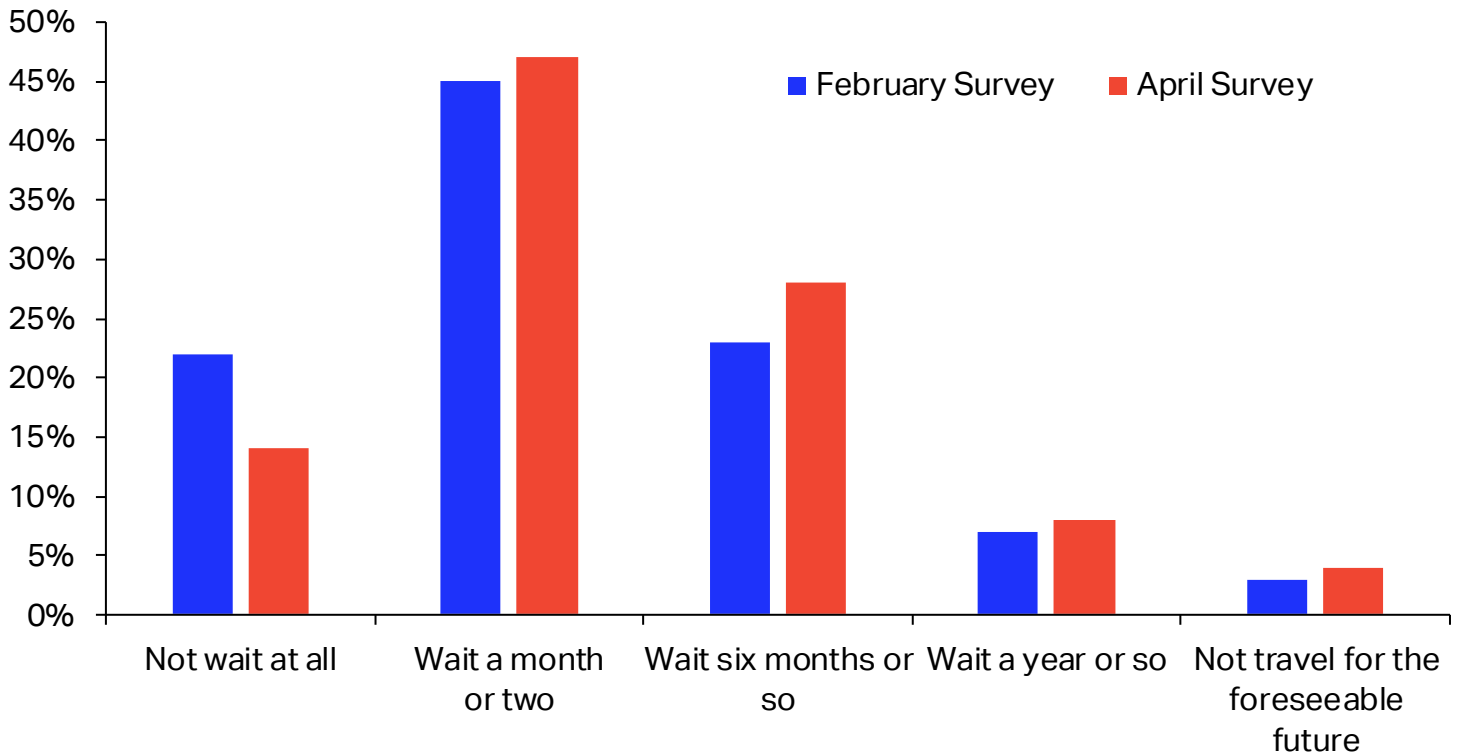




IATA Economics' Chart of the Week

24 April 2020

Passenger confidence key to the post-COVID-19 recovery in air travel Returning to Travel After Containment Announcement



Source: IATA

- Even as the battle to contain the COVID-19 pandemic continues, the process of industry recovery cannot be completely disregarded. To this end, consumer confidence and regaining the trust of travelers will be integral to the timing and speed of industry recovery. Today's chart presents the findings of an IATA-commissioned survey of passengers across 11 countries to understand their views on the likely timing of a return to air travel.
- In China, the domestic air transport market has begun to recover with the containment of COVID-19 and the lifting of some movement restrictions in February. In Europe and elsewhere, some governments are also starting to plan the relaxation of lockdown conditions. In China, an initial sharp increase in domestic air travel has since stabilized, with demand remaining at a level well below that of a year ago (see our note on [domestic markets recovery](#)).
- Although there are some issues specific to China, this is broadly consistent with the survey results which indicate that just 14% of consumers (22% in February when China relaxed its movement restrictions) would resume travel as soon as restrictions were lifted. The largest proportion of travelers – a little less than half – consider themselves likely to resume air travel within 1-2 months. If the pandemic can be contained over the next few months, this aligns with our view of industry recovery getting underway in Q3. However, the recovery will be slow as the remaining 40% of respondents indicated that they could wait six months or more before traveling by air.
- In addition to the health concerns, the speed with which consumers return to air travel will depend on their financial circumstances. The prospect of a global recession that is more severe than the Global Financial Crisis casts a shadow over the outlook, adding a further challenge for airlines looking to boost consumer confidence to travel.

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IATA Economics
economics@iata.org