

# Expedia Travel Trendwatch™

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Online at [www.expedia.com/tips](http://www.expedia.com/tips)

## Millions of Americans Will Hit the Roads and Skies



Despite economic worries and concerns over higher airfares, the upcoming holiday and winter travel season will not differ greatly from previous years. In fact, recent data show airfares on many routes are at or even below 2007 levels. Once again millions of Americans will hit the roads and the skies to visit family or take vacations around Thanksgiving, Hanukkah, Christmas and New Year's. Airports will be very busy. Flights will be full. Freeways will be jammed on the days leading up to and the weekends following holidays.

But there will be some differences this year. Travelers will face a host

of new airline fees they may not be familiar with. Some will have to take connecting flights to destinations where they used to fly nonstop. While air and hotel will be more expensive than other times of the year, many routes and rooms will be at or even below last year's rates. Airline capacity reductions will mean fewer planes and more crowded flights – the bright side of this means there could be less stress on the air traffic system and fewer congestion-related delays. With a renewed focus on personal spending, more Americans may take a single, longer trip for Thanksgiving or Christmas/New Year's instead of two shorter ones.

### DID YOU KNOW...

Fourteen percent of U.S. adults (approximately 32 million people) plan to travel by air during the upcoming Thanksgiving/Winter holiday season. A much larger percentage will drive.

Source: Expedia/Harris poll of 2017 U.S. adults.

They'll also be more willing to rearrange travel schedules to avoid the more expensive traditional peak travel days. Travel deals during the low-demand "dead weeks" between Thanksgiving and Christmas and in early January could offer some of the best deals in recent years for those with flexible schedules. The holiday travel season is traditionally

### PEAK-SEASON HOLIDAY FARES RISE

The average Thanksgiving roundtrip airfare this year is \$451. That is 14% (\$55) higher than last year when it was \$396.

The average Christmas/winter holiday roundtrip airfare this year is \$563. That is 25% (\$112) higher than last year when it was \$451.

Source: Expedia; fares checked 11/11/08 and subject to change

“Dead weeks are the best times to find outstanding last-minute travel bargains ... ”



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one of the most expensive times of year to travel ... but it can be one of the LEAST expensive times to take a vacation, too.

## THANKSGIVING TRENDS:

Air travel during the last two weeks of November is generally about 10 percent more expensive than the rest of the year.

More Americans are taking the entire week of Thanksgiving off this year, which means that the weekend before Thanksgiving (Friday Nov 21 – Sunday Nov 23) will be busy and expensive.

As usual, the highest volume days will be the Tuesday and Wednesday before and the Sunday and Monday after Thanksgiving.

Expect crowds and delays at airport security on Monday morning when business travelers mix in with those returning home from their vacations.

Airlines have deeply reduced the number of aircraft flying on Thanksgiving Day, so travelers should expect relatively uncrowded airports, but very crowded planes.

## HANUKKAH/CHRISTMAS TRENDS:

Air travel during the last two weeks of December is about 30 percent more expensive than the rest of the year.

Many travelers are opting to take the entire week of Hanukkah/Christmas, which means very heavy crowds and higher prices on the weekends

before and after, when average fares peak. Midweek holiday fares are slightly cheaper.

Christmas Eve and Christmas morning should offer a respite from crowds and high prices.

## DEAD WEEKS:

In the midst of the highest demand and highest prices of the year come the “dead weeks” in early December and early January when travel demand plummets along with prices. This year dead weeks run roughly December 3-18 and then January 3-15. **TIP:** If your travel budget is thin and cost is your biggest concern, dead weeks are the best times to find outstanding last-minute travel bargains. Use tools like Expedia's fare calendars that allow you to search and compare prices for the two

Air Travel Volume Thanksgiving Week (November)						
<b>Tues 25</b> <b>Very Heavy</b>  Avg Fare: <b>\$424</b>	<b>Wed 26</b> <b>Very Heavy</b>  Avg Fare: <b>\$442</b>	<b>Thanksgiving</b> <b>AM: Heavy</b> <hr/> <b>PM: Moderate</b>  Avg Fare: <b>\$406</b>	<b>Fri 28</b> <b>Moderate</b>  Avg Fare: <b>\$413</b>	<b>Sat 29</b> <b>Moderate</b>  Avg Fare: <b>\$463</b>	<b>Sun 30</b> <b>Very Heavy</b>  Avg Fare: <b>\$498</b>	<b>Mon 1</b> <b>Very Heavy</b>  Avg Fare: <b>\$462</b>

Fares checked on Expedia.com on 11/11/2008 and subject to change.

