

The Decentralization of the Hungarian Air Transport Market and the Growth of Regional Airports

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Agenda

The impact of Malév bankruptcy

Hungarian airports

The Market Position of Debrecen and Sármellék International Airport

- Location and Availability
- Traffic, Appearance of Airlines

Further Development Opportunities of Debrecen and Sármellék Airport

Conclusions Related to the Development of Regional Airports

The impact of Malév bankruptcy

Long-haul flights were terminated literally immediately.

Low-cost airlines have covered 90% of Malév's destination network.

Full-service airlines such as KLM, Air France or British Airways increased/raised their prices significantly, by as much as 50 to 70 percent.



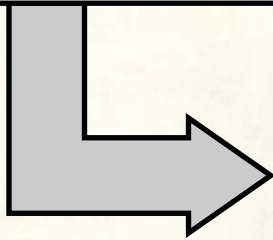
What effects has all this had on inbound tourism?

The number of tourists arriving for **short-term leisure purposes** has increased considerably.

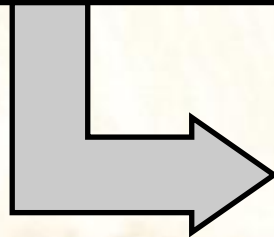
Conference tourism and the number of **business travellers** coming to Hungary have decreased radically, which shows in hotel reservation figures as well.

Also, **inbound tourism from non-EU countries** like Turkey, Israel, Russia or the Ukraine has decreased greatly.

Even though **the amount of inbound tourism** has remained approximately the same as before the Malév stoppage,



Most of those arriving are **less willing to spend.**



As a result, **the total income of tourism has fallen** significantly.

