

U.S. - NEW YEAR TRAVEL TRENDS REPORT

Travel Duration : December 27th 2024 to 7th January 2025



A night view of the Las Vegas skyline with a large firework display over a body of water. The sky is filled with numerous large, golden-yellow fireworks exploding in various patterns. The city skyline is visible in the background, with several tall buildings illuminated. The water in the foreground reflects the lights from the city and the fireworks.

Las Vegas

Ringling in the New Year with Opportunity

As Las Vegas gears up for an influx of travelers in the first week of January 2025, car rental businesses have a unique opportunity to capitalize on New Year travel festivities. Driven by domestic demand and international visitors from Canada, Mexico, and Germany, the city is witnessing a surge in diverse travel patterns.

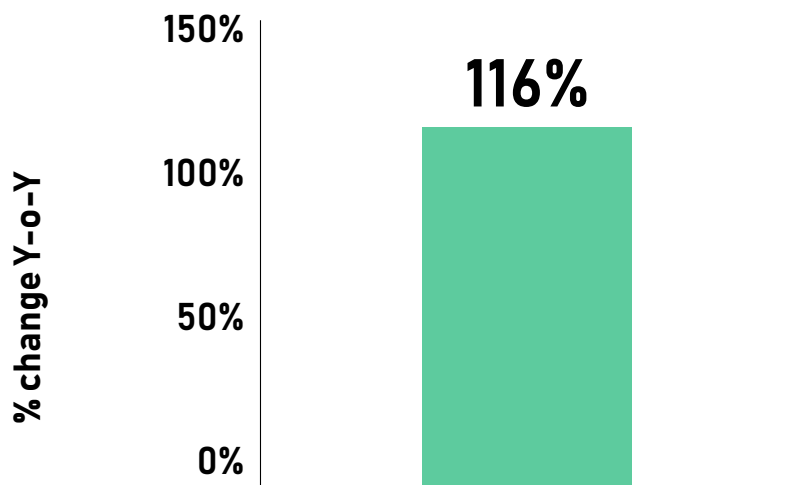
From short getaways to extended stays and shifting preferences in budgets, understanding these trends is key to optimizing fleet availability and maximizing revenue.

Let's dive into the key trends and insights shaping the Las Vegas car rental market this New Year.

Domestic Business Travel Skyrockets into 2025

Business travel to Las Vegas is experiencing a 116% surge this New Year, with key origin cities being New York, Fort Lauderdale, and Los Angeles. Car rental businesses can tap into this trend by prioritizing compact and economy vehicles for business professionals arriving for short, efficient trips.

