The Long Game: How Airlines Can Build a Lasting Edge with AAM

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ADVANCED AIR MOBILITY

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Executive Summary

The U.S. airline industry is approaching its most significant inflection point since the dawn of the jet age. Advanced Air Mobility ("AAM") is no longer a concept on the horizon; it is an opportunity for airlines to establish a lasting competitive advantage. Regulators and original equipment manufacturers ("OEMs") are now working through the lengthy, deliberate process of certifying the first electric vertical takeoff and landing ("eVTOL") and electric short take-off and landing ("eSTOL") aircraft and developing the necessary infrastructure to support them in service. The question is not whether AAM will launch, but which airlines will be prepared to harness its potential when it does.

Most airline analysts have not yet fully considered how AAM will reshape competitive dynamics over the next decade. AAM strengthens an airline's core franchise by protecting its most valuable assets—its hubs—while enabling measured expansion. By extending catchment areas through a network of underutilized regional airports and strategically placed vertiports, airlines can expand the effective reach of their hubs without expanding the airport itself. These facilities require a fraction of the geographic footprint of traditional airports while meaningfully increasing access. The result is a larger premium traveler base flowing into the hub, higher retention of time-sensitive customers, and reinforcement of long-term loyalty.

The greater strategic upside, however, may lie in contested airports such as Orlando, Austin, and Las Vegas, where demand is growing, and no single carrier holds decisive control. These markets are highly concentrated with premium travelers who are not deeply loyal to any specific carrier. Early adopters can use AAM to differentiate on access and reliability rather than price, capturing incremental share at modest incremental cost. In markets where even small shifts in premium traffic can translate into hundreds of millions in annual revenue, that advantage compounds quickly—and investors reward compounding advantages.

The financial stakes are significant, even if the exact trajectory of adoption remains uncertain. Independent analyses suggest AAM could become a global market worth hundreds of billions of dollars annually in the coming decades. More than 11,000 eVTOL firm and optional aircraft orders are already on the books, with OEM backlogs extending well into the next decade, indicating a potential shortage of eVTOL and eSTOL aircraft shortly after regulatory approvals. The precise timing is uncertain; what is clear is that the learning curve, infrastructure build-out, and regulatory work will take years—and that incumbency will matter once the system scales.

Aircraft and routes, however, will not be the deciding factor. The winners will be the leaders who can integrate AAM safely, reliably, and profitably into their organizations. As Bristow's Chief Transformation Officer, David Stepanek, noted in *AAM: A Philosophical Guide for Early Operations*[1], revolutionary technologies succeed only when stewarded by organizations with the institutional maturity to introduce them safely.

[1] Stepanek,D.F. AAM: A Philosophical Guide for Early Operations. Houston, TX: Bristow Group, n.d. https://d1io3yog0oux5.cloudfront.net/_792170fb5f70af351436e1c5760ae2d8/bristowgroup/files/pages/bristowgroup/db/844/description/AAM_Philiosophical_Guide.pdf

This is, necessarily, a long game. It will take time to certify aircraft, prove use cases, refine procedures, and build the supporting infrastructure. Airlines that move early, whether by partnering with experienced operators or developing AAM capability internally, will accumulate advantages that compound: operational experience, regulatory credibility, community trust, and customer loyalty. Those who wait for a fully mature market will find that the best routes, partners, and permissions have already been claimed.

For airlines, AAM provides an opportunity to strengthen core operations and drive new growth. The opportunity is immediate in terms of positioning, but gradual in terms of revenue realization. Those who commit early, learn patiently, and scale with discipline will be best positioned to succeed.

Finance — Turning Innovation into Enterprise Value

For airlines, AAM is a strategic financial decision. Margins in aviation are thin, so any opportunity to improve yield, retain high-value customers, or stabilize revenue has a direct impact on enterprise value. AAM offers all three. The financial case hinges on leveraging new capabilities to strengthen core operations and capturing growth where competitors are most exposed.

Hubs: Anchoring the Core

At fortress hubs, scale cuts both ways. Protecting just one point of passenger share across three major hubs shields approximately $1 billion in annual revenue. AAM strengthens that defense by eliminating the most unpredictable part of a premium traveler's journey — ground access — and making the incumbent carrier indispensable to its highest-value customers.

For network carriers, fortress hubs remain the foundation of the business model. They concentrate traffic, maximize connectivity, and anchor corporate contracts. In Atlanta, Dallas/Fort Worth, Charlotte, and Detroit, a single airline controls between 60% and 80% of the total passenger traffic. This scale delivers efficiency and pricing power—but it also creates exposure. Even minor shifts in passenger share can translate into substantial revenue loss.

Hub Airport	Dominant Carrier	Total Pax (2024)	Carrier Share	Revenue at Risk (1-pt share loss)
Atlanta (ATL)	Delta	108M	74%	~$410M[2]
Dallas/Fort Worth (DFW)	American	77M	80%	~$240M
Houston (IAH)	United	53M	68%	~$160M
San Francisco (SFO)	United	57M	46%	~$145M

[2] Federal Aviation Administration. Air Carrier Activity Information System (ACAIS): Passenger Boarding (Enplanement) and All-Cargo Data. Washington, D.C.: U.S. Department of Transportation, Federal Aviation Administration, 2025. https://www.faa.gov/airports/planning_capacity/passenger_allcargo_stats/passenger.

