

# Springfield-Branson National Airport (SGF)



Air Service Market Analysis and Opportunities

By: Seth Bailey

# Location: Demand Drivers

- Springfield, MO
  - Population - ~167K, Springfield Metro area ~475K
  - GDP – Springfield Metro: \$20.8 billion
  - Notable Employers – CoxHealth, JPMorgan Chase, O’Reilly Auto Parts & Jack Henry & Associates
  - Tourism Attractions – Outdoor Recreation, in the heart of the Ozarks. Performing Arts, well know symphony and ballet
- Branson, MO
  - Population - ~13K, 51 miles south of Springfield via US-65
  - Small destination but has unique attractions
  - Well known for live entertainment.
  - Branson features more than 100 live music, comedy, dinner and kids shows during an average year.

Sources: <https://www.springfieldmo.org/>, [www.explorebranson.com](http://www.explorebranson.com) Image: <https://bransontravelgroup.com>

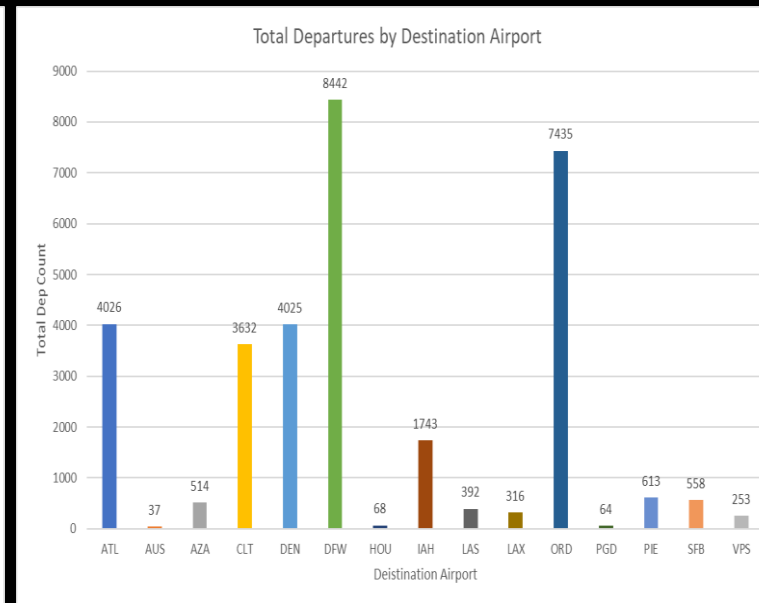
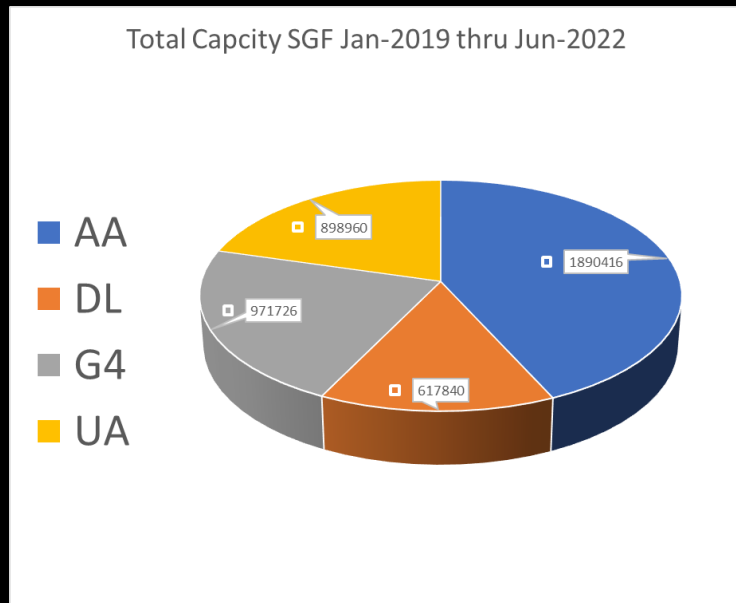


