

2022 Deloitte holiday travel survey

*Travel slows, but the need to
reconnect is as strong as ever*



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Executive summary

After climbing upward for a year and a half, Americans' enthusiasm for travel appears dampened this holiday season. As pandemic concerns fade, financial woes and widely reported issues with flight delays and cancellations have more people deciding to stay home. Intent to travel between Thanksgiving and mid-January is down 26% compared to a year ago.

Just under a third of Americans plan to travel over the holidays, taking an average of two trips. Those traveling cite the need to reconnect with friends and family as most important. And with higher-income Americans making up a big portion of the traveling public this season, travel budgets are strong.

International travel intent is up significantly. With health concerns on the decline, and most destinations doing away with COVID-19 travel restrictions, 17% of travelers plan to fly overseas this holiday season, up from 10% in 2021. But demand may still be dampened by high airfares as well as concerns about delays and cancellations.

This second edition of Deloitte's holiday travel survey also reveals deeper insights on developing travel trends. Young travelers continue to lead the pack. Boomers, who had begun to return to the fold, are showing hesitancy again.

Finally, flexible work arrangements continue to be a boon to travel, expanding the number of days many Americans spend away from home. Overall, travelers are adding an average of six days of travel across the season due to the ability to work remotely.

As the travel industry prepares for a weaker holiday season in 2022, the best opportunities likely lie in making the most out of serving those who *do* decide to venture out. As travelers look to reconnect with family and friends, airlines and hotels should be looking to reestablish trust and high service standards with the public they hope to attract back in bigger numbers in the year ahead.

Let's talk



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Concerns about money and disruption curb travel demand

Thirty-one percent of Americans plan to travel between Thanksgiving and mid-January, down from 42% in 2021.

Forty percent of non-travelers say their financial situation is worse than in 2021, versus 30% of leisure travelers.

Potential delays and cancellations are on par with COVID-19 concerns as travel deterrents; 18% of non-travelers cited each as a reason they will stay home.

Those planning to travel have an average budget of \$1,287. This figure is heavily influenced by higher-income travelers, who are much more likely to travel and have an average budget of \$1,848. **Three in four travelers say their budget is similar to or lower than in 2021.**

From a busy start to a strong long-tail finish

Once again, the busiest days will likely come at the start of the holiday travel season as **15% of Americans plan to travel Thanksgiving weekend.** A similar share will travel between Christmas and New Year's.

While travel volume will drop after New Year's (**10% of the season's trips are planned for the shoulder season**), early January is a big time for long trips (45% will likely last longer than a week) and international trips (**1 in 5 vs. 1 in 10 during the rest of the season**).

Demand dips across most travel products

With fewer Americans traveling, demand will be weaker across most travel segments, but hotels can expect a bigger hit than airlines. **Thirty-five percent of travelers plan to stay in hotels** (vs. 37% in 2021); 15% in rentals (vs. 17% in 2021). Domestic flight intent is up slightly. **International flight intent is up** (17% travelers vs. 10% in 2021).

Participation in in-destination experiences is also expected to drop. Fewer travelers plan to partake across most paid activities this year. Events (e.g., concerts, sports) are a rare bright spot (29% vs. 23% in 2021).

Age affects travelers' product choice. Younger travelers are much more likely to fly and stay in rentals. Older travelers prefer hotels and are avoiding flying in favor of driving.

Many older Americans will sit this one out... again

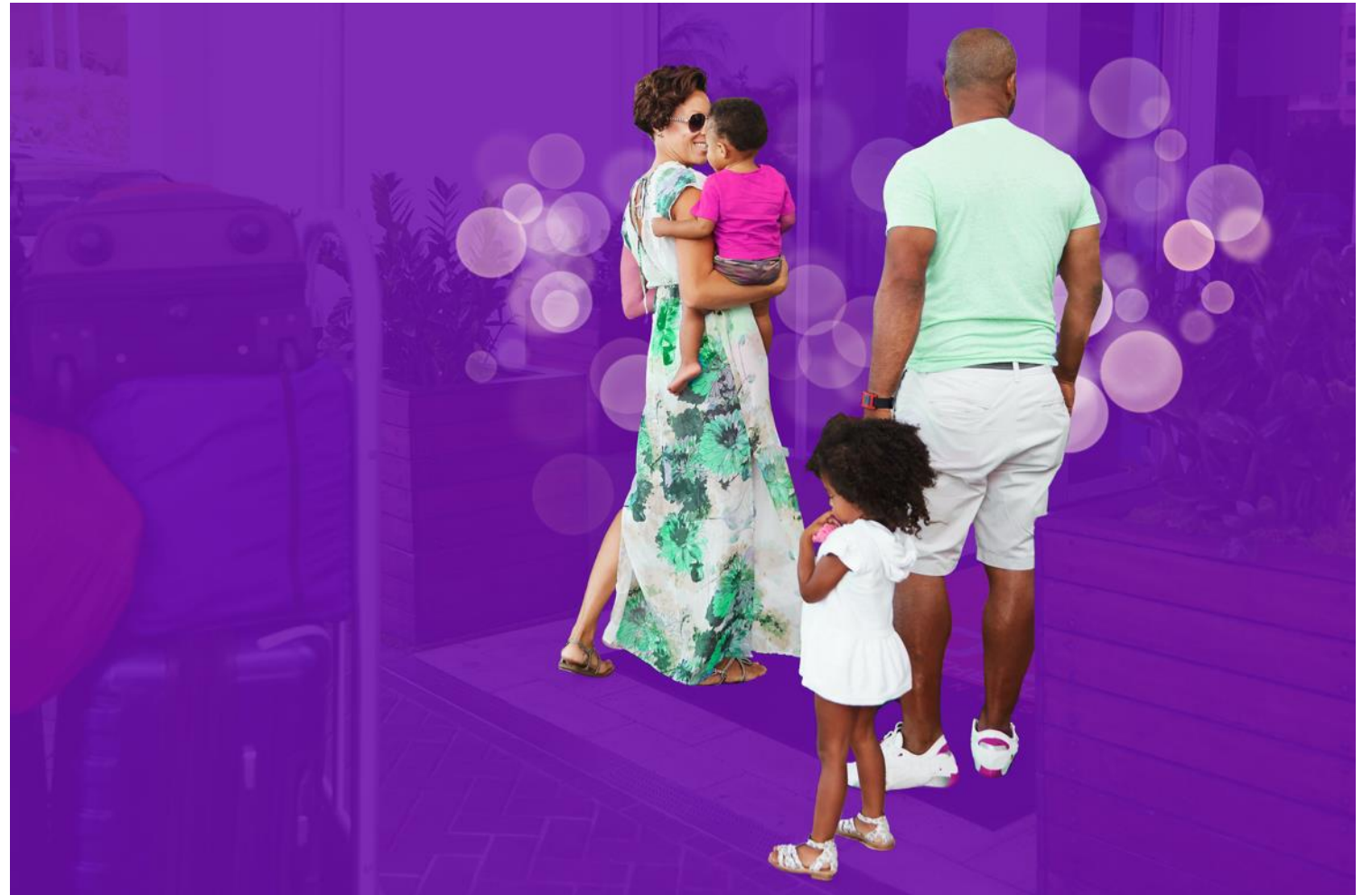
Older Americans, who had been showing more enthusiasm for travel after a prolonged pandemic-driven hesitance, are once again shying away. **Only 22% of Americans aged 55 and older plan to travel, down from 36% in 2021.** Financial worries are the top travel deterrent across age groups, but the oldest are most likely to cite potential trip disruption as a reason to stay home.

