

# Airport Profile

## Northwest Florida Beaches International Airport

Northwest Florida Beaches International (ECP) is located in Bay County, Florida about 18 miles northwest of Panama City, Florida. This airport was the first airport constructed in the country after the September 11 terrorist attacks.

ECP's proximity to Panama City Beach, a major tourism destination, promotes travel for the airport. ECP's easy access to Southern Alabama also opens possibilities for other states to utilize the airport.

ECP had its highest number of annual enplanements in 2015, with a large increase from 2014. This is likely a result of adding service to six additional domestic destinations in 2015.

# 2015

## BY THE NUMBERS

442,534  
Enplanements

428,696  
Passengers

\$233.43  
Average Fare

11  
U.S. Cities Served

3  
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.

## Northwest Florida Beaches International Airport Air Service Summary

### Introduction

Northwest Florida Beaches International Airport (ECP) is an airport relocation from the Panama City-Bay County International Airport (PFN) that has been open and serving commercial flights since May 2010. Northwest Florida Beaches International Airport has a 10,000 foot runway that handled 442,534 enplanements in 2015. In comparison to PFN, ECP has had a large quantity of annual enplanements.

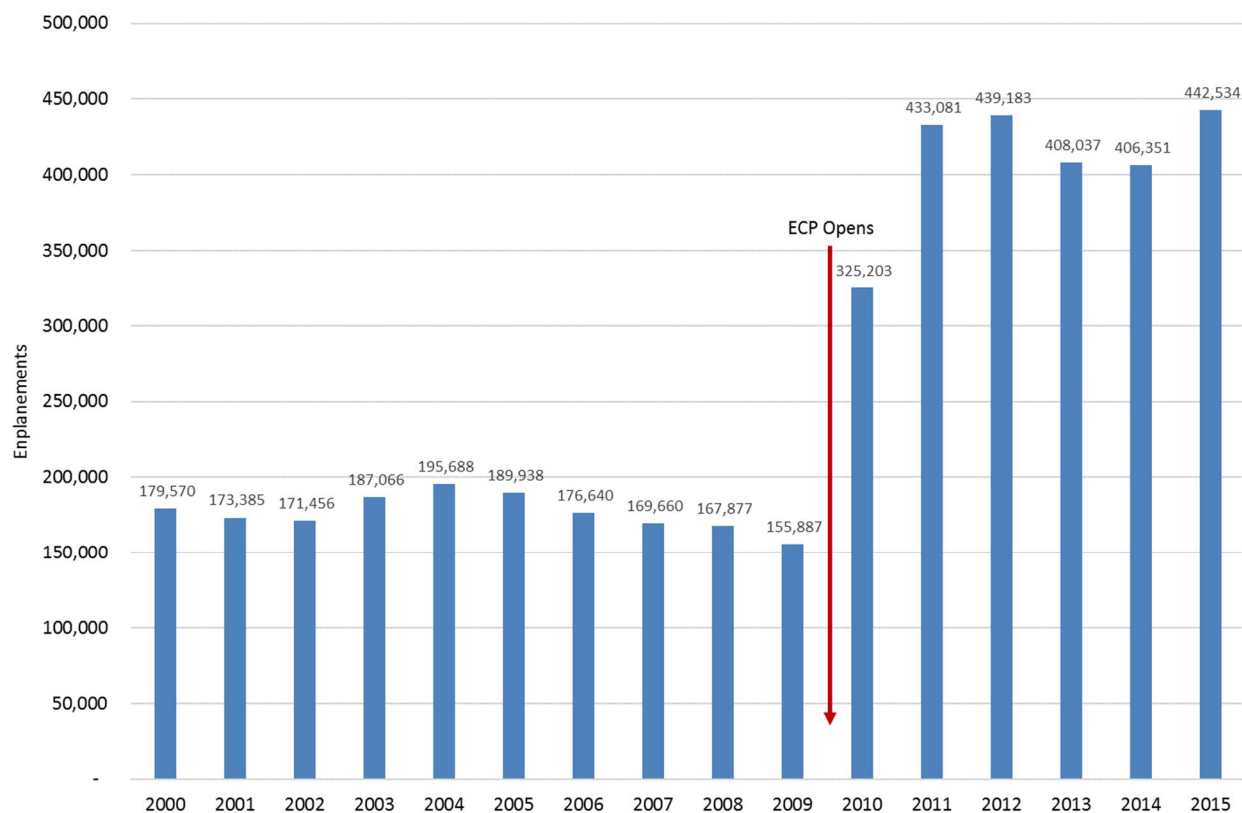
ECP is located in the Northwest Continuing Florida Aviation System Planning Process (CFASPP) region as well as FDOT District Three. Also included in this region and district are Northwest Florida Regional Airport (VPS), Tallahassee Regional Airport (TLH), and Pensacola International Airport (PNS). This airport profile will provide statistical data about ECP 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 ECP and how that compares to previous years' performance.

