



AERO2382 Airport Planning and Management

# **A Comparative Analysis of Airport Planning and Management: Hong Kong International vs Singapore Changi Airport**

Assignment 2: Group Assignment

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## ABSTRACT

This paper compares how Hong Kong International Airport (HKIA) and Singapore Changi Airport plan and manage growth, and how policy and regulation shape those choices. HKIA is operated by a statutory authority, while Changi is operated by a corporatised company regulated by the Civil Aviation Authority of Singapore for safety, prices and service. These settings underpin large capacity programs: HKIA's Three-Runway System and Changi's Changi East/Terminal 5.

We structure the comparison in terms of four drivers of planning outcomes: economic regulation and service standards; market access and hub strategy; airspace and air traffic management; and environmental approvals and decarbonisation policy. Singapore's liberal market access, price-and-service regulation and national sustainability masterplan reduce investor and user uncertainty and enable banked connectivity. Hong Kong's is more subject to statutory environmental licensing and the multi-airport Pearl River Delta airspace that, together, influence how quickly new concrete becomes schedulable movements. Both models are looking for safe, reliable expansion but share risk and timing in different ways, with real delivery stakes in service quality and sustainability.

## INTRODUCTION

Airports are complex ecosystems that are critical gateways connecting nations, facilitating trade and facilitating global mobility. Their planning methodologies as well as management methods not only impact operating performance but also impact economic growth, regional connection, and passenger experience. In the Asia-Pacific, two of the world's best-performing aviation gateway hubs are Hong Kong International Airport (HKIA) and Singapore Changi Airport (SIN), both of which are both famous for their advanced infrastructure, services

excellence and international significance in international air transport networks. As compared with their parallel international status, nevertheless, the two airports have diverse governance frameworks, economic contexts, and development philosophies with attendant variance in airport planning and management systems.

The aim of this analytical report is to contrast and evaluate differences in airport planning and management in HKIA and Singapore Changi Airport with particular focus on their administrative and organisational structures, infrastructural development, regulatory environments, development plans, and marketing plans. The research combines a range of industry journals, academic studies, and government airport reports to provide theoretical and practical analysis of how each of these airports has adapted its operations to new trends in aviation and economic conditions.

Key issues examined within this report include:

- The administrative and organisational structures governing airport management and strategic decision-making.
- The design and operation of airside and landside infrastructure, along with financial and airline performance data.
- The impact of government policies and regulatory frameworks on planning and operational efficiency.
- The future development strategies for airside and landside expansion; and
- The marketing and branding strategies adopted by both airports to strengthen competitiveness in the global aviation market.

By critically analysing these aspects, the report aims to highlight how differences in management philosophy, national policy, and market orientation have influenced each airport's evolution and success. Ultimately, this study demonstrates that while both HKIA and Changi are global benchmarks for airport excellence, their distinct approaches to planning and management reflect the broader socio-economic and geopolitical priorities of Hong Kong and Singapore respectively.

## **CONTENT 1: ADMINISTRATIVE AND ORGANISATIONAL FRAMEWORKS**

Changi and HKIA each exhibit unique administrative ideologies rooted in their national economic models. Changi's integrated form promotes innovation and service excellence through increased autonomy in management, whereas HKIA's statutory authority is geared towards regional integration. These structural variations explain the contrasting roles of

Singapore as a leader in luxury passenger experience and Hong Kong as a transfer and logistics hub.

## **Hong Kong International Airport (HKIA)**

The Airport Authority Hong Kong (AAHK) was established in 1995 by the Airport Authority Ordinance. Despite operating on a commercial basis, the AAHK is owned by the Government of the Hong Kong Special Administrative Region (HKSAR) (AAHK, 2024). As a commercialised public organisation, it oversees running, sustaining, and developing HKIA strategically while remaining financially independent. The Chief Executive of HKSAR appoints Board of Directors to represent the public, private, and professional sectors in AAHK's governance structure. While the Executive Management Committee, headed by the Chief Executive Officer, oversees daily operations, the board oversees long-term planning. This framework makes sure that operational autonomy and public accountability are balanced.