Hungarian airports

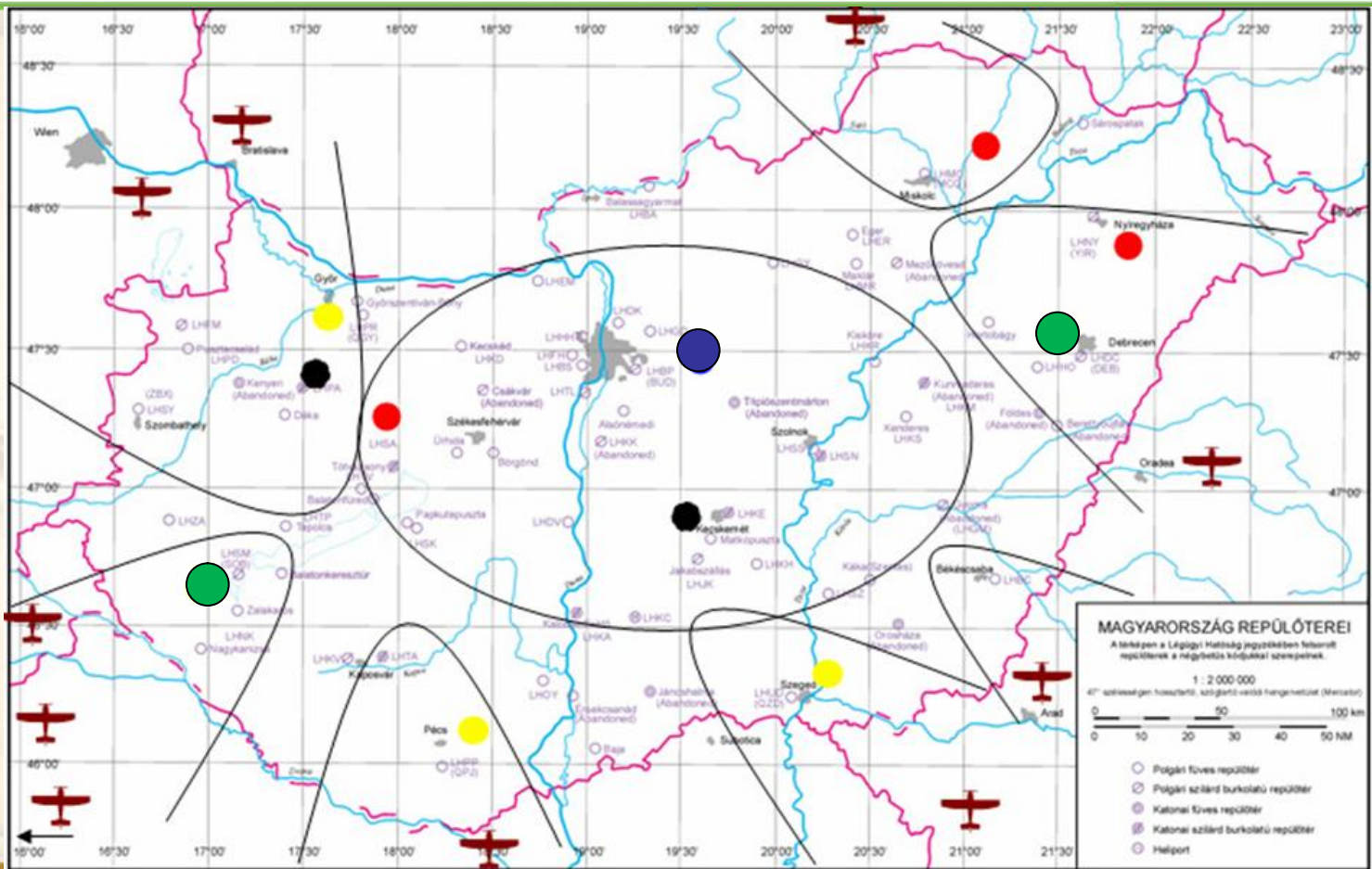


The number of landing sites are more than 70 in Hungary, but

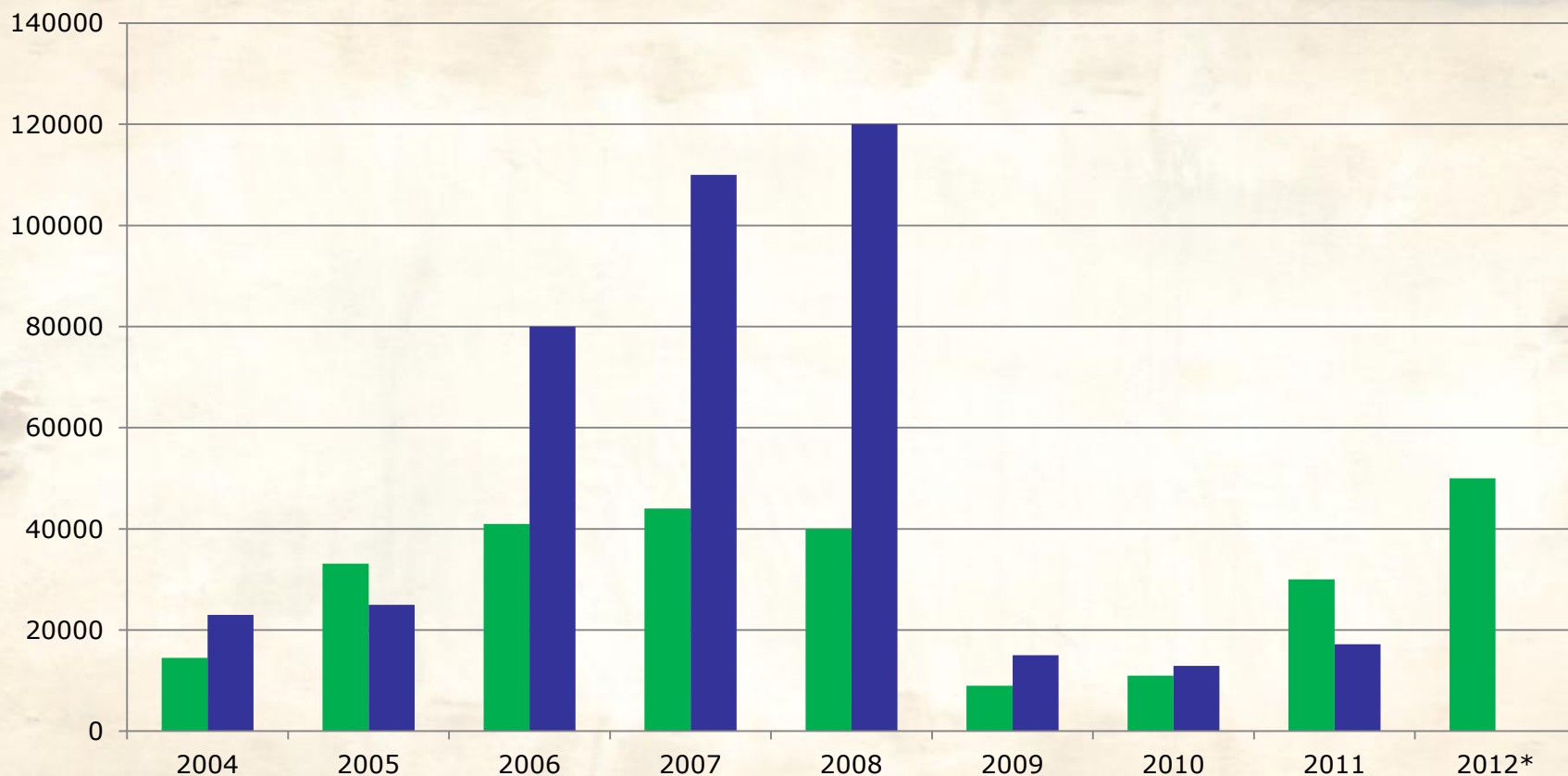
only **three airports have public airport status** and permanent border opening rights:

- Budapest Liszt Ferenc International Airport
- Debrecen Airport
- Sármellék Airport

Hungarian Airports and the surrounding area



Passanger traffic of Debrecen and Sármellék Airport



The Market Position of Debrecen and Sármellék International Airport



Location and Availability



Traffic, Appearance of Airlines



Conclusion



The Market Position of Debrecen International Airport

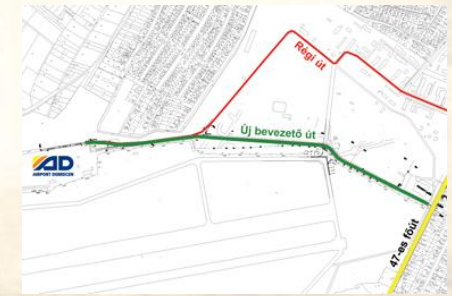
Location and Availability



In Eastern Hungary	<ul style="list-style-type: none"> • The most important airport • The largest traffic
Location	<ul style="list-style-type: none"> • M35 motorway • 5 km from Debrecen
2001	<ul style="list-style-type: none"> • comprehensive development began
2002	<ul style="list-style-type: none"> • public, commercial and opened for international traffic
2004	<ul style="list-style-type: none"> • international air border crossing point
2007	<ul style="list-style-type: none"> • Debrecen - 4,7 billion HUF



Cross border regional opportunities



The Market Position of Debrecen International Airport

Traffic, Appearance of Airlines



- Second largest vehicular traffic airport
 - The largest **charter** traffic
 - **Private** flights traffic
 - Business travellers and sportsmen
 - **Scheduled** flights
 - 2012, Wizzair

Antalya (Tailwind, Travel Service Hungary)
Berlin-Tegel (Germania)
Burgasz (Bulgarian Air Charter)
Drezda/Lipcse (Germania)
Hurgada (Air Arabia)
Monastir (Nouvelair)
Eindhoven (Wizz Air)
London-Luton (Wizz Air)
Milánó-Malpensa (Wizz Air)
Moszkva-Domododovo (Tatarstan Airlines)