**Figure 1** shows a drastic increase in enplanements in 2010 when ECP commenced its service. Therefore, we can assume this major change came as a result of the opening of ECP and closure of PFN. Between 2011 and 2015, enplanements at ECP have remained relatively constant between 400,000 and 450,000. The 2011-2015 enplanements represent more than a twofold increase from those of 2000-2009.

More information about ECP can be found at: <http://www.iflybeaches.com/>

### Enplanements

Figure 1. Annual Enplanements<sup>1</sup>



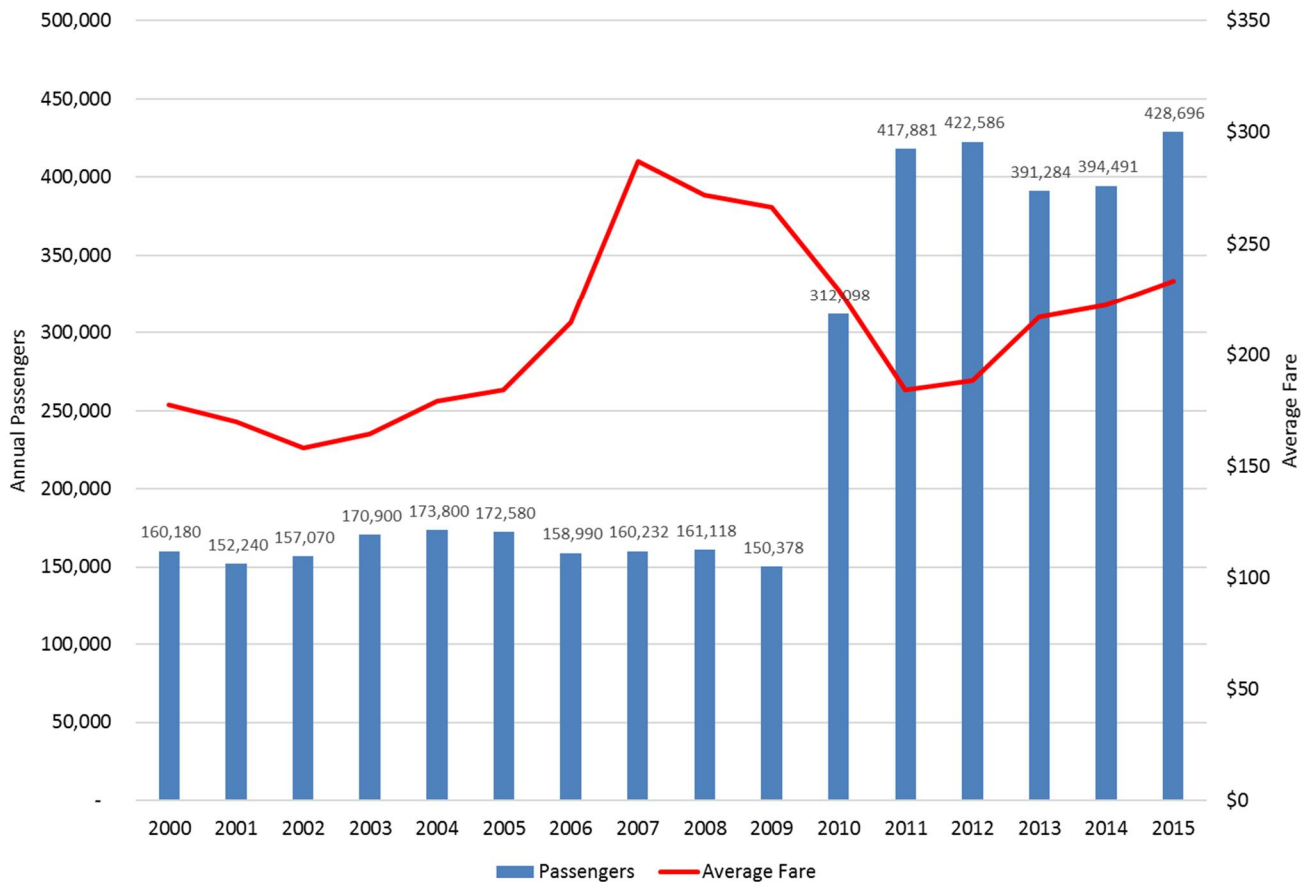
<sup>1</sup> Annual airport passenger traffic reports, provided by FDOT

