

Airport Profile

2015

BY THE NUMBERS

Key West International Airport

Key West International (EYW) is located in Monroe County, Florida about two miles east of Key West, Florida. Scheduled flights to Key West began in 1928, before the airport became a Naval Air Station in response to the attacks on Pearl Harbor.

Key West is known worldwide for its pristine beaches, fishing and diving, and rich history. Each year tourists come from all over the world to visit Key West, making the airport a critical aspect of the city's transportation network. EYW is unique in that the majority of the destinations the airport serves are to other airports in the state of Florida. This suggests that out-of-state travelers generally lay over in another Florida airport before proceeding to their final destination.

Although EYW had a decrease in enplanements and passengers in 2015, the airport continued to serve seven domestic destinations.

358,919

Enplanements

362,101

Passengers

\$257.51

Average Fare

7

U.S. Cities Served

6

Intrastate
Destinations



Data Explanation

For this report, three key data sources were used: *Passenger Origin-Destination Survey* from the U.S. Department of Transportation, the Official Airline Guide (OAG) and Airline Reporting Corporation (ARC). In this profile, data are combined and compared in order to identify general trends about the airport, as well as offer certain analysis on the findings. A description of these data sources is presented below. Throughout the text, the data sources will be further explained, but this section provides a general overview of the data used in the development of this Airport Air Service Profile.

Air Passenger Origin and Destination (O&D) Survey

DB1B Coupon: The Airline Origin and Destination Survey (DB1B) is a 10 percent sample of airline tickets from reporting carriers collected by the Office of Airline Information of the Bureau of Transportation Statistics. Data from this source provides coupon-specific information for each domestic itinerary of the Origin and Destination Survey.

T-100 Domestic Market: This data source contains domestic market data reported by both U.S. and foreign air carriers, including carrier, origin, destination, and service class for enplaned passengers, freight and mail when both origin and destination airports are located within the boundaries of the United States and its territories.

Official Airline Guide (OAG)

OAG data were summarized as weekly averages for the reported year. All OAG data are for direct flights and represents statistically significant samples of data.

Airline Reporting Corporation (ARC)

The data provided by this source represent a statistically significant and representative sample of airline tickets purchased with a consumer form of payment through an ARC-accredited agency, including major online travel agencies (OTAs), such as Expedia, Orbitz, and Travelocity.

The data represent a 10 percent sample, an industry standard sample size, of passengers from participating agencies. Passenger volumes represented by the data can vary significantly by individual markets, depending on several factors including, but not limited to, the following: 1) the overall composition of air travelers (leisure vs. business); 2) the presence of carriers whose distribution is more heavily weighted toward the direct vs. agency channel (e.g. low cost carriers); and 3) the presence of carriers with limited participation in the ARC settlement system (e.g. Southwest Airlines).

The data used represent passengers and zip codes from where in Florida tickets were purchased. The data include purchases from Florida zip codes only. Because the data in this document represent consumer purchases of airline tickets, there is a natural bias toward leisure and unmanaged business travel behavior and may not account for all business travel. There also may be limitations due to misrepresentation of the passenger information in instances where a person from one zip code purchased a ticket for another person in a different zip code.

Airline Reporting Corporation (ARC) did not assist in the preparation of this analysis, all analyses disclosed herein were performed by Kimley-Horn and Associates, INC., the consultant to the Florida Department of Transportation, Central Aviation Office.

Key West International Airport Air Service Summary

Introduction

Key West International Airport (EYW) operates as the southernmost airport in the U.S. EYW's first flight was in 1913, but scheduled service did not begin until 1928 when Pan American Airlines began flights. EYW has one of the shorter runways in the U.S. that is used by airlines at 4,801 feet long and served over 350,000 enplanements in 2015. The smaller size of EYW makes it an ideal airport to serve shorter flights destined for major airport in Florida.

