

## Airlines

## Bookings: steady of late

## Industry Overview

## Sales have been steady over the last several weeks

System net sales increased +0.5% year-over-year for the week ending 2/11 compared to +0.3% last week. On a trailing 4-week basis, net sales have increased +0.9%, compared to the January trend of +2.1%. Booking trends have been fairly steady of late with the trend of domestic a bit better than international the key theme.

## Domestic ahead of 4-week average, int'l behind

Domestic sales increased +5.8% (vs +4.5% last week) and ahead of the 4-week average of +5.1% while international sales fell -3.7% (vs -3.1% last week) and below the 4-week average of -2.6%. Domestic volumes led with a +6.2% increase compared to international at up +2.4%. Both domestic and international pricing declined on the week at -0.4% and -5.9%, respectively.

## SME decelerates; still leads accelerating corporate

Small and medium-sized enterprise (SME) net sales modestly decelerated to +2.5% this week, driven principally by price, and remained the strongest demand channel we track. By contrast, large corporate sales, which have lagged SME in the recovery, accelerated to -0.8% this week as both pricing and volumes each accelerated to +1.0% and -1.8%, respectively. Compared to 2019, large corporate sales remain about 75% recovered, meaningfully lagging SME with this week's sales 23% ahead of 2019 levels.

## Exhibit 1: Latest airline booking trends YoY

System net sales rose +0.5% vs 2023

	Trailing 4-weeks ending				Latest Week	Quarterly	
	11/12/2023	12/10/2023	1/7/2024	2/4/2024		4Q23	1Q24 to date
System Sales	-4.6%	5.7%	3.5%	2.2%	0.5%	1.3%	1.6%
System Volumes	5.3%	8.4%	4.8%	5.6%	4.7%	7.2%	4.5%
System Price	-9.8%	-2.6%	-2.5%	-3.3%	-4.0%	-5.2%	-2.5%
Domestic Sales	0.6%	9.2%	5.4%	6.6%	5.8%	3.8%	6.1%
International Sales	-9.5%	2.5%	1.9%	-1.4%	-3.7%	-1.0%	-2.1%
Large Corporate Sales	-9.5%	3.3%	0.3%	-0.1%	-0.8%	-3.0%	-0.7%
Leisure Sales	-4.7%	0.4%	-2.4%	-2.6%	-4.1%	-3.7%	-3.2%
Domestic Price	-4.2%	2.4%	3.3%	1.2%	-0.4%	-1.2%	1.7%
International Price	-14.5%	-7.8%	-6.8%	-7.1%	-5.9%	-9.9%	-6.1%

Source: ARC

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## Website traffic decelerates vs last week

US airlines' trailing 7-day average daily website visits were -1% lower for the week ending 2/14 compared to the week ending 2/7. Visits to most websites decelerated, with the exception of Frontier, Allegiant and Hawaiian which accelerated, and JetBlue which was flat.

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## Monthly and Quarterly ARC trends

### Exhibit 2: Latest booking trends and quarterly comparison

1Q24 net sales to date are +1.6%, ahead of 4Q23

	10/15/2023	Trailing 4-weeks ending				Latest Week	Quarterly		
		11/12/2023	12/10/2023	1/7/2024	2/4/2024	2/11/2024	3Q23	4Q23	1Q24 to date
<b><u>System:</u></b>									
System Sales	-0.2%	-4.6%	5.7%	3.5%	2.2%	0.5%	7.1%	1.3%	1.6%
System Volumes	3.5%	5.3%	8.4%	4.8%	5.6%	4.7%	8.8%	7.2%	4.5%
System Price	-3.6%	-9.8%	-2.6%	-2.5%	-3.3%	-4.0%	-1.5%	-5.2%	-2.5%
<b><u>Domestic:</u></b>									
Domestic Sales	-1.8%	0.6%	9.2%	5.4%	6.6%	5.8%	2.4%	3.8%	6.1%
Domestic Volumes	1.7%	5.0%	6.7%	2.1%	5.3%	6.2%	5.5%	5.3%	4.6%
Domestic Price	-3.4%	-4.2%	2.4%	3.3%	1.2%	-0.4%	-3.0%	-1.2%	1.7%
<b><u>International:</u></b>									
International Sales	1.4%	-9.5%	2.5%	1.9%	-1.4%	-3.7%	11.6%	-1.0%	-2.1%
International Volumes	7.1%	5.8%	11.3%	9.3%	6.1%	2.4%	14.8%	10.4%	4.4%
International Price	-5.3%	-14.5%	-7.8%	-6.8%	-7.1%	-5.9%	-2.8%	-9.9%	-6.1%
<b><u>Large Corporate:</u></b>									
Large Corporate Sales	-7.0%	-9.5%	3.3%	0.3%	-0.1%	-0.8%	-0.5%	-3.0%	-0.7%
Large Corporate Volumes	-6.1%	-6.0%	-1.5%	-3.8%	-0.5%	-1.8%	-0.4%	-2.7%	-1.7%
Large Corporate Price	-1.0%	-3.7%	4.9%	4.2%	0.4%	1.0%	-0.2%	0.2%	1.6%
<b><u>SME Corporate:</u></b>									
SME Corporate Sales	5.0%	-2.6%	8.4%	7.0%	4.5%	2.5%	13.1%	4.5%	3.9%
SME Corporate Volumes	9.0%	8.7%	13.3%	10.9%	9.4%	7.3%	15.0%	12.6%	8.1%
SME Corporate Price	-3.6%	-10.4%	-4.4%	-3.4%	-4.5%	-4.5%	-1.7%	-6.8%	-3.5%
<b><u>Leisure:</u></b>									
Leisure Sales	-7.9%	-4.7%	0.4%	-2.4%	-2.6%	-4.1%	-1.3%	-3.7%	-3.2%
Leisure Volumes	-1.0%	6.8%	4.1%	-0.5%	1.5%	2.8%	3.0%	2.7%	1.0%
Leisure Price	-7.0%	-10.3%	-3.6%	-1.9%	-4.0%	-6.7%	-4.2%	-6.0%	-4.0%

