



AIRPORTS COUNCIL
INTERNATIONAL



Stefano Baronci
Director General
Airports Council International (ACI) Asia-Pacific

May 2023

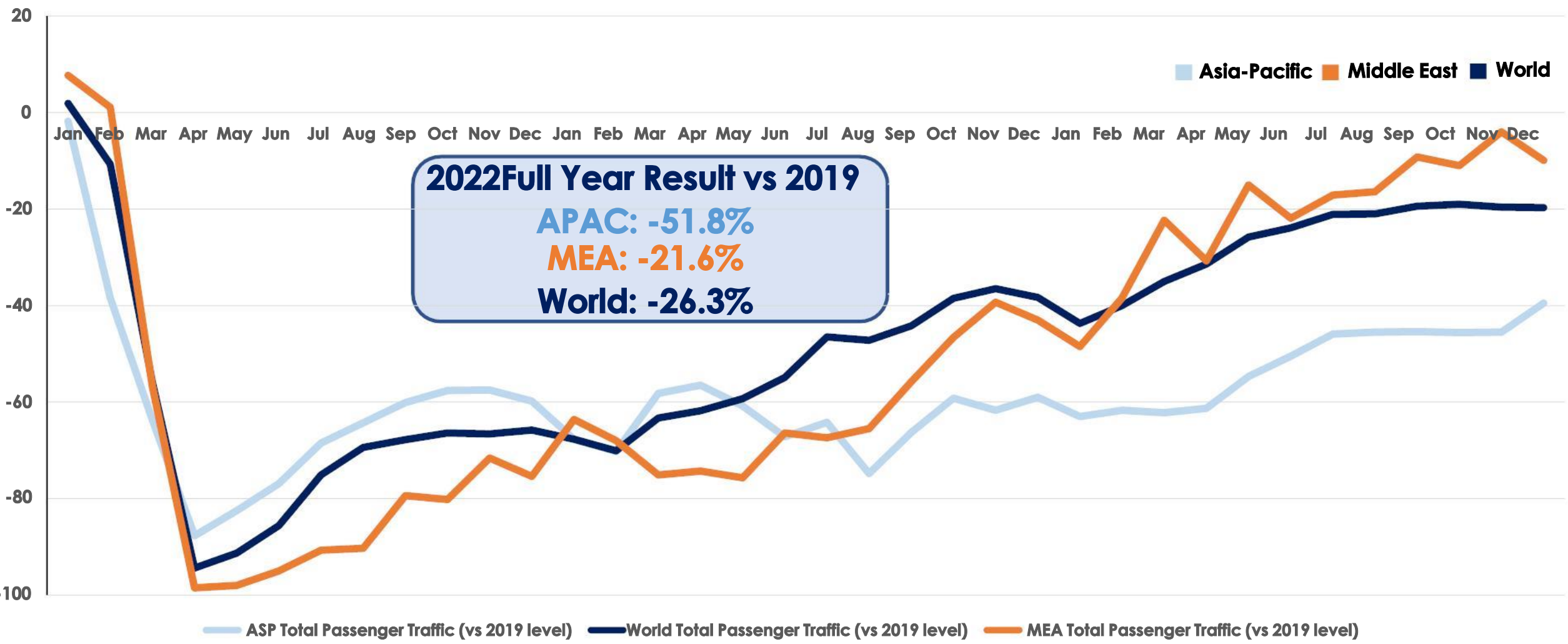
TURBULENT TIMES



- Asia-Pacific surpassed other two major regions (NA & EUR) in **2011** and remained the largest air transport market for pax until 2021
- The last time Asia-Pacific recorded a comparable level of traffic was **2012** (1.7 billion)

2020-2022 passenger traffic trending (World, Asia-Pacific and Middle East)

(% change vs 2019 level)

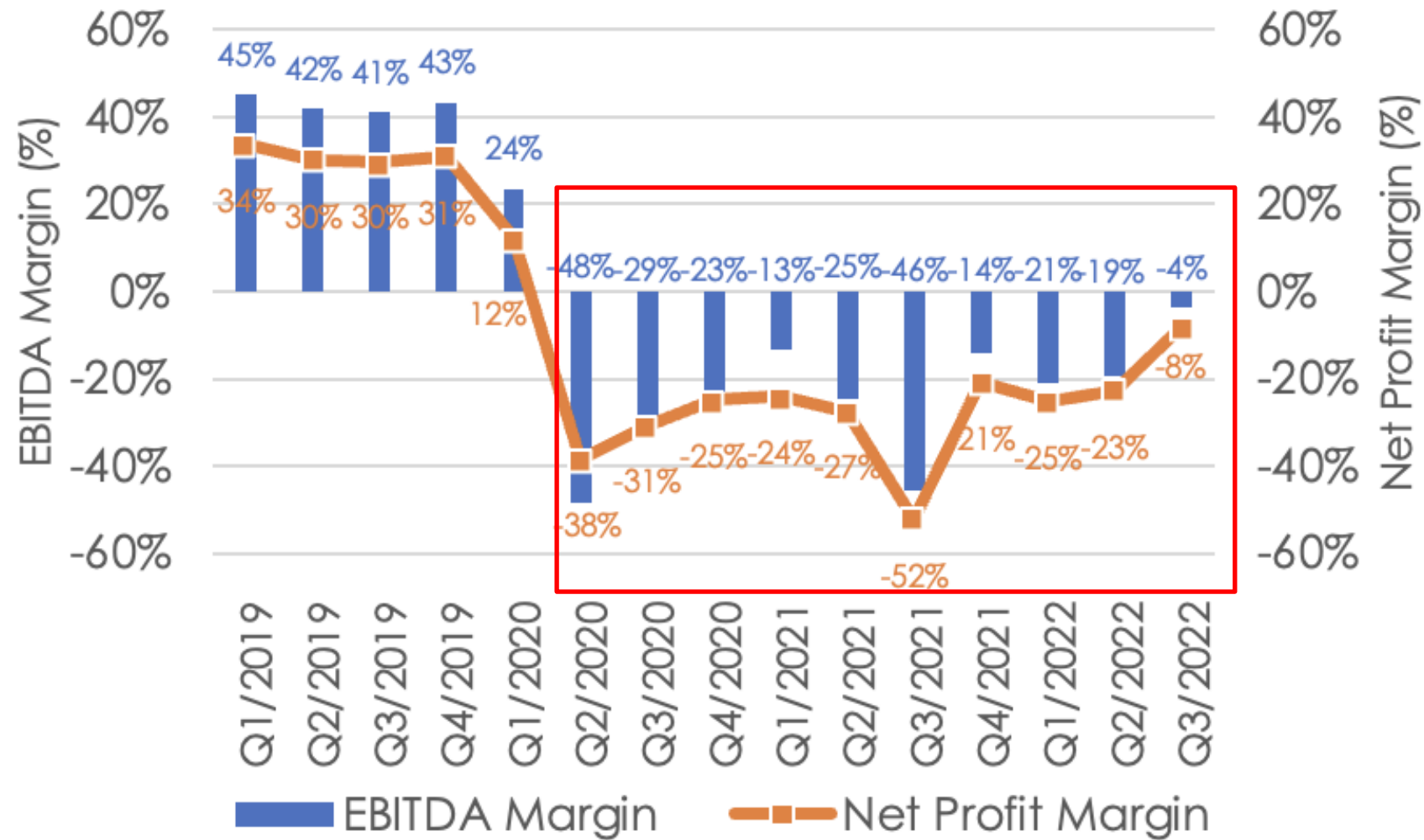


2022 Full Year Result vs 2019
APAC: -51.8%
MEA: -21.6%
World: -26.3%

ASP Total Passenger Traffic (vs 2019 level) World Total Passenger Traffic (vs 2019 level) MEA Total Passenger Traffic (vs 2019 level)

