



The shape of air travel markets over the next 20 years



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www.iata.org/pax-forecast

To represent, lead and serve the airline industry



Air Passenger Forecast service

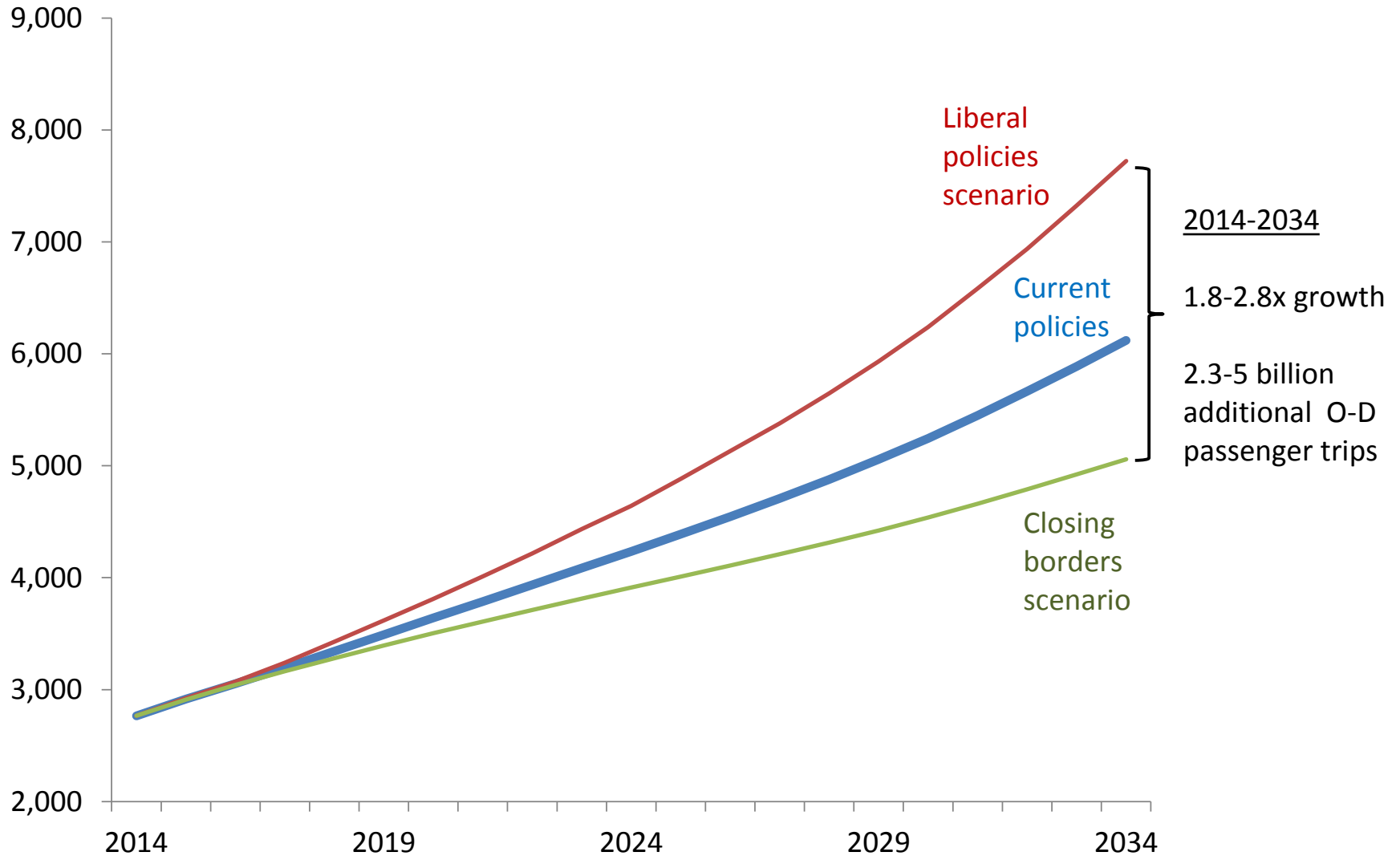
Including comprehensive forecasts down to a country-pair level

➤ The new joint venture between IATA and Tourism Economics



Air travel likely to double over next 20 years

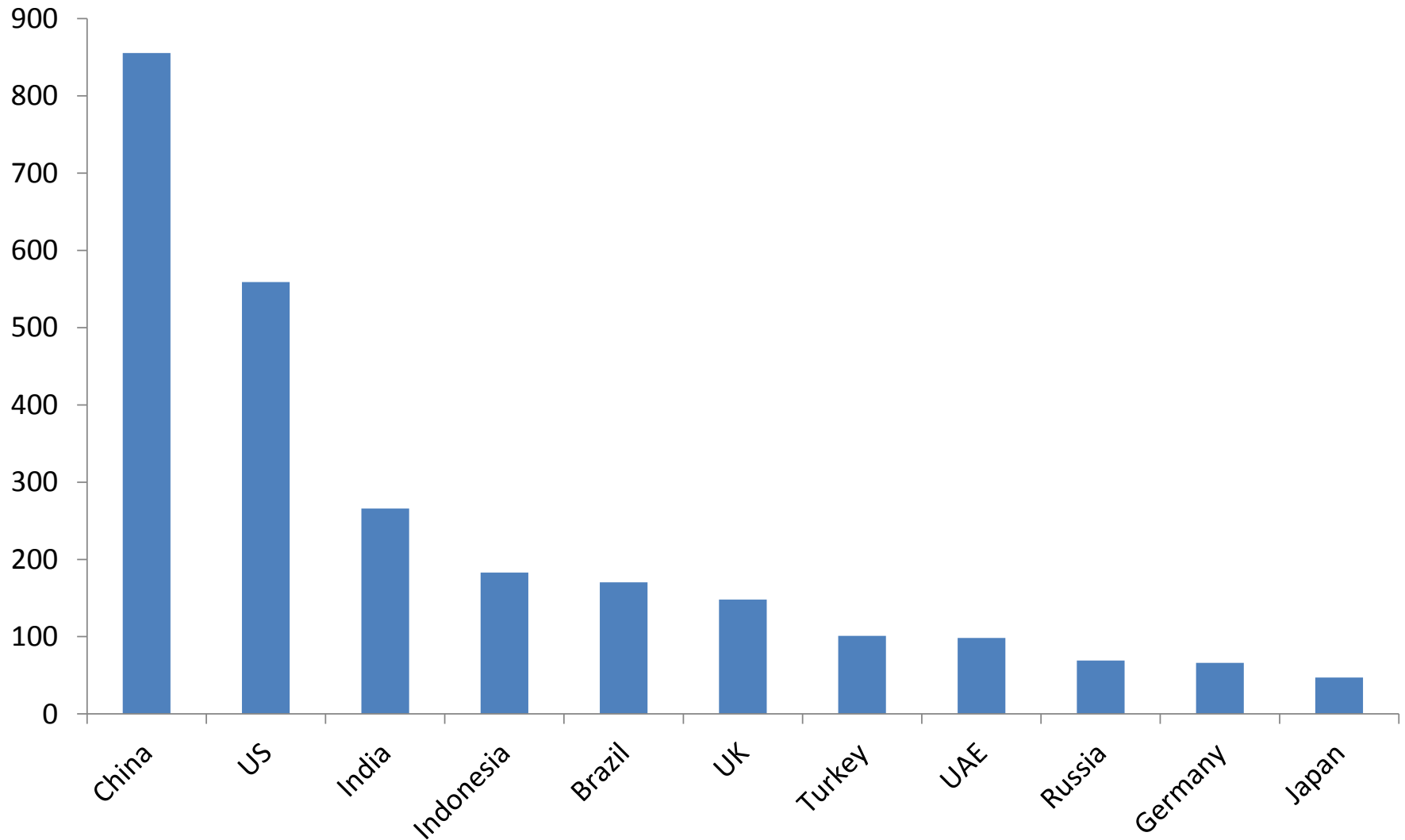
Outlook for worldwide O-D passenger trips, million