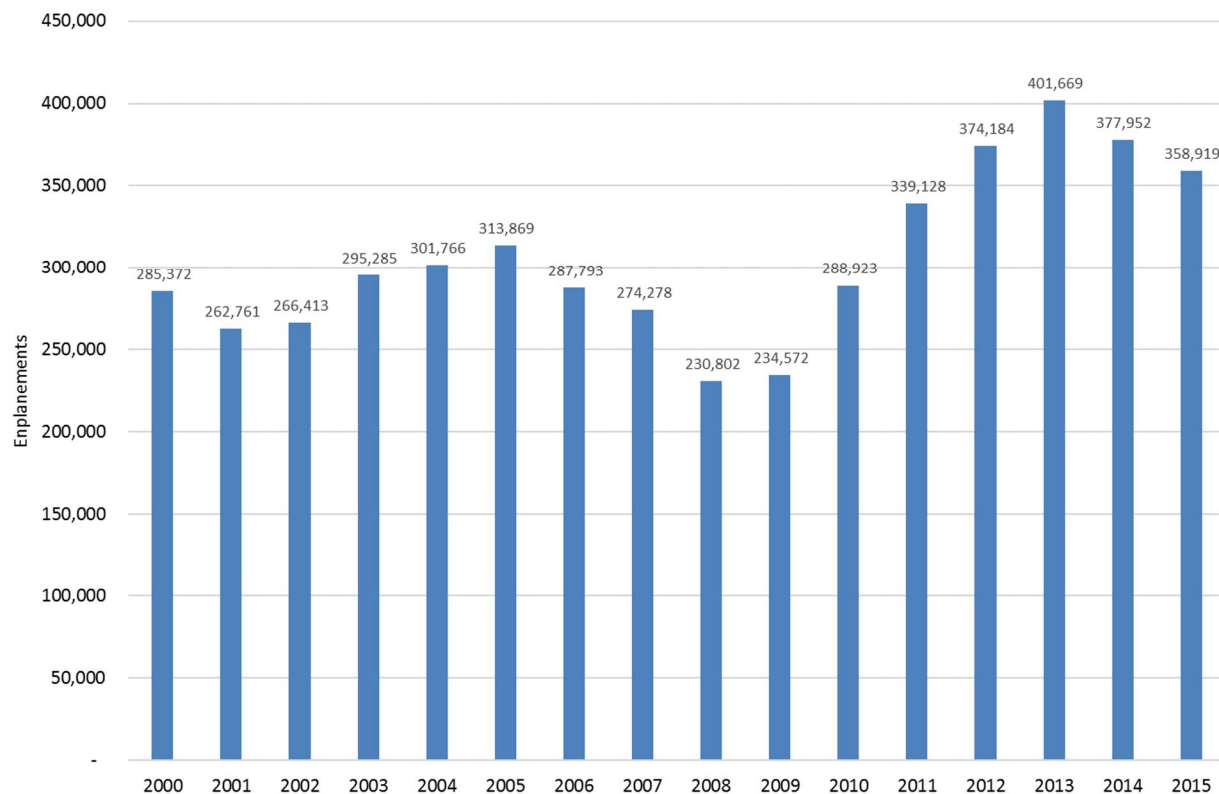
EYW is located in the Southeast Continuing Florida Aviation System Planning Process (CFASPP) region as well as FDOT District Six. Also included in this area are Miami International Airport (MIA), Ft. Lauderdale-Hollywood International Airport (FLL), and Palm Beach International Airport (PBI). This airport profile will illustrate statistical data about EYW including: annual enplanements, local population data, and many other metrics. The following statistical information will provide a description of the most recent overall performance of EYW and how that compares to previous years' performance.

More information about EYW can be found at: <http://eyw.com/>

Annual Enplanements

Figure 1 represents total annual enplanements at EYW between 2000 and 2015. This analysis shows the fluctuation in annual enplanements at EYW over the past five years. Annual enplanements in 2015 were 358,919 compared 377,952 to in 2014 and 401,669 in 2013. Between 2010 and 2013, enplanements increased each year, and between 2013 and 2015 enplanements decreased each year. These fluctuations in enplanements are further explained on the following pages.

Figure 1. Annual Enplanements¹



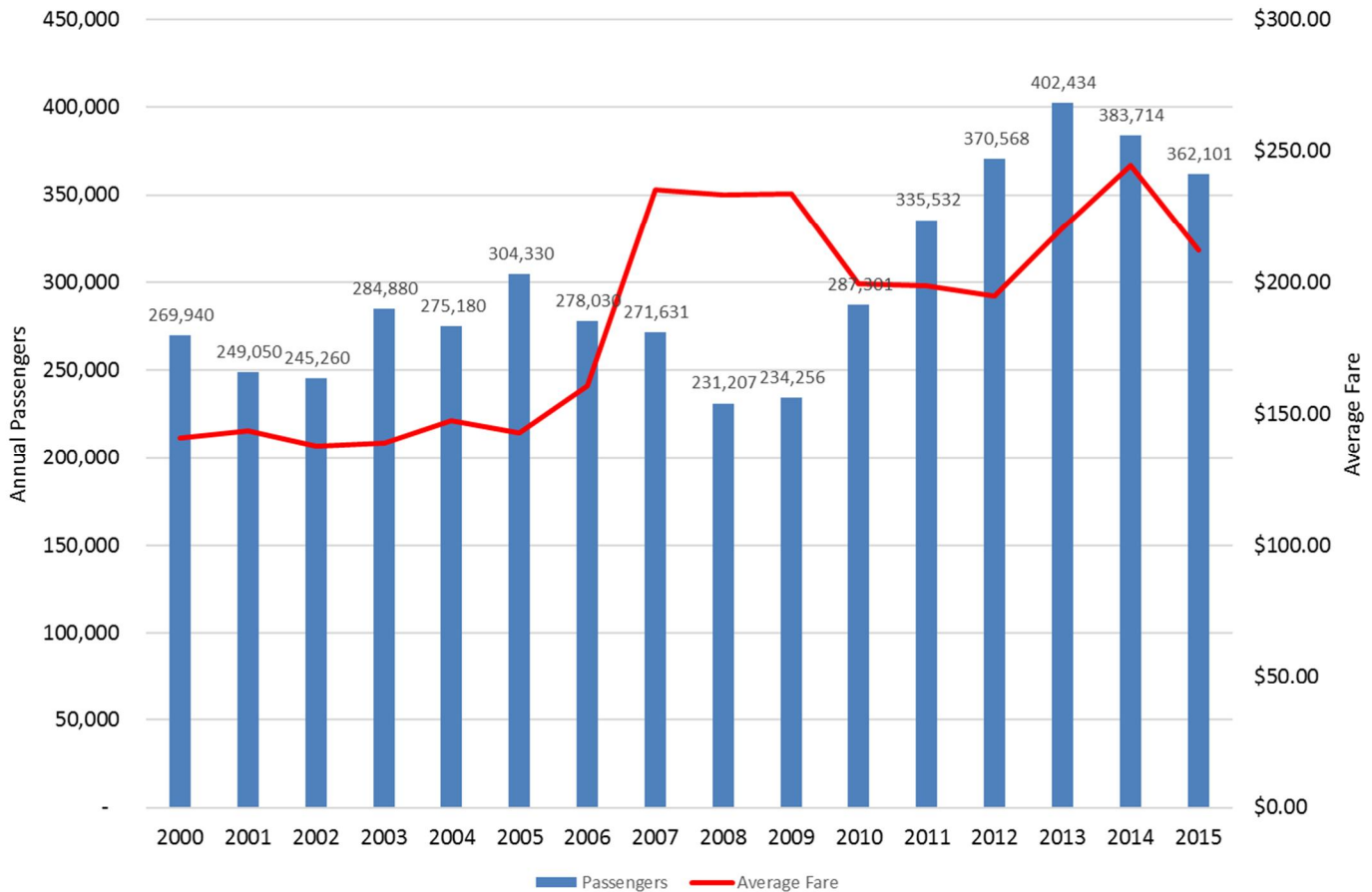
¹ Annual airport passenger traffic reports, provided by FDOT