Source: Flash Reports, ACI World

ASIA-PACIFIC AIRPORTS – 10 QUARTERS IN THE RED



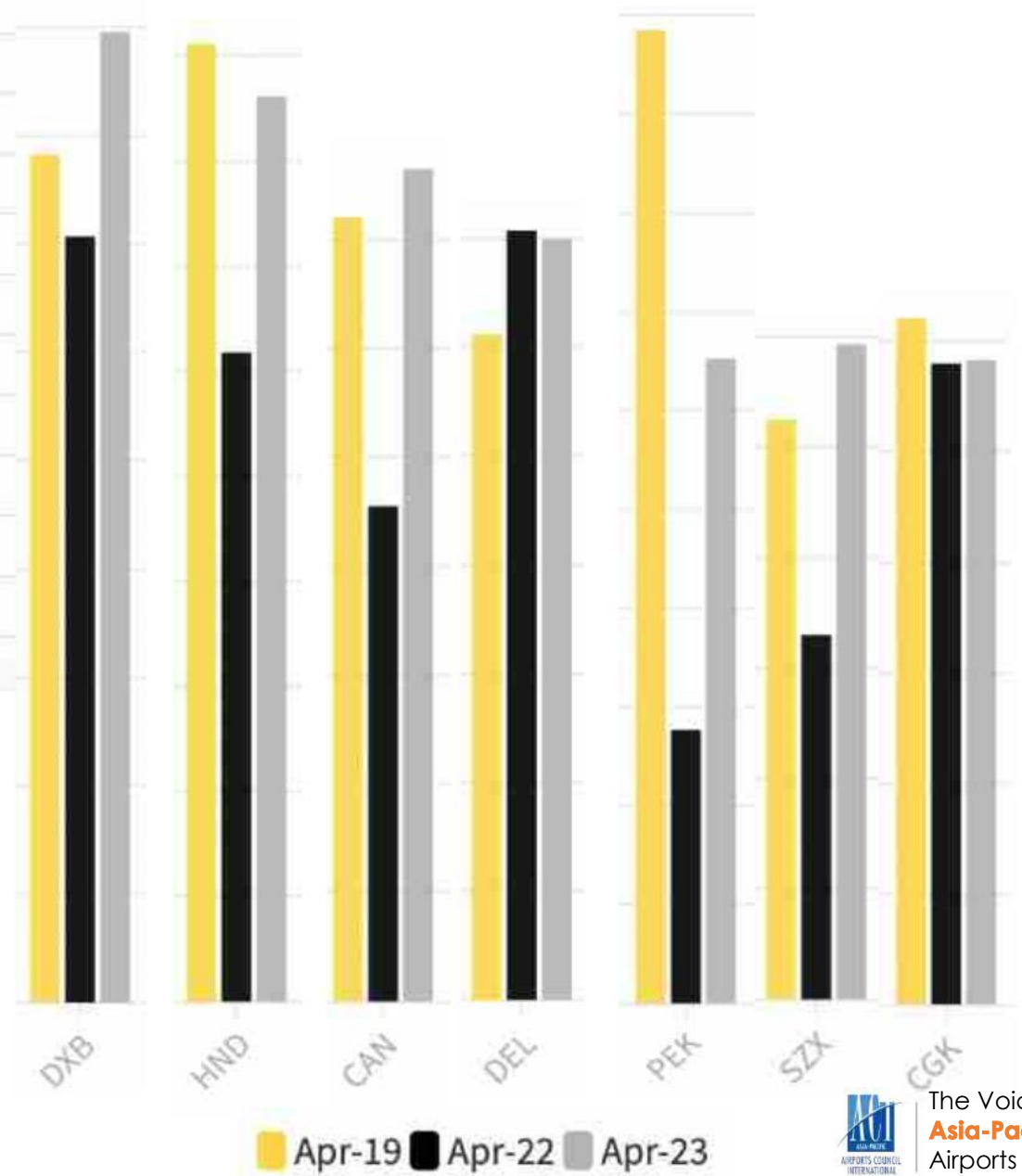


2023

The sunrise year for Asia

Top 20 airports by market size (OAG data)

Airports	Seats in Apr-23	Change v Apr-19
Atlanta	4,960,440	-5.5%
Dubai	4,478,077	14.5%
Tokyo Haneda	4,305,361	-5.5%
London Heathrow	4,046,087	-3.5%
Guangzhou	3,823,786	6.2%
Istanbul	3,818,340	19.6%
Dallas/Fort Worth	3,755,131	9.7%
Denver	3,599,909	15.2%
Los Angeles	3,538,276	-15.6%
Chicago O'Hare	3,525,490	-14.8%
Delhi	3,496,965	14.3%
Paris CDG	3,272,864	-13.2%
Beijing	3,263,024	-33.8%
New York JFK	3,145,136	-0.3%
Amsterdam	3,065,240	-11.0%
Frankfurt	3,027,680	-19.4%
Shenzhen	2,966,235	13.0%
Orlando	2,940,885	17.9%
Las Vegas	2,922,083	19.8%
Jakarta	2,917,117	-6.1%



Global Top 10 Busiest International Airline Routes

	Route	Route Name	Seats
1	CAI-JED	Cairo - Jeddah	446,877
2	KUL-SIN	Kuala Lumpur - Singapore Changi	409,946
3	ICN-NRT	Seoul Incheon - Tokyo Narita	334,605
4	HKG-TPE	Hong Kong - Taipei	334,255
5	ICN-KIX	Seoul Incheon - Osaka Kansai	332,784
6	CGK-SIN	Jakarta - Singapore Changi	317,148
7	JFK-LHR	New York JFK - London Heathrow	315,451
8	DXB-JED	Dubai - Jeddah	270,898
9	BKK-ICN	Bangkok - Seoul Incheon	268,346
10	BKK-HKG	Bangkok - Hong Kong	267,646

