

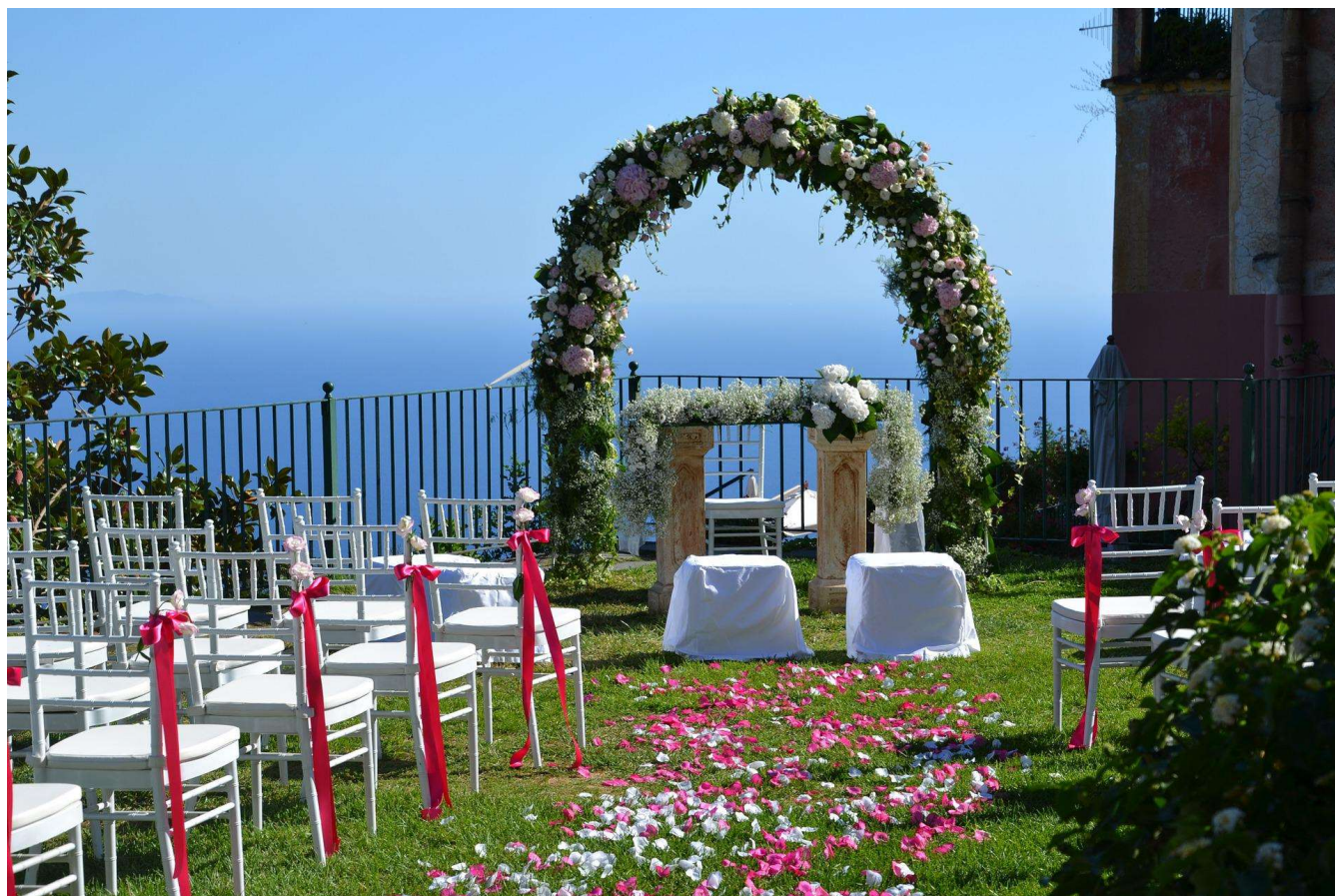
Global Economic Research

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Getting Hitched Is Getting More Expensive

Wedding costs reflect the myriad forces that have driven inflation upward.

