

# Travel shows signs of uptick, but COVID-19 and inflation concerns linger

## Article



**The news:** As the US Memorial Day weekend kicks off another busy summer season, travel and leisure companies are hoping to attract new customers.

- [United Airlines](#) began its first major ad campaign in nearly a decade earlier this month.

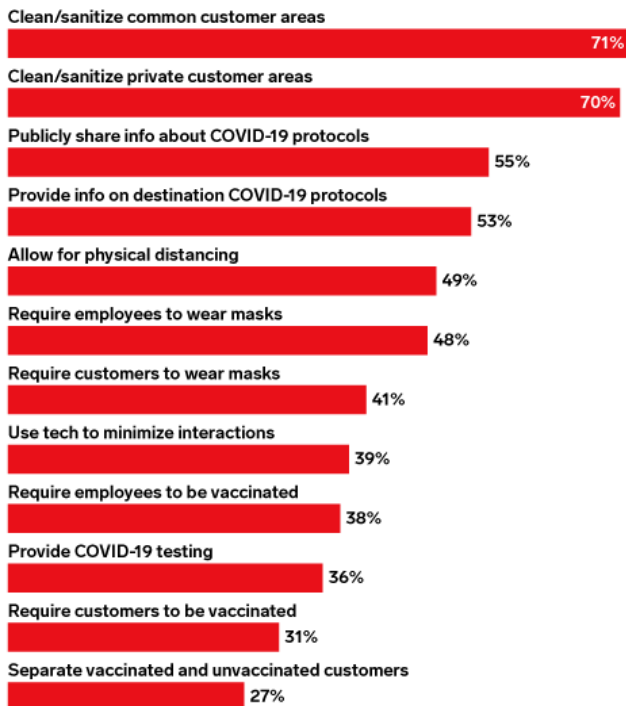
- In expectation of higher travel, hotels [are adding](#) extended-stay properties, work spaces, and social attractions.

**Precarious promise of travel:** Still, despite an increased desire to hit the road, there are significant headwinds that could delay the travel recovery. Consumers are wary of inflation and have concerns about COVID-19.

- [More than half of international travelers](#) (54%) are hesitant to visit the US because of the country's pre-departure COVID-19 testing requirements, per US Travel Association.
- Top areas of concern cited by US consumers about travel were health and safety (29%), costs of travel (25%), and gas prices (17%), per [Redpoint Global](#).
- 31% of UK online adults surveyed by [YouGov](#) in May 2022 indicated they are cutting back on day trips as a result of rising inflation. About the same percentage of Canadian respondents plan to curb international and domestic travel, per an April 2022 [Ipsos](#) poll.
- Nonetheless, about [six in 10 Americans](#) plan to take at least one summer trip, and tourists are spending [roughly 34%](#) more than they did in 2019 at restaurants and concerts.

## US Adults Who Agree that Travel Brands Should Take Select Coronavirus Safety Measures, Feb 2022

% of respondents



Source: Morning Consult, "State of Travel & Hospitality Q1 2022," March 10, 2022

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**The big takeaway:** As air carriers and leisure companies ramp up marketing efforts to entice more consumers, they need to recognize that the current economic uncertainty is likely to affect consumers' spending on travel, which for most is a discretionary, not necessary, expense.

- Marketers would be well advised to take a calculated approach to ad spending within the travel category in the current environment, as rising prices could depress demand.