OAG

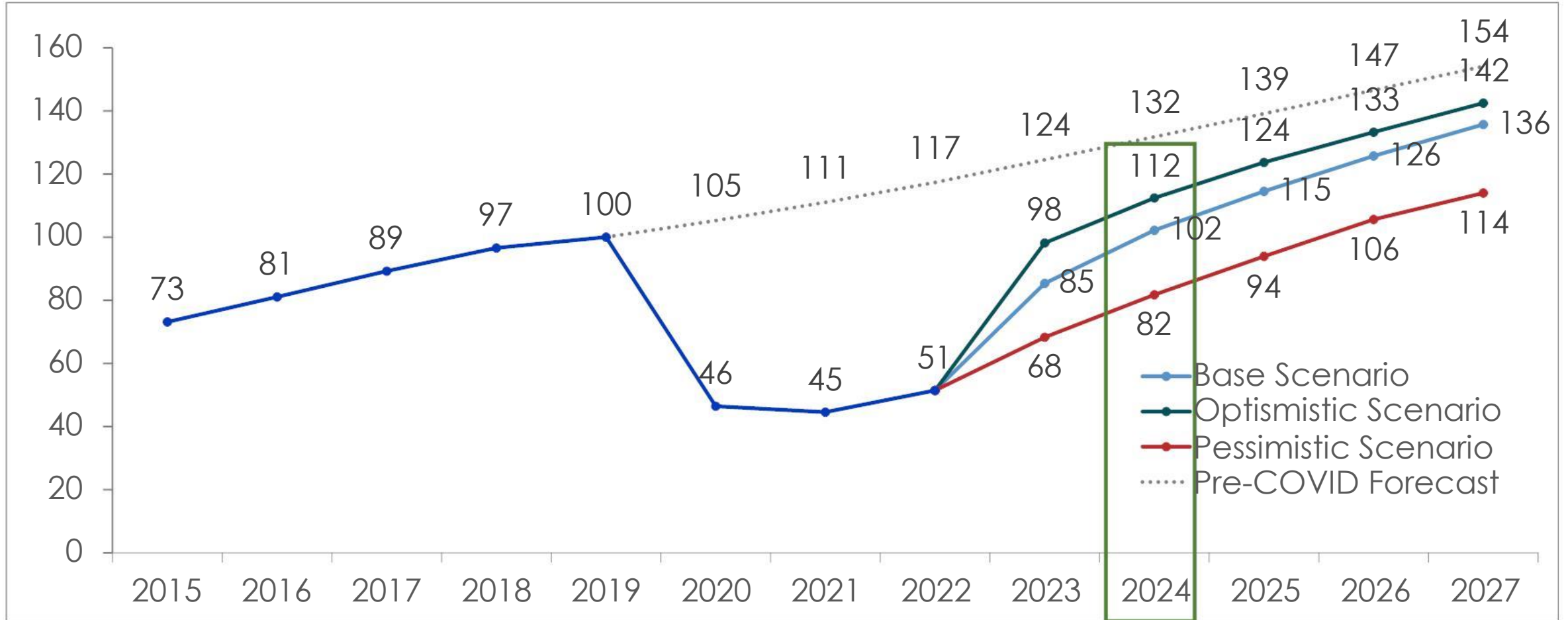
Global Top 10 Busiest Domestic Airline Routes

	Route	Route Name	Seats
1	CJU-GMP	Jeju International - Seoul Gimpo	1,085,720
2	CTS-HND	Sapporo New Chitose - Tokyo Haneda	973,404
3	HAN-SGN	Hanoi - Ho Chi Minh City	917,814
4	FUK-HND	Fukuoka - Tokyo Haneda	914,996
5	MEL-SYD	Melbourne - Sydney	763,636
6	PEK-SHA	Beijing - Shanghai Hongqiao	732,926
7	CAN-SHA	Guangzhou - Shanghai Hongqiao	701,527
8	JED-RUH	Jeddah - Riyadh	675,474
9	HND-OKA	Tokyo Haneda - Okinawa Naha	669,469
10	CGK-DPS	Jakarta - Denpasar-Bali	639,101

OAG

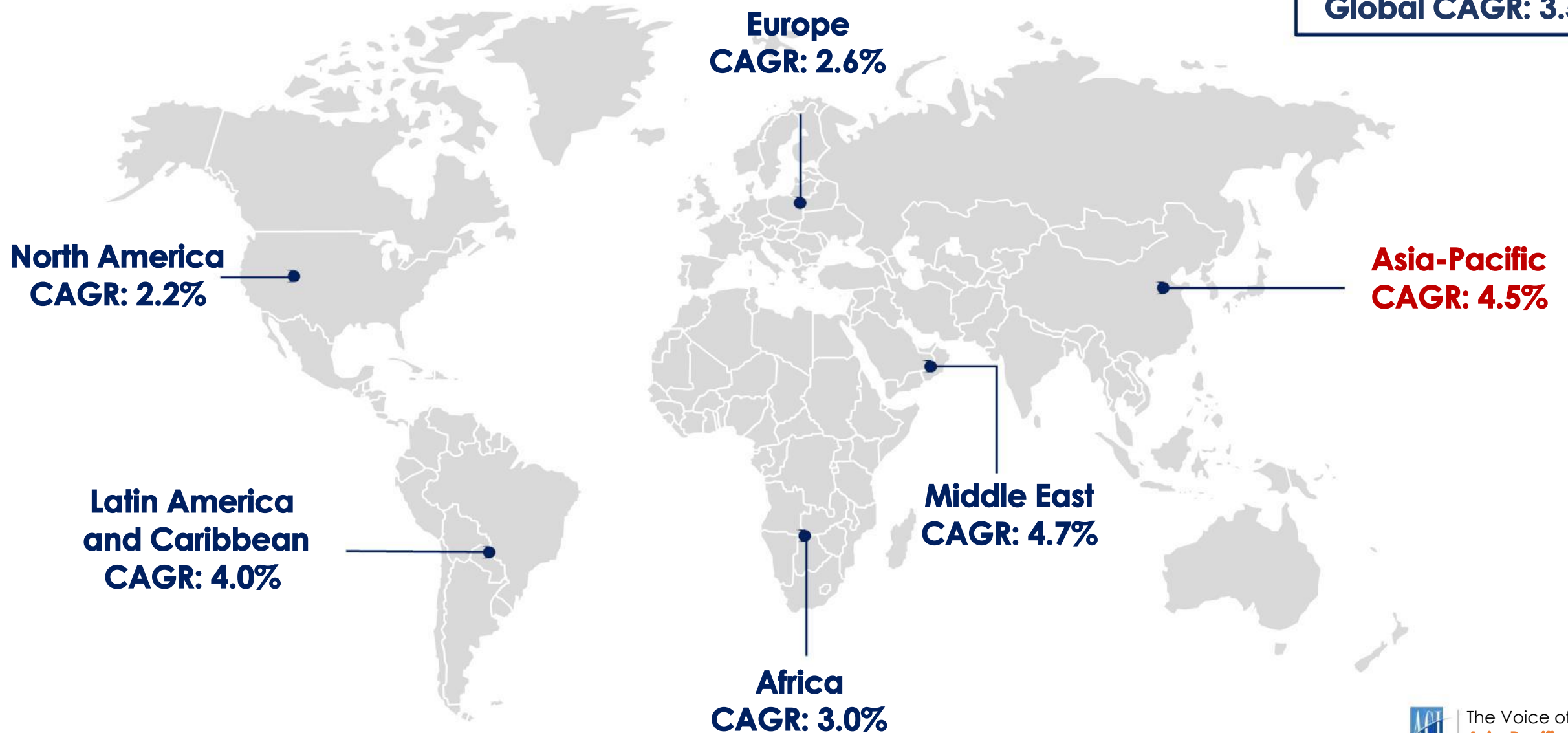
APAC MEDIUM-TERM PASSENGER TRAFFIC FORECAST

(INDEXED, 2019 = 100)



