



Passion For Parking

Airport Leaders, Consultants Offer Advice On Maximizing Parking Revenues, Income

By Andrew Telljohn

Parking is probably not the hottest of conversation topics as travelers think about their airport experiences – and that’s what **Minneapolis-St. Paul International (MSP)** officials hope stays true.

MSP officials take steps to educate passengers about the different programs the airport has available and to add new ones on a regular basis depending on needs communicated to them by passengers. The goal is making sure navigating the airport’s ramps does not in any way hinder a visitor’s travel experience.

“What I think we try and do here is make

parking an experience that people don’t think about,” says Arlie Johnson, assistant director of landside operations at MSP. “Generally, you don’t think about the parking when you go to the store or the entertainment place. We, to a large degree, don’t want our customers to think about it as an obstacle or problem or anything else when they come to the airport.”

One of the biggest enhancements for both revenue and passenger convenience – two topics that often go hand in hand when it comes to the priorities of airport parking facilities across the country – arrived a half-dozen years ago when the airport went to credit card self-payment and eliminated long lines where parkers paid live people working in small cubicles.

More recently, MSP has added the

DEN has received acclaim from an industry trade group for the work it does marketing its program, both on its website and in the corridors along the airport. As passengers approach from a distance, they should have no problem knowing where space is available, an industry source says.

Photograph courtesy of Denver International Airport

eParkElite program, which allows people to pay an upfront fee and ongoing monthly rates to guarantee the availability of convenient parking spots even during high-traffic times, Johnson says.

MSP also offers valet parking, which will be useful for some passengers during cold winter months, and is touting a value parking program that allows passengers to save \$4 a day by parking at Terminal 2, the smaller terminal formerly known as Humphrey, and taking the light rail if they need to fly out from the larger Lindbergh Terminal, now known as Terminal 1.

“The primary thing we’re trying to do

Officials at MSP have created valet, guaranteed and discount parking at a second terminal as programs that tailor to consumers’ needs. Their goal is to make parking something that doesn’t hinder travelers in any way.





These kiosks at RDU, left, and DTW, above, are examples of the credit card pay stations many airports have built to make parking payment more efficient and to save costs by reducing labor needs. Many airports have cut customer wait times dramatically.

out here is listen real closely to our customers," he says. "One of the things we heard from a lot of people for a long time was that 'if I could be guaranteed a place to park at the airport, I'd pay anything.' That, of course, rang a bell. You have to be fair and reasonable, but the point is, people whose time is real valuable don't want surprises."

Johnson says the program is just a couple of months old. It hasn't received a ton of demand yet with traffic stagnant, but he expects it will pick up as the travel industry recovers and spaces again become scarce.

Selling Parking Through Advertising

MSP officials say they want customers to see parking as something that is not an obstacle to them in any way. That involves not just providing many options to meet travelers' needs, but also making sure those programs are marketed and advertised properly.

MSP's parking efforts have won several awards in recent years, both for how the parking program is structured and for how the airport markets its offerings. One of the most recent was won jointly with public relations firm **Padilla Speer Beardsley** from the Minnesota Chapter of Public Relations Society of America for a video promoting MSP Value Parking, the discounted option at the Humphrey Terminal.

"We've tried to put some good information out there," says Johnson, indicating that there are videos and other information available through the Metropolitan Airports Commission's

website and in the terminals, through wall wraps and other advertising strategies. "I don't know that we do anything magic, [we] just try to think of ways to make it a little better experience."

Denver International (DEN) is another airport that has incorporated parking into its marketing messages about the airport, both on the Web and along corridors, says Shawn Conrad, executive director of the International Parking Institute, the parking industry's largest trade organization.

"When you are driving along the corridor coming out to the airport, there are signs right away that are telling you where spaces are available what garages are open so that as you are moving forward, you have a pretty good indicator of where you are going to be able to find parking," he says.

Letting travelers know where parking is available in a given ramp can also ease stress and promote usage, airport officials say. Growing demand for its new ramp in 2005 prompted officials at **Charlotte Douglas International (CLT)** to create a massive public awareness campaign aimed at alerting customers to the status of parking availability. Alerts were broadcast on local radio stations as determined by the demographics of local frequent fliers.

"The ads aired on the busiest travel days and were rotated to gain the greatest exposure," says C. Michael Penny, CLT's airport parking manager. He wrote a story about the airport's efforts for "The Parking Professional," a publication produced by IPI.

As part of the program, the airport produced several radio spots that directed passengers to a telephone number or website that had been created to provide

simple information for travelers on what parking situation they might face upon arriving at the airport.

To guide travelers, CLT developed signage approaching the lots that was easy to move based on parking availability; travelers were met by pointers and spotters when they approached their lot.