AAHK strategically employs a hybrid management strategy that combines creative endeavours with regulatory compliance. As a global aviation centre, HKIA can operate competitively thanks to this framework, all the while staying in line with national economic goals like the Greater Bay Area (GBA) Development Plan. By means of collaborations with prominent airlines such as Cathay Pacific and HK Express, AAHK is instrumental in advancing Hong Kong's standing as a gateway to the Chinese mainland. Rapid investment choices, like the ongoing Three-Runway System (3RS) project, are made possible by the authority's commercial independence, which eliminates direct financial dependency on government resources. The strict regulation of HKIA, however, can occasionally limit flexibility, particularly for cross-border infrastructure projects and sustainability initiatives. Despite this, the AAHK continues to be one of Asia's best corporatised airport governance models, exhibiting a sophisticated harmony between public ownership and private sector effectiveness.

## **Singapore Changi Airport (SIN)**

After the Civil Aviation Authority of Singapore (CAAS) was restructured in 2009, the Changi Airport Group (CAG), took over operations of Singapore Changi Airport. Despite being a Temasek Holdings private limited business, CAG maintains ties to the government

and strategically aligns with national aviation policy (CAAS, 2023). The Board of Directors headed by prominent government and corporate leaders, and a management committee that oversees departments such as Airport Operations, Commercial Development, and Engineering & Development make up CAG's organisational structure. CAG has significant decision-making autonomy due to its company structure, which promotes quicker innovation and income stream diversification.

Changi is positioned as both a hub for aviation and a destination for leisure based on the "service excellence and innovation" concept. Through the construction of the Jewel Changi complex, for example, Changi's corporatised model has demonstrated remarkable effectiveness in promoting operational efficiency and non-aeronautical income growth. The group can operate commercially because of its isolation from CAAS, maintaining a distinct separation between regulations and operations by aviation standards, safety, and air traffic. Through its subsidiary Changi Airports International (CAI), CAG also runs several international airports, demonstrating a worldwide growth plan that aligns with Singapore's larger economic goals. In addition to diversifying revenue, this global engagement makes it easier for executive competencies and innovative concepts to be shared across borders.

## **CONTENT 2: INFRASTRUCTURE, OPERATIONS, AND FINANCIAL PERFORMANCE**

### **Airside and Landside Infrastructure**

Hong Kong International Airport (HKIA) and Singapore Changi Airport represent two of Asia's most strategically important aviation hubs, each demonstrating distinct approaches to infrastructure development and capacity management. HKIA, constructed on the artificially reclaimed Chek Lap Kok Island, operates a sophisticated three-runway system designed to handle the airport's dual role as both a major passenger gateway and the world's leading cargo hub (Airport Authority Hong Kong 2024). The airport's infrastructure reflects this strategic positioning, with extensive cargo handling facilities complementing passenger terminals that collectively span over 570,000 square meters of floor space. The recent completion of the

third runway system has increased HKIA's theoretical capacity to over 100 million passengers and 9 million tonnes of cargo annually, representing a significant infrastructure investment aimed at maintaining Hong Kong's position as a global logistics centre.

Changi Airport's infrastructure development follows a different strategic approach, emphasising passenger experience and hub connectivity over cargo operations. The airport currently operates four passenger terminals across three runways, with Terminal 5 under construction to add an initial capacity of 50 million passengers annually (Changi Airport Group 2024). Phang (2003) notes that Singapore's strategic infrastructure decisions for Changi were deliberately planned to exceed immediate demand projections, prioritising long-term competitive positioning over short-term economic efficiency. This approach has resulted in distributed terminal infrastructure that reduces passenger congestion while providing extensive retail and service facilities that contribute significantly to non-aeronautical revenues. The airport's landside connectivity includes direct integration with Singapore's Mass Rapid Transit system, reflecting the government's coordinated approach to transport infrastructure development.

