



THE FLYING CLUB EXPERIENCE

A National Survey of Pilots

March 2012



Research Method

QUALITATIVE RESEARCH

Focus groups with key audiences to create a comprehensive list of all the possible attributes that define flying club membership experiences.



QUANTITATIVE RESEARCH

Random-sample survey of general aviation pilots (including flying club members and non-members) to measure perceptions of flying club experiences along all of the possible attributes identified in qualitative research.



STATISTICAL MODELING

Advanced modeling analysis on survey data to develop a customized model of the flying club experience (Isolate the discrete drivers that define the flying club experience, measure the relationship between drivers, determine impact of each driver and measure how club experiences are perceived along each.)



The Flying Club Model

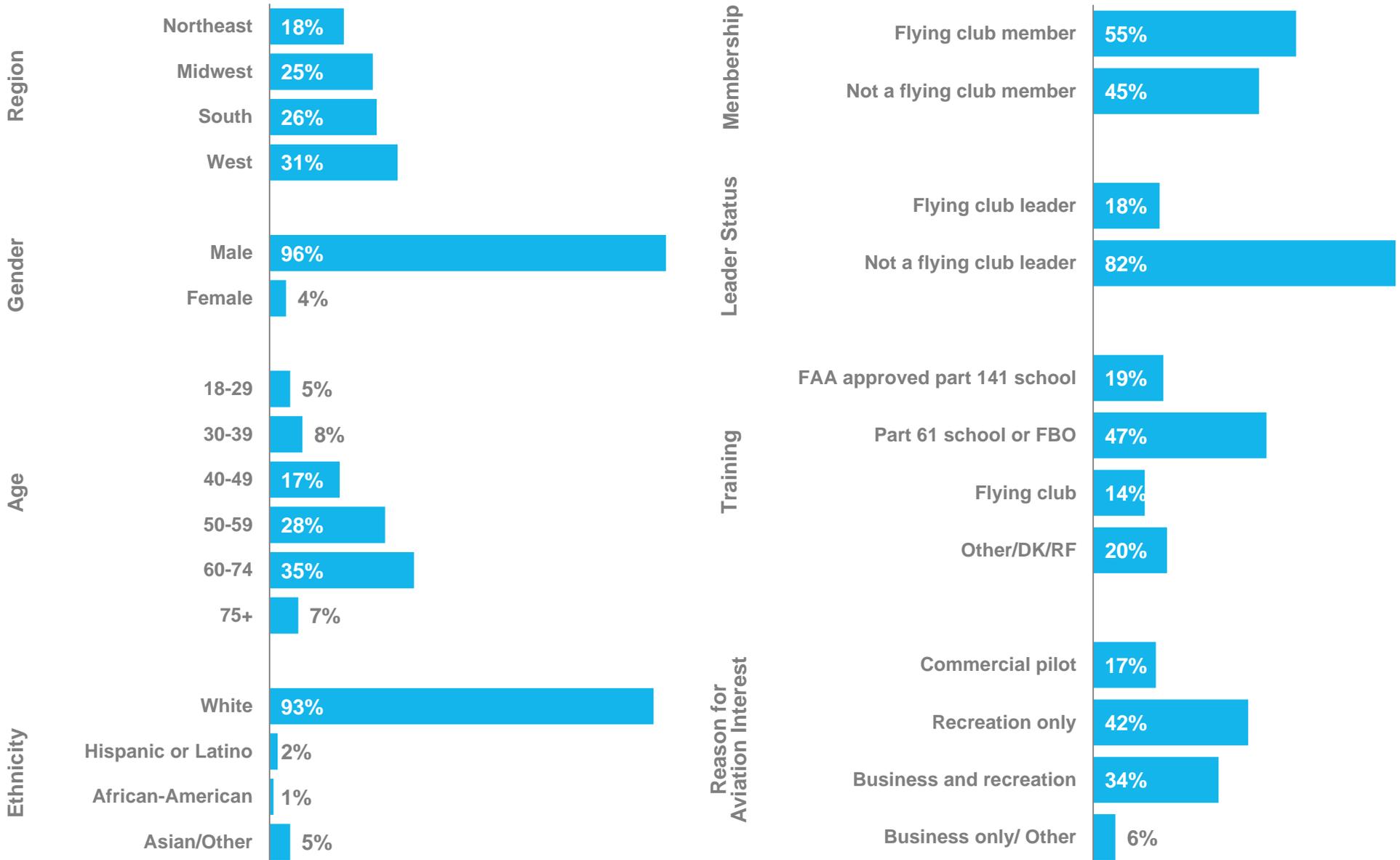
Methodology

APCO Insight conducted this study among a national sample of 801 “active” pilots. Active pilots are individuals with a current pilot’s certificate who have renewed their medical certificate in the last two years. Pilots were screened from a random sample of the publicly available FAA database and supplemented by AOPA’s Membership database. The data has been weighted to reflect the geographic distribution of pilots according to the FAA database.

Survey Population:	Active Pilots
Respondent Eligibility:	Pilot license and current medical certificate
Sample Design:	Random sample from FAA and AOPA Membership database
Sample Size & Margin of Error:	n=801 (± 3.5%)
Incidence:	51%
Data Collection Methodology:	Screened RDD CATI (Telephone)
Interview Dates:	February 16 – 28, 2012

↑↓ Red arrows indicate a statistically significant change of total sample surveyed at the 95% confidence level

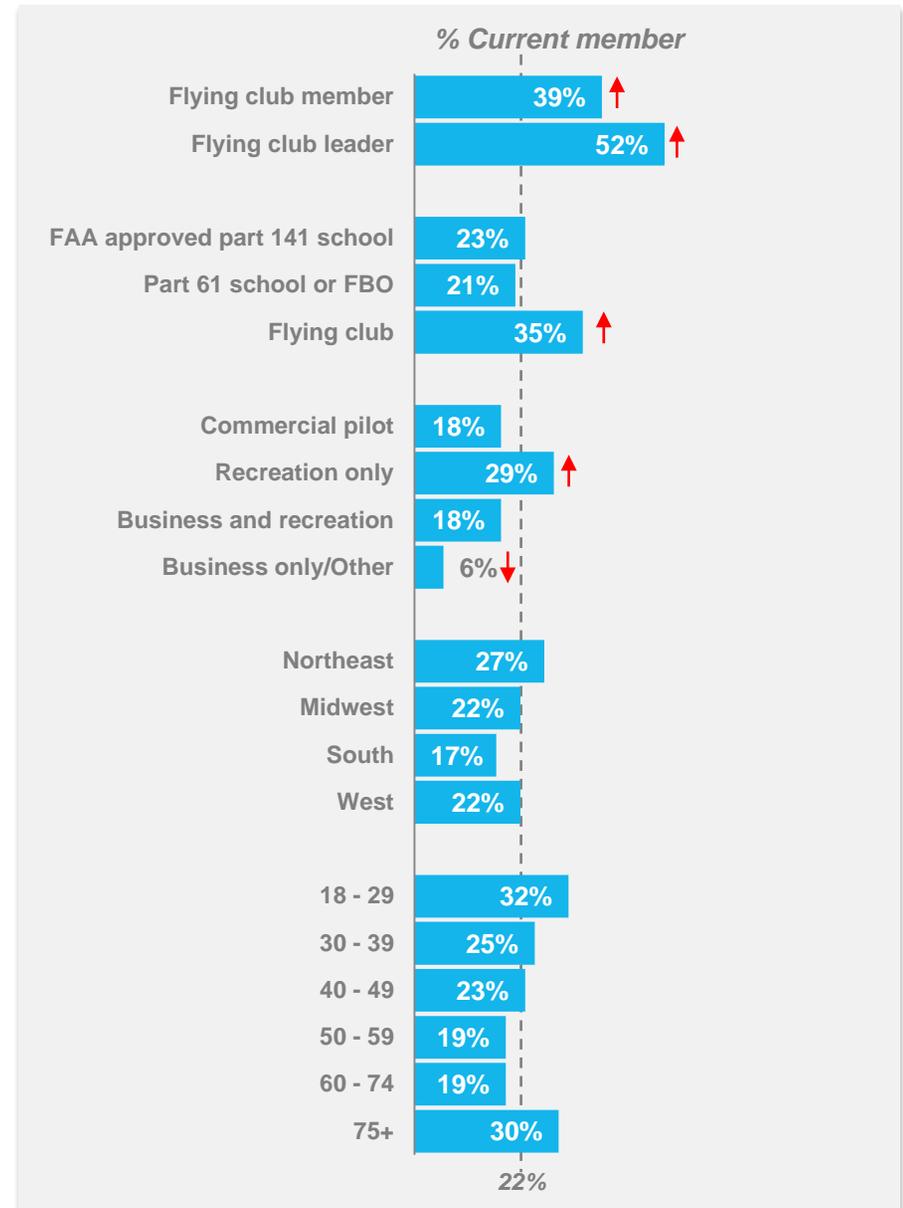
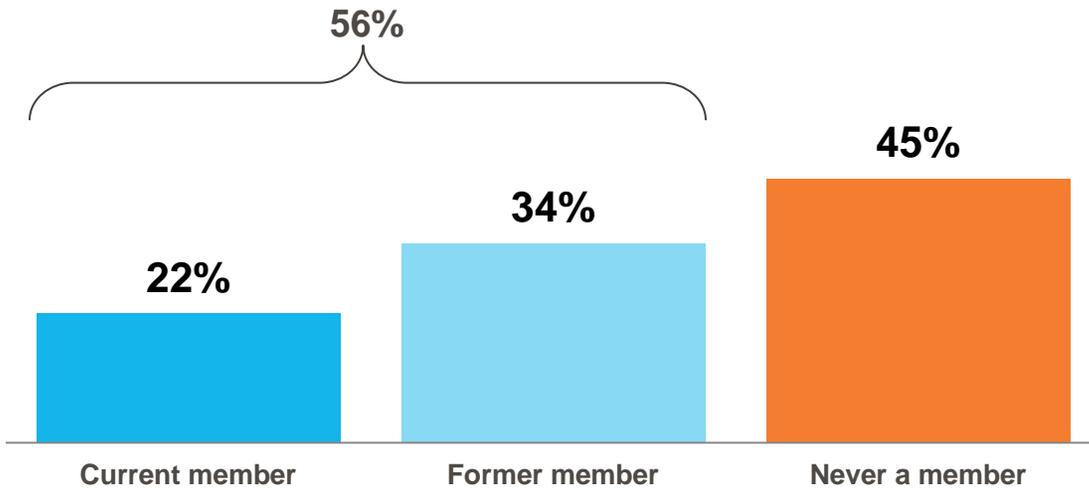
Sample Characteristics



Flying Clubs: A Familiar Model

- A surprisingly high 56% report that they are current or former members of a flying club.
- Recreational flyers report the highest club participation.
- Importantly, high participation rates suggest the club model is a familiar one: enough understanding to know the issues and opportunities

Are you a member of a flying club?

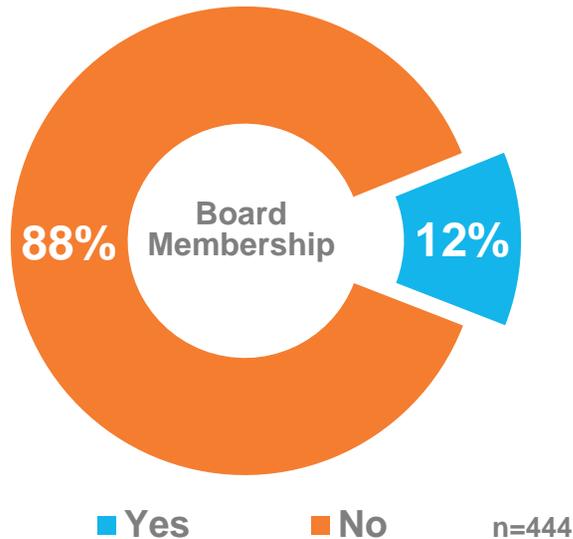


Q5. Have you ever been a member of a flying club?
 Q5A. [IF Q5=YES] Are you currently a member?

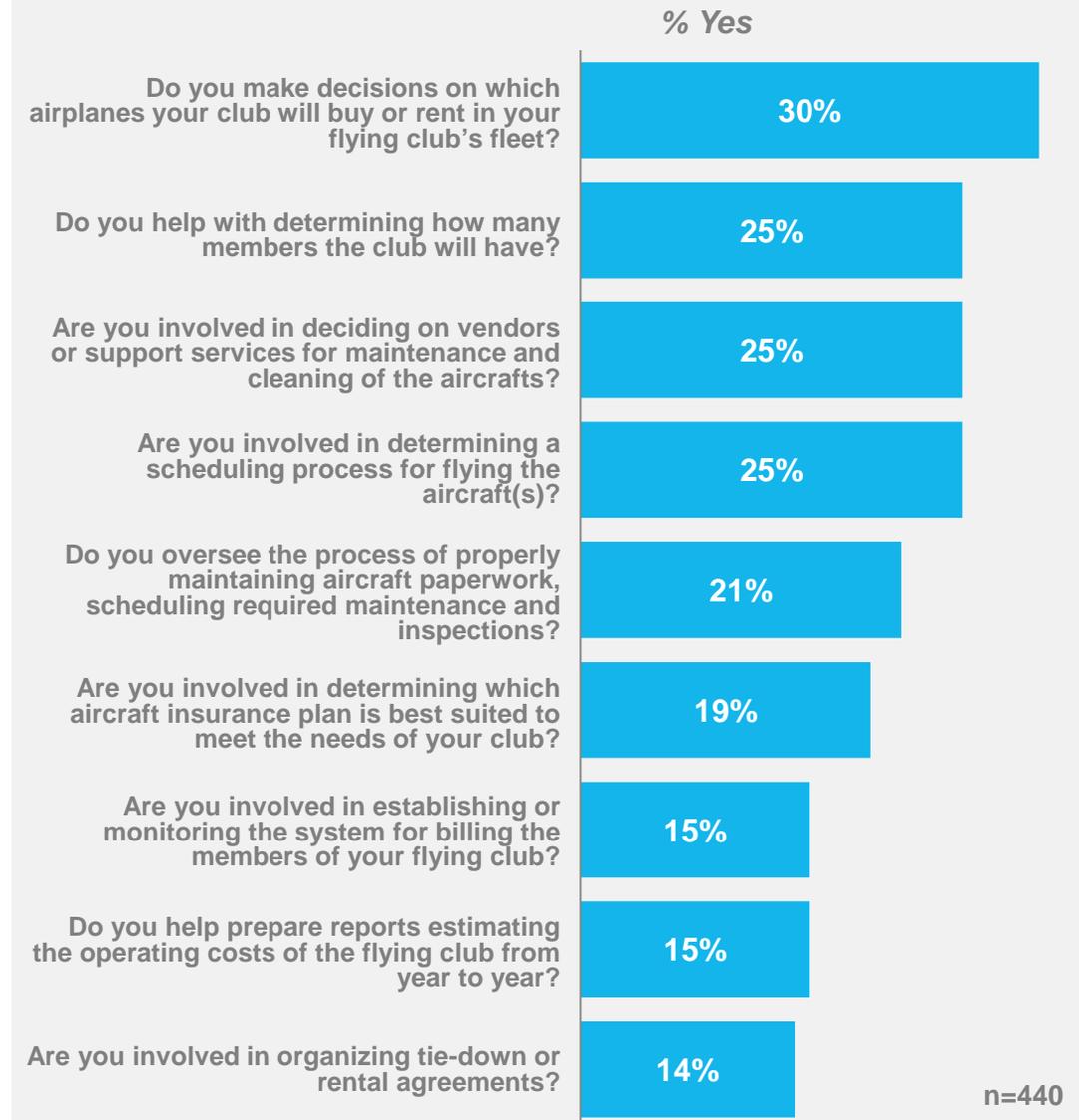
Flying Club Leaders

- An audience segment, called “flying club leaders,” identifies members who either serve on the board or are involved in at least three club responsibilities.
- A relatively activist audience: 12% have shown leadership behaviors.

Flying Club Leaders =
Board Members **OR** “Yes” to 3+ responsibilities



Flying Club Responsibilities



Q9. [IF Q5 = YES] Do you currently sit on the Board of Directors of your flying club?

Q10. [IF Q5=YES] To better understand your role in your flying club, I will read a list of duties and responsibilities of some flying club members. For each one, please tell me “yes” or “no” as they pertain to your involvement in your flying club.

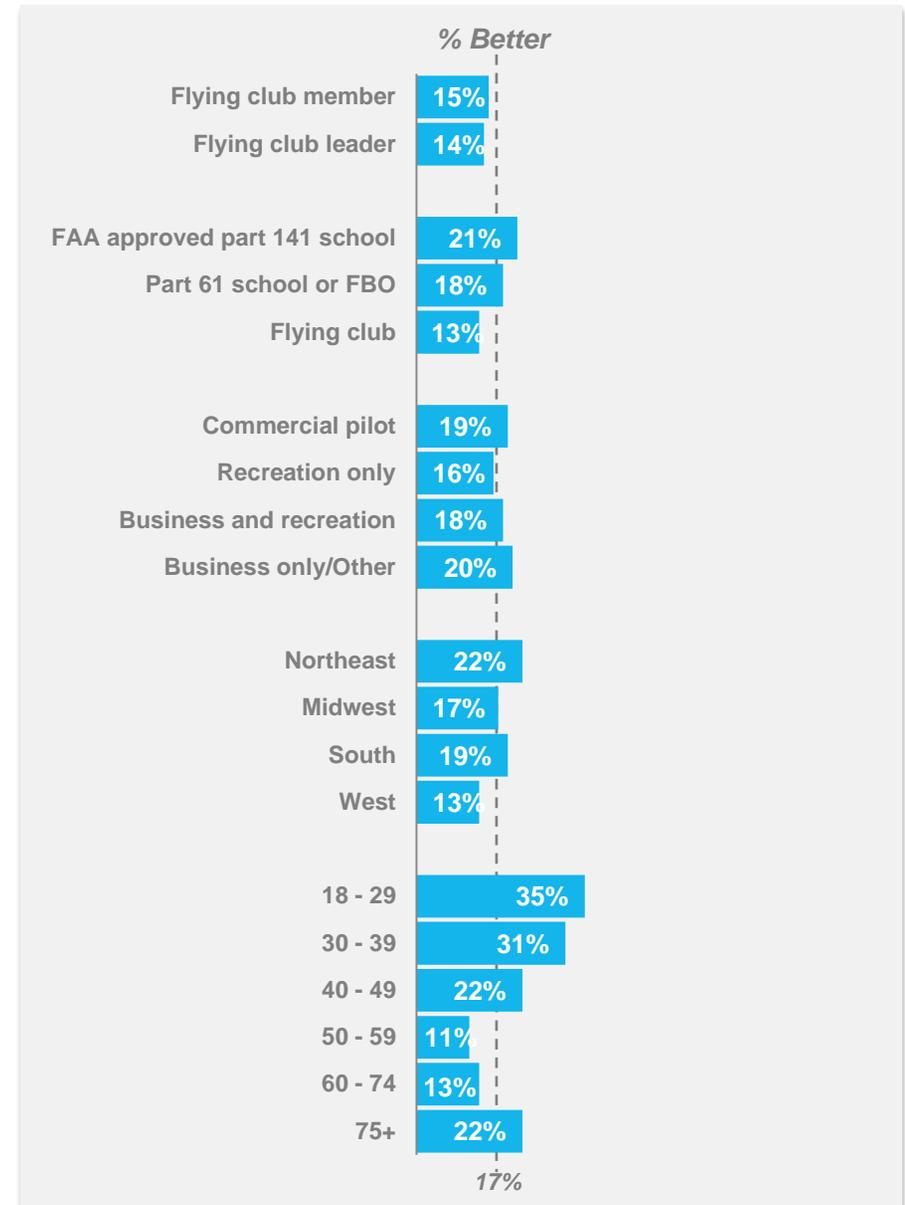
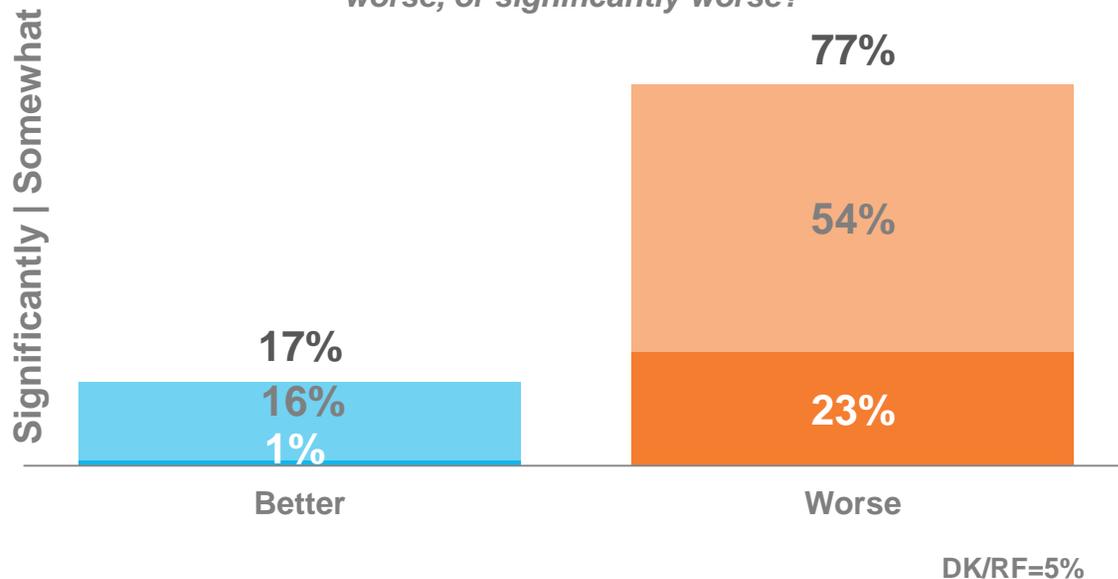


The Environment for General Aviation

Strong Pessimism

- The status quo is unacceptable: fully 77% think the environment for GA is deteriorating.
- Older pilots – the largest segment – are the most pessimistic.
- This is an environment in which new offerings from AOPA will be received with interest.

