EFFECTIVENESS OF THE AIRPORT CITY

(AEROTROPOLITAN) CONCEPT

A Thesis

Submitted to the Department of Civil Engineering, University of Moratuwa

In Fulfillment of Requirements for the award of

Doctor of Philosophy in Civil Engineering

By

W.W. A. S. Fernando

Supervised by

Senior Professor J.M.S.J. Bandara

November, 2019

Department of Civil Engineering

University of Moratuwa

Sri Lanka

ABSTRACT

Airport city becomes a trend to many airports in 21st century. Airport city concept is a novel concept to the world. This research is focused on to identify how airport cities emerge in the world and its usefulness to any given airport. Further, it investigates the effectiveness of current practices of airport functions and their potential to be an airport city (aerotropolitans). This study focused on identifying the key factors contribute towards an airport become an airport city and developed "airport city effectiveness criteria (ACEC)" to evaluate the city status of for any given airport. Possible influencing factors were identified through a comprehensive literature survey and opinion survey. Inductive approach was used to collect data through studies and industry experts. After interviewing industry experts, seven factors, namely geographic location, demand, technology, nature of the airport, non-aeronautical activity centers, business management and access modes were identified as the key factors influencing airport city status.

The AHP technique was use to rank the seven criteria selected based on importance towards achieving airport city status. A stratified sampling technique was used to select industry experts for ranking. It is identified that non-aeronautical activities, geographic location, demand, nature of the airport are more important, to achieve airport city status. Access modes, business management and technology are the other factors that must be considered to be an airport city. By utilizing the seven identified factors, Airport City Effective Criteria (ACEC) was developed. Key performance indicators and its measures were identified for each factor. Weight was assigned for each key performance indicators by interviewing industry experts. Bandaranaike International Airport is considered as a case study based airport. Decision makers of the industry including board of directors and senior managers assigned score against weights to each key performance indicator. Hong Kong International Airport (HKG) measures were calculated and it utilized as a benchmarking airport. Finally, it is identified that how effective BIA for achieving airport city status.

Keywords: Airport City, Evaluation Criteria, Key Performance Indicators, Airport City Drivers

ACKNOWLEDGEMENT

This research would not be possible without the guidance and dedication of numerous respectable individuals and organizations. Therefore, I take this opportunity to convey my gratefulness to every one of them for their invaluable contribution.

First and foremost, I pay my sincere gratitude to supervisor, Senior Professor J. M. S. J. Bandara for all the guidance, assistance and continuous encouragement provided to me throughout the research work. Thank you very much Sir.

I acknowledged the valuable suggestions made by Dr. Namali Sirisoma as chairman of progress review panel. Her enormous guidance given towards this study was well noted. Thank You Madam.

I wish to express my greatest appreciation to all the practitioners in the aviation industry who contributed to this study by supporting to the data collection process, especially Civil Aviation Authority, Airport and Aviation Services Sri Lanka Limited and Sri Lankan Airline. Thank You All.

I would like to thank to the Department of Civil Engineering for giving this opportunity. It is also my obligation to acknowledge the assistance offered in numerous ways by all the lecturers and non-academic staff members in the Department of Civil Engineering. Thank You for the help.

I would like to thank Department of Transport and Logistics Management, University of Moratuwa for granting me study leave for reading doctor of philosophy. Without their permission and encouragement, I would not be able to complete this task. Thank you all the members of TLM Family.

Last, but not least, I give my immeasurable thanks to my parents, my sisters, my friends for their assistance and guidance in various ways. Thank You for being on my side always.

DECLARATION

I hereby declare that this submission is my own work and that to the best of my knowledge and belief, it contains neither materials published or written by another person nor material which to a substantial extent has been accepted for the award of any other degree or diploma or university or other institute of higher studies, except where an acknowledgement made in the text.

