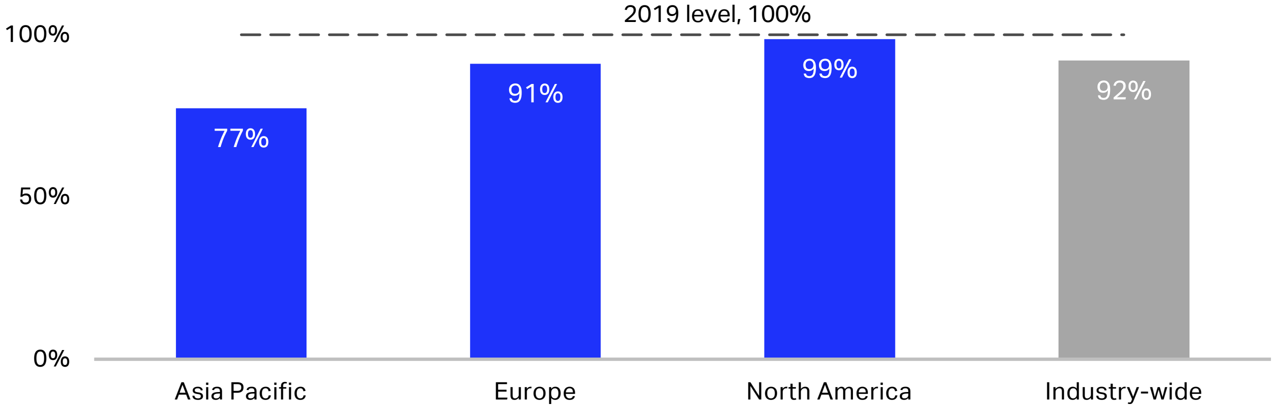
Chart of the Week

19 May 2023

Strong ticket sales point to a busy summer travel season

Recovery of summer travel air ticket sales, 2023
Share of 2019 tickets purchased for the May-September travel period



Source: IATA S&E Economics, using data from DDS for tickets purchased in Q1 of 2023 and 2019

- Air ticket sales for the upcoming summer season (May - September 2023) increased by 35.2% year-on-year, reaching 92% of 2019 industry-wide levels. This growth underscores the strong desire among travelers worldwide to fly during the peak summer season in the northern hemisphere.

- The rising number of ticket purchases serves as a leading indicator of passenger demand and is in line with the robust growth in passenger traffic witnessed through the end of the first quarter of 2023. Notably, global revenue passenger-kilometers showed an impressive annual increase of 58.3% in the first quarter, recovering to 85.9% of 2019 levels.

- China's decision to reopen its aviation markets in January has been instrumental in fueling traffic growth globally, and particularly in the Asia Pacific region, which experienced the largest year-on-year increase in ticket purchases (134.7%) and restored 77% of pre-pandemic volumes. Despite starting from a low base in 2022 due to Covid-related travel restrictions, the sheer scale of China's domestic and international markets has significant implications for regional and industry-wide air traffic recoveries. Other regions with significant aviation markets also indicate substantial growth for the upcoming summer period, including Europe and North America where ticket sales reached 91% and 99% of pre-pandemic levels, respectively.

- With widespread growth anticipated for the upcoming summer period, the industry's primary challenge will be to ensure sufficient system capacity to minimize potential delays. Eurocontrol has highlighted that on-time performance in Europe for 2022 was considerably worse than 2019 due to labor and capacity shortages across the sector. Additional challenges are expected for the 2023 summer, including ongoing airspace constraints due to the war in Ukraine, potential disruptions from labor strikes, and lengthening delays in aircraft deliveries. The rapid reopening of Asian markets could also further strain already fragile air and ground systems.

- Despite these challenges, the aviation industry is making a steady recovery from the pandemic, with international travel catching up with the pace of the domestic recovery. The strong ticket sales for the summer season demonstrate the eagerness of people to travel, reflecting a positive outlook for the industry's continued revival.

IATA Sustainability & Economics
economics@iata.org