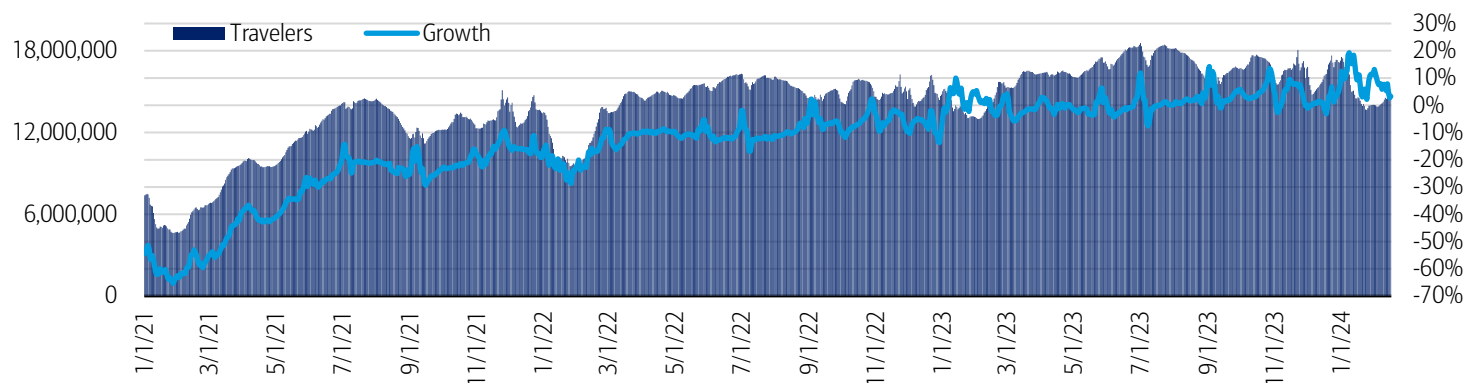
Source: ARC

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## TSA throughput and bookings by month

### Chart 1: TSA trailing 7-day throughput vs 2019

TSA trailing 7-day throughput is 103% of 2019 levels



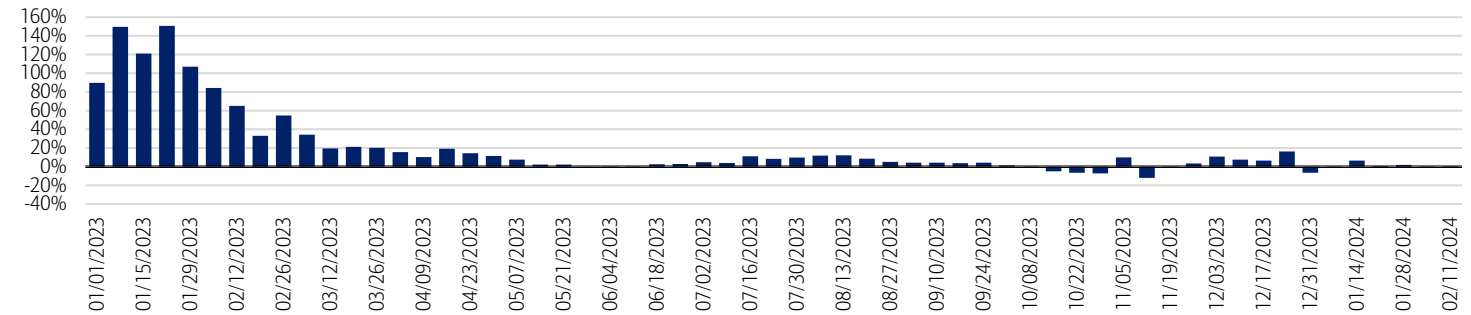
Source: www.tsa.gov

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# Recent growth trends year-over-year

## Exhibit 3: Consolidated net sales growth

Consolidated net sales were +1% YoY (vs 0% last week)

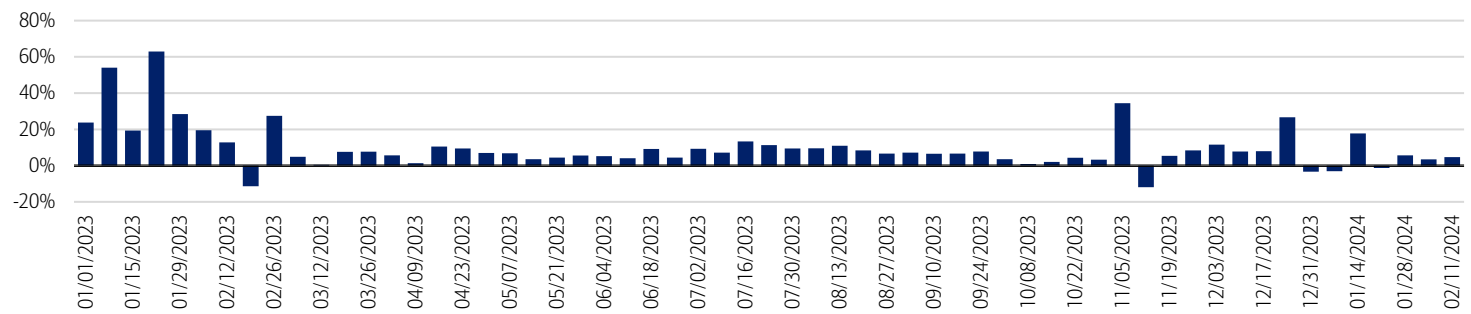


Source: ARC

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## Exhibit 4: Consolidated tickets sold

Consolidated ticket volumes were +5% YoY (vs +3% last week)

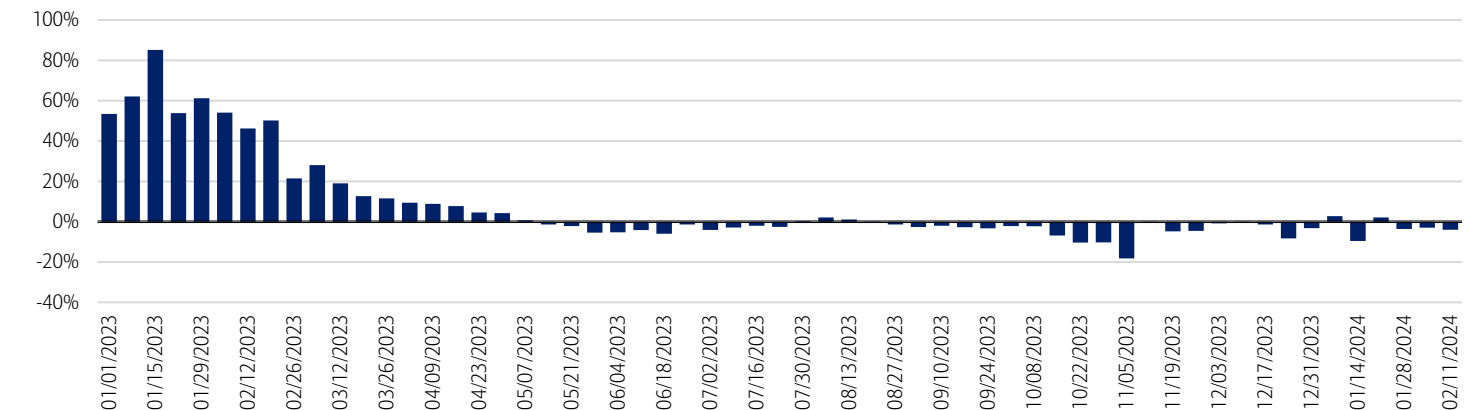


Source: ARC

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## Exhibit 5: Consolidated ticket price