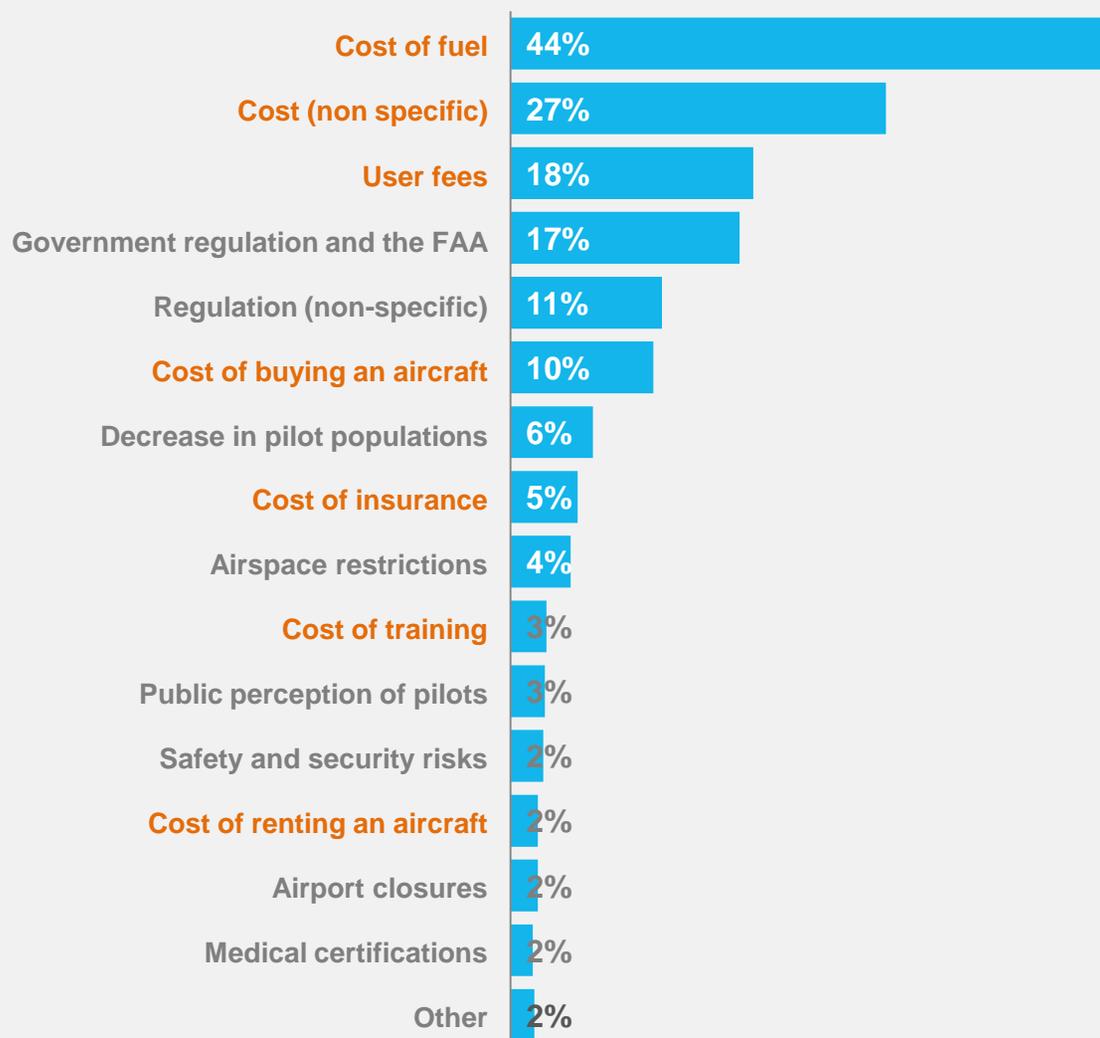
Generally speaking, do you believe that the environment for general aviation is getting significantly better, somewhat better, somewhat worse, or significantly worse?



Q1. Generally speaking, do you believe that the environment for general aviation is getting significantly better, somewhat better, somewhat worse, or significantly worse?

Unaided Opinion of the Challenges

In your opinion, what are the biggest challenges facing general aviation today?

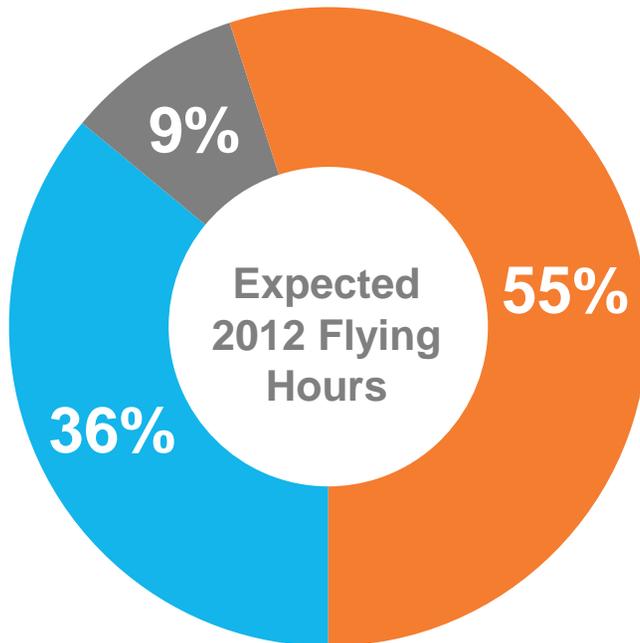


- When asked to recall the biggest challenges facing general aviation, pilots cite various cost-related problems – particularly the cost of fuel (44%).
- Regulatory problems also emerge clearly.
- However, though cost helps explain pessimism, it is not an insurmountable barrier: fuel is a marginal variable cost, not a deal-breaker by itself.

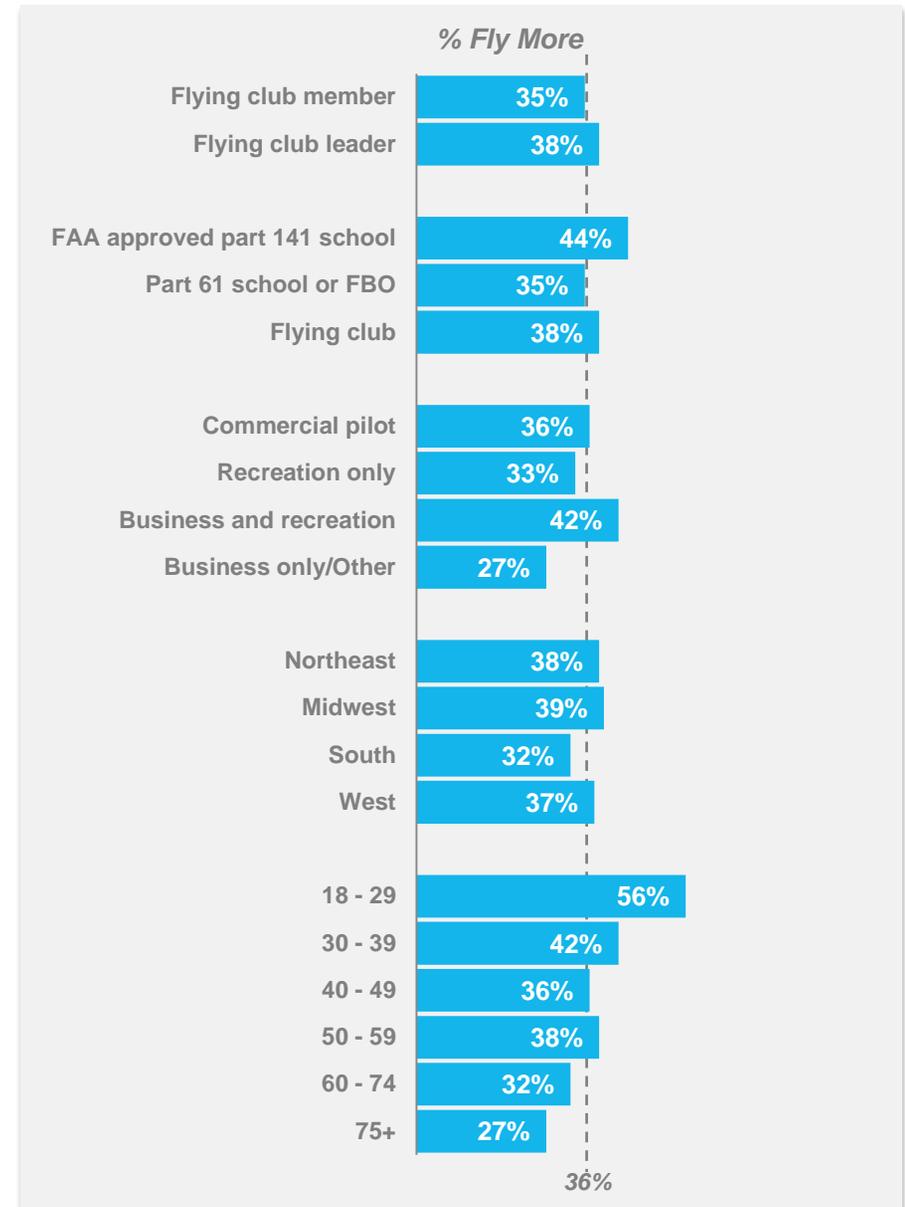
Q2. In your opinion, what are the biggest challenges facing general aviation today?

Fewer Flight Hours Ahead

- A majority of pilots (55%) expect to be flying less in the upcoming year.
- Only 36% think they will be flying more, however this is higher among younger pilots (56%) and those who fly for both business and recreation (42%).



■ Fly more ■ Fly about the same ■ Fly less

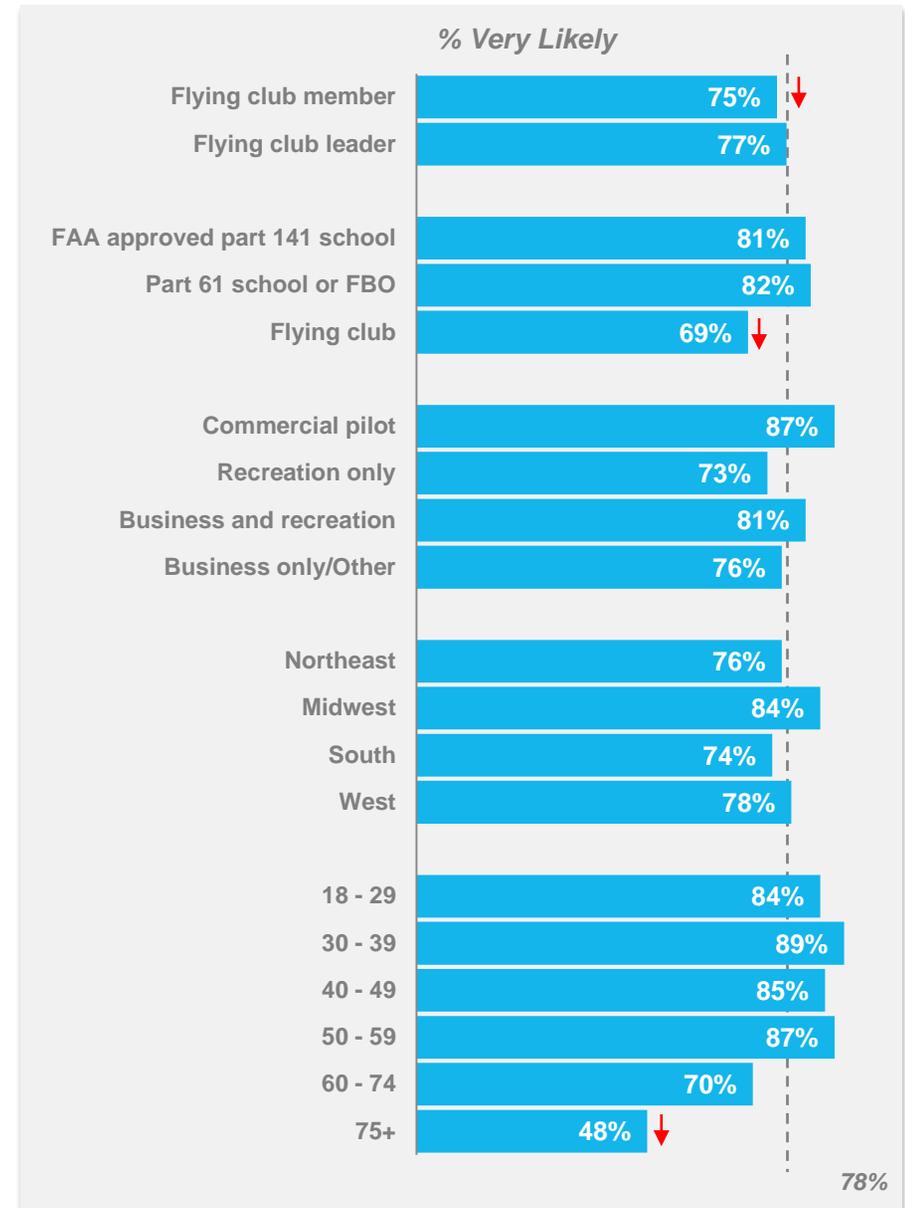
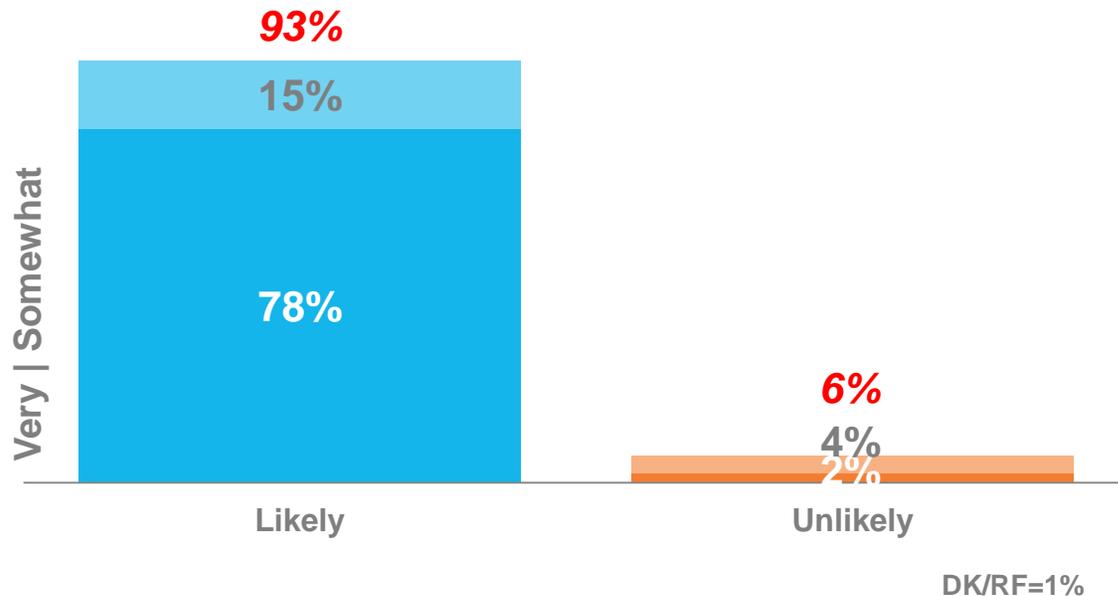


Q3. Thinking ahead, in the upcoming year, do you expect to fly more hours, fewer hours or about the same number of hours?

But Few Will Leave General Aviation

- Fully 93% of pilots say that they are likely to remain active as pilots looking ahead a few years – 78% feel strongly.
- Not surprisingly, only the oldest pilots are anticipating inactivity.

Now thinking ahead a few years, are you very likely, somewhat likely, somewhat unlikely or very unlikely to remain active as a pilot?



Q4. Now thinking ahead a few years, are you very likely, somewhat likely, somewhat unlikely or very unlikely to remain active as a pilot?

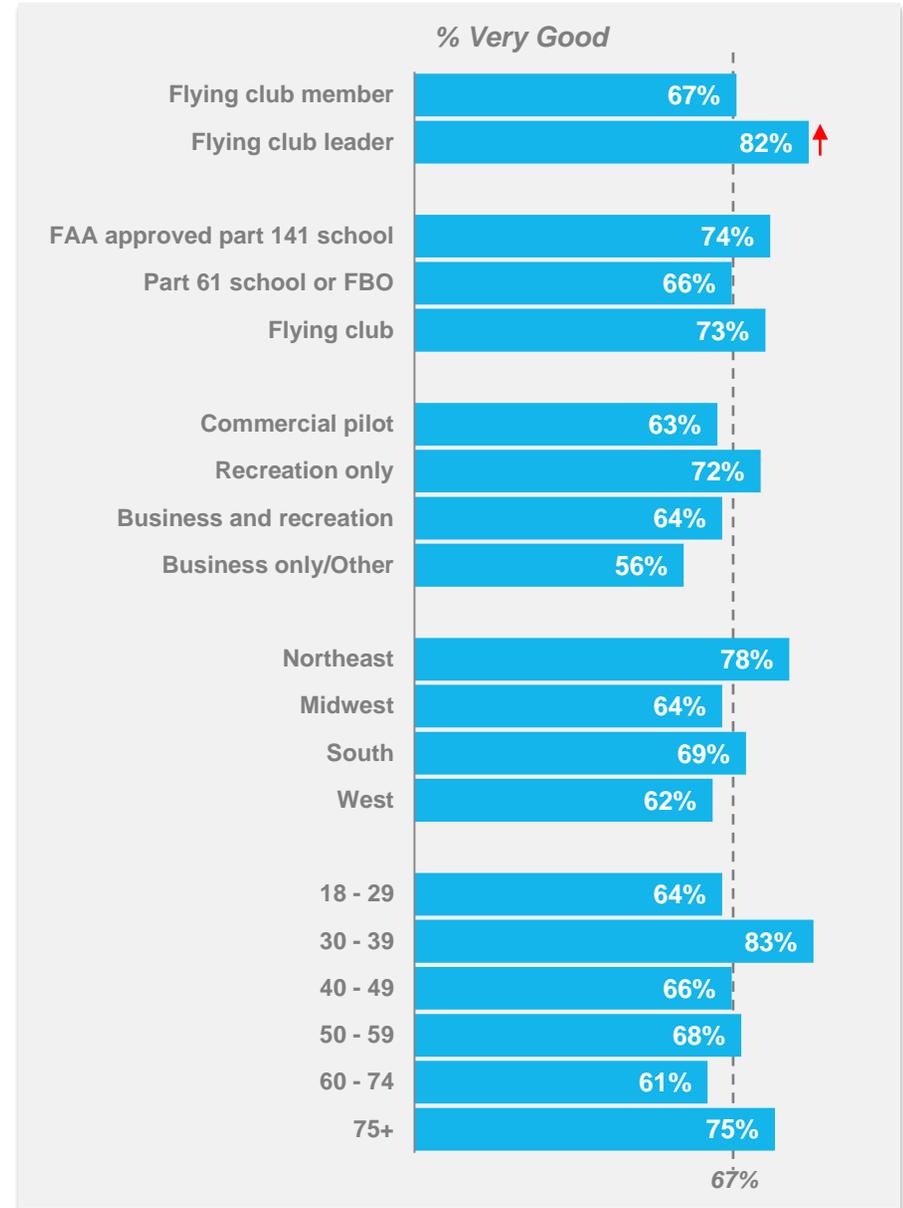
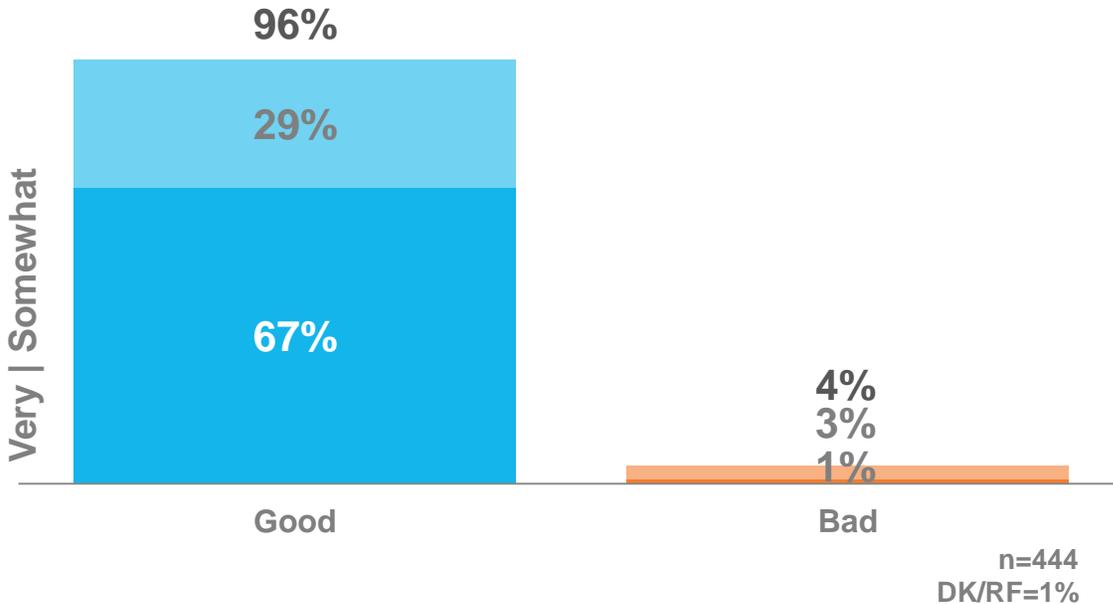


