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FACTORS IMPACTING AIRPORT PERFORMANCE: THE CASE OF PRISHTINA AND TIRANA

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Abstract. *The market liberalization, airport privatization and increased number of low-cost carriers have significantly affected airport performance lately. The aim of this study is to determine and analyze passengers' demographics and their interaction with the external macroenvironment by providing empirical evidence of their impact on airport performance. The combined two-group proportion test and loglinear analysis were applied as the main analytical methods, whereas a PESTEL analysis was used as an auxiliary tool to help explain quantitative findings. The results show that due to a large diaspora and difficult socioeconomic situation, there is a gap for more direct point-to-point flights offered by the low-cost carriers in general and, more specifically, if more direct flights are being offered from Prishtina Airport, their likelihood ratio is to increase twice in its absolute value, whereas in Tirana Airport, their likelihood ratio is to increase twice if they offer more connection flights. This confirms the conclusion that there is a gap for additional services to be provided, which could significantly affect the airport performance in return. In the end, this study also raises a new hypothesis: whether the younger generation of the diaspora, members of which were born and educated abroad, will negatively affect airport performance due to their decreasing tendency and interest to visit the homeland of their parents.*

Keywords: *airport; passengers; demographics, services.*

1. Introduction

The airport business activity today is considered as one of the fastest growing industries globally. The governments of many countries build and develop airports not only to improve the infrastructure of their countries but to also encourage the local and regional development of the surrounding locality (Jarach 2005). Many studies, conducted by numerous researchers, have investigated the different factors that drive the market demand when choosing the airport of preference (Lin and Huang 2015; O'Connell and Williams 2005; Martinez-García 2012; Fourie and Lubbe 2006). However, we find very little or limited information regarding the environmental factors that directly impact passengers and, consequently, airport performance. The external factors are key drivers that influence the market demand under which an airport is required to operate. Authors like

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Halpern & Graham (2013) argue that the external environment of airports is constantly evolving and changing, often with dramatic and unpredictable consequences, and, at the same time, they offer and possess opportunities and threats.

Similarly in the Western Balkans, the liberalization of the airline market and the privatization of airports enabled the entrance of low cost carriers in the market, which has created new prospects for airports. During 2016, the Prishtina and Tirana airports had served 4.2 million passengers (KCAA 2017; *Facts and Figures about Tirana International Airport "Nënë Tereza"* 2017). This increase is significantly noted in Prishtina by 12.5%, in comparison with Tirana's 11%, even though Tirana marks the highest number of passengers served in total.

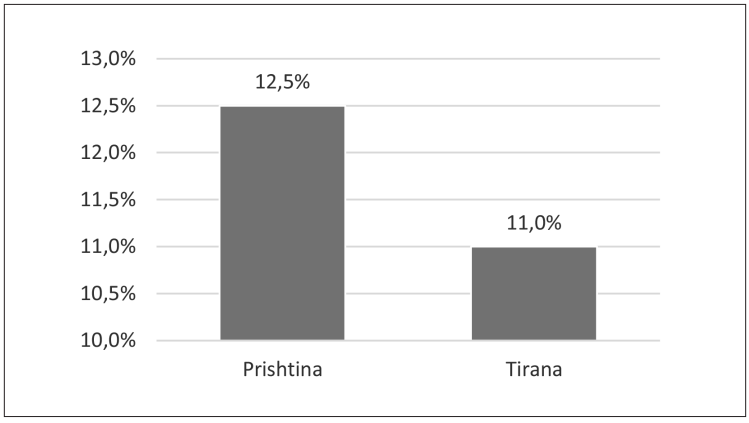

FIG. 1. **Passengers using Prishtina Airport vs. Tirana Airport, 2015/2016**

Source: Prishtina and Tirana airports.

Although this increase in number can be attributed to airport privatization and infrastructure improvements, the fact that passenger migration from one airport to another is significant indicates the presence of understudied factors that affect airport performance. Therefore, as there is very limited evidence regarding the market environment where the selected airports operate, the services they provide and almost none regarding passengers' demographics, we deemed it necessary to research and analyze the latter.