Current Year Comparison to Previous Year Bookings

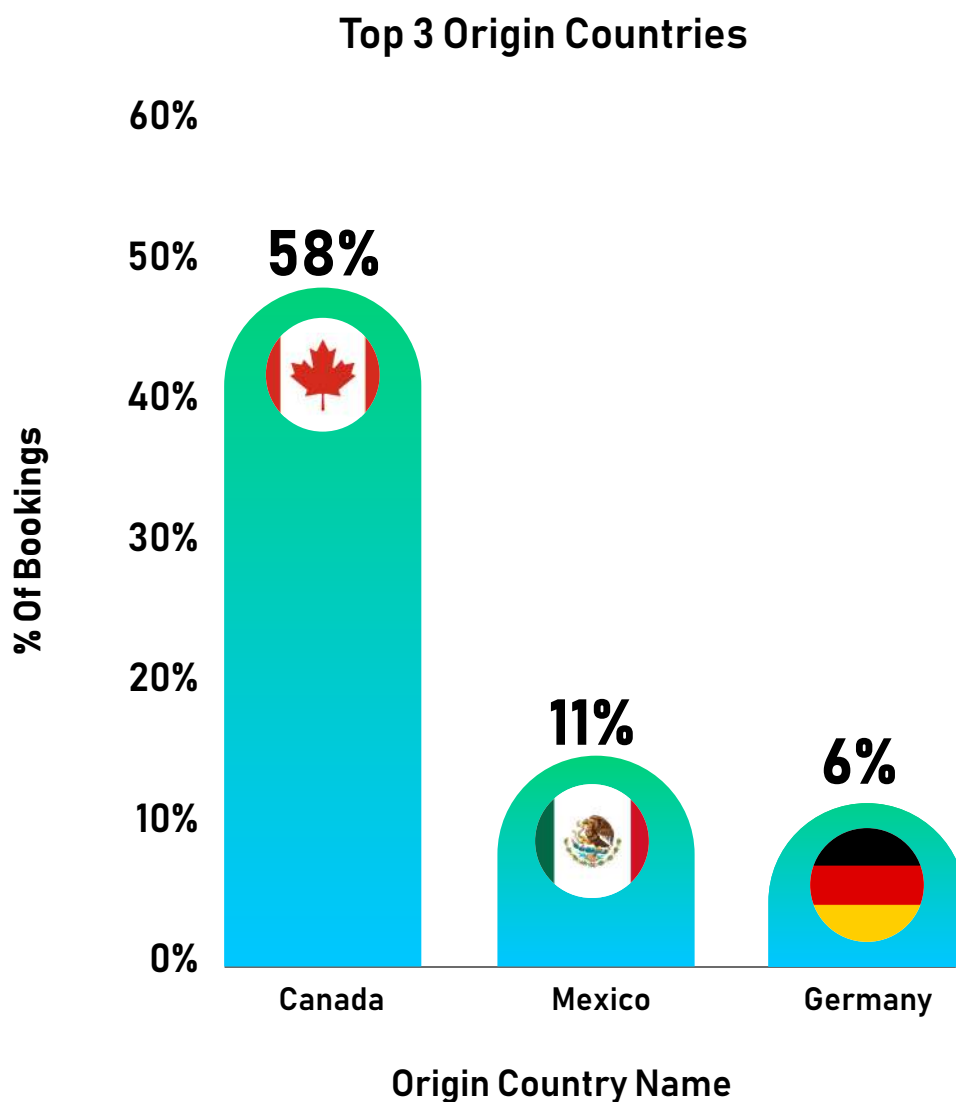


**Dec 27th, 2024 - Jan 7th, 2025
(Compared to 2023)**

Source: Adara, a RateGain Company

Canadian Travelers Dominate the New Year Rush

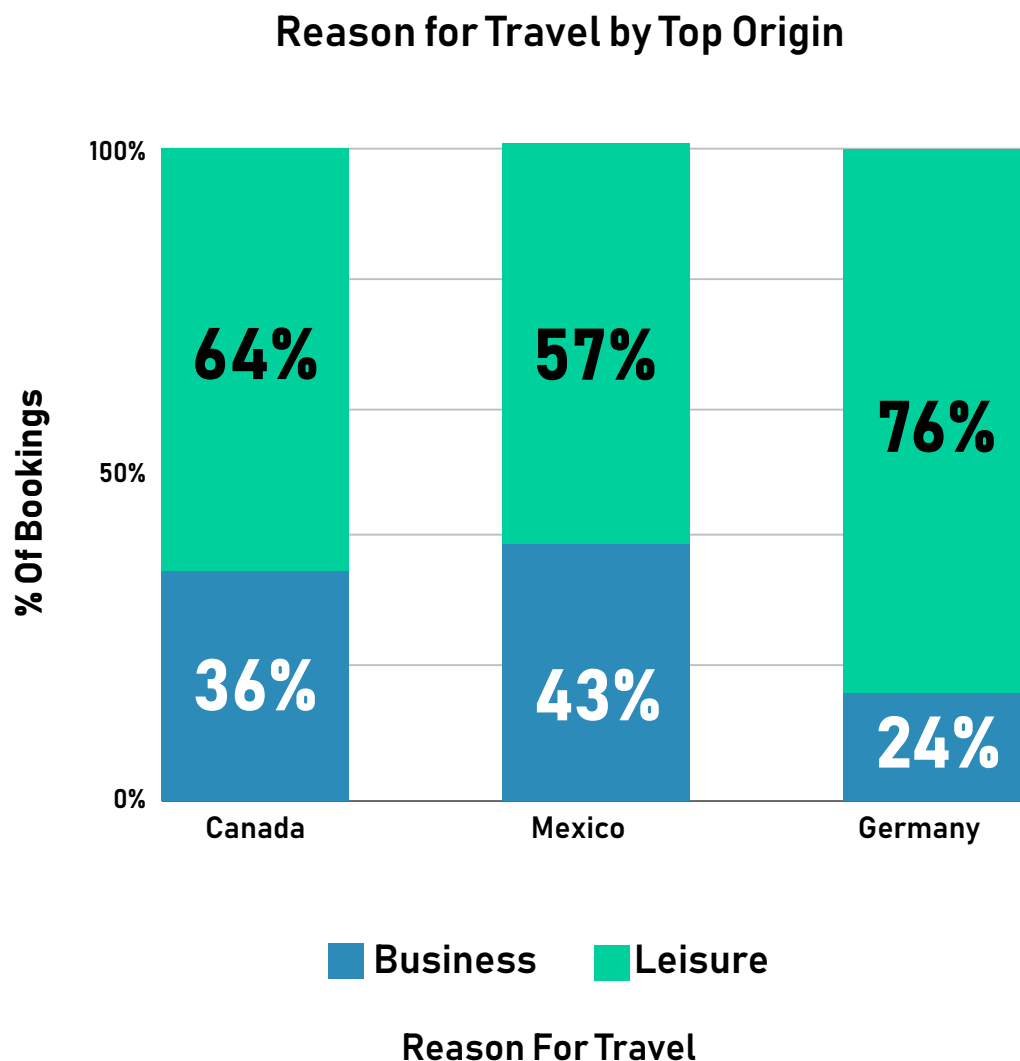
More than 50% of travelers to Las Vegas in the first week of January come from Canada, followed by Mexico (11%) and Germany (6%). This spike in international arrivals, fueled by New Year celebrations, presents an opportunity for car rentals to cater to travelers with tailored offers.



Source: Adara, a RateGain Company

Business vs. Leisure: Canadians and Germans Lead the Way

Canadians balance business (36%) and leisure (64%), offering car rentals an opportunity to promote packages for both purposes. On the other hand, German visitors show a strong inclination toward leisure travel (76%), likely tied to extended holiday celebrations. Car rental businesses can entice them with long-term rentals and premium vehicles ideal for extended stays.

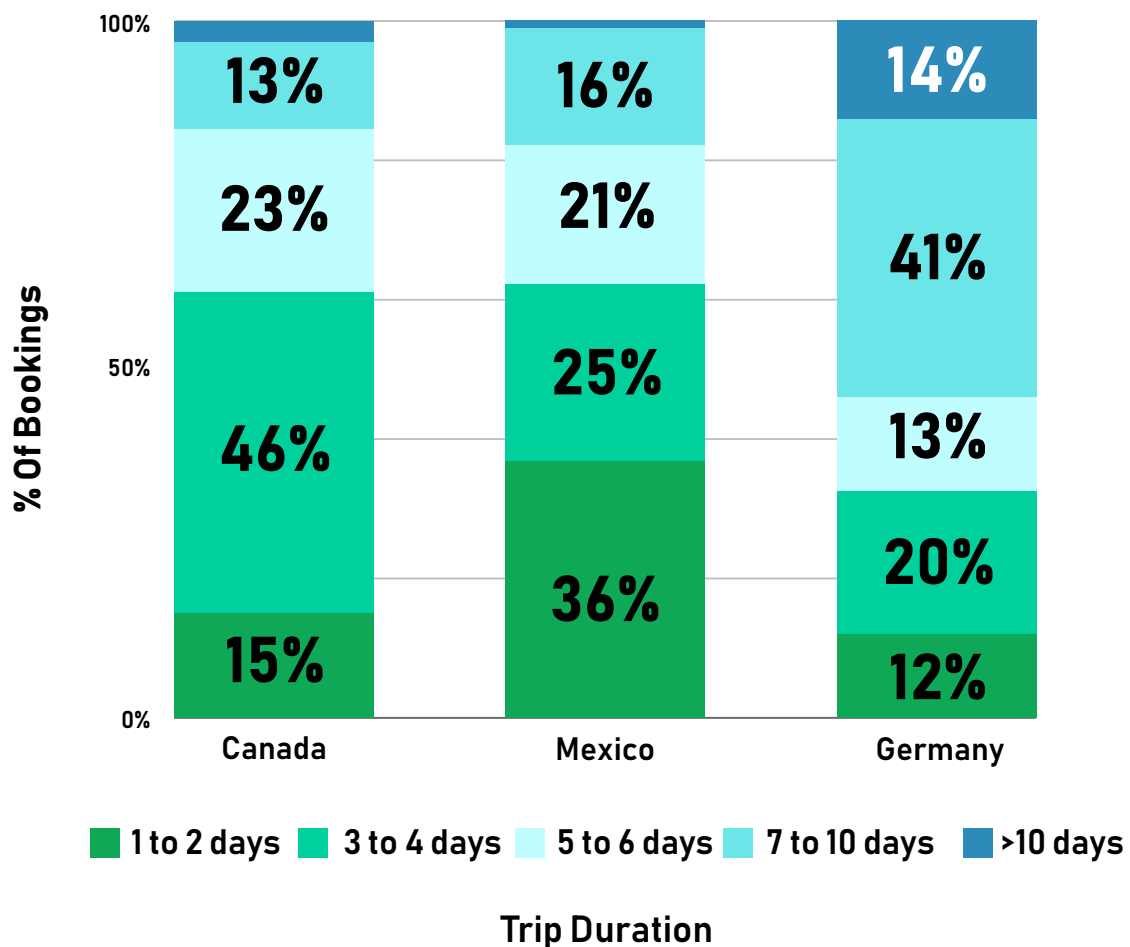


Source: Adara, a RateGain Company

Short Trips vs. Extended Escapes

Popular among Canadian and Mexican travelers who prefer quick New Year getaways. Car rental strategies should emphasize easy pickup/drop-off and flexible 1-2 day packages. Whereas, German visitors opt for trips lasting over a week, indicating demand for long-term rental options and spacious vehicles for added comfort.