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### Passengers and Fares

ECP has seen a steady growth in annual passengers over the past five years. In fact, 2015 marked a record high in annual passengers at 428,696. This is roughly a 30,000 passenger increase from the passenger count in 2014. However, a more notable increase is seen from the period of 2000-2009 when the annual passenger count generally stayed around 150,000. The average fare at ECP has also increased in recent years, reaching \$233 in 2015. This is a \$10 increase from 2014 although still below the average fare between 2007 and 2009. **Figure 2** displays the annual passengers and annual average fare at ECP.

Figure 2. Annual Domestic Passengers and Average Fares<sup>2</sup>



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

### Destination Airports

ECP served 11 destinations throughout the U.S. in 2015. Two of these destinations were located within the state of Florida. Additionally, three destinations were in the state of Texas. The majority of weekly flights departing ECP were bound for Hartsfield-Jackson Atlanta international Airport (ATL), the busiest airport in the U.S. and the primary hub for Delta Air Lines. **Figure 3** displays ECP's domestic destinations.

### Domestic Routes

**Figure 4** displays ECP'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 ECP) to their final destination. The routes from ECP shown below had the most frequent passengers traveling on them in 2015. Four of these routes were direct flights:

- George Bush Intercontinental Airport (IAH)
- Tampa International Airport (TPA)
- Orlando International Airport (MCO)
- Hartsfield-Jackson Atlanta International Airport (ATL)

Two of the direct flight routes are to other airports in the state of Florida. The other non-direct flight routes connected through ATL to reach their final destination.

The final destination of routes that connected through ATL included:

- Pittsburgh International Airport (PIT)
- Baltimore-Washington International Airport (BWI)
- LaGuardia Airport (LGA)
- Lambert-St. Louis International Airport (STL)
- Chicago O'Hare International Airport (ORD)
- Philadelphia International Airport (PHL)

This analysis represents the intention of the majority of passengers flying out of ECP. It should be noted that each of these airports are in the Northeast region of the U.S. Therefore, the appropriate conclusion is that the majority of passengers who travel from ECP are bound for the Northeast region of the U.S.

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Figure 3. DAB's Domestic Destinations<sup>3</sup>



<sup>3</sup> The Official Airline Guide (OAG)

