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## **Inflation, Rising Prices Causing 79% of Holiday Travelers to Change Their Plans** *Many Are Opting for Shorter Trips, Cheaper Activities and/or Less Expensive Accommodations/Destinations*

New York – October 5, 2022 – Of the 43% of U.S. adults planning to travel this holiday season, just under 8 in 10 of those travelers (79%) are changing their plans this year due to inflation/rising prices, according to a new survey from Bankrate.

<https://www.bankrate.com/finance/credit-cards/survey-holiday-travel/>

Among those planning overnight leisure trips between Thanksgiving and New Year's, 26% say they will travel for fewer days, 25% will engage in cheaper activities, 25% are selecting less expensive accommodations/destinations, 24% will take fewer trips, 23% will travel shorter distances, 23% will drive instead of flying, 22% will use rewards points/miles/loyalty programs, 12% will fly instead of driving and 1% said they will do something else due to inflation/rising prices.

Lower income households are impacted at a higher rate:

<b>Household Income</b>	<b>% Changing Plans due to Inflation/Rising Prices</b>
Less than \$50,000	86%
\$50,000-\$79,999	79%
\$80,000-\$99,999	77%
\$100,000 or higher	70%

32% of holiday travelers say their holiday travel plans will strain their budgets. 31% are worried their travel plans could be disrupted and 22% will feel pressured to spend more than they're comfortable.

40% of millennial holiday travelers (ages 26-41) say their budgets will be strained, compared with 31% of Gen Xers (ages 42-57), 28% of Gen Zers (ages 18-25) and 23% of boomers (ages 58-76).

“Travel costs have surged, so it's important to plan ahead and factor these expenses into your overall holiday budget,” says Ted Rossman, Senior Industry Analyst for Bankrate. “I suggest making airplane and hotel reservations earlier than in previous years, since demand will probably outpace supply. This summer, air travel was particularly messy as consumers unleashed pent-up demand and the industry couldn't keep pace.”

Among holiday travelers requiring travel reservations, 16% booked before September, 15% planned to book in September, 22% in October, 21% in November and 11% in December. Another 15% didn't know. In other words, about a third (31%) planned to book by the end of September and more than half (53%) planned to book by the end of October.

Rossman adds: "Using credit card rewards, frequent flyer miles and hotel points can save you a lot of money. Many people have amassed a lot of these and haven't traveled much the past few years, so it's a good time to cash them in. They won't get more valuable over time."

49% of holiday travelers plan to pay (or have already done so) with a debit card or cash, 38% with credit cards that will be completely paid in full before interest accrues, 21% with rewards points, 18% with credit card(s) paid back over time and 8% with buy now, pay later services.

Boomers are the most likely to use (or to have used) credit cards that they pay in full (46%). Millennials are the most likely to use buy now, pay later (13%).

Some 29% of all U.S. adults are planning an overnight leisure trip by car this holiday season, while 14% anticipate flying, 6% plan to get to their destination by train and 5% via a boat/cruise. About one in eight (13%) expect to pay for lodging.

According to the latest Consumer Price Index data published by the Bureau of Labor Statistics, airline fares rose 28% from August 2021 to August 2022 and gasoline prices were up 26%. Lodging away from home, on the other hand, only nudged up 1%.

**Methodology:** Bankrate.com commissioned YouGov Plc to conduct the survey. All figures, unless otherwise stated, are from YouGov Plc. The total sample size was 2,455 adults, including 1,055 who anticipate traveling for the holidays and 829 who require travel reservations. Fieldwork was undertaken between September 7-9, 2022. The survey was carried out online and meets rigorous quality standards. It employed a nonprobability-based sample using quotas upfront during collection and then a weighting scheme on the back end designed and proven to provide nationally representative results.

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