2016 AIR SERVICE STUDY

Passengers and Fares

EYW has experienced a decline in annual enplanements over the past two years. The passenger count for 2015 was marked at 362,101 which is nearly 20,000 less passengers than 2014. Despite the decline in annual passengers, the average annual fare decreased by about \$30.00 to a price of \$212.13. **Figure 2** displays the annual passengers and annual average fare at EYW.

Figure 2. Annual Domestic Passengers and Average Fares²



² U.S. Department of Transportation (U.S. DOT) Bureau of Transportation Statistics (BTS) O&D Survey & T-100 Domestic Market All Carriers

Domestic Destination Airports

EYW served seven domestic destinations in 2015. Six of these destinations were located within the state of Florida. These six destinations included:

- Fort Lauderdale-Hollywood International Airport (FLL) – 26 average flights per week
- Miami International Airport (MIA) – 34 average flights per week
- Orlando International Airport (MCO) – 21 average flights per week
- Tampa International Airport (TPA) – 26 average flights per week
- Southwest Florida International Airport (RSW) – 7 average flights per week
- St. Petersburg-Clearwater International Airport (PIE) – 2 average flights per week

These intrastate destinations include all four of Florida's large hub airports. The additional destination served by EYW was Hartsfield-Jackson Atlanta International Airport (ATL) which received 29 average flights per week. ATL is known as being one of the busiest airports in the world as well as being the primary hub for Delta Air Lines. **Figure 3** displays EYW's domestic destinations.

Domestic Routes

Figure 4 displays EYW's top ten domestic routes. For purposes of this study, a route is the complete path taken by passengers from the starting airport (in this case EYW) to their final destination. The routes from EYW shown below had the most frequent passengers traveling on them in 2015. Seven of these routes were direct flights:

- Miami International Airport (MIA)
- Fort Lauderdale-Hollywood International Airport (FLL)
- Southwest Florida International Airport (RSW)
- Tampa International Airport (TPA)
- Orlando International Airport (MCO)
- Hartsfield-Jackson Atlanta International Airport (ATL)
- Charlotte Douglas International Airport (CLT)

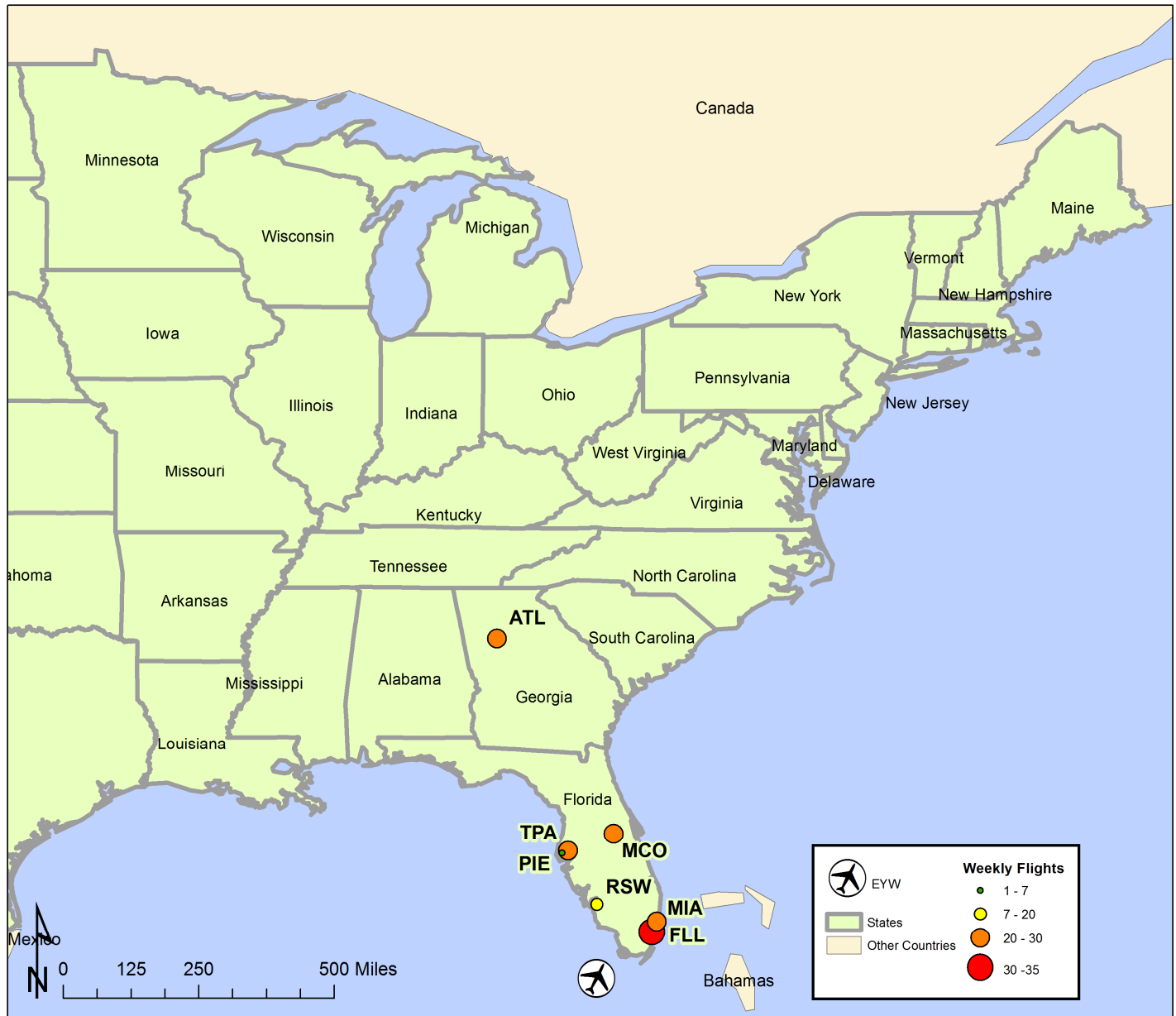
Five of the direct flight routes are to other airports in the state of Florida. The other non-direct flight routes connected through ATL and MIA to reach their final destination. The final destination of routes that connected through ATL and MIA included:

- LaGuardia Airport (LGA) - MIA
- Chicago O'Hare International Airport (ORD) - MIA
- Philadelphia International Airport (PHL) – MIA & ATL

This analysis represents the intention of the majority of passengers flying out of EYW. It should be noted that these airports are primarily in the northeast and southeast regions of the U.S. Therefore, the appropriate conclusion is that the majority of passengers who travel from EYW are bound for those regions of the U.S.

2016 AIR SERVICE STUDY

Figure 3. EYW's Domestic Destinations³



³ The Official Airline Guide (OAG)

Figure 4. Top Domestic Routes⁴



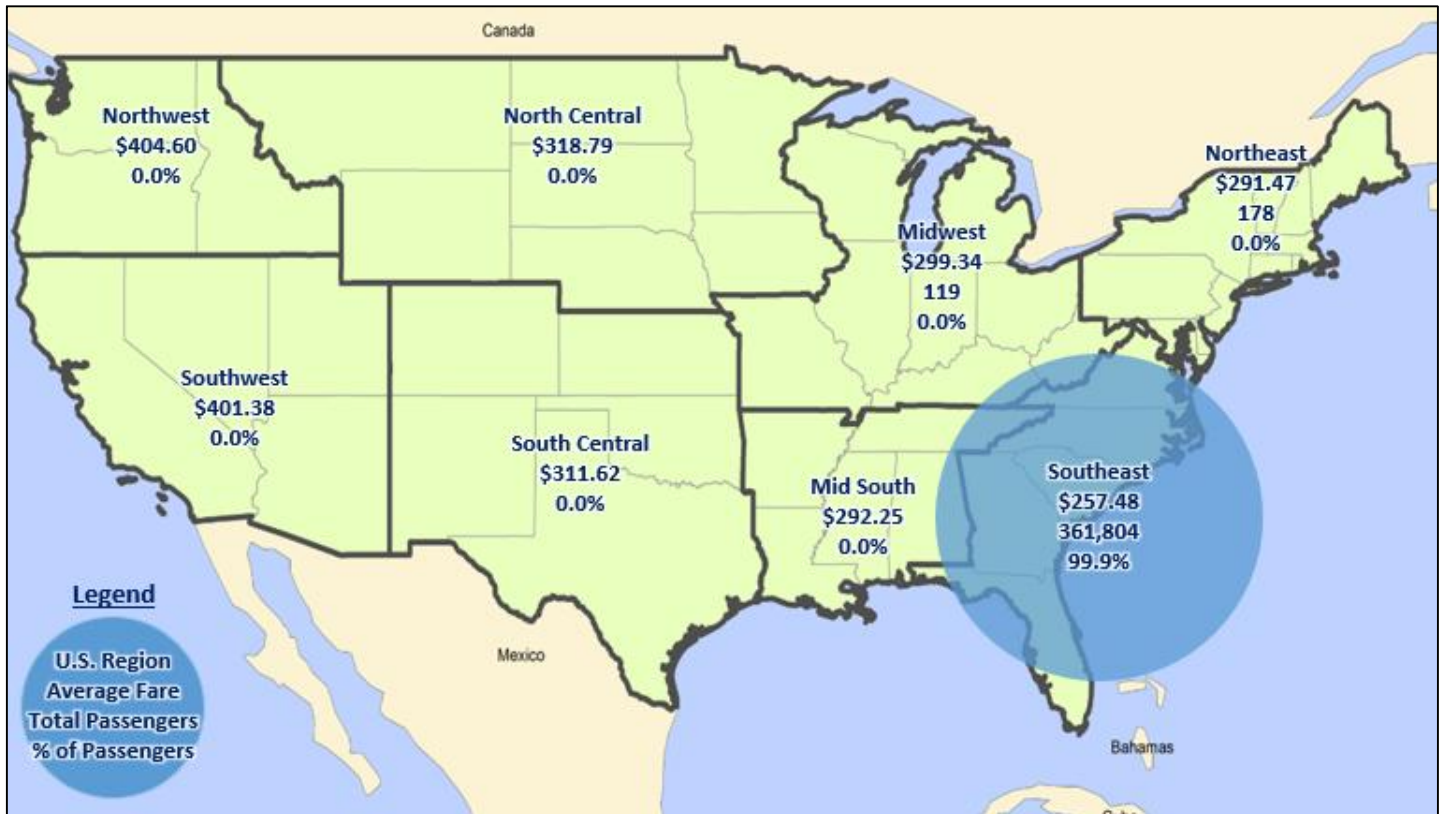
⁴ Airline Reporting Corporation (ARC)

