

Impact of COVID-19 Pandemic on U.S. Airline Industry

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Concerns

There are three main concerns that we identified regarding the airline industry due to the recent pandemic.

1

How are people's attitude towards airlines and flying?

2

How has the stock market been affected by the change in flight numbers?

3

How have flight numbers been affected by the increase of COVID-19 cases?

Twitter sentiment analysis

Using Twitter data from Kaggle.

Stock market vs. flight analysis

Using flight data from Flightradar24 and stock market data from Yahoo! Finance.

COVID-19 cases vs. flight analysis

Using COVID-19 data from Github and flight data from Flightradar24.

Solutions

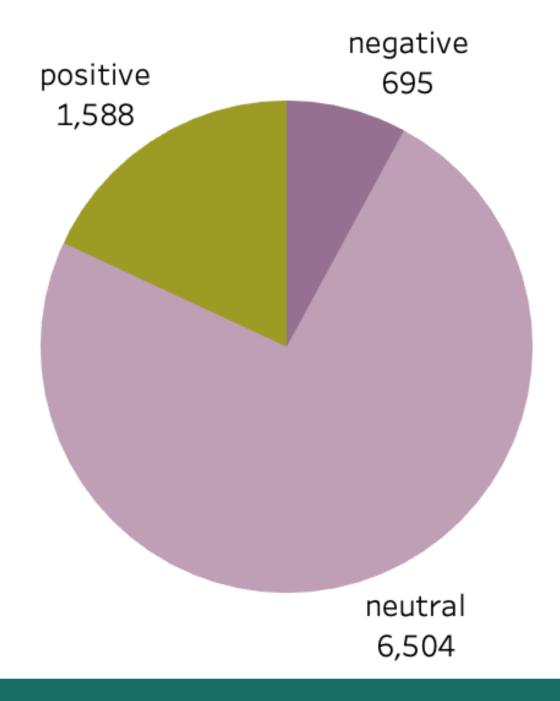
Here are the analyses we have produced to answer those questions and concerns.

Sentiment Analysis

To understand people's sentiment towards the airline industry during the pandemic, we analyzed Twitter tweets that included airline-related hashtags. In this investigation, we first looked at how people's sentiment is distributed, and then generated word clouds to visualize the most frequent words.



Sentiment Distribution



Category

negative

neutral

positive

Number of Records

8,787







Interpretation

- Public sentiment towards the airline industry is more positive than negative, which is counterintuitive to what we expect.
- Public sentiment towards airlines is largely neutral.

10.16%

more positive sentiment than negative sentiment

"due"