# Competitive Air Service Landscape

- Joplin Airport (JNL)
  - 73 miles west of SGF
  - 73K total scheduled seats in 2022
  - Served mainly by UA
  - Considered minor threat to SGF air service
- Branson Airport (BKG)
  - 51 miles south of SGF
  - No scheduled flights for 2022
  - Previously serviced by F9
  - Considered minor threat to SGF air service
- Norwest Arkansas Regions (XNA)
  - 100 miles SW of SGF and 90 miles from Branson entertainment district.
  - 2.4 million total scheduled seats in 2022
  - Served by AA,DL,F9,G4 and MX
  - Considered a threat to SGF air service, leakage to be factored in
- St. Louis Lambert International Airport
  - 224 miles NE of SGF
  - Total scheduled ~15 million seats in 2022
  - WN stronghold with service from other mainline and LLC airlines
  - Based on size of market it must be considered a threat but distance from SGF slightly lessens the blow. Leakage again to be factored in

# Historical Air Service: Capacity and Operations

- AA dominates total capacity at 43% of overall seats available at SGF
- Reliance on mainline carriers, low-cost carriers underutilized
- AA, UA and DL feed hub airports from SGF
- G4 has point to point service mainly secondary airports in Florida and western strongholds including LAS



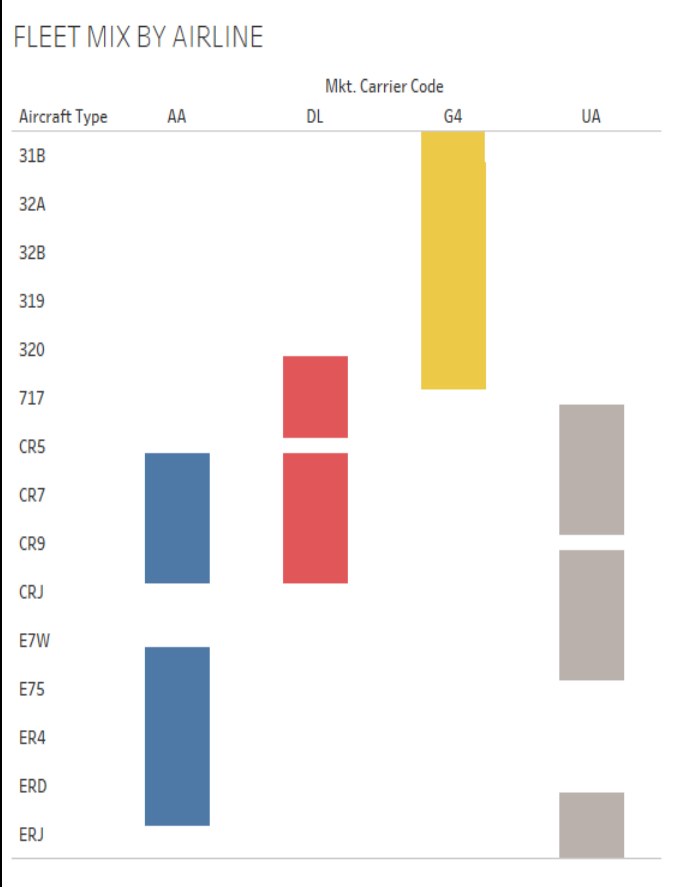
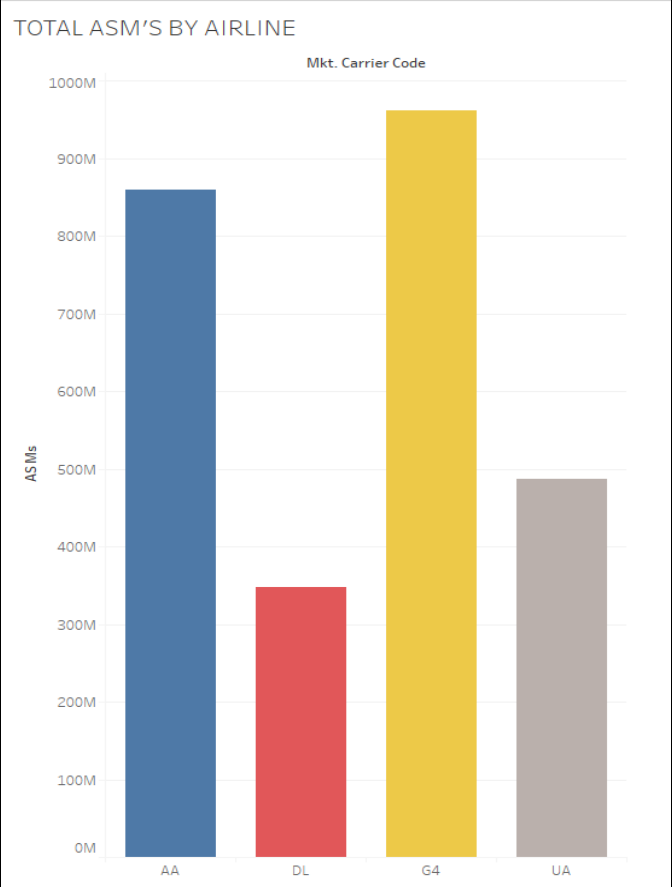
# Fleet Mix and ASM's

Majority of Routes flown by regional jets

Average available seats per flight is 68

G4 is highest ASM's close second is AA

G4 flying largest aircraft, all A320 family variants.