2016 AIR SERVICE STUDY

Domestic Regional Analysis

Figure 5 displays the average fare, number of passengers, and percentage of total passengers departing EYW and bound for each of the eight regions of the United States. The data shows that 99.9 percent of passengers departing EYW were bound for destinations in the Southeast region. The Southeast region contains Hartsfield-Jackson Atlanta International Airport (ATL) which received a large number of EYW's flights in 2015. Additionally, this map incorporates Florida airports, of which EYW serves six, into the southeast region.

Figure 5. Domestic Passengers and Fares⁵

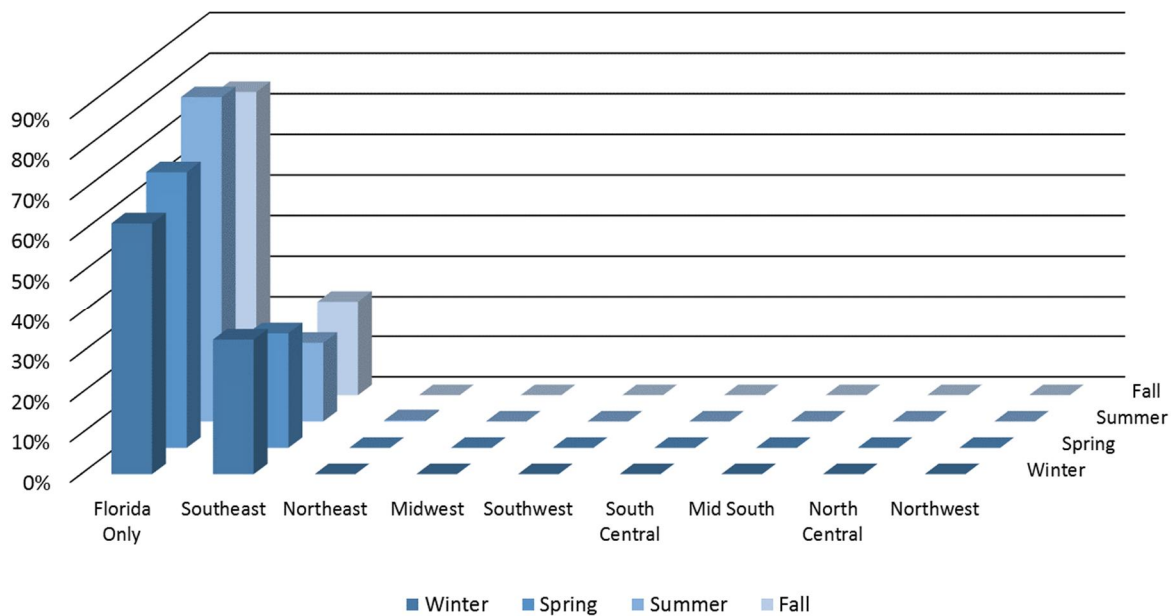


⁵ The Official Airline Guide (OAG)

Seasonal Flight Comparison

The data shown below in **Figure 6** further supports the identification of major routes to ATL and airports in Florida. For all four seasons of the year, the majority of flights, were bound for airports in Florida. In the Winter, flights to the Florida airports reduced, and flights to the southeast region (ATL) increased. This data also confirms that no flights departing EYW were bound for any other U.S. region at any point in 2015.

Figure 6. Season by Region Analysis ⁶



Average Load Factors

Average load factors represent the number of passenger miles traveled as a proportion of available seat miles. Higher average load factors represent more total passenger boardings. The average load factor at Key West International Airport was 80.23, slightly lower than the U.S. average, 82.68, for 2015. Load factor statistics were derived from the Bureau of Transportation Statistics (BTS) T-100 segment data for the years 2014 and 2015. A summary of 2014 and 2015 average load factors is shown in **Table 1**.

Table 1. Average Load Factor Analysis⁷

Year	Domestic	International	Total
Miami International			
2014	84.14	n/a	84.14
2015	80.23	n/a	80.23
All U.S. Airports			
2014	84.49	81.03	82.69
2015	84.98	80.61	82.68

⁶ The Official Airline Guide (OAG)

⁷ The Bureau of Transportation Statistics (BTS) T-100 Table Data

On-Flight Market Freight Statistics

Freight statistics represent the total number of pounds of freight, property other than mail and passenger baggage, transported by air **from** a given airport. In 2015, EYW shipped 269,314 pounds of freight, a roughly 15,000 pound decrease from 2014. A summary of 2014 and 2015 on-flight market freight statistics is shown in **Table 2**. Freight statistics were derived from the Bureau of Transportation Statistics (BTS) T-100 segment data for the years 2014 and 2015.

Table 2. EYW Freight⁸

Year	Freight (in pounds)
2014	284,359
2015	269,314

On-Flight Market Mail Statistics

Mail statistics represent the total number of pounds of U.S. and foreign mail shipped from a given airport. Key West International Airport has a minimal presence in the air mail industry. A summary of 2014 and 2015 on-flight market mail statistics is shown in **Table 3**. Mail statistics were derived from the Bureau of Transportation Statistics (BTS) T-100 segment data for the years 2014 and 2015.

