



# 2020 Year-End Holiday Travel Forecast

December 2020

## At Least Three-Quarters of Americans Will Stay Home This Holiday Season *Travel Volume to Decrease by More Than 34 Million*



### Year-End Holiday Travel to **Fall by 29%**

Travel during the 2020 year-end holiday period will see a sharp decline with only as many as 84.5 million Americans expected to travel. **This decline of at least 29% will result in a minimum 34 million fewer travelers compared to last year.**



### Car Travel to Fall to 10-year Low of Up to 81 Million, a **25% Drop**

Up to 81 million travelers could decide to travel by car this holiday season, a decline of at least 25%. The share of car travel will rise to 96% as shorter car trips are expected to replace holiday vacations.



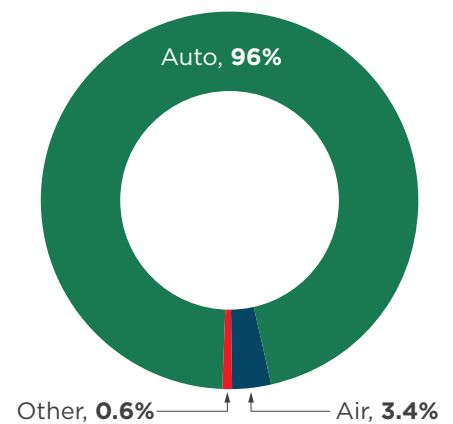
### Air Travel Will Decline by **Nearly 60%**

As many as 2.9 million travelers are expected to book flights for the year-end holiday period. The nearly 60% decline in air travel will result in at least 4.4 million fewer passengers this year compared to last year.

## Key Takeaways:

- Only one in four Americans is likely to travel this holiday season. That is a decrease of at least 34 million travelers compared to 2019 (84.5 million vs. 118.9 million travelers, respectively). Continued pandemic-related health concerns and travel guidance will influence the vast majority of Americans to stay home.
- The 2020 year-end holiday period will see the largest decline on record, ending a streak of 11 consecutive years of holiday travel growth. The 2020 travel volume will be the lowest since 2002.
- Auto travel is expected to decline by at least 25% this year. The forecasted 81.1 million travelers are nearly 27 million fewer than last year. The share of travel by car will increase to 96% from 91% in 2019.
- Air travel will fall by nearly 60%, if not more. The 2.9 million travelers will be the lowest air travel volume since 2009.
- Travel by other modes (including bus, rail and cruise ship) will fall by at least 87% to less than half a million travelers.
- The 2020 year-end holiday period is defined as Wednesday, Dec. 23 to Sunday, Jan. 3, 2021. This 12-day period is the same length as last year.

### Share of Travelers by Mode



### Year-End Holiday Travelers by Mode (millions)

	Automobile	Air	Other
2019	108.0	7.33	3.89
2020	81.1	2.94	0.480
Change	-24.9%	-59.9%	-87.7%

*AAA and IHS Markit forecast up to 84.5 million travelers this year-end holiday season, a decrease of at least 29%.*



## Economic factors influencing the travel forecast include:

- While economic activity continues to rise from the depths of Q2 2020, GDP is expected to decline by 2.6% year-over-year during the fourth quarter.
- Relative to the fourth quarter of 2019, the unemployment rate has nearly doubled from 3.5% to 6.7%.
- Absent additional government stimulus programs, consumer spending is expected to fall by 2.1% year-over-year in the fourth quarter.
- Gas prices averaged \$2.12 in November, which is 48 cents per gallon below prices from one year ago.

## Holiday Forecast Methodology: A Brief Overview

### Travel Forecast

In cooperation with AAA, IHS Markit—a world leader in critical information, analytics and expertise—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 Markit’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.

For the 2020 year-end holiday travel forecast, IHS Markit also examined changes in the IHS Markit containment index regarding local COVID-19-related restrictions as well as the national case count and trend.

Historical travel volume estimates come from DK SHIFFLET’s TRAVEL PERFORMANCE/Monitor<sup>sm</sup>. The PERFORMANCE/Monitor<sup>sm</sup> is a comprehensive study measuring the travel behavior of U.S. residents. DK SHIFFLET contacts over 50,000 U.S. households each month to obtain detailed travel data, resulting in the unique ability to estimate visitor volume and spending, identify trends, forecast U.S. travel behavior and position brands—all after the trips have been taken.

The travel forecast is reported in person-trips. In particular, AAA and IHS Markit forecast the total U.S. holiday travel volume and expected mode of transportation. The travel forecast presented in this report was prepared the week of Nov. 23, 2020.

### About AAA

AAA provides more than 61 million members with automotive, travel, insurance and financial services through its federation of 32 motor clubs and nearly 1,000 branch offices across North America. Since 1902, the not-for-profit, fully tax-paying AAA has been a leader and advocate for safe mobility. Drivers can request roadside assistance, identify nearby gas prices, locate discounts, book a hotel or map a route via the [AAA Mobile app](#). To join, visit [AAA.com](#).

### About IHS Markit

([www.ihsmarkit.com](#))

IHS Markit (NYSE: INFO) is a world leader in critical information, analytics and solutions for the major industries and markets that drive economies worldwide. The company delivers next-generation information, analytics and solutions to customers in business, finance and government, improving their operational efficiency and providing deep insights that lead to well-informed, confident decisions. IHS Markit has more than 50,000 business and government customers, including 80 percent of the Fortune Global 500 and the world’s leading financial institutions. Headquartered in London, IHS Markit is committed to sustainable, profitable growth.

### About DK SHIFFLET

([www.dkshifflet.com](#))

DK SHIFFLET boasts the industry’s most complete database on U.S. resident travel both in the U.S. and worldwide. Data is collected monthly from a U.S. representative sample, adding over 60,000 traveling households annually and is used daily by leading travel organizations and their strategic planning groups. DK SHIFFLET is an MMGY Global company.