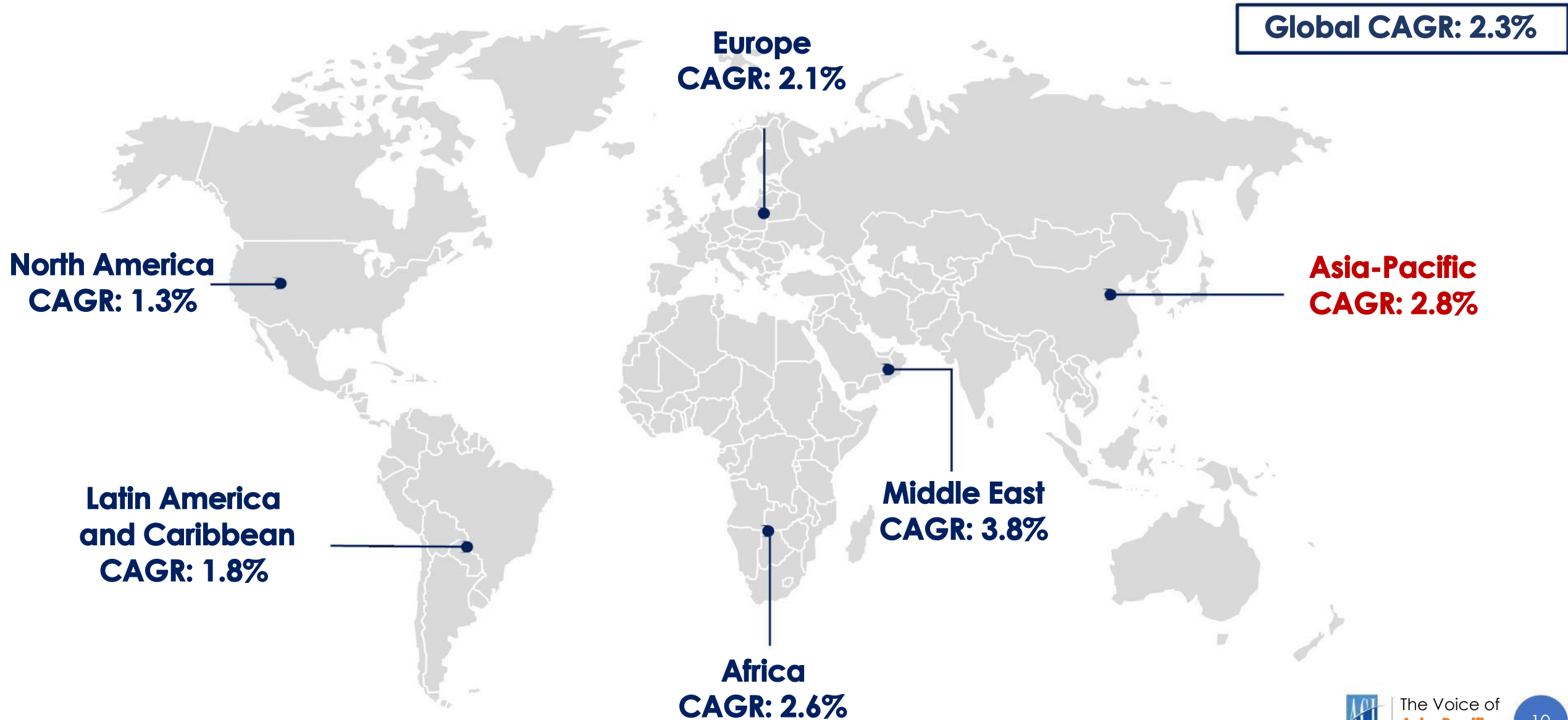
REGIONAL CAGR TOTAL PASSENGER (2019-2041)

Global CAGR: 3.5%



Source: ACI World, World Airport Traffic Forecasts 2022-2041

REGIONAL CAGR TOTAL AIR CARGO (2019-2041)



Global CAGR (2019-2041)

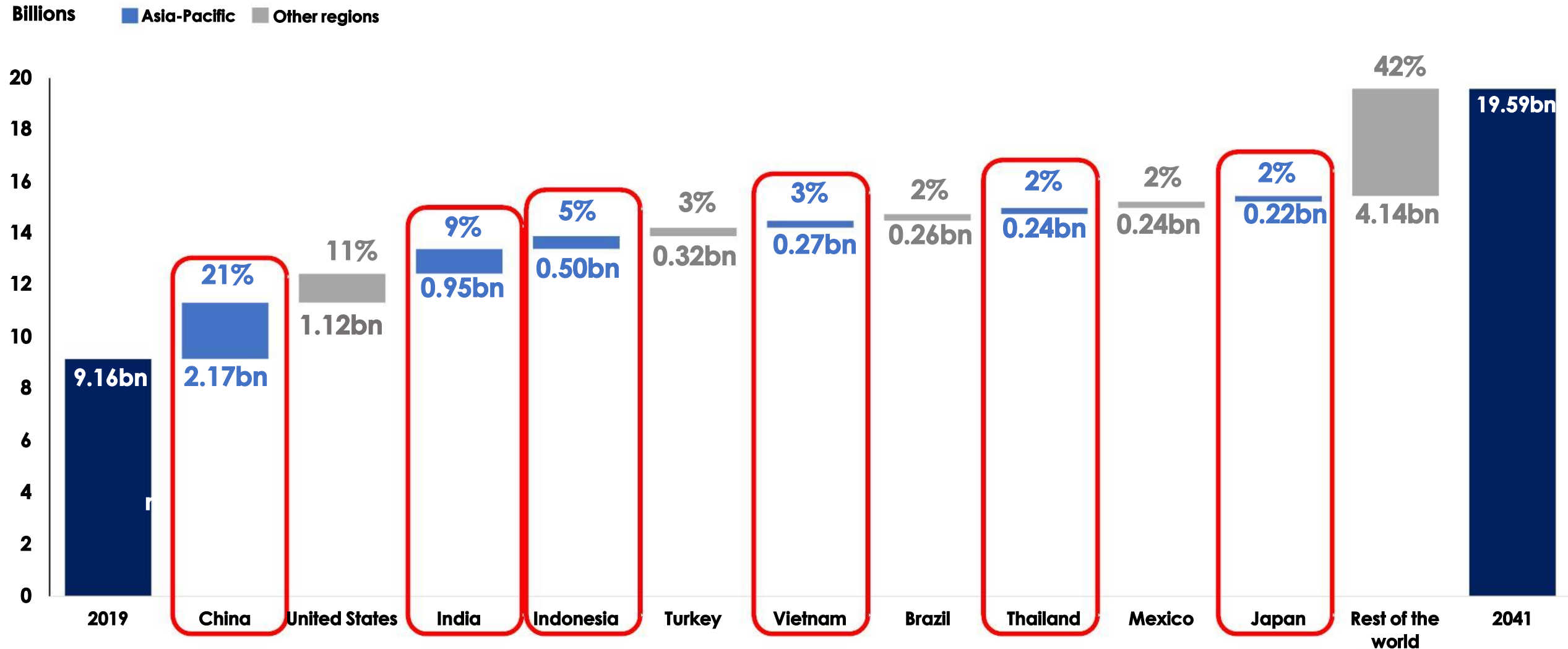


Global fastest growing markets CAGR (2019-2041)



■ Asia-Pacific ■ Middle East ■ Other regions

Top 10 countries globally by passenger traffic growth contribution (2019-2041)