Location and Availability



Traffic, Appearance of Airlines



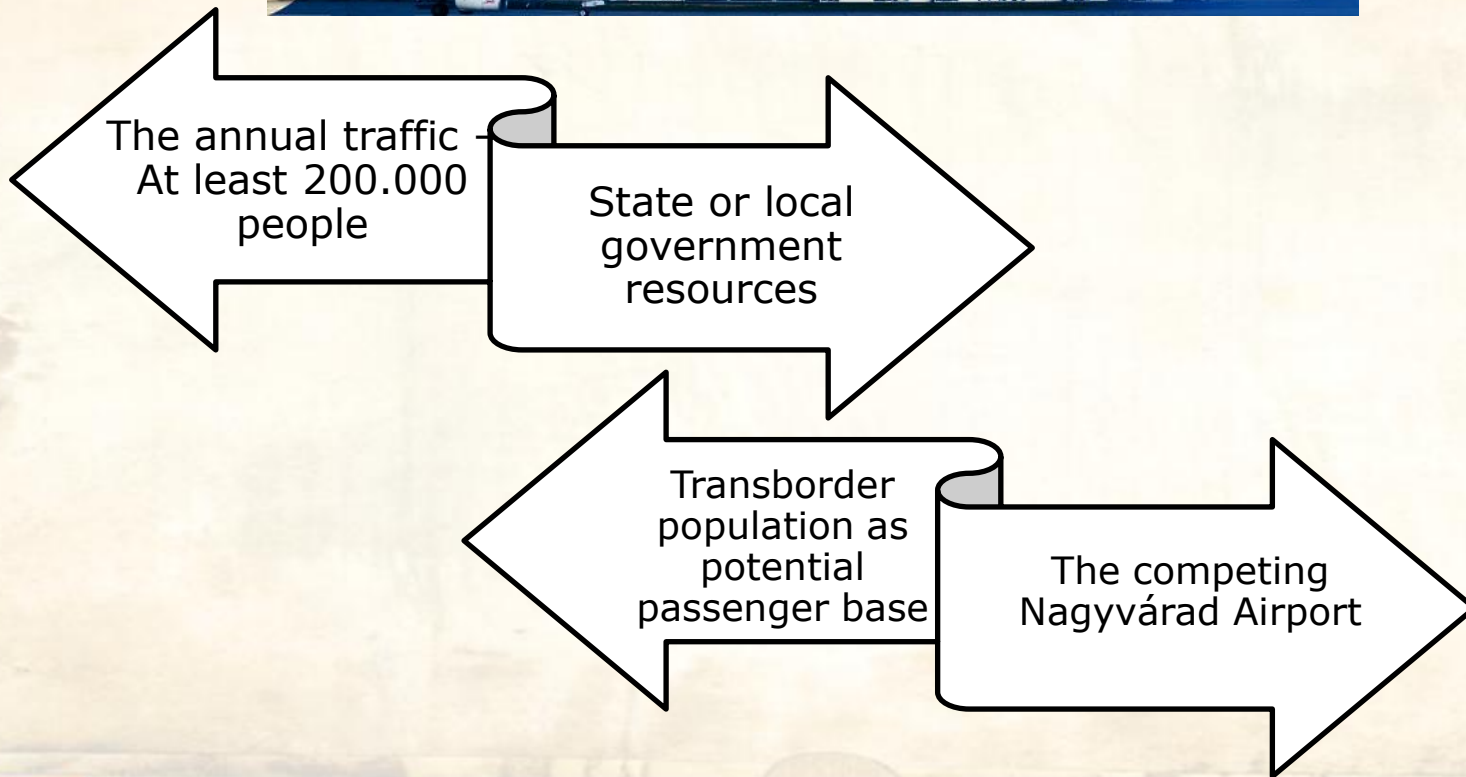
Conclusion



The projects are supported by the European Union.