The Flying Club Experience

Clubs: A Valuable Experience

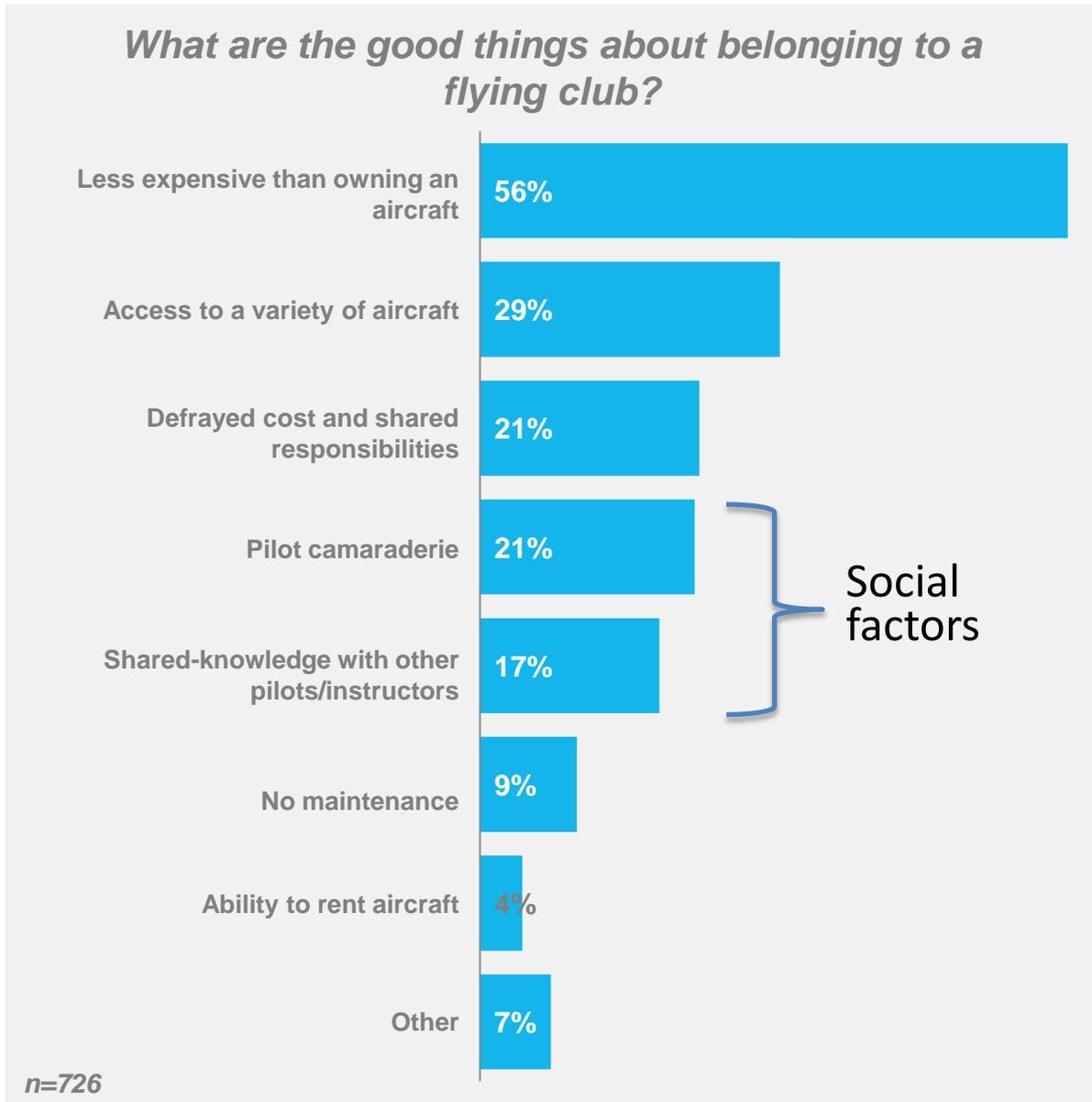
- Flying club membership is rated as a valuable experience – with high intensity at 67%.
- This represents good “brand equity” for the club experience.

Thinking about your most recent flying club experience, would you rate the value of your membership experience as...



Q6. [IF Q5=YES] Thinking about your most recent flying club experience, would you rate the value of your membership experience as...

Why a Good Club Experience?

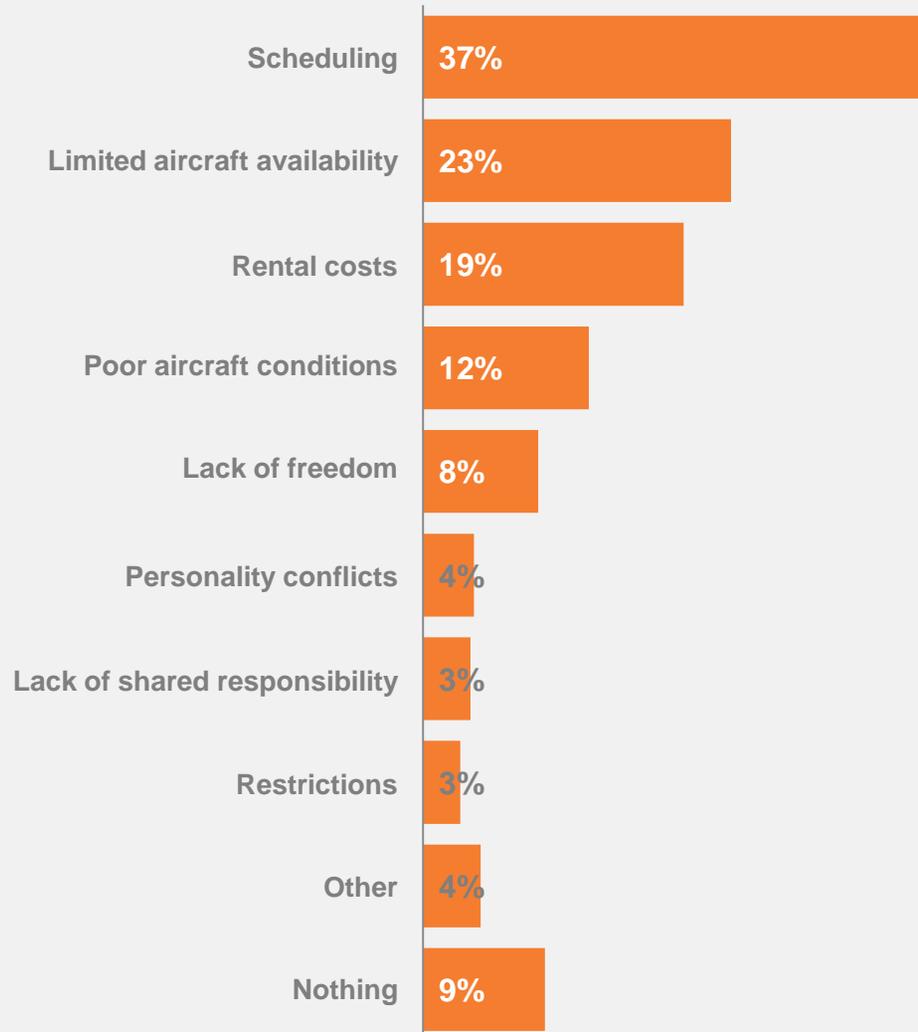


- Open-ended questioning about their experience shows a high level of satisfaction with the savings they realized.
- Shared responsibility for maintenance and management is also appreciated.
- However, taken together, 38% cite social and knowledge-sharing opportunities (which are unique to the social structure of the club environment).

Q7A. [IF Q5=YES AND Q6=GOOD (1 or 2)] What are the good things about belonging to a flying club?

Why a Bad Club Experience?

What are the bad things about belonging to a flying club?



n=494

- Confirming focus group discussion, difficulty in scheduling the aircraft of choice (competition with other members) is the most common complaint.
- Poor quality aircraft is also an issue.

Q7B. [IF Q5=YES AND Q6=BAD (3 or 4)] What are the bad things about belonging to a flying club?

In Their Own Words

Positive

“You get to be with other people who have the same interests.”

“The sharing of fixed expenses (insurance, maintenance, hangar) in exchange for minor scheduling inconvenience was the primary advantage for me. Most clubs also host occasional social events.”

“The ability to share in a fine quality aircraft with limited expense. To be with people with similar interest who like to do what you like to do.”

“It’s very safe; it costs a little less and you have the opportunity to work on the aircraft and can receive advice from other pilots and instructors.”

“1. Cheaper to rent if you fly often. 2. Sense of community among members.”

Negative

“There are more restrictions than owning my own plane, and scheduling conflicts with other members which may come up.”

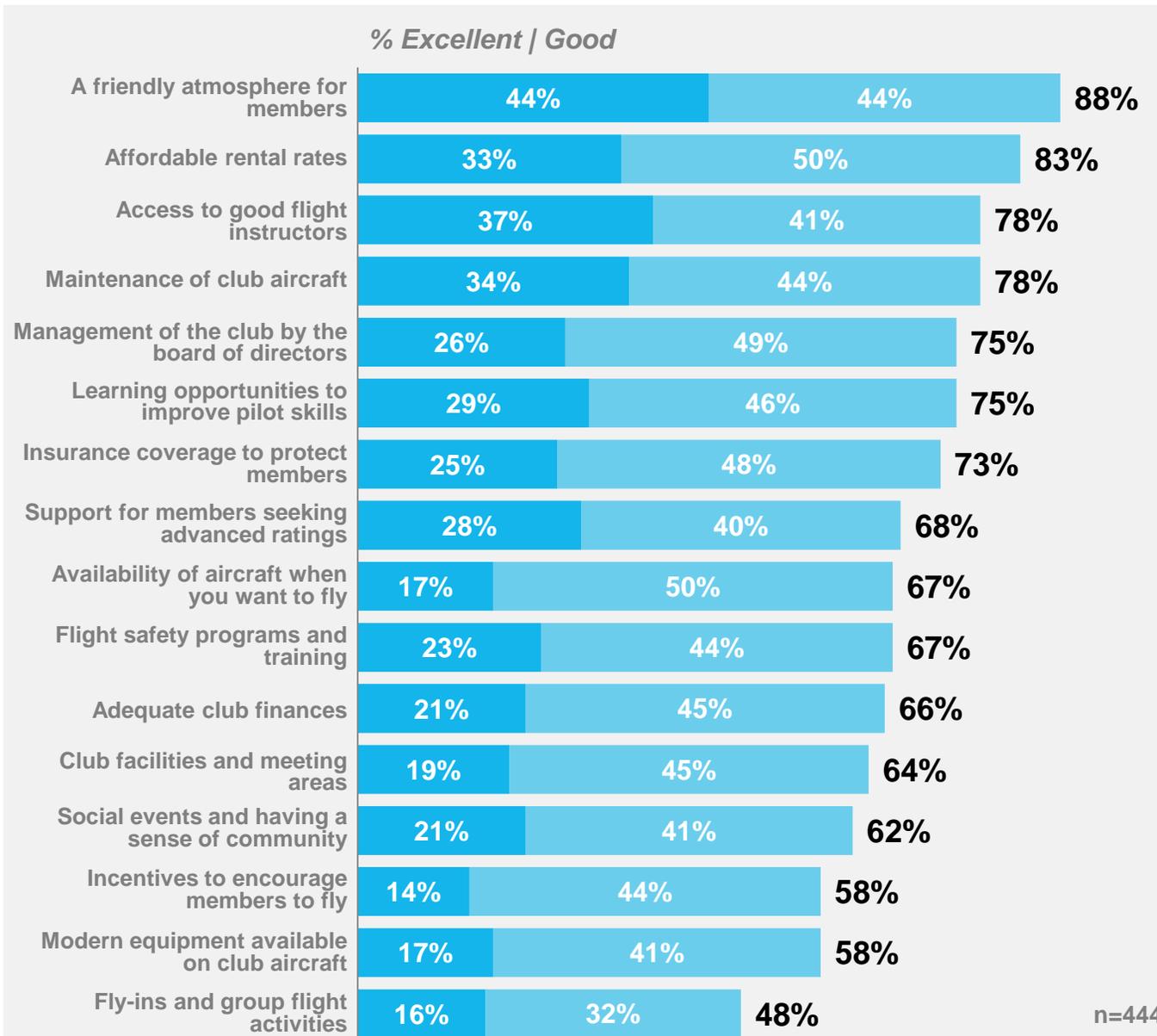
“Difficult to make changes to plane and other members may not treat plane as I would.”

“Careless members can affect the ability of other members to fly by damaging aircraft or not following simple rules.”

“10% of the members do all the work for the other 90%.”

“Uncertain availability on any given date and the lack of control over aircraft maintenance. The chance that another pilot might do something that renders the aircraft unsafe without your knowledge.”

Rating Flying Club Attributes



- A friendly atmosphere and affordable rental rates receive strong approvals.
- However, note response to availability of flight instructors: clubs play a mediating role in pilot training.
- Given high ratings for affordability, can we argue that cost is the decisive issue?
- Relatively poor performance on events, aircraft equipment and providing incentives to fly.

Q8. [IF Q5=YES] Now I'll read several features of flying clubs. After each one, please rate your flying club experience on this subject as excellent, good, only fair or poor. First...

Drivers of the Highest-Value Club Experience



- Regression analysis isolates the features of flying clubs that, beyond the basics, drive the highest-value membership experiences.
- Four elements of flying clubs are key to a positive experience:
 - *Board management*
 - *Friendly atmosphere*
 - *Aircraft availability*
 - *Knowledge and training opportunities*
- Learning opportunities are a key feature of club structure

Adj. R² = .236

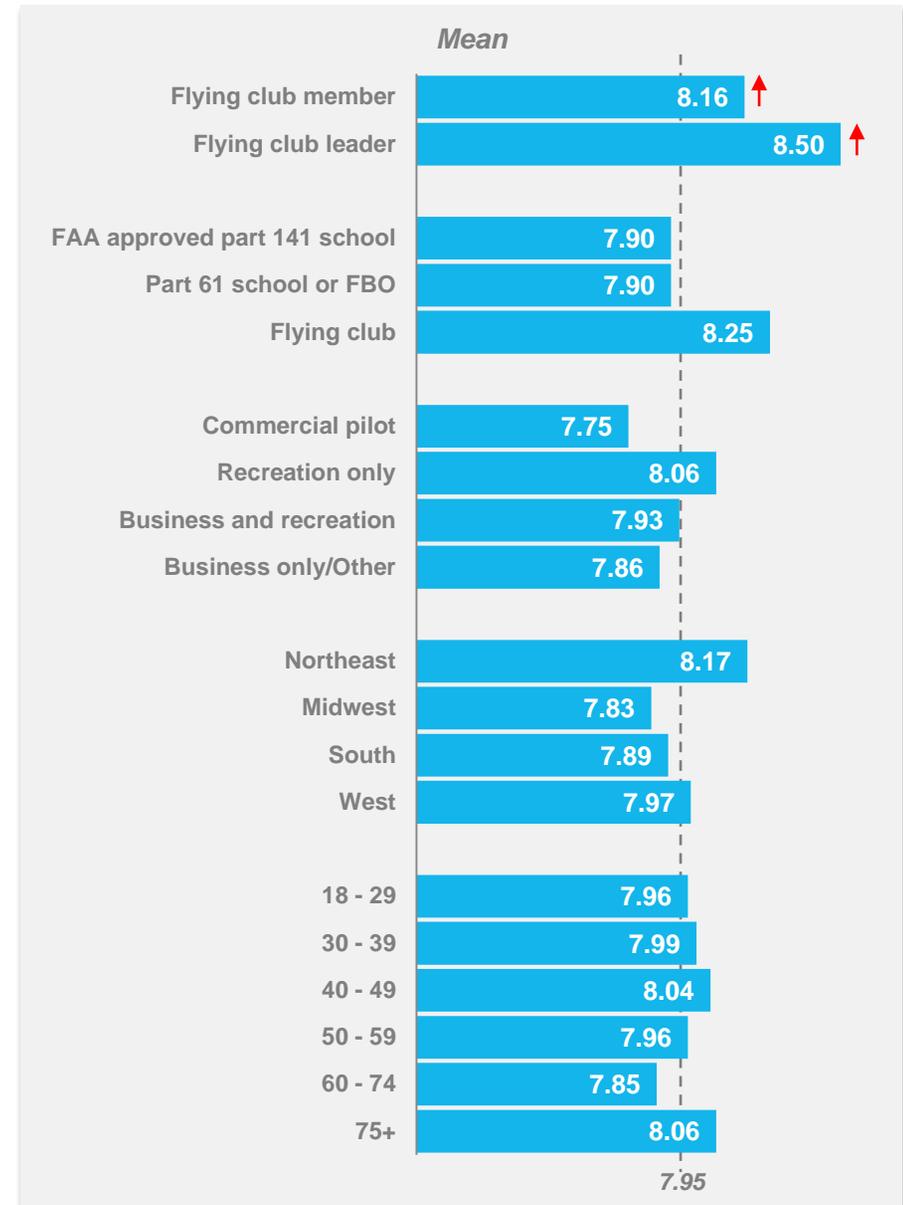
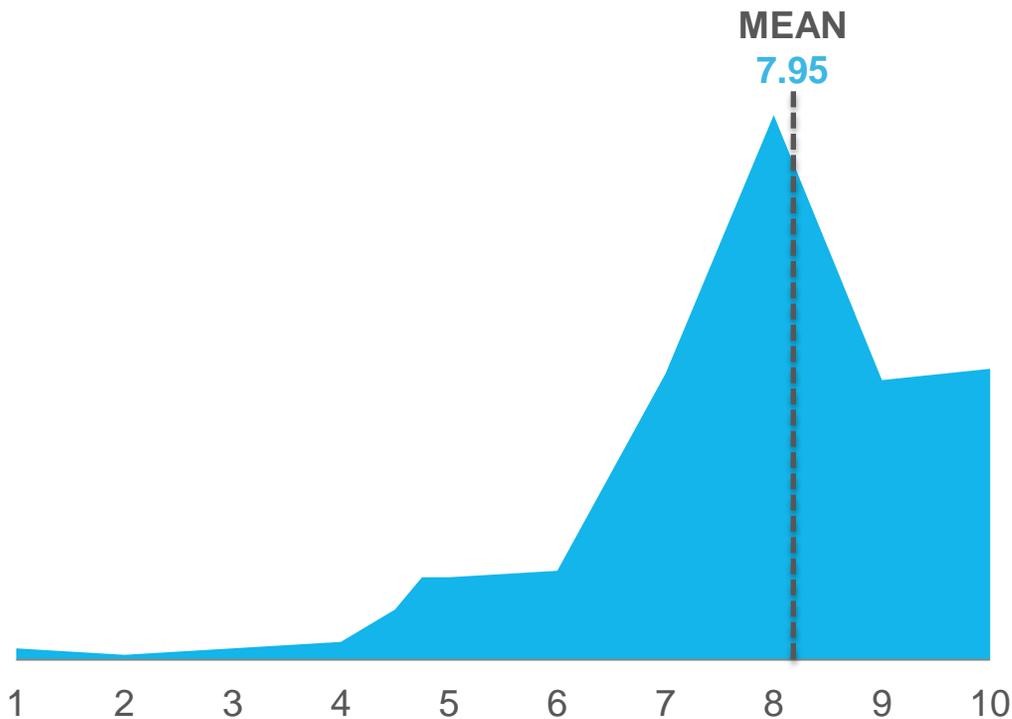
Dependent Variable: Q6 (Flying club value)

Independent Variable: Q8series (Features of flying clubs)

Flying Club Value

- The dependent variable: how “valuable” are flying clubs to pilots?
- A skewed distribution and a highly regarded option for pilots.
- Flying clubs achieve higher value in more densely populated areas such as the Northeast (8.17).

Please rate how valuable flying clubs are for their members.