The numbers clarify the risk. Atlanta handled 108 million passengers in 2024, and Delta Air Lines carried nearly three-quarters of them. A one-point drop in Delta's share would mean 1.1 million fewer passengers and more than $400 million in lost ticket revenue at the U.S. average fare. At Dallas/Fort Worth, where American Airlines controls nearly 80% of a 77-million-passenger airport, a similar shift would cost about $240 million annually. The same dynamic plays out in Houston and San Francisco: scale amplifies both advantage and exposure.

AAM offers a way to reduce that risk. For an executive in Palo Alto facing a 60-minute drive to San Francisco International Airport (SFO), or a business traveler in Buckhead navigating Atlanta traffic, an air taxi can save an hour or more. The projected cost of a short eVTOL transfer (10–40 miles) is approximately $150–$200 per passenger[3], a modest premium for someone already spending $1,000 or more on a ticket with the airline. More importantly, it eliminates the most unpredictable part of the journey: ground access. By improving reliability and convenience, AAM helps retain high-value travelers who might otherwise shift to competing airports or ground alternatives.

The strategic effect scales quickly. Preserving just one point of share across three major hubs protects roughly $1 billion in annual revenue. Across five hubs, that figure approaches $2 billion. In an industry where profitability often hinges on tenths of a percentage point, defending even a sliver of market share can make a material difference.

The benefits extend well beyond passenger volume. Hubs are where airlines secure corporate travel contracts and build loyalty. For Fortune 500 firms in Dallas, Chicago, or Atlanta, preferred-carrier decisions often depend on reliability for their most time-sensitive travelers. Embedding AAM into those agreements—offering expedited airport access as part of the package—makes the incumbent carrier indispensable to its most valuable customers.

AAM also expands the effective reach of a hub by reducing the time and effort required to access it. Travelers in outlying cities often face a choice between multiple airports, each with its own trade-offs in terms of drive time, traffic, and flight options. For example, a traveler living between Philadelphia and Newark might choose either airport depending on time of day, weather, or airline preference. With AAM aircraft such as the BETA Technologies A250, the Vertical Aerospace Valo, or the Electra.Aero EL9, airlines could offer 30–45-minute eVTOL/eSTOL transfers that replace two-hour drives. This type of eVTOL/eSTOL transfer would extend the hub's catchment area and draw travelers who might otherwise choose competing airports. AAM also opens access to underserved cities between major hubs, where commercial air service is limited or inefficient. In these markets, AAM can create fast, premium connections that pull high-value travelers into the network even without a strong local airport. In regulatory discussions, investments in sustainable, passenger-focused infrastructure further strengthen the case for maintaining valuable slot allocations.

AAM provides a practical approach to enhancing access, minimizing friction, and retaining high-value travelers at key hubs. By improving connectivity and reliability, airlines protect their most valuable routes and customer relationships. With the hub secured, the next opportunity is to grow share in competitive markets.

Photo Credit: Eve

[3] Estimated ticket price is based on industry consensus cost assumptions, including aircraft capitalization, insurance, operating costs, energy costs (with battery capitalization), benchmarked vertiport fees, and typical utilization (~75% load factor).

Secondary Airports: The Growth Frontier

Contested markets are where AAM creates offense. At airports like LAX, Orlando, and Las Vegas, where no carrier holds dominant control, capturing even 10–15% of premium travelers through AAM-enabled access represents $400M–$800M in incremental annual revenue per market — and does so by competing on experience rather than price.

While AAM helps protect premium traffic at major hubs, its greater potential lies in competitive markets where no single airline dominates. Airports such as Los Angeles, Orlando, Austin, and Las Vegas are high-volume, high-growth environments where loyalty is fluid and market share is won at the margins. Even minor shifts in allegiance can deliver millions of additional travelers and billions of dollars in new revenue across the network.

More than 76 million passengers passed through Los Angeles International Airport (LAX) in 2024. Using IATA's long-run average, which suggests that premium cabins represent roughly 6–8% of global traffic, implies that 4–5 million of those passengers were premium customers. No single airline controls more than a quarter of that traffic, making LAX one of the most hotly contested markets in the country. Capturing even 10–15% of these travelers could yield 400,000–750,000 additional high-value passengers annually.

At an average domestic first-class round-trip fare of approximately $1,068 (95% CI: $1,045–$1,090)[4], capturing 400,000–750,000 incremental premium passengers represents $425–$800 million in new annual ticket revenue. Even at the lower bound of the confidence interval, revenue would range from approximately $425–$825 million. When combined with AAM transfer revenue, the total opportunity likely exceeds $750 million annually. In markets like LAX, that level of premium capture can materially shift competitive dynamics.

Airport	Total Pax (2024)	Est. Premium Travelers	Annual Revenue Opportunity
Los Angeles (LAX)	76M	~4.5M	$425M-$800M
Orlando (MCO)	57M	~2.9M	$255M-$480M
Las Vegas (LAS)	57M	~2.0M	$180M-$335M

Across the 15–20 U.S. airports where major carriers compete head-to-head, even modest increases in premium origin-and-destination share can generate $300 million or more in annual revenue per airport, making this one of the few levers capable of producing meaningful growth in a mature industry.