Figure 4. ECP's Domestic Destinations<sup>4</sup>



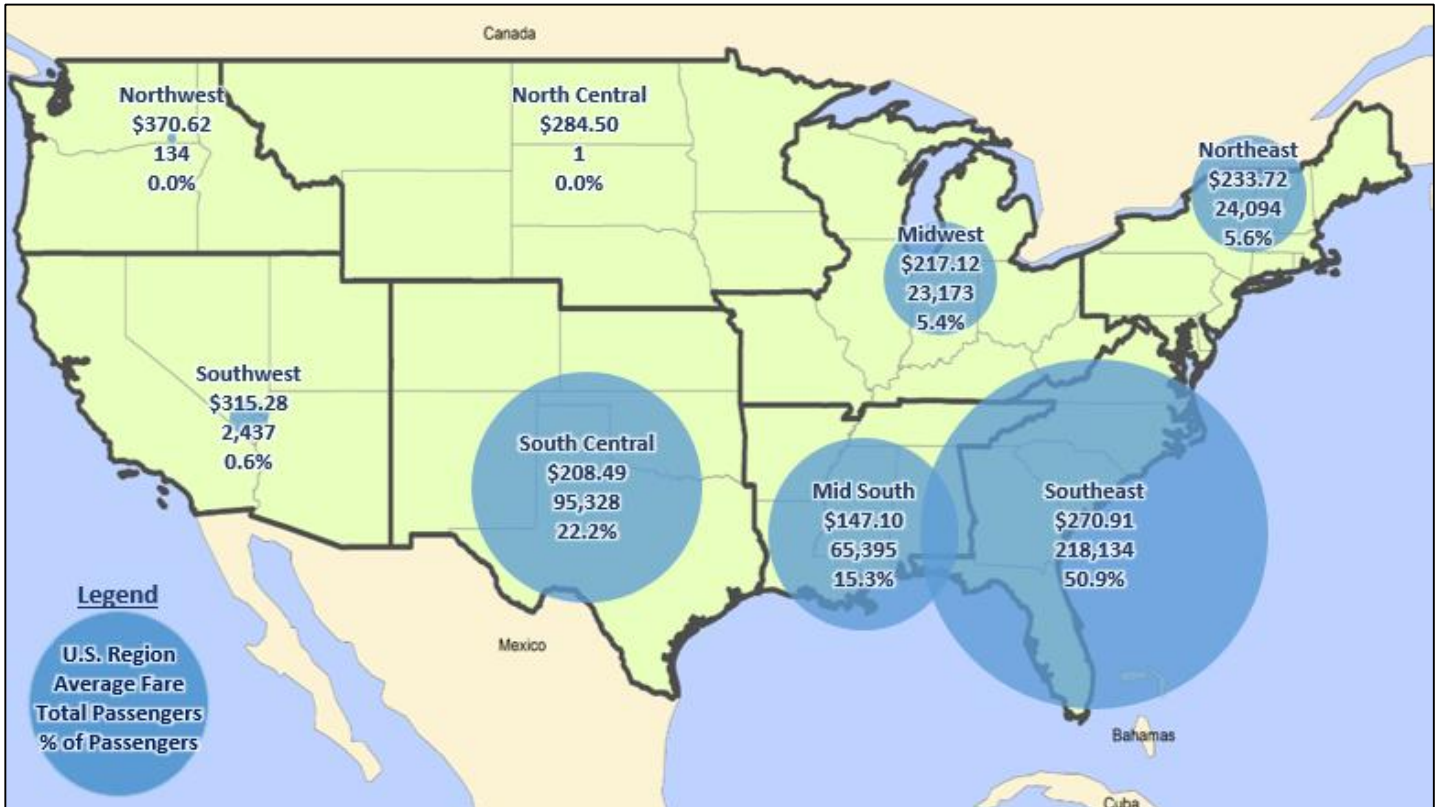
<sup>4</sup> Airline Reporting Corporation (ARC)



## Domestic Regional Analysis

**Figure 5** displays the average fare, number of passengers, and percentage of total passengers departing ECP and bound for each of the eight regions of the United States. The data shows that 51.3 percent of passengers departing ECP were bound for destinations in the Southeast region. The Southeast region contains Hartsfield-Jackson Atlanta International Airport (ATL) which received the majority of ECP's flights in 2015. ATL is known for being one of the world's busiest airports as well as the primary hub for Delta Air Lines. The south central region received the second most passengers from ECP in 2015 at 17 percent. This can be primarily attributed to ECP's service to three airports located in the state of Texas.

Figure 5. Domestic Passengers and Fares<sup>5</sup>



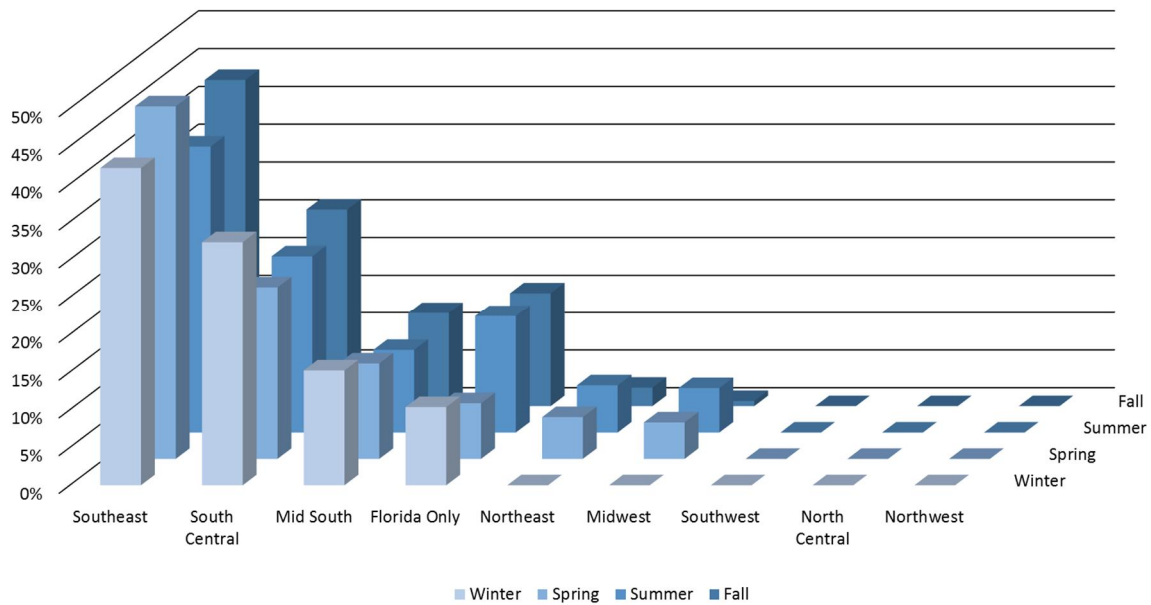
<sup>5</sup> The Official Airline Guide (OAG)