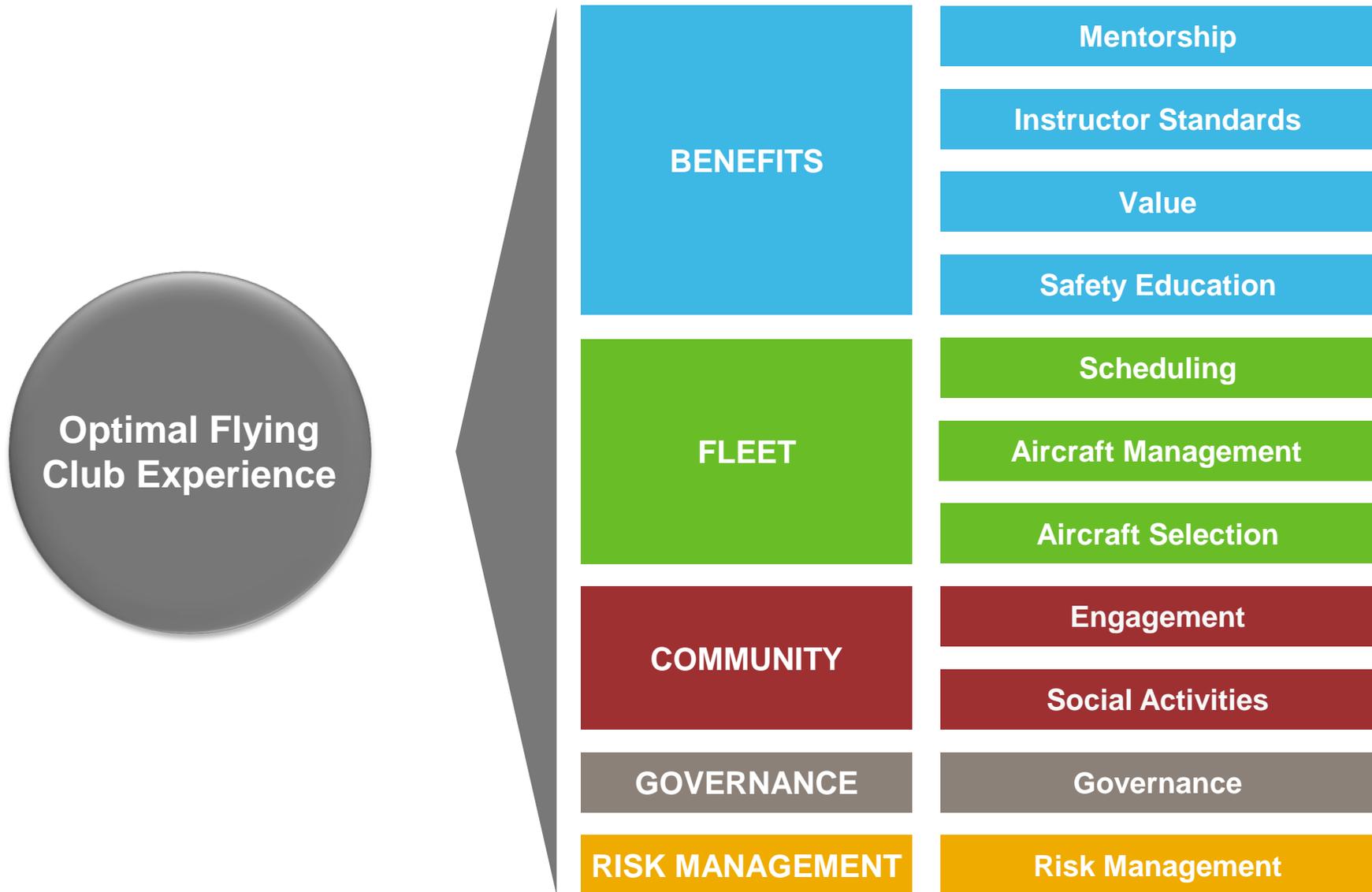


Q11. Whether or not you have direct experience in a flying club, and based just on your impression, please rate how valuable flying clubs are for their members.



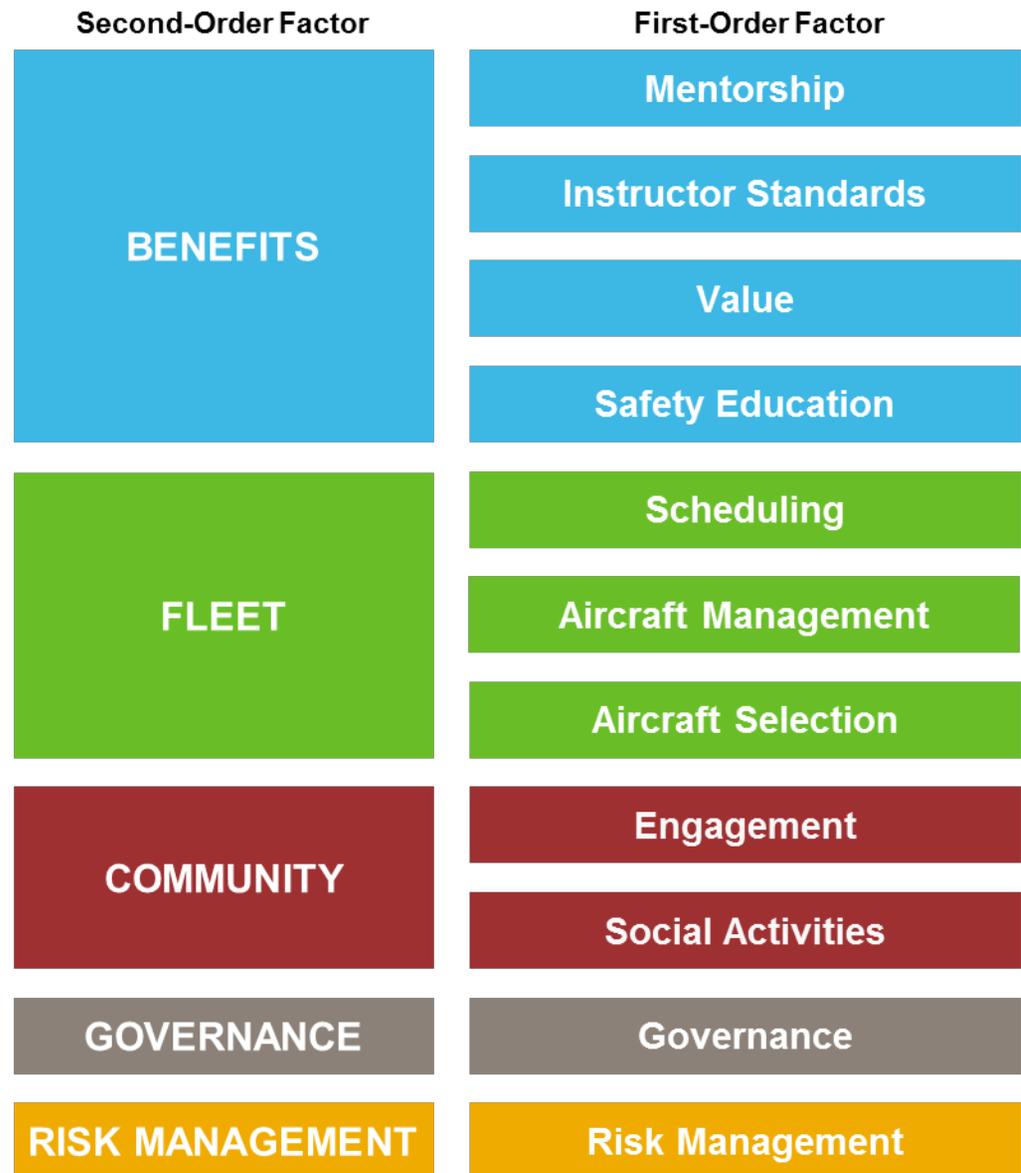
Flying Club Model

Comprehensive Flying Club Model

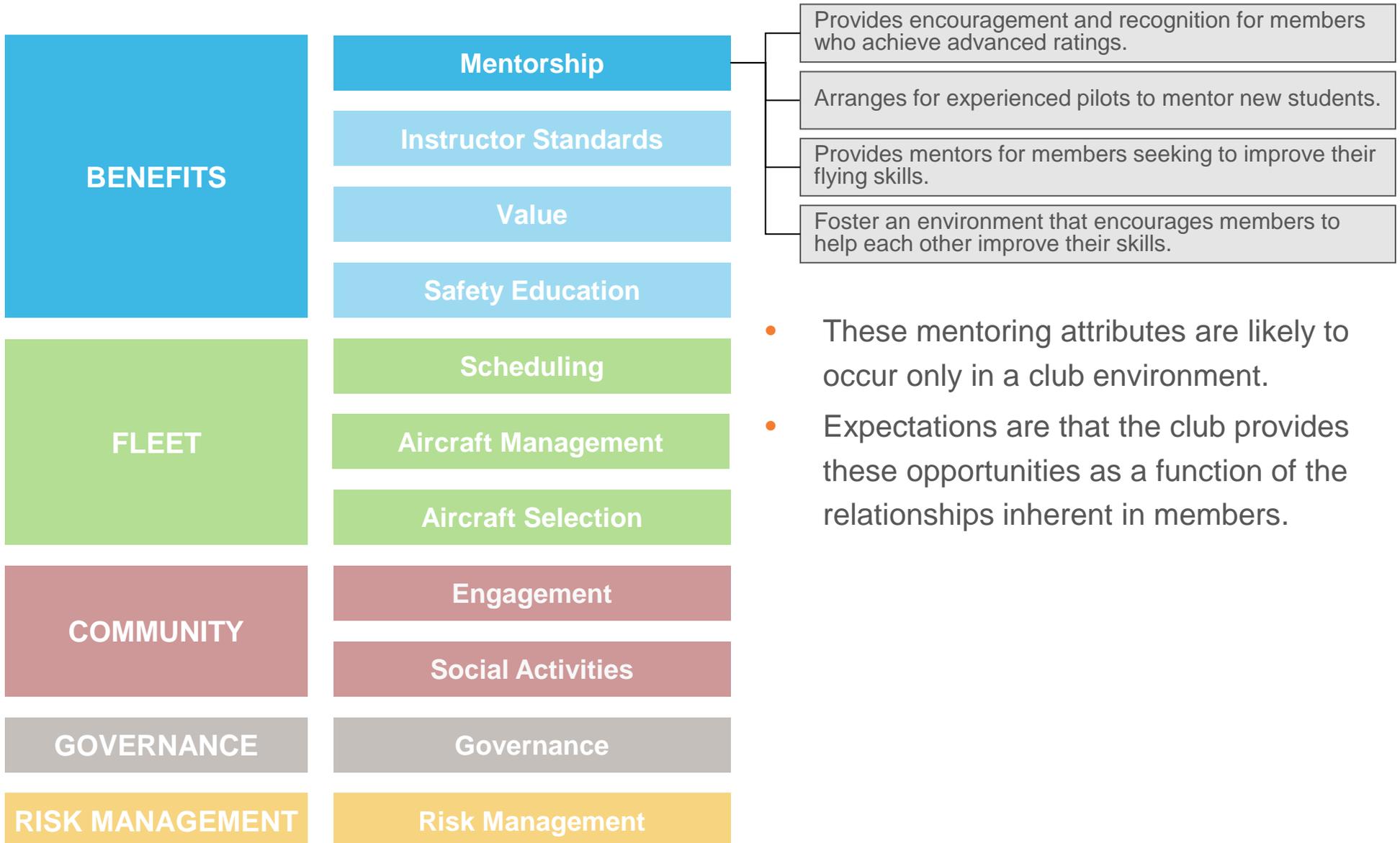


Comprehensive Flying Club Model

- 40 attributes are decisive — correlating into 11 discrete *factors* (10 attributes fell from the model).
- Correlations between factor groups define five broader themes (second-order factors).
- The **Mentorship** and **Instructor Standards** factors are unique and directly linked to club *social structure*.
- **Fleet** factors are decidedly practical considerations.
- **Community** is a constant feature of involvement in GA.
- Governance and **Risk Management** are basic club infrastructure.



Mentorship



Instructor Standards

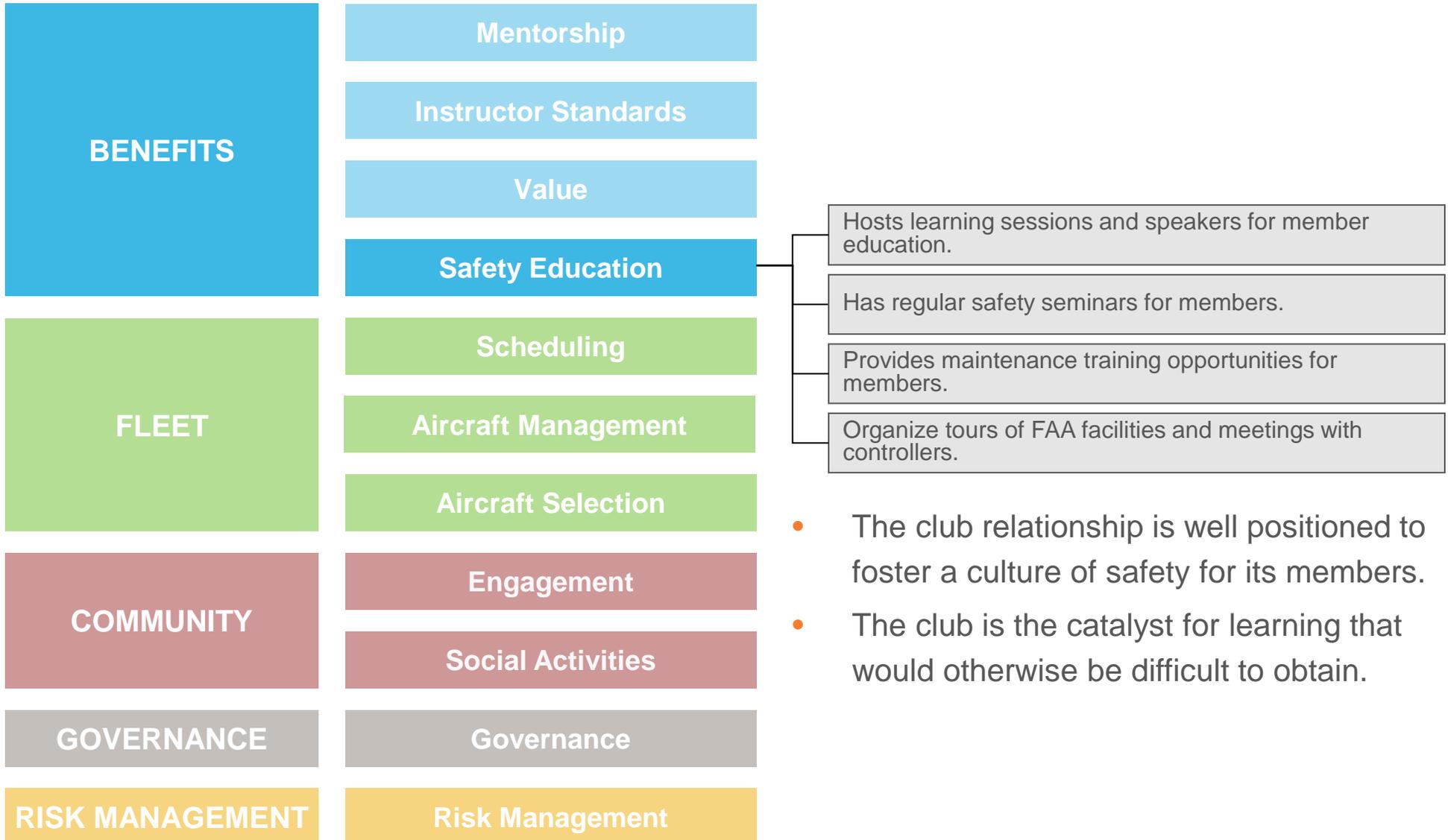


Value



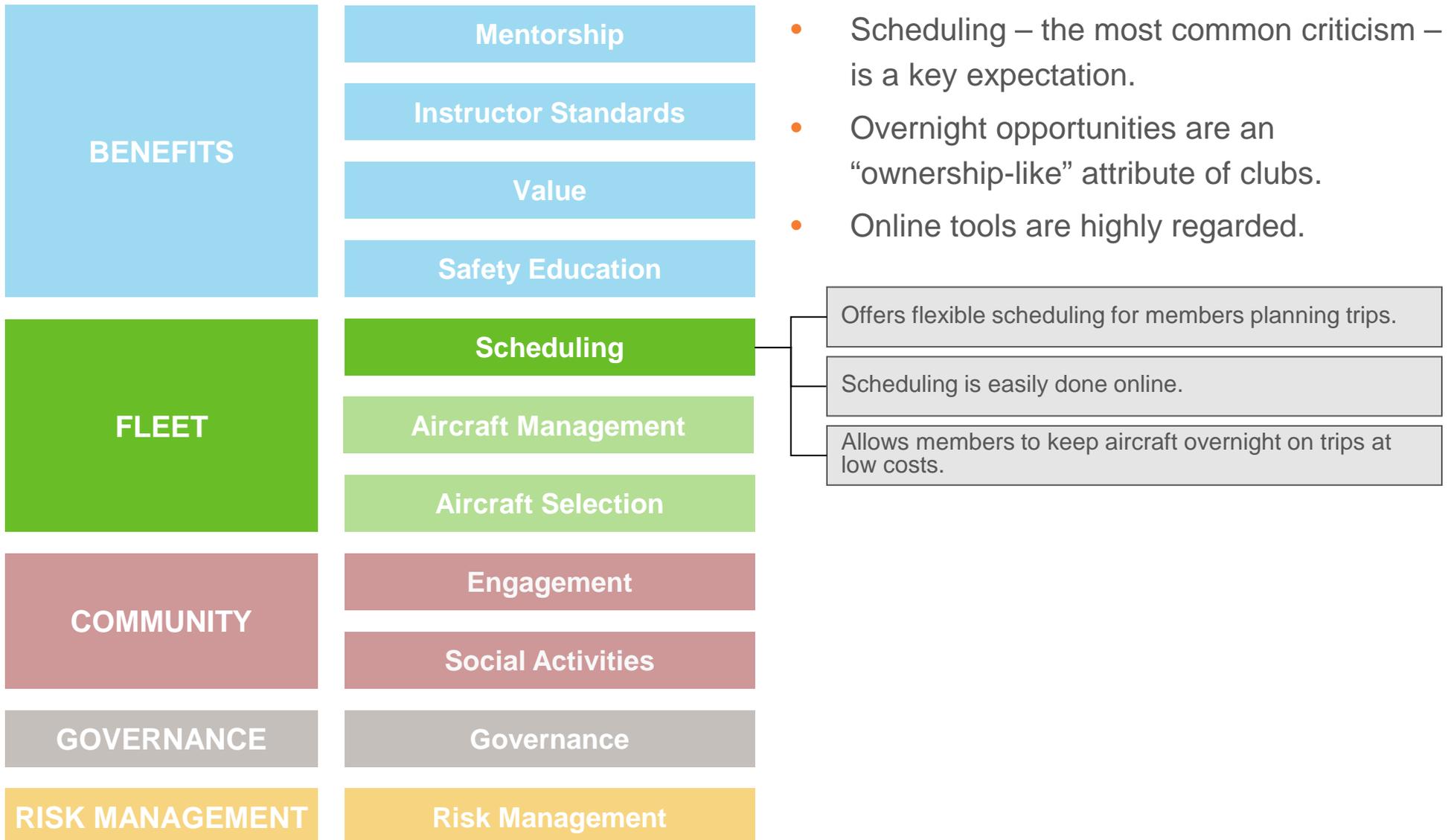
- Perceived value is broader than simple cost considerations.
- Pilots expect clubs to “connect” them with other resources and third-party opportunities.

Safety Education



- The club relationship is well positioned to foster a culture of safety for its members.
- The club is the catalyst for learning that would otherwise be difficult to obtain.

