



# Air Transport Economics and Statistics

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By Gp. Capt. P. Aanand Naidu



# FUNDAMENTALS OF ECONOMICS



# Economics : Meaning and Nature

- o Definition and Concept of Economics
- o Nature of Economics
- o Nature of Economic Law
- o Micro-Economic Analysis
- o Macro-Economic Analysis



# Economies and Law of Demand

- o Demand Analysis
- o Law of Demand
- o Elasticity of Demand
- o Demand Forecasting





# Economies and Law of Supply

- o Meaning of Supply
- o Law of Supply
- o Classification of Supply
- o Supply Function
- o Elasticity of Supply



# Market Equilibrium

- o State of equilibrium in the markets
- o Demand-supply-price balance



# FUNDAMENTALS OF AIR TRANSPORT ECONOMICS



# Evolving Air Transport Industry

- o Existing Financial Condition of Air Transport Industry
- o Airline Industry Consolidation
- o Factors affecting World Air Traffic Growth





# Economic Impact of Air Transport

- o Direct and Indirect Impact
- o Induced and Total Impact
- o Economic and Social Benefit of Air Transport Operations



# International Economics and Aviation

- International Economics and Trade
- Free Trade – Positive and Negative Aspects
- The Logic of Production Possibility, Absolute Advantage, Comparative Advantage and Free Trade
- Trade Protection and Trade Barriers
- Foreign Currency and Exchange



# AIR TRANSPORT ECONOMICS: CORE PRINCIPLES





# Market Demand and Supply for Airline Services

- Overview of Demand and Supply Concepts
- Determinants of Demand for Air Transportation
- Characteristics of Demand for Air Transportation
- Supply of Airline Services
- Characteristics Of Supply For Airline Services
- Airline Supply And Demand Equilibrium





# Cost and Production Analysis in Air Transport Industry

- General Concepts of Cost and Production Analysis
- Airline Industry and Cost Structure
- Airline Economies of Scale, Scope and Density
- Airline Break-even Analysis
- Airline Operating Leverage



# Air Transport Market Structure and Monopolistic Markets

- o Perfect Competition
- o Monopoly
- o Airport Market Structures
- o Market Structure in Aviation Industry



# Aviation Forecasting and Regression Analysis

- Aviation Forecasting Applications
- Qualitative Forecasting Methods
- Quantitative Forecasting Methods
- Descriptive Statistics
- Time-Series Analysis





# AIRPORT AIRLINE ECONOMICS AND INFRASTRUCTURE





# Expenditure and Revenue Structure of Airports

- Airport Expense Profile
- Airport Revenue Profile
- Relationship between Revenue and Expense Profile
- Reasons for Variance and Useful Parameters



# Financial Management of Airports

- o Concept of Financial Management in Airports
- o Economic Performance Management



# Price Regulations and Airport Concessions

- o Price Regulations
- o Airport Concessions and Airport Economics



# Air Transport Infrastructure: Supply and Demand

- o The Nature of Air Transport Infrastructure
- o Supply of Airport and Air Navigation Services
- o Air Transport Demand





# Open Skies and Global Alliances

- o Open Skies Agreement
- o Open Skies in Europe
- o Open Skies in Asia
- o Global Airline Alliances



# Economies of Aviation Safety and Security

- Incentives for Aviation Safety
- Causes of Aviation Accidents
- The Basic Economics of Safety
- Safety Prevention



# AIRPORT ECONOMICS AND DISRUPTION

- Models of Airport Finance
- Revenue Models
- Impact of Disruption
- Need for higher support from Govt
- Shrinking growth indicators and economy



# AIRLINE ECONOMICS AND DISRUPTION

- Impact of Decline in economic activity
- Alternatives to Airtravel
- ICT and its impact on Airtravel
- Reduction in leisure and tourism





# QUESTIONS