TOP 10 COUNTRY MARKETS BY TOTAL PAX TRAFFIC VOLUME

■ Asia-Pacific ■ Other regions

Rank	2020	2030	2040
1	China	United States	China
2	United States	China	United States
3	India	India	India
4	Russian Federation	Japan	Indonesia
5	Japan	United Kingdom	Japan
6	Brazil	Spain	Turkey
7	Turkey	Indonesia	United Kingdom
8	Mexico	Turkey	Spain
9	Spain	Brazil	Brazil
10	United Kingdom	Russian Federation	Russian Federation

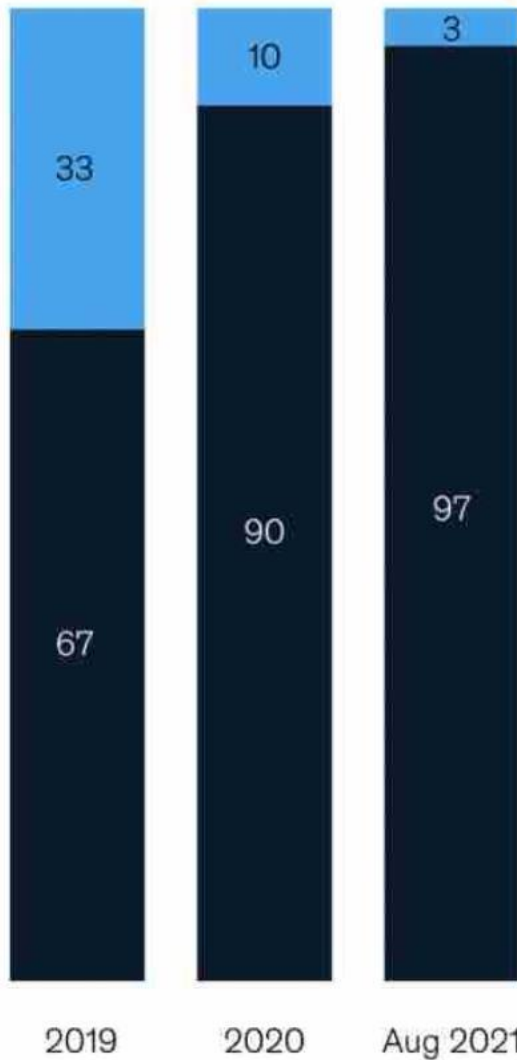
2040: 4 out of 5 top 5 aviation markets are from Asia-Pacific

The Game changers

Tourism value to Thailand

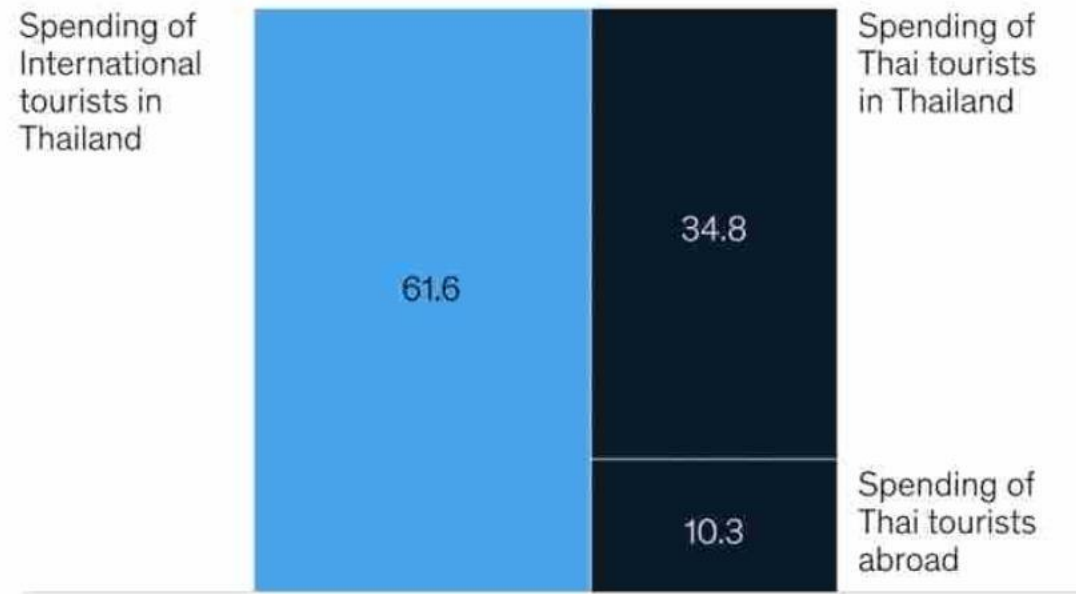
Tourists served, % share

International Domestic



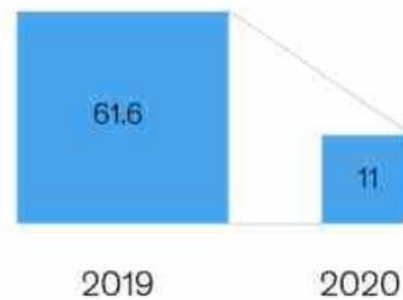
Estimated tourist spending in 2019, \$ billion

