

Retail and Commercial Planning & Development

Airport retailing and catering has evolved considerably in a single generation. Where once airports and retailers would rely on anonymous brands and high prices to maximize income, attention has now moved from the bottom line to the top line where the customer is the priority.

The commercial goals of both stakeholders can be aligned if passengers are engaged by the range of products and services on offer and the proposition motivates the browser to become a shopper.

A similar shift is underway with airport car parking. The internet is helping passengers make informed choices before travelling to the airport. Access to the leisure traveller in particular is now determined by price and communication as much as convenience. If an airport wants to maintain and develop this primary revenue source, they will need to understand current behaviour and build strategies for the future.

AviaSolutions has the knowledge to help clients segment their market and assess the most appropriate solutions. Because we have considerable experience at our disposal we are also uniquely positioned to implement our proposals if the airport does not have dedicated commercial resources.

We believe this is a critical consideration for airports today as pressure on non-aviation revenues is likely to intensify as volume growth stalls during an economic slowdown.

Space Planning

The opening of a new terminal provides a unique opportunity to integrate passenger flows, seating plans and outlet location & size to maximize participation. More typically however, improvements are required from a mature footprint or a terminal extension.

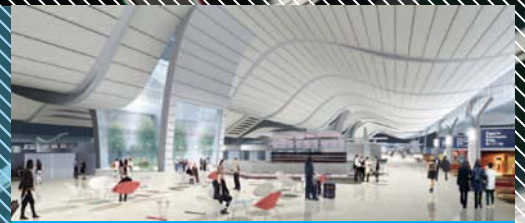
By adopting a systematic and objective approach to the allocation of space to retail categories the airport can help ensure overall returns per unit of space are optimized.

Our industry knowledge and performance benchmarking allows AviaSolutions to provide expert guidance and advice on planning and execution - from retail layout planning and design through to revenue optimisation modelling.

Commercial Contracts

The contract between airport and retailer not only secures the financial terms but underpins the association which may last for many years. Contract length, product exclusivity, incentives and SLA's can make a significant difference to the effectiveness of the relationship.

AviaSolutions is able to offer clients a range of services – from a complete tender management process to advice on existing contract terms.



AviaSolutions has worked with clients on a wide range of projects to assess commercial activities and develop proposals to refine and improve performance.

A Middle Eastern airport appointed AviaSolutions to review current income performance and contract terms.

- Through analysis of the traffic forecast by segment we identified the likely areas of passenger growth and developed a plan to increase the retail footprint and revenues.
- A number of quick-wins were identified to help kick-start the income performance recovery.
- The commercial contracts were reviewed and action plan initiated to bring the terms more into line with international standards.

AviaSolutions developed a retail master-plan for bidders in the sale of a medium size airport in the UK.

- Evaluating management's development plans and revenue forecasts.
- Revising the terminal design plans to increase the retail footprint (+40%) and category range.
- Developing better passenger circulation and airline lounge location to significantly improve the penetration forecasts.
- Shortening the development timetable proposals and restricting the expected financial impacts of disruption.