The **aim** of this research is to determine and analyze passengers' demographics and their interaction with the external macroenvironment by providing empirical evidence of their impact on airport performance.

This study will offer its contribution to airport and airline operators, civil aviation authorities, including other aviation stakeholders, by providing information on the passengers they serve, the environment where their services are being provided and the effects of their interaction.

2. Review of Theory and Literature

The study of environment influencing passengers is important, both for airports as well as for airline operators. Several studies, conducted from many researchers, investigated factors that drive the air travelers when choosing their airport (Barbot 2009; Harvey 1987; Marcucci & Gatta 2011; Loo 2008), and they all aim to identify those factors impacting the decision-making process from the passenger's perspective. Barbot (2009) argues that when passengers must choose between two airports, they consider not just a single airport but the whole group of airports available in the region and the airlines operating at those airports.

Furthermore, Blackstone, Buck & Hakim (2006) have found that price is one of the most important factors, among other factors. Yet Graham (2006) argues that in less developed economies, it is likely that economic growth will still play a significant role in stimulating the growth of new travelers. Therefore, the external environment within which the airport operates will also need to be assessed, including the political, economic, sociocultural, technological, environmental and legal factors (Halpern & Graham 2013).

Political factors continue to be unstable in certain regions of the world, and because of the that there is an ongoing threat of terrorist attacks, war or internal conflict. This has an impact on the demand and supply of airport services and creates a more volatile or uncertain operating environment (Halpern & Graham 2013). While some political trends can enhance competition, political instability, on the other hand, could alter travel demand throughout the world and impact the aviation system (Flouris and Oswald 2016). The deregulation and liberalization of the market had a great impact on opening the markets to competition (Freathy 2004). However, various conflicts, such as those in the Middle East, and epidemic diseases can significantly impact the number of people travelling by air. Such events could also result in shifting traffic from one airport to another (Tretheway and Kincaid 2005).

The economic factors include income growth, inflation rates, exchange rates, trade patterns, business cycles, buying power, willingness to spend and levels of employment and taxation (Halpern & Graham 2013). These factors may be the critical determinants of the threats and opportunities a company will face in the future, and the key issue is how these general environmental factors affect the firm's industry environment (Grant 2010). Authors like Johnson, Scholes & Whittington (2008) argue that it is necessary to eventually step back and identify the key drivers for change. The increasing significance of the aviation industry as a major contributor to the growing internationalization of trade and commerce has a shaping influence on the future of international airports (Williams 2006). The fact that changes are consistently being imposed by the globalization of trade and business not only requires the players in the aviation industry to be reactive to the changing needs of the clients, but they are themselves, in their institutional and

functional activities, being re-shaped and formed by the very same kinds of drivers that are influencing their clients (Williams 2006). A study by Chen, Lai and Piboonrungroj (2017) found that airport operations include many diverse sectors, such as different populations served, different locations, different economic situations and different number of competitors; therefore, the development of an airport would be likely to allow the region in which the airport operates to become of greater economic importance. As argued by Tretheway and Kincaid (2005), the development of Free Trade Zones (FTZs) within airports can have a significant influence on generating and encouraging the development of a wide range of business activities.

Social factors, which are related to population demography (such as age, household, education, occupation), and cultural factors (like attitudes, preferences, values, beliefs, religions and lifestyles) can have varying influence on the market potential and the customer needs of an organization (Halpern & Graham 2013). Certain social factors, like the size group, the presence of farewellers and the influence of children (who will increase the likelihood of a purchase, or a consumption) are not frequently found in studies (Castillo-Manzano 2010). There are several social and cultural forces that may have an impact on industries, especially the demographics, the level of education, cultural differences within and between nations, social mobility and various lifestyles (Jobber and Ellis-Chadwick 2016). Social factors do not affect only the volume and nature of the services provided; instead, they also have an impact on the infrastructure and equipment offered at the airport and their potential to generate commercial revenues (Halpern & Graham 2013).

