

Improving the passenger experience: Monitoring airport quality of service

Feedback to discussion paper



1. Introduction

The Department of Infrastructure, Transport, Regional Development and Local Government is seeking the views of airports and airport stakeholders, including the travelling public, on whether changes should be made to the regulatory arrangements for monitoring the quality of service at airports. This review is being conducted as part of the broader development of the National Aviation Policy Statement.

The Government is seeking comments on whether the current quality of service monitoring conducted by the ACCC is effective in promoting transparency and accountability, and whether there are other approaches that might be justified.

To date, the ACCC's quality of service monitoring has focused on aeronautical services and facilities that are subject to price monitoring. It has not focused on airport services and facilities that are not part of the price monitoring regime. The Government's objective is to focus the quality of service monitoring on ensuring reasonable attention to the experience of travelling passengers.

Whilst Newcastle Airport (NTL) has never been subject to the ACCC monitoring, the Airport is fast emerging as a critical player in aviation growth both domestically and potentially internationally, and therefore welcomes the Government's approach to seek feedback across the industry. The feedback from Newcastle Airport takes a broad industry approach and does not focus purely on the impact or operational environment within which we work, rather the industry as a whole.

2. The passenger experience

Should the access to-and-from the airport, including traffic management, be monitored? If so, what specific areas and measures should be included? How should monitoring be conducted?

Newcastle Airport believes that monitoring access to-and-from the airport should be considered as airports expand their footprint and passenger numbers continue to grow at most airports across Australia. The overall passenger experience is very much influenced by the ability to access their airport of choice in an effective way, either by road or rail in most cases. For this reason it should be the airport's responsibility to work with local stakeholders and authorities to ensure that wherever possible sufficient road access is provided to the airport at all times and contingencies are put in place to manage traffic flow during periods of upgrade or service limitation (accidents etc). By nature, smaller airports have reduced access compared to larger capital city airports and therefore do not experience such traffic management issues. However, larger airports with higher traffic flows must ensure multiple access points are available on approach to the airport, with clear and concise signage, especially at key decision points, such as pick-up or drop-off points, car rental return etc.

The availability of public transport that is both efficient and affordable is also key to some passenger's experience. Passengers may find car park prices unattractive, therefore it is important that public transport is timed to coincide with peak passenger movements and that the mode of transport is 'user friendly' for air passengers. For example, sufficient space for luggage stowage on trains or buses should be available. Similarly, an airport should work with the local taxi providers to ensure a level of customer service is maintained that compliments that being experienced across the rest of the airport. As always, certain elements are out of the control of the airport operators, however every effort should be made to engage all stakeholders for the common good of providing seamless service.

- > Directional signage to / from the airport could be measured
- > The efficiency of the road access points e.g. free flowing, traffic signals regular tailbacks
- > The number of public transport options should be measured along with their affordability
- > Suggested monitoring via customer feedback.

The Government invites comments on whether to include the following aspects of car parking services in service quality monitoring. What would be the appropriate criteria to monitor these services?

- > **Drop-off and passenger collection points**
- > **Proximity of parking to the terminal**
- > **Capacity (including disabled parking)**
- > **Walkways (covered or uncovered)**
- > **Signage, lighting and personal and property security**
- > **Provision of on airport transport options to and from the terminal**

Newcastle Airport supports the view that the elements of car parking services listed above should be incorporated in service quality monitoring, particularly for larger airports. Many airports, including Newcastle Airport, have limited drop-off and pick-up points due to security issues. Future designs for terminal and precinct redevelopment must take this into consideration to ensure a suitable facility for the projected passenger volumes in future years.

It is important for airports to have a varied car parking product that offers both parking close to the terminal and if required, a distance away. Depending on that distance, an appropriate mode of transport should be provided to transfer passengers to-and-from the terminal. If this should be complementary then it is down to the individual airport.

With the number of passengers continuing to grow across most airports it is important that car park capacity meets not just current needs but also those of years to come. The ongoing challenge for many airports is to create a car parking product that enhances the overall level of service quality; and the introduction of walkways, appropriate signage and lighting can only assist with this.

The appropriate criteria in some areas are set by legislation, such as the ratio of disabled parking spaces and lighting. However, other criteria that could be considered covers a lot of the points already made above. That is, car parking a certain distance from the terminal should have a covered walkway or airport transport options should be made available.

Signage should be clear and concise to avoid confusion and to prevent passengers parking in an inappropriate car park for their duration of stay.

Should the quality of service monitoring be expanded to include matters such as: accessibility of facilities to transfer passengers from domestic to international terminal, including, proximity of car hire and shuttle bus services, disability access and facilities, availability of eating places, banking, and foreign exchange facilities, availability of airport / airlines staff to provide assistance to the public and complaint handling systems? If so, what specific areas and measures should be included?

Newcastle Airport believes all of the above should form part of the service quality monitoring appropriate with the size and passenger volume / mix of the airport. Many of these examples are critical customer service areas for international and hub airports, and there should be a minimum requirement to provide these facilities in a cost effective way. As a gateway to the country, many international passengers see these services as mandatory in their travelling experience and therefore the inability to provide them, or enough of them will damage the reputation of Australia on the world stage.

