Irish Tourist Industry Confederation

Response to "Quality of Service at Dublin Airport Consultation Paper 3/2008

The Irish Tourist industry Confederation (ITIC), representing all sectors of the tourism industry wishes to respond to the Commission's consultation paper on service quality at Dublin Airport.

Dublin Airport's objective should be to provide quality airport services that are safe, secure, efficient, and consistent with the needs and wants of all airport users, including Ireland's 8 million visitors, over 70% of who use Dublin Airport. What drives customer satisfaction at airports is a good knowledge of passenger requirements. Service quality standards are essential to the delivery of a pleasant airport experience. Dublin has not delivered a pleasant airport experience for several years. There are many and complex reasons for this but just two account for most of the problems:

1. The physical infrastructure was (and remains) wholly inadequate to handle the uninterrupted growth in traffic experienced since the mid 1990's, and
2. The conflict which appears to arise between some carriers and the Airport Authority on the subject of airport charges, has not allowed for a cohesive approach to airport expansion and related quality of service issues

The many complaints about Dublin for the last decade stemmed from the inadequate facility itself and failure, until recently, to designate it as a co-ordinated airport. On completion of Terminal Two and related works the cause of the problems at point one above will be largely eliminated.

With regard to point 2, some Airlines may be comfortable with a very basic facility on the basis that this would reduce their cost base. However, while the needs of low cost carriers in terms of efficiently operated facilities should be accommodated to the greatest degree possible, they should not dictate the standard of service that should be provided for all other airport users. In an earlier submission ITIC said:

The Airport is a critical piece of public infrastructure, which must in the first instance meet the needs and aspirations of the people and the economy. It must achieve that while delivering a facility which is efficient to its commercial users, not only from a cost efficiency standpoint but also from an equipment utilisation point of view.

That submission went on:

ITIC contends that at the current mature stage of economic development in Ireland we are, of necessity a relatively high cost destination. ITIC's 2006 report "Ireland's Competitive Position in Tourism" shows that in order to continue to grow we need to add value, innovate, and eliminate impediments to growth, such as the below par facilities at Dublin Airport.

ITIC would strongly contend that it should be the Airline Passengers who take precedence, as it is they who will ultimately pay the charges.

In essence the market, which Ireland needs to increasingly penetrate in the future, is comparatively affluent and demanding of both standards and value. The product on offer at Dublin Airport must reflect the overall positioning of the Irish product. A dreary minimalist offering in both facilities and service levels would clearly be at odds with this brand positioning. Too often in the debate about airport charges the passenger's welfare has been subjugated to the narrow, if understandable, commercial objectives of some carriers. Striking a balance that is efficient for the carriers, while comfortable for the passengers should be the objective.

Passenger satisfaction makes good business sense. This is particularly so at Dublin Airport, where an inordinately large portion of the Authority's revenues comes from non-aeronautical sources. If passengers have an enjoyable, less stressful experience at Dublin Airport their propensity to spend might also increase thereby reducing charges levels under the current single till approach to regulation employed by CAR.

There is a strong case to be made however for some form of independent benchmarking in order to ensure that Dublin Airport is meeting its objectives. The Airports Council International (ACI) provides such a programme. The Airport Service Quality programme (ASQ) consists of 3 elements, each designed to help airports improve and maintain their customer service quality standards, by reporting on the experience of passengers, actual service delivery performance, and reviewing the service quality management system. Over 100 airports from all regions worldwide participate in the ASQ survey. This consists of a customer opinion survey carried out at the airport including both international and domestic travellers, and aimed at capturing their immediate impressions of specific service factors that make up their airport experience from arrival to departure at the gate. The survey covers over 30 KPIs throughout the airport including "waiting at check-in time" and "delivery of first bag-last bag", etc.

It appears to ITIC that this practical benchmarking survey, which is already in place, need not be duplicated. Desirable benchmarking can be pursued through participation in the ACI-ASQ programme.

Airports do not have ultimate control over many of the activities which take place in and around the facility itself. Some practical examples of this can range from poor signage on Airport approach roads, to inadequate service from an airline or ground handler, to an unsatisfactory car from a rental company. Yet there is an understandable expectation that the airport should manage these diverse interests in a way which delivers a service that is seamless and acceptable to the passengers who ultimately pay for a quality service. In this context DAA should be facilitated in incorporating quality norms and standards in its contractual agreements with its various service providers including, ground handling agents, taxis, car rental companies, retail outlets and various other service providers.

Quality of service is ultimately in the best interest of the airport and the airlines. Trying to "legislate" this into future price caps would be next to impossible, create unnecessary administrative burdens, and as a practical matter would be unlikely to have any favourable impact on service levels. These much sought after improvements can best be delivered by the Airport Authority itself, working closely with its airline customers through the use of individual service contracts, appropriate to the service level required by each carrier, bearing in mind the requirement to facilitate passenger needs.

The Regulator's role should be confined to facilitating a charging regime that is fair to the Airlines, but allows the physical structures to be developed which have the capacity to provide service levels which are of an internationally acceptable standard i.e. IATA service level C. To establish a formal linkage between service quality and the price cap, would likely, however unintentional, make the attainment of that objective an even more difficult prospect. The long-term success of all airport actors depends on their ability to provide a unique and compelling value proposition to their respective customers, which meets or exceeds their expectations.

It would not seem wise that the Regulator should become another party to that complex mix.

29 July 2008