Consolidated ticket prices were -4% YoY (vs -3% last week)

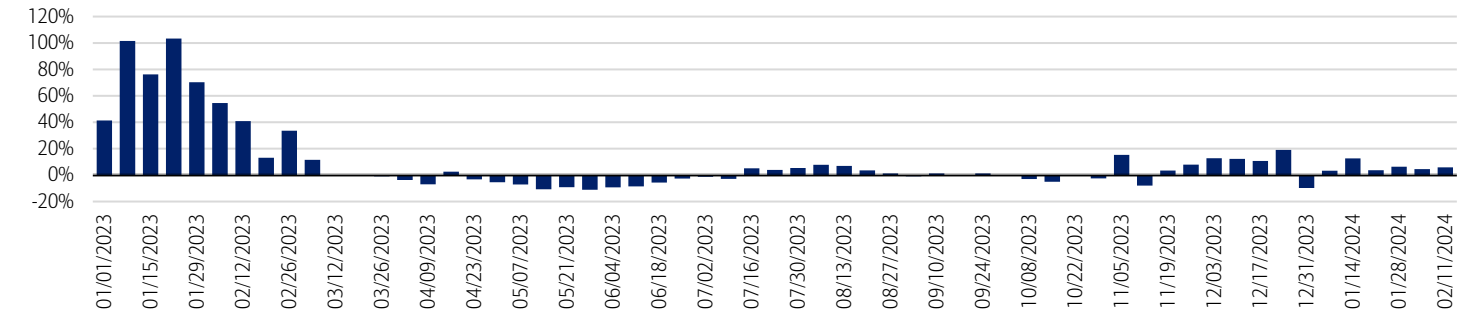


Source: ARC

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**Exhibit 6: Consolidated domestic sales growth**

Consolidated domestic sales were +6% YoY (vs +5% last week)

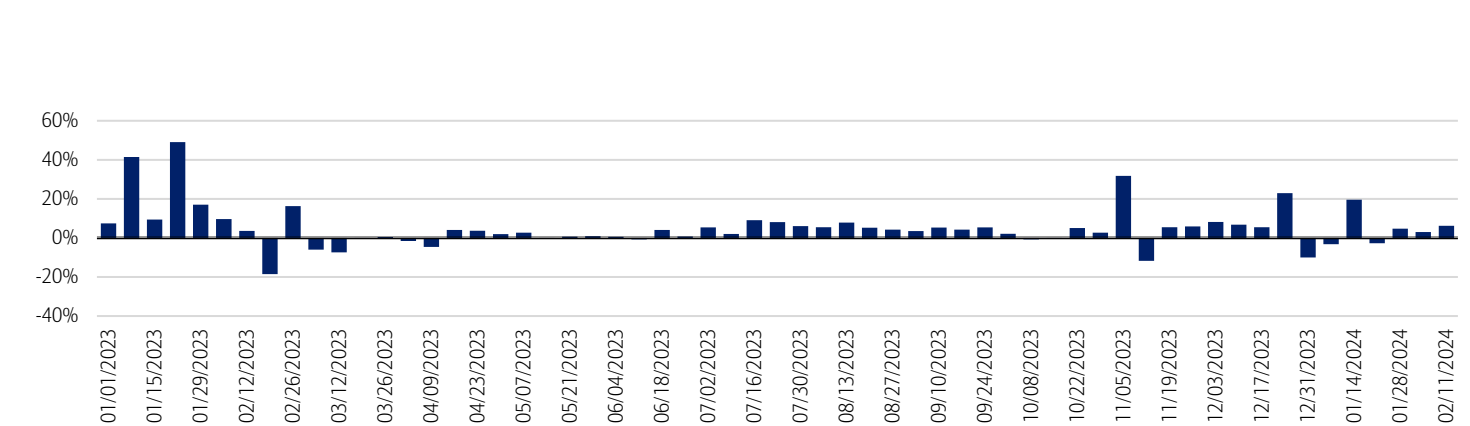


Source: ARC

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**Exhibit 7: Consolidated domestic tickets sold**

Domestic ticket volumes were +6% YoY (vs +3% last week)

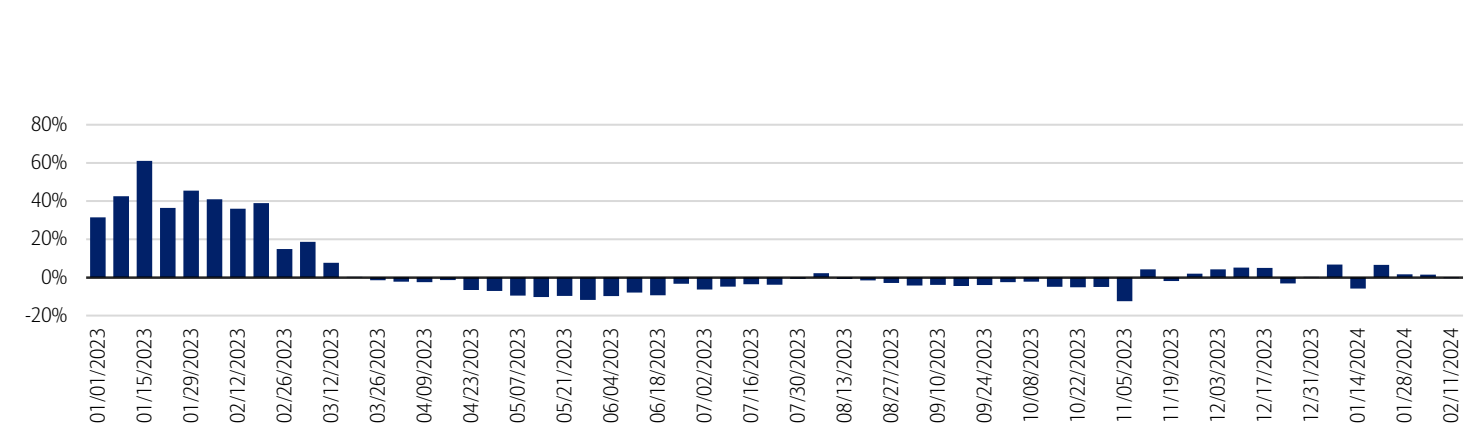


Source: ARC

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**Exhibit 8: Consolidated domestic ticket price**

