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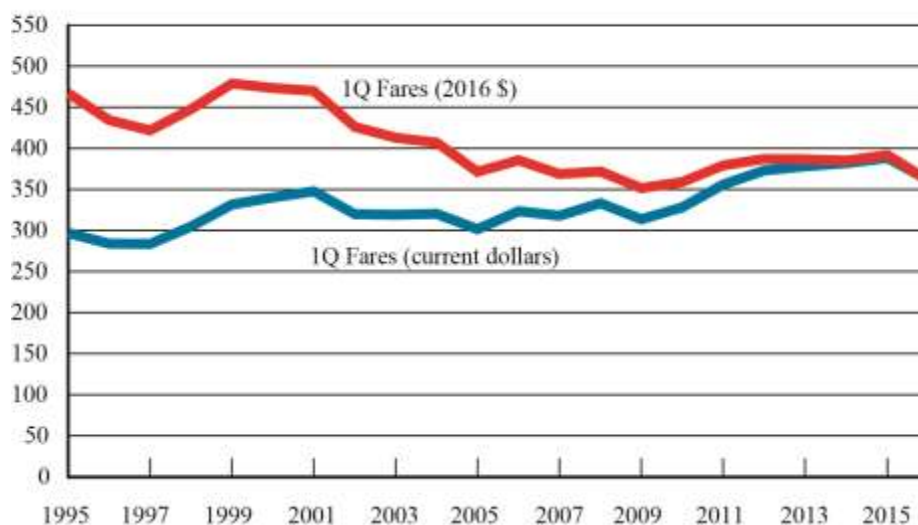
## BTS Data

BTS 39-16  
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### 1st-Quarter 2016 Air Fare Data

The average domestic air fare decreased to \$361 in the first quarter of 2016, down 7.8 percent from \$392 in the first quarter of 2015, falling to the lowest level since 2010, adjusted for inflation (Table 1), the U.S. Department of Transportation's Bureau of Transportation Statistics (BTS) reported today.

Figure 1. U.S. Average Domestic Fares, 1st Quarter 1995-2016



Source: Bureau of Transportation Statistics, [BTS Air Fares, Origin and Destination Survey](#)

BTS reports average fares based on domestic itinerary fares. Itinerary fares consist of round-trip fares, unless the customer does not purchase a return trip. In that case, the one-way fare is included. One-way trips accounted for 33 percent of fares calculated for the first quarter of 2016. Fares are based on the total ticket value, which consists of the price charged by the airlines plus any additional taxes and fees levied by an outside entity at the time of purchase. Fares include only the price paid at the time of the ticket purchase and do not include fees for optional services, such as baggage fees. Averages do not include frequent-flyer or “zero fares.” Constant 2016 dollars are used for inflation adjustment.

## **Inflation-Adjusted Air Fares**

First-quarter fares rose 7.9 percent from the recession-affected low of \$351 in 2009 to the first quarter of 2011. Since 2011, first-quarter fares fell 4.7 percent to 2016 (Table 1).

The first-quarter 2016 fare was down 24.6 percent from the average fare of \$479 in 1999, the highest inflation-adjusted first quarter average fare in the 21 years since BTS began collecting air fare records in 1995. Since 1995, inflation-adjusted fares declined 22.7 percent compared to a 57.3 percent increase in overall consumer prices (Table 2). See [BTS Air Fare web page](#) for historic data.

In recent years, airlines have obtained additional revenue from fees charged to passengers as well as from other sources. U.S. passenger airlines collected 73.8 percent of their total revenue from passenger fares during the first quarter of 2016, down from 87.6 percent in 1995 (Table 1A).

## **Quarter-to-Quarter Change**

Average fares have declined for five consecutive quarters after reaching an inflation-adjusted recent high of \$398 in the fourth-quarter of 2014 (Table 3).

## **Unadjusted Air Fares**

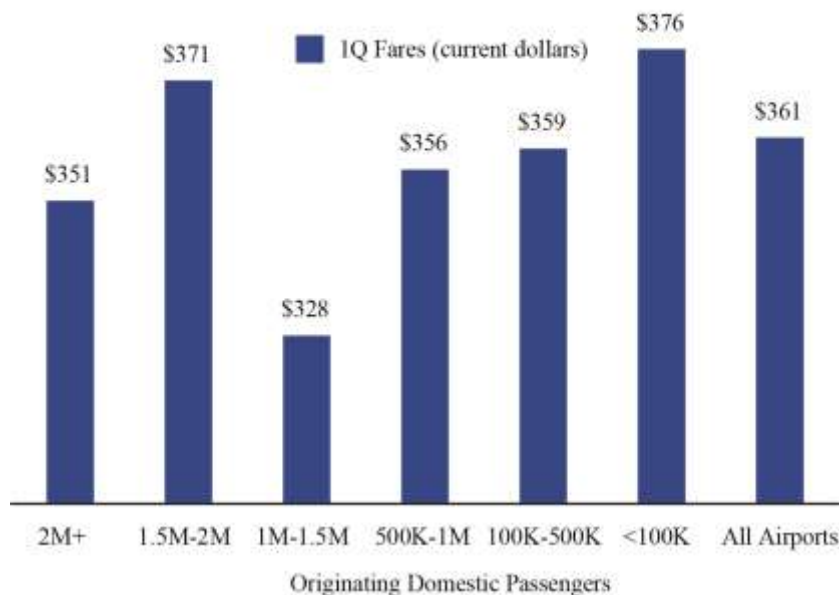
The \$361 first-quarter 2016 average fare was down 7.0 percent from the first quarter 2015 of \$388, which was the highest average fare for any first quarter since 1995. Since 1995, unadjusted fares rose 21.7 percent compared to a 57.3 percent increase in overall consumer prices (Table 4).