Higher-income Americans are nearly twice as likely to travel as lower-income, and 1.3x as likely as middle-income Americans.

Laptop luggers' zest for travel continues. Those planning to do some work during their longest trip of the season are taking more trips (2.6 vs. 1.8 for others). And they report that remote working is enabling an average of eight additional days of travel this holiday season.

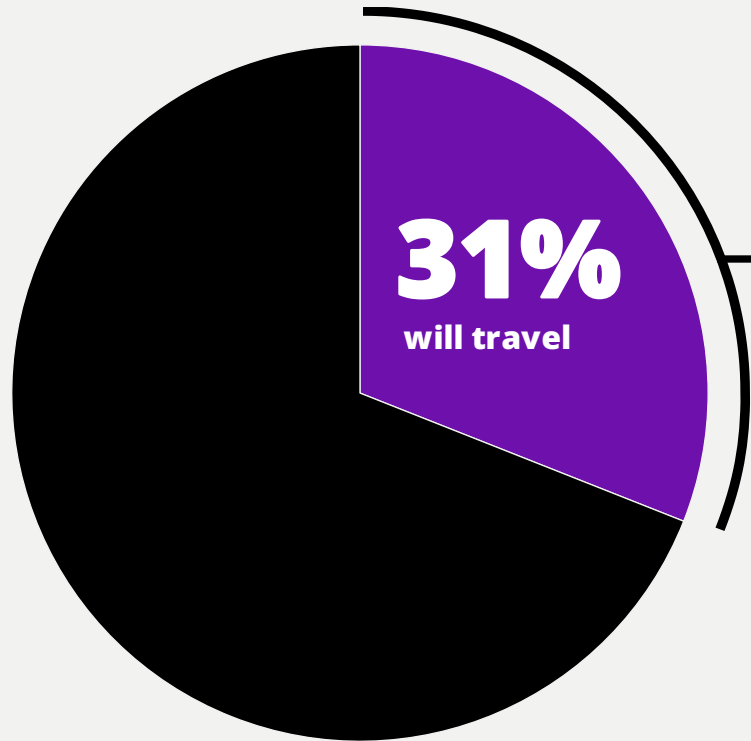
Holiday travel behavior

With financial concerns surging and health concerns waning, time with loved ones beckons loudest among those who plan to travel



Nearly a third of Americans plan to take at least one trip during the 2022 holiday season

With more Americans staying home, those who do plan to travel are more focused than last year on spending time with loved ones



Top travel motivators

vs. 2021 ranking

- | | | |
|----------|-----------------------------------|----|
| 1 | Reconnect with family and friends | +3 |
| 2 | Rest and relaxation | — |
| 3 | Need a getaway | — |
| 4 | Regular holiday travelers | -3 |
| 5 | Time with significant other | +2 |

Questions: (1) What activities are you planning to partake in during the 2022 holiday season (between Thanksgiving and mid-January 2023)? Please select all that apply (N=4,986); (2) What motivates you to travel this holiday season? Please select all that apply (N=1,540).

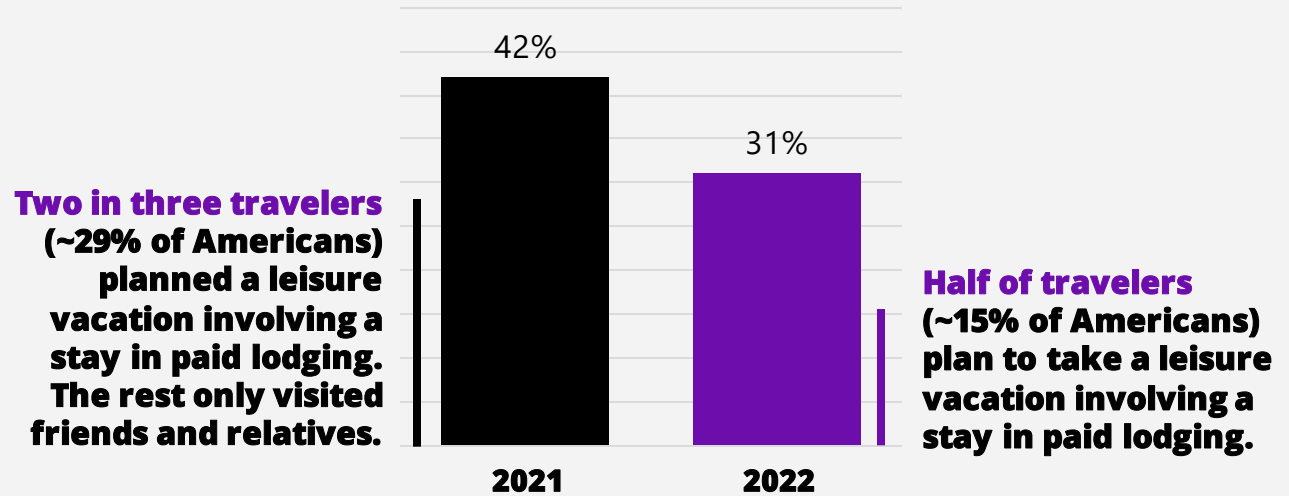
Holiday travel intent dips, especially for leisure trips involving paid lodging

The decline in travel intent is mostly attributable to fewer Americans taking leisure vacations, while the number planning to visit friends and relatives is similar to 2021.

Financial considerations are this season's biggest drag on travel demand, and **1 in 5 Americans staying home cite worries about travel disruption.**

Question: You indicated that you are unlikely to take a trip for leisure this holiday season. Why? Please select all that apply (N=3,446).

Americans traveling over the holidays
(between Thanksgiving and mid-January)



Reasons for not traveling

| Reason | Percentage | vs. 2021 ranking |
|---|------------|------------------|
| Financial concerns | 37% | +2 |
| Prefer to spend on other things | 30% | +4 |
| No destination in mind | 24% | — |
| Concerned about COVID-19 & other diseases | 18% | -3 |
| Concerned about travel disruption (delayed/cancelled flights, etc.) | 18% | — |