Beyond direct revenue, secondary airports create powerful second-order effects. Offering AAM connections from nearby cities or regional airports draws passengers into an airline's ecosystem earlier—often before they have even booked their main itinerary. A traveler who begins their journey on a United Airlines-branded eVTOL from a secondary airport is more likely to stay with United through the connecting hub and to the final destination.

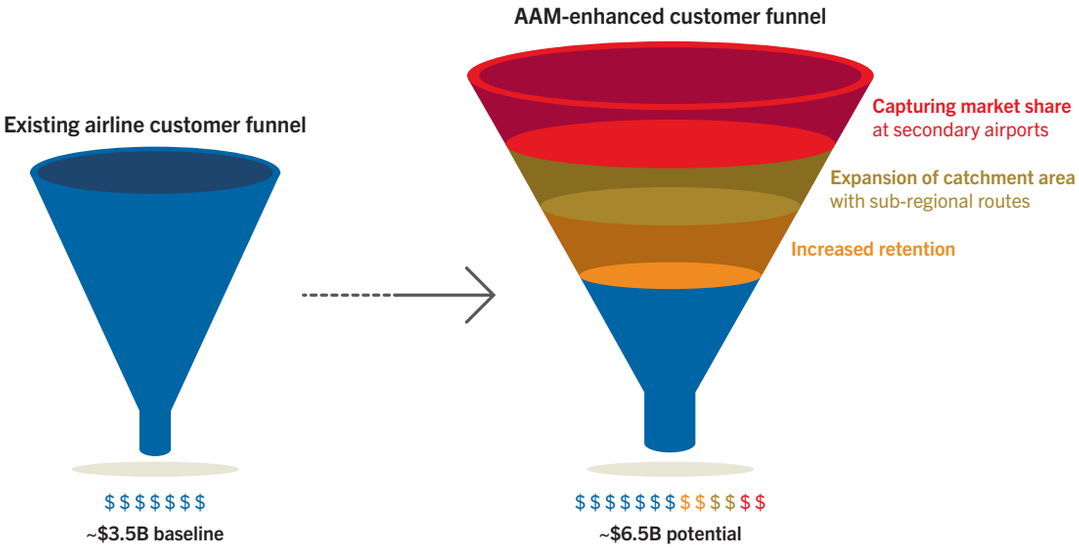
Equally important, AAM gives airlines a way to compete on customer experience rather than price, integrating premium, time-saving connections into the journey. This allows carriers to differentiate through service and reliability, attributes that have become rare in a commoditized industry. Over time, it strengthens loyalty, expands wallet share, and reframes the traveler's mindset—from choosing an airline to choosing a travel network.

Using AAM to capture premium share in contested markets offers a rare opportunity to drive outsized, defensible growth. Realizing that potential requires disciplined execution and the right financial model. Airlines that design AAM investments with flexibility, scalability, and customer integration in mind will be best positioned to turn early adoption into a lasting competitive edge. The following section outlines a financial framework for efficiently scaling AAM, managing risk, and delivering results.

[4] Author analysis using Amadeus for Developers, Flight Offers Search API (Self-Service tier), accessed March 2026, https://developers.amadeus.com/. Sample includes 1,383 valid domestic first-class fare observations across 372 route-directions for departures between March 1 and May 29, 2026; USD total trip price inclusive of taxes and fees; United Airlines offers only due to API content limitations.

Capital Discipline: Controlling Risk, Capturing Upside

AAM does not require a large balance sheet commitment to enter. The same ACMI and CPA structures airlines use today apply directly — shifting aircraft financing to experienced operators while securing early access to routes and operating rights. Financial modeling projects EBITDA breakeven at approximately 21 months as utilization stabilizes.



A key pillar that enables AAM's long-term success is a disciplined capital strategy that limits downside risk while preserving upside optionality. The same financial tools airlines use today, including Aircraft, Crew, Maintenance, and Insurance (ACMI) and Capacity Purchase Agreement (CPA) structures, concession-style infrastructure financing, and staged investment, apply directly to AAM. Together, they minimize capital intensity while securing early control of aircraft, infrastructure, and operating rights without encumbering the balance sheet. Because no eVTOL yet meets the thresholds for U.S. Federal Aviation Administration ("FAA") Part 121 operations, AAM services will operate under FAA Part 135 certificates, either through existing subsidiaries or partnerships with experienced vertical-lift operators.

Early route economics are typically front-loaded. Financial modeling of urban air mobility operations projects operating losses during the initial ramp phase, with EBITDA breakeven occurring at approximately 21 months as utilization and load factors stabilize.[5] Partnering with financially mature Part 135 operators who can finance early aircraft purchases shifts fixed costs and allows early participation without heavy capital commitments. The key is not just managing capital expenditures, but managing when and through whom capital is deployed—funding early access while deferring fixed exposure until the business case is proven.

From Financial Strategy to Operational Strength

The financial upside of AAM is only part of the story. Its full value emerges in how it reshapes operations—how networks function, how crews are developed, and how reliability is maintained under pressure. The same principles that make the financial model work—discipline, scalability, and measured growth—also create operational advantage. The next section examines that opportunity: how AAM can strengthen resilience, expand capacity, and deliver new efficiencies across the airline system.