Source: IATA/Tourism Economics 'Air Passenger Forecasts'

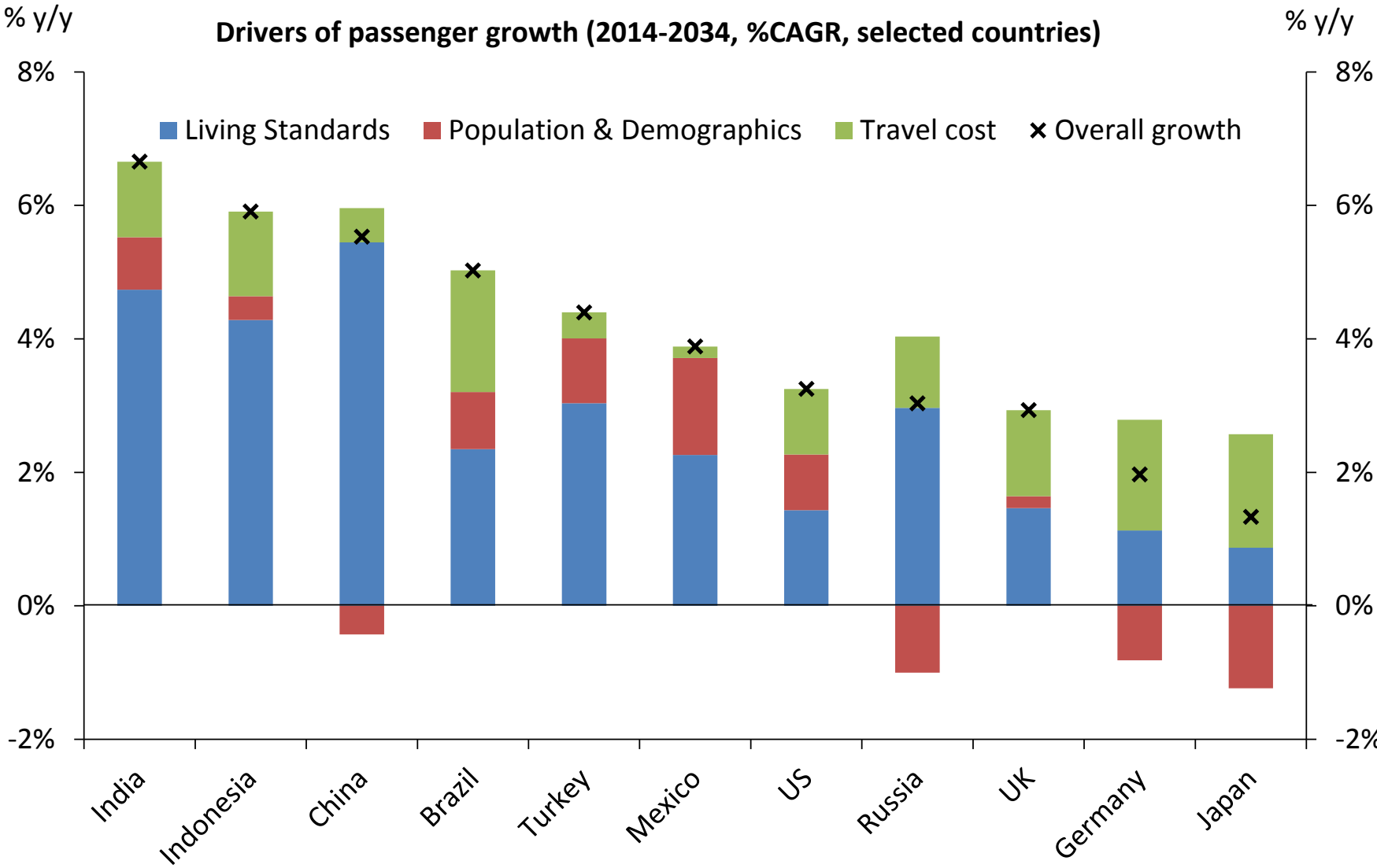
But growth differs widely by market

Additional million O-D passengers a year by 2034



Source: IATA/Tourism Economics 'Air Passenger Forecasts'

