

Airlines

Bookings: sales growth flat for the week with domestic over international

Industry Overview

Sales flat for week as normalization theme remains

System net sales increased +0.3% year-over-year for the week ending 2/4 compared to +1.9% last week. On a trailing 4-week basis, net sales have increased +2.2% compared to up +4.0% in early January and flattish in early December. The normalization theme we called out last week continues with current trends ahead of last fall but behind peak holiday travel. Domestic sales remain stronger than international sales.

Domestic continuing to lead international

Domestic sales decelerated to +4.5% from +6.4% last week while international decelerated for the third week in a row to -3.1% from -1.8% last week. International volumes continue to see greater strength than domestic despite a narrowing spread at +4.1% and +3.0% respectively. Domestic pricing remains up modestly on a year-over-year basis while international pricing is down mid-single digits compared to 2023.

Leisure demand continues to shift away from international

Leisure sales were -3.4% year-over-year this week, decelerating from -2.2% last week, with each weekly datapoint negative year-to-date (December leisure sales were flat). Leisure sales continue to favor domestic at +6.0% this week, with each weekly datapoint positive year-to-date, while international sales were -14.4%, negative each week since late August as demand normalizes from a strong summer travel season in 2023.

Exhibit 1: Latest airline booking trends YoY

System net sales rose +0.3% vs 2023

	Trailing 4-weeks ending				Latest Week	Quarterly	
	10/15/2023	11/12/2023	12/10/2023	1/7/2024	2/4/2024	4Q23	1Q24 to date
System Sales	-0.2%	-4.0%	5.5%	4.0%	0.3%	1.3%	1.8%
System Volumes	3.6%	7.5%	8.3%	7.0%	3.4%	7.2%	4.5%
System Price	-3.6%	-9.8%	-2.6%	-2.5%	-3.0%	-5.2%	-2.3%
Domestic Sales	-1.8%	1.1%	9.1%	5.8%	4.5%	3.8%	6.1%
International Sales	1.4%	-8.9%	2.4%	2.5%	-3.1%	-1.0%	-1.8%
Large Corporate Sales	-7.0%	-9.0%	3.2%	0.4%	-4.7%	-3.0%	-0.6%
Leisure Sales	-7.9%	-4.7%	0.4%	-2.4%	-3.4%	-3.7%	-3.0%
Domestic Price	-3.4%	-4.6%	2.4%	2.2%	1.5%	-1.2%	2.1%
International Price	-5.4%	-14.9%	-7.9%	-8.0%	-6.9%	-9.9%	-6.1%

Source: ARC

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Website traffic accelerates vs last week

US airlines' trailing 7-day average daily website visits were +2% higher for the week ending 2/6 compared to the week ending 1/30. Visits to most websites accelerated, with the exception of Frontier, Southwest and Hawaiian which decelerated.

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Monthly and Quarterly ARC trends

Exhibit 2: Latest booking trends and quarterly comparison

1Q24 net sales to date are +1.8%, ahead of 4Q23

	Trailing 4-weeks ending					Latest Week	Quarterly		1Q24 to date
	9/17/2023	10/15/2023	11/12/2023	12/10/2023	1/7/2024	2/4/2024	3Q23	4Q23	
System:									
System Sales	4.4%	-0.2%	-4.0%	5.5%	4.0%	0.3%	7.1%	1.3%	1.8%
System Volumes	6.7%	3.6%	7.5%	8.3%	7.0%	3.4%	8.8%	7.2%	4.5%
System Price	-2.2%	-3.6%	-9.8%	-2.6%	-2.5%	-3.0%	-1.5%	-5.2%	-2.3%
Domestic:									
Domestic Sales	0.3%	-1.8%	1.1%	9.1%	5.8%	4.5%	2.4%	3.8%	6.1%
Domestic Volumes	4.3%	1.7%	7.0%	6.6%	3.8%	3.0%	5.5%	5.3%	4.3%
Domestic Price	-3.9%	-3.4%	-4.6%	2.4%	2.2%	1.5%	-3.0%	-1.2%	2.1%
International:									
International Sales	8.3%	1.4%	-8.9%	2.4%	2.5%	-3.1%	11.6%	-1.0%	-1.8%
International Volumes	11.3%	7.2%	8.6%	11.2%	11.9%	4.1%	14.8%	10.4%	4.8%
International Price	-2.6%	-5.4%	-14.9%	-7.9%	-8.0%	-6.9%	-2.8%	-9.9%	-6.1%
Large Corporate:									
Large Corporate Sales	-3.0%	-7.0%	-9.0%	3.2%	0.4%	-4.7%	-0.5%	-3.0%	-0.6%
Large Corporate Volumes	-1.8%	-6.1%	-4.1%	-1.6%	-1.2%	-3.6%	-0.4%	-2.7%	-1.7%
Large Corporate Price	-1.2%	-1.0%	-3.9%	4.8%	2.7%	-1.2%	-0.2%	0.2%	1.8%
SME Corporate:									
SME Corporate Sales	10.7%	5.0%	-2.0%	8.2%	7.5%	3.1%	13.1%	4.5%	4.2%
SME Corporate Volumes	13.3%	9.0%	11.4%	13.4%	13.5%	6.8%	15.0%	12.6%	8.2%
SME Corporate Price	-2.3%	-3.6%	-10.9%	-4.5%	-4.7%	-3.5%	-1.7%	-6.8%	-3.3%
Leisure:									
Leisure Sales	-5.3%	-7.9%	-4.7%	0.4%	-2.4%	-3.4%	-1.3%	-3.7%	-3.0%
Leisure Volumes	0.0%	-1.0%	6.8%	4.1%	-0.5%	0.6%	3.0%	2.7%	0.6%
Leisure Price	-5.3%	-7.0%	-10.3%	-3.6%	-1.9%	-4.0%	-4.2%	-6.0%	-3.4%