Both airports demonstrate sophisticated airside operations designed for high-efficiency aircraft movements. Neo (2019) analysed Changi's airside operations using queuing theory models, identifying that the airport's surface operations are characterised by complex taxi-out procedures and runway occupancy patterns that require continuous optimisation to maintain throughput efficiency. The research revealed that Changi's current operations utilise multiple data sources to identify surface congestion and unsatisfactory runway occupancy times, with queuing models developed to estimate congestion-related delays. HKIA's airside infrastructure supports approximately 75 aircraft movements per hour under optimal conditions, with the three-runway system designed to minimise aircraft taxi times and maximise operational efficiency during peak periods.

## **Annual Operational and Financial Data**

Both airports' operations are reflected in their respective strategic positions and market focus. Changi handled 67.7 million passengers in 2024 while HKIA handled 53.1 million, articulately depicting Changi's exceptional passenger-handling strength (Changi Airport Group 2024; Airport Authority Hong Kong 2024). HKIA's cargo handling is several folds larger than that of Changi with 4.9 million tonnes handled compared to Changi's 2.0 million



tonnes. This operational separation can be seen with the Workload Units (WLU) measurement, where HKIA posted 102.1 million WLU to Changi's 87.7 million WLU, highlighting the importance of cargo operations to HKIA overall throughput. Graham's (2003) airport performance measurement framework provides an in-depth methodology for measuring airport efficiency in different aspects. Applying the framework in analysing Changi's 2024 financial performance provides strong operating statistics. Changi posted revenues of S\$3,071 million against operating costs of S\$2,287 million, registering an EBITDA of S\$1,466 million and a high EBITDA margin of 47.7% (Changi Airport Group 2024). The cost per WLU of approximately US\$19.31 and revenue per WLU of around US\$25.93 indicate efficient use of resources, while the revenue-cost ratio of 1.34 is indicative of sound profitability. Labour productivity indicators indicate Changi recording 1.35 million WLU per staff, demonstrating the airport's effective utilisation of manpower. The runways' efficiency comparison indicates interesting operating characteristics. HKIA's three-runway configuration can take approximately 121,000 movements annually on its runway infrastructures, which is approximately 40,333 movements per runway. Changi's three-runway configuration takes around 122,000 movements annually with a realisation of approximately 40,667 movements per runway, indicating slightly higher runway utilisation efficiency. The above data indicate both airports' capacity to maximise infrastructure utilisation without compromising the level of operational safety and efficiency.

## Current Client Airlines

Both airports' airline portfolios reflect their strategic market positioning as well as geographical strengths. HKIA is home to Cathay Pacific Airways and Hong Kong Airlines and is host to many international airlines connecting to over 200 destinations worldwide (Airport Authority Hong Kong 2024). The geographical location of the airport and extensive cargo facilities render it particularly attractive to cargo airlines, with major cargo carriers like Air Hong Kong, UPS Airlines, and FedEx Express leveraging HKIA as a regional distribution hub. This freighter-heavy airline mix is complemented by Hong Kong's status as an international logistics hub and accounts in great measure for the airport's robust WLU showing.

Changi Airport's airline customer base is cantered on Singapore Airlines, which is consistently ranked one of the world's best carriers, and numerous international carriers serving over 170 cities in 50 nations (Changi Airport Group 2024). The airport's emphasis on

the passenger experience and hub connectivity renders it a valuable destination for full-service carriers that value the airport's reputation for passenger amenities and operational efficiency. Li and Loo (2016) note that airport infrastructure decisions significantly impact airline operational costs and route viability, suggesting that both airports' infrastructure investments directly influence their ability to attract and retain airline clients. The competition between HKIA and Changi for airline partnerships reflects broader regional competition for aviation hub status, with each airport leveraging its unique strengths to maintain competitive advantage.

