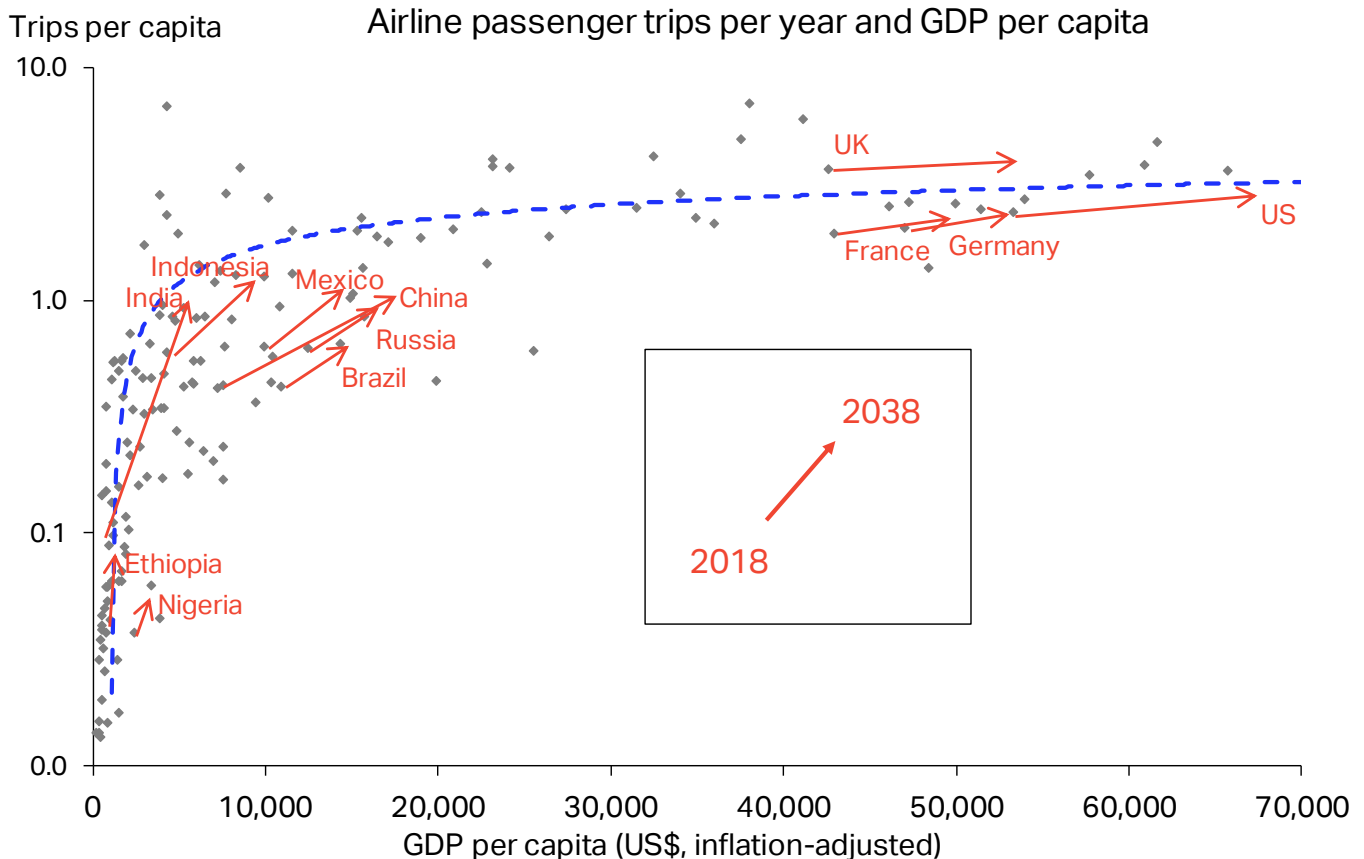




IATA Economics Chart of the Week

26 April 2019

Air travel frequency flattens in developed markets, rises in emerging markets



Source: Tourism Economics/IATA Air Passenger Forecasts, April 2019

- Air travel markets are reaching maturity in most developed economies. The rise in the frequency of air travel of the average citizen – which underlies the expected growth in air passenger demand over the next 20 years – will occur mainly in the world's emerging markets. This is one of the conclusions of the analysis by IATA and Tourism Economics in their latest [20-year air passenger forecast](#), due to be released next week.
- The chart shows the relationship between the average frequency of air travel (the number of flights to, from, within a country divided by its population) and living standards, measured by GDP per capita. The logarithmic shape of the line of best fit demonstrates that air travel markets mature. Once GDP per capita reaches \$20,000 trip frequency flattens. The average citizen does not wish to fly much more frequently, despite increases in living standards.
- So, the average citizen in Europe and the US is not expected to fly much more frequently in 20 years' time than they do today, even though their living standards are forecast to be 20-30% higher in our 'Current trends' scenario. Moreover, in developed economies like Germany there is very little population growth – another key driver of air passenger demand – expected either. But in the emerging markets there is expected to be a strong demand to connect cities by air services for trade, investment and travel. This is where both the frequency of travel and populations are expected to rise most. The 'Current trends' scenario predicts that 44% of additional air passenger trips over the next 20 years will come from China and India alone.

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