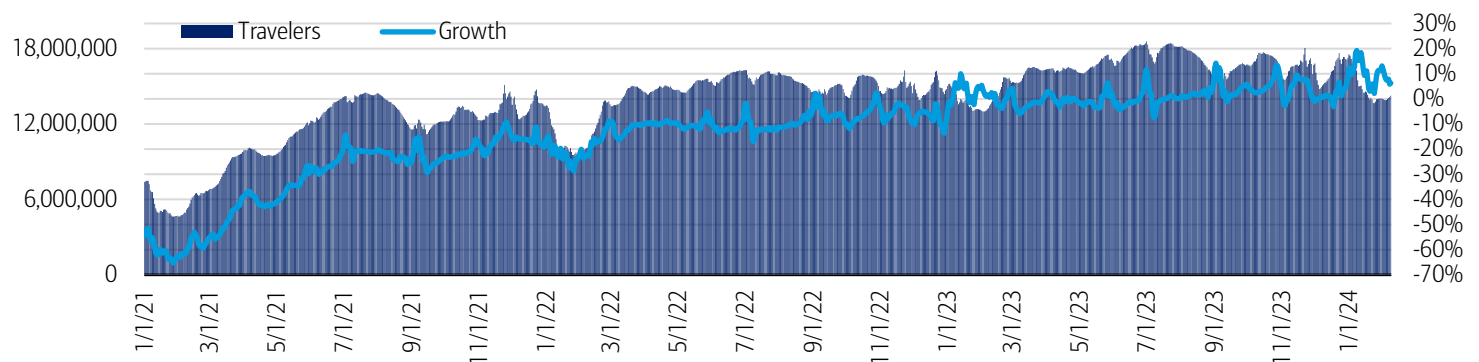
Source: ARC

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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 106% of 2019 levels



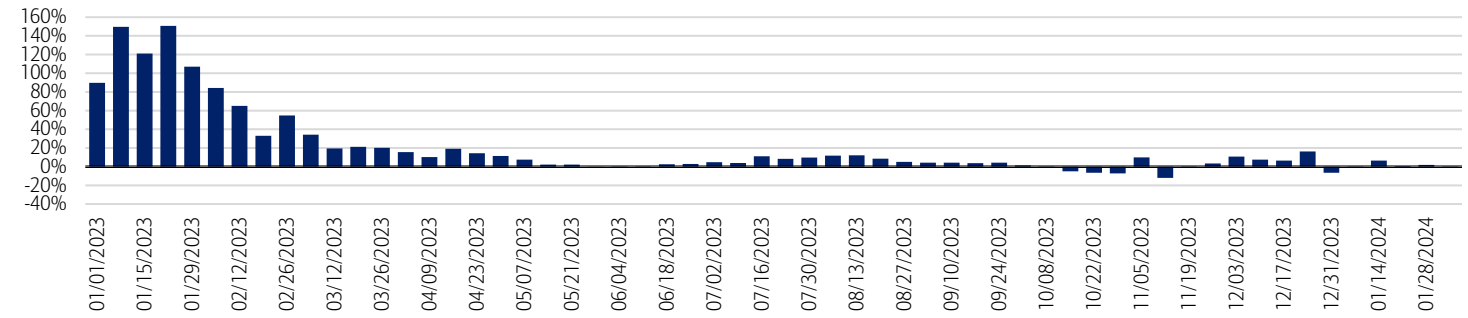
Source: www.tsa.gov

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Recent growth trends year-over-year

Exhibit 3: Consolidated net sales growth

Consolidated net sales were 0% (vs +2% last week)

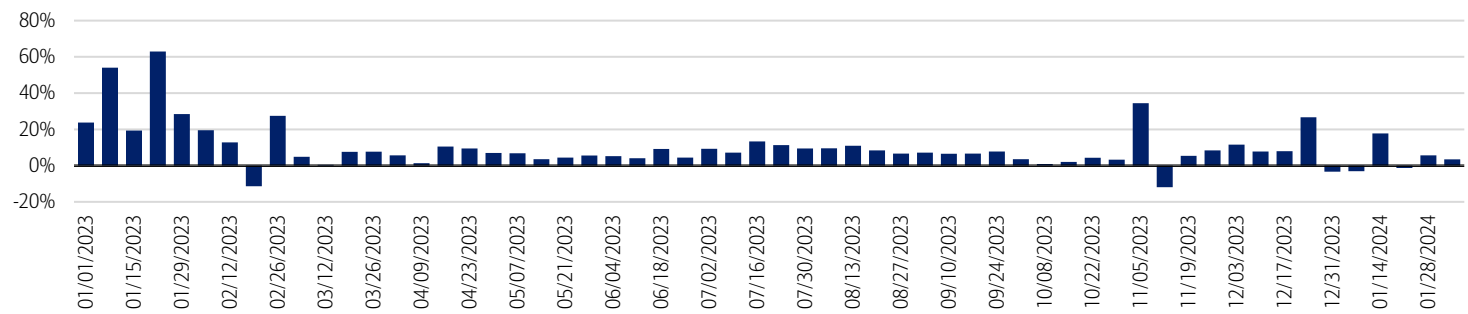


Source: ARC

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Exhibit 4: Consolidated tickets sold

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

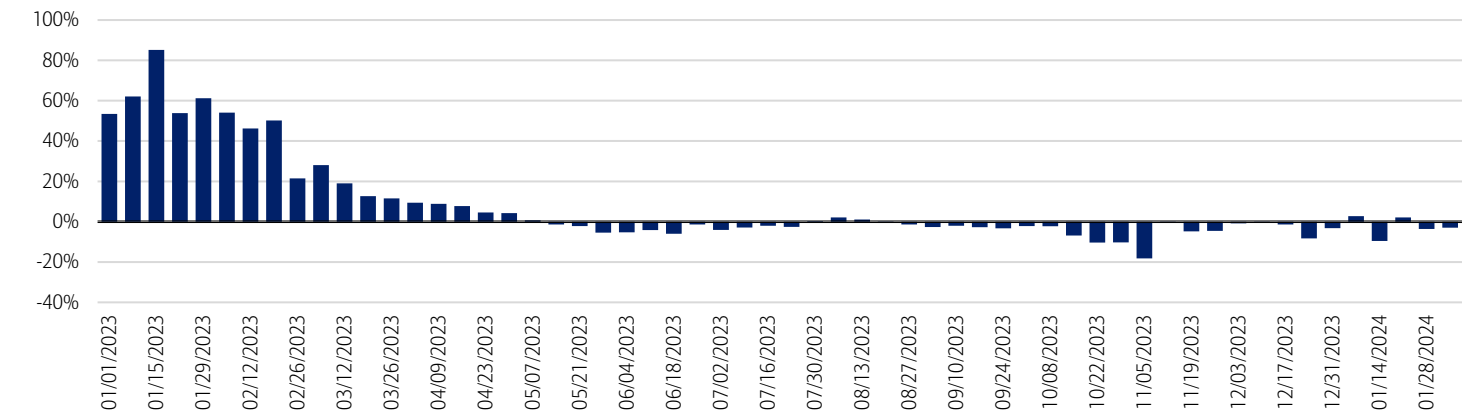


Source: ARC

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Exhibit 5: Consolidated ticket price