most frequently occurring word

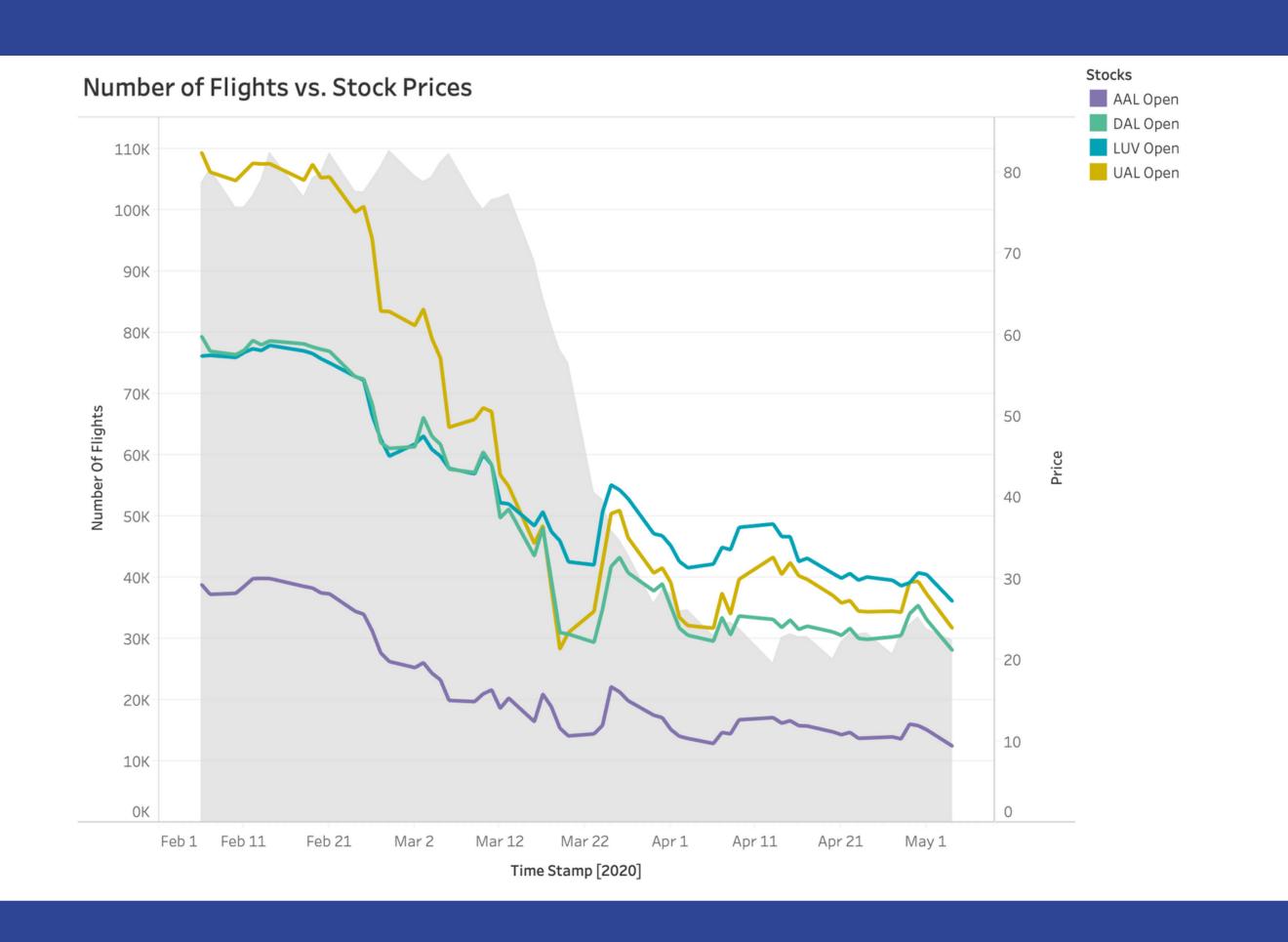
74.02%

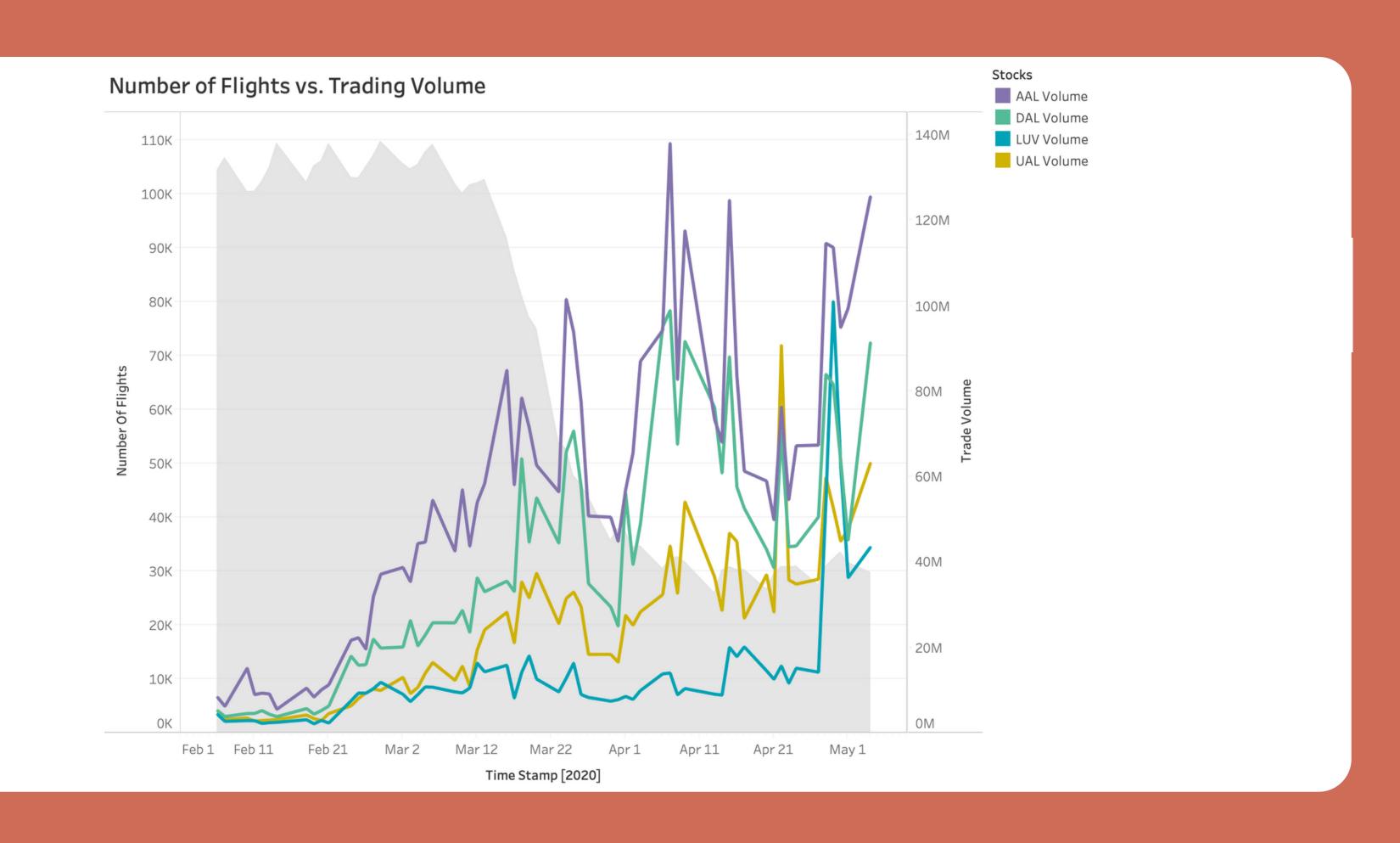
neutral sentiment towards airlines

Stock Market Analysis

We then did a stock market analysis on how the drop in flight numbers affected the four biggest US stocks. This analysis is performed by looking from a price and volume perspective.