W.W. A. S. Fernando	Date
Department of Civil Engineering	
University of Moratuwa	
Supervisor	Date
Prof. J.M.S.J. Bandara	
Department of Civil Engineering	
University of Moratuwa	

DEDICATION

I dedicate this effort

to

My Loving Amma & Thaththa

My Dear Teachers: Kindergarten to University

My Sisters & Brothers

(Kumudu, Thushari , Kushani, Nishantha, Thushara ,Malitha)

Methupa Kulan Surendra

&

Matheesha Surendra

Table of Contents

Table of Content	V
List of Tables	viii
List of Figures	X
Appendix	xi
Abbreviations	xii
Chapter 01: Introduction	
1.1 Background of the Research	1
1.2 Airport City Models	1
1.3 Research Gap and Problem Statement	2
1.4 Research Objectives	3
1.5 Research Method	3
1.6 Chapter Breakdown	4
Chapter 02: Literature Review	
2.1 Airport City Concept	6
2.2 Airport City Examples	7
2.2.1 Amsterdam Schiphol Airport	7
2.2.2 Hong Kong International Airport	8
2.2.3 Frankfurt International Airport	9
2.2.4 Stockholm Arlanda International Airpor	rt 9
2.3 Airport City Drivers	9
2.4 Benchmarking Airport City Performances	13
2.4.1 Benchmarking Airports under Four Indic	eators 14
2.4.2 Benchmarking Airport Performances	14
2.5 Multi Criterion Analysis	18
2.6 Opinion Survey Techniques	20

2. 7 Case Study based Airport - Bandaranaike International Airport	22
2.7.1 Key Performance Indicators for BIA	24
2.7.2 Connectivity with other modes of transport	25
2.7.3 Expansion and Developments of BIA	25
2.7.4 Key Socio-Economic Indicators of Sri Lanka	26
Chapter 03: Research Methodology	
3.1 Introduction	30
3.2 Research Boundary	30
3.3 Research Process and Data Collection	32
3.3.1 Comprehensive Literature Study and Factor Analysis	32
3.3.2 Developing an Airport City Effectiveness Criteria	35
3.3.3 Evaluating Case Study Based Airport-BIA	37
3.4 Data Collection Technique- Questionnaire	38
3.5 Data Analysis Technique - AHP	38
3.6 Sample Selection	38
Chapter 04: Research Findings	
4.1 Introduction	40
4.2 Seven Factors	40
4.3 Ranking Importance of Seven Factors	42
4.4 Airport City Effectiveness Criteria (ACEC)	45
4.4.1 Identify KPIs and Measures	45
4.4.1.1 Identify KPIs and Measures for Non-aeronautical Activity	45
4.4.1.2 Identify KPIs and Measures for Geograpic Location	48
4.4.1.3 Identify KPIs and Measures for Demand	50
4.4.1.4 Identify KPIs and Measures for Nature of the Airport	53
4.4.1.5 Identify KPIs and Measures for Access Modes	58

4.4.1.6 Identify KPIs and Measures for Business Management	60
4.4.1.7 Identify KPIs and Measures for Transport	64
4.4.2 Assign Weights for KPIs	68
4.5 Effectiveness of BIA	70
4.5.1 SWOT Analysis	70
4.5.2 ACEC Evaluation of Case Study	73
4.5.2.1 Evaluate Effectiveness of Non Aeronautical Activity Centers	73
4.5.2.2 Evaluate Effectiveness of Geographic Location	76
4.5.2.2.1 Air Network Connectivity	76
4.5.2.2.2 Land Use	82
4.5.2.3 Evaluate Effectiveness of Demand	84
4.5.2.3.1 Current Demand at BIA	85
4.5.2.3.2 Forecasted Demand for BIA	88
4.5.2.4 Evaluate Effectiveness of Nature of the Airport	90
4.5.2.5 Evaluate Effectiveness of Access Modes	92
4.5.2.6 Evaluate Effectiveness of Business Management	93
4.5.2.7 Evaluate Effectiveness of Technology	95
4.6 Fact Sheet	97
4.7 Fact Based Interviews	107
4.8 Scores of ACEC	108
Chapter 05: Recommendation and Conclusions	
5.1 Introduction	114
5.2 Observation	114
5.3 Recommendation to BIA	121
5.4 Conclusion	125
5.5 Further Research Direction	126
References	
Appendix	135