Table 3. EYW Mail⁹

Year	Mail (in pounds)
2014	4
2015	1

⁸ The Bureau of Transportation Statistics (BTS) T-100 Segment Data

⁹ The Bureau of Transportation Statistics (BTS) T-100 Table Data

Market Leakage Study

Introduction

Florida has the highest number of large hub airports (4) of any state in the U.S. Florida also has many commercial service airports (20), which compete over the same potential passengers. There are many factors that play into the decision-making of passengers, ranging from cost-to-airport proximity to how direct a flight is. Because of these factors, many smaller commercial airports in Florida experience market leakage, or a loss of passengers who choose to drive further distances to airports for various reasons, such as less expensive flights or more convenient flight options. For large airports located in large metropolitan areas leakage may be a less significant factor because they still carry large numbers of passengers. Conversely for smaller airports the loss of passengers to larger airports may potentially be more significant. This analysis looks at tickets purchased in Florida zip codes to see which Florida airports may lose business due to market leakage. The market leakage study analyzes zip codes from where a ticket was purchased and subsequently which airport was departed from for that purchase. To better understand the market leakage findings, key demographic data are presented as part of the market leakage study.

Metropolitan Statistical Area (MSA)

Key West International Airport is the only commercial service airport in Florida that is not a part of an MSA. Because of this, analysis for the airport will be presented only at the county level. For this analysis, identifying populations, employment, and other factors is important to understand the area.

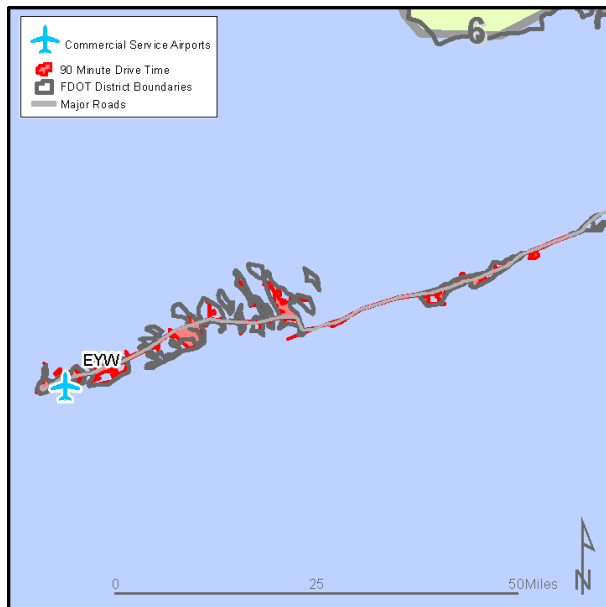
Drive Time and Population Analysis

Figure 7 displays the area around EYW that can access the airport with a 90-minute or less drive time. Further, **Table 4** displays the population of that area in

Table 4. Population Within 90 Minutes¹⁰

Population Trends	
2010 Total Population	48,612
2016 Total Population	51,237
2021 Total Population	54,145
2040 Total Population	66,782
2016-2021 Annual Rate of Change	1.11%
2016-2040 Percent Change	30%

Figure 7. 90 Minute Drive Time Area¹¹



2010 and 2016 as well as a projected population of the area for 2021 and 2040. The projected annual rate of change, or growth rate, between 2016 and 2021 of the population in that area is 1.11 percent. With this growth rate, this area is expected to have a 30 percent growth in population by the year 2040. Therefore, by the year 2040, it is anticipated that 66,782 people will have a 90 minute or less drive time from their homes to EYW.

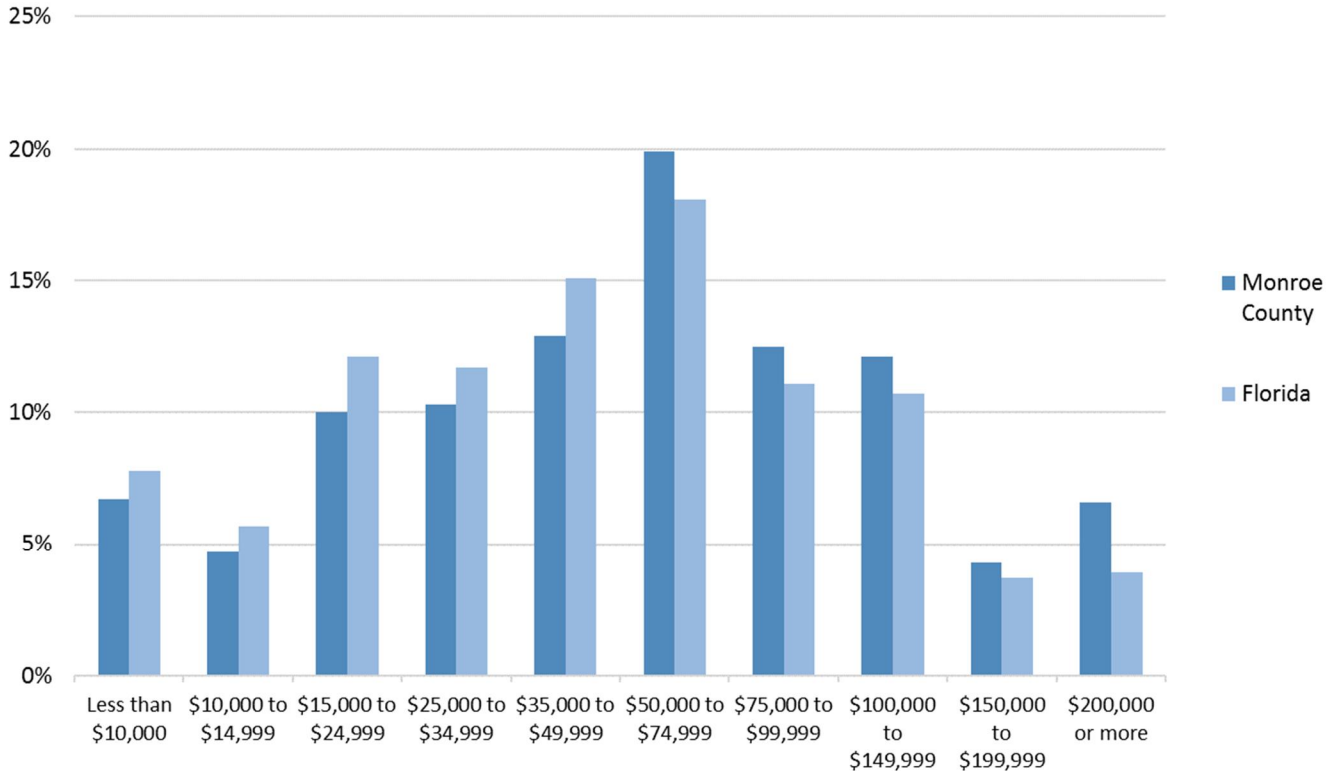
¹⁰ U.S. Census Bureau, Census 2010 Summary – ESRI Housing Profile