The two airports' geographical positions dictate their airline connections and route development. HKIA's proximity to mainland China and cargo handling facilities are particularly attractive to airlines focusing on the Asia-Pacific cargo market, while Changi's position and passenger-focused facilities are more inviting to airlines prioritising connectivity and passenger experience. This distinction allows the two airports to hold solid market positions while performing complementary roles within the regional aviation system.

## **CONTENT 3: Government policy and regulation shaping planning and operations**

The starting point is governance. In Hong Kong, Airport Authority Hong Kong is a government-owned statutory corporation created by Cap. 483. Safety oversight, aerodrome licensing and airspace and air traffic management sit with the Civil Aviation Department. This separation allows the operator to focus on delivery and commercial performance while the regulator maintains safety and airspace integrity. In Singapore, Changi Airport Group was corporatised in 2009 to operate the airport, while the Civil Aviation Authority of Singapore retained its role as safety regulator and took on explicit responsibility for economic and service regulation. The literature on airport performance typically finds that corporatised operators perform best when paired with clear and credible regulation. In practice, both systems achieve that pairing, but they apply it differently.

Market access policy is the next lever. Singapore has long pursued liberal air services agreements, including many open skies arrangements, to maximise connectivity and support sixth-freedom traffic. That stance underpins the business case for a very large transfer hub and helps explain the scale of Terminal 5 and three-runway operations. Hong Kong also

liberalises bilateral and attracts strong long-haul and regional traffic, but it operates within a dense Pearl River Delta system that includes Guangzhou, Shenzhen, Macau and Zhuhai in adjoining flight information regions. Cross-boundary procedures and civil–military interfaces can affect route availability and scheduling. The practical planning effect is that Singapore’s policy choice supports banked connectivity inside a single national regime, while Hong Kong must pair new physical capacity with negotiated airspace solutions to convert that capacity into schedulable slots.

Economic regulation and the treatment of service quality are a third lever. In Singapore, the Civil Aviation Authority applies a price and service framework for Changi. Charges are set over multi-year periods and tied to measurable service outcomes through a code of practice. This provides more predictable funding for capital works while protecting users during construction. In Hong Kong, Airport Authority Hong Kong sets aeronautical charges within the policy framework of Cap. 483, and scarce runway time has historically been rationed by slot coordination rather than a formal price and service regime. Before the Three-Runway System, runway and airspace constraints were the binding limit, and that scarcity shaped the case for expansion and for airspace redesign. The planning implication is straightforward. Singapore’s model aligns the timing of investment and the level of service with explicit regulatory commitments. Hong Kong’s model relies more on project approvals and slot policy, supported by commercial agreements, to move capacity into service.

Airspace and air traffic management are the fourth lever. The Pearl River Delta hosts several major aerodromes in proximity. The Civil Aviation Department emphasises coordinated procedures and flow management to maintain safety and throughput. That reality has long constrained movement rates at Hong Kong International and features in the business case and design work for the Three-Runway System. Singapore works within a largely unitary national system. The Civil Aviation Authority can align procedure design, sector capacity and controller resourcing with the integration of the third runway and the phasing of Terminal 5. In short, Hong Kong’s runway gains must be matched by regional air traffic management capacity to be fully realised, while Changi’s growth links more directly to national infrastructure and airspace delivery.

Environmental approvals and sustainability policy create different critical paths to delivery. In Hong Kong, the Three-Runway System required a full Environmental Impact Assessment

and an Environmental Permit under the Environmental Impact Assessment Ordinance. Conditions included significant marine mitigation, notably for Chinese White Dolphin habitat, and long-term monitoring. These statutory obligations influence design choices, construction windows, methods used for land formation and the ongoing cost of compliance. In Singapore, the Sustainable Air Hub Blueprint sets national measures across airport operations, infrastructure and fuel policy. A mandate for Sustainable Aviation Fuel begins in 2026 and is intended to scale through the 2030s, supported by central procurement and levy mechanisms to manage cost and supply. The planning effect is that Hong Kong's critical path runs through formal permitting and subsequent compliance, while Singapore's path runs through policy signals that drive investments in fuelling infrastructure, power systems and airline fleet and fuel planning alongside the Changi East works.