First-quarter 2016 fares were down 0.4 percent from the fourth quarter of 2015, dropping to the lowest unadjusted level since the third quarter of 2011 when the average fare was also \$361 (Table 5).

First-quarter 2016 fares were down 8.9 percent from the all-time unadjusted quarterly high of \$396 in the third quarter of 2014.

## **Fares by Airport**

Figure 2. Fares by Airport Group based on Originating Domestic Passengers 1Q 2016



Of airports grouped by the number of originating passengers in the first quarter of 2016, the 11 airports with between 50,000 and 99,999 originating passengers had the highest average fares (\$376). Airports with 1 to 1.49 million originating passengers had the lowest average fares of any group (\$328) (Table 6).

Tables listing the airports by group can be found on the [BTS Air Fare web page](#).

For additional data, see [Top 100 Airports](#) or [All Airports](#). Since average fares are based on the [Origin and Destination Survey](#) 10 percent ticket sample, averages for airports with smaller samples may be less reliable. Fares for Alaska, Hawaii and Puerto Rico airports are not included in rankings but are available on the web page. Second-quarter 2016 average fare data will be released Oct. 25.

**Table 1. 1st Quarter Average Fare 1995-2016, Adjusted for Inflation**

Year	Average Fare in constant 2016 dollars (\$)	Year-to-Year Percent Change in Average Fare (1Q to 1Q) (%)	Cumulative Percent Change in Average Fare (1Q 1995 to 1Q of each year) (%)
1995	467		
1996	434	-7.0	-7.0
1997	422	-2.9	-9.7
1998	447	6.1	-4.2
1999	479	7.0	2.5
2000	473	-1.2	1.3
2001	470	-0.7	0.6
2002	426	-9.3	-8.7
2003	413	-3.2	-11.6
2004	407	-1.4	-12.9
2005	371	-8.8	-20.5
2006	385	3.8	-17.5

<b>2007</b>	369	-4.4	-21.1
<b>2008</b>	372	0.8	-20.4
<b>2009</b>	351	-5.5	-24.8
<b>2010</b>	359	2.2	-23.1
<b>2011</b>	379	5.6	-18.8
<b>2012</b>	387	2.1	-17.1
<b>2013</b>	387	-0.1	-17.2
<b>2014</b>	385	-0.4	-17.5
<b>2015</b>	392	1.7	-16.1
<b>2016</b>	361	-7.8	-22.7

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Source: Bureau of Transportation Statistics, [BTS Air Fares](#) and [Origin and Destination Survey](#)  
Note: Percent change based on unrounded numbers

**Table 1A. Passenger Airline Revenue from Fares 1990-2016**

<b>Year</b>	<b>Revenue from Passenger Fares as Percent of Total Scheduled Passenger Airline Operating Revenue* (%)</b>
<b>1990</b>	88.5
<b>1995</b>	87.6
<b>2000</b>	88.9
<b>2001</b>	87.8
<b>2002</b>	87.1
<b>2003</b>	84.9
<b>2004</b>	80.6
<b>2005</b>	78.4
<b>2006</b>	77.6
<b>2007</b>	77.7
<b>2008</b>	75.9
<b>2009</b>	73.7
<b>2010</b>	74.8
<b>2011</b>	74.6
<b>2012</b>	74.1
<b>2013</b>	74.6
<b>2014</b>	74.8
<b>2015</b>	74.7
<b>2016 (1Q)</b>	73.8

Source: Bureau of Transportation Statistics, P-1.2

\* From [Schedule P-1.2](#): Passenger Revenue (Fares) (Acct 3901) as a percentage of Total Operating Revenues (4999).