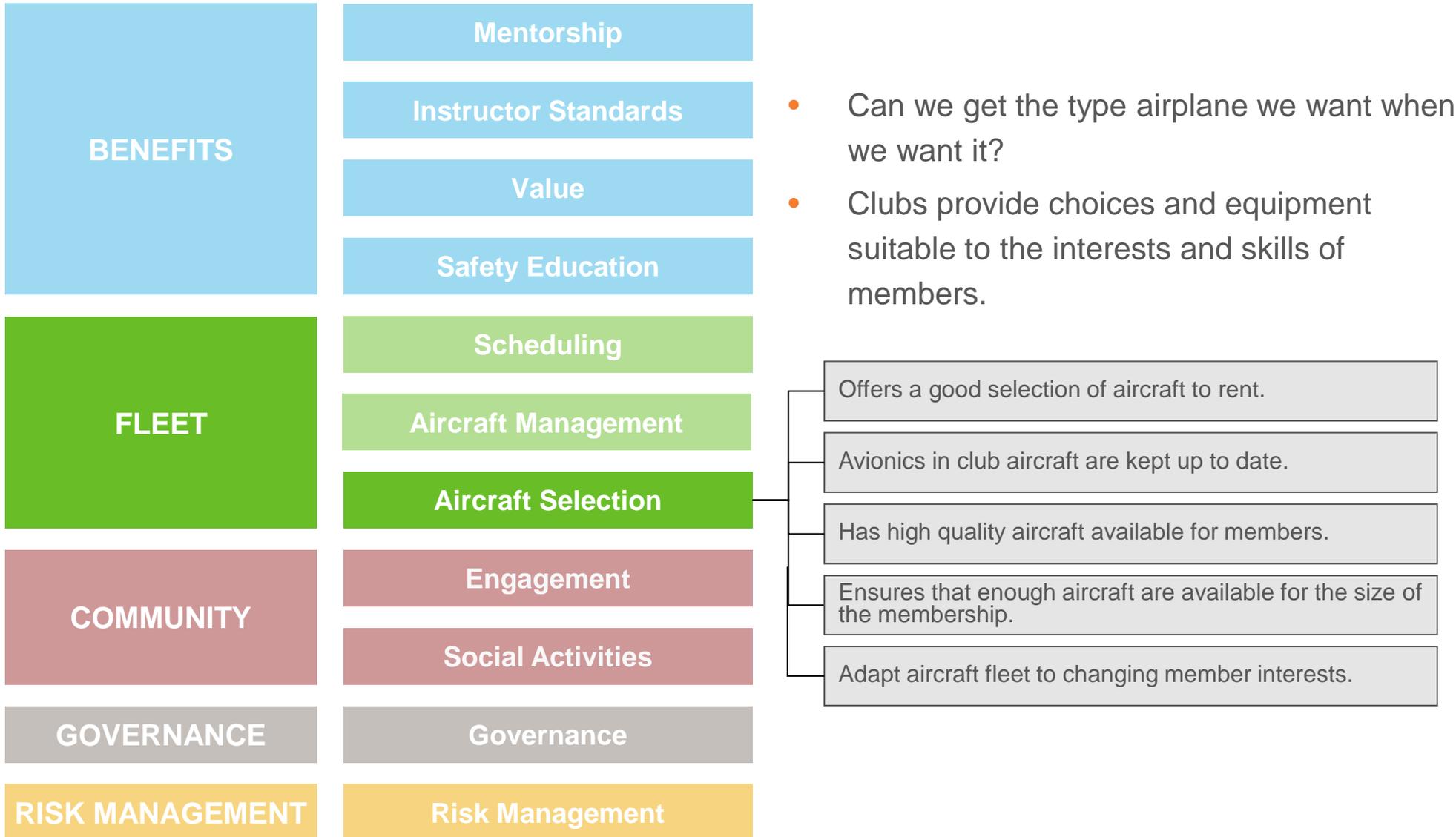
Scheduling



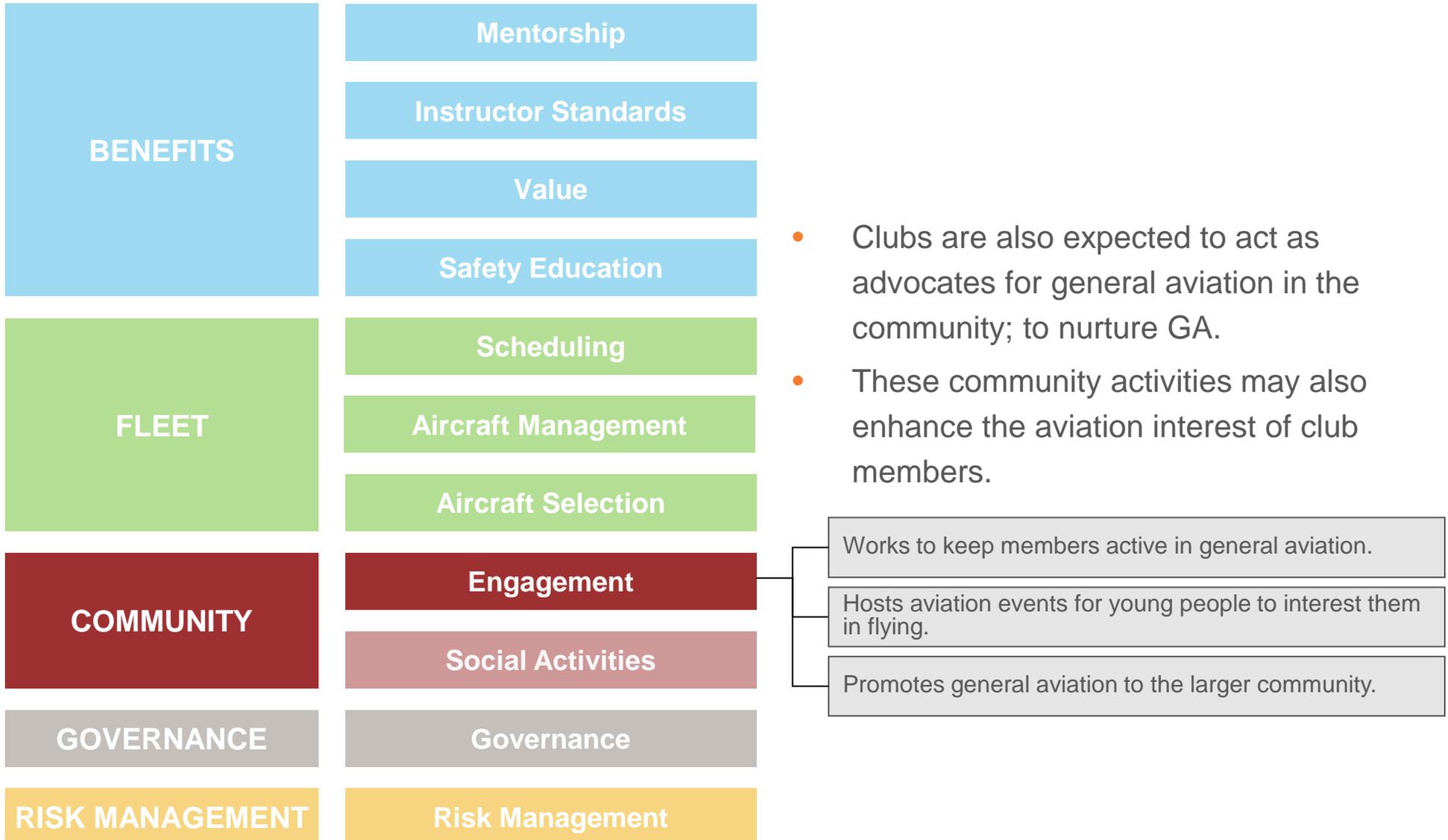
Aircraft Management



Aircraft Selection



Engagement



Social Activities



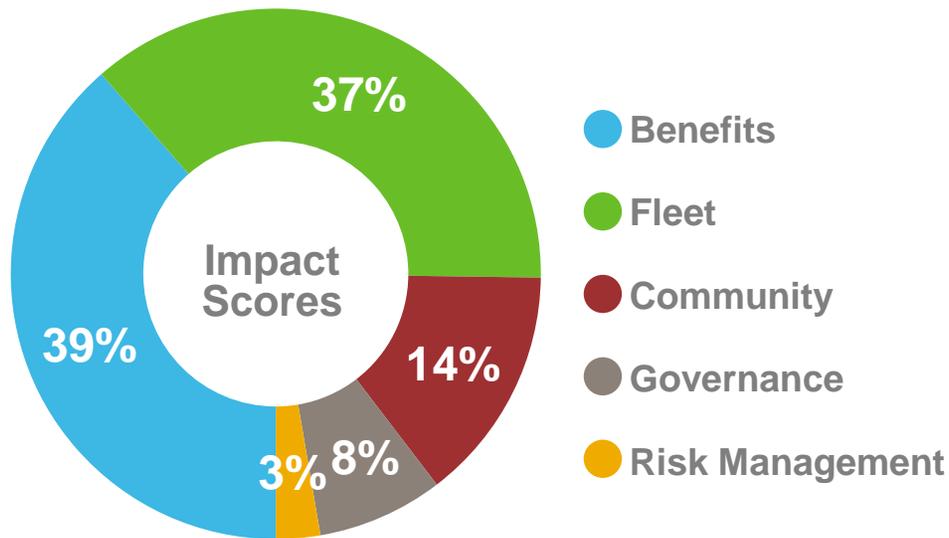
Governance



Risk Management



Impact Score Summary



	Non-Member	Member	Leader
● Benefits	37%	47%	47%
● Fleet	48%	23%	29%
● Community	11%	16%	9%
● Governance	2%	13%	13%
● Risk Management	1%	1%	2%

- The unique environment that a club can create explain most of the experience. A combination of the social and the practical.
- Indeed, the benefits of club membership related to the relationships established are at least as important as access to aircraft.
- Insofar as aircraft are a base-case expectation, the benefits story is the decisive “branding” element of a valuable flying club.
- **Benefits** are the dominant theme for members, while the more practical **Fleet** theme appeals to non-members who may not realize the distinct benefits of club membership..

Output: Measures that Matter

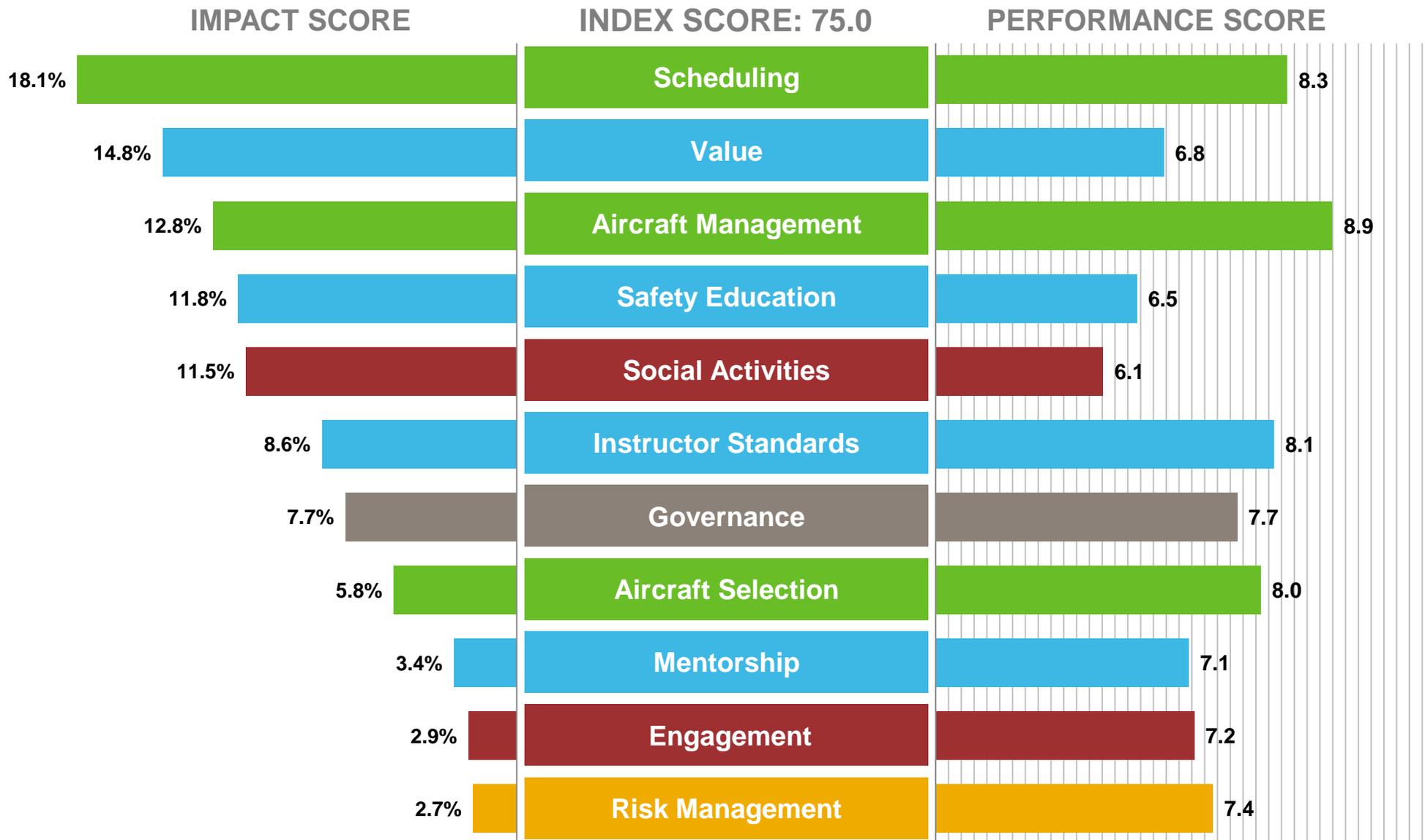
The model provides three separate measurements that can be tracked over time:

Performance Scores: Depict how well flying club experiences perform along each of the eleven dimensions of reputation. The score is based on a scale from one to ten.

Reputation Impact: Measures the extent to which each of the factors drive overall opinion. These scores are presented in percentage terms to indicate the relative strength of the factor.

Reputation Index: An overall measure of the club experience. The index is a number between 10 and 100 that takes into account both performance scores and reputation impact of the factors.

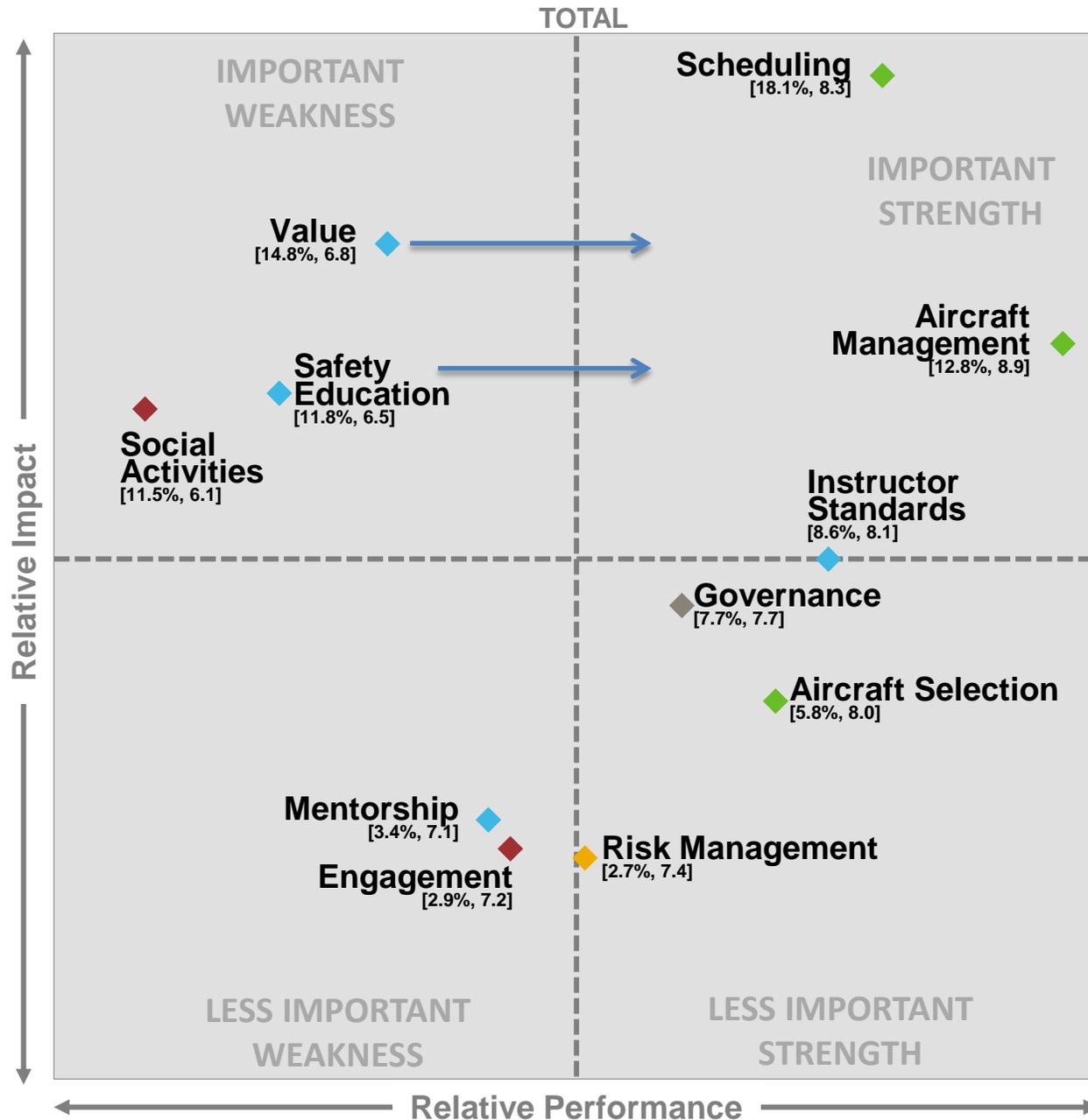
Strengths and Weaknesses for Flying Clubs



Relative strength of the factor in driving overall satisfaction.

*Performance Score scale lines represent confidence interval of .157

Experience Matrix – Total Sample



- Beyond the basics (aircraft management and scheduling) **Instructor Standards** are a key strength and can distinguish a club.
- However, there is some “low-hanging fruit” to build loyalty.
- Clubs have some work to do to make **Value** a key strength. This is an easy story to tell and should inform club programs.
- Similarly, highlighting **Safety Education** should be a priority communications initiative by flying clubs.



Key Findings and Recommendations

Clubs Meet Distinctive Needs

Clubs are a well-known model that offer answers in a bad GA environment



- The outlook for general aviation is negative: pilots see things getting worse and expect to reduce flying hours.
- Focus groups expressed doubt about the ability of GA businesses to meet the needs of pilots in this environment.
- However, flying clubs are well-known and well positioned to speak to key concerns and aspirations. A surprisingly high percentage of pilots have experience and knowledge of clubs.

Clubs have equity that can accommodate a more distinctive offer



- The club experience is strongly positive and any offer will be of interest to pilots.
- Importantly, the distinctive social elements of a club set the stage for more compelling benefits that align with higher pilot aspirations.
- The membership model makes aircraft choice, and learning opportunities more achievable for pilots.

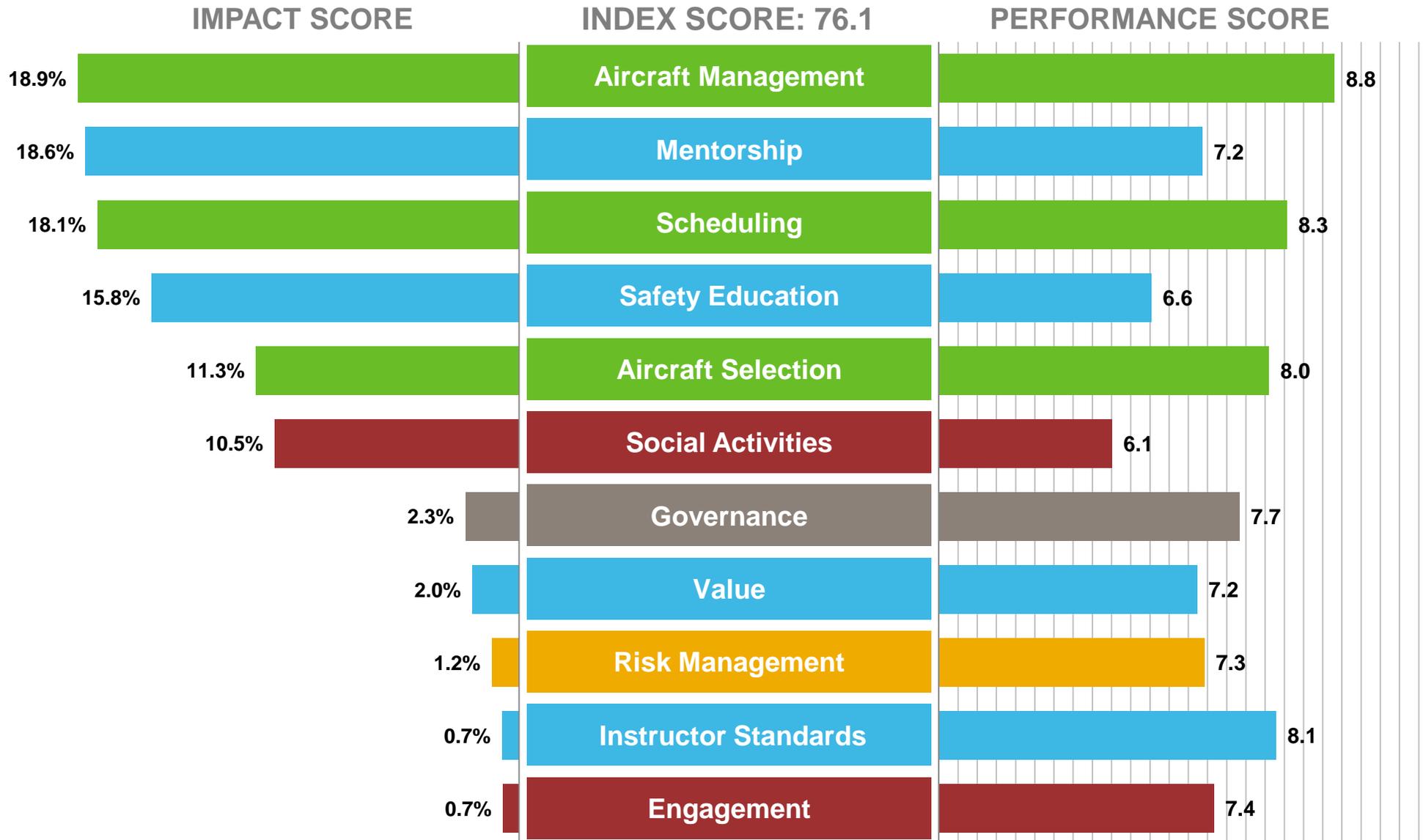
Club Environment Creates Benefits

The club model values membership benefits over practical issues

Clubs empower me as a pilot and connect me to other GA resources

- Initial considerations are practical concerns about access to reliable aircraft and scheduling. A desire to fly more easily explains interest in clubs.
- However, access to committed flight instructors emerges an initial strength; suggesting that the education dynamic is already part of the club story.
- Practical issues can emulate aircraft ownership with schedule flexibility and minimal burden.
- However, membership benefits are more evocative story:
 - Social attributes create an atmosphere where pilots can learn and experience what they would not on their own;
 - Membership of CFI's in the club changes expectations for instructors and improves likelihood of student success;
 - Members and the organization provide me with added value and relationships with third parties;
 - I'm more likely to grow as a pilot.