The Market Position of Debrecen International Airport

Conclusion



*Location and
Availability*



*Traffic,
Appearance
of Airlines*



Conclusion



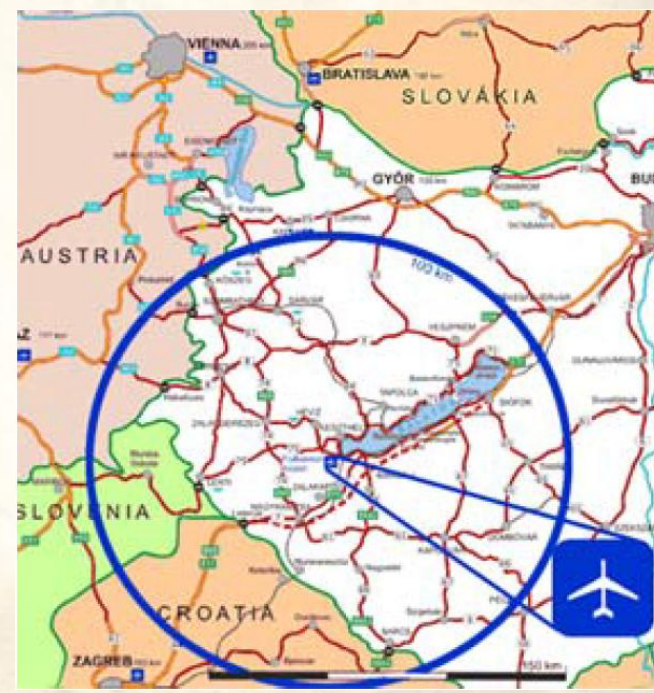
The projects are supported by the European Union.

The Market Position of Sármellék International Airport

Location and Availability



In Transdanubia	<ul style="list-style-type: none"> • The most important airport • the largest traffic
Tourism:	<ul style="list-style-type: none"> • 200.000 passengers travel by plane from the region • 1,5 million people live in the catchment area • Croatian and Slovenian tourists
Location	<ul style="list-style-type: none"> • Lake Balaton • M7 highway
2004	<ul style="list-style-type: none"> • 300 + 65 million support
2005	<ul style="list-style-type: none"> • Fly Balaton Airport
2012	<ul style="list-style-type: none"> • Hévíz-Balaton Airport