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

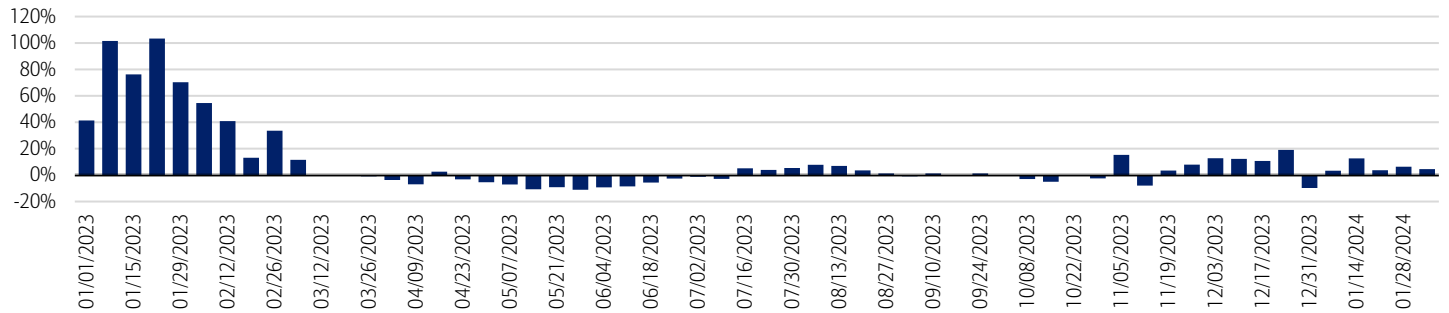


Source: ARC

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Exhibit 6: Consolidated domestic sales growth

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

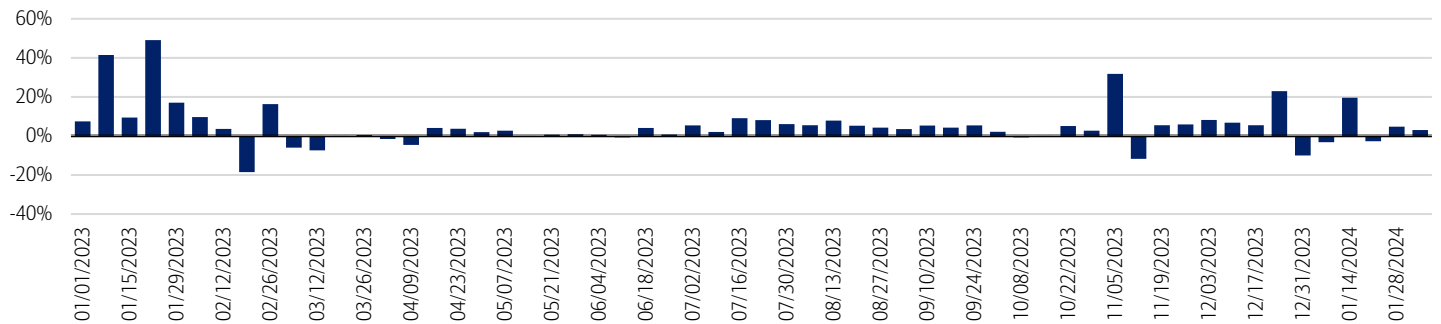


Source: ARC

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Exhibit 7: Consolidated domestic tickets sold

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

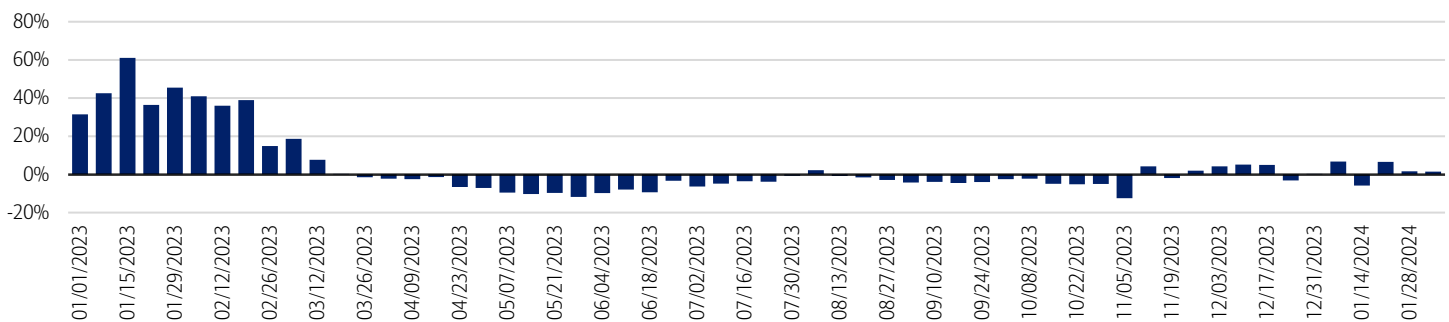


Source: ARC

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Exhibit 8: Consolidated domestic ticket price