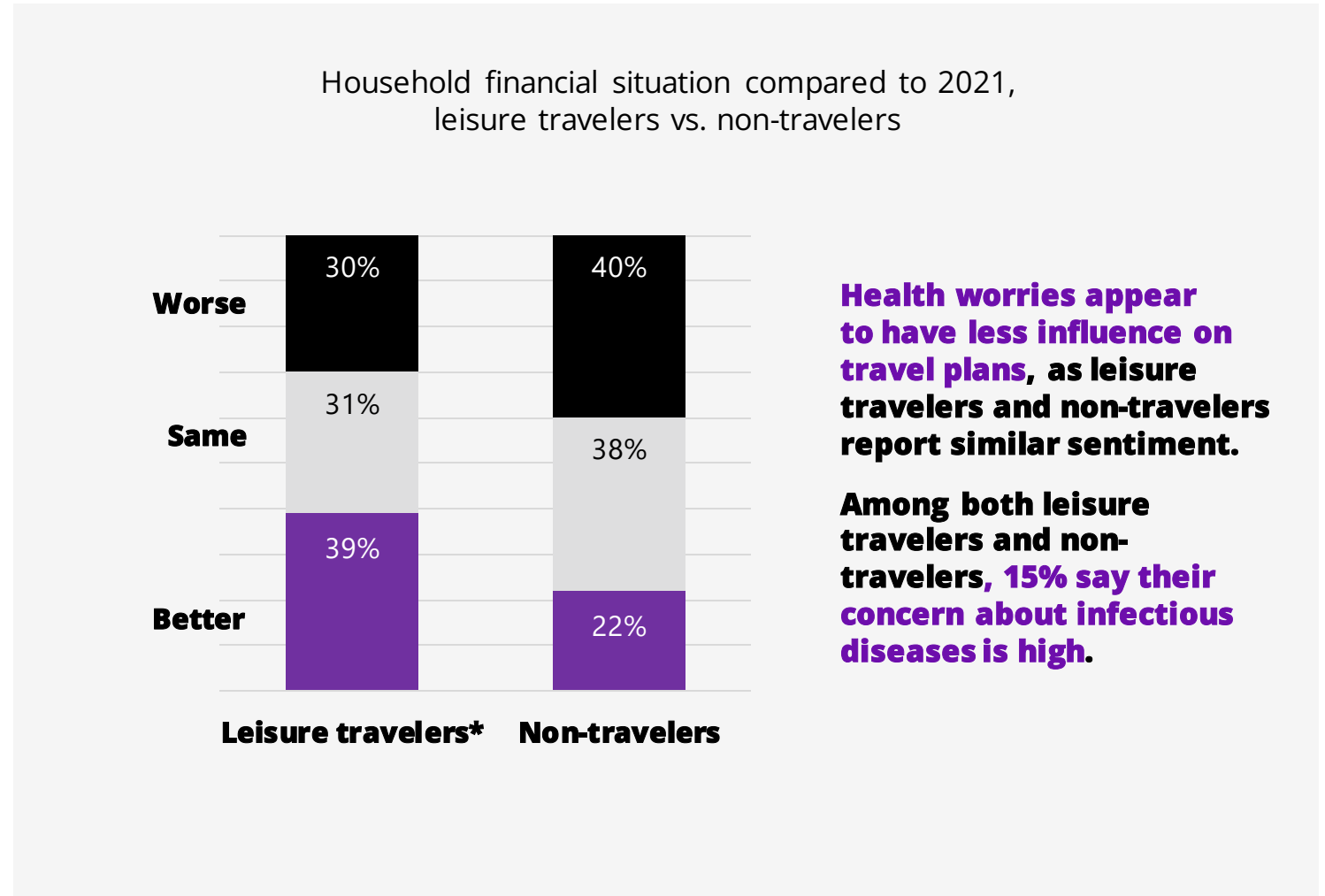
Finances, not health, set non-travelers apart

Leisure travelers (those staying in paid lodging) are 1.8x as likely to say their household finances have improved.

Questions: (1) Thinking about your household's current financial situation, how does it compare to the situation in 2021? Please select one; (2) What is your level of concern regarding your family's health due to infectious diseases (e.g., COVID-19, Monkeypox)? Please select one.
N=4,986.

*Leisure travelers = travelers planning to stay in paid lodging vs. with friends and relatives.

Non-travelers are much more likely to say their financial situation has worsened over the past year



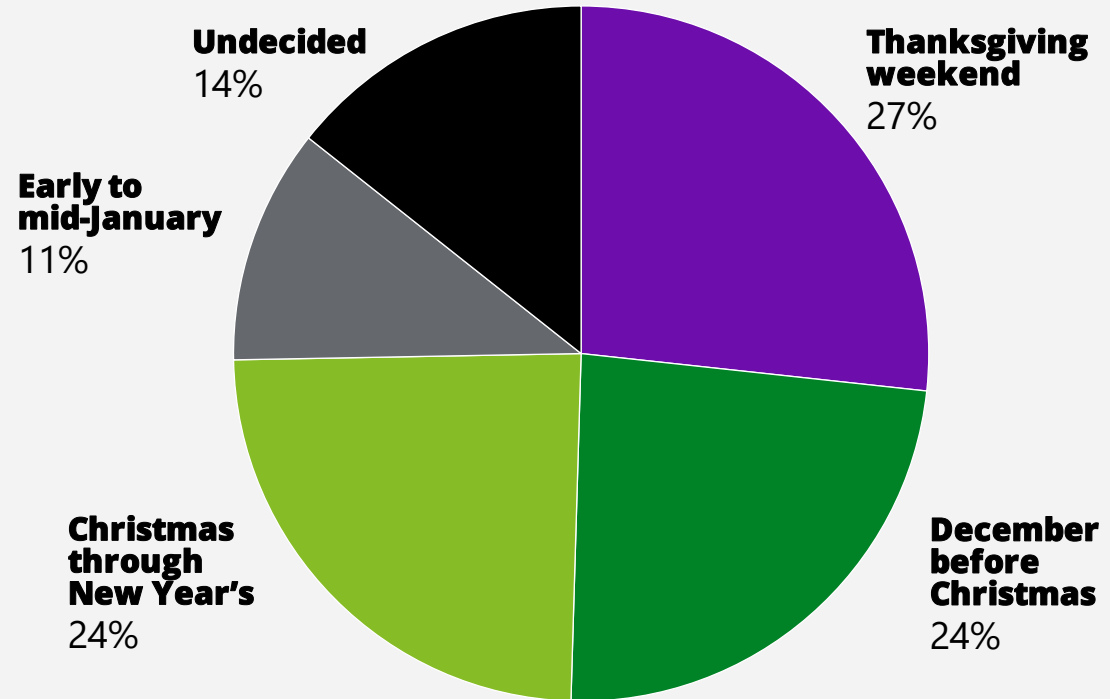
**More than a quarter
of trips to take place
over Thanksgiving
weekend, about half
in December**

15%
**of all Americans plan to travel
Thanksgiving weekend, and
14% plan to travel between
Christmas and New Year's**

Questions: (1) How many leisure trips will you be taking this holiday season?; (2) Please select how many of your holiday trips begin in each time period.
Note: N=1,540.

Americans are taking an average of two trips this holiday season, similar to 2021