Interpretation

Direct relationship between flights offered and stock prices.

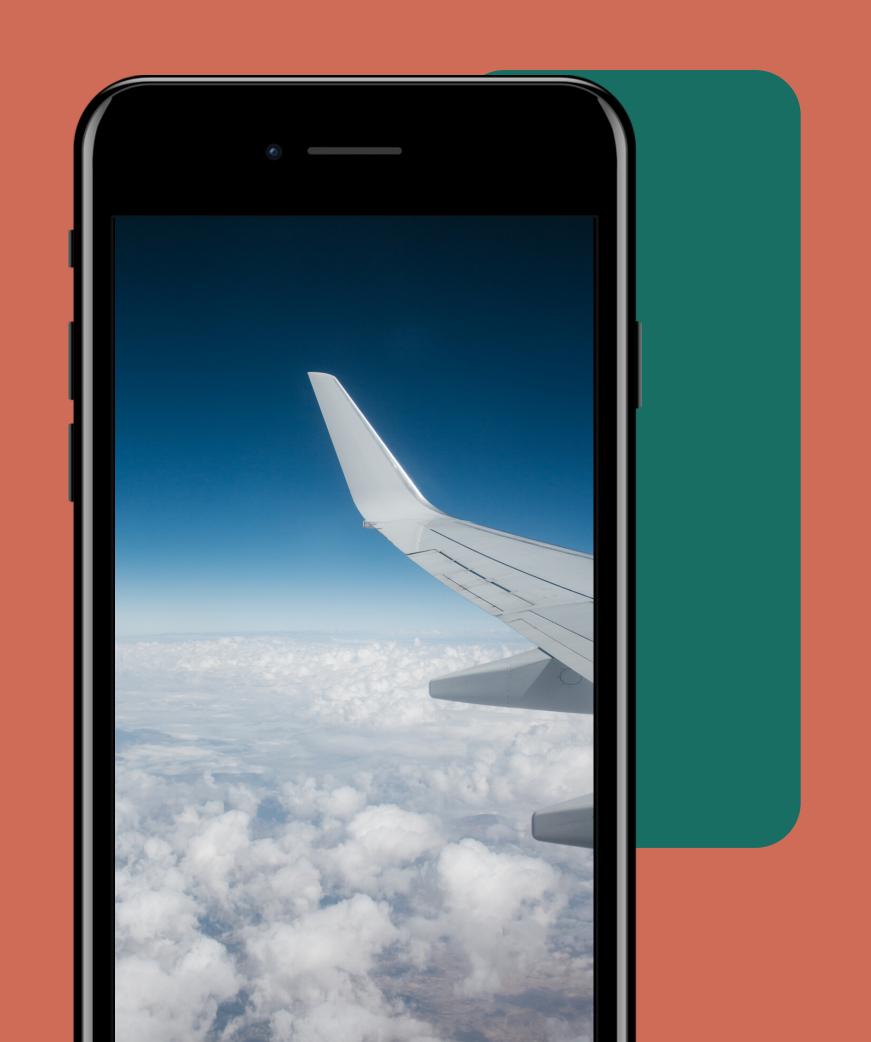
From the first graph, we see that as the number of flights offered decreases, stock prices plummeted.

Inverse relationship between flights offered and trading volume.