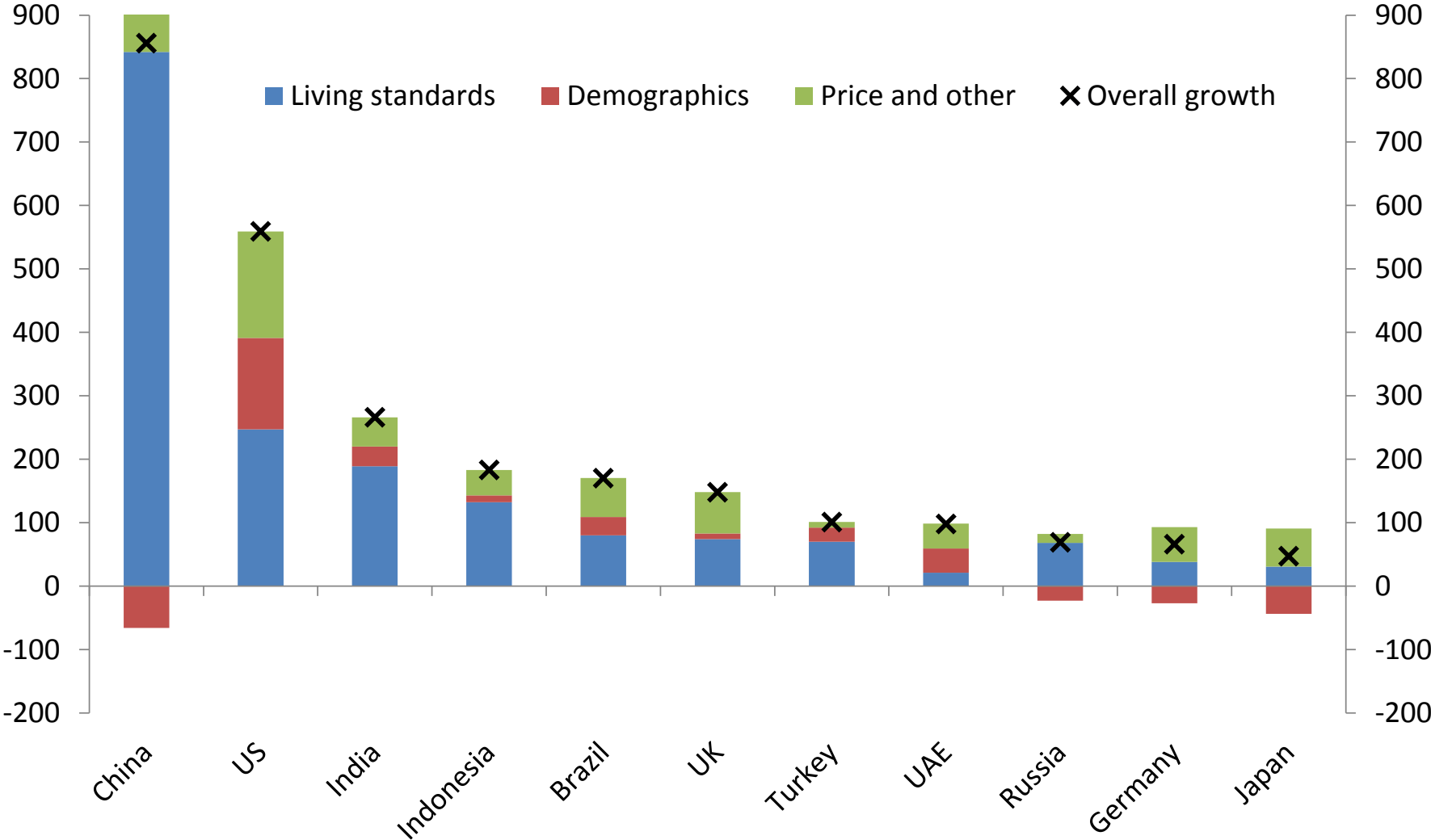
Developing economies show fastest growth



Source: IATA/Tourism Economics 'Air Passenger Forecasts'