Domestic ticket prices were 0% YoY (vs +2% last week)

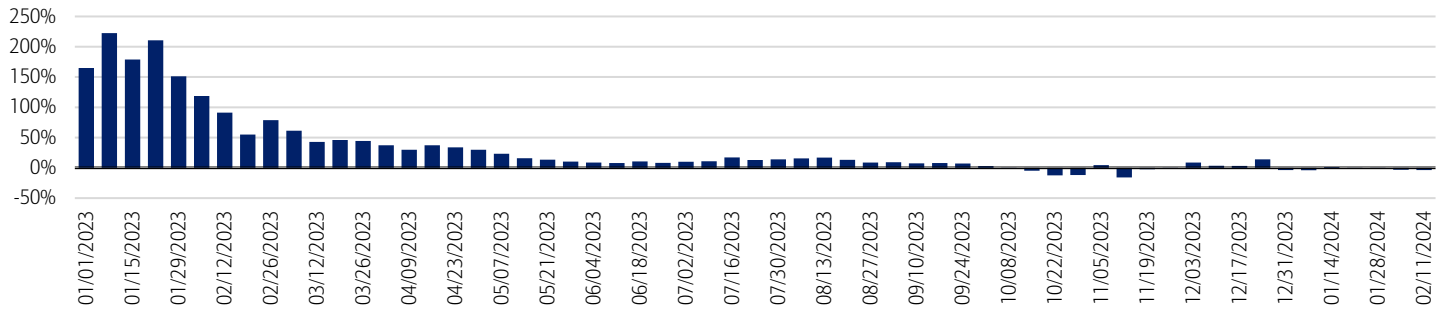


Source: ARC

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**Exhibit 9: Consolidated international sales growth**

International net sales were -4% YoY (vs -3% last week)

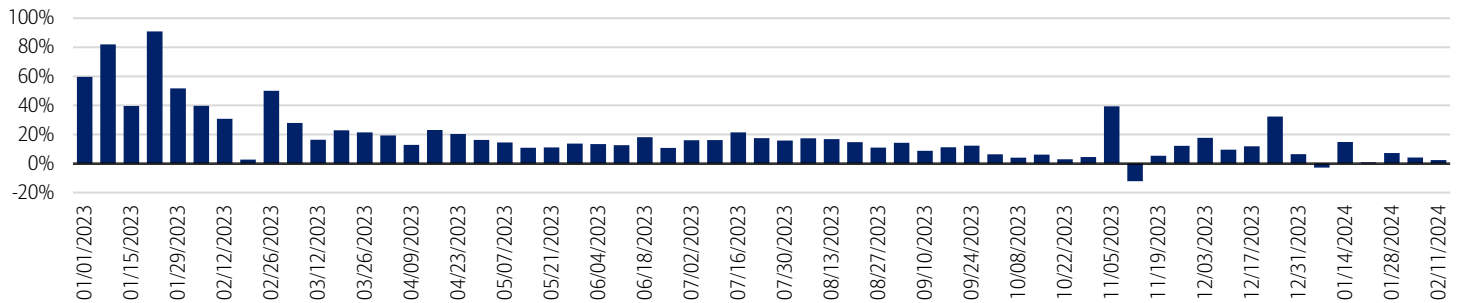


Source: ARC

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**Exhibit 10: Consolidated international tickets sold**

International ticket volumes were +2% YoY (vs +4% last week)

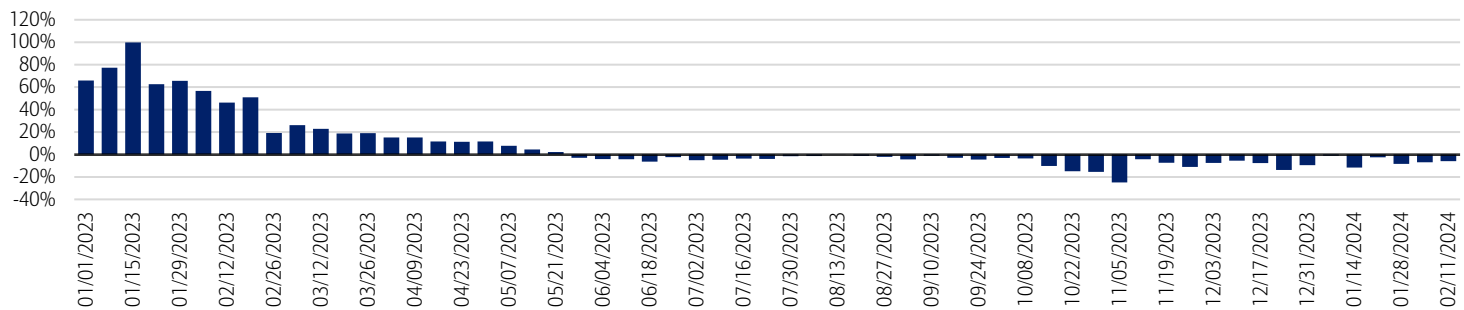


Source: ARC

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**Exhibit 11: Consolidated international ticket price**

International ticket prices were -6% YoY (vs -7% last week)



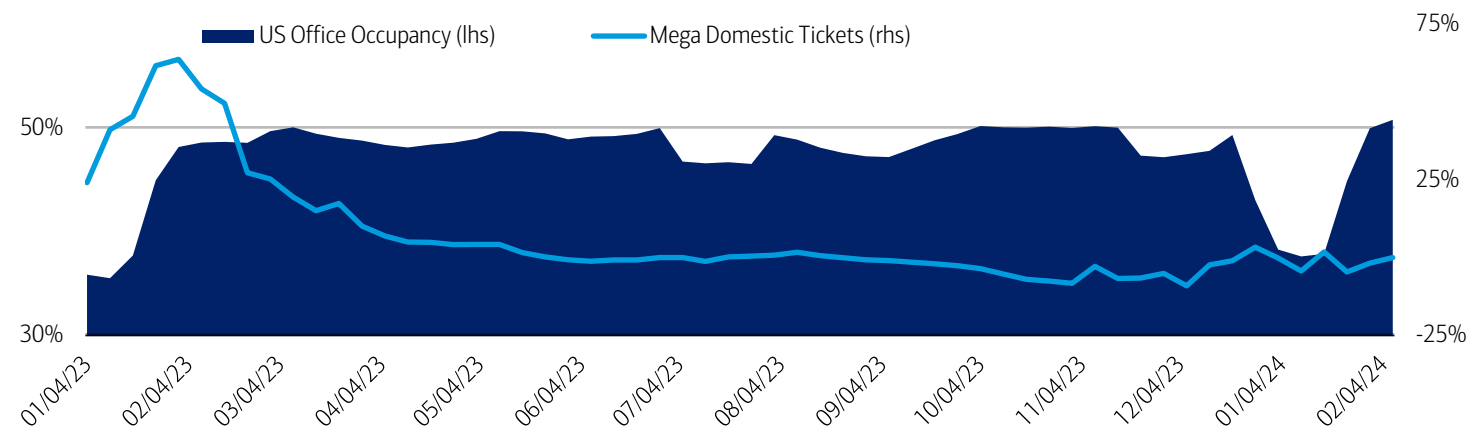
Source: ARC

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# US Office Occupancy & Corporate Trends

