

LANDSIDE PLANNING BY THE NUMBERS

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There are many user groups that compete for space next to an airport terminal building. Long term public parkers, short term public parkers, rental cars, employees and commercial vehicles (i.e., taxis, shuttle buses, and limos) all want the most convenient space. Limited space requires that choices be made as to which user group is given convenient access, and which group should be relegated to more remote locations.

One method is to establish priorities based on the number of patrons served and the revenue contribution of each user group. The Jackson Municipal Airport Authority used this analytical approach in developing a landside plan for the Jackson International Airport.

The Airport has approximately 700,000 annual originating enplanements. Parking for the public is provided in a 1,000 space, two level parking structure adjacent to the terminal building and a 500 space surface lot in back of the parking structure. Rental car ready and return car parking is located in a surface lot east of the parking structure with service areas and vehicle storage in remote locations. The following table describes the space requirements and the revenue contribution of the primary user groups.

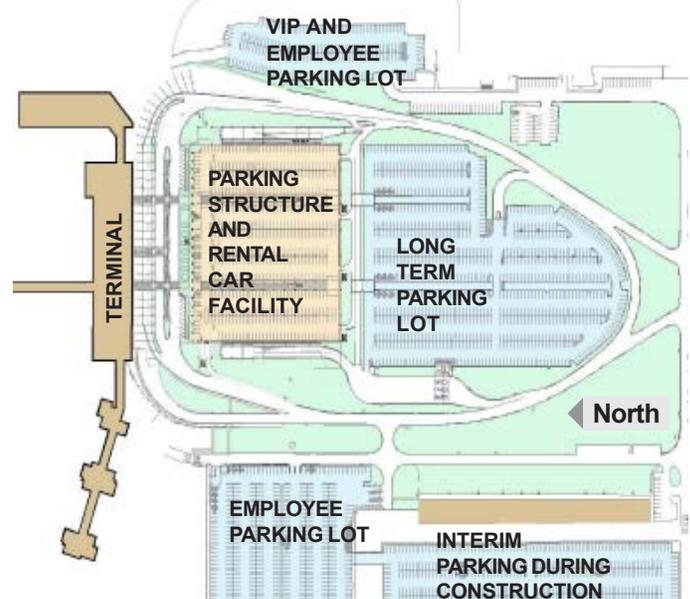
Customer Service and Revenue

In order to free up more space near the terminal building, the Airport was considering relocating the rental car ready and return area further away from the terminal. Numerous options were evaluated including the development of a remote consolidated rental car facility. Customer service

and economics were the primary criteria in determining the most appropriate alternative. On a “per space” basis rental cars were second to short term parker in terms of the number of customers served per space and were highest in terms of revenue contribution per space. This analysis helped guide the Airport’s decision making process.

	Transactions	Spaces	Revenue
Short Term Parkers	299,520	300	\$1,198,080
Long Term Parkers	116,480	1,200	\$3,101,920
Rental Cars	132,716	400	\$1,931,000

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It was decided to expand the parking structure vertically with rental car ready and return cars relocated to the lower level of the parking structure directly across from the baggage claim area. Not only does this location provide a high level of customer service but it is also less expensive than a remote consolidated facility.

Lessons Learned

While the Jackson International Airport is a relatively small airport, the revenue generation and utilization characteristics are typical of what is found at most Airports throughout the United States. Rental car revenue compared to the ready and return car space requirements are often higher than short term or long term parking. However, when space near the terminal is at a premium, rental car facilities are often the first to be moved to less convenient and remote locations. This decision is influenced by the following factors.

1. A public policy preference favoring “local” public parkers over “out of town” rental car customers and,
2. Rental car industry compensation to the airport that is not site specific. The majority of revenue that airports receive from the rental car industry comes in the form of a concession fee, typically 10% of gross revenue.

Airports receive the same revenue from rental car companies no matter where they are located.

Remote consolidated rental car facilities are a good solution for airports faced with traffic congestion and air quality concerns. However some airports, particularly leisure oriented airports, are sticking with the more traditional approach of locating rental car ready and return cars adjacent to the terminal building.

The Tampa International Airport, long considered a model for customer service, recently expanded their rental car facilities next to the terminal building. The new mid terminal building in Fort Myers will have space for 2,500 rental cars directly across from baggage claim. This new facility includes “quick turn around” facilities for each agency and is one third of the cost of a comparable remote consolidated facility. ■

ANNUAL TRANSACTIONS PER SPACE



ANNUAL REVENUE PER SPACE

