



An analyses of the airline tickets prices behaviour: before, in and after COVID

The COVID-19 pandemic has had unprecedented effects on the global economy with a most marked effect on the tourism sector. Within the tourism sector, air companies have suffered the most severe effects of COVID-19, which led to the cancellation of numerous flights at the worst moments of the pandemic with a drastic reduction in demand. This makes it necessary to analyze the situation in the airline sector after having overcome the worst of the pandemic, taking into account the inflationary crisis caused by the Russian-Ukrainian war.

This paper analyzes the behavior of airline flight prices, little analyzed in the specialized literature, considering: three moments of the pandemic; the destination continent of the flight; and the most or least tourist character of the destination. In addition, the effect of the moment of the pandemic on the factors with the greatest impact on the average price and price variability of the flight from the point of view of supply has been analyzed, taking into account: the minimum number of stopovers; the presence of Low Cost companies; the number of airport in the destination; and the number of companies in the route.

The results show that all factors considered have a clear influence on the average behavior of prices and there has been an increase in average prices, more significant in most tourist destinations, with the pandemic recovery. Taking into account the destination continents, the situation is different: in Asian destinations, average prices have suffered a fairly high increase after COVID; in Europeans, average prices are lower after COVID and lower during COVID; in Americans, average prices go down during COVID and then recover but less than before COVID; and in national destinations the behavior is similar to the previous one but with small, non-significant differences if we compare the prices in COVID and after COVID. These differences are due to the fact that the effects of the pandemic are different at the same moment in time in different places.

In the case of factors with more influence in the average prices behaviour, the number of scales continues to be a key element with a recovery of its influence after the pandemic. Furthermore, the number of companies that operate the route is also a significant factor that explains the behavior of average prices. Finally, COVID-19 has led to a change in the key factors that affect price variability and factors such as the number of stopovers, the presence of low-cost companies, the number of airports or the number of companies that operate the route are no longer significant in explaining the aforementioned variability. This makes it necessary to include new classic factors, related to the pandemic or consequence of the Russian-Ukrainian war that explain the existing variability in prices.

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