The Market Position of Sármellék International Airport

Traffic, Appearance of Airlines



2006

- Ryanair, Six airlines, 80.000 passengers, German and English speaking nations

2006 – 2008

- Seasonal travel decreased,
- indoor spas, thermal hotels in Zala

2008

- Economic crisis, Ryanair stopped its flights

2010

- Only 20.000 people, German speech area

2011

- Flights from Moscow – increased by 25%



*Location and
Availability*



*Traffic,
Appearance
of Airlines*



Conclusion

The Market Position of Sármellék International Airport


Conclusion



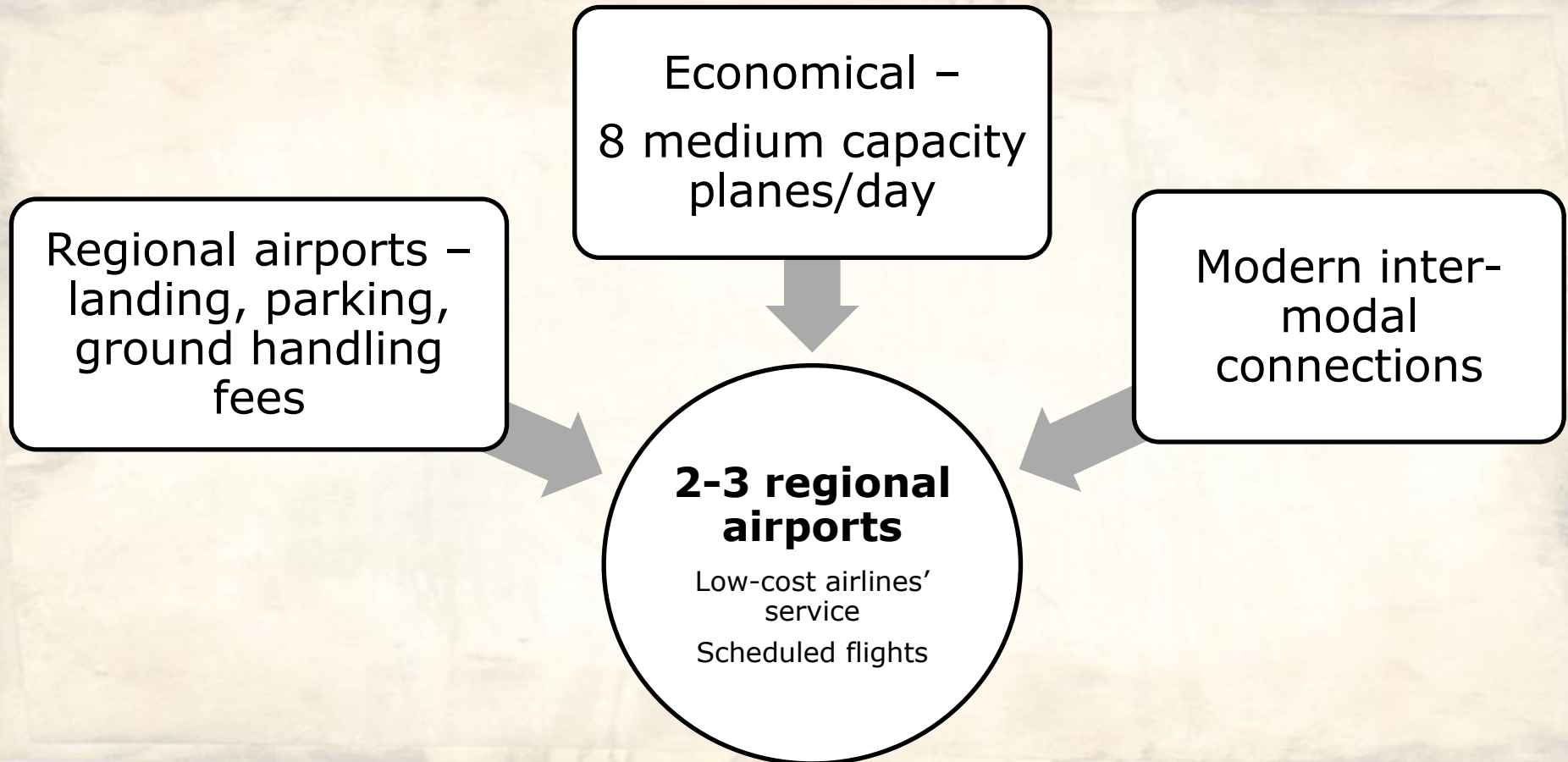
- Inbound tourism – At least 200.000 people
- Appropriate transport - Improvement of availability
- Boost the tourism in the Western Transdanubia
- All stakeholders – hotels, tourist services



SWOT

	S	W	O	T
Debrecen 	<ul style="list-style-type: none"> • Support of local government • Tourism 	<ul style="list-style-type: none"> • Prestige investments 	<ul style="list-style-type: none"> • Scheduled flights • Dent-tourism • Science • Higher education • Hajdúszoboszló 	<ul style="list-style-type: none"> • Development of Nyíregyháza • Nagyvárad Airport
Sármellék 	<ul style="list-style-type: none"> • Support of local government • Tourism <ul style="list-style-type: none"> • <i>Balaton</i> • <i>Hévíz</i> • <i>Thermal water</i> 	<ul style="list-style-type: none"> • Seasonality 	<ul style="list-style-type: none"> • Winter time • Dent-tourism • Skandinavian destination <ul style="list-style-type: none"> • <i>Charter – therapy guests</i> • <i>Low cost airlines – wellness</i> • Kuylin, Hi-Tech Zone - China 	<ul style="list-style-type: none"> • Weak surrounding • Lack of business traffic

Conclusions Related to the Development of Regional Airports



Conclusions Related to the Development of Regional Airports

The airport is a business whose revenue consists of not only flight fees and duties, but **other revenues.**

Apart from small aircraft traffic opposite the current annual several ten thousands that at least **hundreds of thousands of passengers are needed.**

Also for low cost airlines such a market is attractive, which can provide **at least one direct Boeing 737 flight daily.**

The **financial support** of low-traffic rural airports **is recommended only in particularly justified cases.**

Conclusions Related to the Development of Regional Airports

At least 300 km from each other
↔ geographical facilities of Hungary

Focus not only on domestic opportunities
+ the whole region

Debrecen

- Transylvania, Ukraine, Southern Slovakia



Sármellék

- Lake Balaton
- Austria, Slovenia, Croatia



Thank you for your kind attention!

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