

The effect of airport branding to air traffic and passenger movement: An overview

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Abstract

Certain airports around the world have established rather prominent brands in the air transport industry. This is a result of careful planning that mirrors the synergy of home-airlines, in their willingness to use an airport as a hub, airport management as well as the support of national and local governments.

Airport branding helps in creating: (a) a sense of place, and (b) unification of like-minded passengers based on their choice of airport or members of a like-minded group (imagined-communities; such as a social media group of aviation geeks).

Airport brands often become synonymous of quality of service, choice of retail stores, access to premium passenger lounges, among other benefits that each airport may offer. This translates in passenger willingness to spend more time at select airports that offer these perks as a means of incentives to stay there longer. The more time passengers spend at an airport the higher the likelihood of: (a) an emotional affinity with an airport, (b) building a stronger association with an airport-brand, (c) increased revenue from airport services and stores.

Airport branding may also incorporate certain cultural, artistic, architectural and customary characteristics of the local city. In such a way, the arrival and departure point of a city (in this case an airport) becomes an ambassador and enhances the passenger experience.

Research findings suggest an increase in awareness of airport branding, and as a result the willingness of seasoned-travelers to fly through specific airports due to certain expectations and benefits. Exploring further and enhancing the relationship between airport management, airport-brands the home-airlines is crucial for the sustainable development of air travel. Strengthening this 3way relationship could be beneficial for all involved parties. This would not only not create a unique airport brand but also help maintain the brand's positioning in the air transport industry.

Keywords: airport branding, city branding, passenger experience, imagined communities

1 Introduction

1.1 Modern Air Passengers' Characteristics

The aviation industry is well-known to be a fast evolving and fast changing industry in terms of predominantly technological, legislative, and customer quality of service expectation developments. Although that all of them play crucial roles in airport branding (e.g. perceptions of a high-tech, high quality and safe airport), we could argue that the former two categories are sub categories of airport customers' quality of service expectations, since the more state-of-the-art technological facilities and infrastructure an airport has, the higher the quality of service that its passengers will experience (e.g. self-service check-in desks, e-gates, etc.). The same applies for the safety perception that passengers may have for a particular airport's brand image, which is defined as: "the way in which certain groups perceive a brand – the way in which they decode all the signals emanating from the products, services and communication of the brand" [1]. It is crucial to understand the way that an airport can develop a successful brand image, which is created by the selection of the appropriate brand values and their most efficient use for the airport's brand positioning. Brand values have been defined as "the desired set of experiences or associations a brand wants its customers to make with its products, services or identity" [2], and are characterized by their: 1. Favorability, 2. Strength, 3. Uniqueness.

An airport will select its respective brand values and develop its unique brand image according to its unique passengers' profile analysis, which is the detailed analysis of an airport's passengers according to their demographic and other market segmentation categories. Another important element that will be reviewed in this paper, is the concept of "like-minded passengers" that each airport needs to examine in detail and place the required significance in order to fully utilize their characteristics towards its advantage and establish another strong airport brand differentiation category.

Modern Air Passenger Characteristics and Contemporary Trends

Modern air-passengers have very different airport service quality expectations and have very different characteristic than they used to have few years ago [3], as they are predominantly:

- *Technological Savvy*
- *High Social Media Interaction*
- *Bleisure (Business + Leisure) Travel*
- *Experiences-driven*

Modern air passengers are tech-savvy since they are more high tech-literate and have fully incorporated the daily use of technology in their personal and professional life and air travel is not an exception to this trend. Therefore, passengers are

expecting from all airports, particularly larger in terms of aircraft movements, to invest heavily in new technologies and these in their overall airport service. For smaller airports that do not have sufficient annual passenger traffic, passengers usually do not have the same expectations in terms of high technological airport infrastructure. However, in terms of branding it would be extremely useful for these airports to also invest in new technologies as a brand differentiator and also to be able to provide points-of-differences among the airports in the same category.

Modern air passengers, and particularly millennials, have a very high level of social media interaction and enjoy sharing moments of their travels on social media among friends and contacts. Airport services are part of a passenger's air travel journey and for this reason it is quite likely for passengers to share happy or enjoyable moments at their respective airport journey (particularly if their photo is associated with an innovative airport service/facility or a distinctive airport monument/exhibition item). All airports need to have a strong presence in all of the major social media networks in order to strengthen their individual airport brands and to be able to have a strong psychological connection with their passengers. There are many steps that airports can take in order to encourage passengers in uploading their photos from their airport facilities, such as the installment of iconic art monuments/exhibition items (e.g. the Yellow Bear at Hamad International Airport) or the provision of iconic airport facilities and infrastructure (e.g. rooftop park at JFK's Terminal 5).