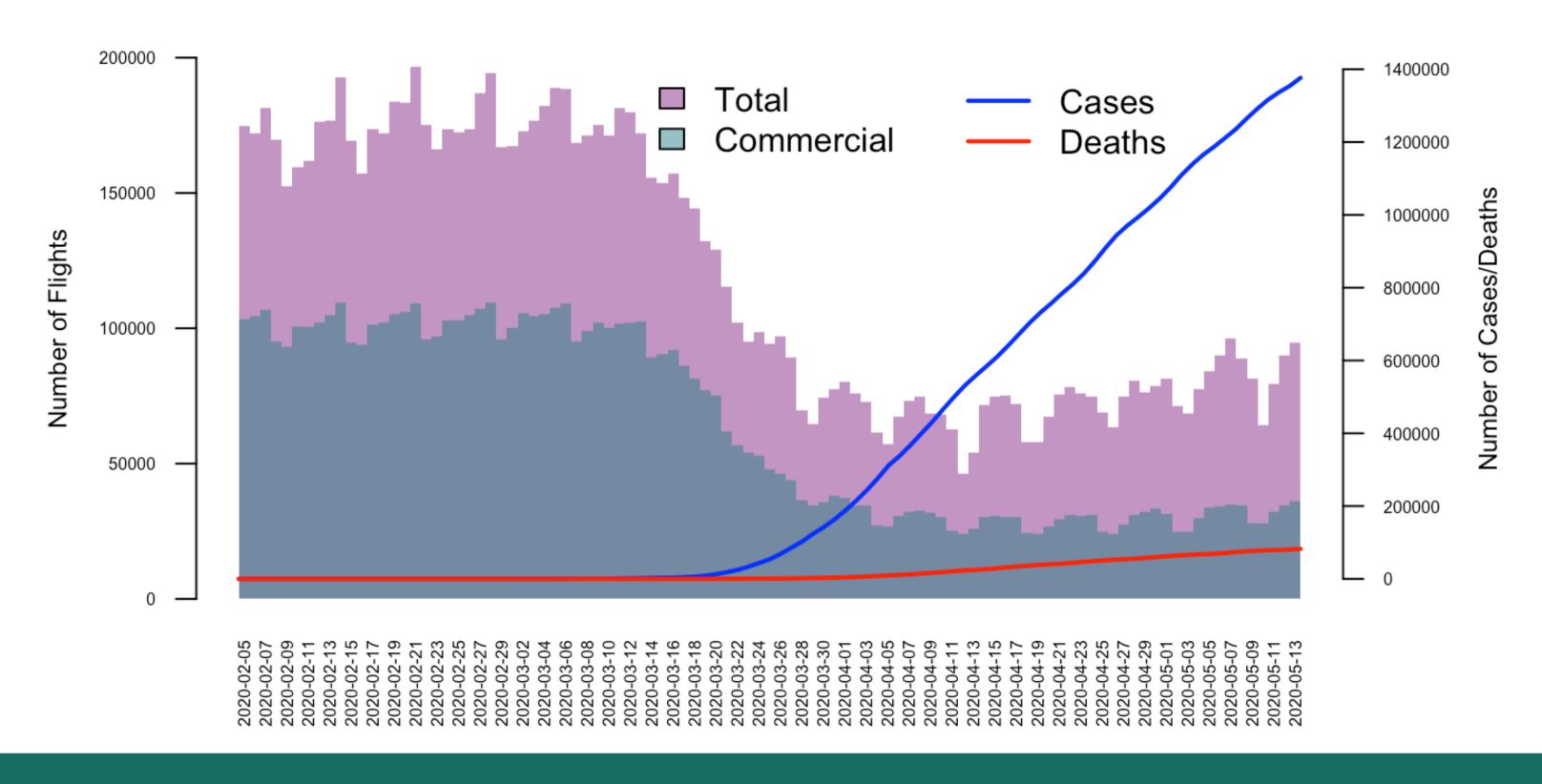
From the second graph, we see that as the number of flights offered decreases, trading volume shot up.

Flights Offered vs. COVID-19 Analysis

Then, we did a flights offered vs. COVID-19 cases and deaths analysis to see if there is an association between the two variables. I.e., whether the increase of COVID-19 cases and deaths affect the number of flights offered over time.



Flights in the United States



Interpretation

Inverse relationship between COVID-19 cases and commercial flights offered.

As the number of cases increases, the number of commercial flights offered decreases.

Inverse relationship between COVID-19 deaths and total flights offered.

As the death toll from SARS-CoV-2 increases, the total number of flights offered decreases.

Takeaways

What implications do these insights carry?

Public sentiment on the U.S. airline industry is relatively resistant to COVID-19.

The number of flights offered has an inverse relationship with trading volume.

The number of flights offered has a direct relationship with stock prices.

The number of COVID-19 cases has an inverse relationship with the number of flights offered.

Thank you

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