Home Work:

1. For EWR-ATL
   a. Find Price Elasticity of Leisure and Business Passengers
      i. Example of EWR-DCA Provided
      ii. Using Ln(D)=Ln(M)+aLn(F)+bLn(T)
      iii. Since same market Ln(M)+ bLn(T)=constant
      iv. Therefore Ln(D)=constant+aLN(F) or y=constant + ax
      v. Use Regression from data analysis in excel to solve for specified ranges
      vi. Leisure price range (90 – 185) and Business price range (240 – 360)
      vii. Coefficient from regression for LN_Fare as shown on worksheet
           “Example EWR-DCA Elasticity” cell T18 and T38 are price elasticities respectively.

2. For September 2008 Aviation Daily Data (Example with 2007 data provided)
   a. Plot
      i. Average Departures per Day (Y axis) versus Seat Size (X-axis) (More is better)
      ii. Block hrs per aircraft per day (Y axis) versus Seat Size (X-axis) (More is better)
      iii. Cost per ASM (Y axis) versus Seat Size (X-axis) (Less is Better)
      iv. Burn Rate per seat (Y axis) versus Seat Size (X-axis) (Less is Better)
   b. For Aircraft with less than to 95 seats pick the best aircraft for each of the four metrics you plotted in 2a
   c. For Aircraft with between 95 and 150 seats pick the best aircraft for each of the four metrics you plotted in 2a
   d. For Aircraft with more than 150 seats pick the best aircraft for each of the four metrics you plotted in 2a

3. For 2005 and 2008 BTS P52 data
   a. Example provided for the Boeing 757-200 (aircraft code 622)
   b. Create a figure like 5.16 from your book for the Airbus 320 (aircraft code 694)
      i. Prove columns for Crew, Fuel, Maintenance, Total Cost, and Burn Rate (Fuel issued/ total hours flown)
      ii. Provide rows for Northwest, United, and JetBlue
      iii. Based upon what you learned about NLCs and LCCs discuss your results