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

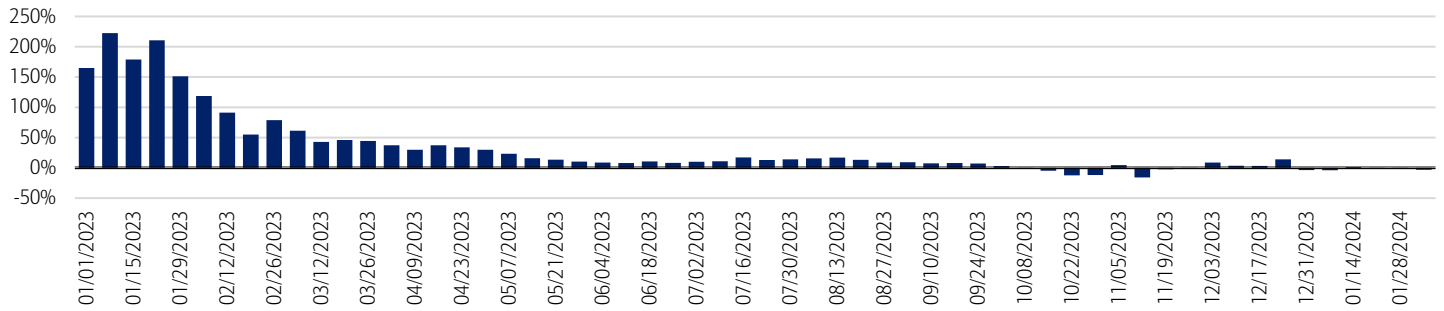


Source: ARC

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Exhibit 9: Consolidated international sales growth

International net sales were -3% YoY (vs -2% last week)

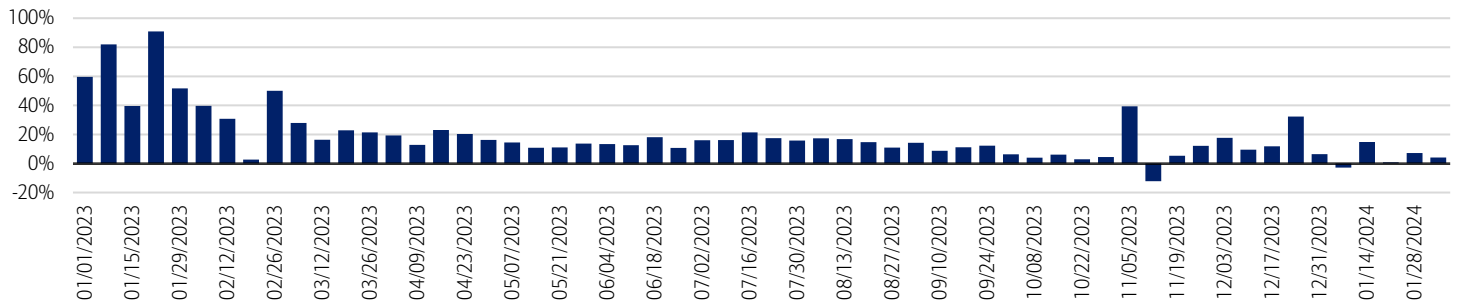


Source: ARC

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Exhibit 10: Consolidated international tickets sold

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

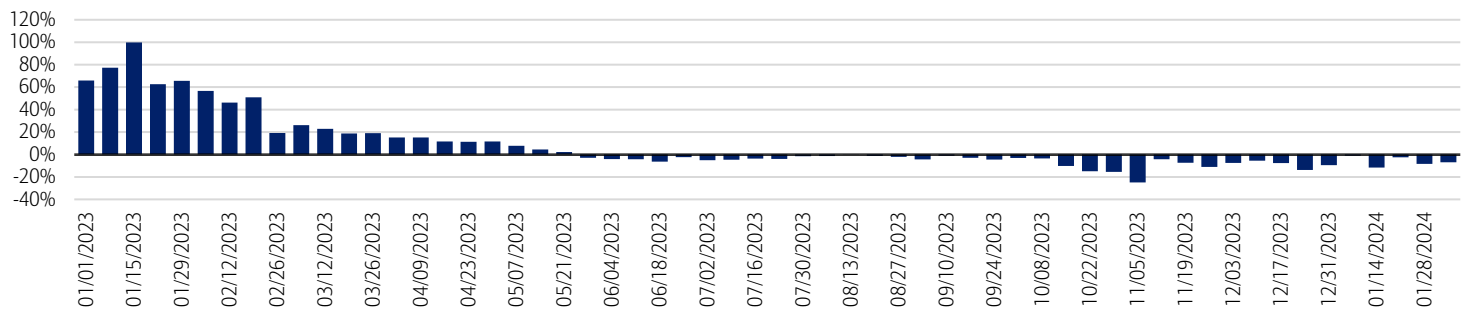


Source: ARC

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Exhibit 11: Consolidated international ticket price

International ticket prices were -7% YoY (vs -8% last week)



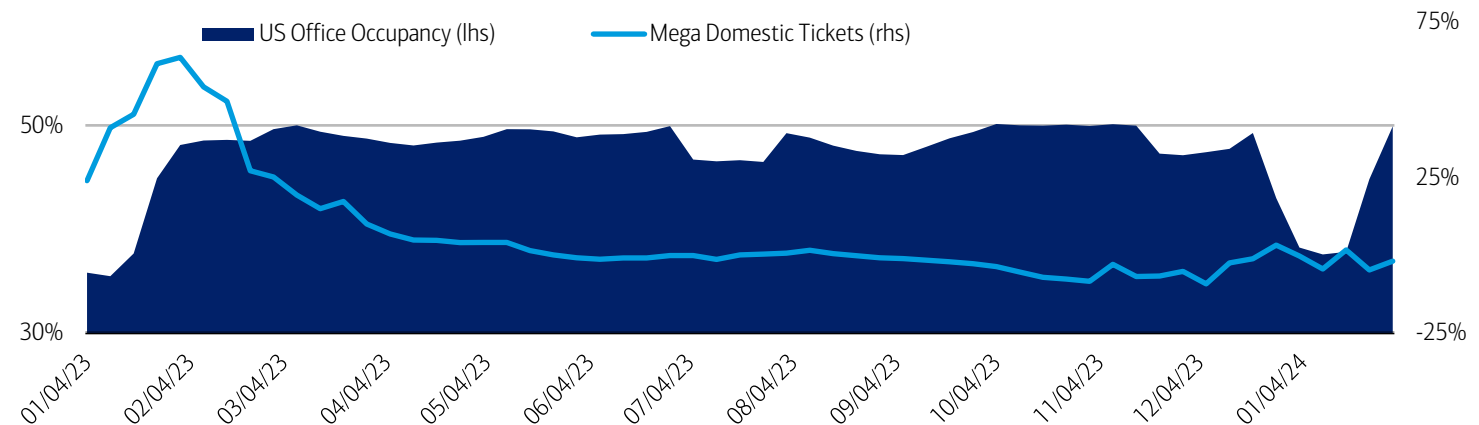
Source: ARC

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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