International Domestic

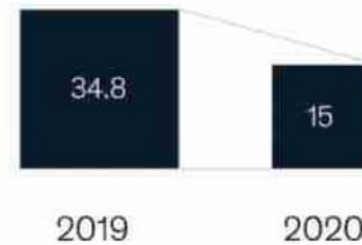


Total tourism receipts, \$ billion

International



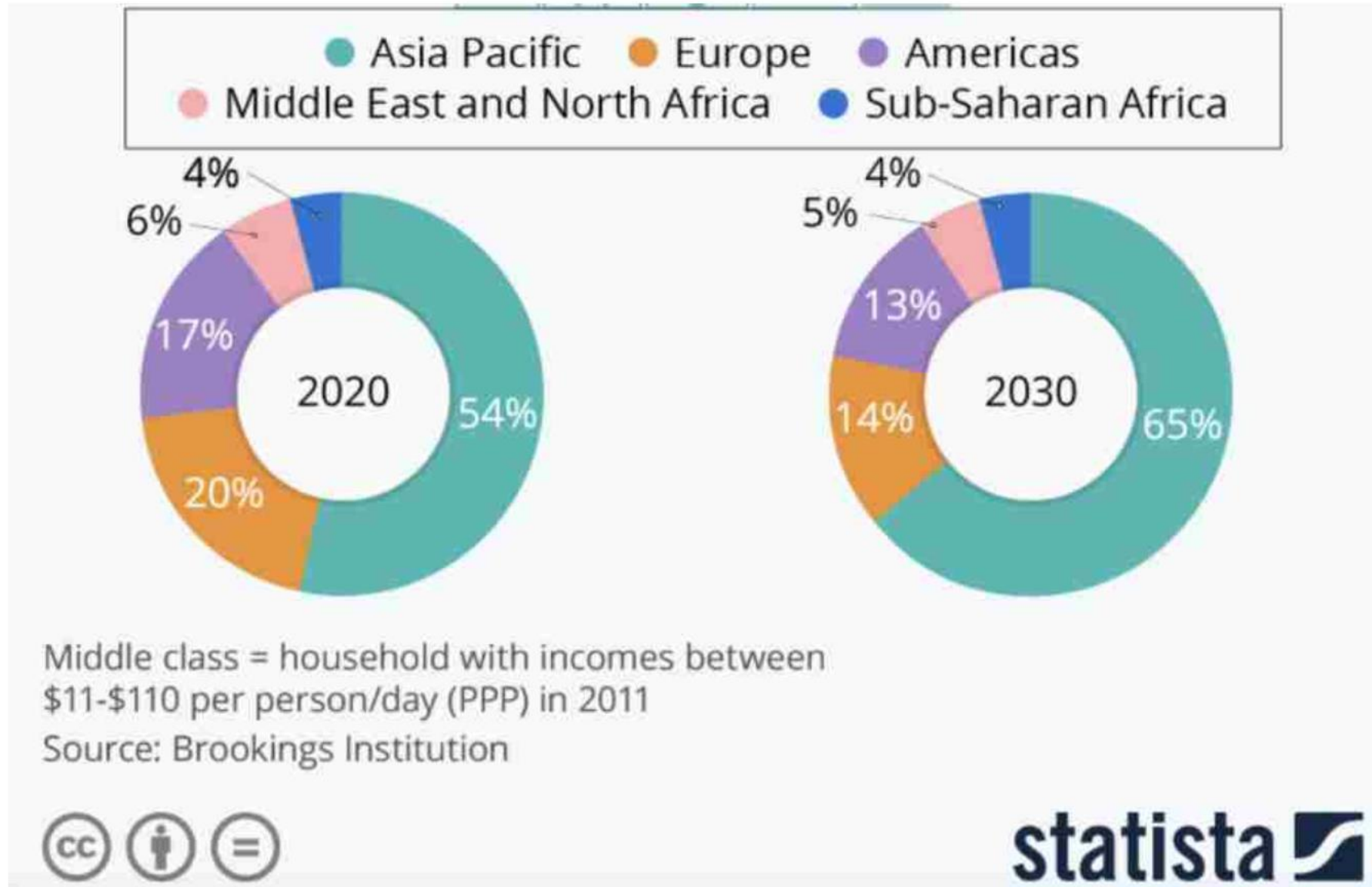
Domestic



1. International connectivity



2. Demographics – the rise of the Asia middle class



3. Customer experience



Overall scores WORLDWIDE

Both the overall experience and satisfaction measures are critical. The best customer experience is when airports generate positive emotions while providing excellent service quality.



The **Overall Satisfaction** helps determine how well airports are servicing their passengers.



The **Overall Experience** focuses on the impression that is left by the journey at the airport.