Model Summary – Non-Member



Relative strength of the factor in driving overall satisfaction.

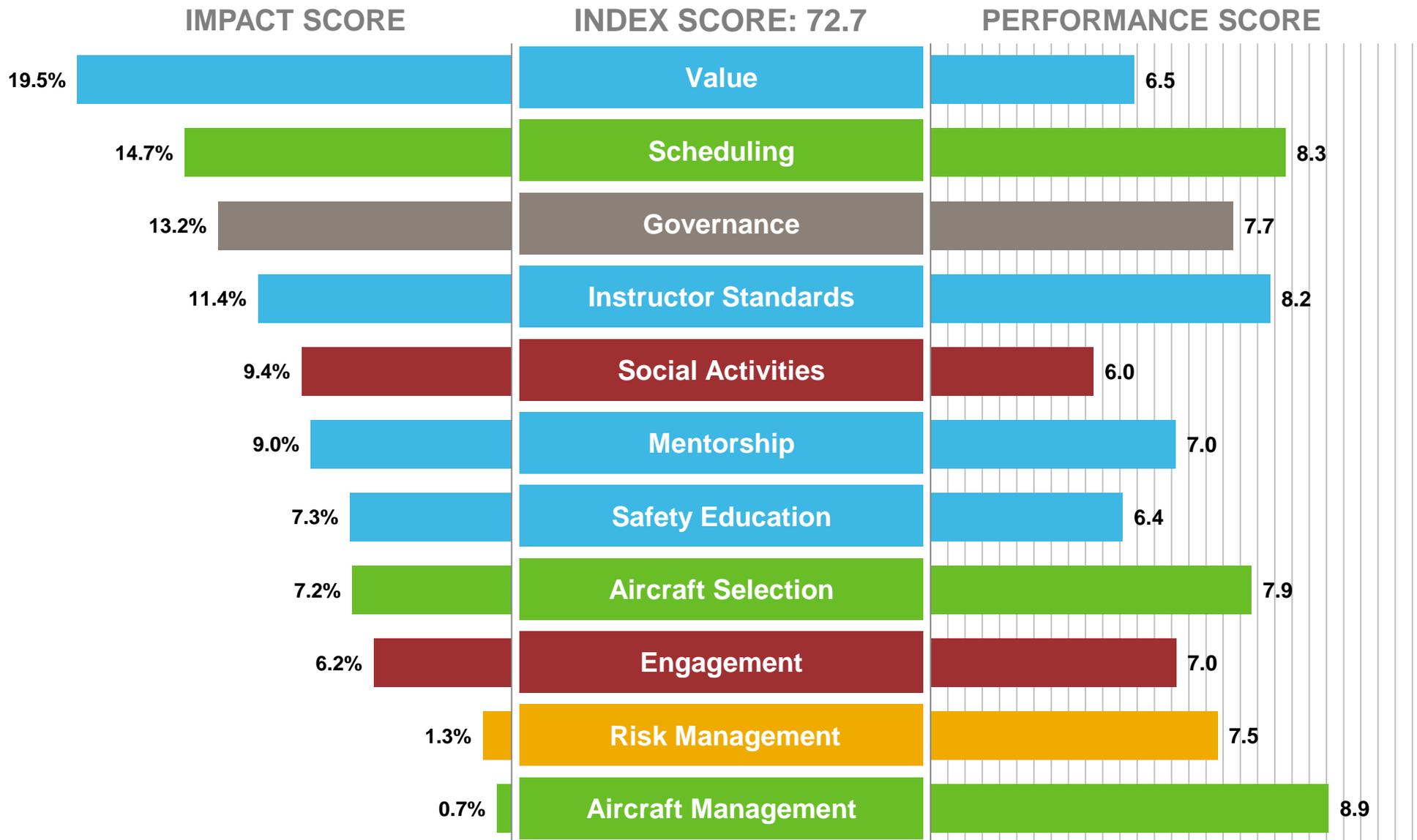
*Performance Score scale lines represent confidence interval of .235

Reputation Matrix – Non-Members



- Non-members have extremely divergent views towards flying clubs.
- Value is not important to this audience as it was to others.
- The ability to fly whenever you want (**Scheduling**) and confidence in the aircraft (**Aircraft Management**) is what matters most to non-members.

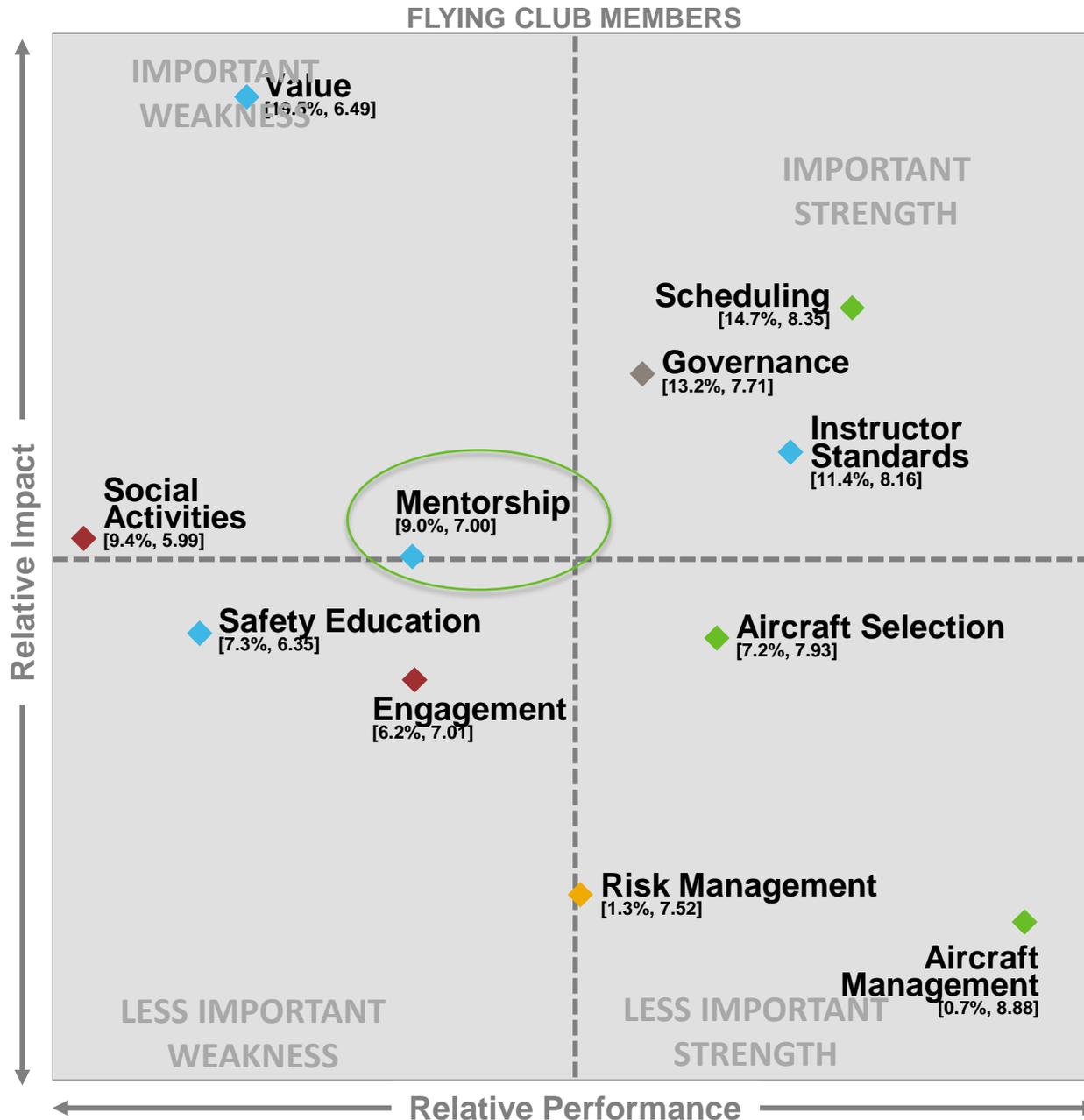
Model Summary – Member



Relative strength of the factor in driving overall satisfaction.

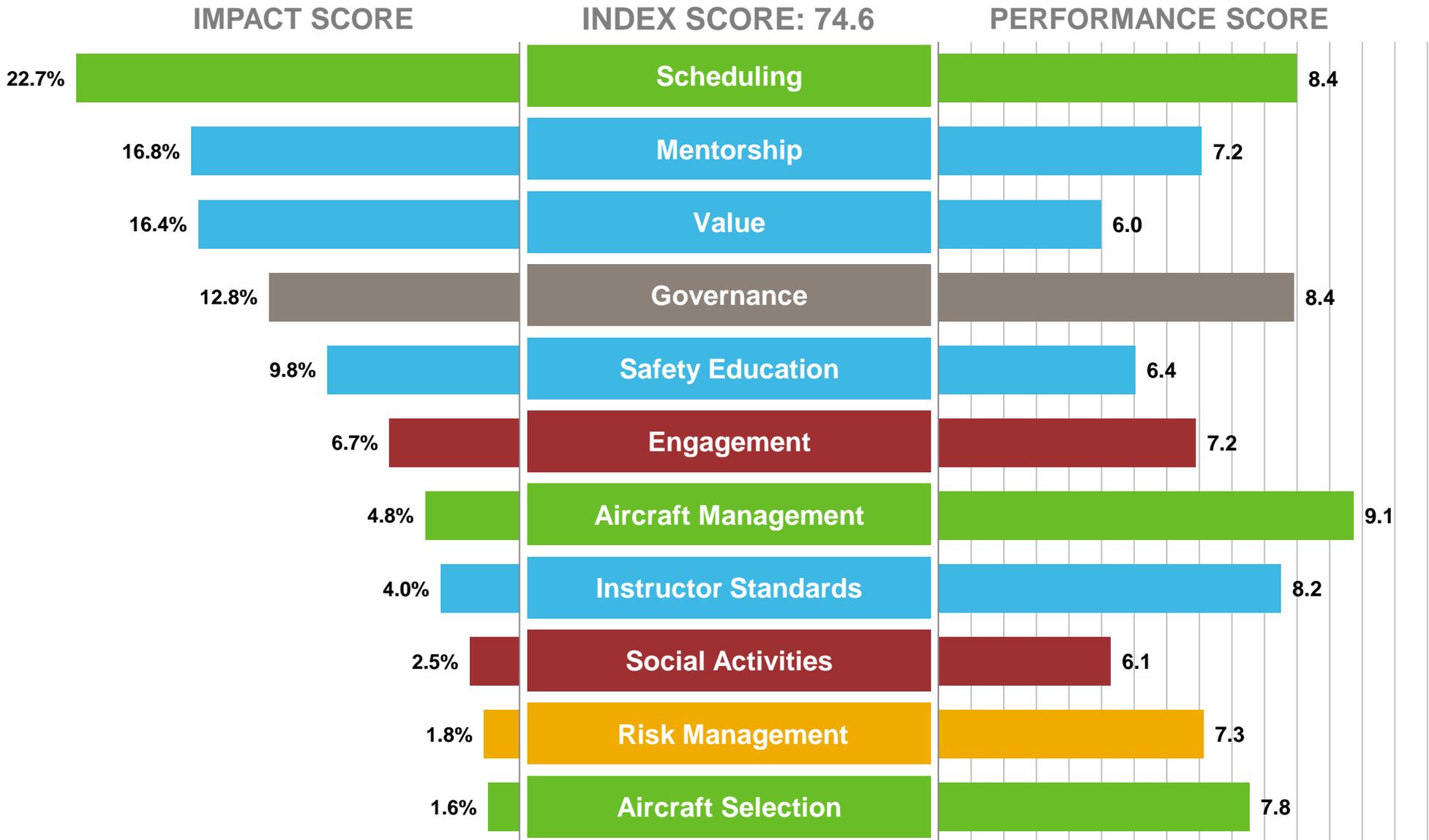
*Performance Score scale lines represent confidence interval of .211

Reputation Matrix – Members



- Members have very different expectations of flying clubs – they see **Value** as a critical weakness – giving reason to address the importance of flying clubs to the overall GA population.
- Scheduling**, **Governance**, and **Instructor Standards** are all factors that will influence a member's opinion of value towards the flying club.

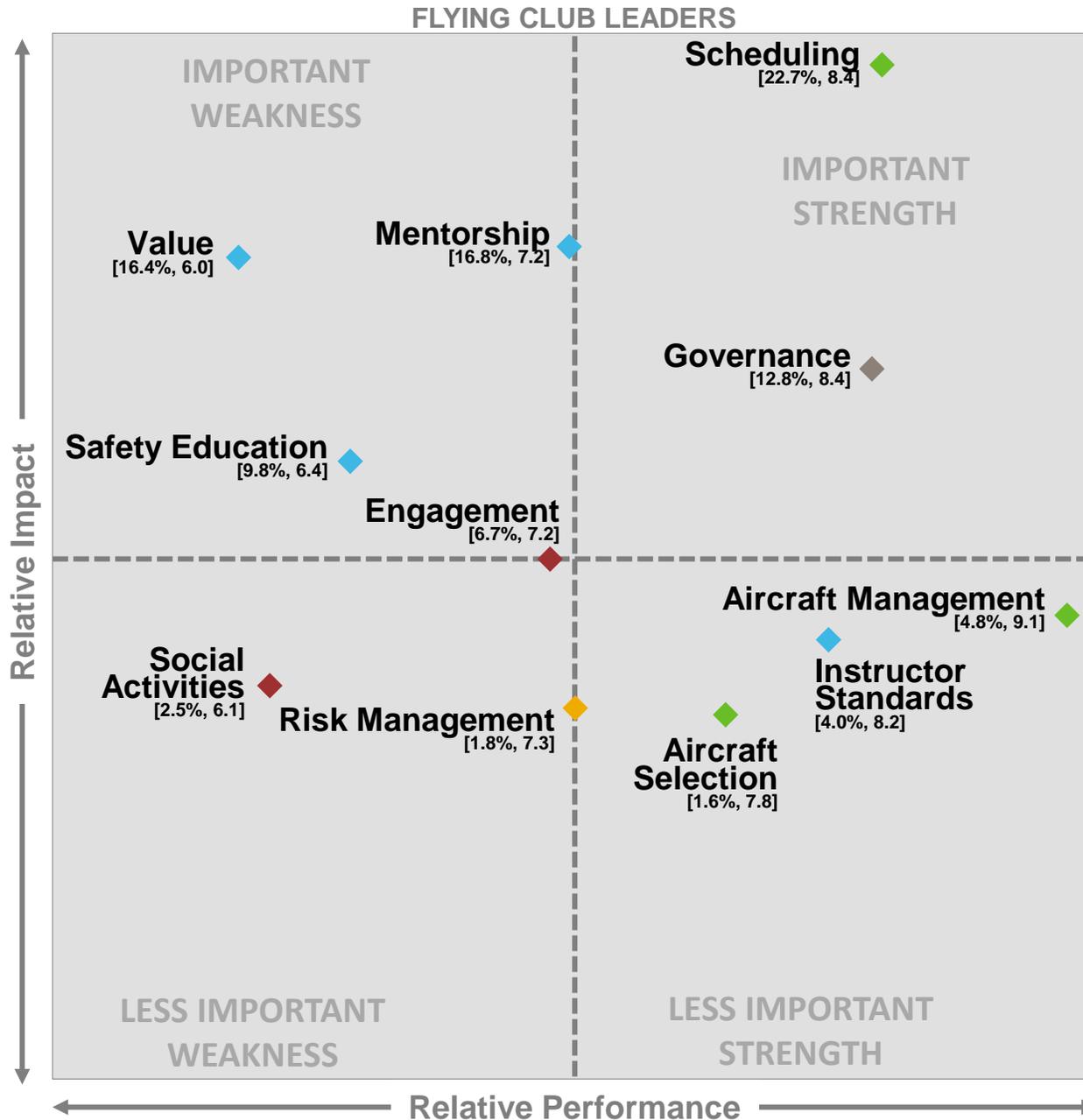
Model Summary – Leader



Relative strength of the factor in driving overall satisfaction.

*Performance Score scale lines represent confidence interval of .400

Reputation Matrix – Leaders



- The core strength among leaders is **Scheduling**.
- Not even flying club leaders are convinced of club value – **Value** received the lowest performance scores among this audience.



Factor Descriptions

Flying Club Model Summary

BENEFITS

Mentorship

- Provides encouragement and recognition for members who achieve advanced ratings.
- Arranges for experienced pilots to mentor new students.
- Provides mentors for members seeking to improve their flying skills.
- Foster an environment that encourages members to help each other improve their skills.

Instructor Standards

- Has high standards for flight instructors teaching through the club.
- Examines the qualifications of flight instructors teaching at the club.
- Has long-term relationships with flight instructors for the benefit of the members.

Value

- Offers blocks of aircraft time at reduce hourly cost.
- Aircraft rental rates are kept as low as possible.
- Makes inexpensive simulator time available for members.
- Partners with other flying clubs on education and training efforts.
- Offers attractive terms for aircraft owners to make their planes available to members.
- Seeks reciprocal agreements with other flying clubs to allow use of their aircraft.

Safety Education

- Hosts learning sessions and speakers for member education.
- Has regular safety seminars for members.
- Provides maintenance training opportunities for members.
- Organize tours of FAA facilities and meetings with controllers.

FLEET

Scheduling

- Offers flexible scheduling for members planning trips.
- Scheduling is easily done online.
- Allows members to keep aircraft overnight on trips at low costs.

Aircraft Management

- Aircraft are well maintained and proper records are kept.
- Board of directors ensures that maintenance reserves are adequate.
- Maintains adequate cash reserves for maintenance and upgrades.

Aircraft Selection

- Offers a good selection of aircraft to rent.
- Avionics in club aircraft are kept up to date.
- Has high quality aircraft available for members.
- Ensures that enough aircraft are available for the size of the membership.
- Adapt aircraft fleet to changing member interests.

RISK MANAGEMENT

Risk Management

- Eliminates member liability for aircraft damage

COMMUNITY

Engagement

- Works to keep members active in general aviation.
- Hosts aviation events for young people to interest them in flying.
- Promotes general aviation to the larger community.

Social Activities

- Hosts social events for members and their families.
- Organizes group flying events and fly-ins.
- Has common area for pilots to socialize and share information.

GOVERNANCE

Governance

- Board of directors provides useful information to members.
- Members are invited to participate in managing the club.
- Reports accurate club finances to the membership.
- Consults with members on aircraft decisions.
- Fosters a cooperative atmosphere on club decisions.