Trip Duration Category by Top Origin

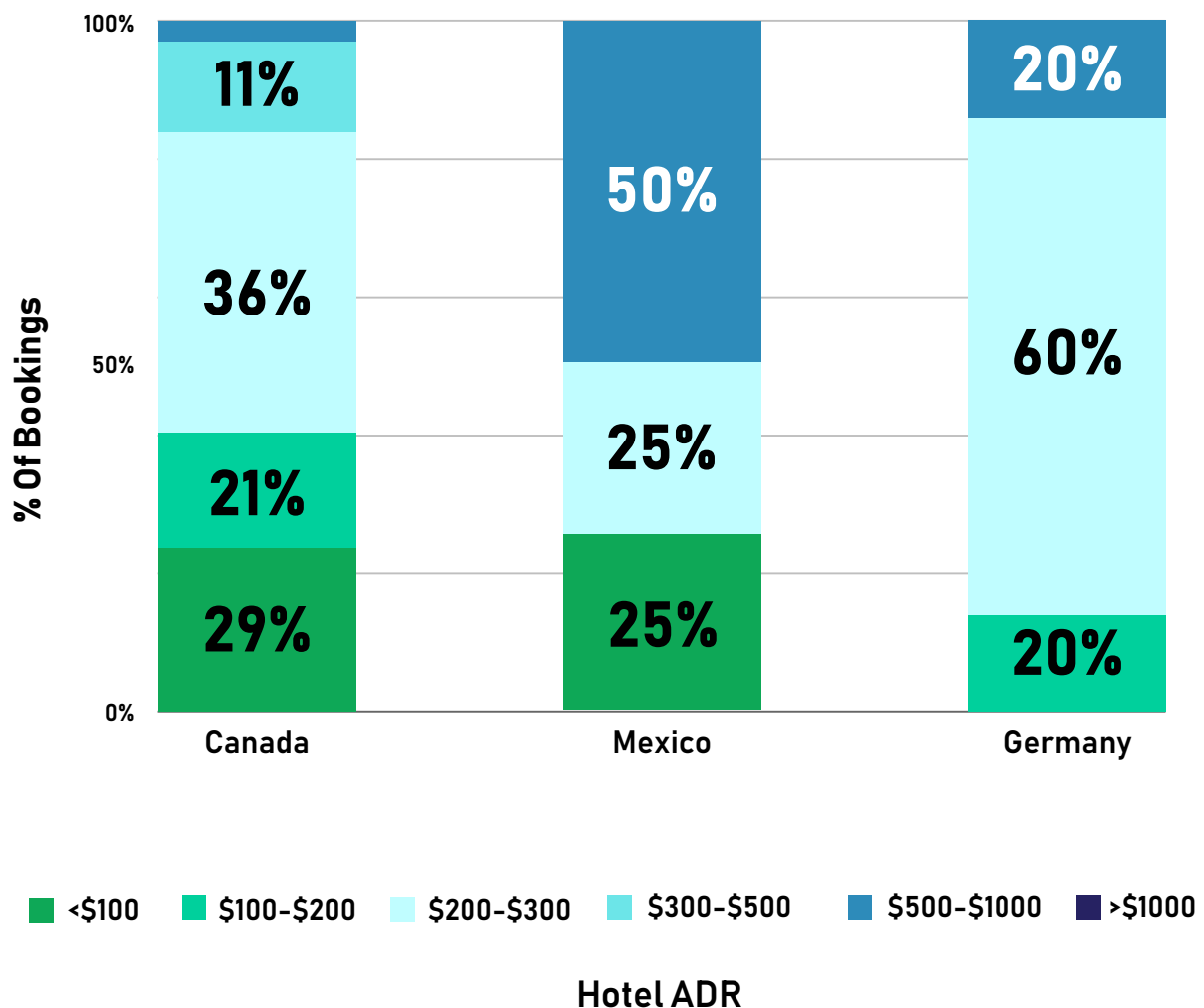


Source: Adara, a RateGain Company

Luxury Takes Center Stage for Mexican Travelers

New Year festivities see Mexican travelers splurging on premium accommodations ranging from \$500-\$1000 per night. In contrast, German travelers lean toward budget accommodations (\$200-\$300), while Canadians display mixed preferences, requiring a balanced fleet of economy and premium vehicles.