Technological factors can reduce costs, improve quality and lead to innovation (Halpern & Graham 2013). Technological operational enhancements aim to improve the efficiency, reliability and sustainability of airport operations, given that the available physical and technological infrastructure are in full compliance with safety regulations (Jacquillat and Odoni 2017). Since technology has become an integral part of the travel industry, air travel has benefited from the use of various travel-related technologies, such as self-service technologies, biometrics, wearable technologies, smartphone applications and support airport operations. Airport-supporting technologies are technological interfaces and outlets that airport operators can use to provide a high level of customer service, enhance revenues, improve operational efficiency and achieve other relevant management objectives (Bogicevic et al. 2017). These technological changes in the civil aviation industry can transform operations and competitive situations in airports in general, and they have a lasting influence on the competitive situation of airports. For example, in their study, Kalakou, Psaraki-Kalouptsidi and Moura (2015) found that in general, the application of new technologies can reduce the average "time-to-boarding" by 82% for 90% of the passengers when keeping fixed the arrival pattern, and up to 90% when shortening the arrival times. They also found that the need for space expansion,

which dominated as a policy priority in airport planning, will most likely be substituted by the need for space reconfiguration, since airport planning is likely to turn into an even more technology-driven process, where flexibility becomes a greater advantage.

Environmental factors are mainly linked to aircraft emissions at airports and noise nuisance (Grampella et al. 2017). It is widely accepted that the most significant amount of impact to the local environment is associated with the noise generated by aircraft (Upham et al. 2003). Although very significant improvements in airframe and engine technology have been achieved, as manufacturers and airlines have seen commercial advantages in improving noise performance, the impact of the aviation on health issues is seen to have increased with the global growth in the number of aircraft (Upham et al. 2003). While it is generally acknowledged that commercial aircraft will become more efficient and noticeably quieter over the next twenty years, this reduction in noise will be offset by growth in aircraft movements during the same period (Josimović, Krunić and Nenković-Riznić 2016). Airports are known to cause noise-related environmental concerns, and to address this concern, many airports have applied a variety of actions that alleviate the negative effects of noise – noise abatement measures, for example (Ganic, Dobrota and Babic 2016). Therefore, these environmental concerns are forces that can be considered as one of the main reasons why some airports located in or near cities are unable to further expand and develop their infrastructure.

Legal factors include various conventions, regulations, agreements and different legislations the subject matter of which are the industries and enterprises (Grant 2010). In the air transport industry, besides the international aviation conventions and agreements such as the Chicago Convention, which is established as an international regulatory air transport system that deals with many aspects of aviation, there are other organizations such as the International Civil Aviation Organization (ICAO) and the International Air Transport Association (IATA), which have the right to introduce many recommendations on the international level. These international organizations can influence the way the main aviation players perform (Doganis 1992). However, due to many political and legal factors impacting the airport industry, often it is difficult to view these in isolation from other parts of the aviation industry. This is mainly due to close interrelationships between these sectors (Halpern & Graham 2013).

3. Research Methodology

This research is of exploratory nature, where the combined quantitative and qualitative methodologies is applied. The primary data were obtained from in-depth interviews with airport authorities and a survey conducted with departing passengers at Prishtina and Tirana Airport, whereas the secondary data were obtained from reviewing documents, agreements and other published documents.

The sample size consists of four hundred and twenty (420) randomly selected departing passengers, which was defined using the random stratified method.

Variables used in the questionnaire were defined using the PESTEL analysis, which was used as an auxiliary tool to help explain and shed more knowledge in our quantitative results. The questionnaires were pretested and restructured with the valuable help of fifteen enumerators whom had anticipated and assisted the survey as well.

Furthermore, with the objective to determine if the association between our variables is statistically significant and to measure the direction and magnitude of their interaction effect in airport performance, the two-group proportion test and loglinear analysis were applied.

The equation used in our econometric model (from which the saturated model has been generated) consists of three independent categorical variables, where

$$\ln(F_{ijk}) = \mu + \lambda_i + \lambda_j + \lambda_k + \lambda_{ij} + \lambda_{ik} + \lambda_{jk} + \lambda_{ijk}$$

- F_{ijk} – the frequency of flying;
- μ – constant;
- i – services (direct vs. connection flights being offered);
- j – type (the type of airlines operating at the airport);
- k – airport (the airport where the services are provided at);
- λ_i ; λ_j ; λ_k – represents the main effects;
- λ_{ij} ; λ_{ik} ; λ_{jk} – represents the second order interaction effects; λ_{ijk} – represents the third order interaction effect.

