week to China and India



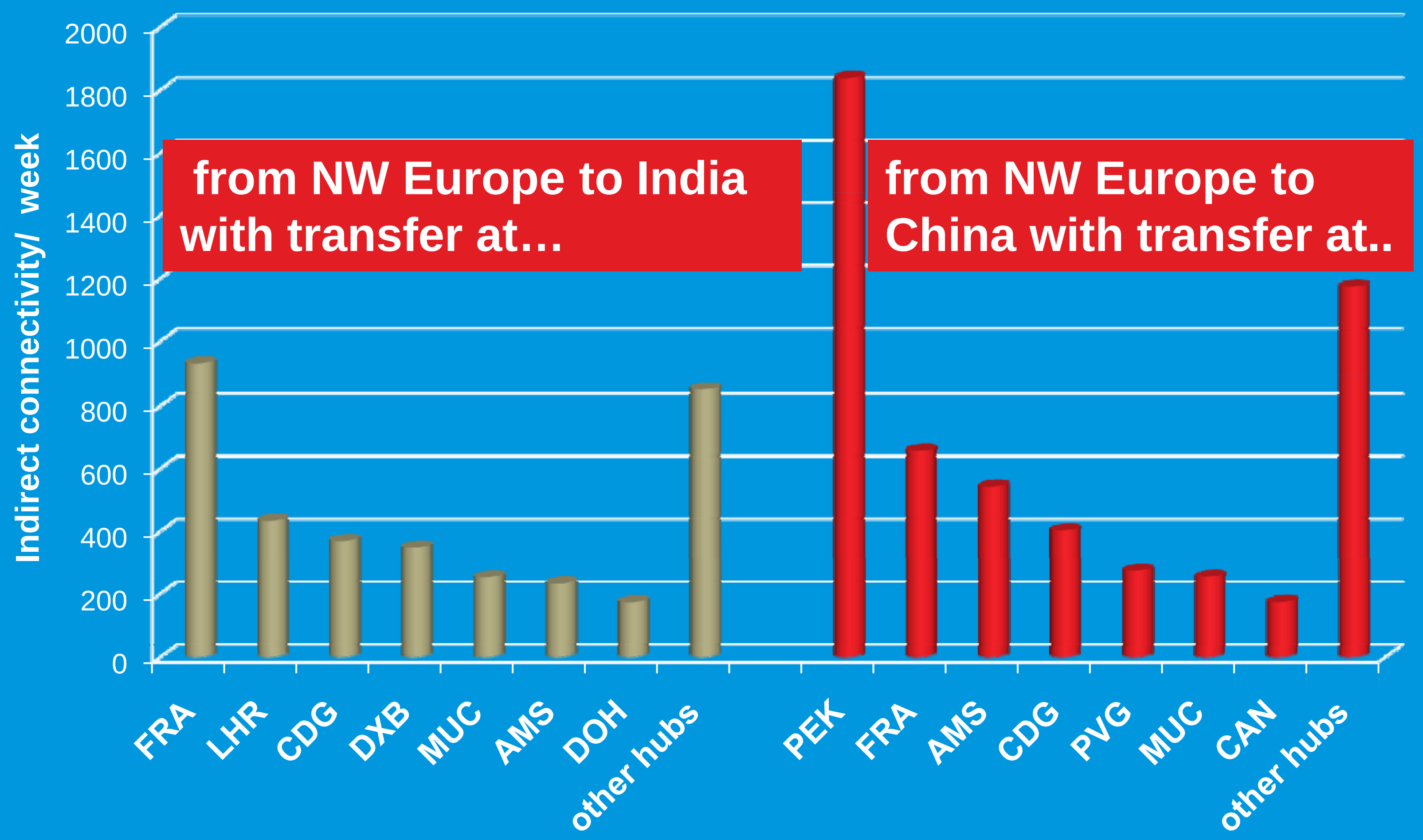

Source: OAG (3rd week of February); Netscan

# Frequency development Amsterdam-India lags behind

| | | 2001 | 2010 | Change |
|---|---|---|---|---|
| AMS | India | 21 | 14 | -7 |
| BRU | India | 5 | 21 | +16 |
| FRA | India | 22 | 61 | +39 |
| CDG | India | 16 | 23 | +7 |
| LHR | India | 31 | 101 | +70 |
| | | | | |
| AMS | China | 19 | 35 | +16 |
| BRU | China | 2 | 3 | +1 |
| FRA | China | 39 | 49 | +10 |
| CDG | China | 34 | 49 | +15 |
| LHR | China | 44 | 81 | +37 |

Source: OAG (3rd week of February)

