



09 January 2008

Mr David Salisbury
Director – Transport Monitoring and Analysis
Australian Competition and Consumer Commission
GPO Box 520
MELBOURNE VIC 3001

Ref: M2007/567

Dear Mr Salisbury

SACL is pleased to make this submission in response to the issues raised in the ACCC's Discussion Paper 'Airport Quality of Service Monitoring'.

2.4 : Authoritative international benchmarking exercises

The passenger satisfaction results provided by SACL to the Quality Service Monitor (QSM) survey are sourced from the internationally recognised Airport Council International (ACI) Airport Service Quality (ASQ) service monitor, as part of the international benchmarking approach to quality of service standards.

For SACL a customer's engagement with the airport is extremely important. The ASQ surveys are reliable, independent, robust and objective and are recognised throughout the global aviation industry.

A further benefit of these surveys is the fact they draw on data collated at other major international airports which would provide for benchmarking the performance of Australian airports with that of other airports internationally.

The ASQ results provide assistance to airports, airlines and other third party service providers in identifying the causes of any dissatisfaction (i.e. whether it is attributable to matters within the responsibility of the airport, airline or government agencies) and determining what steps can be taken to address them in a constructive manner that benefits passengers as the ultimate consumers of services at airports.

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A feasible improvement on the current quality of service arrangements would be to dispense with the current ACCC reporting format altogether, replacing it with a requirement that major airports publish annually the results of an objective customer satisfaction survey, such as information sourced from the internationally recognised ACI ASQ program.

The publication of results of passenger feedback and international benchmarking would also provide a strong incentive for airports to maintain and, where necessary, improve the quality of their service delivery.

For all the above reasons Sydney Airport would encourage the ACCC to fully recognise the ACI Airport Service Quality (ASQ) program.

2.5: Australian Customs Service and Airline Perception Survey

As expressed in various past correspondences to the ACCC, SACL would support the ACCC discontinuing seeking survey responses from both Australian Customs Services (ACS) and airlines.

Sydney Airport believes that passenger satisfaction is the key measure of an airport's quality of service.

Even though many aspects of service in airports are the responsibility of third parties such as airlines and government agencies, and out of the control of airport operators, we would still expect aspects of an airport's service standards to reveal themselves through a passenger's experience.

SACL also appreciates that one of the key purposes of enabling ACS and airlines to provide commentary on quality of service issues is to try to provide some additional context around the reports submitted to the ACCC. However, SACL remains concerned about the very subjective and selective feedback provided by individuals in the current Quality of Service Monitoring (QSM) report.

In SACL's view, a very real risk is that a quality of service monitoring regime which is informed predominantly by commentary received from individual parties does little more than provide a new forum for those parties to reproduce (and potentially amplify) any grievances on particular issues. This would be of particular concern if it were proposed that the ACCC would make publicly available complaints or allegations about airport conduct which have not been investigated, much less substantiated.

It is clear from past survey responses that there are a number of issues in respect of which airports and their on airport business partners have different perspectives. This in itself is not a cause for concern, but is rather to be expected given the nature of the parties' respective business activities and what can be at stake for each party.

Past suggestions that airport partners 'make do' with the facilities made available to them by their airport operator and produce a service which may mask the inadequacies in the facilities is disappointing, especially given that SACL continues to work closely and collaboratively to resolve operational issues with our on-airport business partners.

Furthermore, it needs to be recorded that some of the views expressed by airlines and government agencies in the 2006-07 QSM survey were the first time SACL had been made aware of these concerns. This suggests to us that assessments from individuals within airlines and the ACS sometimes paint a negative picture but their observations are in no way transparent or capable of independent validation. The assessments are anonymous and may be motivated by commercial or organisational considerations that extend beyond quality of service issues. Is there anything in the proposed methodology that precludes the comments from being tainted by such extraneous considerations?

Sydney Airport also is concerned about the statement that the ACS response can act as a proxy for other government agencies. Sydney Airport believes a transparent explanation of how this role was arrived at is required.

Furthermore SACL has little comfort that subjective assessments of service quality by airlines provides an adequate sample, given that it is not clear that the correct personnel are surveyed, and that voluntary responses to the survey would be expected to bias responses to those with specific 'axes to grind'. The Discussion Paper indicates that quality of service monitoring is undertaken to "assist airport users negotiating with airports" (p3). There is therefore a very strong conflict of interest in incorporating airlines perception surveys into the ACCC's QSM, given that the outcome is intended to assist the very same airlines in their commercial negotiations.

4.1: Aerobridges, check-in and security clearance

In section 4.1, the ACCC asks for feedback on their current survey which is based on quantitative measures.

Sydney Airport would welcome changes to the current survey structure as we feel the existing reporting format provides only a range of 'static measures' regarding facilities provided at the airport, which are not necessarily insightful of the resultant service outcomes; that is they yield few real insights into the practicalities or effectiveness of service delivery. For example, the number of Customs desks provides little indication of the manner in which they are used.

SACL considers that the monitoring regime would benefit from an increased focus on benchmarking the quality and timeliness of service delivery to passengers by those government agencies, particularly given the potential impact of their services on passengers' travel experiences and airline and airport operations.

4.3: Gate Lounges, baggage services, and flight information displays and signs

The ACCC seeks comments on the quality of service offered to customers at gate lounges, through their baggage services and signage/flight information.

Sydney Airports' view is the current quantitative measures calculated by the ACCC are not significant in offering a true reflection of the real levels of service being offered by airport operators.

A customer's ratings of the standard and availability of gate lounges, or their satisfaction with the quality and availability of information provided by an airport, is arguably the strongest indicator of their level of satisfaction; and is certainly more significant, than say the number of Flight Information Display Screens (FIDS) being provided.

Sydney Airport supports the ACCC's suggestion to expand the current passenger perception survey to include information on both the availability and cleanliness of washrooms.

4.7: Management Responsiveness

The issue of ACS or airlines providing subjective and unsubstantiated feedback in respect to airport management responsiveness does not vary to our comments expressed for section 2.5.

I would be pleased to discuss issues raised in our submission with you if this would assist.

Should you require additional information of classifications you might contact Sebastian Zagarella, Customer Service Standards Coordinator, on 02 9667 6473 for details in the first instance.

Yours sincerely



Rod Gilmour

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Corporate Affairs and Human Resources