

# Airline Cost Management Group (ACMG)



Login at <https://acmg.iata.org> and follow benchmarking process in 5 steps

OVERVIEW COST STRUCTURE STRATEGIC KPIS OPERATIONAL KPIS AIRCRAFT ANALYSIS

## 1. Overview

Get the flavor of current data set – discover number of airlines, passengers, aircraft types and age, regional representation etc.

## 2. Cost Structure

Explore your Airline cost (and revenue) structure and compare it with the Industry. Detect any significant deviations to further investigate.

## 3. Strategic KPIS

Review set of strategic KPIS for the Group and see, how your Airline compares to those. Focus attention on key financial indicators.

## 4. Operational KPIS

Look into each area of Airline's operations from cost efficiency standpoint. Analyze, how your Airline benchmarks vs Industry in fuel efficiency, maintenance, staff productivity etc, and most importantly - why.

## 5. Aircraft Analysis

Dive deeper in analyzing operational KPIS – now by Aircraft Types. These benchmarks can be used for fleet planning decisions, budgeting purposes, setting targets for cost optimization programs.

### Several tips:

- Involve other departments in your Airline to explore and better interpret numbers
- Walk through all 5 steps together - from Overview to Aircraft type analysis
- Internal trends and forecast could compliment ACMG benchmarks very well
- Draft an Action Plan as a result of this exercise

Request additional clarifications if needed at [acmg@iata.org](mailto:acmg@iata.org)

TAKE ACTION! (and monitor results)



# ACMG BI Tool – list of KPIs

## 1. Overview

- 1.1. Active Fleet - by Type, Manufacturer, Category
- 1.2. Average Fleet Age - by Airline, Type, Profitability
- 1.3. Stage Length and Load Factors by Airlines and Profitability - Relative stage length, PLF, WLF
- 1.4. Number of Employees and % - Airline vs Industry
- 1.5. On-time performance (%) - Departures / Arrivals by Airlines

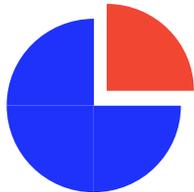
## 2. Cost Structure

- 2.1. Cost Elements Structure - Industry
- 2.2. Cost Elements Structure - My Airline
- 2.3. Revenue Structure (%) – Airline vs Industry
- 2.4. Revenue Structure (%) – by Airlines
- 2.5. Employment Cost Structure - Total Staff, % Employee compensation per staff group, by regions

## 3. Strategic KPIs

Set of Group (Industry) KPIs:

- 3.1. Total Ops Exp (\$ Cents/ATK)
  - 3.2. Total Ops Exp (\$ Cents/ASK)
  - 3.3. Total Ops Exp (\$/FH)
  - 3.4. Fuel Share of Total Ops Exp (%)
  - 3.5. Total Ops Exp w/o Fuel (\$ Cents/ATK)
  - 3.6. Total Ops Exp w/o Fuel (\$ Cents/ASK)
  - 3.7. Pax Yield (\$ Cents/RPK)
  - 3.8. Cargo Yield (\$ Cents/RTK)
  - 3.9. Overall Yield (\$ Cents/RTK)
  - 3.10. Airline Operating Profit (% margin)
  - 3.11. Total Operating Profit (% margin)
  - 3.12. Weight Load Factor (WLF %)
  - 3.13. Passenger Load Factor (PLF %)
  - 3.14. Break-even WLF (%)
  - 3.15. Break-even PLF (%)
  - 3.16. Daily Utilization (Hours)
  - 3.17. Average Fleet Age (Years)
- By Airlines and Profitability:
- 3.18. Financial Performance (RASK/CASK, RATK/CATK)
  - 3.19. Operating Cost excl. Fuel (per ASK, ATK)