Whereas, to check if the likelihood ratio of our best non-saturated (parsimonious) model is or is **not** significantly different from the likelihood ratio of the saturated model, the so-called goodness of fit test has been applied.

4. Data Analysis and Interpretation

4.1. PESTEL Analysis

Political. In the political aspect, the states of the two airports selected for our study are targeting active international policies in line with objectives for integration into the European Union. From the secondary data we found that political factors severely impact the air transport industry in this region. In the case of Prishtina Airport, the airspace overhead the airport is restricted to only one entry and exit corridor from the south (C. Garcia Servert 2014). As a result, the cost of the operations and airport's position are affected in the market (Figure 2).

According to Mr. Kokturk, CEO of Prishtina Airport, "out of 1.8 million passengers (in 2016), 75.7% of the 10 988 flights in total are estimated to have flown 1.6 million up to 2.2 million additional Nautical Miles; 2 750 up to 5 500 additional flying hours, and up to 220 000 tond of additional fuel. All this is reflected in the flying costs!"

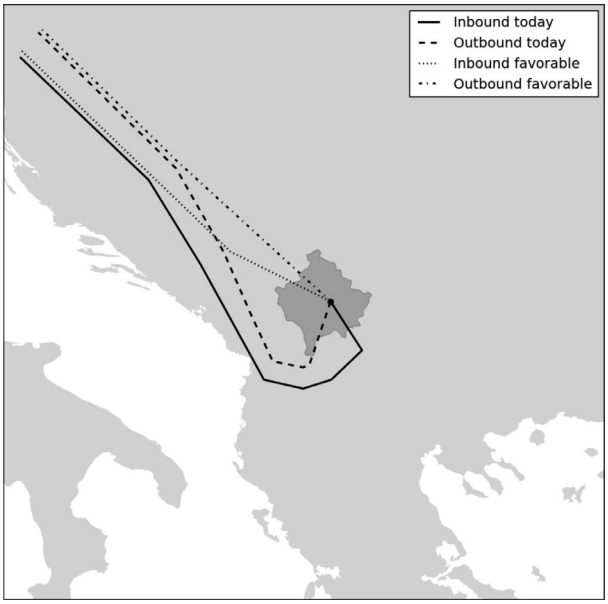

FIG. 2. **Flight deviations inbound and outbound Prishtina**
Source: authors' own source, based on primary and secondary data.

Such is not the case with the neighboring Airport of Tirana, the political situation and relations of which are much more stable. According to Mrs. Kreuza, Director of the Airline Marketing Department in Tirana Airport, "Tirana Airport has served more than 2 million passengers during 2016." This airport has also marked an increase in the number of passengers specifically on intercontinental flights.

Economic. The slow economic growth in both countries is recorded mainly due to private consumption, which results from high remittances, pension growth and salaries in the public sector. Production capacities in both countries are very low, and the budgets are mainly based on taxes collected from the import of consumer goods. As foreign investments in both countries derive mainly from states such as Germany, Austria, Switzerland, Croatia and Slovenia, the key revenues for stimulating growth and reducing macroeconomic imbalances are those generated from emigrants. The latter also has a knock-on effect in the air transport industry, since most of flights originate from Western European countries. It is worth emphasizing that a large proportion of the population, in both countries, lives on a low wage income; therefore, with improved road infrastructure, traveling by plane is only reasonable if the airfare is sufficiently cheaper in comparison with other modes of transport. Due to these circumstances, the cost of travel is the main determinant of the travel form and, as such, they are mainly related with variables like destinations served (direct or non-direct flights) or airlines serving the route of low cost vs. fixed cost.