Another current travel trend (and especially for the millennial passengers) is "B-leisure", which is the combination of a business trip with leisure activities. This trend is growing fast and for this reason, airports need to take it into consideration in their respective facilities and services provided for their business passengers. For example, the airports could include in their magazines (or develop dedicated brochures) of the type of activities and cultural experiences that the business passengers could experience at their destinations during their free leisure time.

Another important contemporary travel trend for modern passengers is that they are predominantly experience-driven. Modern-day travelers are not just satisfied with the provision of high quality services but they are also seeking of becoming part of the service provision themselves which will result in experience creation. The facility mentioned earlier regarding the roof park provided at JFK's Terminal 5 is a perfect example, since JetBlue passengers will not only taste typical New York snacks and beverages offered in the city's parks but actually take a walk or go for jogging at the park facility in the roof top of Terminal 5.

After analyzing, the contemporary travel trends that characterize modern air passengers, it is important to introduce the key branding concepts and their applicability in the airport industry.

2 Airport Branding

Over the years, there have been a number of academic studies investigating the applicability of branding concepts and theories in the airline industry [3, 4; 5, 6, 7; 8; 9] but there have not been, at least in the same extent, similar studies for the airport industry. For this reason, this paper aims to present the unique role and significance that airport branding has (or could potentially have) for airports. A question that could be raised at this point is what is an airport's brand specific role and its unique characteristics.

2.1 Airport Branding Role and Characteristics

It can be argued that airport branding has a much more significant and enhanced role than just marketing the airport and its facilities to airlines and passengers, since it is also the first and last impression that international passengers will have of a city and a country [10]. Therefore, it can be safely concluded that it has (or should have) a crucial role in destination branding and national branding for the location city and country (respectively) [11]. According to this view, several airports so far have successfully teamed-up with their main base airlines and their respective tourism organizations (the so called "Golden Triangle) for joining resources and promoting together their city and/or country destination.

In addition, to the destination marketing strategies and activities that the airport can lead or participate, the promotion of the destination (city and/or country) is incorporated into the respective airport's Master Plan. For example, the new airport terminal in Abu Dhabi has been inspired and designed according to the city's/emirate's natural landscape characteristics, including the terminal's roof top (wave-like roof giving the impression of rolling desert dunes, whereas the four themed areas (piers) representing the ocean, city, oasis and desert, [12]).

All of the above, coupled with the airport's intended passenger experience (as it was mentioned in the respective section previously with JFK's T5 roof-top park example) represent airport branding's key roles in terms of:

- *Arrival and Departure point of the City and country (therefore becoming automatically a destination/national Ambassador)*
- *Incorporating Cultural, Artistic, Architectural Characteristics of the City/Country in its design and facilities*
- *Enhancing Passenger Experience according to local and regional culture*

Airport brands are also synonymous with the following elements, which represent their key characteristics:

- *Service quality*
- *Retail options*
- *Lounges*

The quality of service aimed at each airport is formulated by a number of factors, including:

- *national and regional governments' objectives*
- *airport operator's strategy*
- *main airlines based and operating from the airport*
- *passengers that will use the airport's facilities*

The extent that each of the above mentioned stakeholders will be influencing the intended quality of service at each airport is also dependent on the ownership model of the airport as well as the respective government's financial strength. Nevertheless, it should be emphasized that the relationship between the airport operator and its main base-airline is a symbiotic relationship, meaning that the success and prosperity of the one party will be influencing the success and prosperity of the other party. For example, Dubai Airport could not have been a high quality airport if instead of Emirates as its main base-airline would have a low-cost airline and vice-versa. Another good example is Luton Airport during the early years of easyJet's success and fast growth that wanted to invest in upgrading significantly its facilities that easyJet opposed rigorously [13].

The passengers that will be using the airport will also largely determine the retail strategy options available for each airport. The type of passengers as well as their specific needs and disposable incomes will determine after a detailed passenger profiling study the type of commercial retailers as well as the mixture of national and international brands that the airport should ideally be offering. The airport's commercial offering as well as how it will be branded (e.g. Munich My Duty Free) will consist (and shape) the respective airport's unique brand.

The airport lounges as well as other key airport infrastructural elements are part of each airport brand's characteristics (although a further study is recommended for determining the extent to which passengers predominantly relate airport lounges with the airport brands or the airline strategic alliance brands).

