

# Airlines and tourism\*

Marco Alderighi<sup>†</sup>  
Università della Valle d'Aosta  
Università Bocconi

Alberto A. Gaggero<sup>‡</sup>  
Università di Pavia

June 6, 2017

## Abstract

In this paper we study empirically the effect of non-stop flights on international tourist flows. In particular we aim to analyze the different impact of low-cost carriers (LCCs) vs. full-service carriers (FSCs) on tourism, testing whether different business strategies stemming from different business models can fit to different tourism demand (e.g. short breaks vs long stays). We use a panel pairing each of the 20 Italian regions (tourists' destination) to 24 European countries (tourists' origin) observed half-yearly from 1999 to 2009 for a total of 11,520 observations. We estimate the model using various estimators (poisson, negative binomial and inflated negative binomial). We find that LCCs facilitate the arrival of tourists by a larger extent than FSCs. Our results show the importance of non-stop flights as direct boosters of tourism and, indirectly, of the local economy.

**JEL classification:**

**Keywords:** Low-cost carriers; non-stop flights, tourism.

---

\*We wish to thank Alessandro Cento. The responsibility for the arguments and results expressed in this paper is entirely ours.

<sup>†</sup>Università della Valle d'Aosta, Grand Chemin 75/77, Saint Christophe 11020, Italy; and CERTeT, Università Bocconi, Roentgen 1, 20136 Milan, Italy; telephone +39 0165 066 723; fax: +39 0165 066 748. Email: [m.alderighi@univda.it](mailto:m.alderighi@univda.it). *Corresponding author*.

<sup>‡</sup>Department of Economics and Management, University of Pavia, Via S. Felice 5, 27100 Pavia, Italy. Email: [alberto.gaggero@unipv.it](mailto:alberto.gaggero@unipv.it).