"While not a perfect system, the changes allow CLT to better manage parking during explosive growth and seasonal surges," Penny wrote.

Multiple Products Pay Off At Multiple Airports

Much like MSP and CLT, many airports are thriving through the use of multi-layered parking programs with accompanying marketing messages. Howard Schulke, a project manager with **Kimley-Horn and Associates Inc.**, says valet and reserved VIP programs are popular offerings.

Hartsfield-Jackson Atlanta International (ATL), for example, offers Gold and Silver reserved parking available for those who purchase a dedicated spot close to the terminal. The airport has a waiting list for both, he says. And Houston's **George Bush Intercontinental (IAH)** reserves the first level of its Terminal C garage for patrons who are willing to pay for the convenience of parking there, Schulke says.

"You're offering more options for your patrons," he says. "You have this and then let the patron choose where best they should park based upon whose dollars they are spending. If they are spending their own discretionary dollars, most likely they are going to go to economy or to remote. The business traveler, they'll go to

day parking in a garage or close-in parking.”

Schulke also agrees with MSP’s Johnson that airports are making more tech-savvy decisions with their parking facilities. In addition to the credit card in-out options, he says ground transportation is moving away from annual permit fees and toward automation and trip charges to bill shuttle buses and vans, taxis and limos.

“Atlanta went that route two to 2½ years ago, and there was a substantial revenue increase,” he says.

Focus On Profits Through Reducing Expenses

Although maximizing revenue is important, some airports are taking steps to reduce expenses so they can transfer as much of their top-line gains into bottom-line earnings. Many are doing rate analysis to make sure their prices are in the right range; others are doing financial and operational audits to make sure the revenue coming through cash registers makes it to the bank, says Tom Butcher, director of aviation services with **Walker Parking Consultants**.

The move toward credit card pay has not only cut wait times and labor costs but has also reduced the amount of

money that may have disappeared. But such audits allow airports to know whether they are providing the right level of services in the right places to keep people from trying competitors at off-airport locations, he says.

Additionally, Butcher says he is seeing airports prolong the useful lives of their parking facilities by performing capital improvement programs. What he’s seen most are lighting upgrades that not only make buildings more clean, well-lit and comfortable for passengers, but also provide cost savings by using energy-efficient technology.

“There may be opportunity to save a considerable amount of money by replacing a lighting system in a garage and have a fairly short payoff for that lighting replacement,” he says. “We’re finding more and more interest in that.”

General capital improvement and protection of parking facilities is also higher among airports priorities, especially during economic doldrums when they have more time to think of ways to better maintain existing assets. Newer parking structures when properly maintained, Butcher says, should last 50 years.

“People are looking more at making sure they are maintaining their physical plant in such a way that they are going to get the maximum useful life out of it and not have to prematurely replace something or do major repairs,” he says, adding that a clean, well-lit garage can’t hurt when it comes to attracting customers, while a poorly maintained building can hurt by driving people away. “All of those things make you more comfortable and confident about parking in that facility.”

Parking Receiving More Attention Than Ever

IPI’s Conrad says airports and other entities are giving parking structures more

consideration now than ever before with a focus on efficiency and profits.

He agreed with Butcher’s assessment that airports are aggressively targeting energy savings through lighting enhancements as a way of cutting expenses. He said airports also are spending more upfront to maintain ramps to prevent larger expenditures associated with the erosion of exposed steel and other infrastructure decay down the line.

“People are looking at these facilities and saying, ‘How do we make them as efficient as possible?’” he says. “Keeping these structures as clean as possible [and] maintaining them on a regular basis will avoid some major construction costs down the road. That seems like a very basic concept but in many ways airports and some municipal members we have, as well, saw these structures as being self-sustaining. As long as they had the gates moving, they left them alone and that’s not good because they do take an awful lot of abuse over time.”

Conrad echoes what other industry sources say about the degree to which the philosophy around parking has changed. Parking garages, he says, now utilize sophisticated software, Web-based systems, license plate recognition, tap-and-go payment strategies and parking guidance systems where signage is used to inform people which ramp floors have the most space available.

“From the people we’ve worked with, airports recognize this even more so than others because of people’s time constraints,” Conrad says. “It really used to be a cash-and-carry business. ... What we’re trying to do now is make this as coinless as possible.”

We’d like to hear your opinion about this article. Please direct all correspondence to Andrew Tellijohn at andrew@airportrevenue.com.

BELOW LEFT: *The International Parking Institute’s Shawn Conrad says airports are paying more attention to parking facilities than ever before, upgrading lighting to save energy and maintaining them to prevent wear and tear.*

BELOW RIGHT: *MSP uses wall wraps such as this one at the airport and elsewhere to educate potential passengers about different parking options they have available to them. Airport officials have won awards for their advertising efforts.*



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