

US, UK Travel Sales Won't Recover Until 2022

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eMarketer Editors

As a result of the COVID-19 pandemic, demand for traveling dropped off significantly, especially in the US and UK, two of the hardest hit countries. The situation is exacerbated by a halt in business traveling and cruise ships worldwide.

Our data is based on the assumption that lockdown restrictions ease in H2 2020 and demand for traveling will likely still be weak until a vaccine is available, which is estimated to arrive in H2 2021. This being said, a full recovery will likely not happen until 2022.

United States

"As summer breaks approach, US consumers' appetite for travel is starting to increase. But fears of infection, foreign travel restrictions and the desire to avoid a quarantine will keep most of those who pack their bags closer to home," said eMarketer senior analyst Jasmine Enberg. "Domestic travel, particularly car trips, will be the most popular form of leisure travel this year, and that will depress digital travel sales in 2020 as domestic trips tend to cost less than international travel."

- As a result, we estimate that digital travel sales in the US will drop by 44.7% in 2020 with total sales tallying \$115.27 billion, a far cry from the \$208.44 billion in 2019.

- Strong growth is expected post-vaccine, resulting in a digital travel sales growth of 21% next year in the US.
- Digital travel sales will likely not reach its pre-virus sales until 2022, when digital travel sales are expected to grow by 49.7% to reach \$208.8 billion in the US.

United Kingdom

“Tighter restrictions than the US and vastly diminished post-pandemic options has led to a general wariness among the UK population when it comes to travel,” said eMarketer senior analyst Bill Fisher. “Even where there *are* green shoots, sales values are likely to be diminished as holiday-makers eschew international travel through 2020 in favor of ‘staycations’ within the UK.”

- The UK is expected to be in a similar situation. However, since the UK has so far seemed to be less keen on reopening and more cautious as opposed to the US, digital travel sales in the UK is expected to show a bigger hit.
- eMarketer estimates that digital travel sales in the UK will drop by 46.2% in 2020 with total sales tallying GBP16 billion, down from the GBP29.7 billion in 2019.
- Similar to the US, a strong growth of 19% is expected in 2021 if a vaccine becomes available by mid-year, and digital travel sales will grow by 56.6% in 2022 to reach its previous high in 2019.