



## AAA / IHS Forecast Calls for 41 Million Travelers this Holiday, an increase of 1.9 percent from 2013

### US Holiday Travel Overview

The economic outlook improving, but at a very slow rate, but an increase in consumer spending will drive the travel volume up 1.9 percent from 2013, with 41 million people expected to travel this Independence Day holiday.

### Car Travel Will Lead the Way

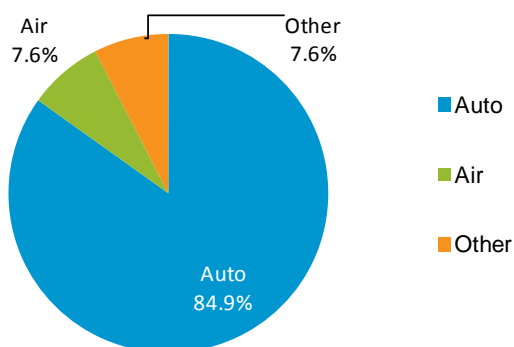
Nearly 85 percent of holiday travelers will go by car, resulting in a 2.2 percent increase from 2013. The 34.8 million travelers via automobile is the highest volume seen since 2007.

### Air Travel Will Hold Steady

Air travel is forecast to increase just over one percent this year, to 3.1 million travelers. The expected share of travelers by air will remain at 7.6 percent but the travel volume will surpass 2007 for the highest since 2004.

- The Independence Day holiday is defined as Wednesday, July 2 to Sunday, July 6.
- The 2014 forecast of 41 million travelers is 5.6 percent above the annual average since 2001.
- While auto travel volume will be the highest since 2007, auto travel's share of total travel will be the highest since the 2009 low-point during the recession.
- Consumer spending will increase 4.2 percent from last year, outpacing income growth as consumers are showing a willingness to take on debt to boost spending.
- Real GDP is forecast to be 2.2 percent above last year, while the unemployment rate should be 0.7 points lower.
- Household net worth is up nearly six percent over last year, despite some cooling in the housing market.
- Consumer Comfort, Consumer Sentiment and Consumer Confidence surveys all show improvement compared to year ago levels.

Share of Travelers by Mode



Independence Day Travelers by Mode

	Automobile	Air	Other
2014	34.8	3.1	3.1
2013	34.1	3.1	3.1
Growth	2.2%	1.0%	-0.6%

AAA and IHS forecast an increase in travelers this Independence Day holiday of 1.9 percent, with 41.0 million travelers expected. Travel for this holiday has grown in four of the past five years and the 2014 volume will be 6.3 percent higher than the average volume for the previous ten years.



## Holiday Forecast Methodology: A Brief Overview

The *AAA 2014 Independence Day Holiday Travel Forecast* combines information from multiple sources to provide a forecast of travel patterns for the upcoming holiday period. This report comprises two key components—the **Travel Forecast** and the **IHS/AAA US Travel Sentiment Index (UTSI)**. The Travel Forecast is based on economic conditions while the US Travel Sentiment Index is developed by analyzing social media around travel. This approach combines a quantitative and qualitative view of holiday travel at both the national and regional levels.

### Travel Forecast

In cooperation with AAA, IHS developed a unique methodology to forecast actual domestic travel volumes. The economic variables used to forecast travel for the current holiday are leveraged from IHS Global Insight's proprietary databases. These data include macroeconomic drivers such as employment, output, household net worth, asset prices including stock indices, interest rates, housing market indicators, and variables related to travel and tourism, including prices of gasoline, airline travel, and hotel stays.

Historical travel volume estimates come from the ongoing travel survey database of D.K. Shifflet & Associates (DKSA), the premier source of US resident travel volume and behavior. DKSA interviews more than 50,000 US households per month tracking trip incidence, party composition, traveler behavior, and spending—all after the trips have been taken.

The Travel Forecast is reported in person-trips, which are defined as round-trips that involve travel of 50 miles or more away from home. In particular, AAA and IHS forecast total US holiday travel and travel by mode of transportation. The Travel Forecast presented in this report was prepared the week of June 2, 2014.

### Independence Day Holiday Travel Period

For purposes of this forecast, the Independence Day holiday travel period is defined as the five-day period from Wednesday, July 2 to Sunday, July 6. This five day period is the same length as 2013.

### About AAA

As North America's largest motoring and leisure travel organization, AAA provides more than 54 million members with travel, insurance, financial and automotive-related services. Since its founding in 1902, the not-for-profit, fully tax-paying AAA has been a leader and advocate for the safety and security of all travelers. AAA clubs can be visited on the Internet at AAA.com.

About IHS ([www.ihs.com](http://www.ihs.com)): IHS (NYSE: IHS) is the leading source of information, insight and analytics in critical areas that shape today's business landscape. Businesses and governments in more than 165 countries around the globe rely on the comprehensive content, expert independent analysis and flexible delivery methods of IHS to make high-impact decisions and develop strategies with speed and confidence. IHS has been in business since 1959 and became a publicly traded company on the New York Stock Exchange in 2005. Headquartered in Englewood, Colorado, USA, IHS is committed to sustainable, profitable growth and employs approximately 8,000 people in 31 countries around the world.

### About DKSA

DKSA's TRAVEL PERFORMANCE/MonitorSM is a comprehensive study measuring the travel behavior of US residents. DKSA contacts 50,000 distinct U.S. households monthly and has done so since 1991. DKSA is able to provide current behavior and long term trended analyses on a wide range of travel.