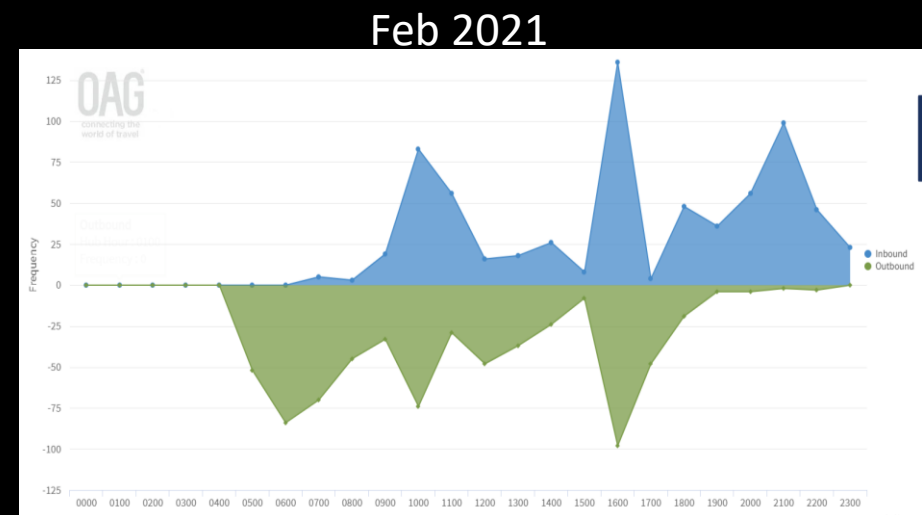
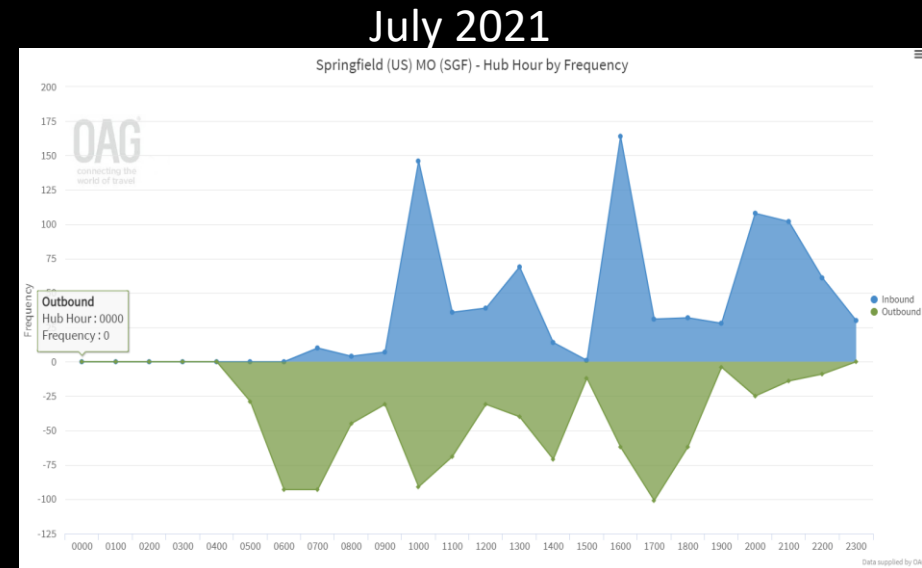


Source: ADI schedules

# Seasonal Bank Structure

- Outbounds focused on early morning and mid-afternoon to feed hubs
- Highest inbound rate focused in midafternoon
- Summer season shows higher operational frequency
- Potential for additional inbounds in early morning and late evening outbounds for LCC attraction
- Congestion relatively low based on peak of inbounds being less than 175 total per month in a single hour. This gives SGF room to flex schedule to individual carriers needs

Source: [OAG Schedules Analyser](#)