Perhaps a sliding scale of facilities in-line with the number of passengers could be effective. For example, the number of international transfer buses should be proportionate to the number of passengers using the service.

Should airline-operated terminals that are not subject to the current monitoring requirements be included in quality service report? If so, what specific areas and measures could be included?

What other measures may be considered to evaluate the quality of aircraft boarding and disembarking facilities?

In response, airline operated terminals should not be treated differently to other non-airline operated terminals. If monitoring service quality is to be effective it must be consistent. Therefore, any measures should apply across the board. However, this brings into play the issue and sensitivity of low-cost terminals, where passengers are buying a specific product with the knowledge that it will be inferior in some way to other airline products offered elsewhere in the airport. The boarding and disembarking facilities are the obvious differentiator where low-cost airlines prefer to operate without air-bridges. In most cases passengers expect this – therefore their expectations are low. Low-cost terminals provide facilities and add-ons at a minimum (such as no carpeting or basic seating), although they do meet the minimum standards required. It is felt that some of the measures mentioned previously can still be applied to low-cost terminal or carrier's facilities, such as retail outlets appropriate to passenger volume to provide competition and variety. Similarly with car parking, because a low-cost terminal may be isolated from the main terminal this does not mean car parking should be less competitive. Specific low-cost terminals are not common in Australia at this stage but airports are becoming wiser to the needs of these airlines and isolating certain parts of existing infrastructure accordingly. Airports such as Newcastle Airport provide a common environment that meets the needs of all airlines customers.

3. Airside

Comments are invited on which aspects of airside facilities should be included in the monitoring regime and the measures or criteria to be used in evaluating the quality of these services.

Newcastle Airport believes any airside facilities that impact on passenger experience should be monitored. These should include the availability of air bridges, walkways (covered or uncovered), signage to the terminal, and lighting. It could also extend to ground handlers who provide the first passenger touch-point upon arrival at the airport by flight. For example, where there are no air bridges are the ground handlers using two sets of stairs to facilitate speedy disembarking?

4. Other aspects of airport services and facilities

Are there other aspects of airport services and facilities not currently being monitored that should be included in the monitoring framework?

- > retail outlets, number and variety
- > rental cars, number and availability
- > public toilets, number and standard
- > tourism information services
- > passenger seating, amount and quality
- > provision of children's facilities such as play area.

5. Airport capacity

The Government seeks comments on how to best monitor capacity constraints and their impact, and on measures to address capacity issues and options to monitor immediate capacity challenges of airport infrastructure on a timelier basis.

It is acknowledged that airports take into consideration capacity increases when preparing and reviewing its Master Plan. However, there needs to be a monitoring system in place to enable airlines and airports to enter into open and honest dialogue, particularly in the area of aircraft ordering. The delivery time of new aircraft is somewhat shorter than the building of new or upgraded infrastructure and in many cases airports have been found wanting for capacity when airlines are taking delivery of multiple aircraft. Airports are often limited by curfews, operating agreements or slot constraints as to how much additional capacity can be provided at short notice. Capacity constraints can impact on the 'on time' performance of airlines, and this can be an easy measure as to the effectiveness of an operation – of course factors outside of the operators control can influence this such as weather or airline network issues.

6. Expansion to cover more airports

Are there other airports, in addition to Brisbane, Adelaide, Perth, Melbourne and Sydney, which should be included in the quality of service monitoring regime?

What criteria may be used to determine the airports to be included in the monitoring regime?

Should the additional airports be subjected to the same level of monitoring requirements as the five airports currently being monitored?

What model of monitoring arrangement may be appropriate for the additional airports?

Considering the rapid growth of other airports outside the major five, the ACCC should consider extending its current monitoring regime. Airport's welcoming international passengers could be considered a criterion. Any airport that is fully international should be monitored. As mentioned previously, these airports are the gateway to the country and the first impression many visitors have. Therefore there should be a level of consistency in the service quality experienced at these ports. Alternatively there could be a threshold of passenger movements or aircraft movements which once met mean the airport is subject to the service quality regime. The level of measurement should be applied but in proportion to the size of the port.

Once again the issue of low-cost airlines and terminals becomes apparent. It may mean there has to be a different area of the criteria to ensure that these parts of an airport operation are not disadvantaged because their service quality is targeted at a different market and passenger expectations are different.

It may be necessary to look at the airports that facilitate more than one million passengers and categorise them into groups. For example, 1 million – 2 million, 2 million – 3 million, 3 million +, in order to measure airports on a like-for-like basis, where possible.

The role of the Australian Airports Association (www.aal.com.au) should also be considered in the expansion of the monitoring. As the forum for over 250 airports and aerodromes in Australia to discuss ongoing industry matters they could provide a valuable resource to address issues that develop from this discussion paper.

Similarly the Airports Council International (www.airports.org) has developed a successful program called Airport Service Quality (ASQ) which benchmarks global airports on customer service performance and management. Several major Australian airports successfully participate in this program and therefore it may be worth considering a similar approach to ASQ.

7. Summary

Newcastle Airport prides itself in offering a level of customer service that is second to none and in feedback from our passengers we consistently rate highly in this area.

We look forward to reviewing the outcomes from the discussion paper and are happy to participate in the future development of service quality monitoring across Australian airports.

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