## Exhibit 12: Office occupancy versus domestic bookings through mega corporate channels

We have found corporate travel to be linked to office occupancy levels over the course of the recovery

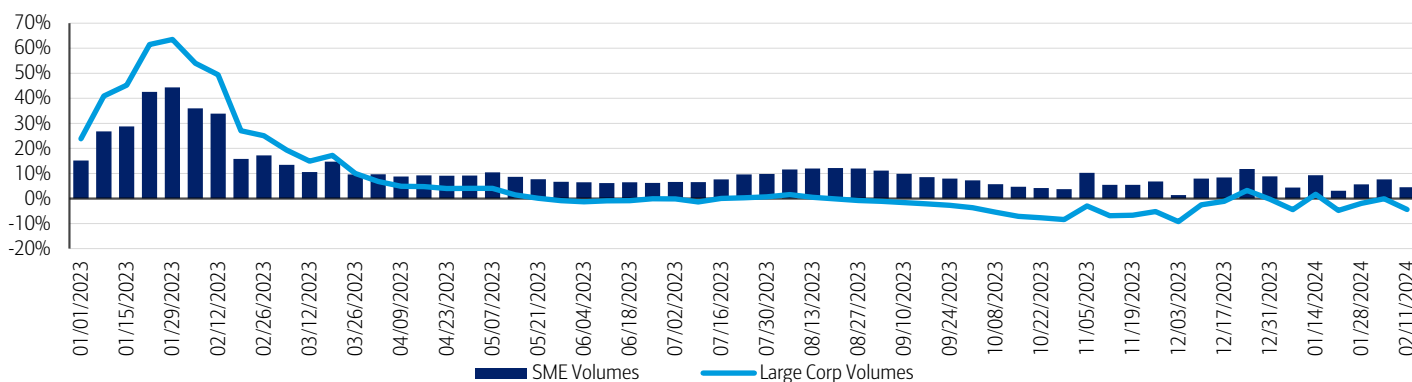


Source: ARC, Kastle Systems

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## Exhibit 13: Domestic bookings through large corporate vs small/medium corporate channels (Trailing 4-week YoY)

Domestic large corporate booking volumes on a trailing 4-week basis were -4.4% YoY compared to SME volumes of +4.5% YoY

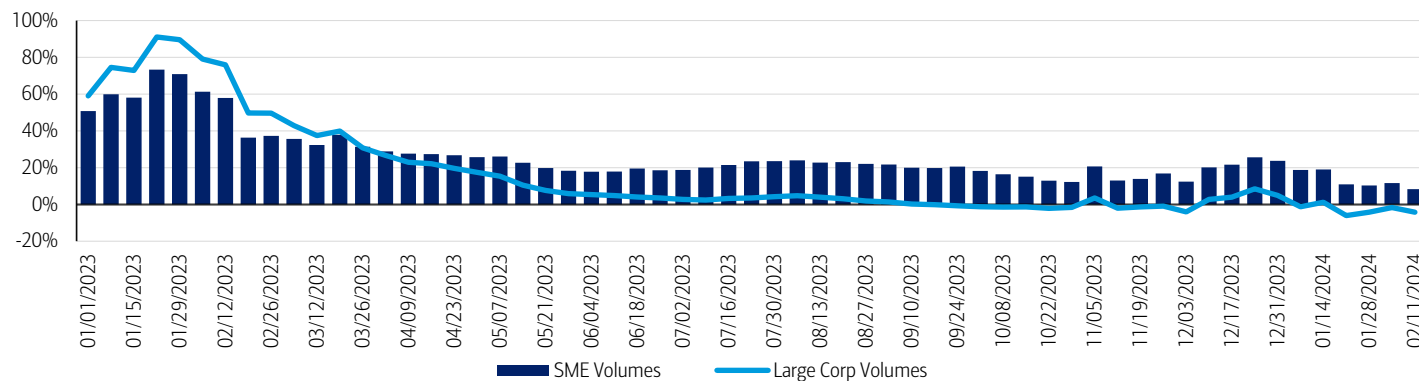


Source: ARC

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## Exhibit 14: International bookings through large corporate vs small/medium corporate channels (Trailing 4-week YoY)

International large corporate booking volumes on a trailing 4-week basis were -4.2% YoY compared to SME volumes +8.3% YoY



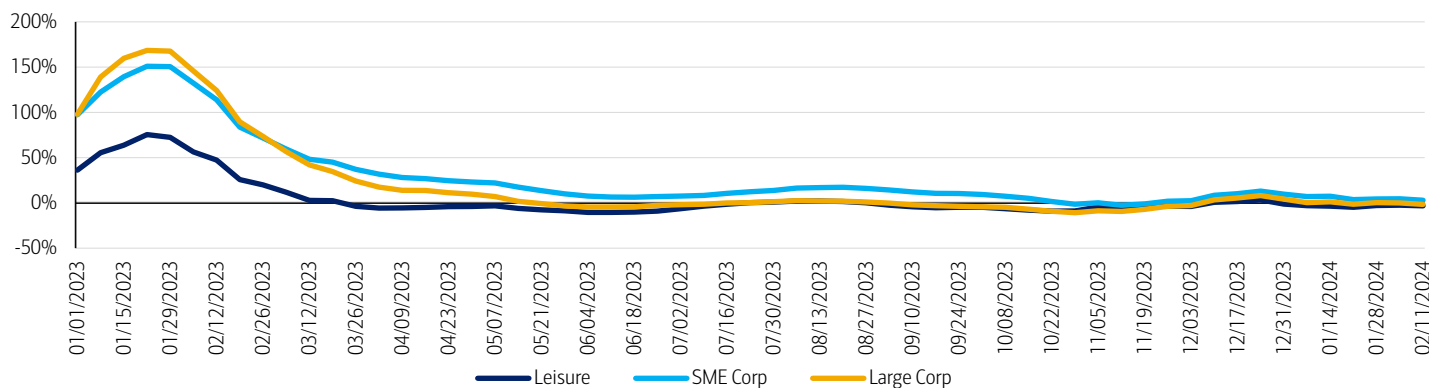
Source: ARC

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# Corporate and leisure year-over-year