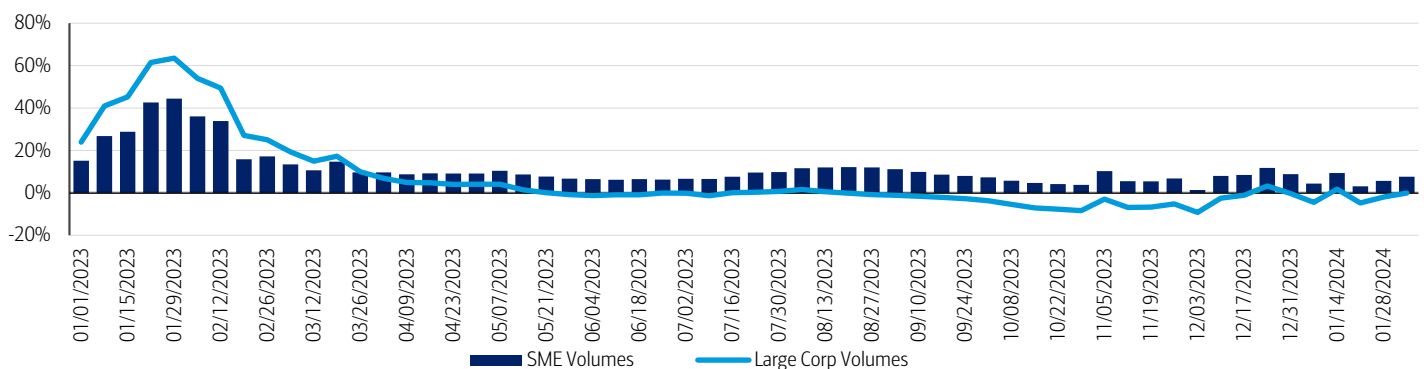


Source: ARC, Kastle Systems

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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 -0.1% YoY compared to SME volumes of +7.6% YoY

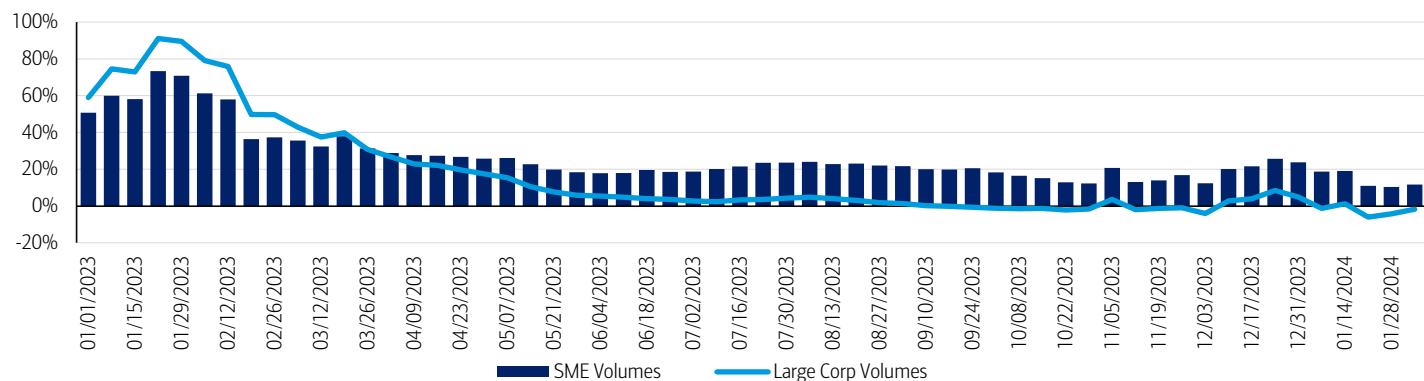


Source: ARC

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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 -1.7% YoY compared to SME volumes +11.6% YoY



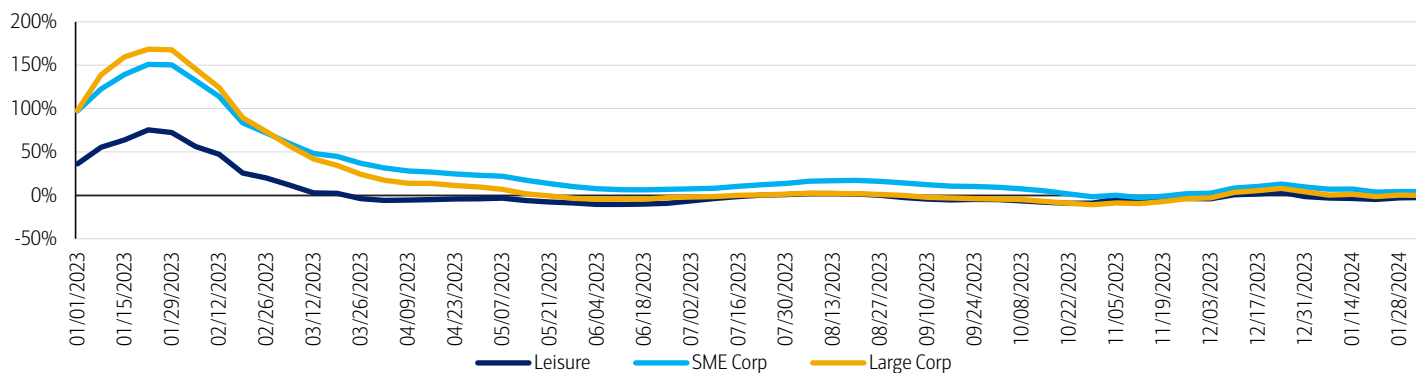
Source: ARC

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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 +4.5%; leisure -2.6%; large corporate -0.1% YoY