[5] Financial Models Lab, "Urban Air Mobility Operating Costs and Financial Model," accessed February 27, 2026, https://financialmodelslab.com/blogs/operating-costs/urban-air-mobility.

Photo Credit: Vertical Aerospace

Operations — Turning AAM into a Durable Competitive Advantage

Airlines rarely fail because of a flawed strategy. They fail because execution breaks under pressure. For a COO, every day is a stress test of whether the network can absorb disruption without fracturing. In the pursuit of efficiency, modern aviation has become brittle. Weather at a hub, a checkpoint delay, or a crew timing out no longer just causes a localized delay—it triggers a chain reaction across the system.

Decades of network optimization have squeezed out virtually every buffer. Larger fleets, tighter schedules, and higher utilization have improved efficiency, but eroded resilience. Operational leverage remains a key measure of productivity; however, leverage alone cannot overcome system limits, such as runways constrained by slots, airspace limited by controller availability, and fleets restricted by supply chains and staffing.

AAM gives airlines a new flexibility: the ability to add capacity and reach without expanding hub infrastructure or relying solely on regional jets. Crucially, this does not mean flooding already capacity-constrained hubs with large numbers of small aircraft. Airlines have spent the past decade up-gauging precisely because runways and U.S. air traffic control ("ATC") are operating near their limits.

Early AAM operations can instead leverage existing resources, including fixed-base operators (FBOs), helicopter procedures, off-peak windows at major airports, and regional and underutilized airports. Those channels provide practical on-ramps for testing routes and building experience while industry and government work on longer-term solutions for low-altitude Instrument Flight Rules ("IFR") infrastructure and airspace integration.

When integrated thoughtfully, AAM relieves strain where networks are most exposed: pilot development pipelines and passenger throughput. It enables a more structured and cost-effective pathway for new pilots, keeps passengers moving when congestion builds, and operates quietly in places where traditional aircraft face environmental or political limits. The real challenge is not creating new systems—it is integrating these capabilities into existing ones, so the airline grows stronger as it expands. That is the operational test of AAM: not how fast it scales, but how much stability it adds when the system is under load.

Human Capital: Turning AAM into a Talent Advantage

AAM transforms the pilot pipeline from a compliance exercise into a professional apprenticeship. Pilots who build hours inside a real operational system — with actual passengers, SMS discipline, and crew coordination — arrive at mainline carriers with the judgment and cultural alignment that logbook arithmetic alone cannot produce.

Few operational challenges loom larger for airlines than the pilot pipeline. Retirements are accelerating, the U.S. system is strained, and airlines expect to hire tens of thousands of new Airline Transport Pilot ("ATP")-qualified pilots over the next two decades.[6] The constraint is not only the number of pilots entering training, but also the quality of preparation they receive before arriving at an airline.

Today's dominant hour-building model produces pilots who spend hundreds of hours flying circles around the same low-volume airport while rarely encountering the operational complexity or time pressure of commercial flying. Many earn their time as instructors in low-complexity aircraft with limited exposure to operational standards, crew coordination, dispatch deadlines, or the cadence of a commercial environment. They accumulate hours, but not the operational judgment airlines value most.

AAM offers a fundamentally different and more effective pathway. While pilots will still need the airplane time required for an ATP, the experience around those hours changes dramatically. Once pilots earn a commercial powered-lift certificate, they can begin flying in structured, supervised operations that mirror commercial airline operations:

- Standardized procedures;
- Line-oriented operations;
- Real-world weather, passengers, and dispatch;
- Data-driven feedback and safety management; and
- Coordination with maintenance, crew scheduling, and operations control.

Instead of building time in isolation, they build time inside a system. They learn decision-making, discipline, and safety culture under operational pressure rather than in a training pattern.

Young pilots gain experience through FAA-approved supervision programs, such as line checks, operational control oversight, enhanced monitoring, and regular evaluation by check airmen, rather than through an annual checkride with their buddy. This mirrors the apprenticeship model long used in helicopter and regional airline operations: pilots build early hours in real missions with real schedules, supported and guided by experienced operational leaders. It is a deliberate investment in developing better pilots, not just more pilots.

[6] FAA, Aerospace Forecast: Fiscal Years 2024–2044 (Washington, DC: Federal Aviation Administration, 2024), 33–34.

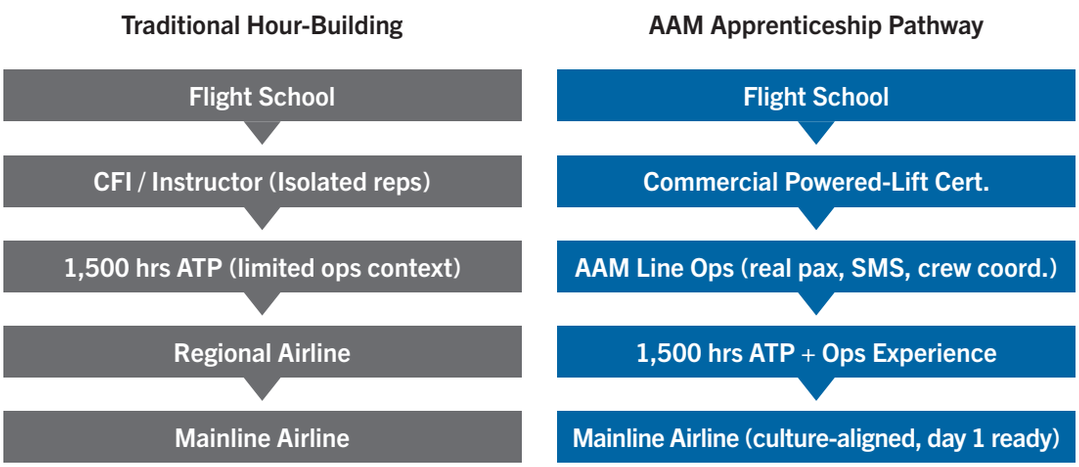
The remaining hours needed for ATP eligibility are then completed through structured partnerships with flight schools, but now with a critical advantage. These pilots return to airplane training with years of operational experience under their belt. They have seen real passengers, real schedules, real weather, and real safety processes, not just lesson plans.