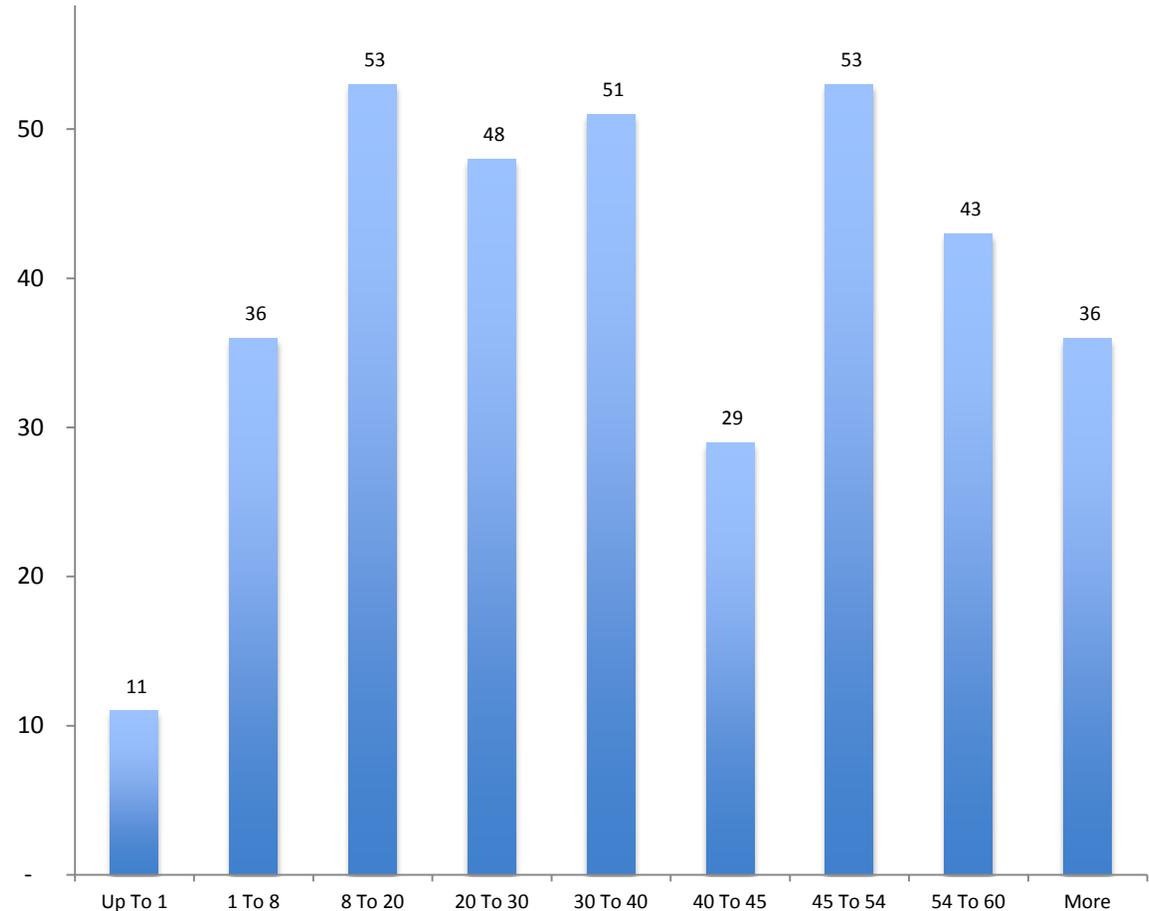
2012 Flying Club Survey

Methodology and Notes

- On June 22, 2012 an e-mail survey was sent to 570 club contacts
- 163 contacts responded and 109 completed the survey
- This number of responses allows for a margin of error of 8.45% at the 95% confidence level

of Years in Operation

- The average number of years the surveyed clubs have been in operation is 40 years
- The average number however does not indicate the wide variation in years of operation, more than half of all clubs are less than 40 years in operation, and nearly 28% have been formed in the past 20 years



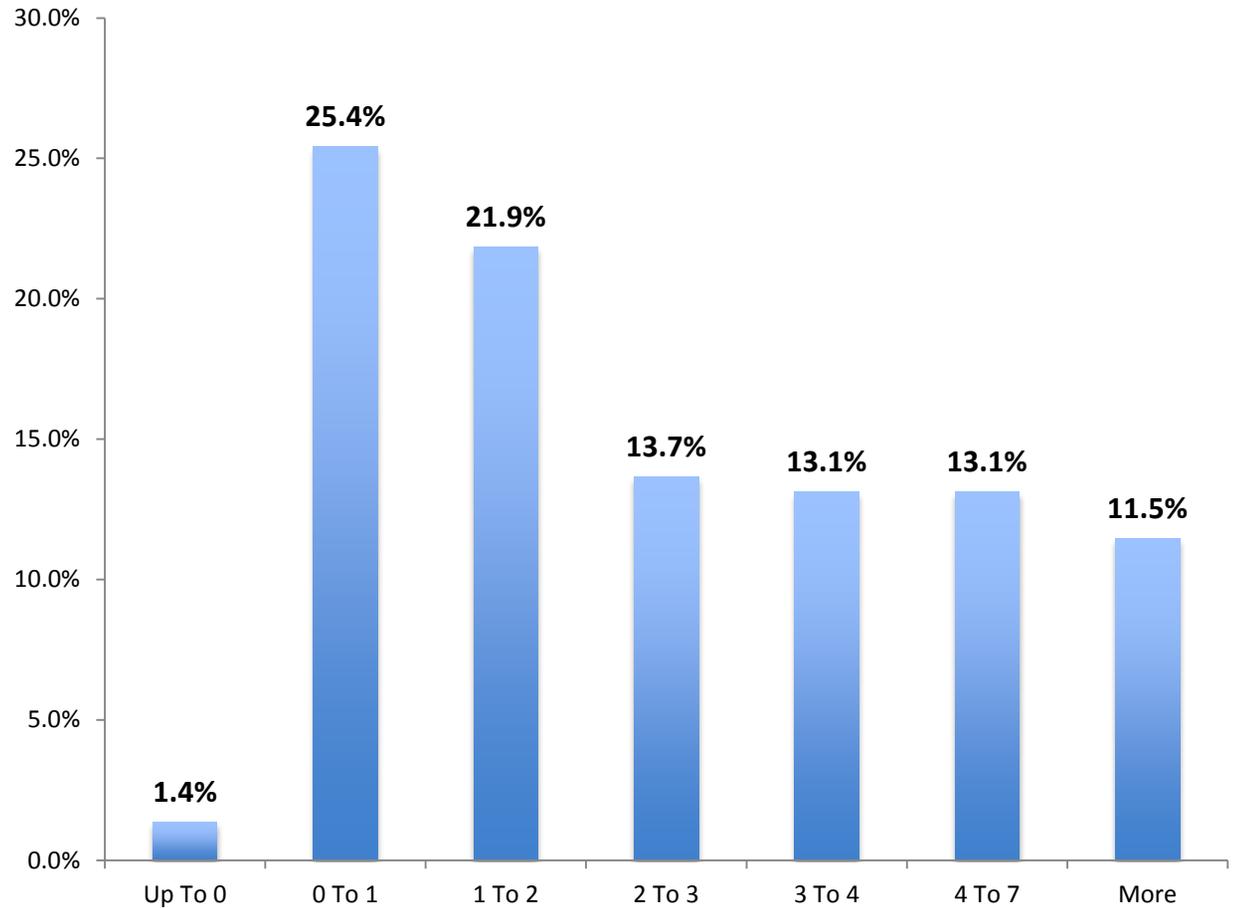
Question: How many years has your club been in operation?

Base: N=360

Scale: n/a

of Aircraft Available

- Nearly half of the survey panel has access to one or two aircraft in the club
- The maximum number of aircraft available at a club was reported to be 60
- In total ownership of 1,727 aircraft was claimed.
- This averages to 4.7 aircraft per club

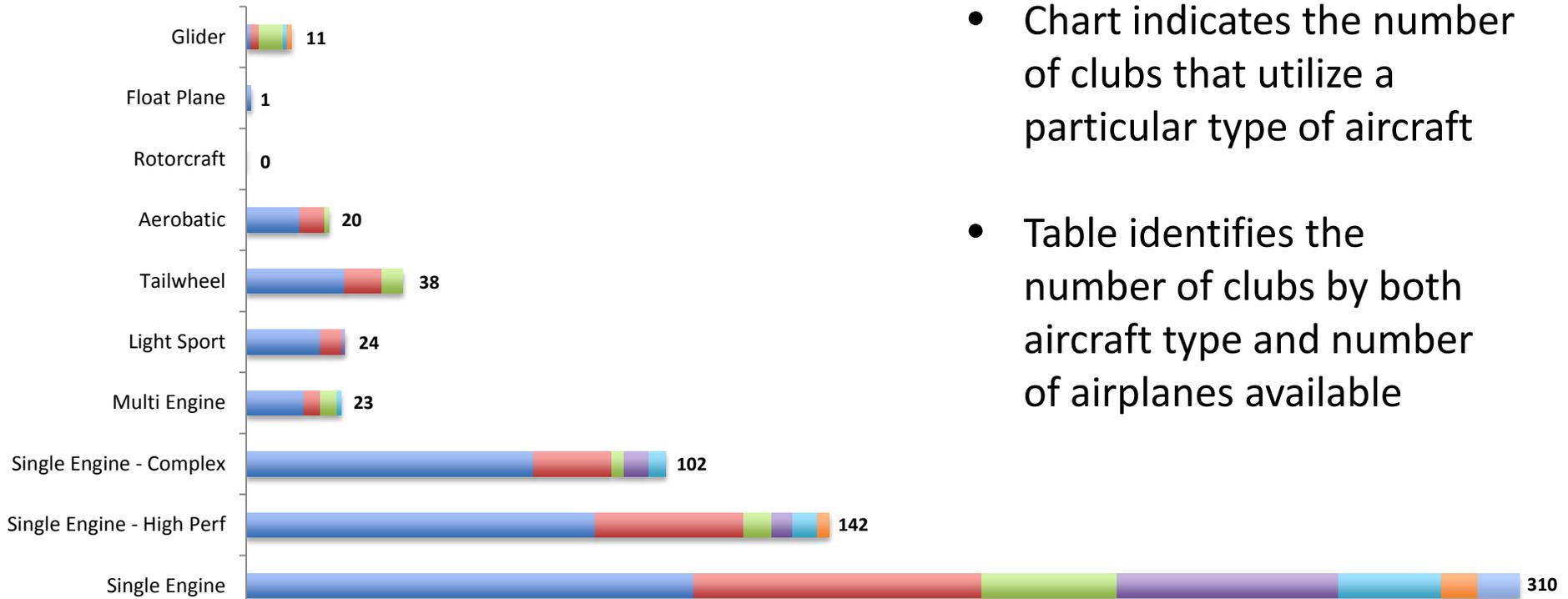


Question: How many aircraft do your club members have regular access to?

Base: N=367

Scale: n/a

Type of Aircraft Available



- Chart indicates the number of clubs that utilize a particular type of aircraft
- Table identifies the number of clubs by both aircraft type and number of airplanes available

	Single Engine	Single Engine - High Perf	Single Engine - Complex	Multi Engine	Light Sport	Tailwheel	Aerobatic	Rotorcraft	Float Plane	Glider
1 aircraft	109	85	70	14	18	24	13	-	1	1
2 aircraft	70	36	19	4	5	9	6	-	-	2
3 aircraft	33	7	3	4	-	5	1	-	-	6
4 - 5 aircraft	54	5	6	-	1	-	-	-	-	-
6 - 10 aircraft	25	6	4	1	-	-	-	-	-	1
11 - 15 aircraft	9	3	-	-	-	-	-	-	-	1
16+ aircraft	10	-	-	-	-	-	-	-	-	-

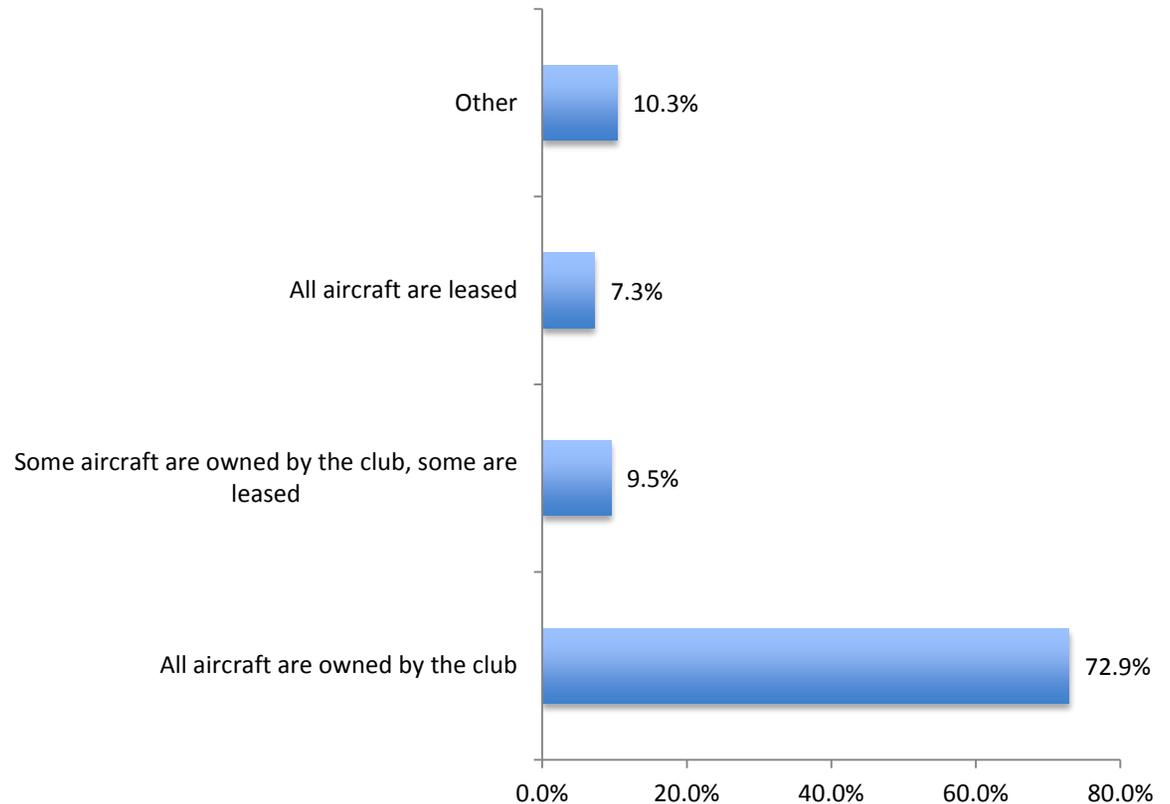
Question: Please indicate the type and number of aircraft available in your club:

Base: N=385

Scale: n/a

Aircraft Ownership

- Nearly 73% of clubs own the aircraft used
- For the “Other” category, respondents indicated that the aircraft were owned by a corporation or by the a US military branch



Question: Please indicate which aircraft ownership arrangements apply to your club:

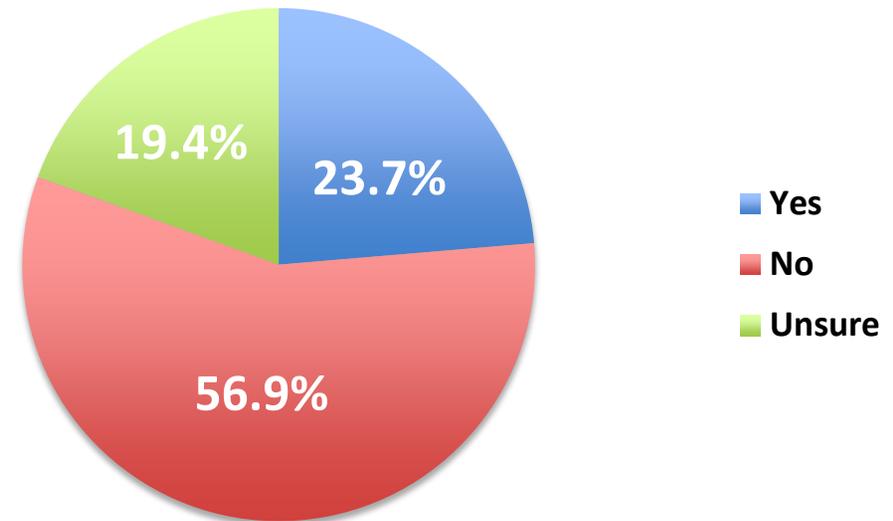
Base: N=358

Scale: All aircraft are owned by the clubs (1), Some aircraft are owned by the club, some are leased (2), All aircraft are leased (3), Other (4)

Future Purchases

- Less than 25% of clubs plan to acquire additional aircraft

Does your club plan to acquire or lease additional aircraft?



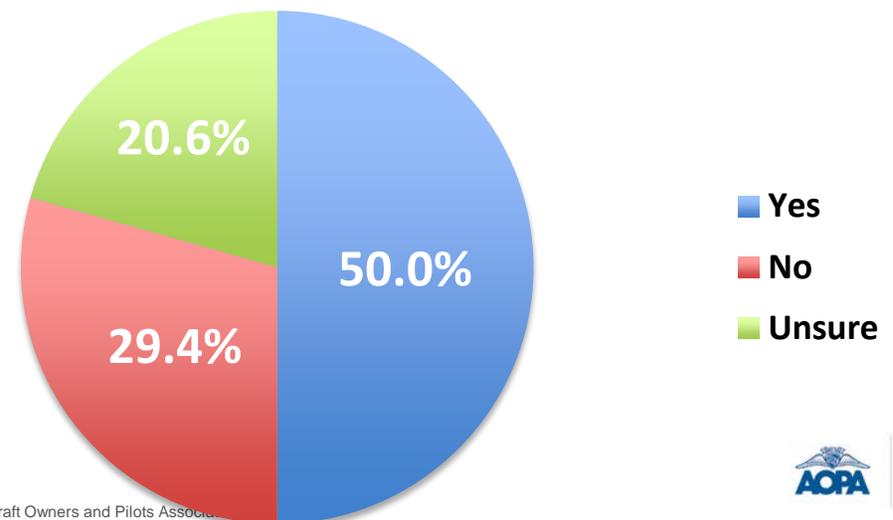
Question: Does your club plan to acquire or lease additional aircraft?

Base: N=355

Scale: Yes (1), No (2), Unsure (3)

Does your club plan to upgrade the equipment in any aircraft?

- 50% of clubs intend to upgrade the equipment in an aircraft



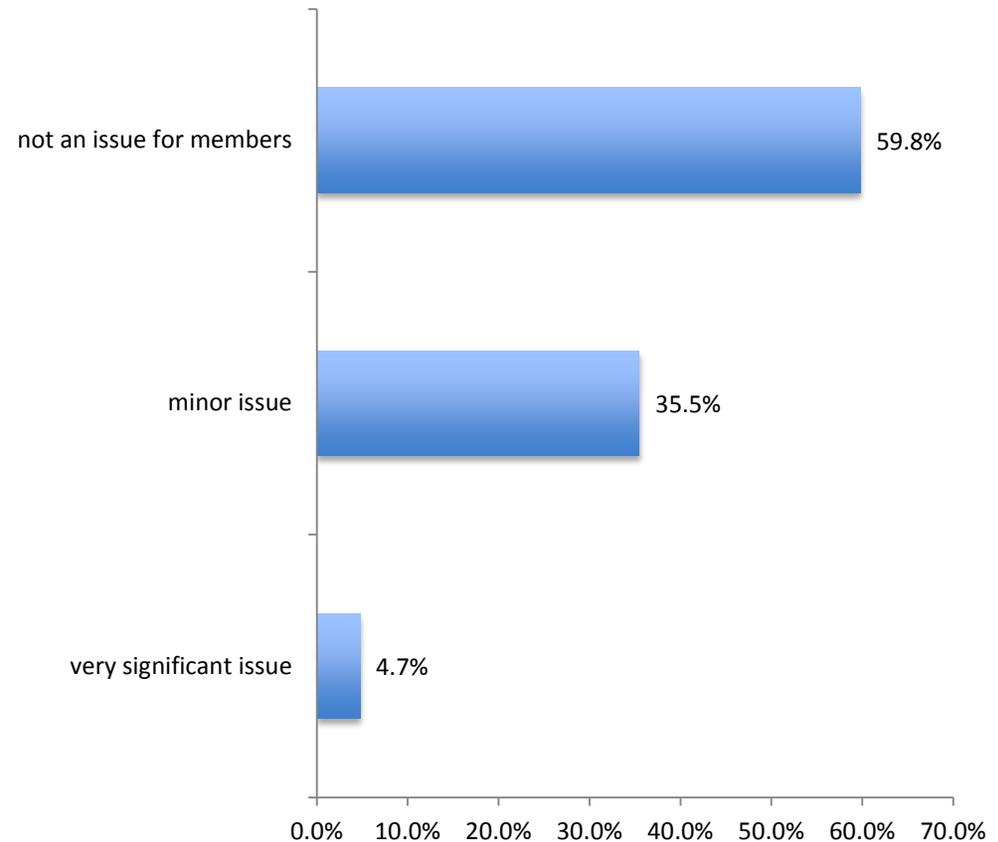
Question: Does your club plan to upgrade the equipment in any aircraft?

Base: N=354

Scale: Yes (1), No (2), Unsure (3)

Aircraft Availability

- Nearly 60% of clubs does not consider aircraft availability to be an issue
- 35% report aircraft availability as a minor issue
- Less than 5% report aircraft availability as a very significant issue



Question: Now let's consider club aircraft. Generally speaking, is scheduling aircraft and aircraft availability for members a...

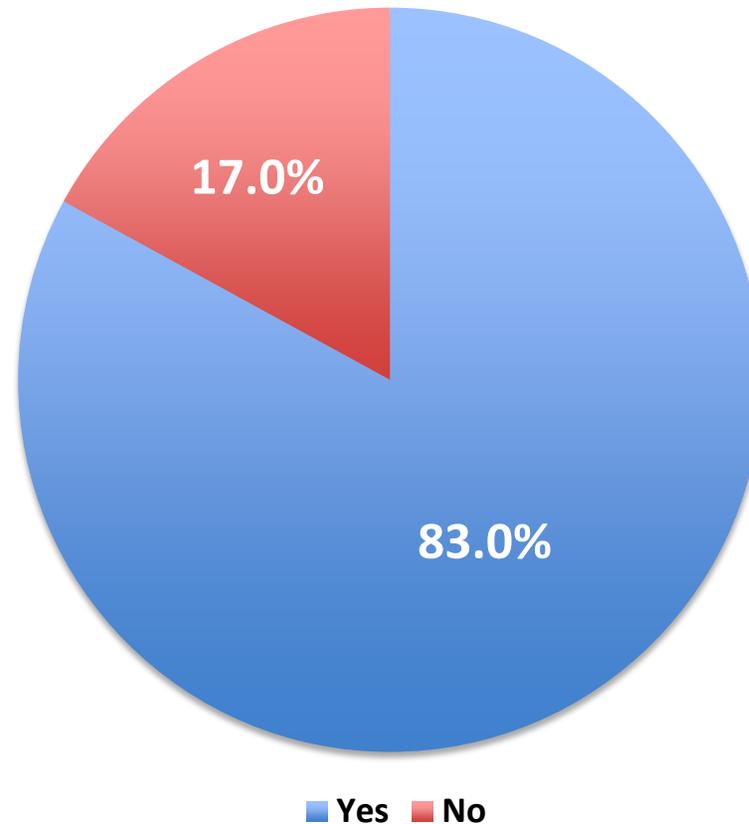
Base: N=358

Scale: very significant issue (1), minor issue (2), not an issue for members (3)

Aircraft Scheduling

Does your club use online software for aircraft scheduling?