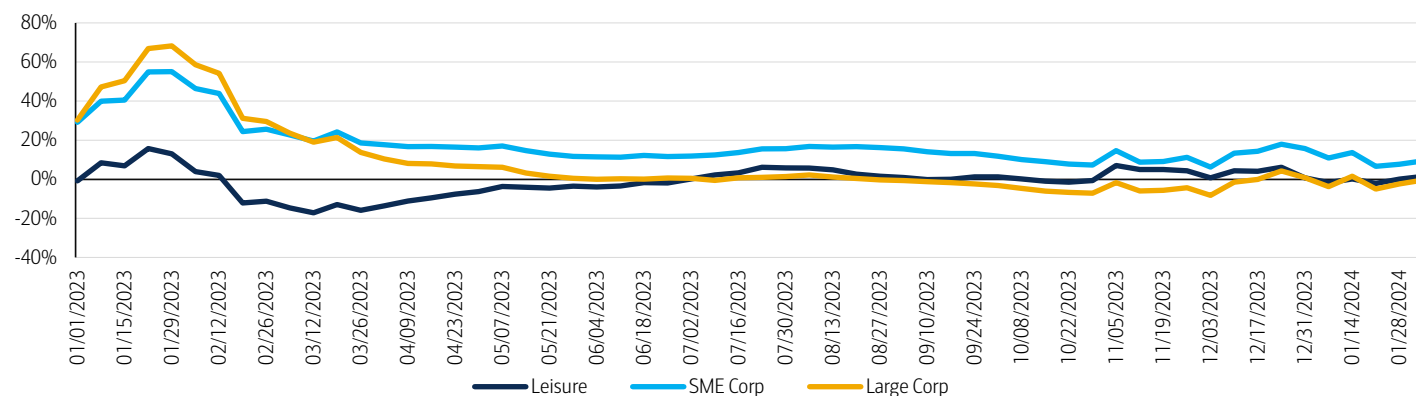


Source: ARC

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

SME corporate tickets sold +9.4%; leisure +1.5%; large corporate -0.5% YoY

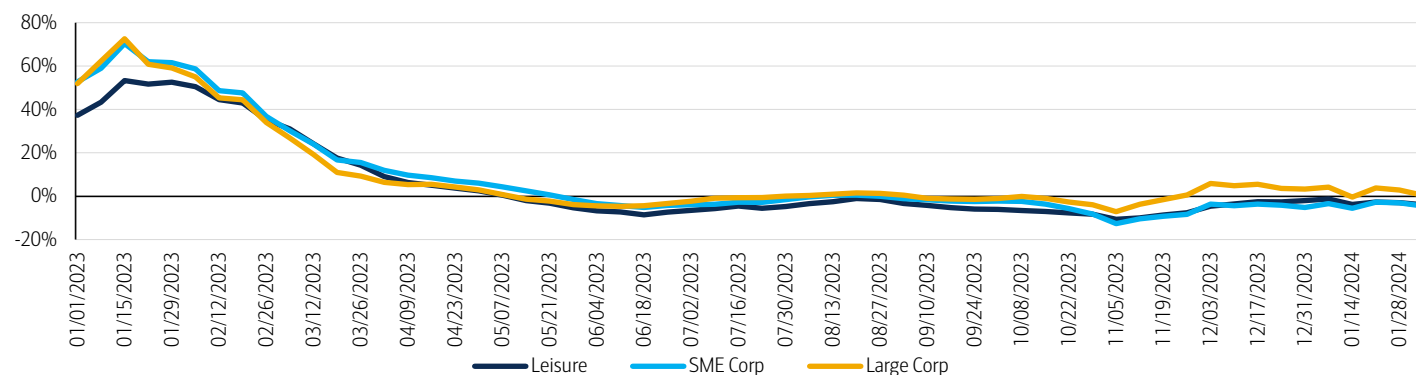


Source: ARC

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

SME corporate pricing -4.5% YoY; leisure -4.0% YoY; large corporate +0.4% YoY

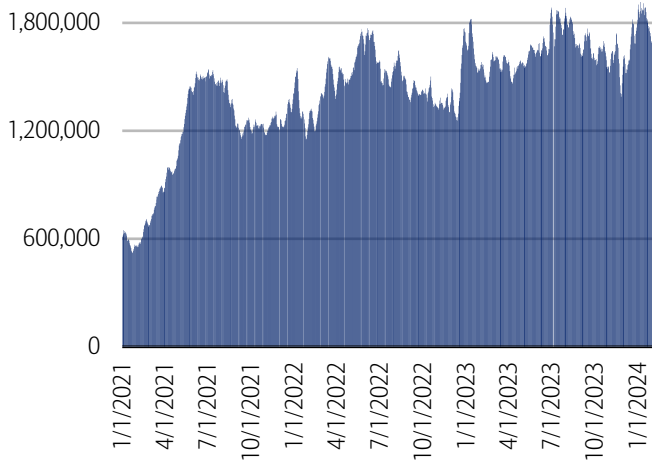


Source: ARC

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Exhibit 18: Delta trailing 7-day website visits

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

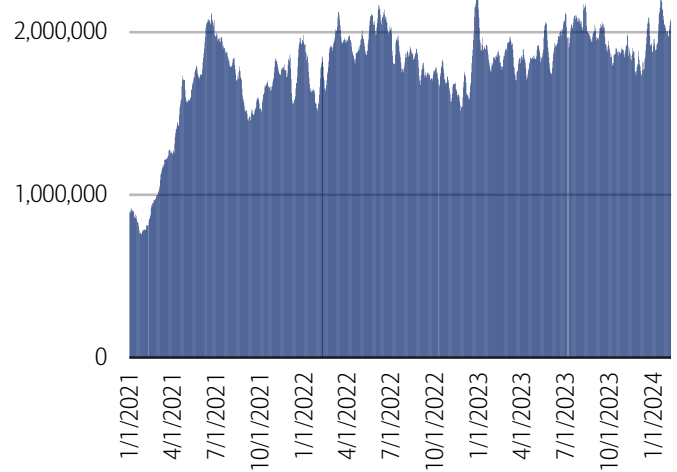


Source: SimilarWeb, www.similarweb.com

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Exhibit 19: American trailing 7-day website visits