AAM transforms hour-building from a compliance exercise into a professional apprenticeship. It produces pilots who:

- Arrive with more decisive judgment;
- Understand company standard operating procedures;
- Have operated within a safety management system ("SMS");
- Have practiced crew discipline;
- Communicate like commercial aviators, not trainees;
- Are culturally aligned before day one of Initial Operating Experience (IOE).

For airlines, the impact compounds. AAM becomes a multi-year proving ground, an extended interview in which performance, consistency, and reliability are evaluated in real operations, not in a single simulator event. Attrition drops because loyalty forms earlier, and quality rises because selection is based on demonstrated capability, not logbook arithmetic.

Airlines that integrate AAM into their workforce strategy will not just produce more pilots; they will produce better pilots. They will have a deeper bench, a more cohesive culture, and a talent pipeline grounded in real-world operational experience. That is a durable advantage that traditional hour-building simply cannot match.



Throughput: Turning Access into Operational Reliability

Checkpoint and processing bottlenecks are the network's most chronic daily failure point. AAM-enabled vertiports and satellite gateways redistribute when and where passengers enter the system — reducing peak-period congestion, protecting connection integrity, and building a reliability advantage that compounds over time.

If pilots are the long-term constraint, passenger processing is the daily one. Every airline has lived through the same failure chain: a checkpoint delay or customs bottleneck that cascades into missed connections, crew timeouts, and gate conflicts. Aircraft and crews may be ready, but the system fails when passengers cannot move through it.

This fragility matters because on-time performance is not just a metric; it is a differentiator. Passengers do not care why delays happen; they choose the carrier that gets them to their destination on time. When access bottlenecks disrupt a hub's rhythm, the entire schedule absorbs the shock.

AAM offers relief by creating alternative entry points into the network. Vertiports near urban centers or regional airports can function as satellite gateways, processing passengers before they reach the main terminal. Even a modest diversion of premium or connecting travelers offloads critical minutes from checkpoint peaks. By redistributing when and where passengers enter the system, AAM reduces the likelihood that localized congestion triggers network-wide disruptions.

The framework already exists. The U.S. Transportation Security Administration ("TSA") Reimbursable Screening Services Program enables off-terminal screening at major hubs, including LAX, Hartsfield–Jackson Atlanta International Airport (ATL), and John F. Kennedy International Airport (JFK). Massport is piloting a remote terminal model in Boston, and the Screening Partnership Program allows private firms to conduct security screening under federal oversight.[7] AAM operations can integrate directly into these models, extending their reach and utility.

Connection integrity never makes headlines on good days; it is invisible when it works. But under stress, the gap between carriers becomes clear. AAM does not eliminate weather or ATC delays, but it strengthens the system's weakest daily link: the ability to reliably move passengers through the network. That reliability becomes its own form of resilience, and, over time, a durable competitive edge is built not in gates or runways, but in access.

Photo Credit: Elroy Air

[7] Transportation Security Administration. Reimbursable Screening Services Program. Washington, DC: TSA, 2023. https://www.tsa.gov/for-industry/reimbursable-screening-services-program

Transportation Security Administration. Screening Partnership Program (SPP). Washington, DC: TSA, 2023. https://www.tsa.gov/for-industry/screening-partnerships

Massachusetts Port Authority. Logan International Airport: Remote Terminal Planning Overview. Boston: Massport, 2023.

Operational Independence: Why Separation Matters

The separation of manufacturer and operator is not a structural nicety — it is a safety design choice. When the same organization sells the aircraft and decides whether it flies today, the incentives to surface problems and the willingness to act on them are fundamentally compromised. Airlines that partner with independent, experienced operators preserve the accountability that keeps early operations safe and credible.

The separation of manufacturer and operator is a long-standing precedent in commercial aviation—one established primarily for safety assurance, with secondary benefits for commercial success. The rationale is straightforward: blending both disciplines concentrates power, compresses debate, and erodes the productive friction that keeps complex systems safe.

Conflicts of interest arise the moment the same organization both sells the product and decides whether it should fly that day. Manufacturers are rewarded for demonstrating commercial readiness, protecting their reputation, and meeting timelines. Operators are accountable for conservative judgments that sometimes mean canceling flights, pulling aircraft from service, or retraining crews. Those incentives are not naturally aligned. When a safety signal appears in service, the temptation can be to treat it as a maintenance glitch rather than a design or training issue that warrants an operational pause.