Hotel ADR Category by Top Origin

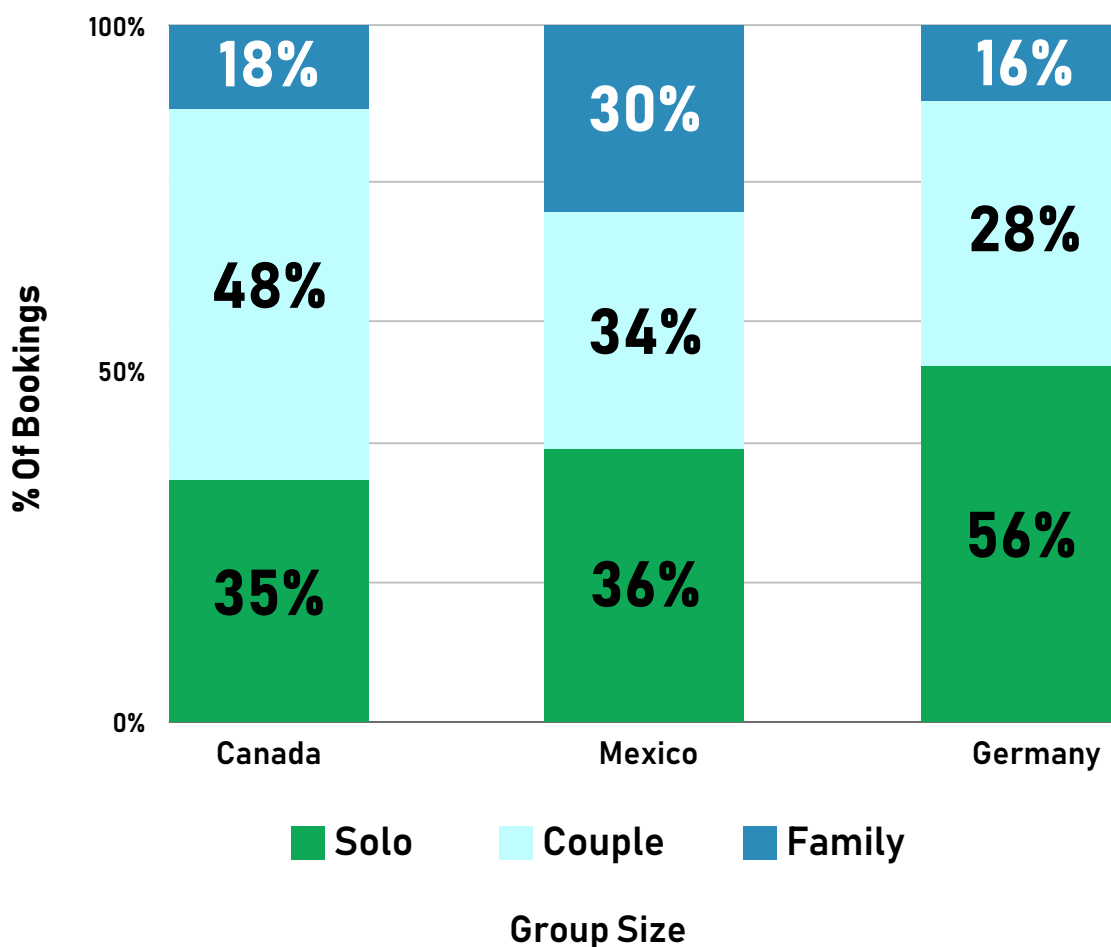


Source: Adara, a RateGain Company

Solo and Couple Travel Rises for New Year Celebrations

Solo German travelers lead the charts (56%), while Canadian couples account for 48% of their country’s inbound travel. Mexicans show a mix of solo, couple, and group travel, emphasizing the need for versatile fleet options, including compact cars for solo trips and SUVs for families and groups.

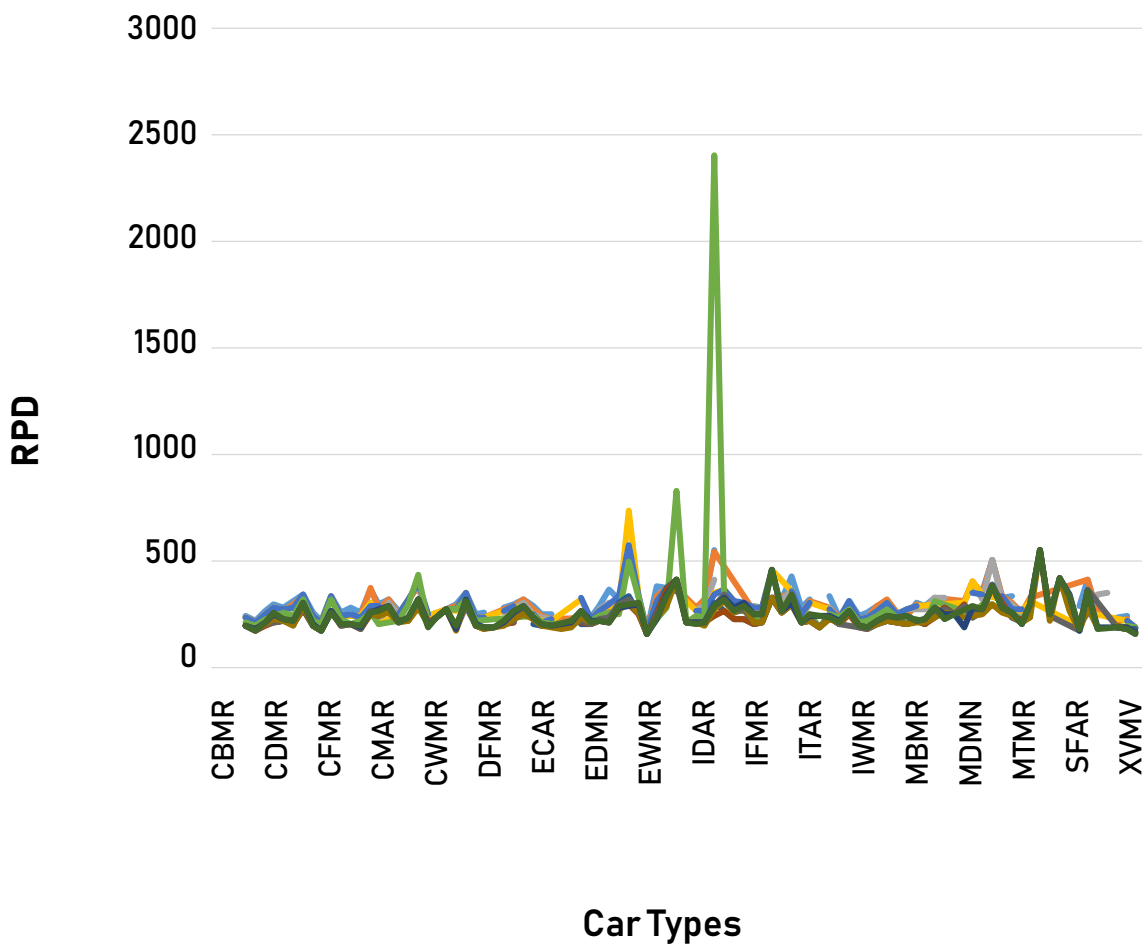
Group Size by Top Origin



Source: Adara, a RateGain Company

Car Rental Price Peaks on New Year's Day

Car rental pricing will hit its highest point on January 1st, with Premium SUVs costing \$2473.17, reflecting the strong demand during New Year festivities. The lowest price drops to \$29.41 for economy cars on January 3rd. Car Rentals can leverage premium pricing on New Year's Day while introducing post-peak discounts on economy vehicles to capture late-arriving travelers looking for deals.



Key Strategies for Car Rentals in Las Vegas

- **01 Optimize for Short-Stay Visitors:**
Focus on economy and compact cars for quick, 1-2 day trips from Mexican and U.S. travelers.
- **02 Cater to Longer Leisure Stays:**
Target German visitors with long-term rental packages and premium SUVs. Provide incentives for rentals over 7 days.
- **03 Dynamic Pricing for Peak Days:**
Maximize revenues with premium pricing on January 1st while introducing discounts on slower days like January 3rd.
- **04 Promote Flexibility and Last-Minute Deals:**
Offer fast bookings and flexible pickup/drop-off options to capture last-minute demand from Mexican and domestic travelers.
- **05 Highlight Premium Add-Ons:**
Enhance rentals with value-adds like GPS, WiFi, or premium vehicle upgrades to attract travelers seeking comfort and convenience.