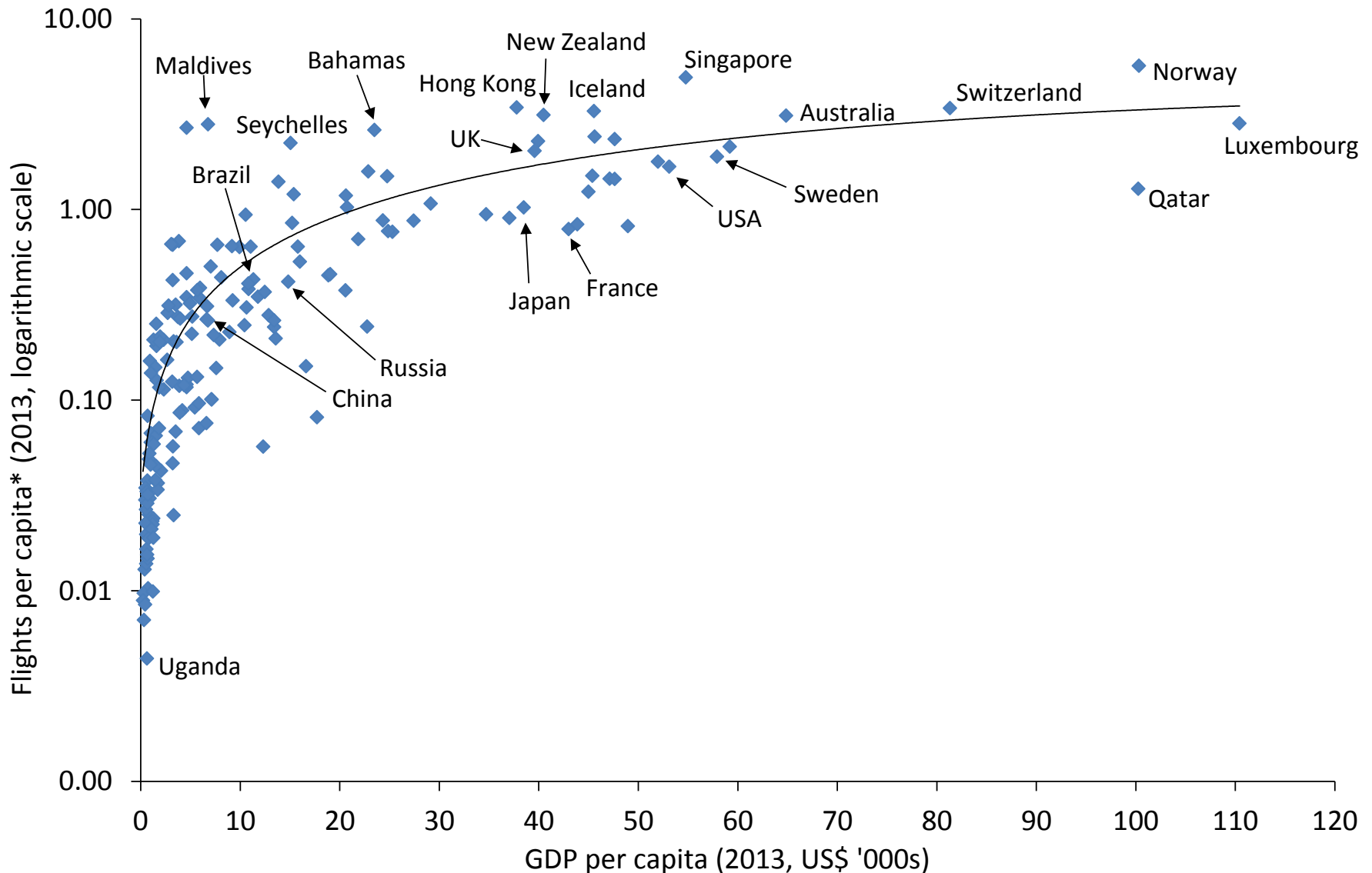
But US sees 2nd largest rise in numbers

Drivers of additional passenger numbers, million



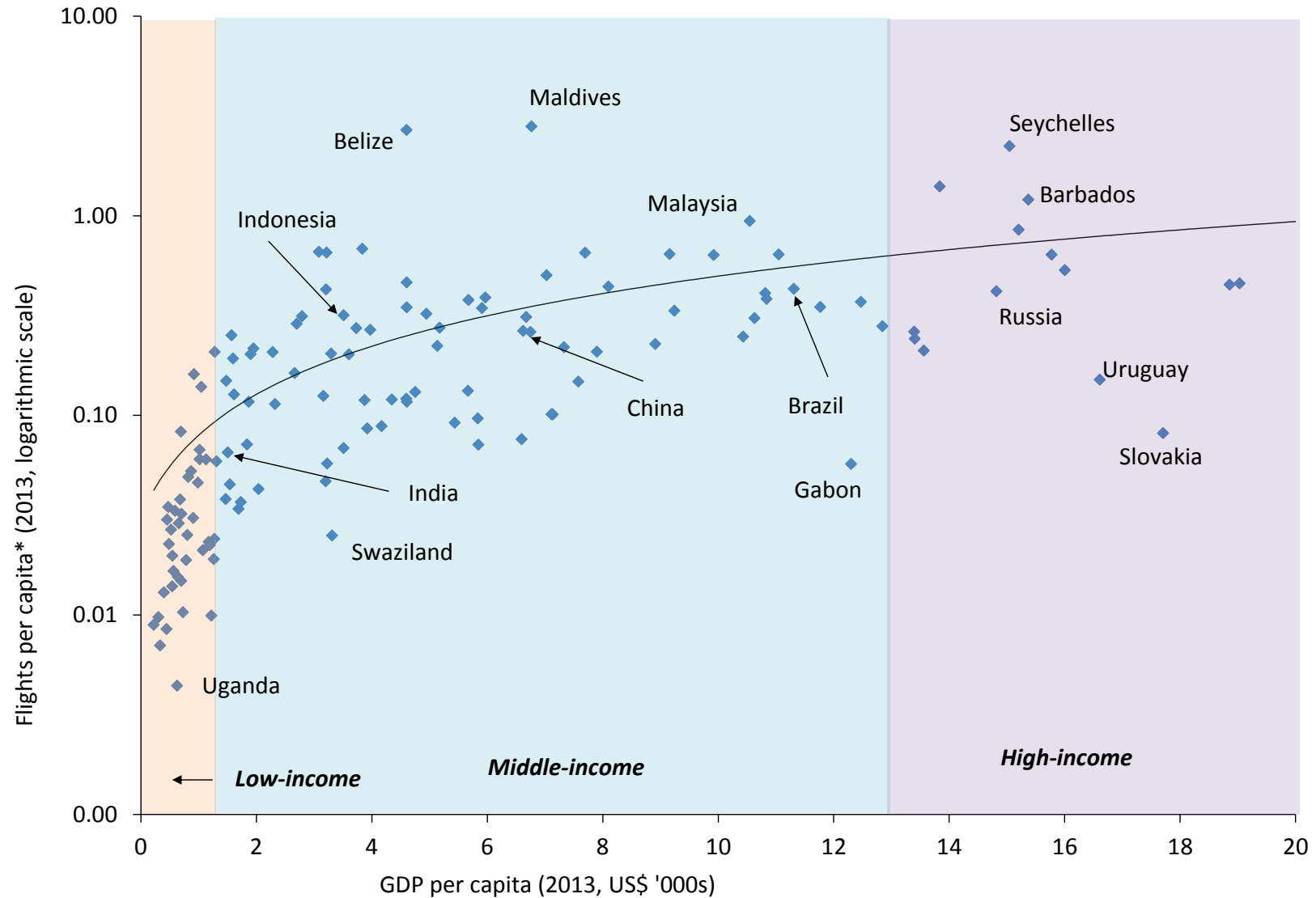
Source: IATA/Tourism Economics 'Air Passenger Forecasts'

Living standards are important up to a point



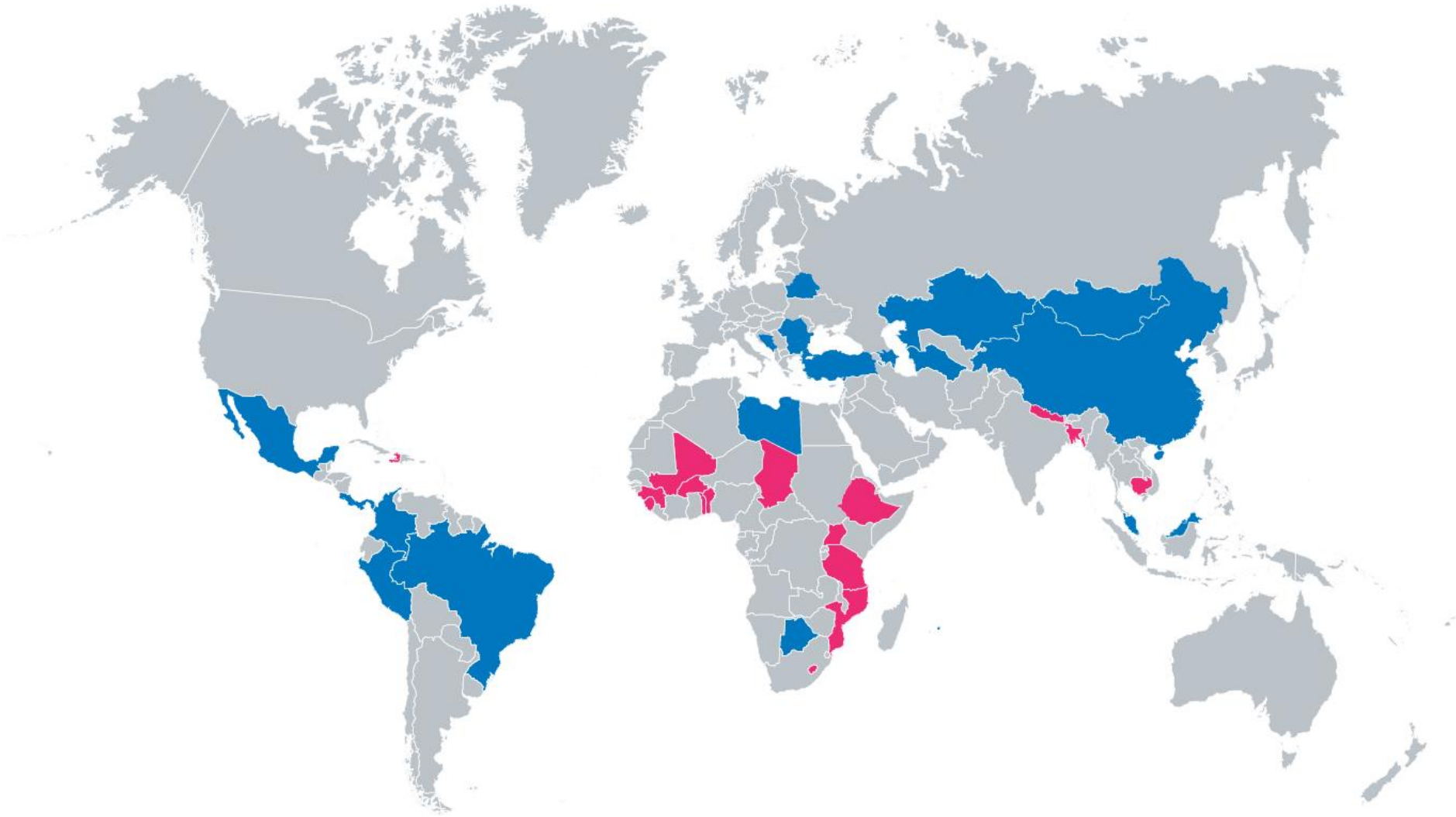
Source: IATA/Tourism Economics 'Air Passenger Forecasts'

