

# Addressing Common Misconceptions: Small Airports and their Economic Role within the Economy

**Misconception #1: Bigger Is Always Better.** *(There is no point to smaller airports, when larger hubs are located nearby).*

The choice of airport by travelers, shippers, and those seeking a location for based aircraft is shaped by a variety of market factors related to accessibility of the airport as well as airport services and amenities. For business travelers that rely on scheduled commercial service, larger airports may be more attractive because they provide redundancy of flights (if you miss your flight, there's another soon), along with a greater number of airlines, destinations served, and direct connections. Smaller airports, on the other hand, may be more advantageous if they are closer to travelers' homes or places of work. Smaller airports can also involve less time spent at the airport (easier to park, shorter security lines, etc.). For businesses that rely on general aviation (GA), smaller airports with less congested air space and easier access may be preferable. In particular cases, smaller airports may have developed customized cargo handling services to meet the needs of a major business in the area.

**Misconception #2: Operations = Impact.** *(The number of operations directly dictates the scale of off-airport economic impact).*

Understandably, volumes are often viewed as a key indicator of the economic importance of an airport. However, reality diverges from this strict "operations equals impact" rule in a number of different ways. In reality, it is not just the number of operations, but the number and type of operations that matters, as well as the role that air service plays in a particular firm's business model.

At GA airports, operations are a particularly misleading indicator of economic impact. Activities such as flight training or recreational flying may generate many takeoffs and landings but contribute minimal economic activity off-airport. The variables that matter as drivers of economic impacts at GA airports are the number of itinerant or transient operations (which dictate the number of visitors arriving via the airport) as well as the number of based aircraft owned or leased by area firms to support their business activity. At a commercial service airport, the number of air carrier operations does have a direct relationship to the economic impacts of air service on the aggregate. Nevertheless, at both commercial and GA airports there are certain types of services that are infrequent but nevertheless critical to businesses activity. With one or only a few flights a day, local businesses gain flexibility to meet unforeseen circumstances within the supply chain including last-minute demands and shifts in schedule. Similarly, with one or just a few flights, a company can gain the ability to meet demands for just-in-time delivery. A producer may be dependent on the connectivity of a single, time-definite arrival to keep its production process going. For business travel, the number of takeoffs and landings can be a misleading indicator of economic importance. If a corporate plane stops at multiple airports during the course of the day for marketing and customer service, only two operations will occur at the origin point, but significantly more activity and market reach will have been enabled by that airport's availability.