New York

New Year Rush Hits the Big Apple

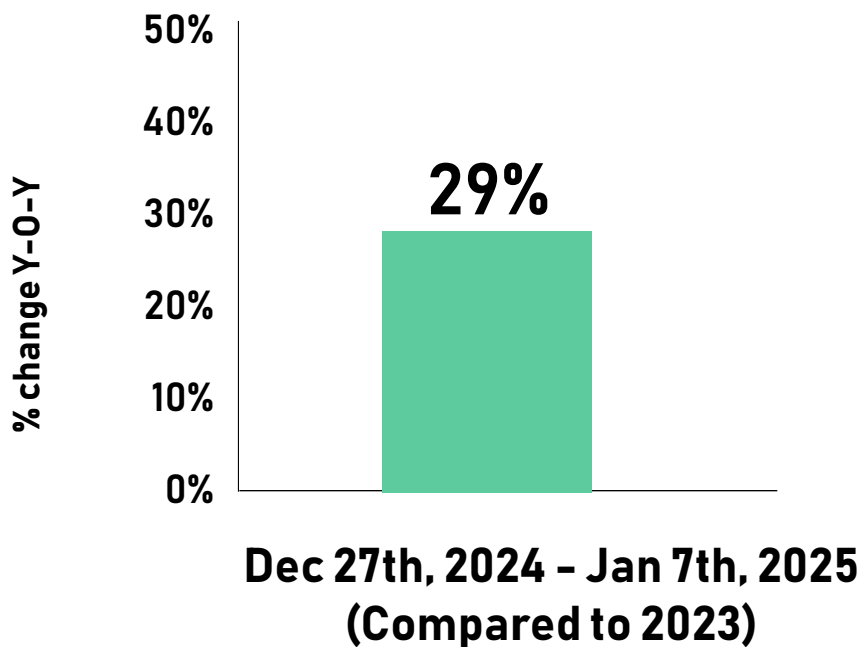
As the New Year approaches, New York City is buzzing with a blend of international and domestic travel. Visitors from Canada, the U.K., and France are arriving for short business trips, extended holiday stays, and New Year celebrations. This presents a prime opportunity for car rentals to tailor their offerings, from compact vehicles for solo travelers to premium SUVs for families and holidaymakers.

Let's explore the latest travel trends and strategies to ensure your car rental success this festive season.

Domestic Business Travel Takes Center Stage

Business travel to Las Vegas is experiencing a 29% surge this New Year, with key origin cities being New York, Fort Lauderdale, and Los Angeles. Car rental businesses can tap into this trend by prioritizing compact and economy vehicles for business professionals arriving for short, efficient trips.

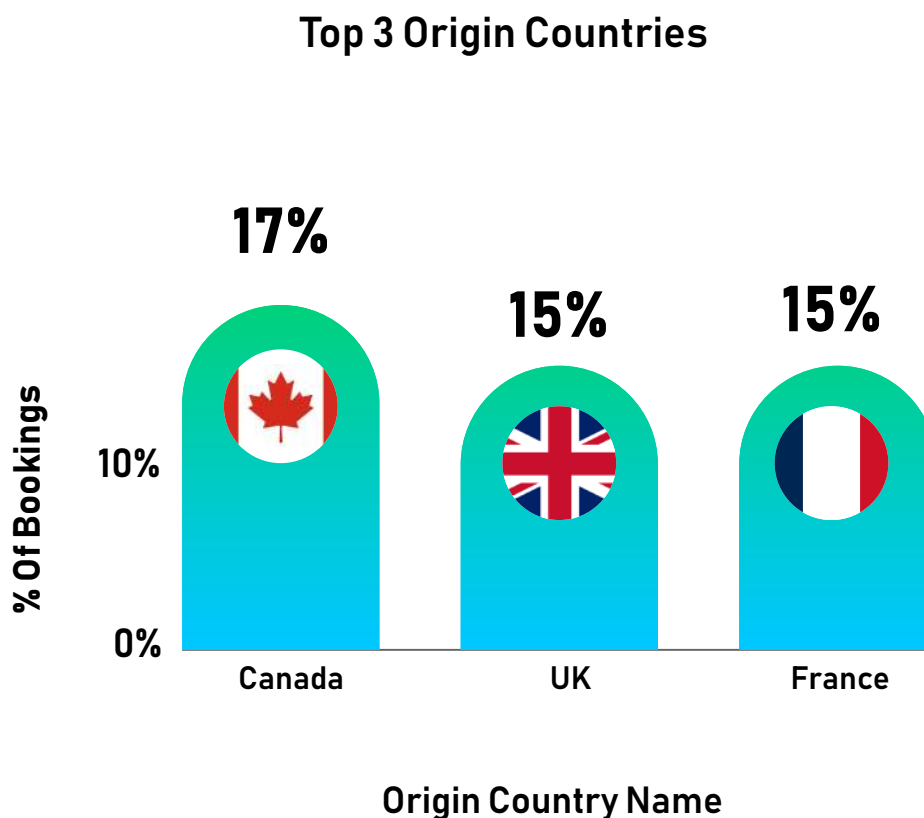
Surge in Domestic Business Travel



Source: Adara, a RateGain Company

Top International Markets Fuel New Year Demand

17% of travelers to Las Vegas in the first week of January are Canadians, followed closely by Brits and French (15% each). This spike in international arrivals, fueled by New Year celebrations, presents an opportunity for car rentals to cater to travelers with tailored offers.