They are certainly key for emerging markets



Source: IATA/Tourism Economics 'Air Passenger Forecasts'

Countries becoming 'middle' or 'high' income



Source: IATA/Tourism Economics 'Air Passenger Forecasts'

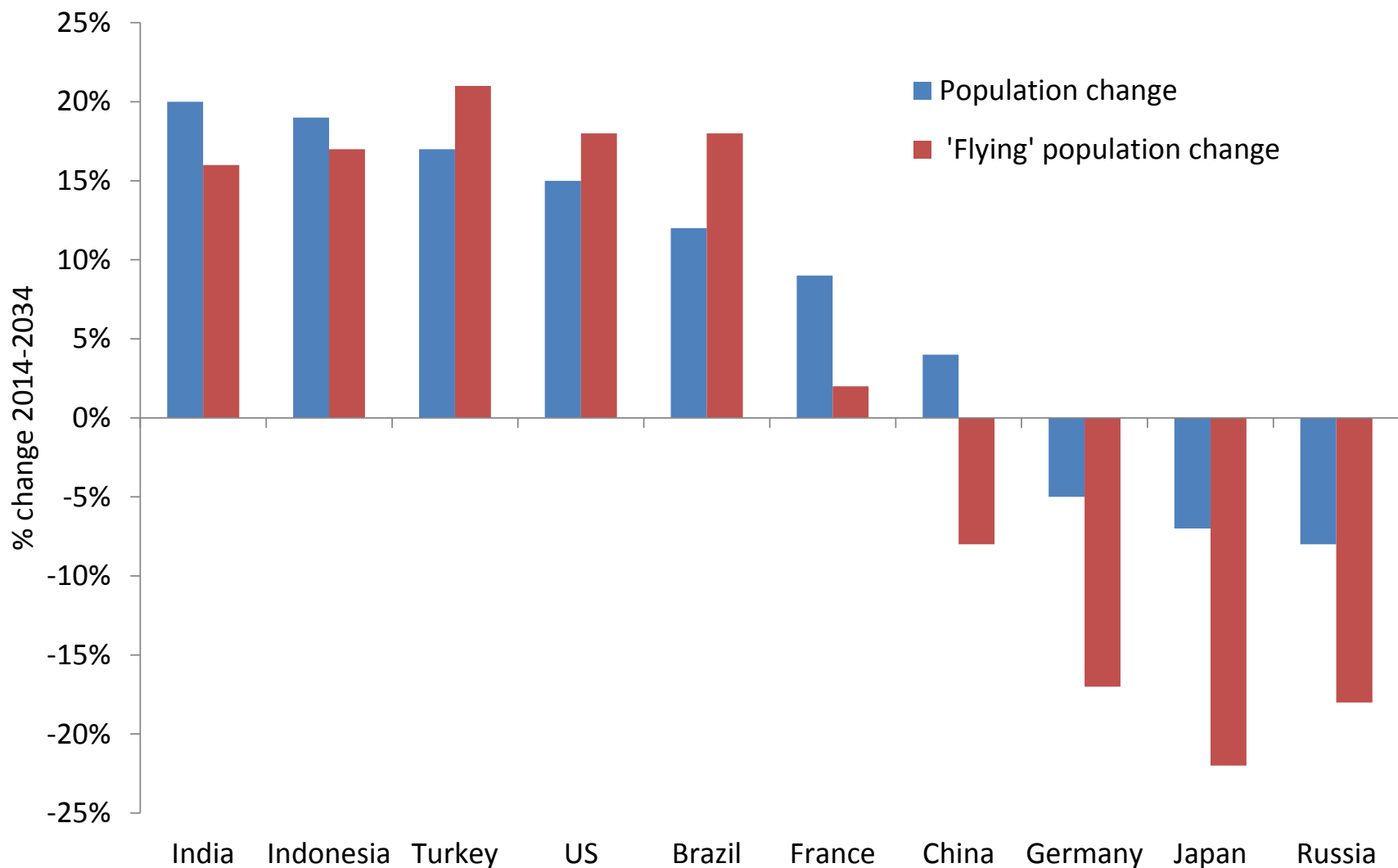
Frequency of trips rises disproportionately

	Trips/ year/ person	Months before next trip
Low-income	0.04	300
Middle-income	0.29	41
High-income	1.48	8
Below US\$20K per person	0.27	44
Above US\$20K per person	1.80	7

Source: IATA/Tourism Economics 'Air Passenger Forecasts'