## Exhibit 15: Corporate vs leisure sales net sales growth (Trailing 4-week)

SME corporate net sales +3.0%; leisure -3.2%; large corporate -1.6% YoY

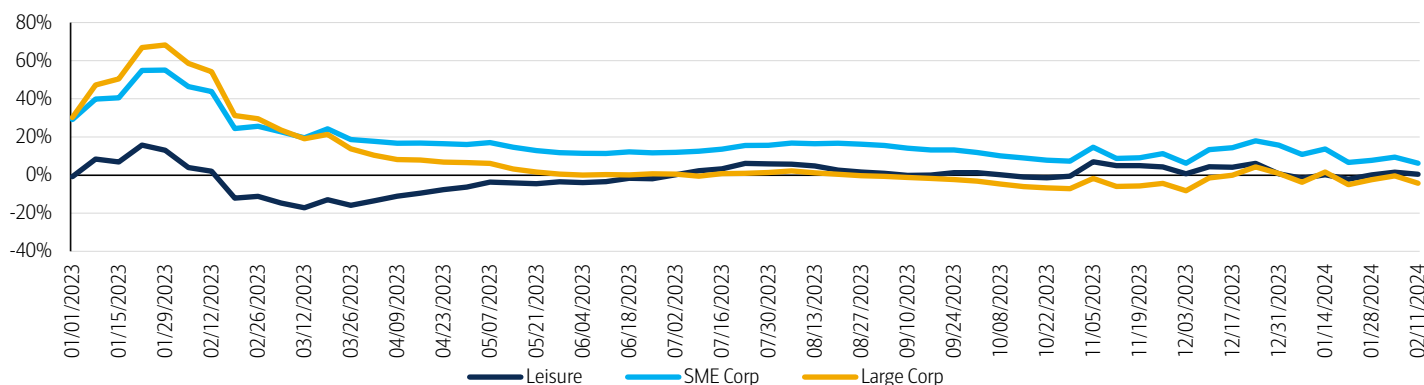


Source: ARC

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## Exhibit 16: Corporate vs leisure tickets sold (Trailing 4-week)

SME corporate tickets sold +6.2%; leisure +0.4%; large corporate -4.3% YoY

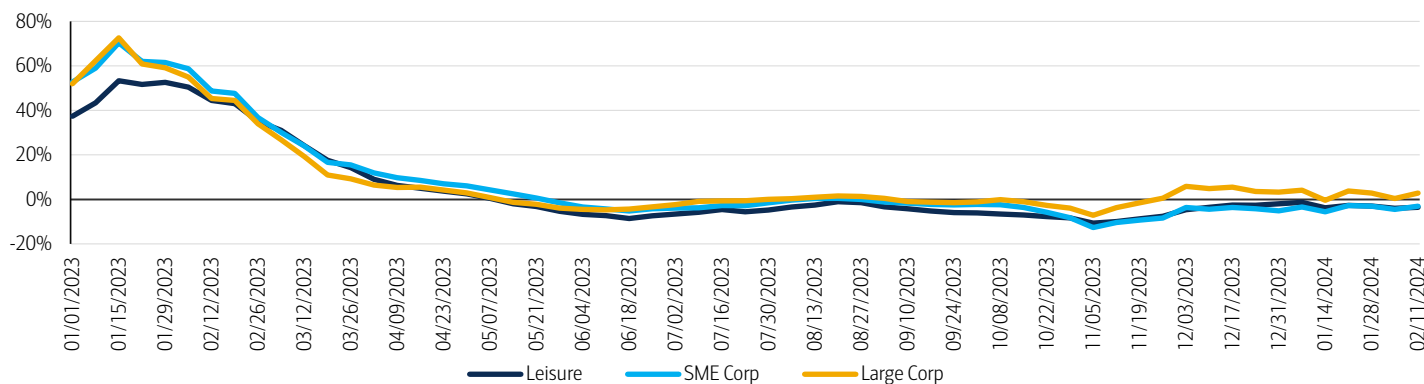


Source: ARC

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## Exhibit 17: Corporate vs leisure ticket price (Trailing 4-week)

SME corporate pricing -3.1% YoY; leisure -3.5% YoY; large corporate +2.9% YoY

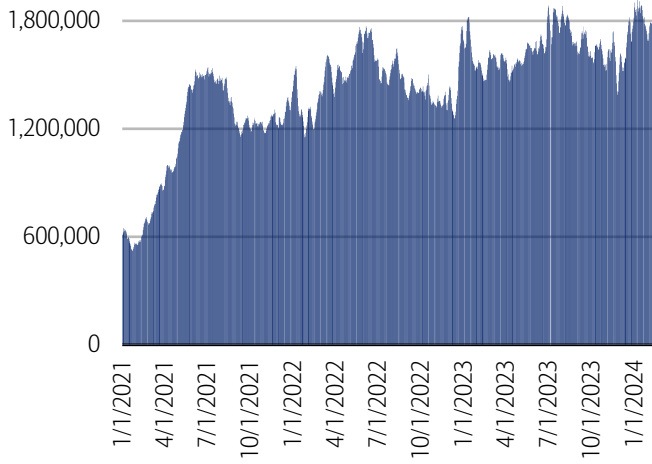


Source: ARC

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### Exhibit 18: Delta trailing 7-day website visits

Daily visit growth to delta.com was lower this week vs last week

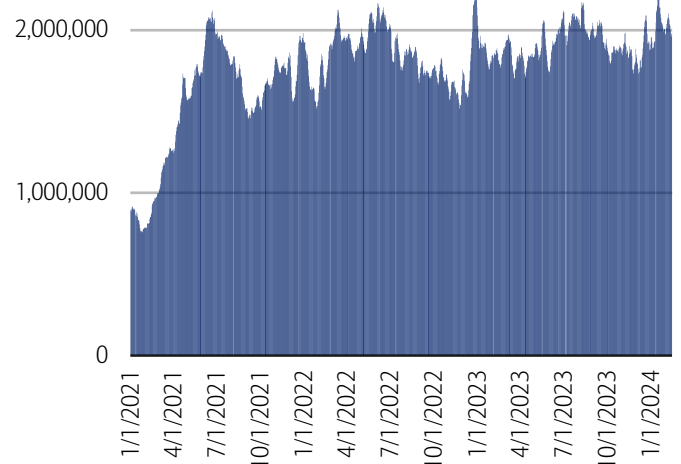


Source: SimilarWeb, www.similarweb.com

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### Exhibit 19: American trailing 7-day website visits