Air Travel Volume Hanukkah/Christmas Week (December)						
<b>Sat/Sun 20-21</b> <b>Very Heavy</b>  Avg Fare: <b>\$634/\$581</b>	<b>Mon 22</b> <b>Very Heavy</b>  Avg Fare: <b>\$535</b>	<b>Tue 23</b> <b>Very Heavy</b>  Avg Fare: <b>\$500</b>	<b>Wed 24</b> <b>Moderate</b>  Avg Fare: <b>\$471</b>	<b>Christmas</b> <b>AM: Moderate</b> <hr/> <b>PM: Heavy</b>  Avg Fare: <b>\$522</b>	<b>Fri 26</b> <b>Heavy</b>  Avg Fare: <b>\$572</b>	<b>Sat/Sun 27-28</b> <b>Very Heavy</b>  Avg Fare: <b>\$621/\$585</b>

Fares checked on Expedia.com on 11/11/2008 and subject to change.

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weeks before and after your desired travel dates. (See chart illustrating dead week discounts on last page.)

## Best Bets for Dead Week Travel:

- Best bets for early December deals: Cruises, Caribbean resorts, ski resorts (where there is snow; many resorts open over Thanksgiving) and last-minute packages.
- Best bets for early January deals: ski resorts, Hawaii, Mexico and Europe.

## AIRLINE TRAVEL TRENDS

### **TREND:**

Lower demand combined with falling oil prices could spell dramatic last-minute airfare sales in coming months. **TIP:** Keep an eye out for last minute deals on sites like [www.expedia.com/lastminute](http://www.expedia.com/lastminute) and use online booking tools such as fare calendars that illustrate when fares are lowest.

### **TREND:**

Air travel is generally less expensive for Thanksgiving than for Christmas/New Year's. During the last two weeks of November, fares are typically about 10 percent higher than the rest of the year. During the last two weeks of December, fares trend about 30 percent higher than the rest of the year according to Expedia airfare data. **TIP:** If budget is a concern, travel for Thanksgiving but stay home for Hanukkah/Christmas/New Year's.

### **TREND:**

Thanksgiving airfares (last two weeks of November) are 14 percent higher than last year according to Expedia data. Average Christmas season airfares (last two weeks of

December) are 25 percent higher than last year. **TIP:** If holiday airfares are out of your reach this year, consider postponing your holiday to the “dead weeks” when airfares and hotel rates plummet.

### **TREND:**

There are several high volume routes where fares are about the same or even lower than last year. For example, fares between New York and Atlanta during November and December are down 3 percent; they are down 7 percent between New York and Las Vegas and down 10 percent between Seattle and Los Angeles. (See chart below) **TIP:** If you want to take a trip over the holidays and are flexible on your destination, let the deal determine your destination.

## Top Routes with Lower Fares

### November – December Trips

Atlanta – New York  
New York – Los Angeles  
Detroit – Orlando  
New York – Miami  
New York – Las Vegas  
San Francisco – Las Vegas  
Los Angeles – Honolulu  
Seattle – Las Vegas  
Seattle – Los Angeles

Source: Expedia. Fares booked to date for Nov/Dec 2008 compared to fares paid Nov/Dec 2007. Checked on Expedia.com on 11/11/2008 and subject to change.

### **TREND:**

Most major airlines now charge fees for checked baggage, including sporting equipment. **TIP:** Consider renting snowboards, skis, boots, surfboards, bicycles or other sports equipment at your destination. In many cases, rental fees could be



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less than the excess baggage fees imposed by airlines. However, be sure to reserve rental equipment ahead of time this year to avoid sell-outs. Also, if you must bring your own, look for hotel promotions offering baggage fee rebates of \$25 to \$50, which are increasingly prevalent at ski destinations.

**TREND:**

One-stop flights are increasingly less expensive than nonstop flights.