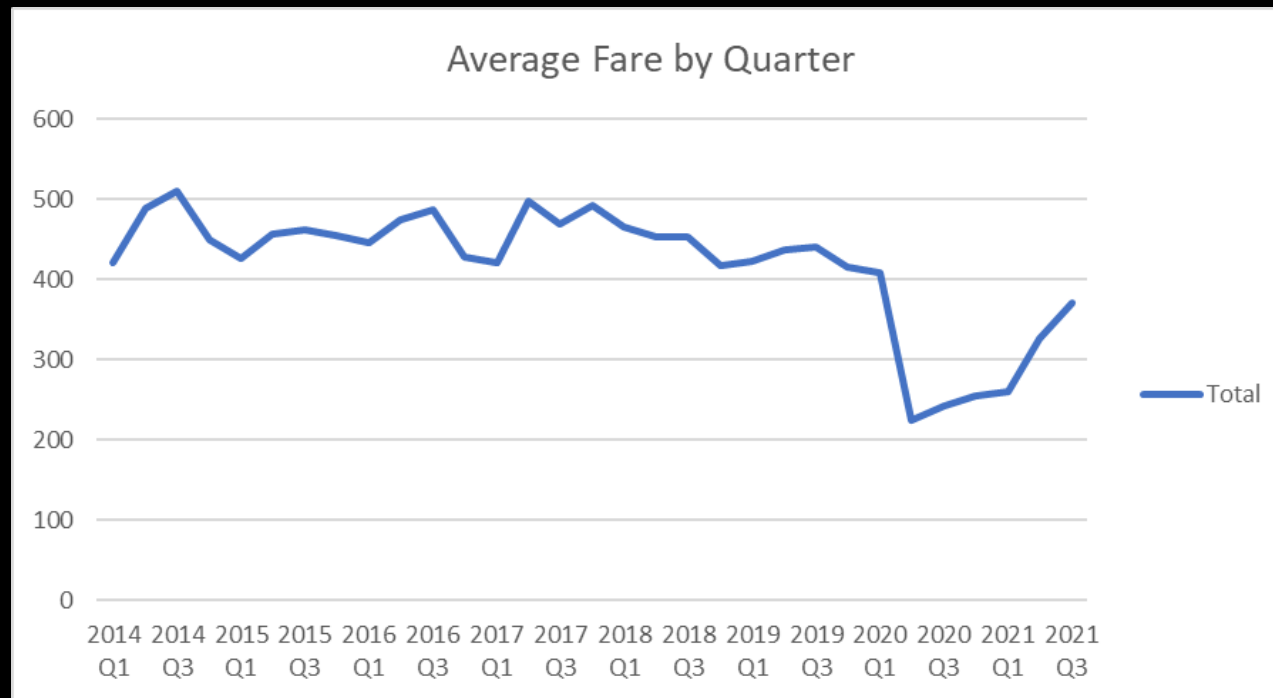
# Top 25 Destinations: 2016 Q1 thru Q3 2021

- The table to the right provides the top 25 destination markets for SGF
- 4 of the top 5 are G4 markets with a combination of UA and AA for ORD coming in 2<sup>nd</sup>
- 57% of the of the total pax count comes from the top 25 destinations
- Remainder of top 10 destination are all mainline hubs.
- Top 5 destinations have greater than 70 PDEW.

Destination Airport	Total PAX	PDEW
PIE	172,194	81.96
ORD	162,298	77.25
SFB	162,237	77.22
LAS	154,513	73.55
AZA	151,718	72.23
DFW	142,754	67.94
LAX	135,416	64.42
ATL	118,580	56.43
DEN	95,287	45.36
MCO	60,223	28.69
CLT	57,367	27.30
VPS	52,557	24.95
SEA	51,514	24.47
DCA	44,800	21.31
IAH	44,548	21.18
SAN	41,774	19.87
PHX	41,484	19.74
LGA	38,837	18.46
SFO	37,733	17.94
BOS	36,621	17.37
PHL	36,070	17.15
SMF	35,321	16.79
SLC	33,146	15.76
PDX	32,880	15.63
TPA	31,271	15.63
		938.6
	3,434,017	1,633.13