Financial pressure amplifies the risk. An OEM/Operator with a single model faces a binary exposure: an event that grounds the fleet halts revenue and damages the brand of its only product. That pressure can tilt internal deliberations about the seriousness of an issue, especially when early service depends on demonstrating momentum to investors and customers. Transparency also suffers. When an operational anomaly hints at a potential design shortcoming, the operator's duty to disclose collides with the manufacturer's need to protect its valuation. The result can be delayed reporting, slower corrective action, or selective data sharing.

Strategically, direct aircraft operations tie capital recovery to unit-level utilization, diverting capital and leadership focus from the higher-leverage work of designing, certifying, and selling aircraft across multiple operators. Some OEMs will pursue initial operations to demonstrate viability and gather early performance data, but scaling that model sustainably is far more challenging. It weakens resilience and magnifies cash flow risk when manufacturing must scale to meet demand. The lag between capital outlay and ticket revenue can stretch for years, and investors will not fund that gap indefinitely. Debt financing is even riskier, as it is constrained by maturity dates and interest obligations that compound the need for continuous utilization.

Experienced operators know that independence sharpens accountability. Separate entities create constructive tension: operators surface issues quickly and demand fixes, while manufacturers respond with engineering changes, service bulletins, and training improvements. Maintaining that separation isn't hollow; it's an operational design choice that preserves objectivity, protects transparency, and keeps safety decisions grounded in data rather than quarterly narratives.

Social License — Turning AAM into Permission to Grow

Community opposition is already constraining airport growth across California, New York, and beyond. Electric AAM aircraft — near-zero noise, no local emissions — give airlines a new compliance lever: the ability to absorb regulatory and community pressure without surrendering capacity. In constrained markets, that permission to grow is itself a competitive advantage.

Photo Credit: Vertical Aerospace

The third advantage is less visible but equally important. Regulators, municipalities, and communities increasingly view aviation through the lens of noise, local pollution, and environmental impact. Airports are facing growing pressure to cap movements, restrict hours, or limit certain aircraft types. Community resistance now meaningfully shapes how much aviation can grow.

Examples are widespread. California has seen repeated lawsuits over noise and environmental impacts at airports such as Burbank, Long Beach, and San Jose, where residents have pushed for curfews and limits on early-morning or late-night operations. Santa Monica forced a negotiated reduction in jet activity that led to runway shortening and long-term closure plans. In New York City, community pressure has repeatedly tightened helicopter-use restrictions, reducing tourist flights and pushing operators toward quieter equipment.

Noise is only part of the picture. Communities near general aviation airports are mobilizing around concerns about lead emissions from aviation fuel, as seen in legal and political actions at Reid-Hillview Airport in San Jose and East Hampton Airport on Long Island. These movements directly influence the regulatory environment in which airlines operate, from operating hours to infrastructure approvals.

AAM provides a way to navigate these pressures. Electric aircraft generate no local emissions and operate at a fraction of the noise footprint of turbine equipment. Their contribution to overall decarbonization may be modest, but their impact in noise- and pollution-sensitive environments is significant. AAM provides airlines with a new compliance lever, allowing them to absorb community and regulatory pressure without compromising capacity.

Replacing helicopter or short regional flights with quieter electric aircraft has a tangible effect, reducing exposure to curfews and movement caps. Airlines that incorporate AAM into their community relations and infrastructure strategies gain credibility when competing for scarce slots or negotiating growth exemptions. Even small increments of capacity granted to lower-impact operators can shift the competitive balance in constrained markets.

Social license is the key to unlocking AAM's full potential. Airlines that secure that support early through quieter aircraft, transparent operations, and trusted operating partners will gain permission to grow in places where others face limits. Those that do not will see expansion shaped more by local politics than by operational capability. In this domain, legitimacy becomes a competitive advantage: a durable moat built not in capital, but in consent.

Operational Maturity — The True Differentiator

The data is unambiguous — new entrant operators in the 1990s recorded accident and incident rates roughly 50% higher than established carriers. AAM will follow the same pattern. Airlines that align with veteran operators from the start will launch more smoothly, build regulatory credibility faster, and avoid the reputational and operational setbacks that erode early-mover advantage.

Every major leap in aviation has exposed hidden vulnerabilities. As David Stepanek noted in *AAM: A Philosophical Guide for Early Operations*, success depends less on aircraft design than on the discipline of the operator. Revolutionary technologies endure only when guided by organizations with the maturity to introduce them safely and sustainably. That principle sits at the core of AAM.

Veteran operators know how to integrate new aircraft and technology without compromising safety or reliability because the institutional framework is already in place. Just as critical, their financial stability allows them to focus on operational performance rather than fundraising for survival.

What feels intuitively true is supported by the data. Historical research on U.S. airlines shows that operational experience is a measurable safety advantage. Studies of early-1990s Part 121 carriers found that new entrant airlines recorded materially worse safety outcomes than established operators, including accident and incident rates roughly 50% higher on a per-departure basis and 70% higher near-midair collision rates.[8] Independent government analysis cited in the same work confirms the pattern: airlines with fewer than five years of operating history experienced higher incident rates and more frequent FAA enforcement actions than those with a mature operating history.[9] Across the literature, the conclusion is consistent—safety performance varies meaningfully by operator, driven less by regulatory standards than by financial stability, management discipline, and institutional governance.[10] [11] Because accidents are lagging indicators, safety erosion appears first in incidents, deviations, and oversight findings; signals that experienced organizations are better equipped to detect and arrest them before they escalate.