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

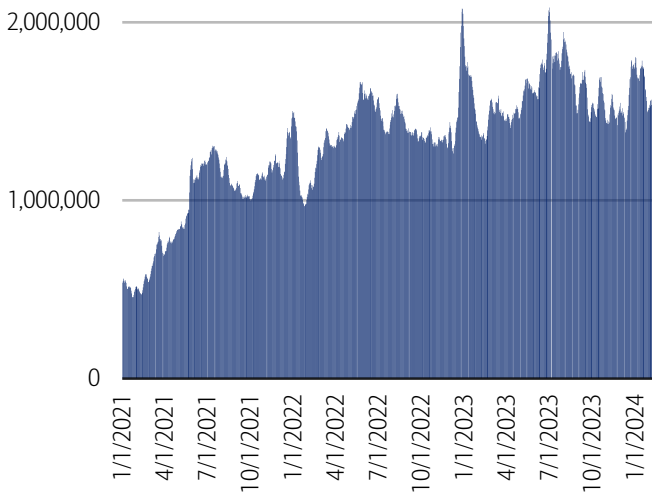


Source: SimilarWeb, www.similarweb.com

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Exhibit 20: United trailing 7-day website visits

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

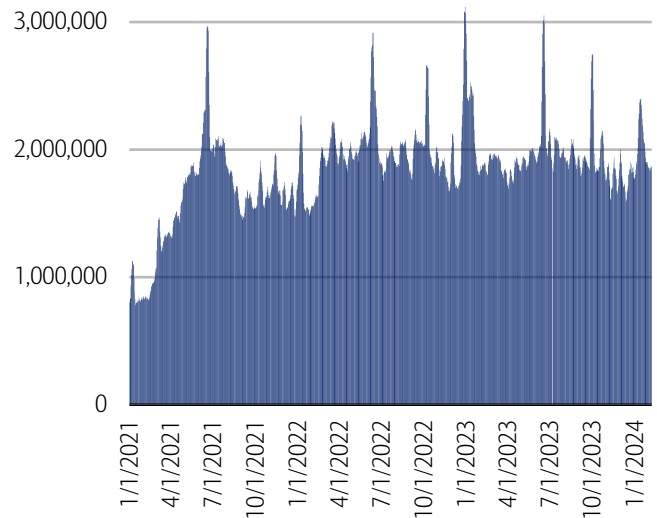


Source: SimilarWeb, www.similarweb.com

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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

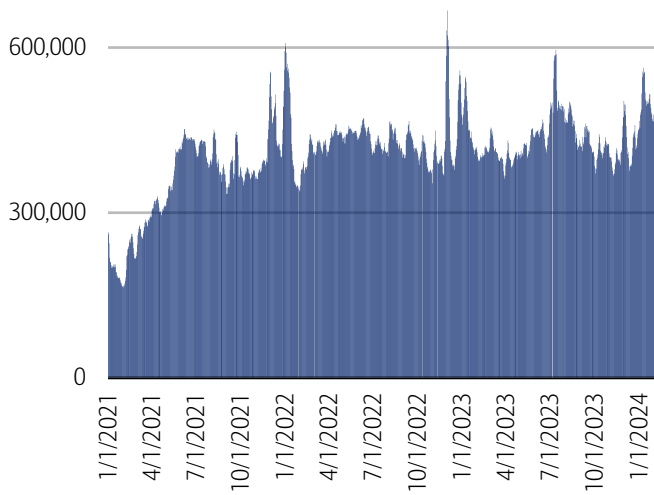


Source: SimilarWeb, www.similarweb.com

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Exhibit 22: Alaska trailing 7-day website visits

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

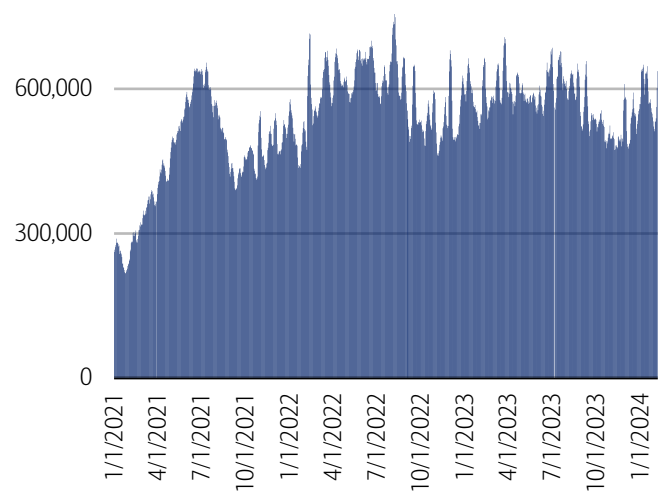


Source: SimilarWeb, www.similarweb.com

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Chart 2: JetBlue trailing 7-day website visits

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

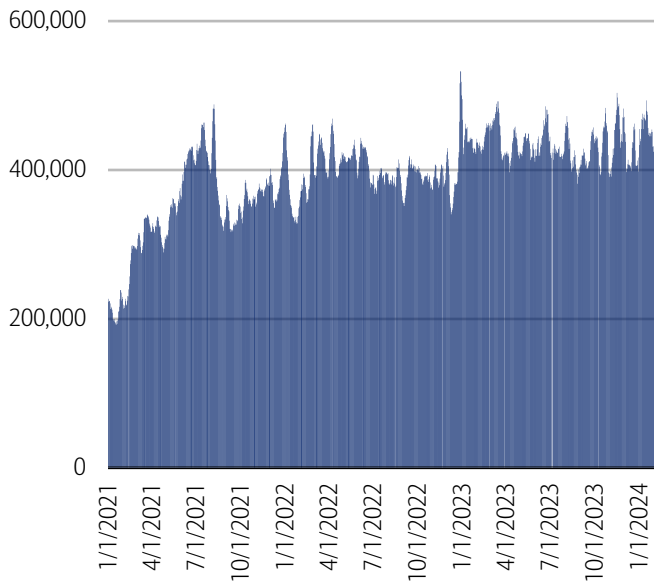


Source: SimilarWeb, www.similarweb.com

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Chart 3: Spirit Airlines trailing 7-day website visits