Source: DOT O&D

# Fare Analysis and Revenue Analysis

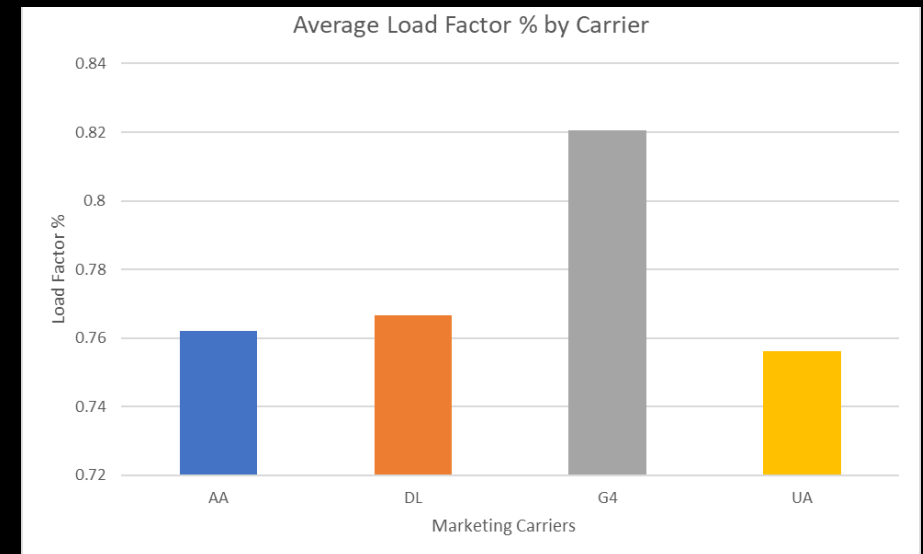


- Total Fares topped out in Q3 2014
- Fares bottomed out in Q2 2020 (Covid)
- Fare recovery is on-going and back to 2020 Q1 levels
- For routes with at least 10 PDEW average fare 2019 = \$205, Average Fare 2021 Q1-3 = \$167.00 pricing power is lower
- Average Yield is \$0.24 in 2019 and 2021 Q1-3 is \$0.20
- Total Revenue from 2019 Q1-3 vs 2021 Q1-3 is 32% lower



# T-100 Analysis by Airline

- G4 average load factor 82.06% with total onboard pax of 760,642. Top performing route SGF-AZA 2014 July with 96.82% load factor on an MD-80
- AA average load factor of 76.22% with a total onboard pax of 1,502,246. Top performing route SGF-DFW 2021 July with 95.52% load factor on an RJ-900
- DL average load factor 75.62% with total onboard pax of Top performing route SGF-ATL 2014 May with 93.86% load factor on a RJ-200/400
- UA average load factor 82.06% with total onboard pax of 7730,400. Top performing route SGF-DEN 2021 Oct with 95.98% load factor on a RJ 200/400
- Total load factor was 78.17% for all airlines from 2014 to October 2021
- Takeaway: Strong historical average load factors with a focus on hub airports and leisure destinations for LCC's.



# Potential New G4 Route

Initial focus on leisure markets based on SGF destination opportunities and lack of business travel.

Wintertime opportunity to expand on G4 Florida strategy.

Current G4 operations from SGF focus on the western coast of Florida. Lack of service to South Florida.

Propose route to PBI. SGF-PBI could offer lower landing fees and less congestion than FLL or MIA.

Initial service would be Thur and Sun on an A319 with 110 seats to maximize margin.



# DL Increases & AS New Route

## SGF – ATL Frequencies/Upqage

DL is underutilizing ATL. In 2022 there is 2 daily outbounds on CRJ-900 with 76 seats each. From May 2021 – Oct 2021 the average load factor was 88.40%. ATL is a top ten market for SGF and can support more service.

SGF-ATL departure times are 11:30 and 20:57, there is room to add a flight between 15:00-17:00 to meet the afternoon bank at ATL. You could also ungauged the current flights to an A220 or 717

## SGF - LGA New Route

LGA is in the top 25 of SFG markets. Early afternoon departure to connect to other east cost and European destinations. Synergies exist in SGF and NYC market, entertainment and performing arts are a big draw.

Synergies exist in SGF and NYC market, entertainment and performing arts are a big draw. Early afternoon departure to connect to other east cost and European destinations. LGA route uses 717 or A220, distance longer than most SGF flights but NYC market can support year-round service. This route would be SGF only pure East Coast route.

## SGF-SEA New Route

A large gap in the SGF network is west coast service. Other than LAX which, SEA has the highest PDEW and total passengers transported for west coast destinations. It is also the only Pacific Northwest destination in the top 20 for SGF. SGF-SEA can be serviced by AS 737 or the A320 fleet of aircraft. Suggest days of operation would be 2-3 times per week with a focus on the Thursday-Sunday window to address the leisure traffic flows.