Photo Credit: BETA Technologies

[8] Savage, Michael. Aviation Deregulation and Safety in the United States. Washington, DC: Transportation Research Board, 1999.

[9] U.S. Government Accountability Office. Aviation Safety: New Airlines Illustrate Long-Standing Problems in FAA's Inspection Program. GAO/RCED-97-2. Washington, DC: Government Accountability Office, 1996.

[10] Michel, Allen, and Israel Shaked. "Airline Performance Under Deregulation: The Shareholders' Perspective." Journal of Financial and Quantitative Analysis 19, no. 2 (1984).

[11] Rhoades, Dawna L., and Blaise Waguespack Jr. "Better Safe Than Service? The Relationship Between Service and Safety Quality in the U.S. Airline Industry." Managing Service Quality 9, no. 6 (1999).

Photo Credit: BETA Technologies

What Experience Really Means

Experienced operators don't just fly more carefully — they have built the institutional systems that make safety repeatable: SMS disciplines, predictive maintenance programs, line-oriented training, FOQA data loops, and crew selection standards. These systems take years to develop and cannot be acquired through an aircraft order. Airlines that align with operators who already have them skip the most dangerous phase of any new aviation technology: the learning curve.

Experience in aviation is not measured in announcements, but in discipline. Seasoned operators bring more than flight hours; they bring the systems that turn revolutionary technology into everyday reliability. These operators:

- **Live the Safety System:** A culture of continuous hazard identification, mitigation, and accountability. SMS is not paperwork; it is a discipline that guides every operational decision. Without it, risk remains invisible until it explodes into view.
- **Maintain it Before It Breaks:** Predictive maintenance that prevents rather than reacts. Inspection intervals and life-limited parts anticipate failure before it occurs. Without that discipline, minor issues scale into system failures.
- **Hire for Judgment, Train for Consistency:** Good judgment improves safety. Structured selection and line-oriented training create uniform standards across crews. Without them, inconsistency becomes contagion.
- **Turn Data into Discipline:** Health and Usage Monitoring System (HUMS), Flight Operational Quality Assurance (FOQA), and reliability metrics inform action continuously, not selectively. Without that rigor, warning signs remain buried until they surface as headlines.
- **Integrate New Aircraft Without Disruption:** Manuals, maintenance, and training evolve together so each new type strengthens the system it joins. Without integration discipline, innovation becomes instability.

AAM's future will not be won by those who build the best aircraft, but by those who operate them best. Experience compounds only when it is institutionalized through safety systems, training discipline, and financial prudence that reinforce one another through every flight cycle. Airlines that align with veteran operators will launch more smoothly, build trust faster, and scale without sacrificing reliability.

Lessons from Decades of Innovation in Vertical Flight

The following principles reflect the operator's view of how AAM can mature safely, credibly, and at scale. They distill decades of vertical-flight experience, where safety, reliability, and disciplined execution are non-negotiable, and apply that rigor to the challenges airlines will face as AAM moves from concept to commerce. This hard-won experience allows seasoned operators to serve as trusted partners and turn technical promise into dependable, repeatable performance. Each principle embodies clear judgment and tested expertise, providing a framework for transforming innovation into lasting value.

Governance

1. Gain Executive Buy-In and Build Cross-Functional Oversight Early

AAM integration succeeds only with full commitment from every key function. Siloed decision channels breed duplication, confusion, and cost. Worse still, critical choices can stall or vanish altogether as legacy priorities compete with an emerging initiative.

When those functions are aligned, AAM gains both speed and credibility. Issues surface sooner, trade-offs are evaluated with the complete context, and the organization develops a shared definition of success. That alignment builds confidence internally and with regulators, transforming what could be a compliance burden into a competitive edge.

The structure does not need to be complex. What matters is cadence, transparency, and shared accountability. Cross-functional oversight keeps AAM grounded in operational reality, ensuring business decisions remain tied to the physics, economics, and safety standards that determine long-term success.

Finance

2. Integrate AAM through Tiered Access and Bundled Value

Airlines already excel at designing fares that balance yield and loyalty; AAM simply adds another lever to that system. The task is deciding where bundling strengthens brand value and where separate pricing provides the most insight.

For long-haul and international premium travelers, bundling often makes the most sense. The cost of an AAM transfer is small within a business or first-class ticket, allowing airlines to position it as a seamless connection from city center to cabin door. For business travelers, bundling removes friction by eliminating extra receipts and separate charges. The simplicity reinforces AAM as part of the journey itself, not an optional add-on.

For shorter domestic routes, where price sensitivity is higher, preferential or subsidized pricing may provide a more accurate indication of customer behavior and elasticity. Limited discounted AAM options can reveal how travelers perceive value and provide data to refine both pricing strategy and network design.