By Carl Tannenbaum



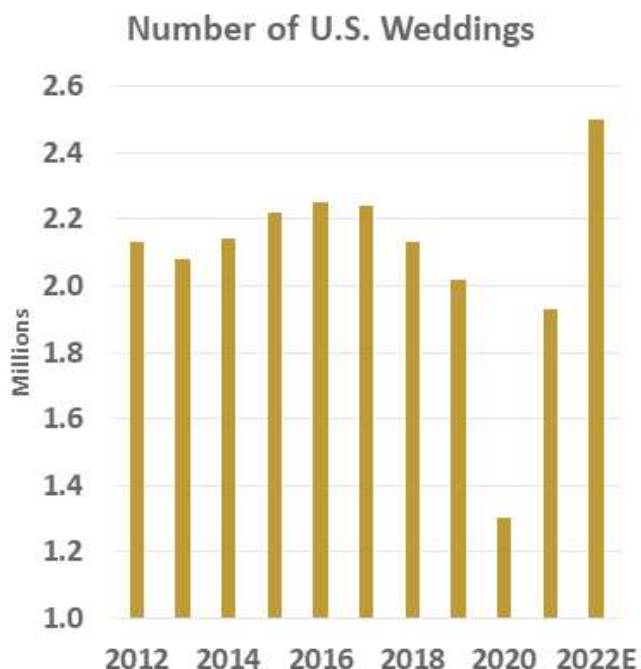
We had a **family wedding** earlier this year. The nuptials had been postponed twice because of the pandemic; thankfully, COVID-19 case numbers and public health restrictions declined significantly in the weeks leading up to the event. 95 celebrants were there, including loved ones that we had not seen in more than two years. It was wonderful.

This year, the United States is expected to see its highest number of weddings in almost forty years. The backlog of ceremonies deferred by the pandemic is substantial; the arrival of COVID-19 depressed marriage events by 40%. A number of couples have gotten legally married since 2020 but chose to defer their celebrations.

As these occasions are getting back onto the schedule, couples are finding that every element of the event has become more expensive. The Wedding Report estimates that the average tab for getting married this year will rise by 10% over last year's levels. Catering costs have been lifted by rising food prices and a dearth of providers. Supply chain problems have affected the availability of materials needed by florists and stationers. The demand for musicians, makeup artists and officiants exceeds supply.

In spite of this, couples do not seem inclined to cut back. Having waited for so long to get married, they seem especially anxious to celebrate in style. Pent-up savings (on the part of the partners and their parents) provide ample financing for the festivities. Guest lists are rising, and those attending are paying higher airfares and higher prices for dressy clothing, sectors where capacity has been diminished during the pandemic.

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Weddings Overview

A look at weddings before and during the pandemic

	2019	2020	2021
AVERAGE GUEST SIZE	131	66	105
WEDDING PARTY SIZE	10	10	8
AVERAGE VENDORS HIRED	15	12	14
WENT ON HONEYMOON	71%	56%	73%
DESTINATION WEDDING	21%	9%	19%
COST PER GUEST	\$214	\$244	\$266
COST OF CEREMONY RECEPTION	\$28K	\$19K	\$28K

Sources: CDC, Wedding Report, The Knot

The resurgence of weddings isn't just good news for vendors. It also bodes well for American demographics. Married couples are more likely to have children, and more children, than couples that are not married. The U.S. birth rate has fallen by 20% in the last fifteen years, and

now stands below the level needed to keep the population constant. Shrinking labor pools will hinder economic growth.

We were co-sponsors of the happy day, and our appreciation of inflation dynamics was enhanced by the experience. But we simply cannot assign a dollar value to the return we derived from the occasion. Things like that are definitely worth waiting for.

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Carl Tannenbaum is the Chief Economist for Northern Trust. In this role, he briefs clients and colleagues on the economy and business conditions, prepares the bank's official economic outlook and participates in forecast surveys. He is a member of Northern Trust's investment policy committee, its capital committee, and its asset/liability management committee.