

CHADDICK INSTITUTE FOR METROPOLITAN DEVELOPMENT



Intercity Bus E-News Update



Intercity Bus Community,

I am pleased to share this special edition of **Intercity Bus E-News** announcing **Spring Surprise: Air & Train Fares Surge While Bus Fares Fall for Trips Less Than 500 Miles**. This Brief, which I co-wrote with Crystal Bell, is the product of 1,500 online fare searches by our internal DePaul team. It is released to coincide with the traffic buildup for Memorial Day weekend.

A few highlights from our systematic review of prices on major routes between 150 and 500 miles:

- **The lowest air & rail fares bought 3 days in advance** have risen about \$40 each way since January, when extraordinarily low pandemic fares were pervasive. Air and rail fares have returned to levels one would expect during the summer season and moved higher in many cases.
- **Intercity bus fares have risen only modestly, just \$2 each way** for tickets purchased 3 days in advance
- **Intercity bus fares fell for tickets purchased 10 days in advance**, as more carriers roll out expanded schedules. This is giving scheduled bus lines a widening price advantage over air and rail options on tickets bought well in advance, albeit not as great as that for those buying tickets at the last minute.
- **Rising air and rail fares will encourage more travelers to turn to bus travel** during the summer season.

Travelers considering making a trip using a one-way car rental are being forced to reconsider. We found that this option is now typically more expensive than flying (even without including fuel, insurance and tolls), particularly if the rental is booked shortly before departure. Worst still, we found one-way car rentals are unavailable on almost a third of the routes.

A comparison of average (mean) fares in our sample



SPRING SURPRISE
AIR & TRAIN FARES SURGE WHILE BUS FARES FALL FOR TRIPS <500 MILES

Chaddick Policy Brief | May 26, 2021

Key findings of our analysis of major U.S. routes that are 150 – 500 miles:

- The deeply discounted airfares offered at the height of the pandemic have largely disappeared.
- The lowest air & rail fares bought 3 days in advance have risen > \$80 roundtrip since January.
- Car rentals are unavailable on many routes and when available, tend to be costlier than flying.
- Intercity bus fares (e.g., Conestoga and Megabus) continue to drop for those leaving in advance.
- Rising airfare prices are encouraging travelers to turn to auto and bus travel.

A surge in passenger travel due to increased vaccinations and the easing of many public health restrictions is leading to major swings in the cost of travel. This Chaddick Brief, issued during the Memorial Day holiday traffic buildup, shows how lowest fares available for air, bus, and rail travel have changed in recent months. The Brief focuses on short- and medium distance routes and draws upon an innovative data collection method we have developed that compares the lowest fares available using well defined criteria. The analysis evaluates:

- Lowest air, bus and train fares in a stratified sample of 20 heavily traveled routes.
- 400+ 500 mile searches conducted each time period, totaling 1,800 searches.
- Trips originating during daytime hours (8:30 a.m. – 4 p.m.)
- Routes 150 – 500 miles, in which air, bus, and rail trips are all regarded as viable options by many.
- Fares reviewed on four different websites to assure available options are identified.

CHADDICK INSTITUTE FOR METROPOLITAN DEVELOPMENT
1000 LEXINGTON | CHICAGO, IL
CHADDICK@DEPAUL.EDU | 773.495.1171 | CHADDICK.DEPAUL.EDU
Please credit pricing to News Desk

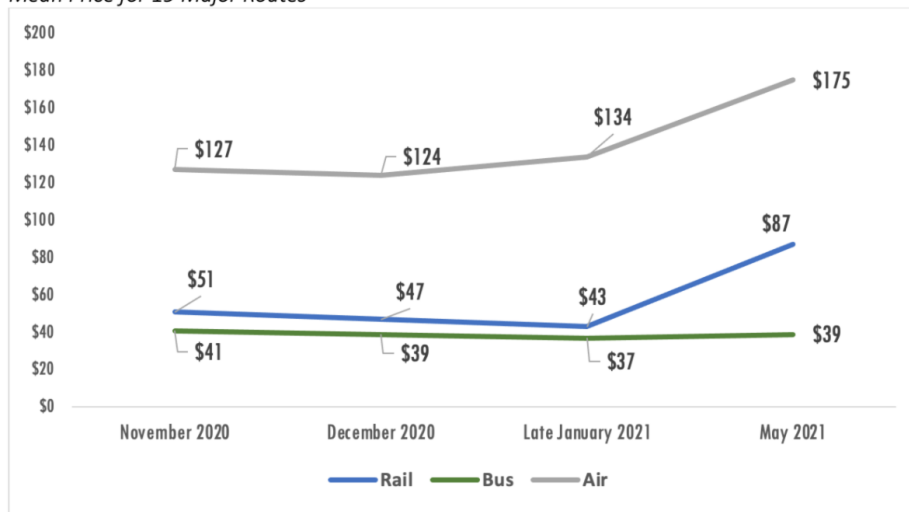
JOSEPH SAMBETHRAK, PhD
CRYSTAL BELL



of 19 major routes since November 2020 is below:

FIGURE 1: LOWEST AVAILABLE FARE FOR 3-DAY ADVANCE PURCHASE

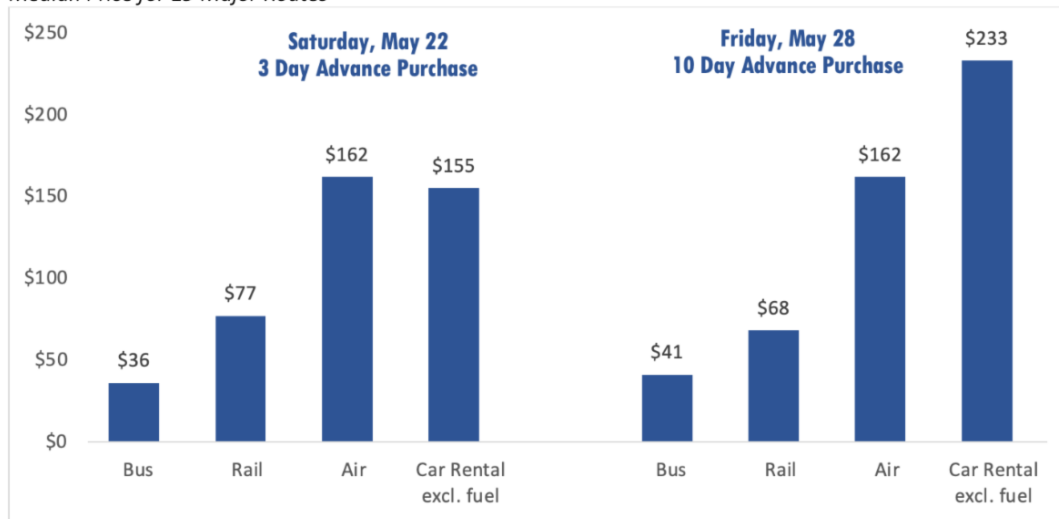
Mean Price for 19 Major Routes



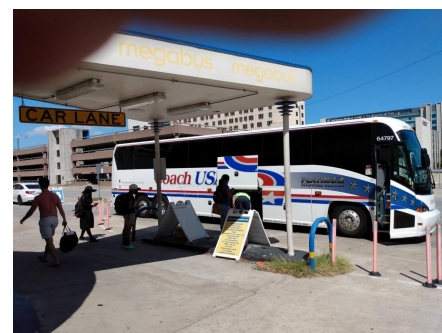
Those doubting the critical role of the motor coach sector for those with limited purchasing power should review the differing median prices on the 19 routes for trips in late May, which is shown below--with car rental included.

Figure 2: Comparison by Median Prices, including Car Rental

Median Price for 19 Major Routes



These upward trends—spurred by rising demand, rising gasoline prices, and supply constraints—will give a boost to scheduled motor coach travel this summer. We expect bus bookings to accelerate in July and rise further prior to Labor Day, when universities reopen, more people return to downtown offices and jobs, and great numbers of the young are vaccinated.



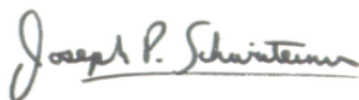
However, it must also be mentioned that the last 15 months have been

tumultuous, to say the least. The ranks of intercity bus professionals have been thinned, Congress has been slow to act as the industry struggles, and COVID-19 has taken the lives of many.

Stay tuned for a regular **Intercity Bus E-News** edition to be released on June 15th with many mid-year updates on industry developments. This will include some reflections on an intercity bus trip I will be taking in early June. In the meantime, check out our other intercity bus research [here](#).



Check out the news coverage of the brief in [Spectrum](#). Safe travels over the Memorial Day Weekend!



JOSEPH P. SCHWIETERMAN, Ph.D.

Professor, School of Public Service

Director, Chaddick Institute for Metropolitan Development

DePaul University | 14 E. Jackson Blvd. Room 1600 | Chicago, IL 60604

Phone: 312.362.5732 | [Institute's Website](#) | [Support the Chaddick Institute](#)

[My Books](#)

DePaul University School of Public Service | 14 E. Jackson Boulevard, Suite 1600, Chicago, IL 60604

[Unsubscribe {recipient's email}](#)

[Update Profile](#) | [Constant Contact Data Notice](#)

Sent by chaddick@depaul.edu powered by



Try email marketing for free today!