

# Case study – Air Cargo Hub

## Market entry study for air cargo hub in Malaysia

### The challenge

A private Malaysian port operator intended to launch an air cargo hub and logistics park adjacent to its passenger air hub, to diversify its business.

The objective of the air cargo study was to develop a strategic business proposal by understanding air cargo volume trends in the region, customer decision dynamics, competitor value proposition and operations (KLIA, Bangkok, Singapore, Hong Kong etc) and potential customers (air cargo carriers), to facilitate a successful implementation of the plan.

### The process

Spire undertook secondary research to identify general market trends in air logistics. Our consultants then held in-depth, face-to-face interviews with air cargo carriers, shipping lines, end-customers of air and/or sea cargo, logistics/industrial park developers, tenants of other logistics/industrial parks and executives of Asian ports and airports.



### The results

Spire's recommended market entry strategy for the air cargo hub enabled our client to develop a business plan that succeeded in gaining management approval for investment.

Project deliverables included a holistic market environment report series on the demand outlook for air cargo in the region, qualified lead generation of air cargo carriers, suggested value proposition to air cargo customers (pricing, CSFs) and the recommended approach to developing linked infrastructure such as logistics and industrial parks.