Social. Both countries have a relatively small population; the main challenge of their social environment remains high rate of unemployment: 32.9% in Kosovo and 17.1% in Albania (EU Commission 2016). The market and the difficult working conditions in the region are very tough, especially for the youth and women. In general, the low quality of the education system, associated with limited employment opportunities, makes it very difficult for young people to find and retain jobs in their homeland, which is also the reason why most of the younger citizens are fleeing abroad, seeking better job opportunities. Remittances and labor incomes from abroad serve to strengthen the demand for goods and local services, while unemployment is indeed very high. Unlike other citizens of the region, Kosovar citizens are still not allowed visa-free travel to Europe, and this is another obstacle for Prishtina Airport. The current socioeconomic situation greatly limits the passengers' ability to travel as tourists to Europe, and this situation is even more difficult for passengers that have the visa conditionality to travel.

Technological. The airport operators of both countries use the technology to offer new and creative services to their customers (passengers and airlines). During our interview with the airport authorities, we found that both airports have invested in technology. For example, ,thethe , states that "Tirana Airport has invested in new online airport services, complaints, lost and found, online ticket purchases, travel ticket verifications, information on meteorological conditions at the airport, parking services etc."Similarly, Mr. Kokturk, CEO of Prishtina Airport, states that "in addition to the existing airport infrastructure, they are still planning and negotiating with stakeholders to invest in upgrading the Instrumental Landing System from the category ILS CAT 2 up to ILS CAT 3."The latest technological investments had an impact on overall airport performance and, as such, they enable more efficient, safer and complex services both for the passengers and airlines.

Environmental. Although the countries of our selected airports do not belong to the European Union, they do apply the Union's directives and regulations. Nevertheless, the implementation of the directives in all sectors is still in question, which is mainly due to the lack of resources and financial support. The adopted EU legislation is primarily related to the CO_2 emissions and noise abatement procedures. During the interviews, we found that both airports are working in implementing proactive and collaborative decision-making procedures that are related to fuel saving, operational costs and an increase of flight efficiency. Changes like the building of physical barriers (to protect the environment around the airport), designing specific approach and departure procedures (that allow continuous descending and climbing), all these measures are gradually becoming a part of everyday operation.

Legal. Both airports exercise their operating activities pursuant to national civil aviation laws of the countries where they operate. In addition, they must obey international regulations, standards, recommendations and best practices as set by the Internation-

al Civil Aviation Organization (ICAO) and those deriving from the European Aviation Safety Agency (EASA). The authorities are part of the European Common Aviation Area (ECAA) and Joint Service Provision Initiative (JSPI), which requires from civil aviation authorities the implementation of joint aviation legislation and further development of their legal systems. The region's objectives are the harmonization and acquisition of European Union (EU) legislation, which should result in higher and equal standards with those of the EU and the removal of current blockages from the system by promoting regional cooperation and the improvement of interregional relations.

4.2. Passengers' Demographics

To investigate the sociodemographic characteristics and to analyze if distribution across the airports is consistent or not, the two-group proportion test was applied. The results show that the p value is lower than .05 (see Table 1); therefore, we reject the null hypothesis and conclude that the relationship between our variables in the total population and airport group is significant.

Most of the passengers (a percentage greater than 54%) are the nationals of the country where the airport is geographically located, indicating that despite road construction and infrastructural developments, the airport preference for passengers continues to remain the airport of the country, this being mainly due to cost of transportation to the airport, time and border obstacles on the road.

Furthermore, the results show that more than % of the passengers travel to visit friends and relatives, which indicates that the largest group of passengers belong to the diaspora group, representing people who work and live abroad and whose main travel purpose is to visit their homeland. Results show that 64% of the respondents are males who belong to the young or middle age group (between 20 and 50 years old). This confirms the composition of the passenger group (consisting of a young and middle-aged labor force that travels abroad for better career prospects) and is indicative of the difficult socioeconomic situation in the country. Similarly, with the employment status, more than 67.7% of the respondents are found to be employed, which again confirms the purpose of passengers to live and act outside their homeland.

The outcome of this analysis is that passengers make a heterogeneous consumer group whose travel demands depend mainly on personal circumstances, indicating that air travel is influenced mainly by the cost of travel.