¹¹ U.S. Census Bureau, Census 2010 Summary – ESRI Housing Profile

Income Levels

Income levels for Monroe County are extremely high when compared to other counties in the state. The income in an area may impact the demand for air travel in an area. In an area that has a comparatively high number of upper income households, more people may be willing to pay more in order to travel a shorter distance to the airport. Conversely, in lower income areas, people may be likely to drive a greater distance for air travel in order to capture reduced fares. A summary of income data for Monroe County is shown below in **Figure 8**.

Figure 8. MSA and Florida Income Comparison¹²



Employment

The type of employment that is located in an area may also have an effect on airline travel. For areas that have a large number of companies that participate in professional and financial services, demand for local air travel will likely increase because they may be less concerned about the cost of flights and more concerned about ease of access to the airport. In most cases, differences will exist between the county and the state averages, but these discrepancies are generally not large enough to impact commercial air service demand. Monroe County shows large differences from the state average for employment by industry group. In the leisure and hospitality field, Monroe County more than doubles the state average. In the educational industry, the county falls well below the state average. **Figure 9** below shows the breakdown of employment by industry.

¹² U.S. Census American Fact Finder

2016 AIR SERVICE STUDY

Figure 9. Employment by Industry¹³

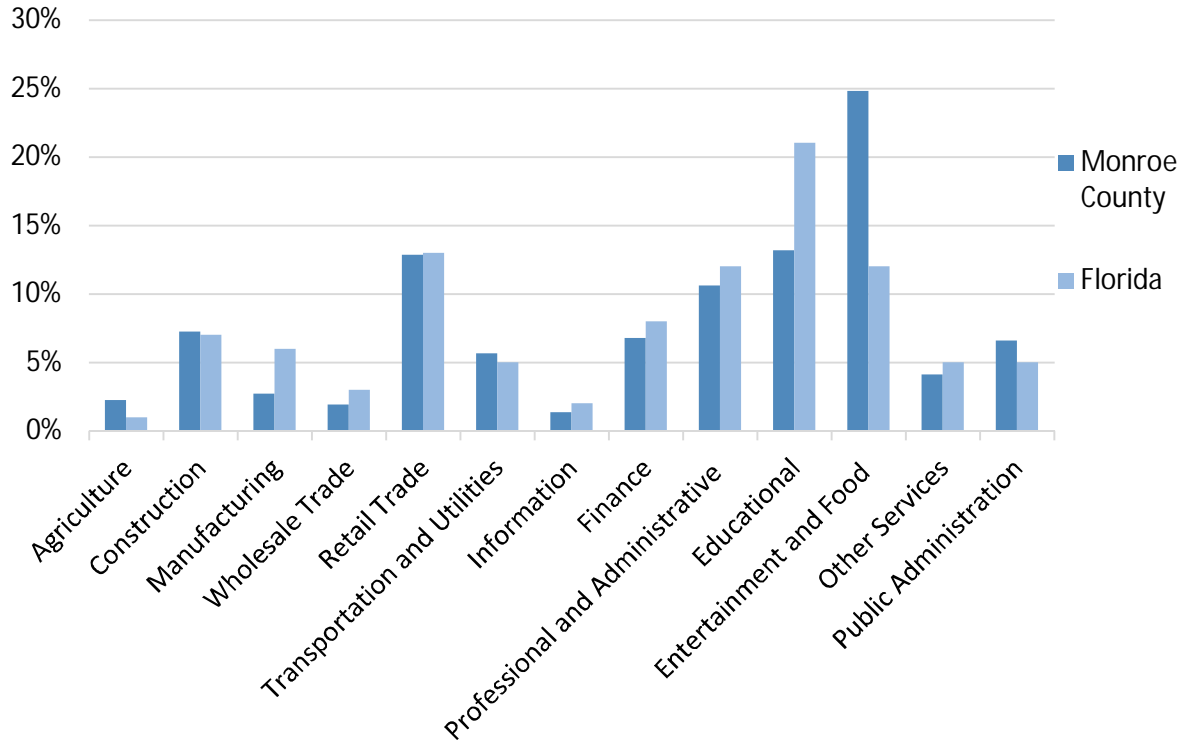
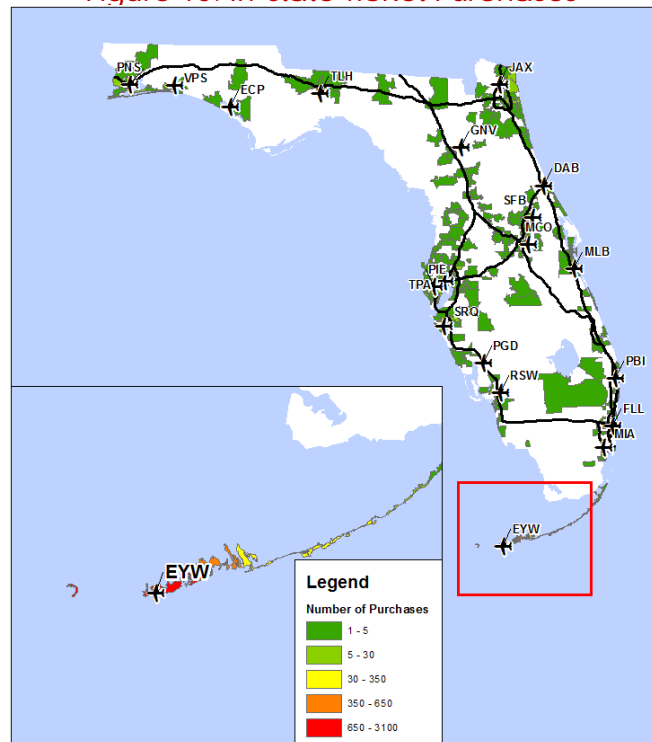


