



# Air service

**Mammoth Lakes Tourism**

October 4, 2017



# What's Inside the Presentation

- Economic Impacts of Air Travellers
- Summer 2017 Air Service Recap
- Winter 2017-18 Routes and Service
- Marketing Efforts Winter 2017-18 and Beyond
- 10-Year Strategic Plan

# ECONOMIC IMPACTS



Air travellers have major impact on our local economy

Based on our 2016 air service quantitative study:

Air travellers overall spend on average 31% more as compared to drive visitors

- 29% more on dining and nightlife
- 36% more on shopping
- 29% more on groceries
- DOUBLE on entertainment
- 3% more on lodging
- 4% more on outdoor activities and attractions

Individual air travellers spend more than 65% more per person as compared to drive visitors



# LOCAL BENEFIT

Roughly 20% of all air traffic are Mono County Residents

- Business trips
- Vacations
- Doctors Appointments
- Family trips

21% of air travellers are visiting friends and family vs. just 12% of the drive market

Air service provides jobs, creates access and ultimately brings revenues like property taxes that contribute to Mono County's general fund

Real Estate developers have consistently remarked that they would not consider building hotels or resorts in Mammoth Lakes and Mono County without air access

# Summer Summer 2017 Recap

	Available	Paid Seats	Load %	Cancellation Rate
2013	23,678	16,237	68.5%	7.5%
2014	23,688	15,536	65.6%	6.7%
2015	25,047	16,401	65.4%	6.3%
2016	24,776	13,681	55.2%	8.1%
2017*	24,700	14,100	57.1%	6.5%

\*Estimated as service runs through November 8, 2017





# WHAT IS AIR SUBSIDY?

## **Air Subsidy = Minimum Revenue Guarantee**

The subsidy is based solely on the estimated operating costs of flying to/from Mammoth Yosemite Airport plus a capped profit margin for the airline (20% in summer 13% in winter). Any negative difference between the actual passenger revenue generated by the airline over the life of the contract period, equals the subsidy due. Without a revenue guarantee, a county our size would not have air service as the airline would fly the plane on a more profitable route to maximize their own revenue

# Summer Subsidy & Spending

	Subsidy Paid	Visitor Spend
2013	\$854,114	\$10,050,703
2014	\$865,264	\$9,616,784
2015	\$641,192	\$10,152,219
2016	\$672,207	\$8,468,539
2017*	\$875,000	\$8,727,900

\*Estimated as service runs through November 8, 2017



# Winter 2017-18

## Routes

### Alaska Airlines

- Los Angeles Daily
- Los Angeles 4x per week
- San Diego 4 x per week

### United Airlines

- San Francisco Daily

### JetSuiteX

- Burbank 4x per week

\*4x per week Thursday, Friday, Sunday & Monday



*Alaska*  
AIRLINES®

UNITED 

JET SUITE X



# Winter 2017-18

From : 12/01/2017		Airport : Mammoth Lakes Airport ( MMH )													
To : 04/09/2018		SCHEDULED ARRIVALS													
Origin	Flight No	Date From	Date To	Dep Time	Arr Time	Sys Carrier	Op Carrier	Aircraft	Mon	Tue	Wed	Thu	Fri	Sat	Sun
LAX															
	2192	12/15/2017	1/7/2018	13:04:00	14:21:00	AS	QX	DH4	X	X	X	X	X	X	X
	2192	1/8/2018	2/4/2018	13:04:00	14:20:00	AS	QX	DH4	X			X	X		X
	2192	2/5/2018	4/16/2018	13:04:00	14:16:00	AS	QX	DH4	X			X	X		X
	2194	11/13/2017	4/17/2018	17:52:00	19:11:00	AS	QX	DH4	X	X	X	X	X	X	X
SAN															
	2248	12/15/2017	1/7/2018	09:59:00	11:28:00	AS	QX	DH4	X	X	X	X	X	X	X
	2248	1/8/2018	4/16/2018	09:59:00	11:34:00	AS	QX	DH4	X			X	X		X
SFO															
	5535	12/20/2017	4/2/2018	15:15:00	16:24:00	UA	OO	CR7	X	X	X	X	X	X	X