Safety and security form the baseline in both jurisdictions. Each requires certified aerodromes, documented Safety Management Systems and compliance with International Civil Aviation Organisation Annexes. In Hong Kong, aviation security is anchored in the Aviation Security Ordinance, supported by a government-approved security programme overseen by the Security Bureau and the Civil Aviation Department. In Singapore, the framework sits under the Air Navigation Act and subsidiary legislation, with audit and enforcement by the Civil Aviation Authority. These regimes influence how airside works are phased, how contractors access the movement area and how new infrastructure is commissioned.

The implications for planning and operations can be stated simply. Both governments use regulation to deliver durable capacity while protecting safety and service. Three differences largely explain why their paths diverge. First, liberal market access and explicit price and service regulation in Singapore align private incentives with public goals and give clearer signals about timing and quality during expansion. Second, environmental approvals and cross-boundary airspace integration dominate Hong Kong's critical path, which makes capacity realisation a combined infrastructure and air traffic management task. Third, Singapore's national sustainability blueprint and its sustainable aviation fuel mandate provide a predictable decarbonisation trajectory that guides airport and airline investment decisions, while Hong Kong's approach relies more on project-level environmental approvals and operator-led programmes.

Taken together, these elements show two credible models for growing a major hub. Singapore's model reduces uncertainty through integrated regulation and national policy alignment. Hong Kong's model works through strong statutory project delivery coupled with formal environmental permitting and regional airspace coordination. For passengers and airlines, the result is similar ambitions expressed through different instruments, with practical differences in how quickly capacity can be brought online, how service quality is assured during construction and how sustainability measures are embedded in everyday operations.

## **CONTENT 4: Analysis of Future Airport Development and Expansion Strategies**

Hong Kong international airport and Singapore Changi international airports are two prominent airports serving the Asia Pacific regional. In order to maintain their highly regarded status and position themselves as key airport players in the future, developing airport and landslide plans is critical to ensure that opportunities are seized and maximised to enhance the strategic advantage of an airport.

Hong Kong International Airport has recently completed their third runway as part of the 'Three Runway System Project'. This project included the building of the Terminal 2 concourse, a 3 800 metre long runway and a 2 600 meter long automated people mover that will connect Terminal 2 with the T2 Concourse (Hong Kong Airport). The airside benefits that the 'Three Runway System Project' brings includes new taxiways and large new aprons. The core airside factor that the third runway addition brings is the addition to air traffic management capacity as well as increased parking positions for wide-body aircraft. The construction of the third runway was achieved through a phased operations system, meaning construction was phased to match traffic recovery, enabling traffic to safely utilise existing runways. After the completion of the new runway, the centre runway was reconfigured to compliment the design and flow of the new runway. Such planning and management of the construction process ensured minimal disruption to airside operations. Regarding the land side benefits, the terminal 2 expansion and the new T2 Concourse that connects to the new airside apron and stands increases the passenger experience, provides greater retail space for the airport, as well as the capacity to accommodate for more airlines.

The reclamation of approximately 650 hectares of land north of the airport to complete the project also provides significant land side opportunities to host commercial, logistics and relations facilities. Hong Kong International Airport project this as an airport city, with the reclamation of this large parcel of land complementing other projects currently in development such as the highly anticipated SKYCITY (AsiaWorld-Expo). Set to be one of the largest integrated commercial developments in Hong Kong, SKYCITY will include hotel, retail, dining and entertainment facilities right at the doorstep of the airport. SKYCITY would be hosting Asia World Expo guests and organisers, adding more reason to Hong Kong international airport becoming a destination rather than just a port of travel.

