

Identifying Airport-Reliant Businesses

This self-assessment guide is designed to help you think through which of your region's major industries may be particularly reliant on air transportation for the movement of goods or people.

Businesses Reliant on Air Cargo

Air cargo service is the most expensive mode of shipping and is used by industries that require the high-speed performance of air transportation. These include businesses that produce or consume perishable items, businesses that produce high-value goods for which the cost of shipment is a small part of the total cost of the product, and businesses that rely on aviation to meet urgent demands, changing schedules, or stringent delivery requirements.

The following table can help you identify industries in your region that may rely on your airport for movement of goods:

Category	Examples and Discussion
Perishable Goods	Fresh produce, cut flowers, fresh fish, pharmaceuticals <i>For perishable items, air transport does not usually provide a climate-controlled environment. While items can be packaged to keep them cool, there is a tradeoff between the quick delivery provided by air service, and the effort required to keep items cool on-board an aircraft (in contrast to refrigerated trucks or rail).</i>
High-Value Goods	Electronics, precision manufactured goods, pharmaceuticals (including those not sensitive to temperature), and medical devices <i>For many goods with a high value-to-weight ratio, the cost of transportation is a small portion of the total "landed cost" of the goods when they reach the final consumer. Similarly, for many of these products, transit time is more important than transit costs. Reliance on air cargo transport may also reflect high export ratios and long average shipping distances.</i>
Time-Sensitive Goods	Commodities involved in just-in-time manufacturing processes, replacement parts, and other goods with urgent customer requirements. <i>Air transportation has traditionally held the advantage of providing time-definite-delivery, thus allowing for closely integrated supply chains and just-in-time manufacturing processes. While the technology that enables time-definite-delivery by air is also increasingly available for ground services, air cargo is still often the mode of choice for meeting stringent and rapid delivery requirements. Delivery of a spare part or of something that has been delayed in production by air can be critical in maintaining a high-value production process. Even relatively large things will sometimes be shipped by air when demanded by a customer (e.g. airplane parts or equipment involved in manufacturing other high-value goods). The availability of air cargo services offers flexibility and can enable supply chains to recover from costly disruptions.</i>

Businesses Reliant on Air Passenger Services

On the passenger side, there are certain industries that engage in a significant amount of longer-distance business travel for collaboration, marketing, sales, and customer support. The need for business travel can either be met by scheduled service or in some case by a company maintained based aircraft. Efficiency is of the utmost importance for on-the-clock business travel. In some cases, therefore, it may be in a company's best interest to either own or lease aircraft. For multi-stop tours or access to locations without direct or frequent air service from your region, based aircraft offer advantages over scheduled commercial service. By facilitating sales outside a region, based aircraft help regional businesses generate sales and bring dollars into the local economy. Passenger air service as well as general aviation also bring in tourists from outside that become clientele for the local area's attractions, entertainment venues, hotels, restaurants, transportation services, and retail establishments.

The following table can help you identify industries in your region that may rely on your airport for business travel or for bringing in visitors:

Industries with Reliance on Air Passenger Services	Reasons for Reliance
<p><i>Business Travel</i></p> <ul style="list-style-type: none"> • Financial services • Administrative and support services • Professional, scientific, and technical services • High-tech manufacturing 	<ul style="list-style-type: none"> • The sales of professional expertise requires travel to meet with clients and make presentations. • Companies with large-scale networks require frequent long-distance travel for inter-office coordination. • Some advanced manufacturing sectors and equipment suppliers (e.g. biomedical devices) rely on business travel to provide on-site customer support and/or time-critical trouble shooting and repairs. • Firms involved in in “multi-channel” research and development processes require business travel to connect with clients and collaborators, attend trade shows and research conferences, and coordinate with suppliers.
<p><i>Tourism</i></p> <ul style="list-style-type: none"> • Accommodation and food services • Arts, entertainment, and recreation • Passenger ground transportation • Retail • Resorts 	<ul style="list-style-type: none"> • Regions with major tourist attractions or convention centers that attract visitors from further away will tend to rely more heavily on air transportation. • Remote areas that are recreational destinations (e.g. ski resorts, national parks, etc.) may depend on aviation for all or nearly all visitor access.