We have reviewed the Airport Branding's role and characteristics and we have seen that it creates:

- *A sense of place, and*
- *A unification of like-minded passengers based on their airport choice/like-minded sub-group*

2.2 Brand Loyalty

It has been demonstrated and accepted over the years that not all products and services, no matter how successful their respective brand strategy is, can exhibit the same degree of brand loyalty and that every industry has its own specific limits of brand loyalty extent that any brand offering its respective products and/or services in

the specific industry could potentially research but not exceed. The highest degree of brand loyalty is expected to be found among football club supporters, claimed to be irrationally loyal [14], since “the commitment of football supporters to their club is of a different order of magnitude to other kinds of brand loyalty, since they are likely to support a club almost from cradle to grave” [15]. In contrast, on the other extreme of the industry level of brand loyalty limitations spectrum, most people’s loyalty to a tour operator ends immediately after the specific holiday has been finished [16].

Crandall (1995) [17] has argued that the airline industry’s service can generate only a very ‘soft’ brand loyalty. He explained that this is because airline passengers place great importance on price and schedule, and because there are limited differences between the services that different airlines offer (although this tendency is changing over the recent years, especially for the premium/business class passengers, with the premium brand airlines going the extra mile in terms of how to make their airline service unique – e.g. Emirates A380 Private Suite). Since price and schedule influence so heavily the airline choice of customers (particularly in the short-haul routes), brand identification becomes a secondary issue. To support his view, Crandall (1995) [17] also argued that while passengers may have a ‘favorite airline’, more often than not, they are willing to fly on a different airline for even small differences in departure time and fare. This is also further supported by a study of business travel market adoption of low cost carriers that identified that business travelers and their corporate travel managers were similar in their attitudes towards low cost carriers, since they liked the price of the service but not the limited scheduled and their restricted ticket flexibility [18].

Since passengers may consider the airline service, as primarily a seat on an airplane (generic product) and therefore as a relative undifferentiated commodity (particularly in the short-haul routes), the only way an airline can differentiate itself from competitors is by creating a strong brand that will generate customers’ preference and loyalty. The problem is how to establish and maintain a strong brand from a service that, as suggested, until now it only generates a very soft brand loyalty.

Airlines have realized that fare competition alone cannot ensure long term success for any airline, since competitors can respond quickly to price alterations [19]. For this reason, Bierwirth (2003) [20] has claimed that when airlines offer identical or similar fares, then passengers will make their purchasing decision based on the airlines’ respective brands.

To summarize, airline branding is characterized by:

- *A Soft brand industry*
- *Passengers predominantly having a preferred airline affinity BUT are more sensitive to Fares and Schedule*

In the previous section, airline brand characteristics and industry brand loyalty were described, but what about the airport branding characteristics and its respective industry brand loyalty levels.

It can be argued that airport brand loyalty differs based on:

1. type of passenger traffic (Originating & Terminating and Transfer); as well as
2. Availability of airport alternatives for the same catchment area

According to these differential factors, we claim that:

- *Point-to-point airports (Destination City): No brand loyalty, since passengers do not have any other airport alternative;*
- *Transfer (hub) airports: Strong brand loyalty, since passengers have a large number of options and they will exercise a level of route preference via their preferred airport hub brands.*

It should be emphasized that the suggested brand loyalty per airport category classification does not indicate that airport branding is more significant for one airport category in compared to the other, but rather focuses on the available alternative airport options the passenger have and therefore being able to exercise his/her brand loyalty level of commitment.

2.3 Time Spend at Airports & Emotional Affinity with their Airport Brands

It is suggested in this paper, that the more time a passenger spends at a specific Airports, the higher the emotional affinity & association that it develops with the respective airport-brands [10, 11].

3 Airport Social Media Influencers

A common trend is the fact that social media and in particular social media influencers, may have an impact in influencing decisions of travelers [21]. Certain Instagram influencers such as Brian Kelly (thepointsguy), Kiersten Rich (theblondaboard), Stathis Kefallonitis (dr.kefallonitis) have thousands of followers. The impact of social media influences has been characteristics as influencer marketing and its importance in brand growth has been increasing steadily.

Social media influencers particularly in the area of airport marketing can: (a) influence select target audiences (frequent flyers, high status flyers), (b) may share useful authentic and trustworthy information (new lounges, family areas, etc.), (c) develop and use specific hashtags (#DubaiAirport), (d) provide reliable third-party individual interactions (advice about a terminal's facilities, airport hotels, etc.). Above all, social media influencers create a new channel of marketing that affects brand perception and extend the benefits of an airport brand. This equals millions of

dollars in indirect marketing through the promotion of a third-party social media influencer.

4 Research findings

In order to increase awareness of airport branding & encourage passengers flying through specific airports, airport management teams need to highlight and communicate airport differential advantages, benefits & manage expectations.

Exploring & enhancing the relationship between airport management, airport-brands & home-airlines is crucial for achieving these goals. Strengthening the relationship among airport management, airport-brand image and the home-airline is essential for the success of such partnerships and the growth of the airport as a hub (if applicable). Creating a unique airport brand, that highlights its advantages, helps maintain and sustain the brand's positioning.

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