Demographic change dramatically different

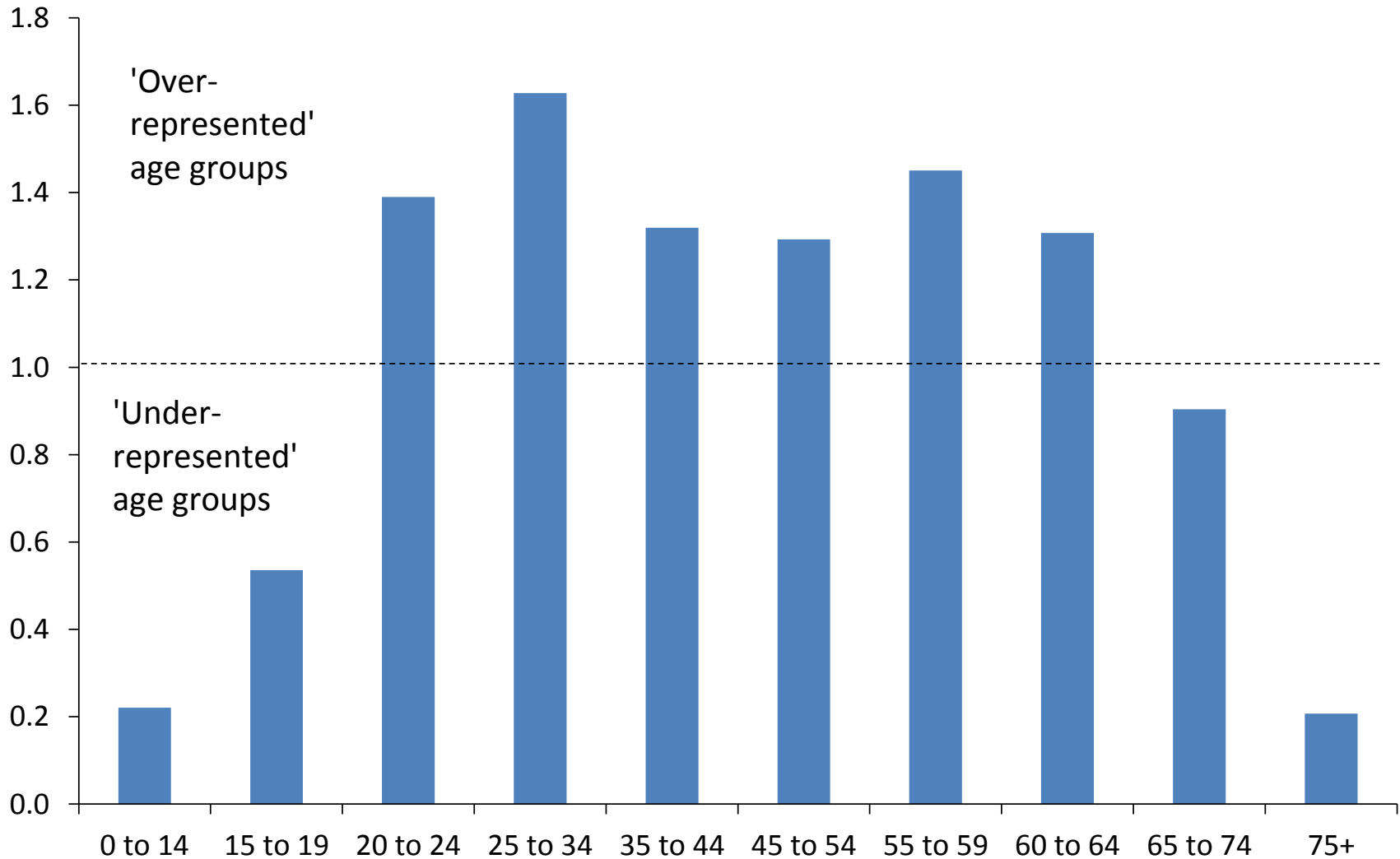
Demographic change, 2014-2034



Source: IATA/Tourism Economics 'Air Passenger Forecasts'

Working-age population makes more trips

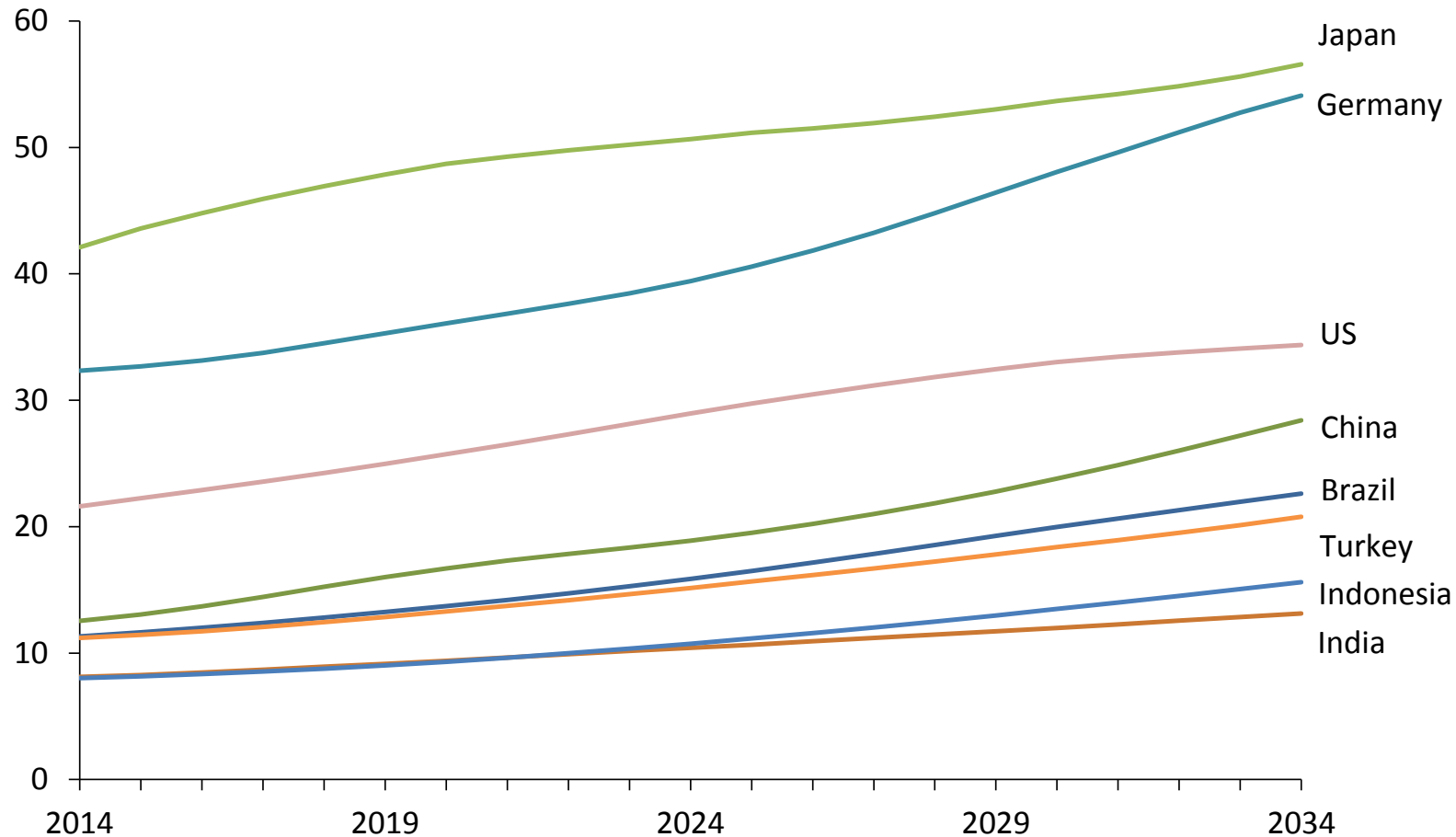
Ratio of air passengers by age group to population by age group compared to average