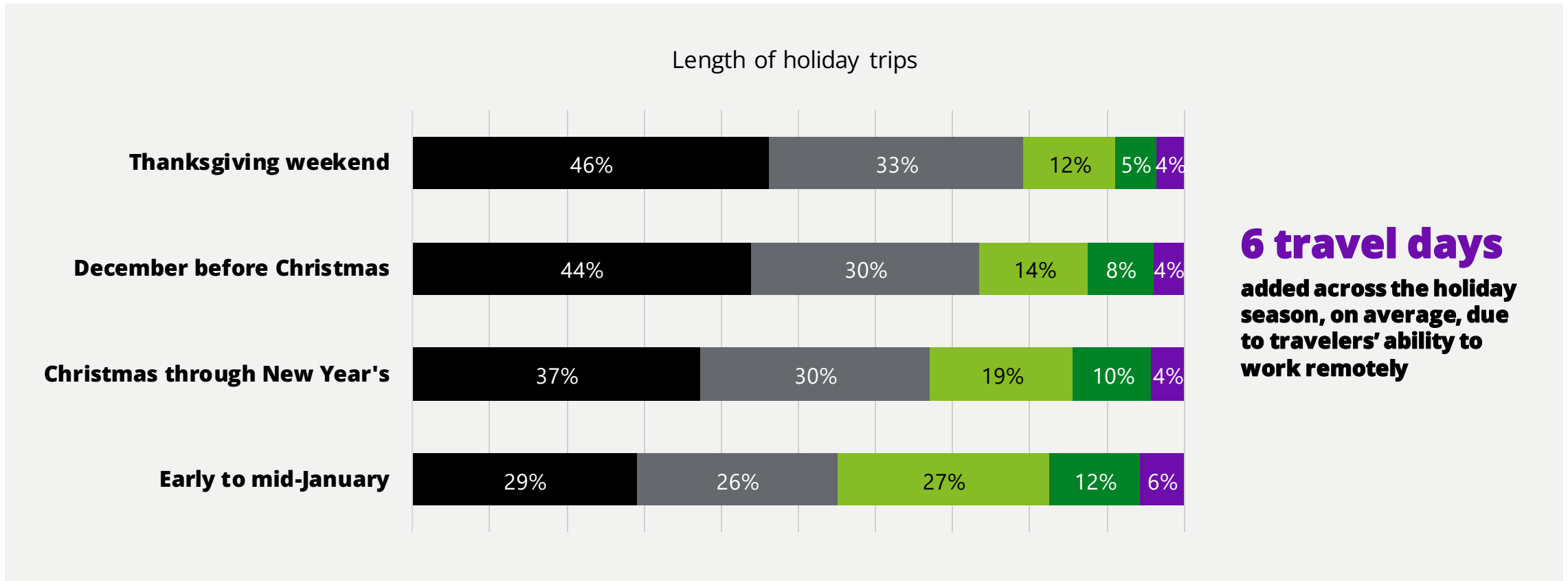
Trips beginning in each holiday period



Trips get longer as we move further into the holiday season

Thanksgiving will be the busiest time, but eight in 10 trips will be a week or shorter. And although only 10% of holiday trips are planned for early January, nearly half of those will be longer than a week.

● Less than 1 week ● 1 week ● More than 1 week, less than 2 ● 2 weeks ● More than 2 weeks



6 travel days
 added across the holiday season, on average, due to travelers' ability to work remotely

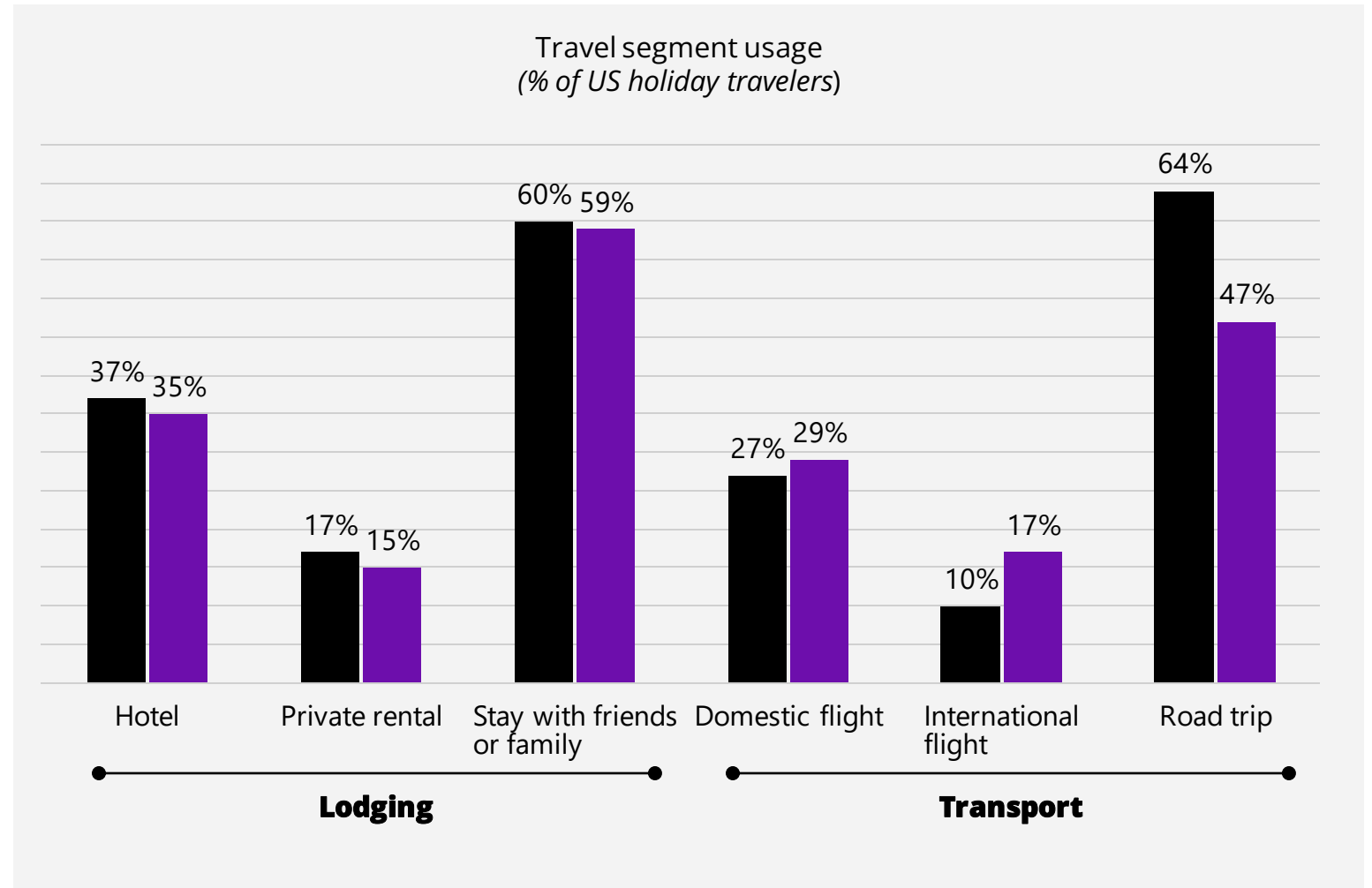
Questions: (1) For your trips beginning in each of the following periods, how long are you traveling for?; (2) How many days of travel this holiday season are enabled by your ability to work remotely?
 Note: N=1,540.