## Seasonal Flight Comparison

The data shown below in **Figure 6** further supports the identification of major routes to ATL and airports in Texas. For all four seasons of the year, the majority of flights, were bound for the Southeast region of the U.S where ATL is located. In the Summer, flights to the southeast region reduced, and flights to airports in Florida, the northeast region, and the Midwest region increased. The south central region, where Texas is located, experiences an increase in flights from ECP in the Winter and Fall seasons. This data also confirms that no flights departing ECP are bound for the southwest, north central, or northwest regions at any point in the year.

Figure 6. Season by Region Analysis<sup>6</sup>



<sup>6</sup> The Official Airline Guide (OAG)

### 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 Northwest Florida Beaches International Airport was 75.66, 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 Analysis<sup>7</sup>**

Year	Domestic	International	Total
Miami International			
2014	77.14	n/a	77.14
2015	75.66	n/a	75.66
All U.S. Airports			
2014	84.49	81.03	82.69
2015	84.98	80.61	82.68

<sup>7</sup> The Bureau of Transportation Statistics (BTS) T-100 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, ECP shipped 28,081 pounds of freight, a roughly 7,000 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. ECP Freight<sup>8</sup>

Year	Freight (in pounds)
2014	35,506
2015	28,081

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<sup>8</sup> The Bureau of Transportation Statistics (BTS) T-100 Segment 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.

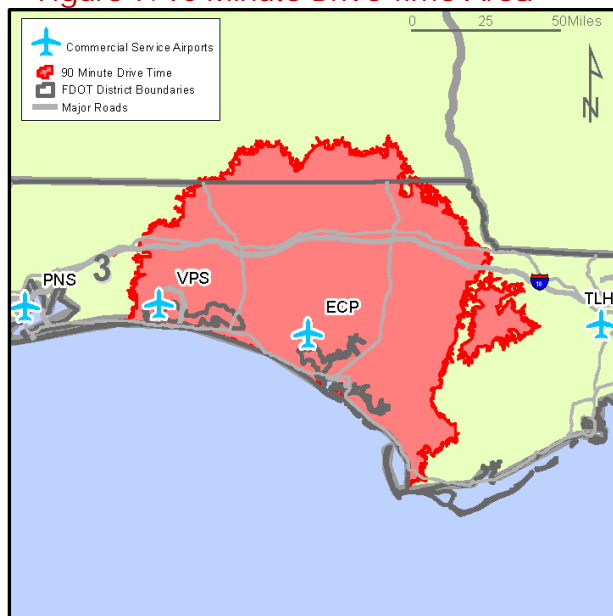
### Metropolitan Statistical Area (MSA)

According to the U.S. Census, an MSA is “a geographic entity based on the concept of a core area with a large population nucleus, plus adjacent communities having a higher degree of economic and social integration with that core.” Per this definition, looking at populations, employment, and other important factors at the level of an MSA, should prove beneficial in better understanding the area. ECP is the only commercial service airport in the Panama City-Lynn Haven-Panama City Beach MSA. This MSA is small in size when compared to other MSAs with commercial service airports.