Source: UK CAA

Emerging market population much younger

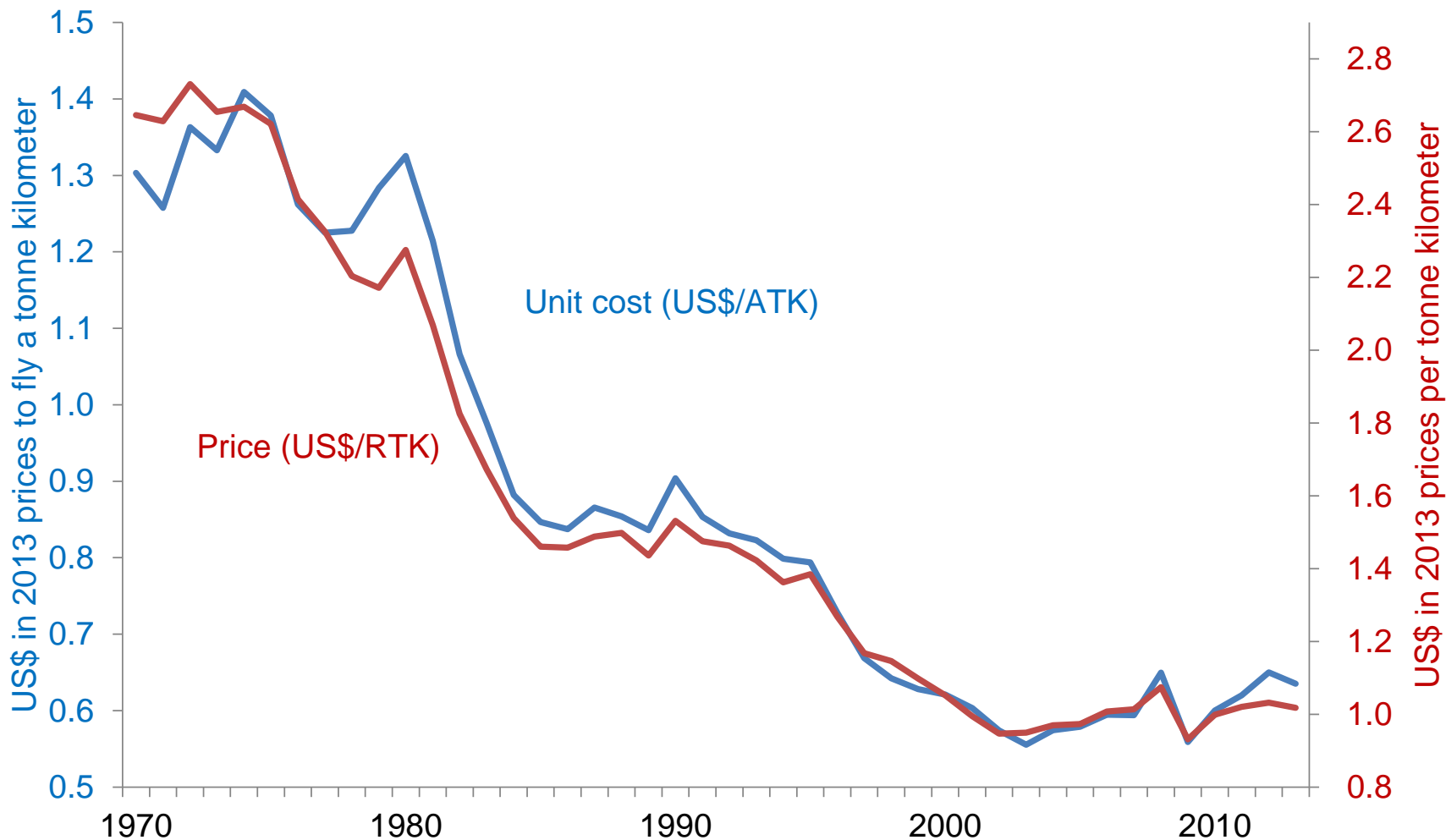
Old-age dependency ratio, %
(65+/15-64)



Source: IATA/Tourism Economics 'Air Passenger Forecasts'