Given the scale of the 'Three Runways System Project', it's critical to analyse the operational implications which Hong Kong International Airport will face. Factors such as increased air traffic management capacity due to the increased effectiveness of the additional runway would mean that a mix of remote stands and terminal gates would be required. In order to cater for this, Hong Kong International Airport must develop flexible docking and boarding operations to assist with passenger management flow between remote stands and terminals. Ensuring that ground handling systems are appropriately integrated to remote stands must also be considered to ensure consistency in quality of service is being delivered.

Similar to Hong Kong International Airport, Singapore Changi airport is planning the development of a new terminal, terminal 5. This long term project is expected to be delivered around the mid 2030s (Changi Airport) to meet increasing long term demand. Collectively, the project consists of a new terminal, a three runway system, the construction of tunnels and underground systems, land side and aviation support facilities as well as the Changi East Industrial Zone. In addition to this, Singapore Changi has also invested in a 3 billion dollar upgrade of its existing infrastructure in a bid to 'stay ahead of the game (Yufeng, 2024). The 3 billion dollar upgrade proposes to add seven more skytrain cars to reduce wait times, improving the efficiency of transiting passengers, accomodating to future demand as well as increasing passenger experience.

Singapore Changi's airside operations will see improvements in infrastructure and runway upgrades. This would enable the airport to provide better air services to airlines, increasing the airports potential to increase takeoff and landing fees. The new taxiways and runways will also support the additional movement that the new Terminal 5 will generate, enhancing traffic management flow on the ground. Changi has also considered the implications of

construction on its airside operations, proposing that plans for constructing include utilising a former military runway as a commercial runway in stages.

Regarding land side plans, the vision for the new terminal 5 involves a ‘multi-neighbourhood terminal’ being part of the Changi East Urban District, a place encompassing retail, cargo and business. Similar to the runway, Terminal 5 is set to be built in phases, with the initial capacity being 50 million passengers per year with the potential for further expansion. In its design, Singapore Changi have considered resilience to be a key element of its new terminal, focusing on the customer experience, establishing a pandemic aware flow design and sustainability.

Considering the scope of the Singapore Changi’s new terminal, the operational implications of the centralised nature of the terminal require attention for detailed planning. In the event that an airline consolidates their operations at this terminal, there is a potential for economies of scale to become an issue. Large baggage halls and a consolidated security and immigration design will require an equal scale of investment in ground transport upgrades to enable passengers and workers to move from the new terminal 5 to the broader Changi East district.

Singapore Changi and Hong Kong International Airport have proved how considering both airside and land side long term plans are critical to meeting the demand of future travel, and that a balanced investment provides for a consistent and cohesive travel experience for passengers.

## CONTENT 5: AIRPORT MARKETING AND COMPETITIVE STRATEGIES

The strategic marketing implemented by the Changi Airport Group (CAG) and the Airport Authority Hong Kong (AAHK) reflects fundamental differences in competitive positioning, core product focus, and economic mandate. While both aim for global hub status, CAG prioritises **differentiation through superior service and revenue resilience**, whereas AAHK focuses intensely on **connectivity maximisation and capacity leverage** following major infrastructure expansion.



## Changi Airport Group (CAG): The Strategy of Service and Non-Aeronautical Differentiation

CAG's marketing strategy is built upon a profound commitment to **service excellence** and transforming operational processes into proprietary competitive advantages. This strategy is articulated through the **Changi Service DNA**, comprising three key thrusts: **Personalised, Stress-Free, and Positively Surprising**, which underpins customer-centricity across all activities.

**Product and Process Differentiation:** The delivery of the Changi Service DNA is meticulously managed through **Service Process Management (SPM)**, ensuring the "Changi Experience" is "created by design and not by chance". This reliance on internal marketing, continuous staff training, and service-driven initiatives guarantees the consistent delivery of the promised high-quality product. This focus on People and Process creates a robust, difficult-to-replicate competitive barrier that reinforces Changi's "world-class brand reputation". Furthermore, CAG markets its institutional integrity through certifications like ISO 37001 (anti-bribery) and the Data Protection Trustmark, enhancing its B2B value proposition to stakeholders and partners by building trust and demonstrating accountability.