- Most clubs utilize online scheduling software
- aircraftclubs.com and schedulemaster.com were the most frequently reported services used



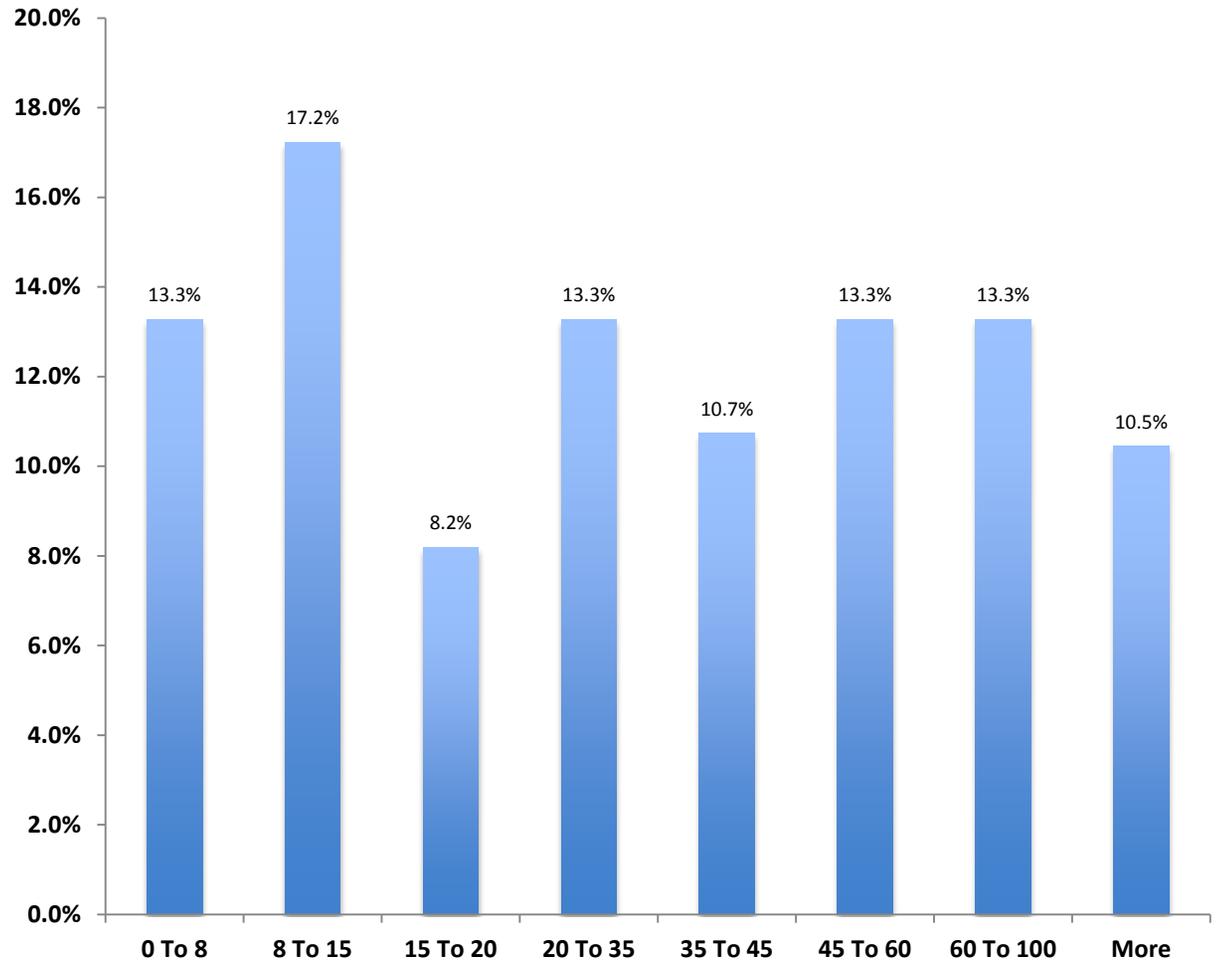
Question: Does your club use online software for aircraft scheduling?

Base: N=358

Scale: Yes (1), No (2)

of Club Members

- The average number of members per club is 35
- Over 1/3rd of all clubs have fewer than 20 members



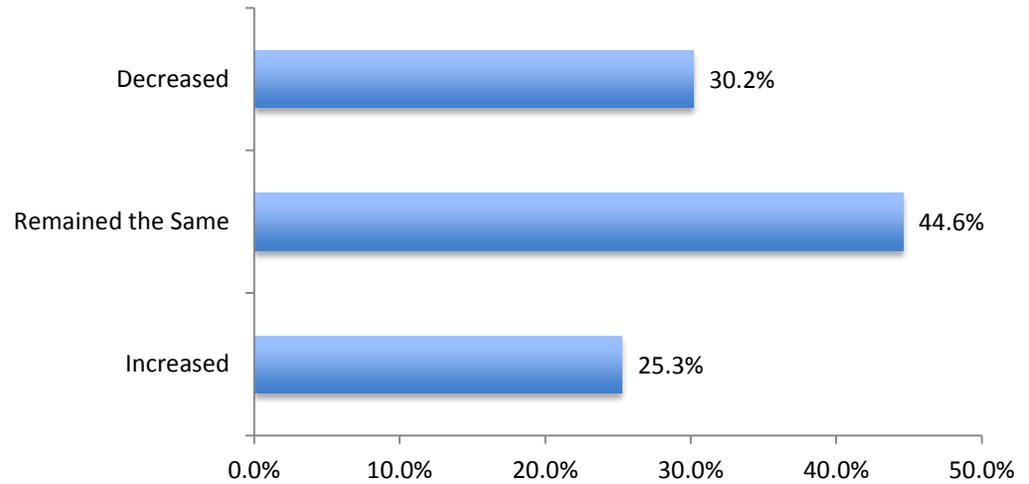
Question: How many members currently belong to the club?

Base: N=355

Scale: n/a

Membership Trend

- For the majority of clubs, membership counts have remained the same in recent years.
- 30% of clubs have decreased membership
- 25% have increased membership



Question: In recent years, has club membership:

Base: N=368

Scale: Increased (1), Remained the Same (2), Decreased (3)

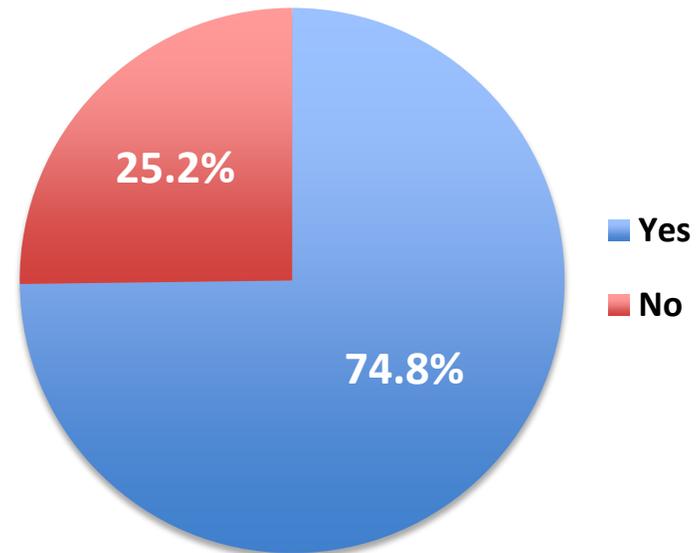
Membership Initiatives

- Nearly 75% of clubs seek to increase club membership

Question: Does your club seek to increase membership?

Base: N=369

Scale: Yes (1), No (2)

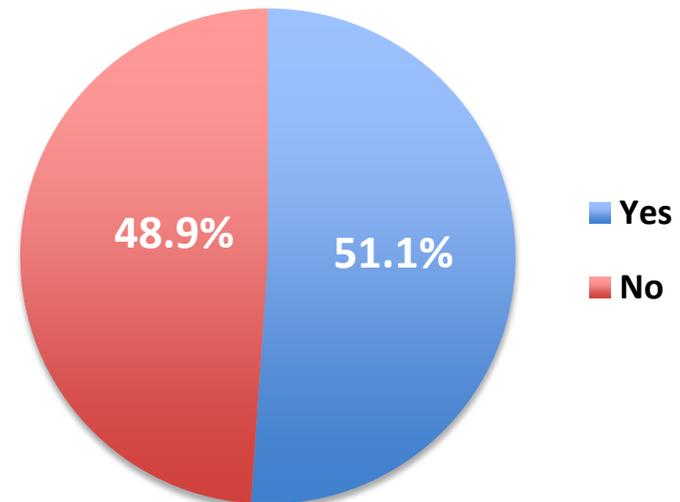


- Over 50% of clubs limit club members

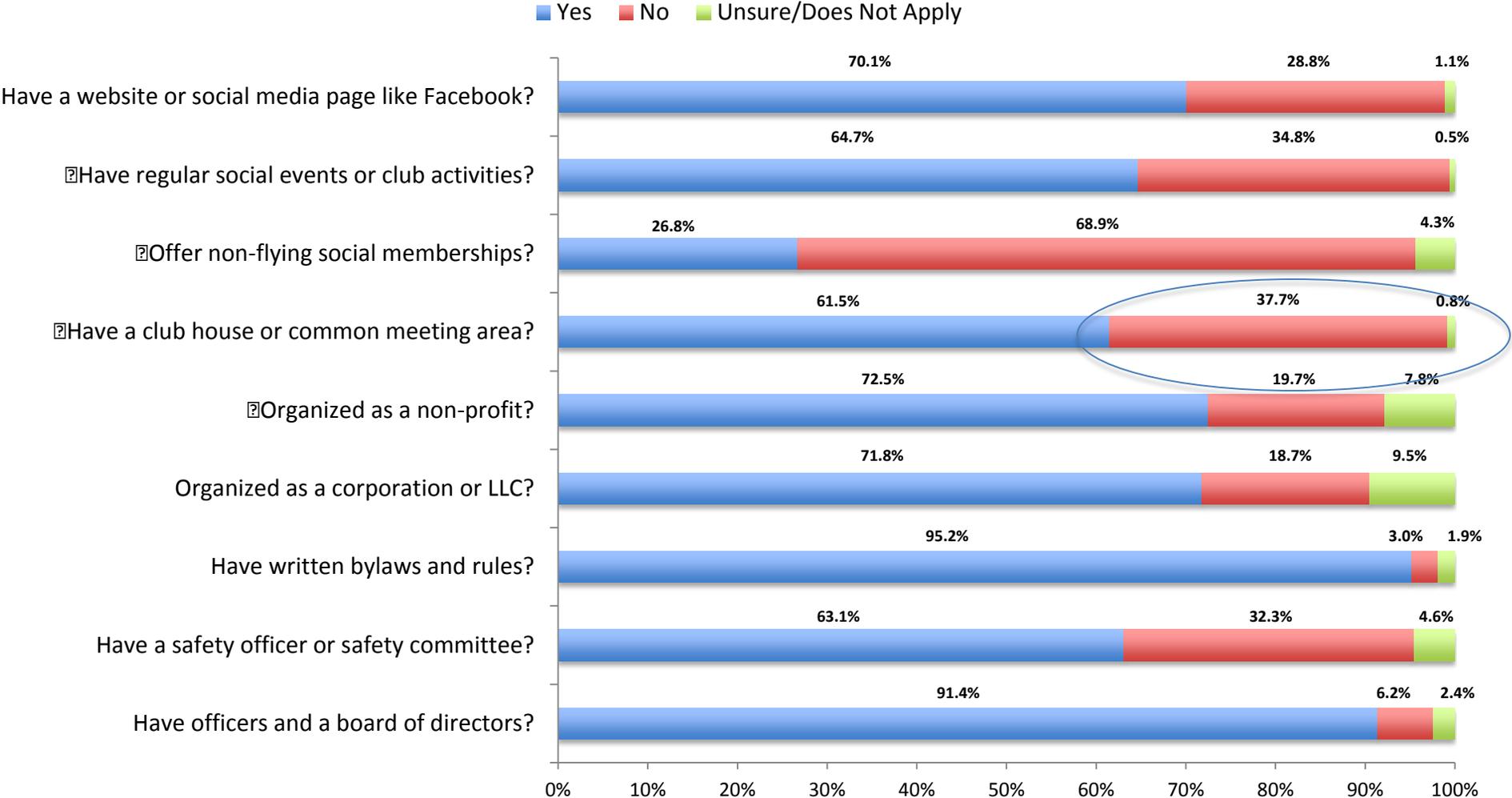
Question: Does your club limit the number of members?

Base: N=370

Scale: Yes (1), No (2)

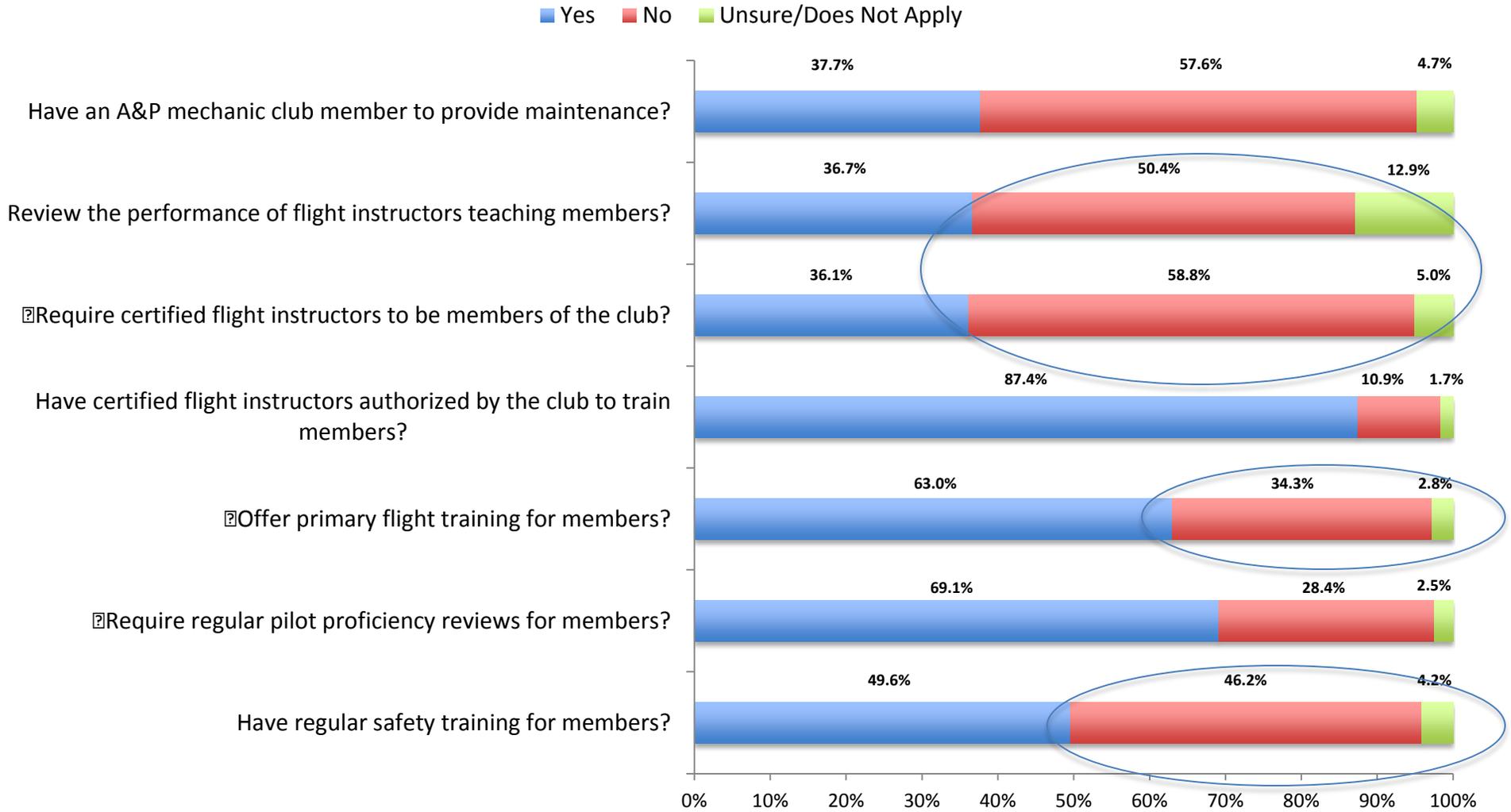


Club Attributes



Question: Now please indicate YES or NO. Does your club:
Base: N=372
Scale: Yes (1), No (2), Unsure/Does Not Apply (3)

Club Programs



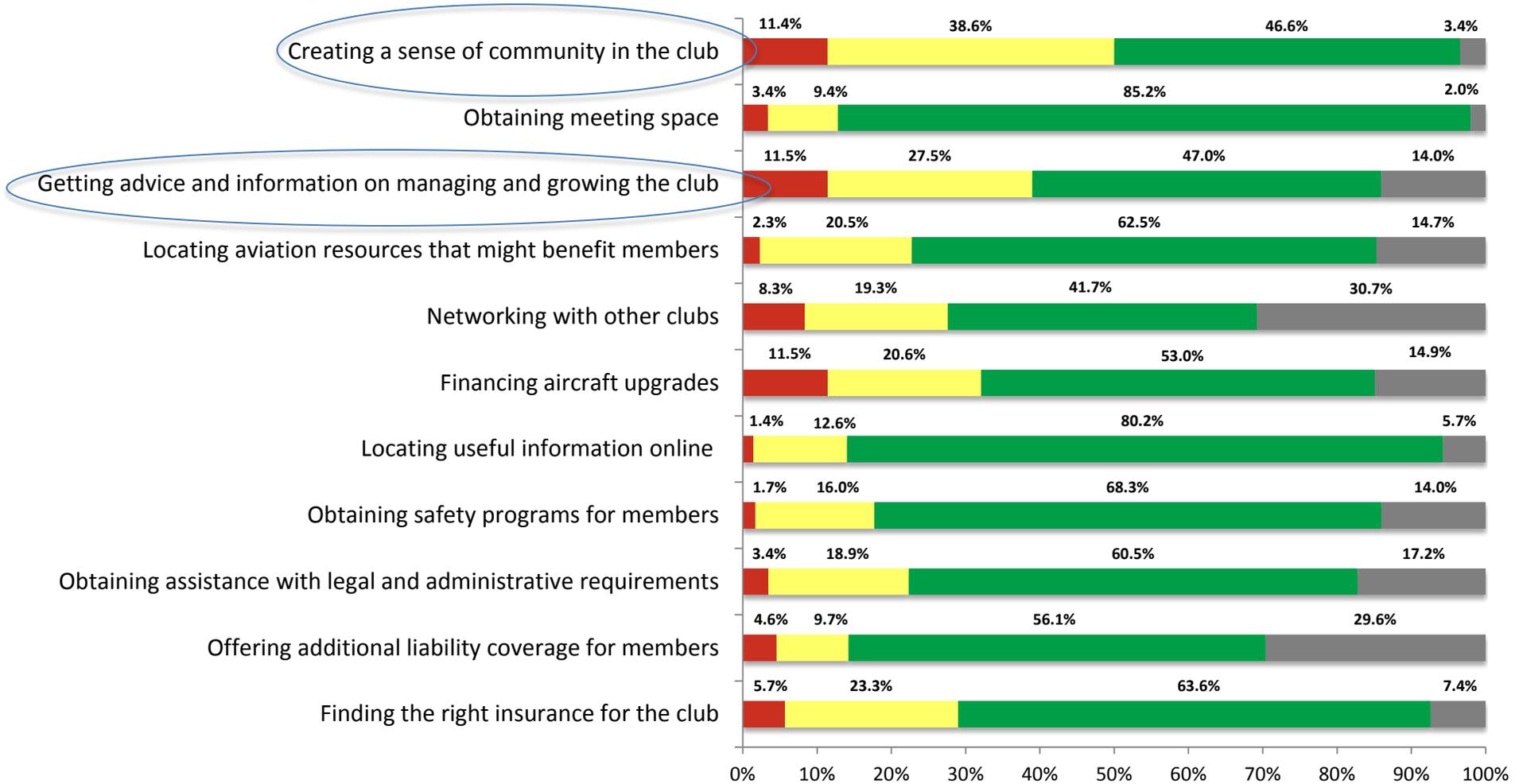
Question: Now please consider club programs. Does your club:

Base: N=361

Scale: Yes (1), No (2), Unsure/Does Not Apply (3)

Club Issues

■ Big problem ■ Minor Problem ■ Not a Problem ■ Unsure



Question: To close, please indicate how big a problem the following issues are for your club:

Base: N=352

Scale: Big Problem (1), Minor Problem (2), Not a Problem (3), Unsure (4)





| **FLYING CLUB NETWORK**