When passengers were asked about their annual travel frequency, the results showed that more than 59% of passengers at Prishtina Airport travel four to five times annually, and more than % of passengers at Tirana travel twice or up to three times more on an annual basis (Table 2).

TABLE 1. **Passengers' demographics**

			Prishtina		Tirana		
Citizenship	Macedonian	Count	29	15.6%	24	10.3%	.000***
	Albanian	Count	18	9.7%	131	56.0%	
	Kosovar	Count	101	54.3%	13	5.6%	
	Other	Count	38	20.4%	66	28.2%	
Purpose \of flight	VFR	Count	156	83.9%	138	59.0%	.000***
	Business	Count	22	11.8%	36	15.4%	
	Tourism	Count	8	4.3%	60	25.6%	
Gender	Female	Count	67	36.0%	58	24.8%	.008***
	Male	Count	119	64.0%	176	75.2%	
Employment status	Employed	Count	126	67.7%	207	88.5%	.000***
	Unemployed	Count	60	32.3%	27	11.5%	
Age group	18	Count	14	7.5%	9	3.8%	.014**
	19-30	Count	55	29.6%	79	33.8%	
	31-40	Count	43	23.1%	66	28.2%	
	41-50	Count	60	32.3%	49	20.9%	
	50<	Count	14	7.5%	31	13.2%	

The p-value gives the probability that the proportion in each category of the two groups is even.
*: p < 0.1; **: p < 0.05; ***: p < 0.01.

Source: data surveyed by the authors.

TABLE2. **Flying Frequency**

			group-frequency				p-value1
			1	2-3	4-5	6<	
Airport	Prishtina	Count	57	72	47	10	.005
		%	43.5%	37.3%	59.5%	58.8%	
	Tirana	Count	74	121	32	7	
		%	56.5%	62.7%	40.5%	41.2%	

Source: data surveyed by the authors.

These results show that passengers tend to fly on a relatively high frequency, which indicates that passengers may influence the choice of the airline (a low cost carrier or fixed cost carrier, for example). Like with other results, the frequency of flying is also driven by an emigrant's family members who wish to visit their family members.

4.3. Airport Service Interaction

As we have determined that airport performance depends mainly from the cost of the services being offered, based on a PESTEL analysis, we have defined our categorical variables as: *Services* (direct vs connection flights being offered), *Type* (indicating type of airline), *Airport* (where the services are provided) and *Frequency* (the annual flying frequency).

When we applied the variables in our loglinear model, the results showed that the interactions at step 3, services*type and services*airport have a p value lower than .05 (Table 3). This indicates that there is a significant interaction between passenger need for flying services (direct, point-to-point flights) and the type of airline offering that service (either a low cost carrier or a fixed cost carrier) in general. The other significant interaction indicates that there is a difference among the services being offered at Prishtina Airport and the services offered at Tirana Airport.

TABLE 3. **Step Summary**

Step[a]			Effects	Chi-Square[c]	df	Sig.	Number of Iterations
0	Generating Class[b]		services*type*airport	.000	0	.	
	Deleted Effect	1	services *type*airport	1.352	1	.245	3
1	Generating Class[b]		services*type, services*airport, type*airport	1.352	1	.245	
	Deleted Effect	1	services*type	3.447	1	.063	2
		2	services*airport	41.667	1	.000	2
		3	type*airport	1.482	1	.224	2
2	Generating Class[b]		services*type, services *airport	2.834	2	.242	
	Deleted Effect	1	services*type	4.603	1	.032	2
		2	services*airport	42.823	1	.000	2
3	Generating Class[b]		services*type, services *airport	2.834	2	.242	

a. At each step, the effect with the largest significance level for the Likelihood Ratio Change is deleted, provided the significance level is larger than .050.

b. Statistics are displayed for the best model at each step after step 0

c. For 'Deleted Effect', this is the change in the Chi-Square after the effect is deleted from the model.

Source: data surveyed by the authors.

Before measuring the significance of the interaction, to check if our model is acceptable or not, we first run the goodness of fit test. Since the results of the test show that the p value of the likelihood ratio is higher than 5% and not significantly different from the saturated model, we conclude that our parsimonious model is acceptable (Table 4).