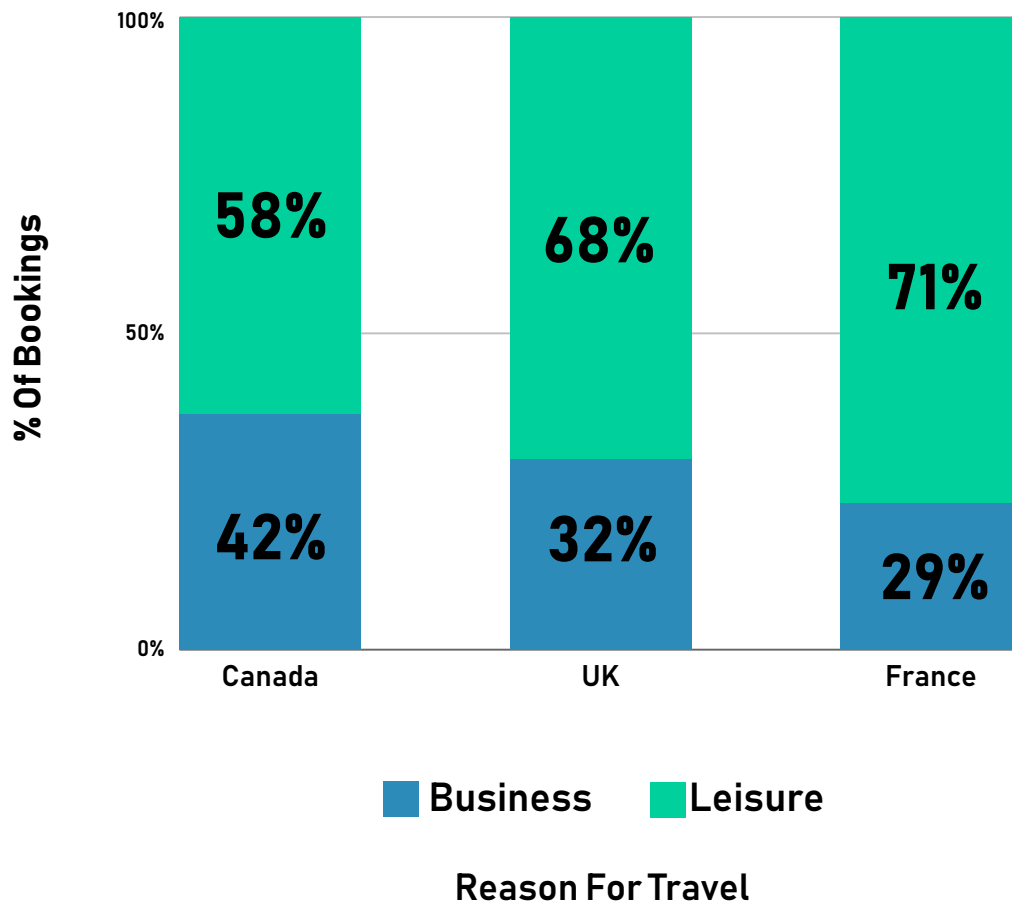


Source: Adara, a RateGain Company

France Leads Leisure Travel to Las Vegas

Leisure travel surges in Las Vegas, with France leading with a share of 71%, and the U.K. (68%), while Canadian travelers balance both segments, requiring versatile renting options. The significant leisure travel from the U.K. and France highlights opportunities for premium offerings like luxury SUVs for holidaymakers, while Canadian travelers require versatile rental options.

Reason for Travel by Top Origin

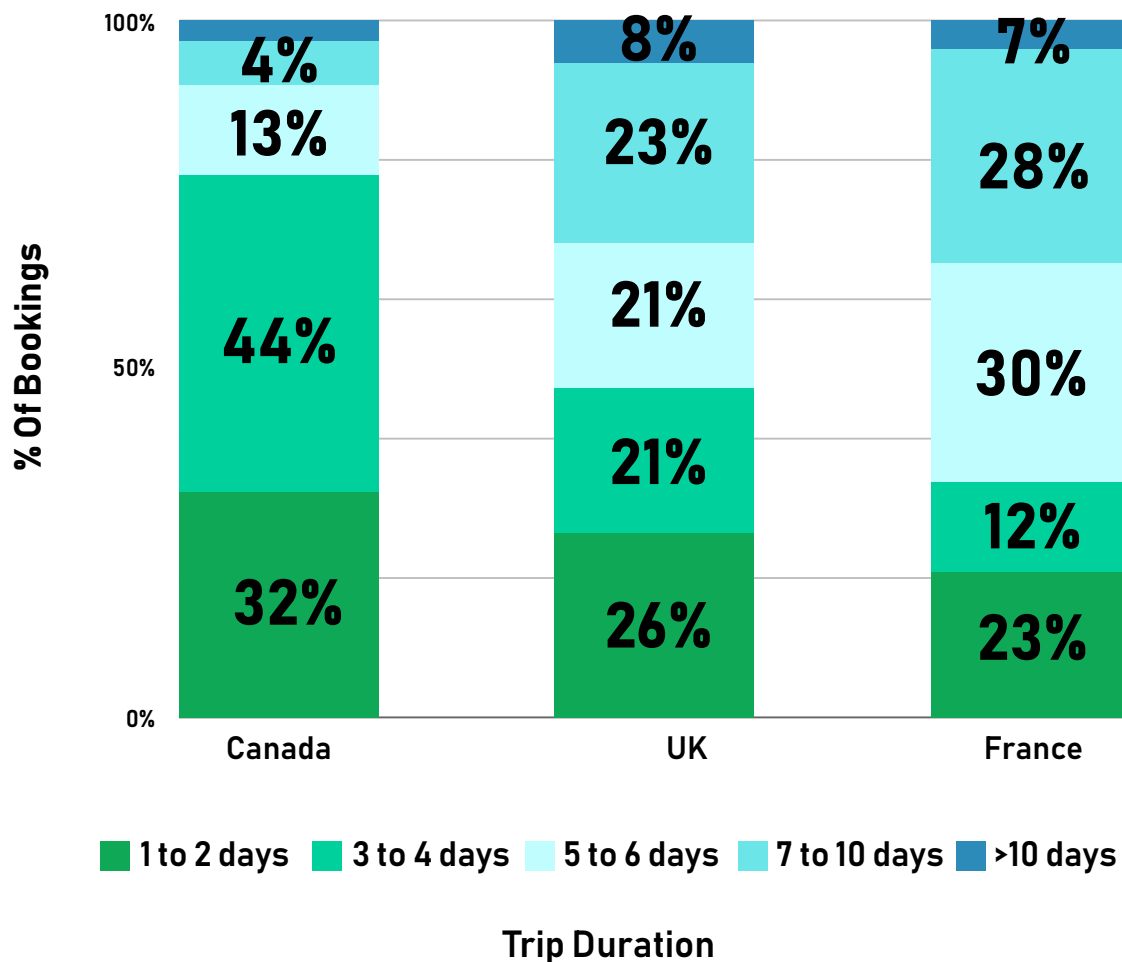


Source: Adara, a RateGain Company

Longer Stays for U.K. and French Visitors

Canadian travelers to New York opt for shorter trips, whereas Holidaymakers from the U.K. and France favor week-long vacations (5-10 days), with leisure travel dominating. Car rentals should offer tailored incentives for weekly bookings to secure longer rentals.