Among travel product categories, lodging demand sees biggest dip

2021 ●
2022 ●

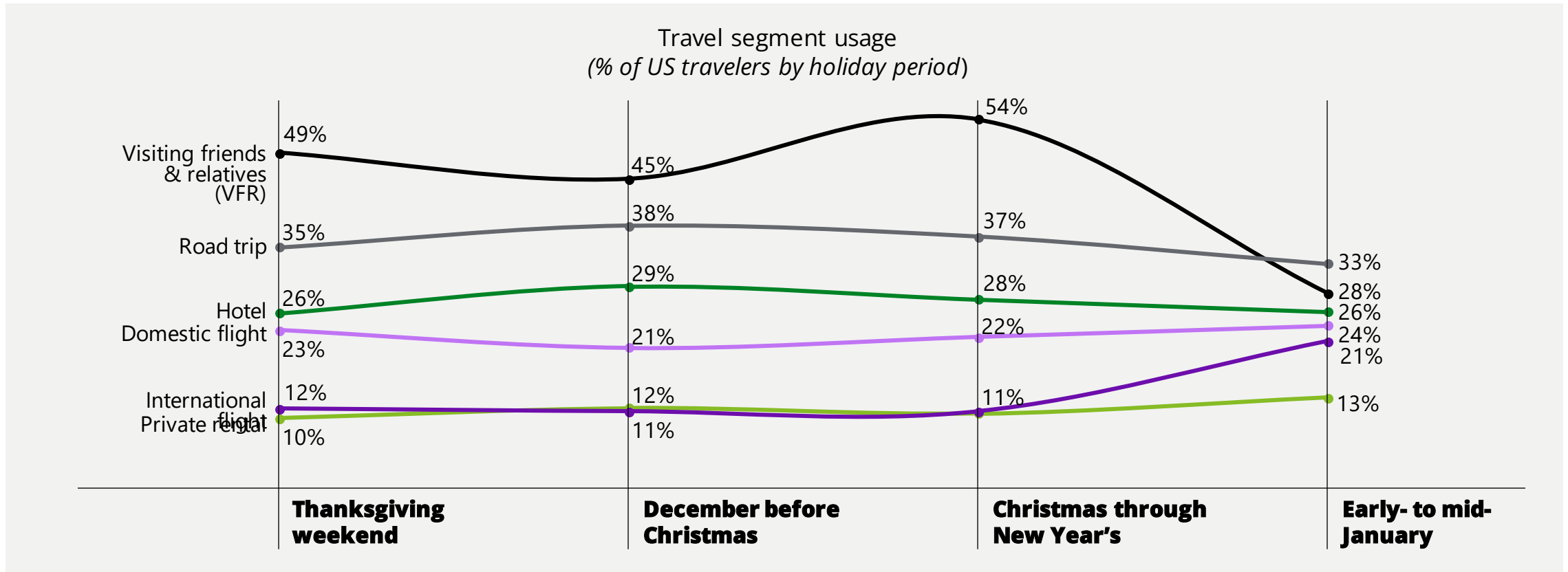
Question: Please select which (if any) travel products/activities you plan to partake in (N=1,540).

In the context of an overall drop in travel intent, hotels are expected to have a weak season, while airlines fare better



Demand for most travel categories steady across the season; international trips to surge in January

Half of Thanksgiving travelers plan to stay with friends or family, and even more will do so at Christmas. Although less travel is expected the first half of January, 21% of travelers say they will take international trips at that time.



Question: For each period of the holiday season listed below, please select which (if any) travel products/activities you plan to partake in (N=1,540).

Three in four travelers plan to spend the same as or less than in 2021

Given their higher likelihood to travel, high-income Americans drive up the average travel spend. **Americans with household income (HHI) of \$100K or more account for nearly half of the travel pool this holiday season.**

Budgets rise again when HHI reaches \$200K. Travelers above that threshold (about 14% of travelers) plan to spend an average of \$2,827.

Questions: (1) What is your estimated travel budget for your trips between Thanksgiving and mid-January 2023? Please include only your transportation and lodging costs in this estimate; (2) How does your 2022 holiday travel budget compare to your holiday travel budget in 2021?
Note: N=1,540.

Higher airfares and room rates are likely big factors for the 1 in 4 travelers increasing spend vs. 2021, along with a rise in international travel

\$1,287

Average 2022 holiday travel budget

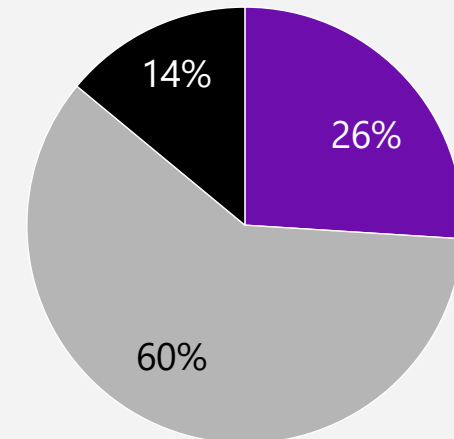
(transportation and lodging costs)

Spend trends by household income

| | Lower income | Middle income | Higher income |
|-----------------------|--------------|---------------|---------------|
| Average budget | \$608 | \$945 | \$1,848 |

Holiday travel budget: 2022 compared to 2021

- Significantly more
- About the same
- Significantly less

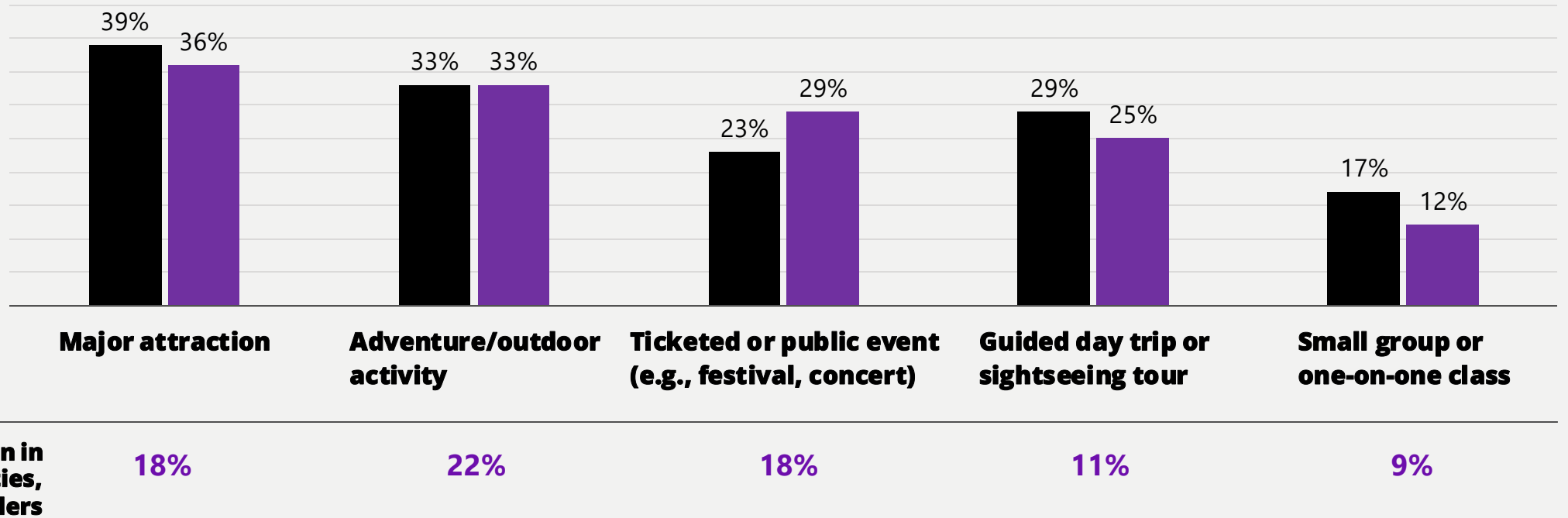


Participation is down across most travel activities

Participation in most activity types is down among leisure travelers staying in paid lodging, but events are a bright spot. Travelers visiting friends and relatives (VFR) are about half as likely to plan most types of travel activity.

● 2021 ● 2022

Participation in travel activities, lodging travelers



Question: Which of the following experiences are you likely to participate in while traveling? Please select all that apply.

Note: 2021 N=1,501; 2022 N=1,540.

*VFR=visiting friends and relatives (vs. staying in paid lodging).