Daily visit growth to aa.com was lower this week vs last week

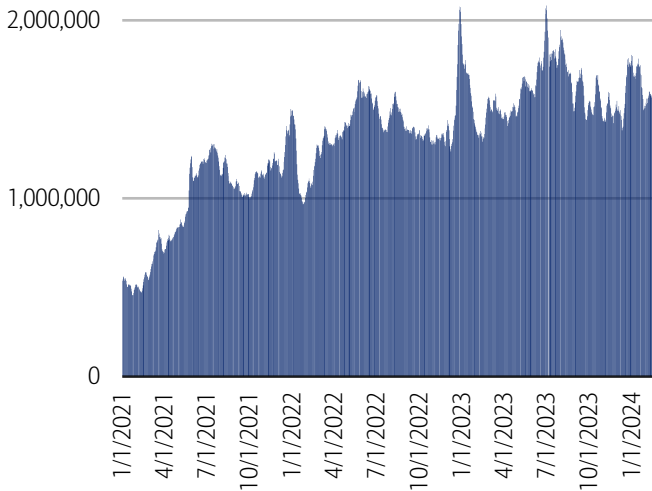


Source: SimilarWeb, www.similarweb.com

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### Exhibit 20: United trailing 7-day website visits

Daily visit growth to united.com was lower this week vs last week

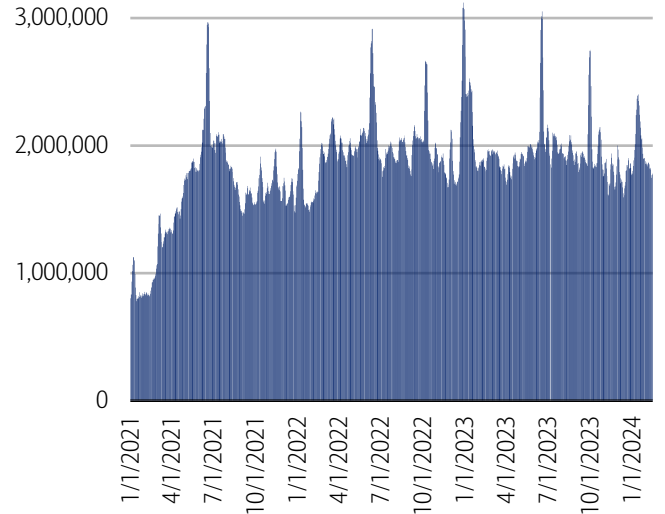


Source: SimilarWeb, www.similarweb.com

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### Exhibit 21: Southwest trailing 7-day website visits

Daily visit growth to southwest.com was lower this week vs last week



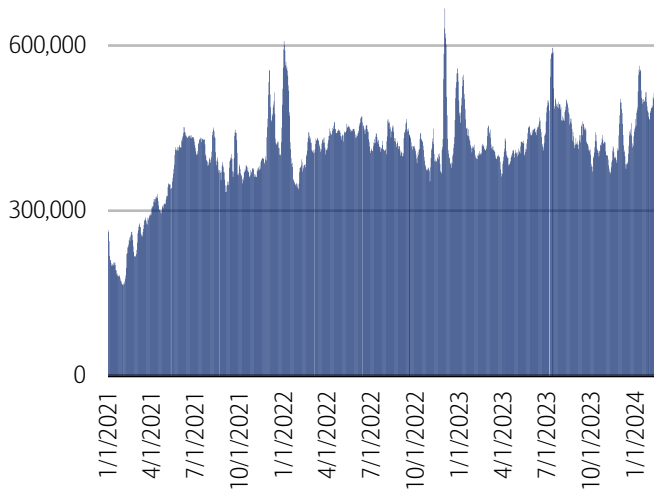
Source: SimilarWeb, www.similarweb.com

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**Exhibit 22: Alaska trailing 7-day website visits**

Daily visit growth to alaskaair.com was lower this week vs last week

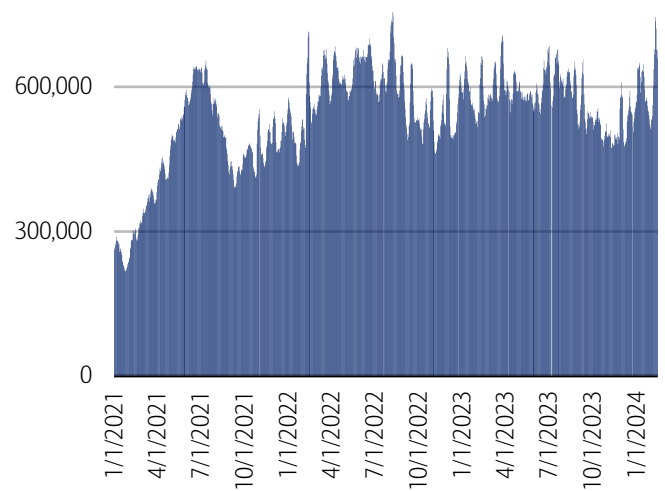


Source: SimilarWeb, www.similarweb.com

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**Chart 2: JetBlue trailing 7-day website visits**

Daily visit growth to jetblue.com was flat this week vs last week

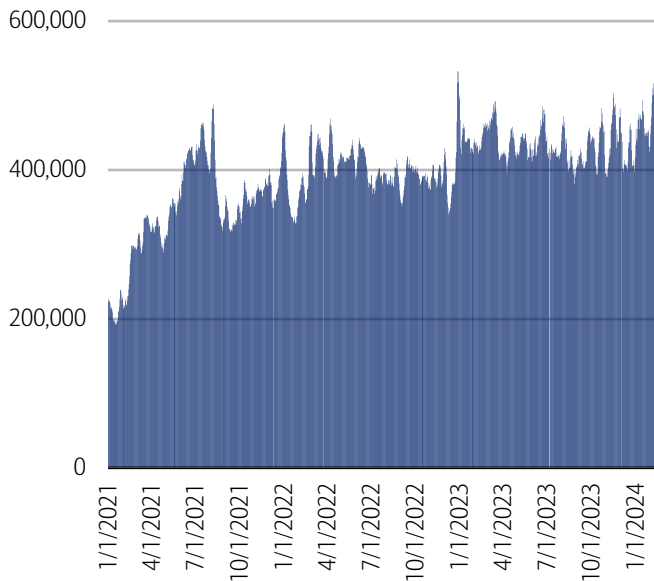


Source: SimilarWeb, www.similarweb.com

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**Chart 3: Spirit Airlines trailing 7-day website visits**