Figure 10. In-state Ticket Purchases¹⁴

Market Leakage

Figure 10 displays the zip codes in Florida where tickets for flights departing from EYW were purchased. This graphic shows the purchases of tickets primarily in the area surrounding EYW. However, tickets have been purchased for EYW flights from all over the state of Florida. Some areas with noticeable aggregations of ticket purchases include Jacksonville and Tampa. The majority of tickets purchased for EYW flights were purchased from out of state locations. In fact, only 34 percent of ticket purchases were from in-state locations. The other 66 percent of ticket purchases were from other states including:

- New York – 6%
- Pennsylvania – 6%
- Ohio – 4%



¹³ U.S. Census American Fact Finder

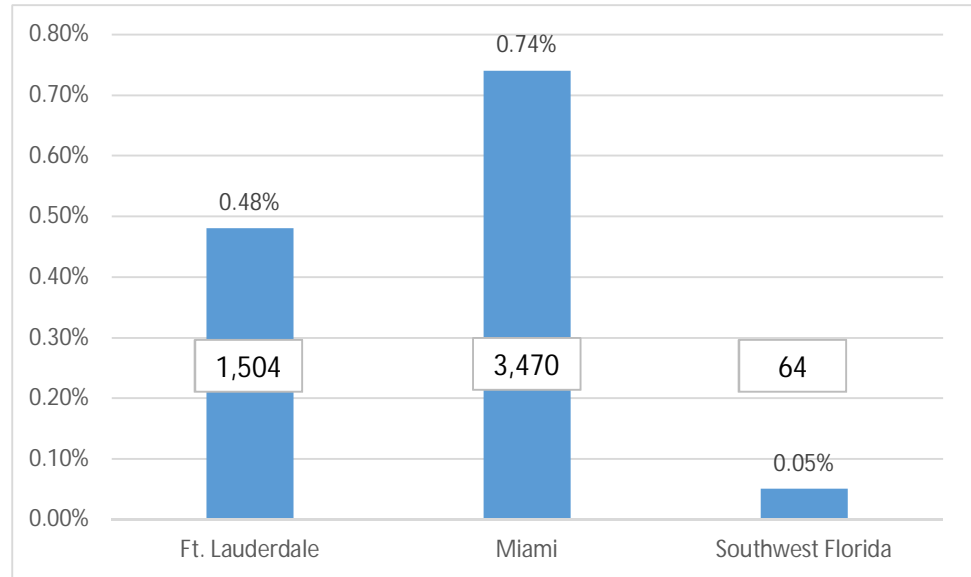
¹⁴ Airline Reporting Corporation (ARC)

2016 AIR SERVICE STUDY

Additionally, the market leakage analysis identified that Key West International Airport loses a fair number of passengers from within Monroe County to surrounding commercial service airports. The analysis found that 0.74 percent of passengers leaving Miami International Airport and 0.48 percent of passengers leaving Ft. Lauderdale-Hollywood International Airport were from Monroe County. While this may seem like a relatively small

percentage, the fact that both Miami International Airport and Ft. Lauderdale International Airport enplane over 10 million passengers means that they are taking a large number of passengers that could potentially depart from Key West International. While this may likely be due to the less expensive fares and more direct service offered at Miami International and Ft. Lauderdale-Hollywood International, additional market research would need to be completed to identify the true effects of this leakage. **Figure 11** illustrates three of the top airports that receive leaked passengers from the Key West International Airport market area. The values that are presented represent the number and percent of passengers who purchased their ticket from a Monroe County zip code but flew out of an alternative airport. Data presented is a 10 percent sample from all months of 2015.

Figure 11. In-state Ticket Purchases¹⁵
(Represented as a Percentage of the Departing Airports Total Enplanement Volumes in 2015)



¹⁵ Airline Reporting Corporation (ARC)