### Drive Time and Population Analysis

**Figure 7** displays the area around ECP that can access the airport with a 90-minute or less

**Figure 7. 90 Minute Drive Time Area<sup>10</sup>**



**Table 3. Population Within 90 Minutes<sup>9</sup>**

Population Trends	
2010 Total Population	524,024
2016 Total Population	552,532
2021 Total Population	584,514
2040 Total Population	723,865
2016-2021 Annual Rate of Change	1.13%
2016-2040 Percent Change	31%

drive time. Further, **Table 3** displays the population of that area in 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 1.13 percent. With this growth rate, this area is expected to have a 31 percent growth in population by the year 2040. Therefore, by the year 2040, it is anticipated that 723,865 people will have a 90 minute or less drive time from their homes to ECP.

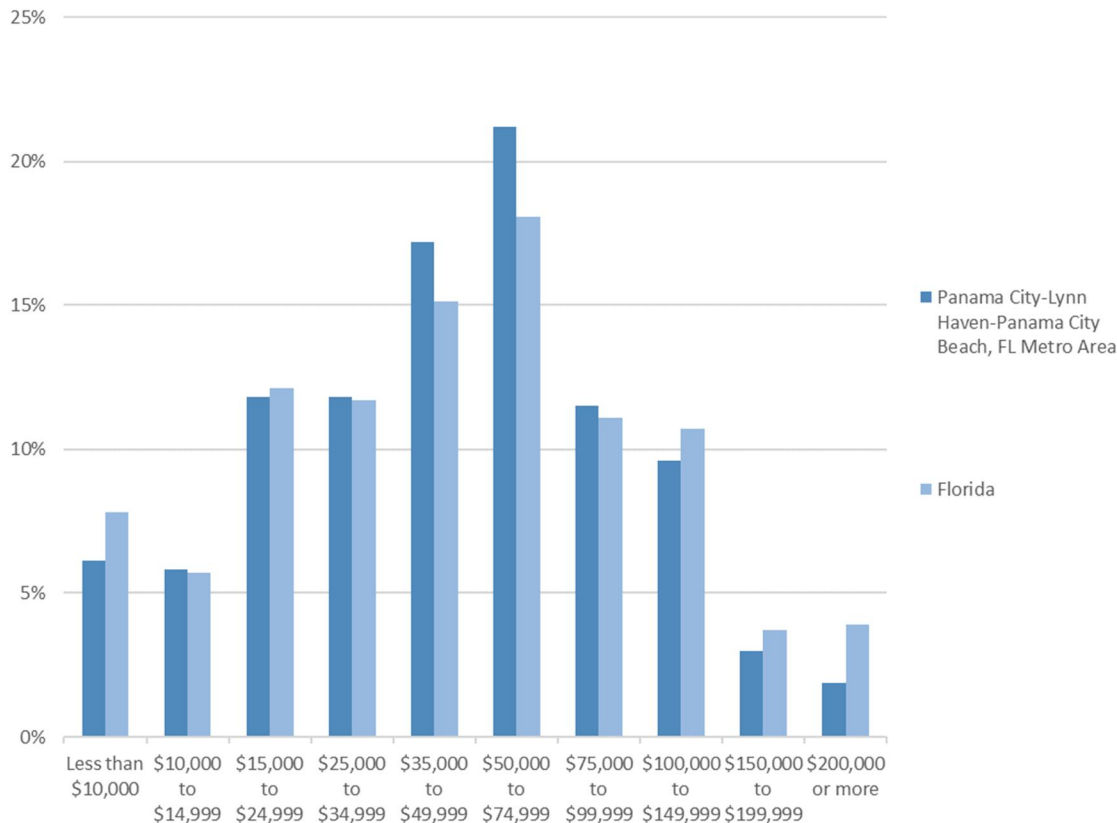
<sup>9</sup> U.S. Census Bureau, Census 2010 Summary – ESRI Housing Profile

<sup>10</sup> U.S. Census Bureau, Census 2010 Summary – ESRI Housing Profile

## Income Levels

The income distribution in the Panama City-Lynn Haven-Panama City Beach MSA follows normal trends when compared to other MSA's in the state. The income in an area may impact the demand for air travel in an area. In an area that has a relatively high number of upper income households, more people may be willing to pay more in order to travel a shorter distance to the airport. In lower income areas, people may be likely to drive a greater distance for air travel in order to capture reduced fares. Many other factors affect airports other than income, and in an area that has multiple large hub commercial airports within a relatively close proximity, there may be a multitude of reasons that a household may choose to use a given airport. A summary of income data for the MSA are in **Figure 8** below. Income data for the MSA and State was derived from the US Census American Fact Finder.

