

# Daily Memo: Not Every U.S. Domestic Airport Is Recovering

**Sean Broderick** April 18, 2022



Credit: Sean Broderick / AWST

The U.S. domestic airline recovery is mostly a good-news story.

As other regions and many international markets struggle to find firm ground coming out of the 2020-2021 global downturn, the U.S. is having the opposite problem—demand is placing strain on many airlines.

But the bounce-back is far from uniform across the board. A shortage of pilots coupled with the new-world realities of higher fuel prices and shifting consumer demand means that the recovery is threatening to leave some smaller communities behind—at least in terms of air service.

Analysis by consultants Swelbar-Zhong spotlights some data the shift is producing. Since December, the consultancy has been tracking airline schedule changes, with a focus on regional flying. Every month, it pulls myriad data points—airports served with only 50-seat (and smaller) aircraft, airports served with only larger regional flights, etc.—and compares them to the same time period in 2019.

The latest update, which pulls in June 2022 scheduled flying, illustrates clearly where gaps in the recovery are forming.

The big-picture takeaways are not surprising. Mainline aircraft departures for June 2022 are scheduled to be 94% of comparable June 2019 figures. Large regional jets (RJs)—anything with more than 51 seats—will fly 89% of the total departures operated in June 2019. The activity levels in both categories illustrate the recovery's strength.

Small RJs—those with 50 seats and under—are authoring a different story. The category is slated to fly just 53% of the number of departures operated three years ago.

A shortage of pilots is a major factor, but hardly the only one, Swelbar-Zhong argues. Rising fuel prices and increased compensation to help

attract pilots mean the per-seat cost of operating the smallest RJs is rising. Consumers—many of which want either two-class service or are increasingly drawn to ULCCs—aren't necessarily buying in via higher fares.

Add it up, and airlines are making logical decisions. Pilots are being funneled to fleets of larger aircraft first, and service with smaller aircraft is being cut as needed.

Swelbar-Zhong's key activity metric is departures, not total seats, for a simple reason: small airports need frequency more than capacity to attract regular travelers. One daily 150-seat departure might work to a leisure destination, but it will not beat three 50-seat departures to a hub.

An analysis of the [American Airlines](#), [Delta Air Lines](#), and [United Airlines](#) schedules suggests that airports they serve that rely on 50-seat aircraft for 90% or more of their departures are teetering. American served 42 such destinations in June 2019; the figure is slated to be 33 this June. Delta and United have not cut any.

The real issue, Swelbar-Zhong argues, is frequency—hence the focus on departures that connect passengers to hubs. In June 2019, American averaged 2.8 departures per day from these all-small-RJ airports to hubs, while Delta and United each averaged 2.2. The June 2022 figures: 2.3 for American and 1.7 for Delta and United.

“This is the [airport] group to watch,” Swelbar-Zhong Chief Industry Analyst William Swelbar wrote in a breakdown of the latest data set. “Anything less than [3 departures] per day likely causes certain demand to look for transportation from another airport within a reasonable driving distance or possibly even an alternative mode. It is very difficult to re-accommodate demand with anything less than 3 departures per day.”

Another data subset spotlights airports that rely 100% on regional operations and offers what Swelbar-Zhong calls “the most complete picture of regional service.” While more positive than the 50-seat-only airport narrative, it is not exactly one of nearly full pre-pandemic bounce-back.

Within that group, the June 2019 schedule had American serving 139 airports; Delta, 82; and United, 142. The June 2022 figures are 122, 76, and 124, respectively. Average frequencies are down at all three carriers as well, as is the average number of hubs connected to each regional-only airport.

“[Airports](#) depending on a mix of small and large RJ flying to access the system are many, however the sequential decline in June 2022 continues to show less reliance on the small regional jet,” Swelbar wrote. “The number of airports served is down; the average number of hubs served is down; and the average number of departures to carrier hubs is down. This trend line will continue.”

The analysis does not get into possible solutions—just ramifications (e.g., fewer communities with service) and suggestions to re-frame the issue.

“The regional system the industry is trying to fly today was designed 15 years before the interstate system in the U.S. was complete” in 1992, Swelbar wrote. “Why does every small community airport perform leakage studies? Because they know their presumed market is driving to another airport.”

“There is no immediate fix,” Swelbar added. “Thinking of alternatives is paramount.”