**Non-Aeronautical Marketing and Resilience:** The most distinctive element of CAG's marketing is the strategic commercialisation of its non-aeronautical assets, particularly **Jewel Changi Airport**. Jewel is actively marketed as a combination of retail paradise, tourist attraction, and business venue, which ensures its appeal to both international travellers and the crucial **non-travelling domestic market**. For instance, the e-commerce platform iShopChangi markets tax and duty-free items to local consumers at significant discounts. This focus on local footfall, evidenced by Jewel achieving a record 80 million visitors in 2024, with international travellers accounting for only 35%, is a core strategy for achieving financial resilience. By diversifying income streams, CAG strategically minimises financial exposure to aviation volatility, a model that contributed to S\$3.1 billion in total revenue in FY 19/20, significantly boosted by Jewel's initial contributions.

**Pricing and Promotion:** CAG's pricing mechanism, demonstrated by the **S\$100 million Growth and Assistance Incentive (GAIN) programme**, is positioned as a partnership maintenance strategy. GAIN offered targeted rebates on aircraft parking and aerobridge fees and provided a new package to reward transfer traffic growth. This approach prioritised



providing "helpful temporary cost relief" and stability to existing airline partners facing market pressures, complementing destination marketing campaigns run in collaboration with the Singapore Tourism Board in major source markets like China and India.

## **Hong Kong International Airport (AAHK): The Strategy of Connectivity and Targeted Acquisition**

AAHK's marketing strategy is fundamentally defined by its national mandate: **"To strengthen HKIA as the leading international aviation hub and a key engine for the economic growth of Hong Kong,"** particularly by leveraging the expanded capacity of the three-runway system (3RS). Given Hong Kong's "small local market," AAHK's primary marketing objective is to attract and recapture high-volume **Transfer and Transit (TT) passengers**.

**Pricing and Distribution for Network Growth:** The core of AAHK's recovery marketing is the transactional **Airport Network Development Programme (ANDP)**, launched in June 2024. This programme provides highly lucrative financial incentives, estimated between HK10,000 and HK20,000 per eligible flight operation, to both existing and new carriers to rapidly expand route networks and increase frequencies. The incentives are structured strategically, offering a two-year incentive period for general routes and a more significant three-year incentive for routes to strategically targeted regions like the American and European markets.

This aggressive pricing strategy is a critical, defensive measure. By October 2025, Hong Kong's total airport taxes are scheduled to reach HK\$355, making them the second highest in Asia and the Middle East, a factor that undermines HKIA's competitiveness against regional hubs like Seoul and Dubai. The ANDP thus functions as a substantial, compensatory subsidy designed to offset these high governmental levies and costs, ensuring HKIA remains a viable and attractive option for airlines despite the adverse external pricing environment.

**Product Development and Stopover Appeal:** AAHK's product marketing aims to make HKIA "an attraction on its own by enriching its stopover experiences". The central non-aeronautical differentiator is **SKYCITY**, a large commercial development adjacent to the airport, with the first phase scheduled to open between 2023 and 2027. This project, though vital, indicates a competitive lag compared to the fully operational and integrated offering of

Changi's Jewel, limiting HKIA's immediate ability to use experiential marketing as a major TT passenger draw.

**Specialised Logistics Marketing:** HKIA also maintains a clear dual-market focus, actively marketing its position as an international **air cargo hub**. Targeted marketing and incentives within the ANDP specifically promote the **HKIA Dongguan Logistics Park (HKIALP)**, ensuring its continued strategic relevance as the primary cargo gateway to the Greater Bay Area (GBA).