Demographic trends

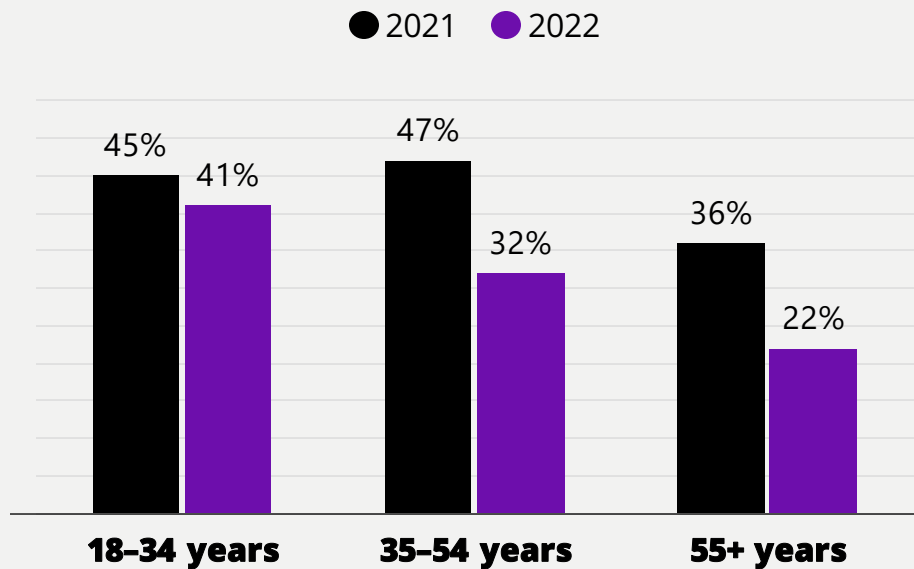
Americans 55 and older are again showing hesitance to travel, and potential trip disruption has become a deterrent for many



Older Americans, more sensitive to disruption, see biggest demand decline vs. last year

Older Americans are more likely to cite potential travel disruption and health as reasons to avoid travel. Younger Americans staying home cite difficulty getting away from work and holding off for a bigger trip next year.

Traveling during 2022 holiday season



Reasons for not traveling

| | 18-34 years | 35-54 years | 55+ years |
|--|-------------|-------------|-----------|
| Can't afford it | 35% | 41% | 36% |
| Concerned about travel disruption | 13% | 17% | 22% |
| Planning a bigger trip next year | 18% | 15% | 14% |
| Cannot get away from work | 17% | 14% | 5% |
| Concerned about health | 8% | 5% | 12% |

Questions: (1) What activities are you planning to partake in during the 2022 holiday season (between Thanksgiving and mid-January 2023)? Please select all that apply; (2) You indicated that you are unlikely to take a trip for leisure this holiday season. Why?

Note: N=1,540.

Reconnecting with loved ones leads travel motivators, but more influential for those 55+

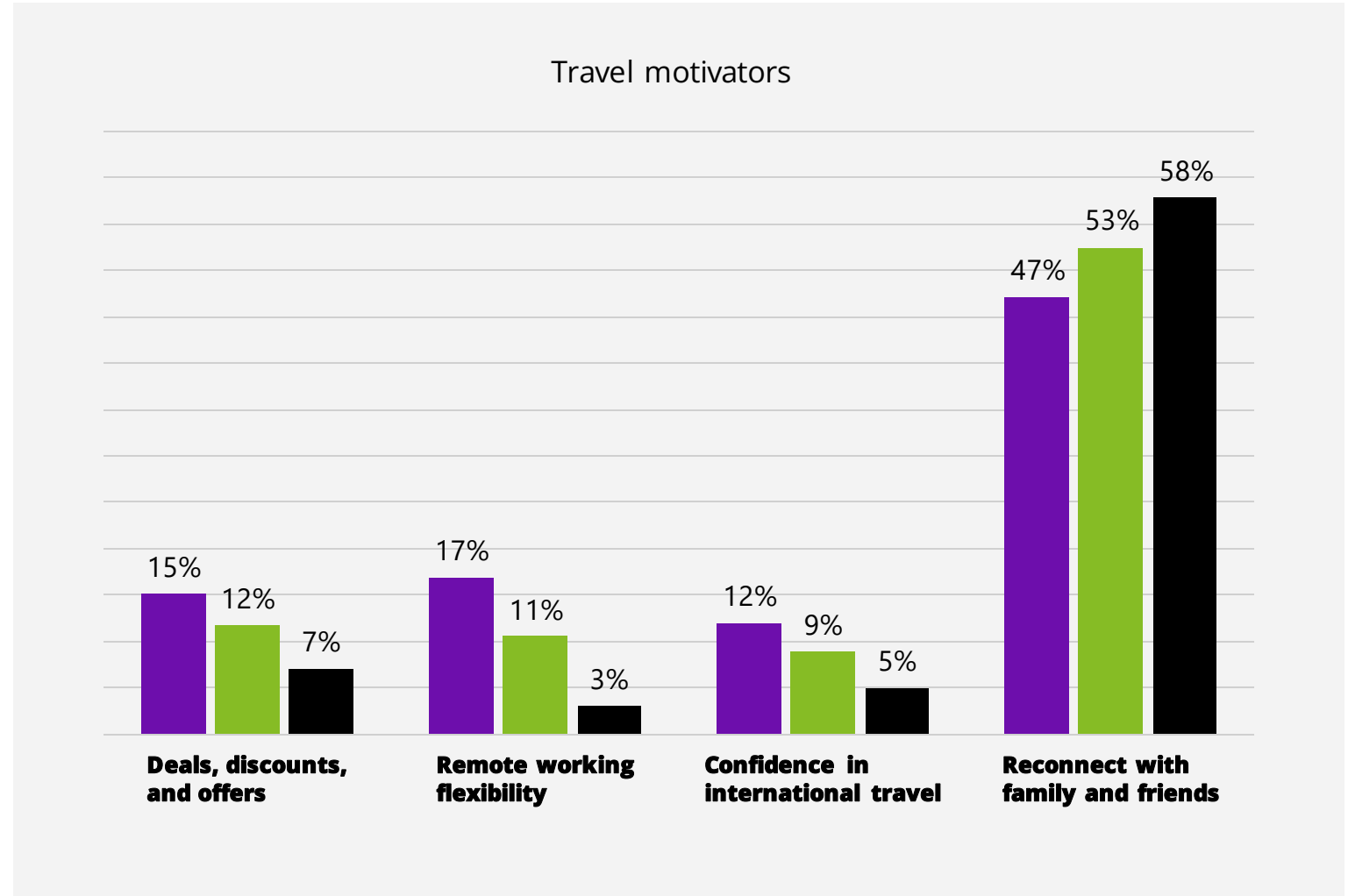
Travelers taking three or more trips

18-34 years 32%
35-54 years 19%
55+ years 11%

Questions: (1) How many leisure trips will you be taking this holiday season?; (2) What motivates you to travel this holiday season? Please select all that apply.

Note: N=1,540.