From : 12/01/2017		Airport : Mammoth Lakes Airport ( MMH )													
To : 04/08/2018		SCHEDULED DEPARTURES													
Destination	Flight No	Date From	Date To	Dep Time	Arr Time	Sys Carrier	Op Carrier	Aircraft	Mon	Tue	Wed	Thu	Fri	Sat	Sun
LAX															
	2193	12/15/2017	1/7/2018	12:12:00	13:37:00	AS	QX	DH4	X	X	X	X	X	X	X
	2193	1/8/2018	4/15/2018	12:12:00	13:39:00	AS	QX	DH4	X			X	X		X
	2195	11/13/2017	4/17/2018	19:49:00	21:10:00	AS	QX	DH4	X	X	X	X	X	X	X
SAN															
	2249	12/15/2017	1/8/2018	15:20:00	16:50:00	AS	QX	DH4	X	X	X	X	X	X	X
	2249	1/11/2018	3/9/2018	15:20:00	16:50:00	AS	QX	DH4	X			X	X		X
	2198	3/11/2018	4/16/2018	14:30:00	16:00:00	AS	QX	DH4	X			X	X		X
SFO															
	5536	12/20/2017	4/2/2018	17:00:00	18:15:00	UA	OO	CR7	X	X	X	X	X	X	X

BUR Sunday, Monday and Thursday arrives 4:10pm departs 4:40pm Friday arrives at 4:50pm and departs 5:20pm

# dedicated air service marketing program



## Phase 1 Strategy

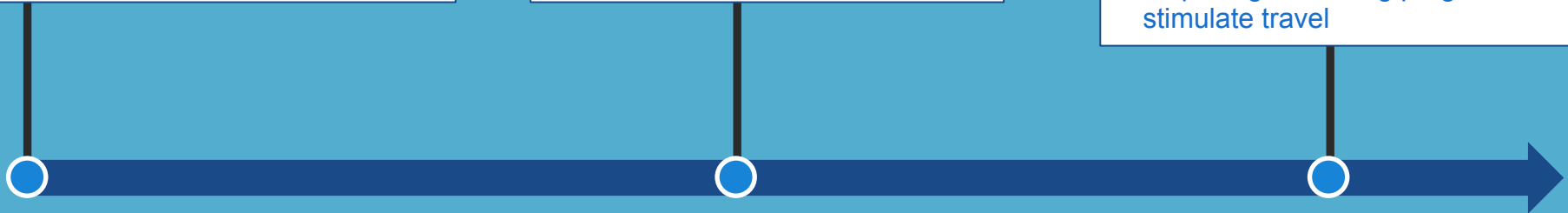
- Strategy development and budgeting
- Community/Resort outreach
- Collaborate with Air Service lead to discuss pricing/scheduling optimization

## Phase 2 Engagement

- Solicit co-operative partnerships from airlines and 'sell' airline marketing strategy
- Build local partnership and obtain air service marketing commitments

## Phase 3 Implementation and Maintenance

- Ensure all partners are engaged and all programs are executed
- Manage logistics, fare sale and promotion execution
- Work collaboratively with partners on pricing/marketing programs to stimulate travel





# 10 Year Strategic Plan

- BFO letter to stakeholders
- Four responded (Mead & Hunt, Embark, Boyd & Arkstar)
- Review Panel of Grady Dutton, Eric Clark & John Urdi
- ML Board review panel Paul Rudder & Scott McGuire
- Mead & Hunt selected and contracted

**Economic Impact**

**Aircraft Types**

**Regional Airport**

**Future Routes**

**Airline Partners**

**Pilot Shortage**

**First Draft 11/1**



Questi  
ons?