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

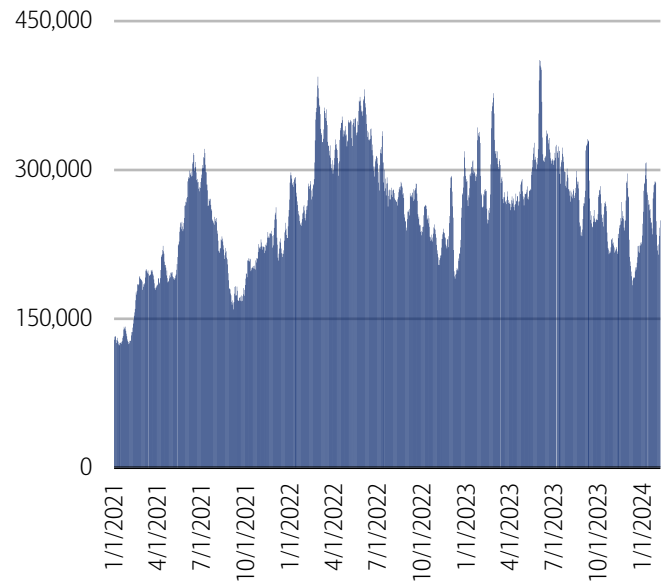


Source: SimilarWeb, www.similarweb.com

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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

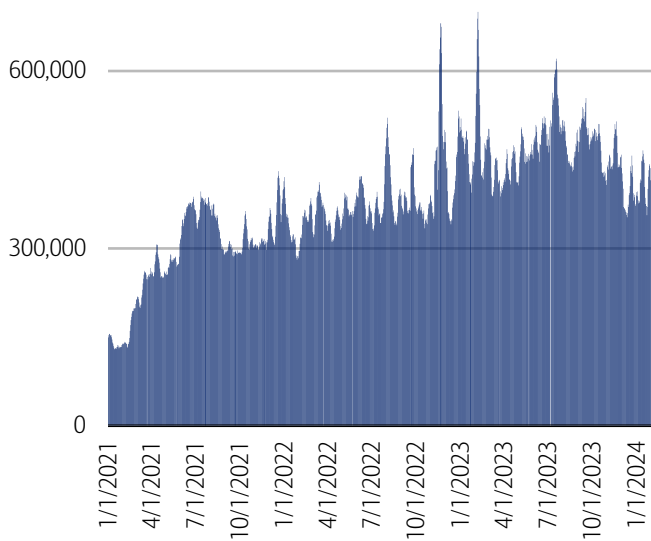


Source: SimilarWeb, www.similarweb.com

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Exhibit 24: Frontier Airlines trailing 7-day website visits

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

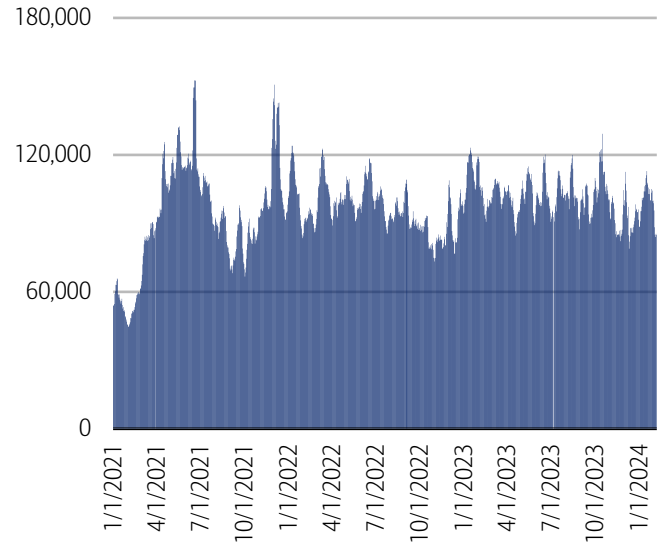


Source: SimilarWeb, www.similarweb.com

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Exhibit 25: Hawaiian Airlines trailing 7-day website visits

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

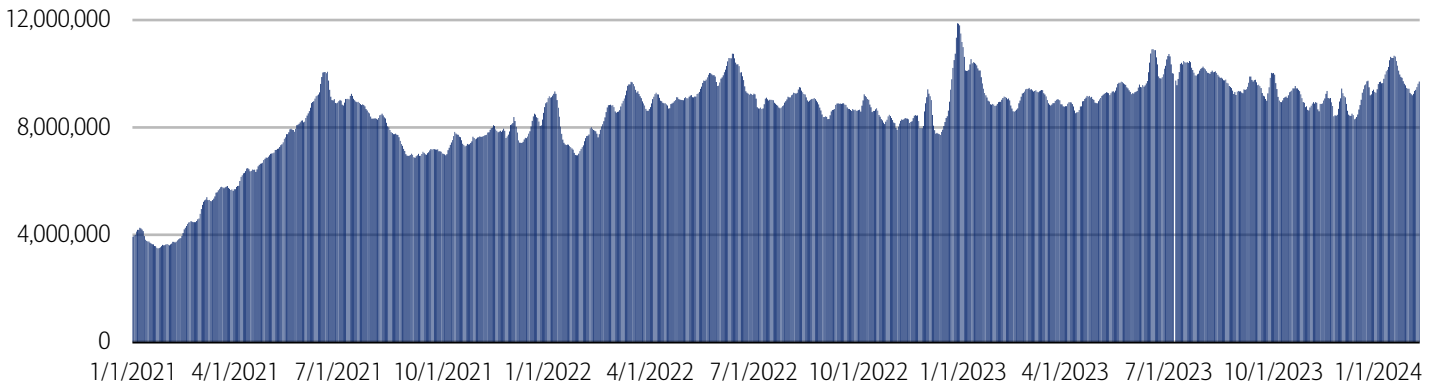


Source: SimilarWeb, www.similarweb.com

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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 +2% higher this week vs last week



Source: SimilarWeb, www.similarweb.com

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