Overall satisfaction
BY REGION



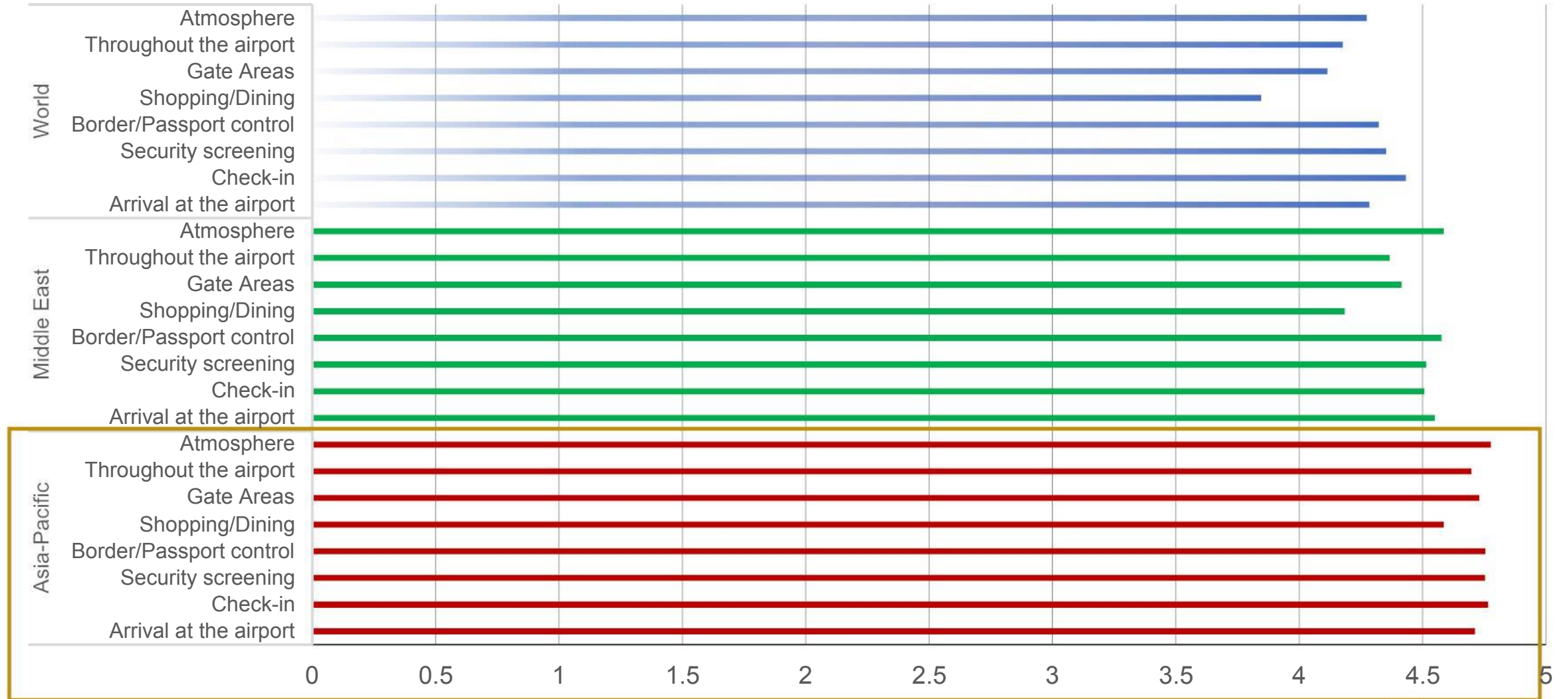


Overall satisfaction BY AIRPORT SIZE



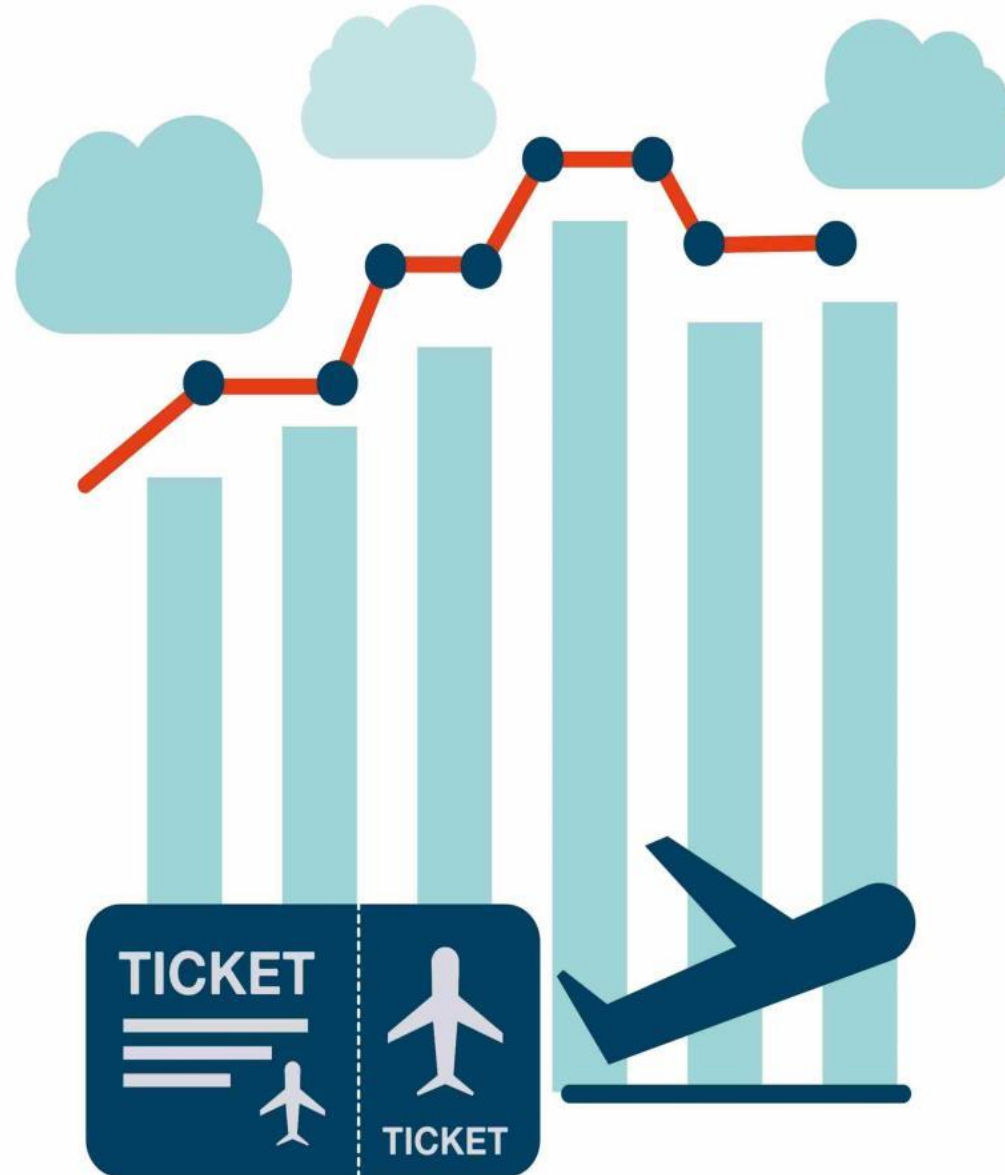
ASQ ASIA-PACIFIC AND MIDDLE EAST VS WORLD

(AVERAGE Q1-Q4 2022)



4. AIRFARE SURGE

International markets in Asia and Middle East suffered average increases by ~30% in airfares in Q4 2022 vs. Q4 2019