**TIP:** If you take a one-stop flight, try to route through a fair weather hub such as Dallas, Atlanta, Houston, Phoenix or Charlotte instead of those in northern climes that are more susceptible to winter weather. You'll decrease the likelihood of encountering a weather-related delay.

### AIRLINE CAPACITY CUTS ... AND ADDITIONS

Hawaiian airports have experienced a 20-30 percent reduction in service from airlines. In addition, airlines have significantly reduced the number of flights to/from: Oakland, Long Island (MacArthur), Cincinnati, Kansas City, San Juan, Pittsburgh, Chicago-Midway and Orlando. On the other hand, some airports have experienced gains, such as Burlington, VT, Jackson Hole, San Francisco, Buffalo, New Orleans, San Antonio, Denver and Seattle.

### HOTEL TRENDS

Expedia data show hotel rates trending up and down at the most popular holiday destinations. For example, third quarter hotel rates in leisure-heavy markets such as Las Vegas and Maui are down significantly

while rates in markets with more business travel and international visitors such as New York and San Francisco have increased. (See chart)

Most Popular Holiday Destinations	
Cities and Hotel ADR Change	
Las Vegas	-16%
Manhattan	+3%
Orlando	-4%
Oahu	-6%
Cancun	-5%
Maui	-15%
Puerto Vallarta	-7%
San Francisco	+18%
Paris, France	+7%
Miami	-7%

Source: Expedia. Avg Rate Change compares Q3-07 rates with Q3-08 rates.

**TREND:**

Hotel rates in popular leisure travel destinations such as Florida, Hawaii and Las Vegas are lower than last year. **TIP:** Winter trips to traditional leisure destinations should offer maximum value this year.

**TREND:**

Despite recent declines in average Manhattan hotel rates, the first two weeks of December will still be crowded and expensive. However, for the first time in many years, some hotels are offering discounts during this period. **TIP:** Book Big Apple hotel rooms early to avoid the last minute rush and higher prices. Prices are highest from roughly December 1 through December 20, but bargain hunters who flock to New York later in the month (think about those after-Christmas sales) should expect deep hotel discounts through New Year's Eve.

“ The second long weekend of the winter is a popular time for skiing as well as warm weather destinations ... ”



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Dead Week Discounts			
	Peak Days 12/21 – 12/28	Dead Week 12/12- 12/15	Savings
Atlanta – New York	\$326	\$206	\$120
Boston – Chicago	\$321	\$216	\$105
Chicago – San Francisco	\$372	\$237	\$135
Denver – Miami	\$616	\$257	\$359
Los Angeles – New York	\$606	\$278	\$328
Seattle – Minneapolis	\$466	\$247	\$219

Fares checked on Expedia.com on 11/11/2008 and subject to change.

## MARK YOUR CALENDARS: KEY WINTER TRAVEL DATES AND ADVICE

• **December 5-20:** Peak shopping days in New York City when hotel rates reach annual highs, especially on weekends when hotels typically sell out. Tip: If you aren't shopping in NYC during this time, stay away!

• Hanukkah starts Sunday, **December 21**.

• **January 16-19:** Martin Luther King weekend. The first long weekend of the year kicks off ski season. Rates are still low in January but start to trend upward in mid-February and peak in March. In addition, with the MLK Weekend and the presidential inauguration back-to-back, expect sell-outs in the Washington, D.C., area.

• **February 1** – The Superbowl. While everyone else is at home watching the big game, ski resorts, amusement parks and airports are typically quiet with almost no lines.

• **February 13-16:** Presidents Day Weekend. The second long weekend of the winter is a popular time for skiing as well as warm weather destinations such as south Florida, the Caribbean, Mexico and Hawaii.

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## INSIGHT AND EXPERTISE

Chris McGinnis, a 20-year travel industry veteran most recently serving as a travel correspondent on CNN Headline News, is the editor of the Expedia Travel Trendwatch®. Each report provides travelers with a treasure trove of trends, data and advice designed to help them make better travel decisions. McGinnis's travel industry insight and expertise, coupled with the unparalleled travel intelligence of Expedia®, can be found throughout this report, arming travelers with an invaluable source of advice and insider knowledge on travel trends.

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