## Comparative Strategic Analysis

The two hubs exhibit a clear strategic divergence: CAG invests primarily in **intrinsic service quality (People, Process)** for differentiation and **non-aeronautical diversification (Jewel)** for resilience. AAHK, however, relies heavily on **transactional pricing (ANDP)** and leveraging its **geographical connectivity (Place)** to drive necessary TT volume to maximise its infrastructure investment. While CAG's model offers a more sustainable, culture-based competitive advantage, AAHK's aggressive use of incentives is a necessary, albeit costly, immediate strategy to compete against rival hubs and mitigate the financial impact of high operating costs. HKIA's long-term success hinges on the rapid and successful delivery of its commercial vision (SKYCITY) to achieve the same level of non-aeronautical marketing appeal and revenue resilience demonstrated by the Changi Airport Group.

During the COVID-19 recovery phase, HKIA implemented the **“Ready to Fly Again”** campaign, emphasising safety, cleanliness, and digital health pass systems. Marketing focused on rebuilding confidence among travellers and airlines through communication transparency and partnerships with tourism agencies such as **Discover Hong Kong** (Tourism Board, 2022).

Aspect	Hong Kong International Airport (HKIA)	Singapore Changi Airport (SIN)
<b>Brand Positioning</b>	“Super-connector” linking China to the world; logistics and efficiency focus	“More than an airport”; experience-driven and hospitality-oriented

<b>Marketing Objective</b>	Strengthen cargo and GBA connectivity; promote innovation	Enhance customer experience and lifestyle branding
<b>Digital Strategy</b>	Smart Airport technologies and operational marketing	iChangi app, social media storytelling, and gamified loyalty
<b>Route Development</b>	Airline incentives and GBA integration	Joint campaigns with airlines and STB partnerships
<b>Retail Strategy</b>	Airport City and 11 SKIES development	Jewel Changi, Changi Rewards, and experiential retail
<b>Post-COVID Recovery</b>	“Ready to Fly Again” confidence marketing	“Changi Ready” and sustainability-led messaging

Both airports demonstrate world-class marketing but with distinct focus areas: HKIA markets operational capability and connectivity as its brand equity, while Changi markets emotional value and experiential engagement. HKIA’s strategy reflects Hong Kong’s business-centric identity, whereas Changi’s marketing aligns with Singapore’s tourism and innovation-led economy.

Both HKIA and Singapore Changi Airport exemplify highly strategic, data-driven marketing practices aligned with their respective national objectives and market strengths. HKIA’s marketing is primarily connectivity and cargo-focused, integrating digital transformation and regional integration as core themes. Changi’s marketing, in contrast, is experience-centric and emotionally resonant, leveraging hospitality, aesthetics, and sustainability to build long-term brand loyalty. Together, these airports illustrate two complementary models of successful airport marketing in the Asia-Pacific region: one grounded in infrastructure leadership, and the other in brand experience innovation.

## CONCLUSION

This comparison of Hong Kong International Airport (HKIA) and Singapore Changi Airport (SIN) shows how the national economic models of each country have a significant impact on the governing framework, infrastructure development, and operational strategies of each airport. The Airport Authority Hong Kong (AAHK), which oversees HKIA, has a hybrid governance system that balances public accountability, commercial efficiency, and regional

integration through programs like the Greater Bay Area Development Plan. HKIA's supremacy in cargo operations and trans-shipment logistics and Changi's superiority in premium passenger experiences may be explained by these structural contrasts. From an operational perspective, both airports continue to maintain top-notch efficiency indicators. Over 100 million people and 9 million tons of cargo can now be handled yearly by HKIA with to its new three-runway system, while Changi's impending Terminal 5 development carries on its long-term objective of surpassing demand projections. It is advised that future studies investigate quantitative models that evaluate how environmental regulations, digital transformation, and post-pandemic recovery patterns affect airport resilience and profitability. The impact of governance improvements on long-term traffic growth, financial sustainability, and environmental performance might be further measured by a comparative econometric projection. Thus, they offer a compelling example of how different governance models may succeed in Asia's competitive rapidly evolving aviation industry.

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