Figure 8. MSA and Florida Income Comparison<sup>11</sup>

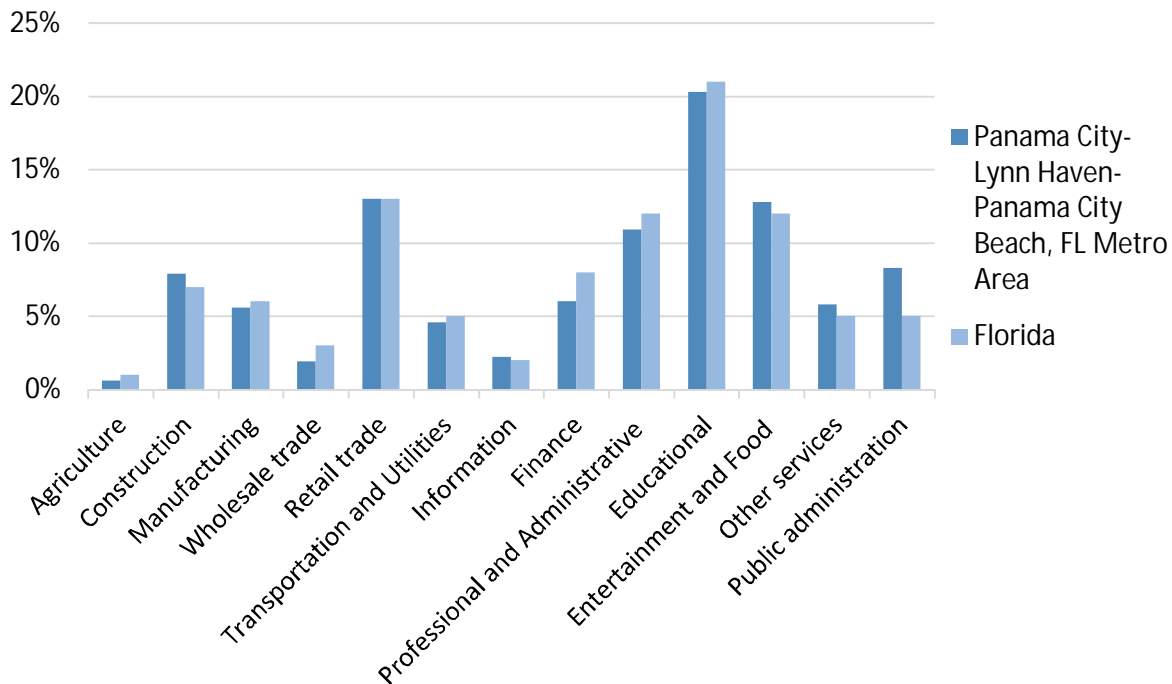


## Employment

The primary types of employment located in an area may influence air 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 are 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. The Panama City-Lynn Haven-Panama City Beach MSA has a relatively consistent relationship with Florida's employment by industry percentages. A summary of employment by industry can be seen in **Figure 9**.