# Indian hubs do not play a substantial role in indirect connectivity between NW Europe and India; Beijing delivers most connectivity as a gateway to China from NW Europe



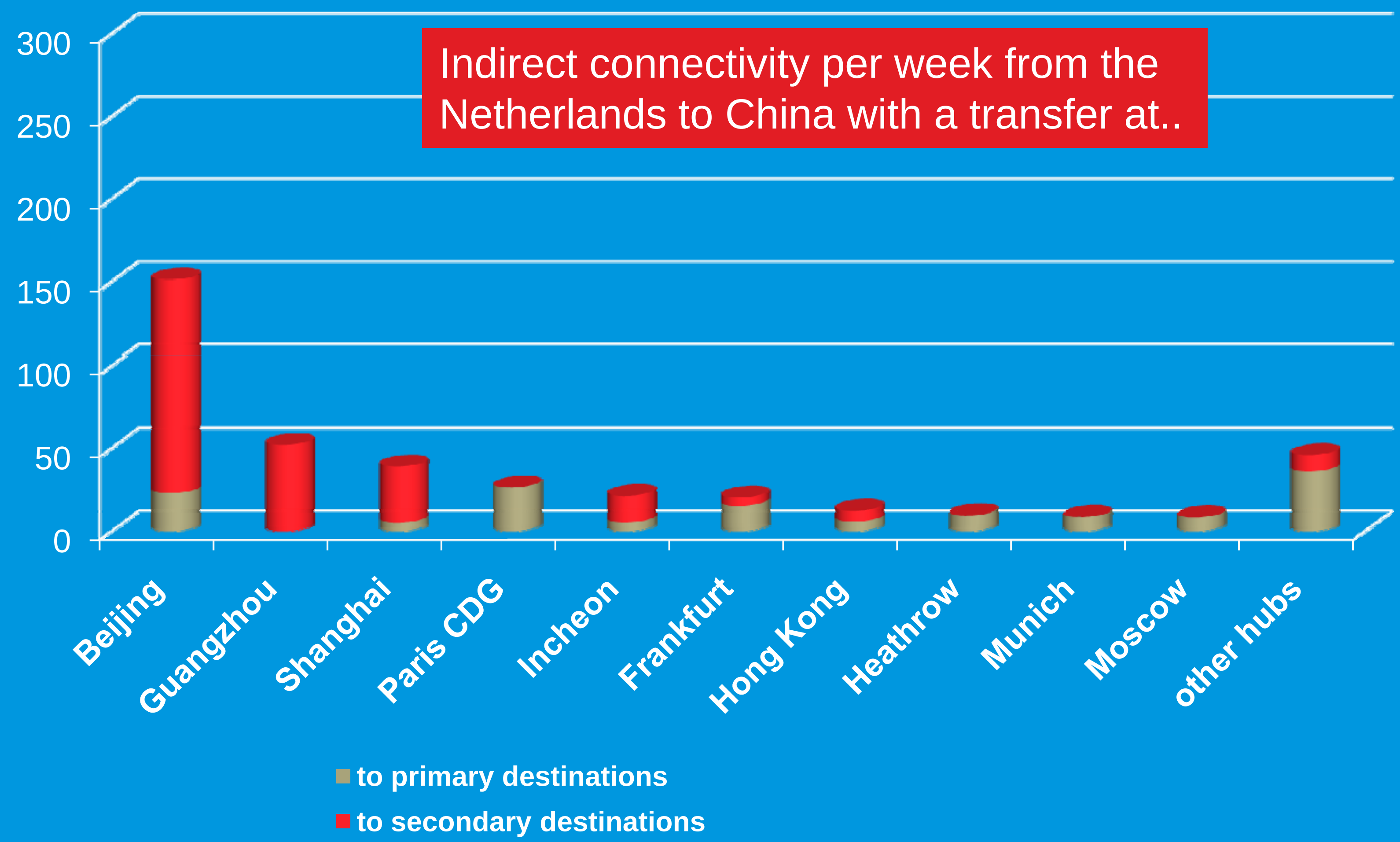

Source: OAG (3rd week of February); Netscan

# Concluding observations

- Growth of supply within and to India/China much higher than the mature US and European markets
- Market deconcentration in India and China
- In terms of hub development, China ahead of India:
  - Large hub operations in mainland China, much smaller hubs in India
  - India depends on foreign hubs for connectivity to Europe
  - Chinese hubs important in connectivity to Europe
- Air service development between Netherlands and India lagging behind compared to surrounding countries

# Back-up slides slides

# Beijing, Guangzhou and Shanghai provide access from the Netherlands to Chinese hinterland




Source: OAG (3rd week of February); Netscan