Trend in cost of travel is still downwards

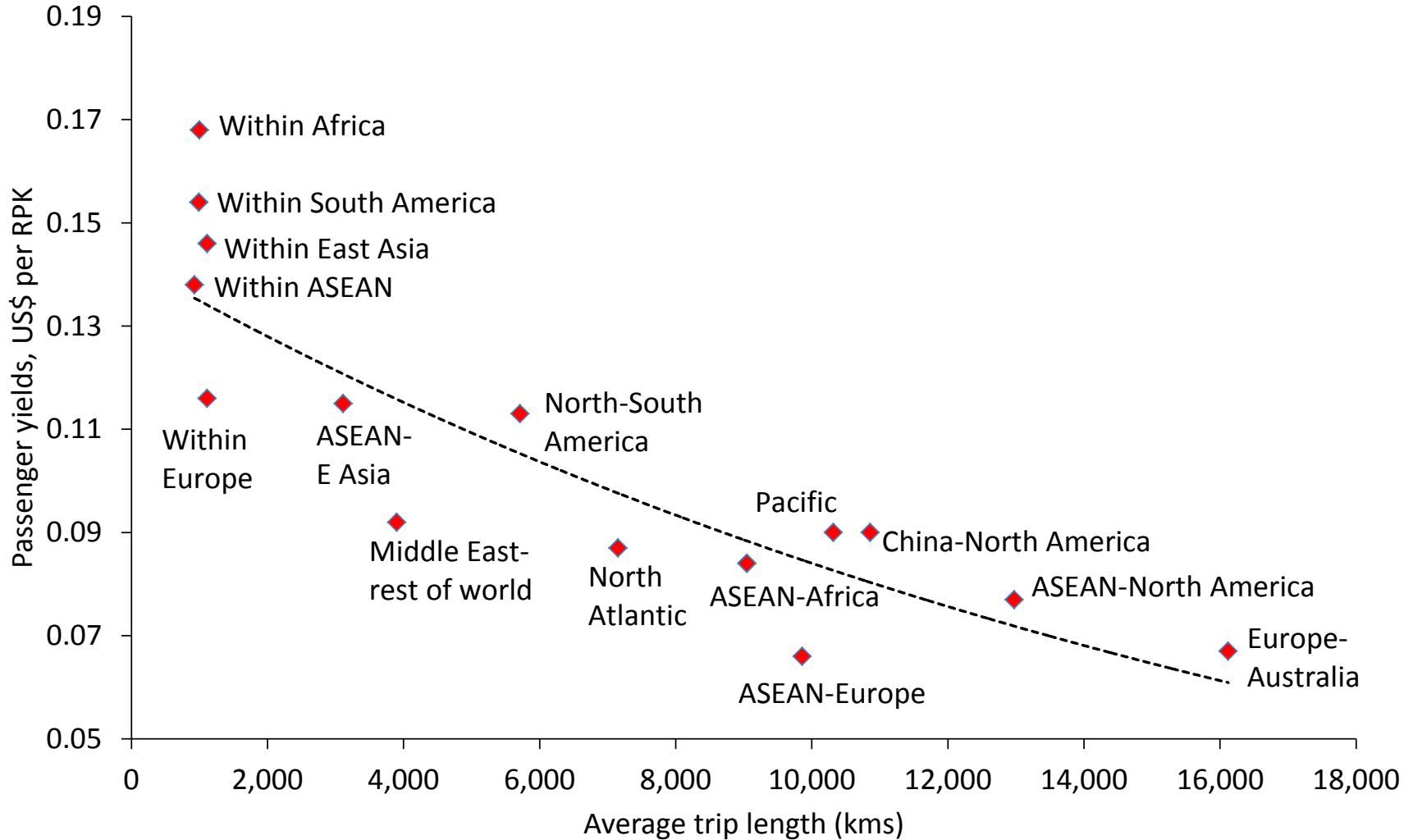
Unit cost and the price of air transport, adjusted for inflation



Source: IATA/Tourism Economics 'Air Passenger Forecasts'

Scope for lower fares on a number of markets

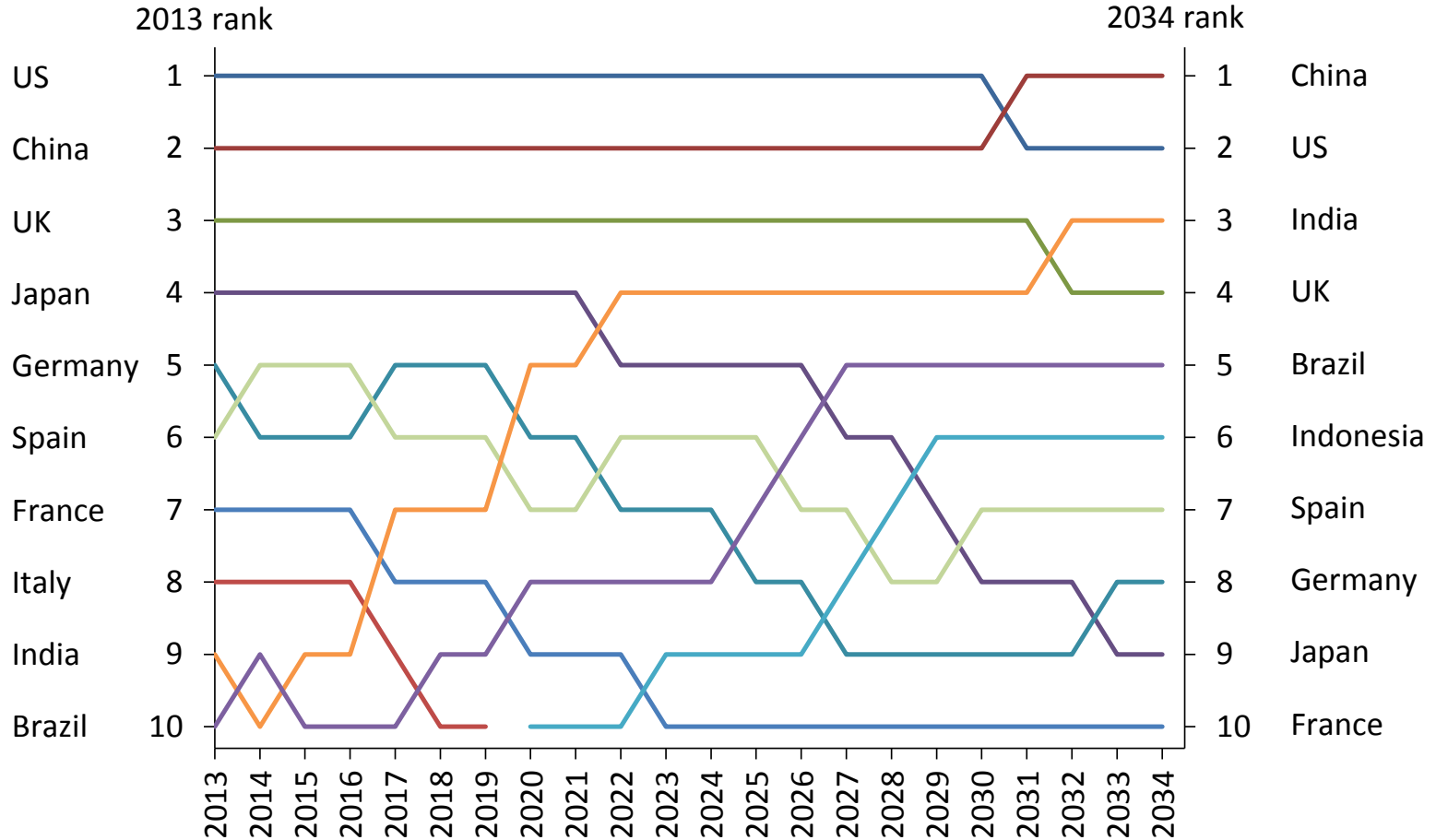
Passenger yields and average trip length



Source: IATA/Tourism Economics 'Air Passenger Forecasts'

Resulting in much change over next 20 years

Rank by size of O-D passenger flows in, out & within country



Source: IATA/Tourism Economics 'Air Passenger Forecasts'

Thank you for listening



New forecast service:

- 4,000 O-D country-pairs
- JV with IATA and Tourism Economics
- Global, country reports, web-tool

For more information:

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