<sup>11</sup> U.S. Census American Fact Finder

Figure 9. Employment by Industry<sup>12</sup>



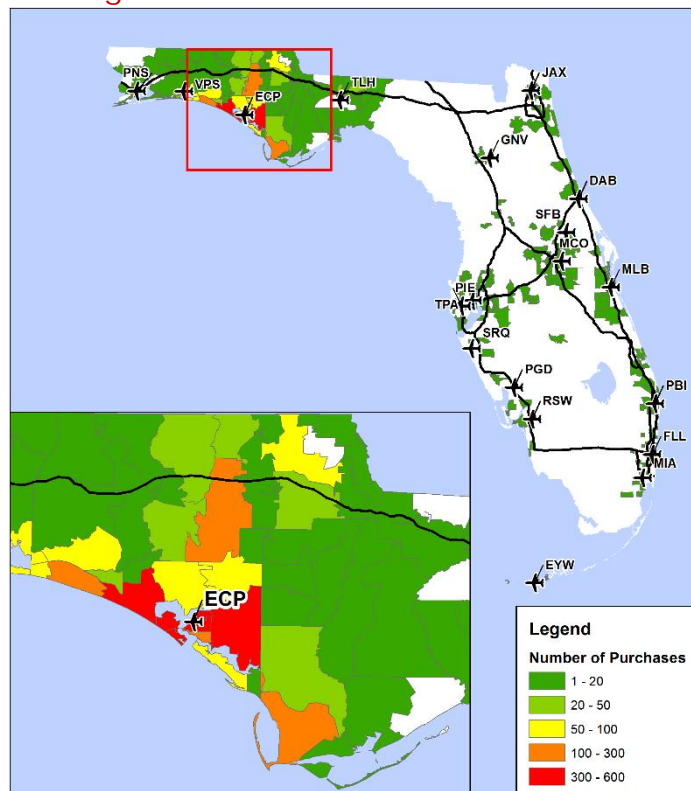
## Leakage

**Figure 10** displays the zip codes in Florida where tickets for flights departing from ECP were purchased. This graphic shows the purchases of tickets primarily in the area surrounding ECP. However, tickets have been purchased for ECP flights from all over the state of Florida. Some areas with noticeable aggregations of ticket purchases include Jacksonville, Orlando, and Melbourne. The majority of tickets purchased for ECP flights were purchased from out of state locations. In fact, only 49 percent of ticket purchases were from in-state locations. The other 51 percent of ticket purchases were from other states including:

- Alabama – 5%
- Texas – 4%
- California – 3%

The market leakage analysis shows that a relatively small number of passengers are leaked from the primary Northwest Florida Beaches International Airport market to

Figure 10. In-state Ticket Purchases<sup>13</sup>



<sup>12</sup> U.S. Census American Fact Finder

<sup>13</sup> Airline Reporting Corporation (ARC)

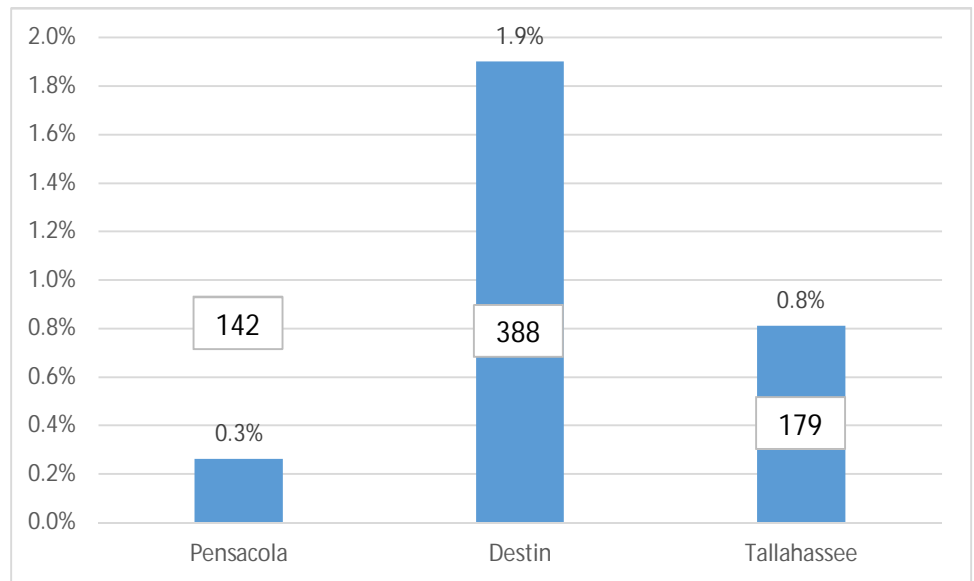


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other airports in the panhandle of Florida. Of passengers departing Destin-Ft. Walton Beach Airport, 1.9 percent (388) were from Bay County. Of passengers departing Pensacola International Airport, 0.3 percent (142) were from Bay County while 0.8 percent (179) departing from Tallahassee were from Bay County. **Figure 11** illustrates the top three Florida airports that received leaked passengers from Northwest Florida Beaches

International market. The values that are presented represent the number and percent of passengers who purchased their ticket from a Bay County zip code but flew out of an alternative airport. Data presented are from a 10 percent sample from all months of 2015.

**Figure 11. In-state Ticket Purchases<sup>14</sup>**  
(Represented as a Percentage of the Departing Airports Total Enplanement Volumes in 2015)



<sup>14</sup> Airline Reporting Corporation (ARC)