## 4. Operational KPIs

- 4.1. Fuel Consumption - Liters of fuel burned per 100 pax kms, grams per ATK, CO2 per ATK by Airlines
- 4.2. Fuel Cost Efficiency - Price in \$/kg, % Fuel in total share
- 4.3. Maintenance Unit Cost Share (%) – Industry vs Airline
- 4.4. Maintenance Costs by Regions - \$ per ASK/ATK/FH
- 4.5. Maintenance Costs by Airline - \$ per ASK/ATK/FH
- 4.6. Maintenance Unit Cost Share (%) - by Airlines
- 4.7. Operating Costs by Regions and Fleet Categories - Station & Ground (\$/FH), Maint & Overall (\$Cents/ASK), T Ops Cost excl fuel (\$ Cents/ATK)
- 4.8. Maintenance Expenses (\$ Cents/ASK) - By Fleet Categories, Airlines and Profitability
- 4.9. Maintenance Expenses by Fleet Categories, Airlines and Profitability (\$ Cents/ASK): total, widebody, narrowbody
- 4.10. Ground operating expenses (\$ per FH) by Categories, Airlines and Profitability
- 4.11. Staff Productivity by Regions (ASK & ATK per employee)
- 4.12. Revenue Per Employee - by Airlines and Profitability
- 4.13. Staff Productivity by Airlines and Profitability - ASK & ATK per employee
- 4.14. Flight Deck Crew and Cabin Attendants Employment per Aircraft
- 4.15. Monthly Block and Duty Hours per FDC and CA by Airlines
- 4.16. Cost per Block Hour - for FDC and CA by Airlines
- 4.17. General and Admin Cost per ATK - Total, Finance, IT
- 4.18. IT and Communication cost share (%) by Airlines
- 4.19. Other Costs by Airlines - Catering cost \$ cents/RPK, Pax inconvenience cost \$/pax
- 4.20. Airport Charges per Flight Cycle (\$)
- 4.21. Flight Time vs. Taxi Time
- 4.22. Mishandled Bags Rate (%)
- 4.23. Misconnection Flights Rate (%)

### NOTE:

- Most graphs can be downloaded in xls and png
- Some graphs can be filtered by regions
- Most graphs with by Airlines data also show profitability
- As per data release policy, KPIs for Aircraft Types operated by less than 4 Airlines aren't shown in BI Tool
- All data is de-identified

## 5. Aircraft Analysis

Operational Data by Aircraft Families and Types:

- 5.1. Operational data (Age, Utilization, FH to FC ratio, PLF, WLF)
- 5.2. Direct operating cost (per AC, ASK, ATK, FH, Fuel %)
- 5.3. Flight operating cost (per AC, ASK, ATK, FH, FC, without Ownership, Fuel per RTK, per ASK, and as %)
- 5.4. Maintenance and overall (per AC, ASK, ATK, FH, FC)

5.5. Aircraft Unit Costs Matrix – DOC per AC type vs Direct Operating Cost per ASK/ATK/FH

Aircraft Family Detailed Analysis:

5.6. Daily utilization and Average age, by Airlines

Direct Operating Expenses:

- 5.7. DOC 000 \$per FH, breakdown into: Fuel Adjusted Flight Ops, Oil & Fuel, Ground Ops (incl Maint), all by Airlines
- 5.8. M \$ /AC – totals by Airlines
- 5.9. \$ Cents/ ATK – totals by Airlines
- 5.10. \$ Cents/ ASK – totals by Airlines

Flight Operating & Maintenance Expenses per Flight Hours – by Airlines

- 5.11. Flight Ops Exp 000\$/FH
- 5.12. Maintenance 000\$/FH
- 5.13. Aircraft Ownership/Fuel & Oil/maintenance/Flight Insurance (\$ Cents/ATK)

Fuel & Oil Expenses & Consumption – by Airlines

- 5.14. Fuel expenses \$ Cents/ATK
- 5.15. Fuel Burned gram/RTK
- 5.16. Fuel Burned kgs/FH

5.17. Direct Cost vs. Stage Length – by Airlines

5.18. Direct CATK and CASK vs Stage Length

