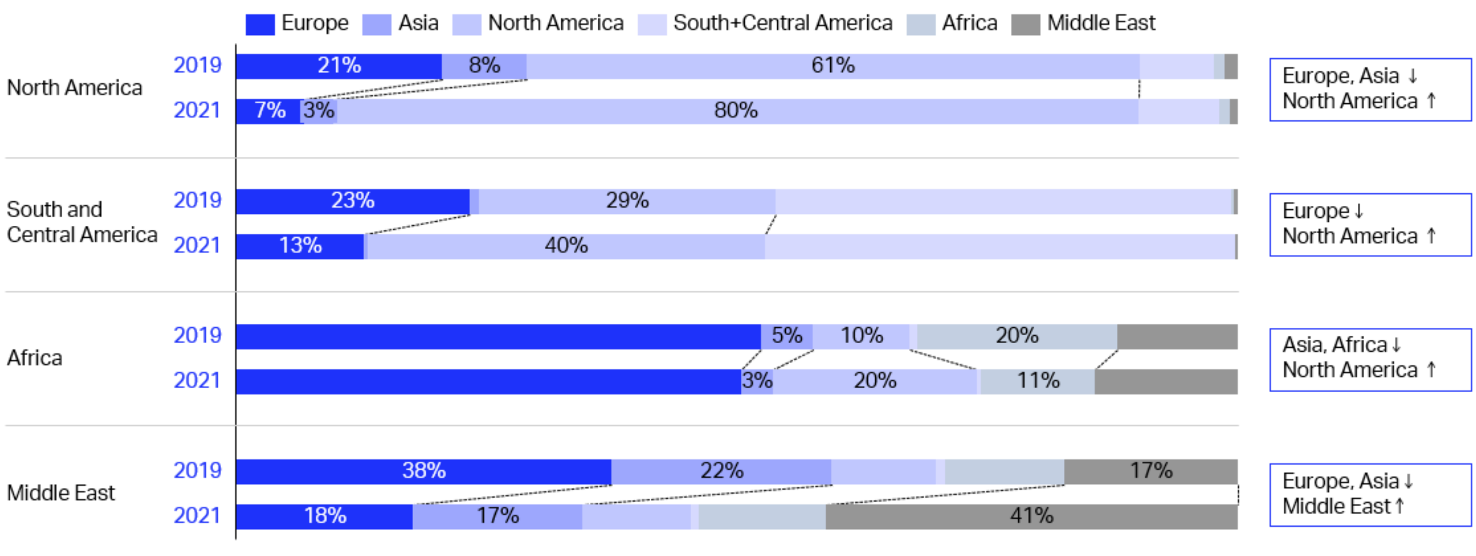
IATA

IATA Economics' Chart of the Week

16 April 2021

Summer air travel will be closer to home

Breakdown of bookings for travel between May-September by destination region, bookings made before 20 March 2019 vs. 2021



Source: IATA Economics calculations based on DDS data

- Since the outbreak of the COVID-19 pandemic, countries have been keeping their borders closed for international travel to get the virus under control. While much of the world stays closed, travellers' choice of destinations for summer 2021 has changed in comparison to where people traveled in 2019.
- In comparison to summer 2019, North American tourists book travel more within the region and less to Europe or Asia this summer. South and Central America is receiving fewer bookings from Europe and more from North America. This is mainly thanks to the ambitious vaccination program and the relaxation of travel restrictions in the United States. At the same time, there seem to be fewer people travelling within Africa and an increasing share of travellers travelling between Africa and North America. Lastly, there is an uptake in bookings for travel within the Middle East, whilst the share of tourists coming to the region from Europe and Asia is declining. Trends are less clear in Europe and the Asia Pacific -not shown on the chart - where restrictions on international travel remain more stringent.
- Airlines will likely respond to such regionalization of demand by redrawing their networks, with implications on schedules, fleet, crew and beyond. From most regions, long-haul passenger travel might be limited for a long time, not least because the sustainability of these long-haul services greatly relied on business travellers in the past who continue to be largely absent. On routes with sufficient demand, cargo can keep some of these services in the air but at drastically reduced frequencies. The potential loss is significant: long-haul flights represented 32% of passenger ticket revenues in 2019.

IATA Economics
economics@iata.org