Younger travelers are more likely than older travelers to be motivated by deals, remote working, and international travel

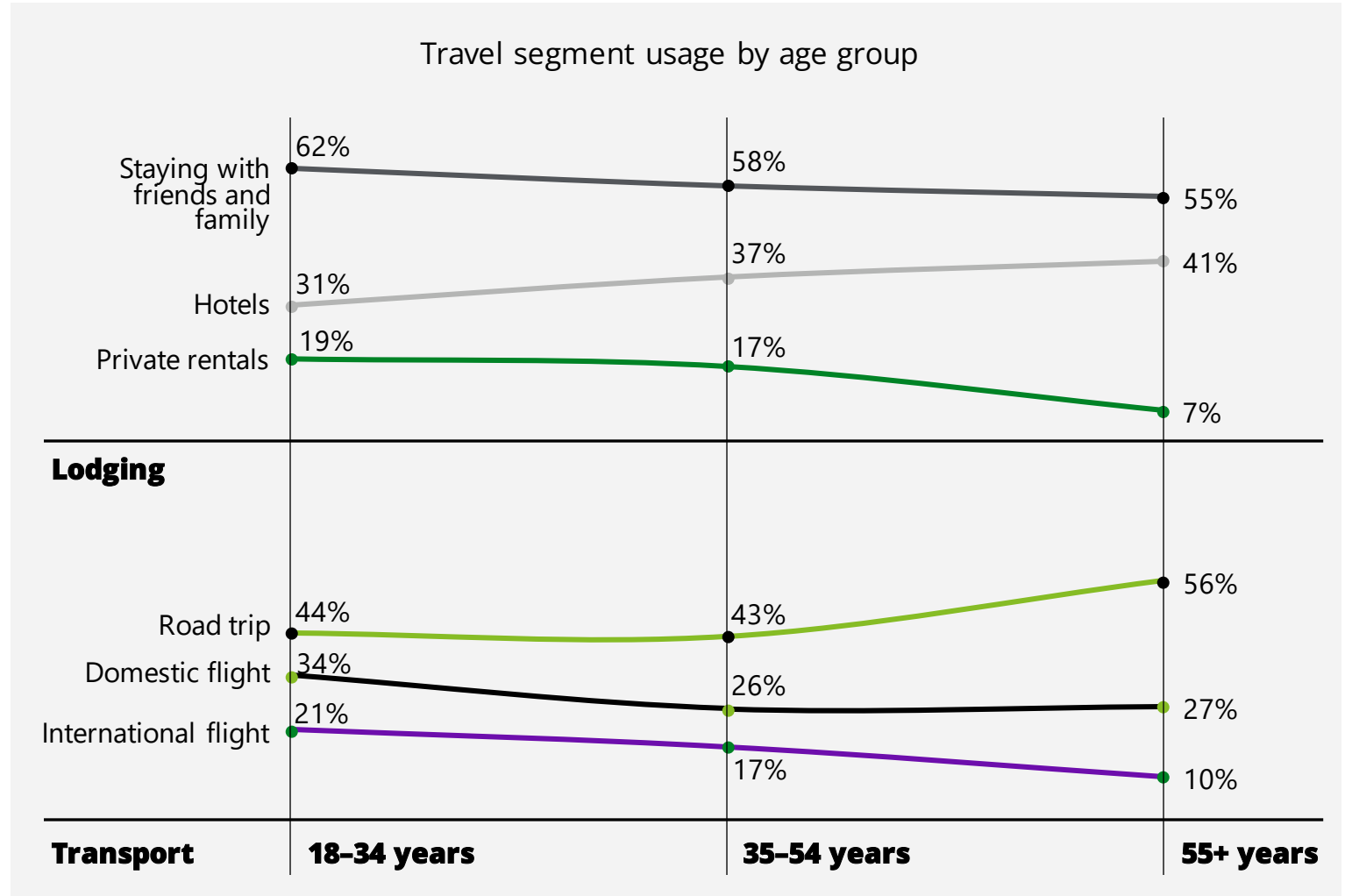


Younger travelers more likely to fly; more older travelers to stay in hotels

Younger travelers are more likely to fly, especially internationally; 56% of older travelers plan road trips, likely due in part to concerns about flight delays and cancellations.

Question: Please select which (if any) travel products/activities you plan to partake in (N=1,540).

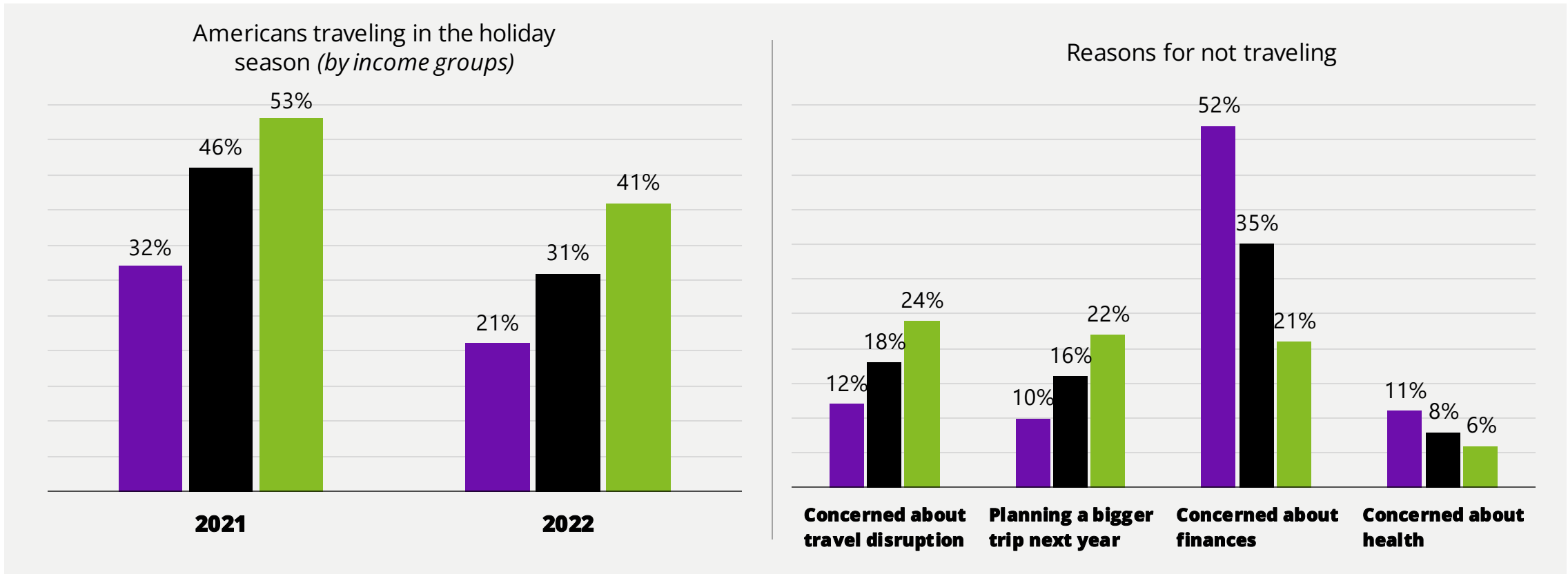
Travelers 55 and older are 6x more likely to choose hotels than private rentals. For 18-to-34-year-olds, that figure is 1.6x.



Intent drops across income levels, but higher-income is 2x as likely to travel vs. lower

Among those not traveling, the two higher income groups are more likely to point toward travel disruption or a bigger trip planned for next year. Lower-income travelers are more likely to cite financial and health concerns.