List of Tables

Table 1.1 Research Method	5
Table 2.1 Airport City Drivers	10
Table 2.2 AHP Pair Wise Comparison Scale	15
Table 2.3 Benchmarking Airport Performances	19
Table 2.4 Key Performance Indicators of BIA	24
Table 2.5 Key Socio- Economic Indicators of Sri Lanka	27
Table 2.6 Key Performance Indicators of SLA	28
Table 3.1 Interviews	39
Table 4.1 Summary of the Results of Ranking	44
Table 4.2 Non Aeronautical Activity Center KPIs	46
Table 4.3 Geographic Location KPIs	49
Table 4.4 Demand KPIs	51
Table 4.5 Nature of the Airport KPIs	55
Table 4.6 Access Modes KPIs	58
Table 4.7 Business Management KPIs	61
Table 4.8 Technology KPIs	65
Table 4.9 Summary of Weights	69
Table 4.10 Revenue Growth	75
Table 4.11 Duty Free Rates Segments	75
Table 4.12 Destinations of BIA	77
Table 4.13 Scores of Degree of Centrality	79
Table 4.14 Scores of Closeness Centrality	80
Table 4.15 Land Use of BIA	82
Table 4.16 Demand Changes at BIA and HKG	84
Table 4.17 Forecasted Demand at BIA	89
Table 4.18 Modal Share	92
Table 4.19 Distance to all Districts	93

Table 4.20 Facilities Available at BIA	94
Table 4.21 Key Performances at BIA and HKIA	97
Table 4.22 Fact Sheet- Non Aeronautical Activity Centers	98
Table 4.23 Fact Sheet- Geographic Location	99
Table 4.24 Fact Sheet- Demand	100
Table 4.25 Fact Sheet- Nature of the Airport	101
Table 4.26 Fact Sheet- Access Modes	102
Table 4.27 Fact Sheet- Business Management	104
Table 4.28 Fact Sheet-Technology	106
Table 4.29 Scores of ACEC	109
Table 4.30 Scores of ACEC for BIA and HKIA	113
Table 5.1 KPIs and Measures of ACEC	115
Table 5.2 ACEC with Weighted Values	119
Table 5.3 Effectiveness of BIA	120

List of Figures

Figure 2.1 Amsterdam Schiphol International Airport City Framework	8
Figure 2.2 Location Map of BIA	23
Figure 3.1 Research Boundary	30
Figure 3.2 Research Process	31
Figure 3.3 Secondary Data Collection	33
Figure 3.4 Primary Data Collection	34
Figure 3.5 Evaluation Framework	36
Figure 4.1 SWOT Analysis	71
Figure 4.2 Framework to Evaluate Non Aeronautical Activity Centers	73
Figure 4.3 Percentages of Non Aeronautical Revenue	74
Figure 4.4 Company Revenue Structure	74
Figure 4.5 Framework to Evaluate Geographic Location	76
Figure 4.6 Framework to Evaluate Demand	84
Figure 4.7 Passenger Movements at BIA	85
Figure 4.8 Tourist Arrivals -Country	86
Figure 4.9 Seasonality of Tourist Arrivals	86
Figure 4.10 Purpose of Travel	87
Figure 4.11 Duration of Stay	87
Figure 4.12 Forecasted Tourist Traffic	90
Figure 4.13 Framework to Evaluate Nature of the Airport	90
Figure 4.14 Framework to Evaluate Access Modes	92
Figure 4.15 Framework to Evaluate Business Management	94
Figure 4.16 Framework to Evaluate Technology	95
Figure 4.17 Scores of ACEC	111
Figure 4.18 Scores of ACEC of BIA and HKIA	113

Appendix

A1: Literature Summary Table	136
A2: Questionnaire	147
A3: AHP Analysis Section A- Normalized Matrix	152
A4: AHP Analysis of Section B	153
A5: Analysis of Centrality Index	162
A6: Passenger Forecast of BIA	171
A7: Business Partners at BIA	174

Abbreviation

AASL: Airport and Aviation Services Sri Lanka Limited

ACEC: Airport City Effectiveness Criteria

ACI: Airport Council International

AMS: IATA Three Letter Code for Amsterdam Schiphol International Airport

BIA: Bandaranaike International Airport

CAA: Civil Aviation Authority

CMB: IATA Three Letter Code for Bandaranaike International Airport

CMR: Colombo Metropolitan Region

HKG: IATA Three Letter Code for Hong Kong International Airport

HKIA: Hong Kong International Airport

IATA: International Air Transport Association

ICN: IATA Three Letter Code for Incheon International Airport

KPIs: Key Performance Indicators

MRIA: Mattala Rajapaksa International Airport

O-D: Origin Destination

SIN: IATA Three Letter Code for Changi International Airport

SLA: Sri Lankan Airlines Limited

TSA: IATA Three Letter Code for Taipei Songshan International Airport

WLU: Work Load Unit