Preliminary figure – Flare Consulting May 2023

POST-PANDEMIC TRAVEL



Health and safety will be a top priority



Increased focus on domestic and regional travel



More flexible booking policies



Continued emphasis on sustainable and responsible tourism

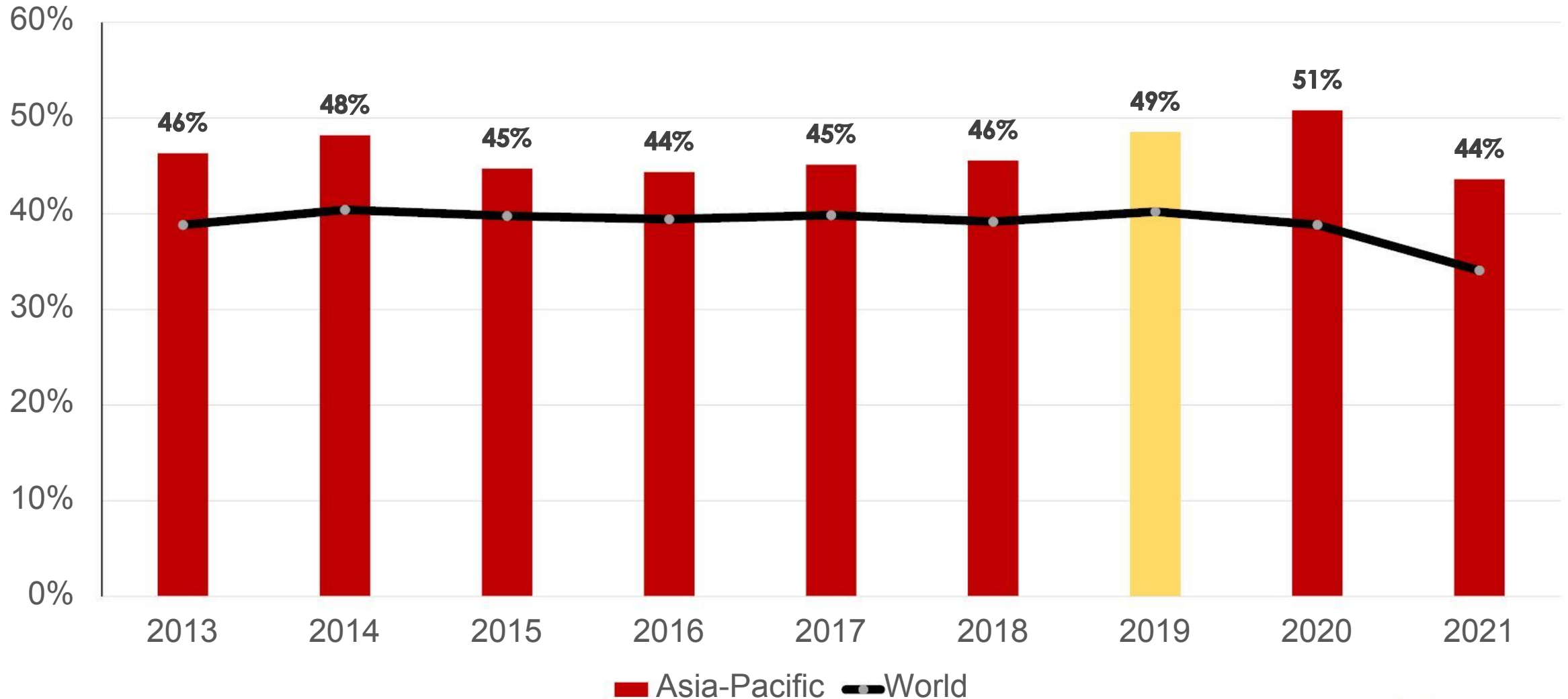


Increased use of technology

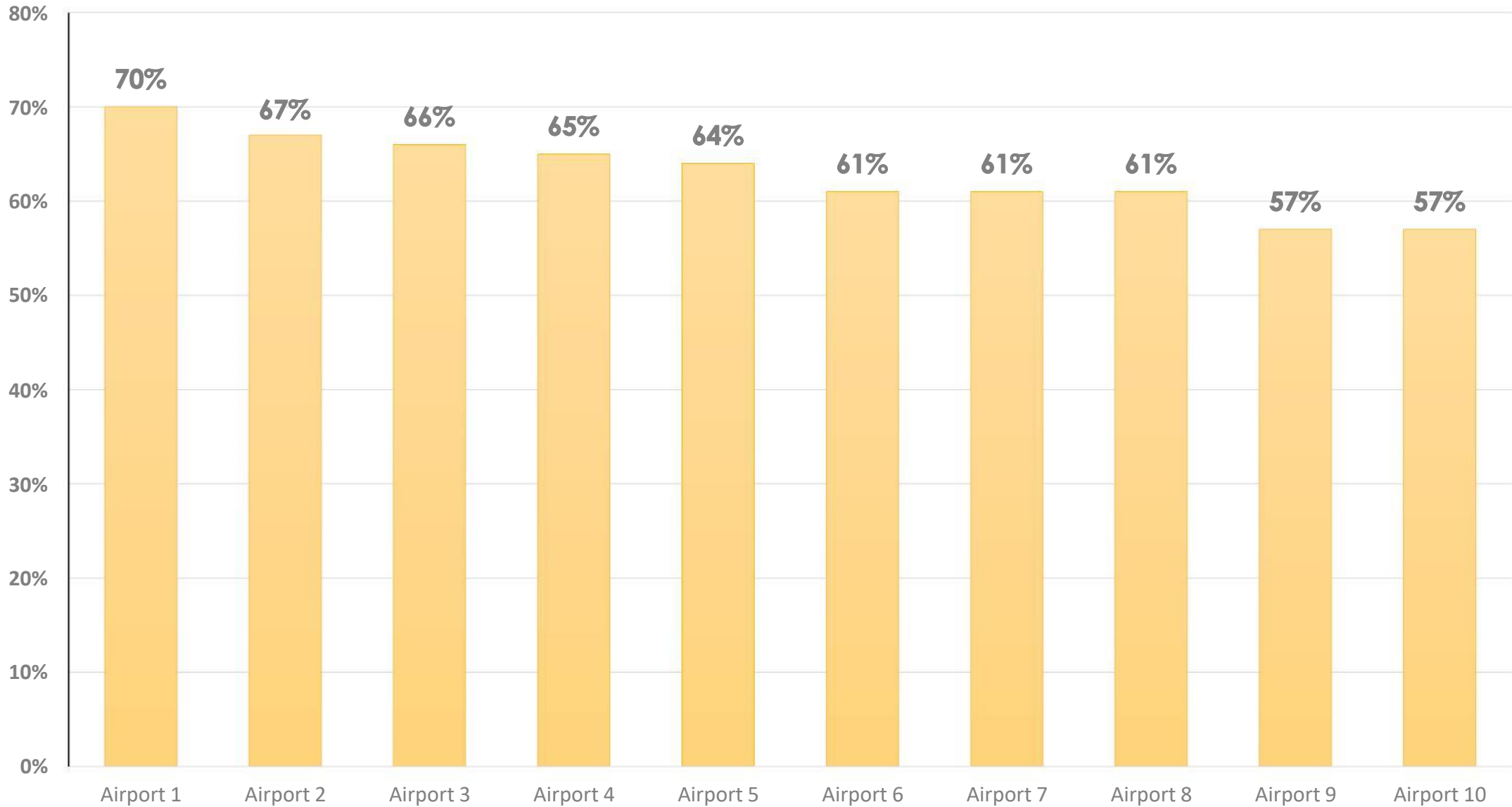


More personalized experiences

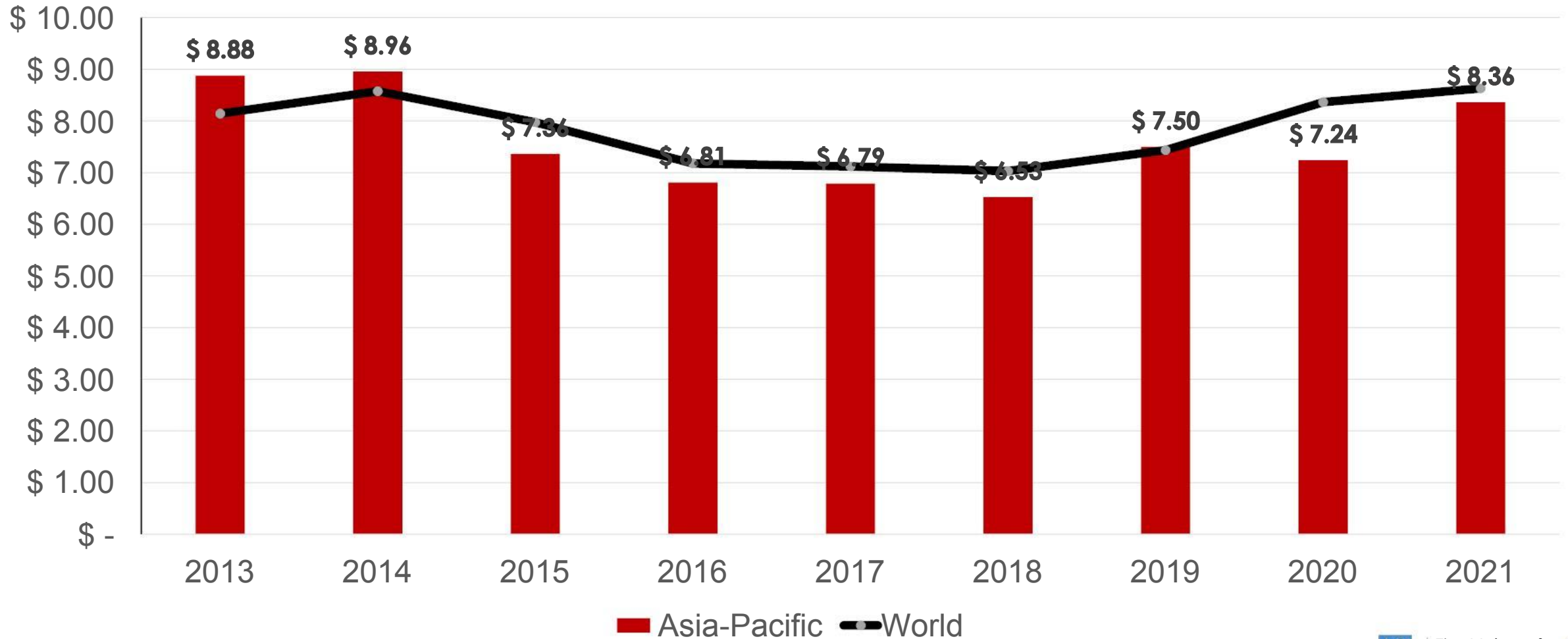
SHARE OF NON-AERONAUTICAL REVENUES (2013-2021)



AIRPORTS IN APAC WITH THE HIGHEST RATIO OF NAR VS. AERO REVENUES



EVOLUTION OF AIRPORTS' NON-AERONAUTICAL REVENUES/PAX (2013-2021, NOMINAL USD)



STRATEGIES TO IMPROVE AND FUTUREPROOF AIRPORTS' COMMERCIAL REVENUE STREAMS



REGULATORY THREATS AND OPPORTUNITIES IN TRAVEL RETAIL

Risks and threats

- Ban or tightened restrictions of duty-free or tax-free sales
- Domestic labelling for duty-free products
- Coordination of health, safety, and security measures

Opportunities

- Increasing inbound duty-free allowances
- Home delivery of duty-free products
- E-commerce
- Arrivals duty-free
- Downtown travel retail
- Domestic travel retail



THE VOICE OF ASIA-PACIFIC AIRPORTS



W www.aci-asiapac.aero

E info@aci-asiapac.aero

T +852 2180 9449



@ACIAPAC



@Airports Council International – ACI Asia-Pacific