Trip Duration Category by Top Origin

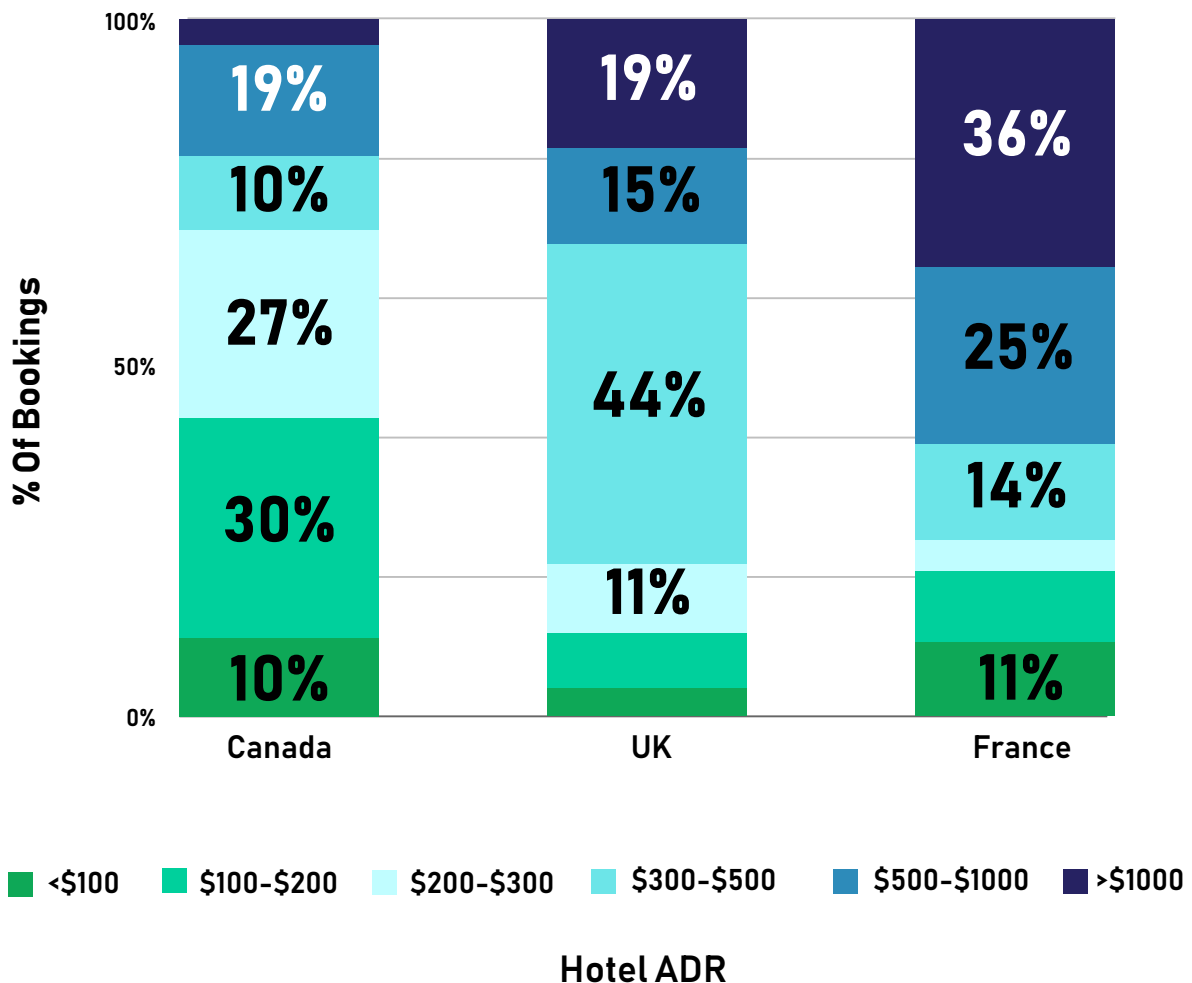


Source: Adara, a RateGain Company

Luxury Demand Peaks with French Travelers

36% of French travelers favor accommodations priced over \$1000, showing a clear appetite for premium experiences. U.K. visitors also lean towards luxury, with 19% in the high-end range. Car rentals can Bundle premium add-ons like GPS, WiFi, or chauffeur services to enhance the luxury experience.