TABLE 4. **Goodness-of-Fit Tests**[a,b]

	Value	df	Sig.
Likelihood Ratio	2.834	2	.242
Pearson Chi-Square	2.832	2	.243

a. Model: Poisson
b. Design: Constant + preference + type + Airport + preference * type + preference * Airport
Source: data surveyed by the authors.

Then, when measuring the level of our significance level in Table 5, the parameter results show that there is a significant interaction for services one (1) by type one (1), meaning that direct flights (point-to-point) are likely to be sold once more in absolute value than they are currently if they would be offered by low cost carriers (exp. (.267) =1,3) in general.

TABLE 5. **Parameter Estimates**[b,c]

Parameter	Estimate	Std. Error	Z	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
Constant	4.889	.076	64.022	.000	4.739	5.038
[services = 1]	-.473	.116	-4.069	.000	-.701	-.245
[services = 2]	0[a]	.	.	.	.	.
[type = 1]	-.116	.091	-1.275	.202	-.295	.063
[type = 2]	0[a]	.	.	.	.	.
[airport = 1]	-.083	.091	-.911	.362	-.262	.096
[airport = 2]	0[a]	.	.	.	.	.
[services = 1] * [type = 1]	.267	.125	2.143	.032	.023	.511
[services = 1] * [type = 2]	0[a]	.	.	.	.	.
[services = 2] * [type = 1]	0[a]	.	.	.	.	.
[services = 2] * [type = 2]	0[a]	.	.	.	.	.
[services = 1] * [airport = 1]	.833	.129	6.479	.000	.581	1.085
[services = 1] * [airport = 2]	0[a]	.	.	.	.	.
[services = 2] * [airport = 1]	0[a]	.	.	.	.	.
[services = 2] * [airport = 2]	0[a]	.	.	.	.	.

a. This parameter is set to zero as it is redundant.
b. Model: Poisson
c. Design: Constant + preference + type + Airport + preference * type + preference * Airport
Source: data surveyed by the authors.

The other significant interaction is noted at services one (1) by airport (1), showing that if more direct flights were to be offered at Prishtina Airport (exp. (.833) =2,3), their frequency would be likely to increase twice in top of the existing value, whereas the connection flights would likely to increase twice if they were being offered at Tirana Airport. The results indicate that in both airports, there is space for further market development despite the difficult socioeconomic situation in the country.

5. Conclusion and a Discussion of the Findings

Due to the socioeconomic situation in the region, most of the passengers in our study consist of the diaspora group, who reside, have jobs abroad and often take flights to their native country.

From the analysis of the existing interaction between services provided by type of airline and their effect on airport performance, we can conclude that there is a gap in both airports for additional services to be provided. Results show that direct flights (point-to-point) are likely to be sold once more in absolute value than current flights if they would be offered by low cost carriers in general. However, the second interaction service by airport shows that if more direct flights would be offered at Prishtina Airport, their frequency would be more likely to increase twice in top of the existing value, whereas connection flights would be more likely to increase twice if they were offered at Tirana Airport.

Based on these results, we can conclude that there is a gap for more direct, point-to-point flights to be provided by the low cost carriers in general and that there would be more market opportunities at Tirana Airport if they were to serve connection flights, unlike at Prishtina Airport, which would see more opportunities if more direct flights were to be provided there. This could also be linked with the fact that most of the Kosovar diaspora is spread across mainland Europe, whereas the Albanian diaspora is larger in number and spread out in the US and other continents, too.

To conclude, this outcome acknowledges the literature review on the external factors and their impact on airport supply, and it proves that the cost of travel is the key attribute affecting airport performance. However, while it may seem contradictory that in difficult socioeconomic conditions airports see positive performance trends, this can be explained on the grounds that the positive trend is present due to a large diaspora, an increased number of airlines and airport competition. These conclusions also bring us to a new hypothesis to be considered and verified: with the integration of the younger generation of the present diaspora into Western societies, will the performance of the airports selected in our study be negatively affected and, if so, at what level?

This study has achieved its aim in contributing to the understanding of the under-researched topic of the factors impacting the performance of the Prishtina and Tirana airports.

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