● Lower income ● Middle income ● Higher income



Questions: (1) What activities are you planning to partake in during the 2022 holiday season (between Thanksgiving and mid-January 2023)? Please select all that apply; (2) You indicated that you are unlikely to take a trip for leisure this holiday season. Why?

Note: N=1,540; *annual income brackets – lower-income group: under \$50,000; middle-income group: \$50,000–\$99,999; higher-income group: \$100,000 or more.

Remote workers hit the road

Mixing work and vacation persists even as more return to offices, translating into more travel days for many



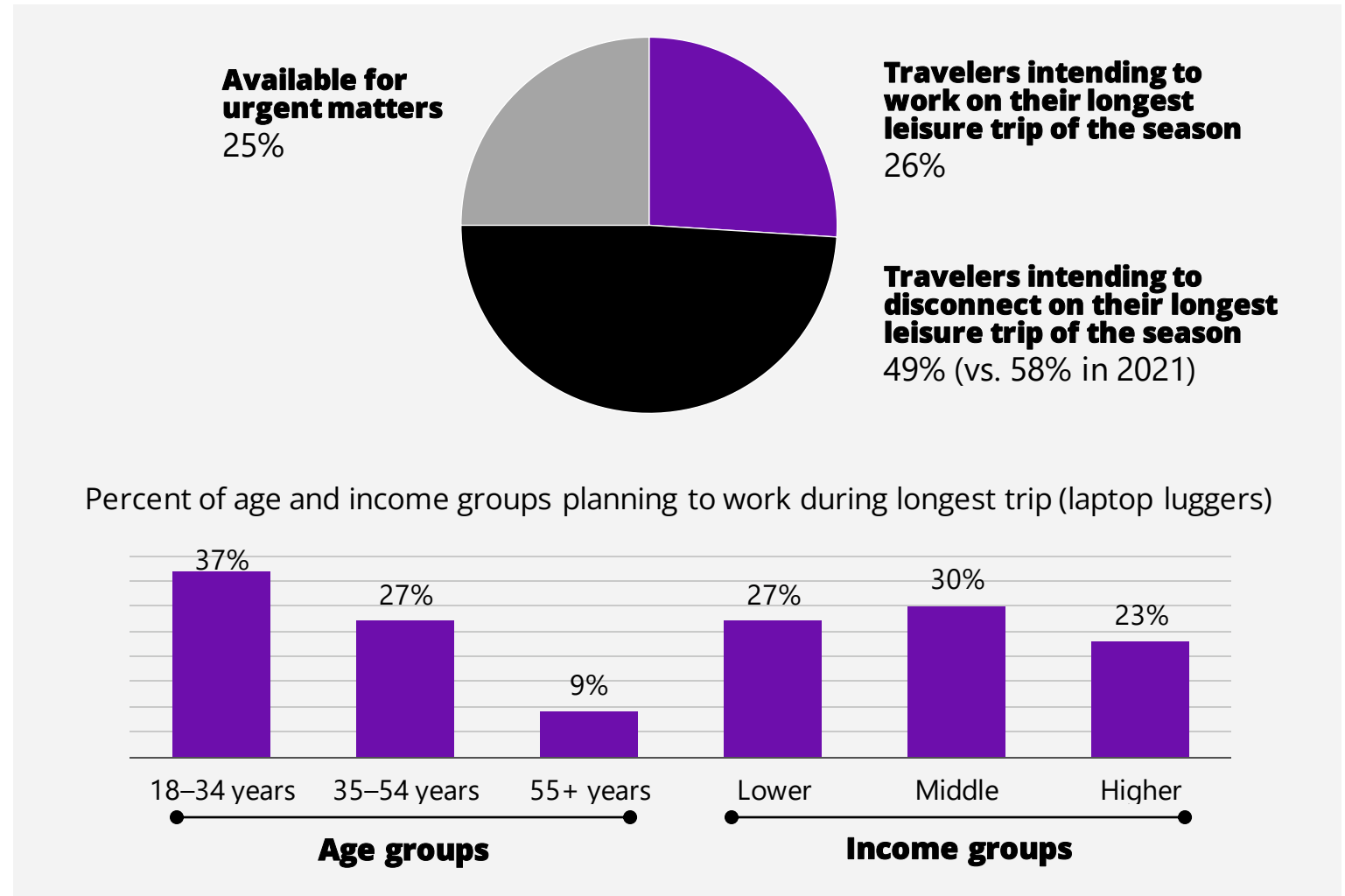
Young travelers lead the laptop lugger movement

About **1 in 4** travelers intend to work on their longest trip of the holiday season.

Given travel incidence, the overall laptop lugger pool continues to skew toward **18-to-34-year-olds** and **higher-income** travelers.

Question: On your longest leisure trip this holiday season, what is your approach to work? (N=1,540).

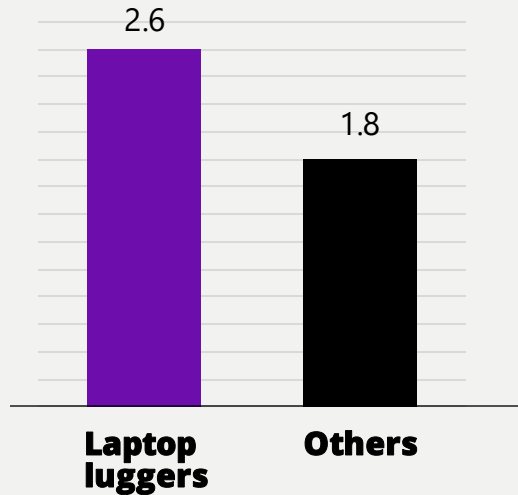
Travelers under 55 are 3.6x as likely to plan to work during their trips vs. travelers 55 and older



Laptop luggers stretch their dollar, as well as their time

Although travelers who plan to work during their trips plan more travel this holiday season, they are stretching their dollar. Their average budgets reflect a focus on deals and discounts, and could also reflect smaller travel parties and avoidance of peak travel days.

Average number of trips



On average, laptop luggers are adding over a week (eight days) to their travels due to the ability to work remotely.

“Laptop luggers” are those who plan to work during their longest trip of the season. But workplace flexibility has effects beyond this group.

Overall, American travelers are adding an average of six days to seasonal travel due to the ability to work from anywhere.

Estimated lodging and transport spend

| | |
|-----------------------|----------------|
| \$1,159 | \$1,332 |
| Laptop luggers | Others |

Laptop luggers’ planned spend is lower than that of other travelers. This could be driven partly by a younger age and likely smaller size of travel party. But they are also bargain hunters, twice as likely to say their travel is motivated by deals and discounts.

Questions: (1) How many leisure trips will you be taking this holiday season?; (2) How many days of travel this holiday season are enabled by your ability to work remotely?; (3) What is your estimated travel budget for your trips between Thanksgiving and mid-January? Please include only your transportation and lodging costs in this estimate.

Note: N=1,540, N=402 travelers planning to work during longest trip.

About the survey

Survey timing

September 6 to September 14, 2022

Sample

The survey polled a sample of 4,986 Americans engaging in holiday season activities—1,540 respondents who are taking a leisure trip this season and staying at paid lodging or with friends/family, or both, qualified as holiday travelers. The survey has a margin of error for the entire sample of plus or minus two percentage points.

Methodology

The survey was conducted online using an independent research panel.

Thank you

The authors would like to thank Sanjay Vadrevu and Kusum Raimalani for their contributions to this report.

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