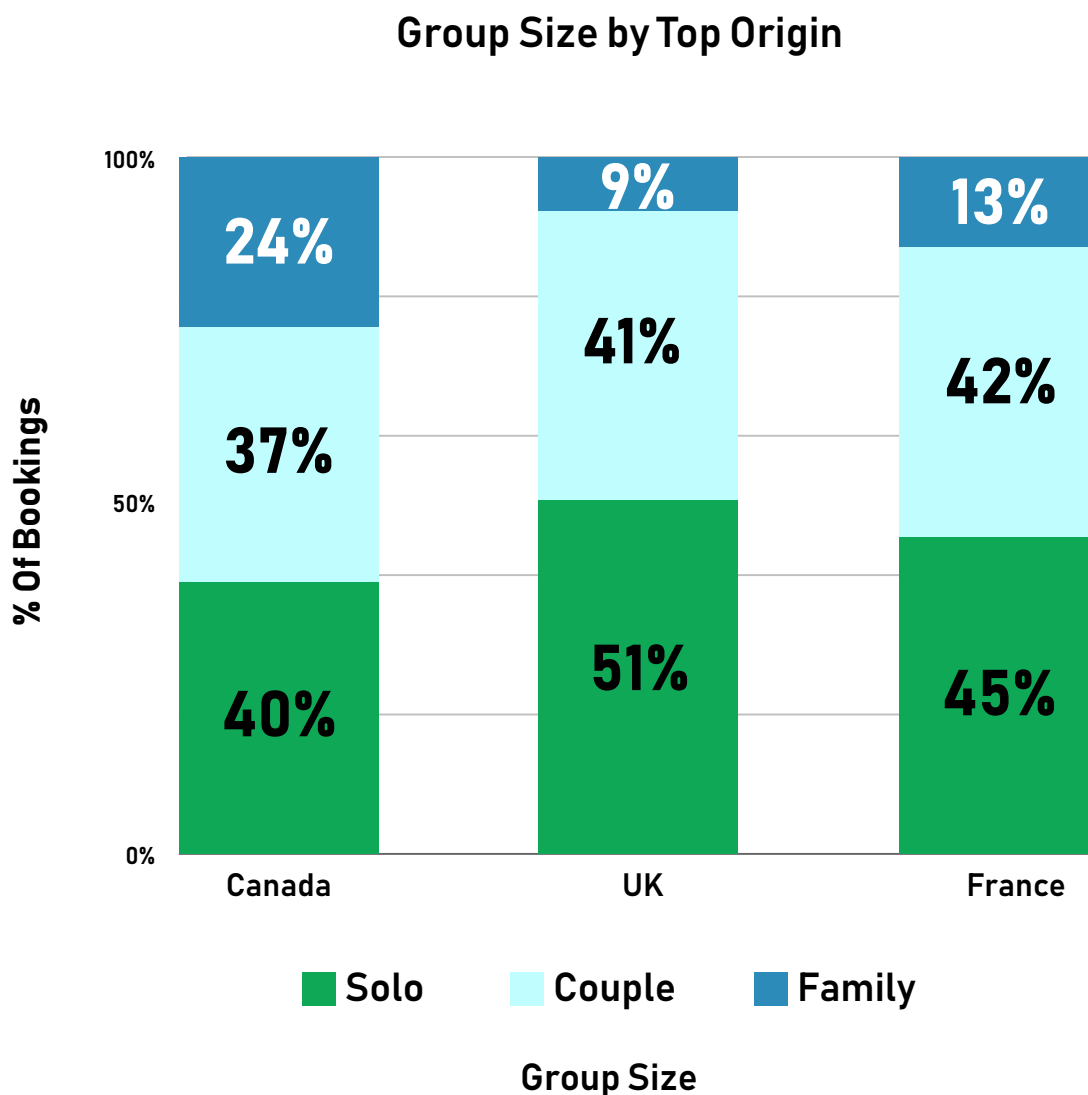
Hotel ADR Category by Top Origin



Source: Adara, a RateGain Company

Solo and Couple Travelers Lead the Pack

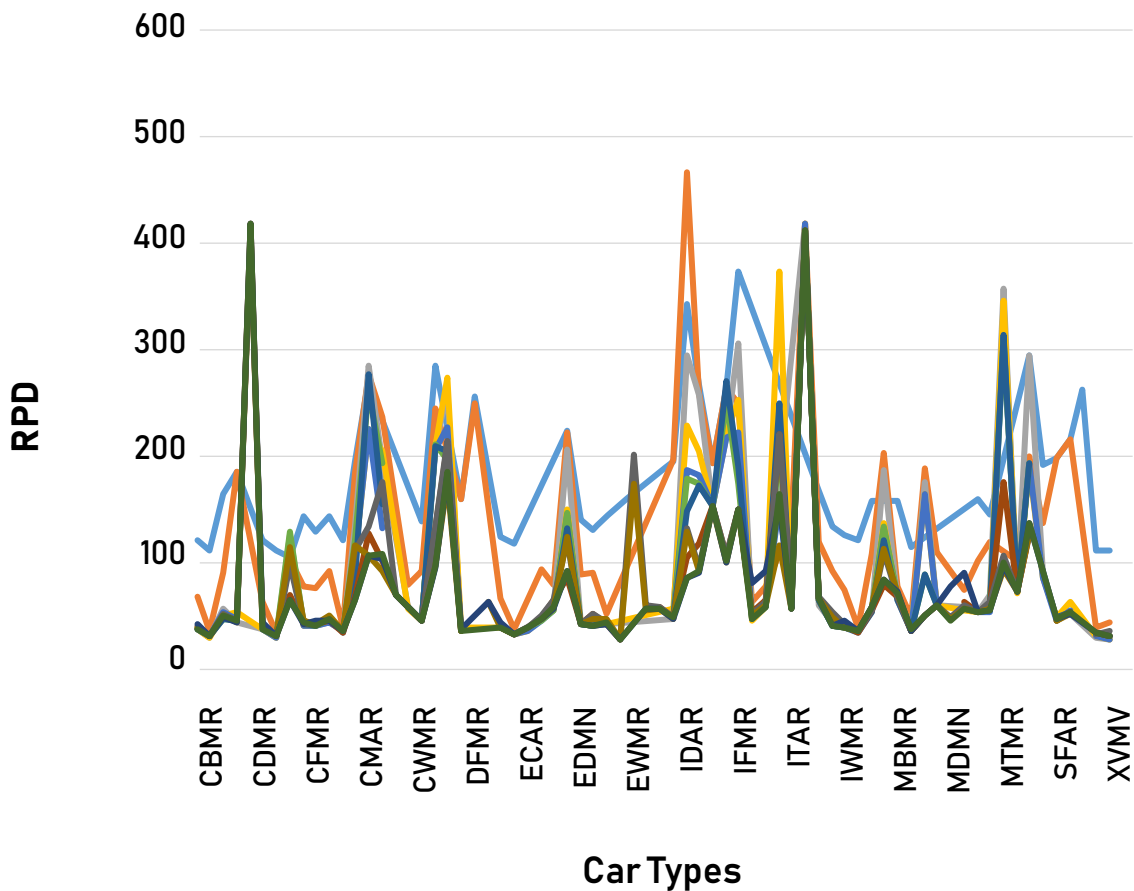
Solo travelers dominate from the U.K. (51%) and France (45%), while couples represent a significant share of Canadian visitors (37%). Car rentals must maintain a mix of compact vehicles for solo travelers and premium sedans for couples looking for a comfortable New Year getaway.



Source: Adara, a RateGain Company

Pricing Trends: Leverage Peaks and Lulls

Luxury SUV pricing peaks on December 28th (\$497.93), driven by New Year celebrations, while EV rentals drop to \$36.59 on December 30th. For car rentals, this can be a prime opportunity to leverage premium pricing for SUVs during the pre-New Year rush and market affordable EV options post-peak to capture late-booking, budget-conscious travelers.



Key Strategies for Car Rentals in New York

- **01 Optimize for Short Business Stays:**
Prioritize compact vehicles for Canadian business travelers and streamline quick rentals.
- **02 Target Long-Term Leisure Demand:**
Promote discounts for week-long bookings and upsell premium vehicles for extended stays.
- **03 Maximize Profits During Peak Days:**
Highlight luxury SUVs for December 28th demand and offer budget-friendly EV deals post-New Year.
- **04 Balance Fleet for Solo and Couple Travelers:**
Ensure availability of compact cars for solo travelers from the U.K. and France. Highlight premium sedans and add-on services for couples enjoying New Year trips.
- **05 Bundle Premium Add-Ons:**
Include services like WiFi, GPS, and travel kits to attract high-spending holidaymakers.

Gearing Up for the New Year

As the New Year festivities drive travel surges to Las Vegas and New York, car rentals have a golden opportunity to capitalize on diverse traveler needs. From shorter business trips to extended leisure stays, tailoring offerings like compact cars for solo travelers, premium SUVs for holidaymakers, and flexible rental packages can maximize revenue.

By leveraging peak pricing during high-demand days and introducing budget-friendly options post-New Year, car rental businesses can ensure a profitable and celebratory start to 2025.

Want to Keep Up with Year-Round Travel Trends?

Subscribe to Our Page!



www.rev-ai.io