The goal is not to dictate fare structures but to show how an early pricing strategy can accelerate adoption and generate the insights required for scale. The principle is simple: integrate AAM in ways that enhance loyalty, remove friction, and reinforce the brand promise of time savings and reliability. Over time, these attributes become integral to the airline's core value proposition and the foundation of its enduring enterprise value.

Operations

3. Require IFR-Capable Aircraft

Weather variability is the single greatest threat to schedule reliability in early AAM operations. Aircraft certified only for visual conditions will face frequent disruption, leading to cancellations that erode customer confidence. Decades of vertical-lift experience demonstrate that IFR capability significantly enhances dispatch reliability and mission completion rates.

Requiring IFR certification as a baseline establishes operational resilience from day one. It signals to regulators and passengers that AAM meets the reliability standards of commercial aviation—not the lower bar of light general aviation. The investment in equipment, training, and procedures pays for itself through schedule integrity, fewer diversions, and a stronger safety culture.

Although today's low-altitude IFR infrastructure has real limitations, IFR-capable aircraft still offer clear advantages. Even when operating under Visual Flight Rules ("VFR"), an instrument-certified aircraft can pick up an IFR clearance when conditions deteriorate and continue safely to its destination. This flexibility prevents the cascading cancellations and diversions that VFR-only aircraft experience when the weather drops below basic minima. IFR capability improves day-to-day dispatch reliability now, while positioning operators to adopt emerging low-altitude IFR procedures as the regulatory system evolves.

IFR-certified aircraft do not just fly more; they build trust faster. Each on-time departure reinforces AAM's credibility as a dependable mode of transportation rather than a weather-permitting novelty. Reliability earns public confidence and unlocks sustainable scale.

4. Start from Regional and Underutilized Airports

AAM does not need to wait for vertiports or major infrastructure programs to begin flying. Launching from existing infrastructure also protects capital by allowing operators to pinpoint where demand is strongest before committing to costly purpose-built facilities. Regional and underutilized airports already provide established procedures, ground support, and available capacity. They offer a ready-made environment to test operations, refine procedures, and understand customer behavior under real conditions. Deferring significant capital outlays until market signals are clear enables investment to follow demonstrated demand rather than forecasted optimism, thereby reducing risk while enhancing credibility with regulators and investors. Starting from regional airports anchors AAM in today's infrastructure while positioning it to grow into tomorrow's network once the economics are proven.

5. Expand Before Competitors React

Expansion is earned, not assumed. It follows only after reliability, safety, and efficiency are proven in sustained service. Once those fundamentals are established, growth becomes not just possible but strategic; an opportunity to extend a validated model into the markets that matter most.

Once readiness is proven, speed becomes a competitive edge. The first operators to scale AAM networks capture the best routes, customer bases, and community partnerships—advantages that are nearly impossible to replicate once established. Early incumbents shape the regulatory dialogue, influence infrastructure planning, and define the service expectations that others must follow.

Establishing reliable operations in key corridors first secures access to the most valuable takeoff and landing locations. In dense markets, available slots, airspace priority, and community goodwill will quickly become scarce. Early presence enables operators to build relationships with municipalities and airport authorities before demand exceeds capacity.

The momentum compounds. Each new route adds data, operational maturity, and brand familiarity, while lowering cost, improving reliability, and reinforcing credibility with investors and regulators alike. Moving early secures the markets that matter most while barriers remain low. Those who wait for perfect conditions will inherit what is left.

Conclusion – Winning the Endgame

AAM will not redefine aviation overnight; the same discipline that defined the jet age will also shape this one. AAM will revolutionize aviation, aircraft by aircraft, route by route, and decision by decision. The advantage will go to airlines that view the transition not as a technology play, but as a test of discipline and endurance.

The leaders will do more than launch new aircraft. They will embed systems that reinforce financial discipline, operational reliability, and cultural alignment. Every decision in the next few years—whom to partner with, how to govern safety and capital, when to scale, and how to earn public trust—will define trajectories that are hard to reverse.

Airlines that move early and execute with rigor will secure enduring advantages: lower costs through flexible capital models, stronger loyalty through integrated experience, and greater resilience through proven operators. Those who hesitate will find that the best routes taken, the strongest partners committed elsewhere, and regulators less patient.

AAM remains a market that can still be shaped and claimed. The winners will be those who lead with purpose, precision, and staying power.

The board is set. Your move.

About the Author

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Bryan Willows is Director of Governance & Integration Strategy for Advanced Air Mobility (AAM) at Bristow Group, where he focuses on how emerging aviation transitions from concept to practical, scalable operations.

His work centers on developing the frameworks that help organizations make disciplined decisions in uncertain environments—connecting strategy, finance, regulatory pathways, and operational readiness into a coherent approach. He works across Bristow's U.S., UK, and European initiatives, helping translate early-stage opportunities into structured plans that can be evaluated, compared, and, when appropriate, executed.

Previously, Bryan served as Director, Advanced Air Mobility – Americas, where he supported regional strategy and early market positioning, and as Powered-Lift Program Manager, contributing to the commercialization of the AW609.

Bryan began his career as a U.S. Marine Corps officer and pilot, flying the CH-46E Sea Knight and MV-22B Osprey, with two deployments in support of Operation Iraqi Freedom. He holds an MBA from the Acton School of Business and is a helicopter Airline Transport Pilot with commercial ratings in powered-lift and fixed-wing aircraft.

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