Daily visit growth to spirit.com was lower this week vs last week

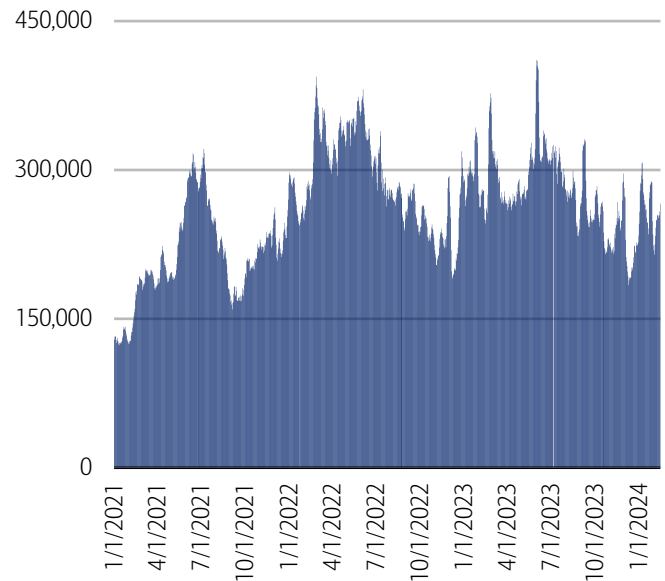


Source: SimilarWeb, www.similarweb.com

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**Exhibit 23: Allegiant trailing 7-day website visits**

Daily visit growth to allegiantair.com was higher this week vs last week

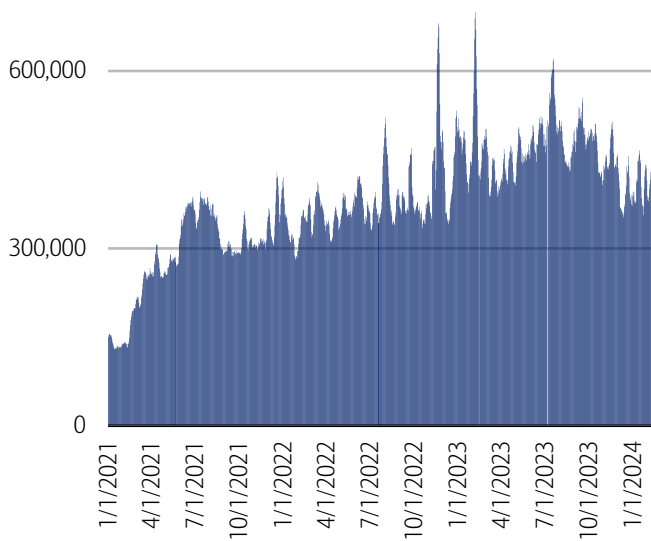


Source: SimilarWeb, www.similarweb.com

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**Exhibit 24: Frontier Airlines trailing 7-day website visits**

Daily visit growth to flyfrontier.com was higher this week vs last week

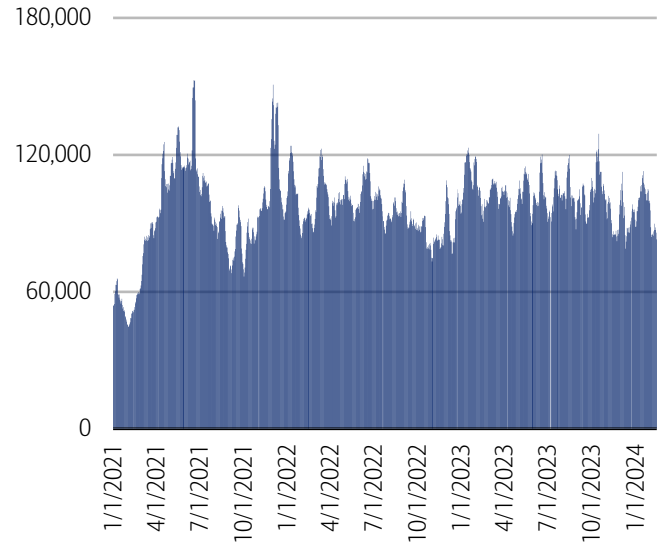


Source: SimilarWeb, www.similarweb.com

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**Exhibit 25: Hawaiian Airlines trailing 7-day website visits**

Daily visit growth to hawaiianairlines.com was higher this week vs last week

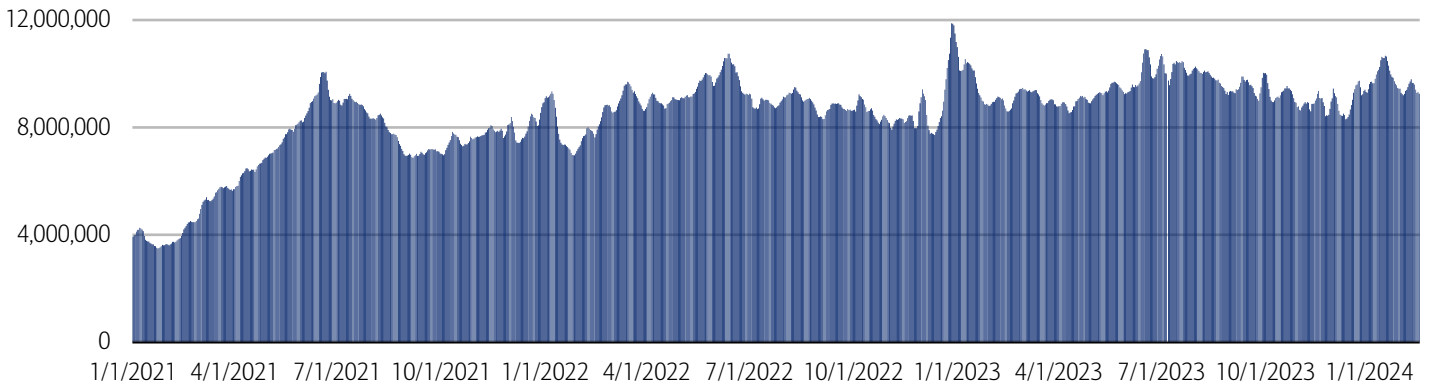


Source: SimilarWeb, www.similarweb.com

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**Exhibit 26: Total website visits across major airlines for trailing 7-days**

US airlines' trailing 7-day average daily website visits were -1% lower this week vs last week



Source: SimilarWeb, www.similarweb.com

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