**Table 2. Percent Changes to 2016 in Average Domestic Average Fares and the Inflation Rate\* by Year Since 1995**

(1st Quarter to 1st Quarter for fares; March to March for inflation)

Since 1st Quarter of ...	Duration in Years	Average Fare in constant 2016 dollars (\$)	Percent Change in Average Fare to 1st Quarter 2016 (%)
2016		361	
2015	1	392	-7.8
2014	2	385	-6.2
2013	3	387	-6.6
2012	4	387	-6.7
2011	5	379	-4.7
2010	6	359	0.6
2009	7	351	2.8
2008	8	372	-2.8
2007	9	369	-2.0
2006	10	385	-6.3
2005	11	371	-2.7
2004	12	407	-11.2
2003	13	413	-12.5
2002	14	426	-15.3
2001	15	470	-23.1
2000	16	473	-23.7
1999	17	479	-24.6
1998	18	447	-19.3
1997	19	422	-14.4
1996	20	434	-16.8
1995	21	467	-22.7

Source: Bureau of Transportation Statistics, [BTS Air Fares](#) and [Origin and Destination Survey](#)

\* Rate calculated using Bureau of Labor Statistics Consumer Price Index

**Table 3. Inflation-Adjusted Average Domestic Airline Fares by Quarter**  
Average Fare and Percent Change by Quarter

<b>Average Domestic Fare (2016\$)</b>		
<b>Quarter/Year</b>	<b>Average Fare in constant 2016 dollars (\$)</b>	<b>Quarter-to-Quarter Percent Change in Average Fare (%)</b>
1Q 2014	385	-1.3
2Q 2014	395	2.6
3Q 2014	397	0.3
4Q 2014	398	0.4
1Q 2015*	392	-1.7
2Q 2015*	385	-1.7
3Q 2015*	372	-3.4
4Q 2015*	365	-1.9
1Q 2016*	361	-1.0

Source: Bureau of Transportation Statistics, [BTS Air Fares](#) and [Origin and Destination Survey](#)

Note: Percent change based on unrounded numbers

\* Fares for the most recent four quarters are in current dollars, not adjusted for inflation.

**Table 4. Unadjusted 1st Quarter Average Fares, 1995-2016**

<b>Year</b>	<b>Average Fare in current dollars (\$)</b>	<b>Year-to-Year Percent Change in Average Fare (1Q to 1Q) (%)</b>	<b>Cumulative Percent Change in Average Fare (1Q 1995 to 1Q of each year) (%)</b>	<b>Inflation Rate Change to March 2016</b>
1995	297			57.3
1996	284	-4.4	-4.4	52.9
1997	283	-0.2	-4.5	48.8
1998	305	7.5	2.6	46.8
1999	332	8.9	11.7	44.3
2000	340	2.6	14.6	39.1
2001	348	2.2	17.1	35.1
2002	320	-8.0	7.8	33.2
2003	319	-0.3	7.5	29.3
2004	320	0.3	7.9	27.1
2005	301	-5.9	1.5	23.2
2006	323	7.3	8.9	19.2
2007	318	-1.7	7.1	16.0
2008	333	4.9	12.3	11.5
2009	314	-5.8	5.7	12.0
2010	328	4.6	10.5	9.4
2011	356	8.4	19.8	6.6
2012	373	4.8	25.6	3.8
2013	378	1.4	27.3	2.3
2014	382	1.1	28.7	0.8
2015	388	1.6	30.8	0.9
2016	361	-7.0	21.7	N/A

Source: Bureau of Transportation Statistics, [BTS Air Fares](#) and [Origin and Destination Survey](#)

Note: Percent change based on unrounded numbers



**Table 5. Unadjusted Average Domestic Airline Fares by Quarter**  
Average Fare and Percent Change by Quarter

Quarter/Year	Average Domestic Fare (current\$)	
	Average Fare in current dollars (\$)	Quarter-to-Quarter Percent Change in Average Fare (%)
1Q 2014	382	0.0
2Q 2014	396	3.5
3Q 2014	396	0.2
4Q 2014	393	-0.9
1Q 2015	388	-1.1
2Q 2015	385	-0.8
3Q 2015	372	-3.5
4Q 2015	363	-2.5
1Q 2016	361	-0.4

Source: Bureau of Transportation Statistics, [BTS Air Fares](#) and [Origin and Destination Survey](#)  
Note: Percent change based on unrounded numbers

**Table 6. Fares at Airports Grouped by Originating Passengers**  
Top 100 Airports\* Based on 2016 U.S. Originating Domestic Passengers

Airport Groups based on 1Q 2016 Originating Passengers	Average Fare 1st Quarter 2016 (\$)	Percent of Total Passengers
2 million+	351	8
1.5-1.99 million	371	26
1.0-1.49 million	328	20
500-999,000	356	27
100-499,000	359	17
50-99,000	376	2
<b>Average Fare at All Airports</b>	361	100

Source: Bureau of Transportation Statistics, [BTS Air Fares](#) and [Origin and Destination Survey](#)  
\* Not including Alaska, Hawaii or Puerto Rico