



Introduction

- ✦ Transportation is a necessity for tourism to occur
- ✦ Surface and Air categories, and intermodal itineraries
- ✦ 24-hour clock is the standard for transportation timetables





Surface Transportation

- ❖ Plying the Waves: The History of Water Travel
 - ❑ Sailing vessels were at the mercy of the wind
 - ❑ Steamships allowed to schedule travel
 - ❑ Cruise Ships
 - ❑ Importance of ferry service to certain regions





AMTRACK and VIA Rail Canada Services

- ⊕ Government intervention saved rail systems in U.S. (1971) and Canada (1978)
 - ⊞ AMTRACK
 - ⊞ VIA Rail Canada
- ⊕ Need for government subsidies makes the future uncertain
- ⊕ Increased urban growth may increase ridership for both
- ⊕ Enhanced speed and service makes travel time less by rail than air for some city pairs



International Rail Service

- Rail Service still very important in Europe and Asia
 - High-speed trains carry passengers between large population centers
 - Often train travel is faster and cheaper than air travel
 - Chunnel allows travelers to travel between Europe and U.K. all by train
 - Importance of Eurailpass to non-European international travelers
- Trend toward privatizing government-owned rail systems



Cruising the Highways and Byways

- ✦ Development of national highway systems increased auto travel
- ✦ Automobiles
 - ❑ 84% of all overnight weekend travel by U.S. residents is by auto
 - ❑ Cost, convenience and ability to explore
 - ❑ U.S. and Canada have funded highways instead of rail track
 - ❑ Growth in rental car market
- ✦ Motorcoaches
 - ❑ Scheduled intercity travel and charter/group travel
 - ❑ Intercity bus travel has declined, while group motorcoach travel has increased
 - ❑ New designs have increased comfort, services available and capacity



Important Transportation Links

- ❖ Many modes of transportation that complete the picture
- ❖ Primarily final destination modes such as taxis, lightrail, subways and intracity buses
- ❖ Airport shuttle service increasingly important (SuperShuttle)



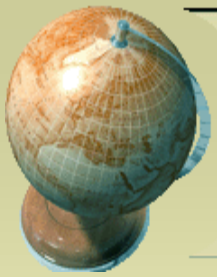
Soaring Through the Skies

- ✦ Air travel is a 20th century mode of travel: jet travel only in second half of century
- ✦ Cooperative organizations make the industry more efficient
- ✦ Marketing muscle for frequent-flyer programs, pioneered by American Airlines
- ✦ Airlines operate on thin profit margins, so controlling costs and maximizing revenues is a major concern



Soaring Through the Skies, continued

- ❁ Operating in a deregulated environment
 - ❁ Airline travel was deregulated in U.S. in 1978
 - ❁ Changes due to deregulation
 - ❁ Competition on price
 - ❁ Increase in number of airlines serving any city
 - ❁ Airlines enter and leave airport service at will
 - ❁ Airlines can package and market services
 - ❁ U.S. Department of Transportation and Federal Aviation Administration still oversee certain limited operations
 - ❁ Hub and Spoke Systems
 - ❁ Use of code-share agreements link regional carriers to national lines



Soaring Through the Skies, continued

- ✦ Decoding the language of the airline world
 - ✦ Each airline has a two-letter identification code
 - ✦ Each city with scheduled air service has three-letter code
 - ✦ Classes of service have codes
 - ✦ Types of flights have special names
 - ✦ Passenger trip type are given terms



Improving Operating Efficiency and Effectiveness

- ❖ Yield management: Method of allocating service capacity, originated by airlines
- ❖ Now applied in many industries that can improve revenues through its use



Improving Operating Efficiency and Effectiveness, continued

- ❖ Certain operating conditions must exist for yield management to be effective
 - ❖ Service capacity is relatively fixed, cannot be easily and cheaply expanded to meet increase in demand
 - ❖ Demand can be separated into market segments with differing price sensitivities and needs
 - ❖ Inventory is perishable
 - ❖ Services can be sold in advance through reservation system
 - ❖ Demand fluctuates substantially
 - ❖ Marginal sales costs are low and marginal capacity costs are high
 - ❖ Internet allowing even greater use and fine-tuning of yield management



Ten Busiest Airports 2008

Rank	Airport	Location	Code (IATA/ICAO)	Total passengers	Rank Change	% Change
1.	<u>Hartsfield-Jackson Atlanta International Airport</u>	<u>Atlanta, Georgia, United States</u>	ATL/KATL	90,039,280	—	▲0.7%
2.	<u>O'Hare International Airport</u>	<u>Chicago, Illinois, United States</u>	ORD/KORD	69,353,876	—	▼9.0%
3.	<u>London Heathrow Airport</u>	<u>Hillingdon, Greater London, United Kingdom</u>	LHR/EGLL	67,056,379	—	▼1.5%
4.	<u>Tokyo International Airport</u>	<u>Ôta, Tokyo, Japan</u>	HND/RJTT	66,754,829	—	▼0.2%
5.	<u>AirParis Charles de Gaulle ort</u>	<u>Roissy-Charles-de-Gaulle, Paris, France</u>	CDG/LFPG	60,874,681	▲1	▲1.6%