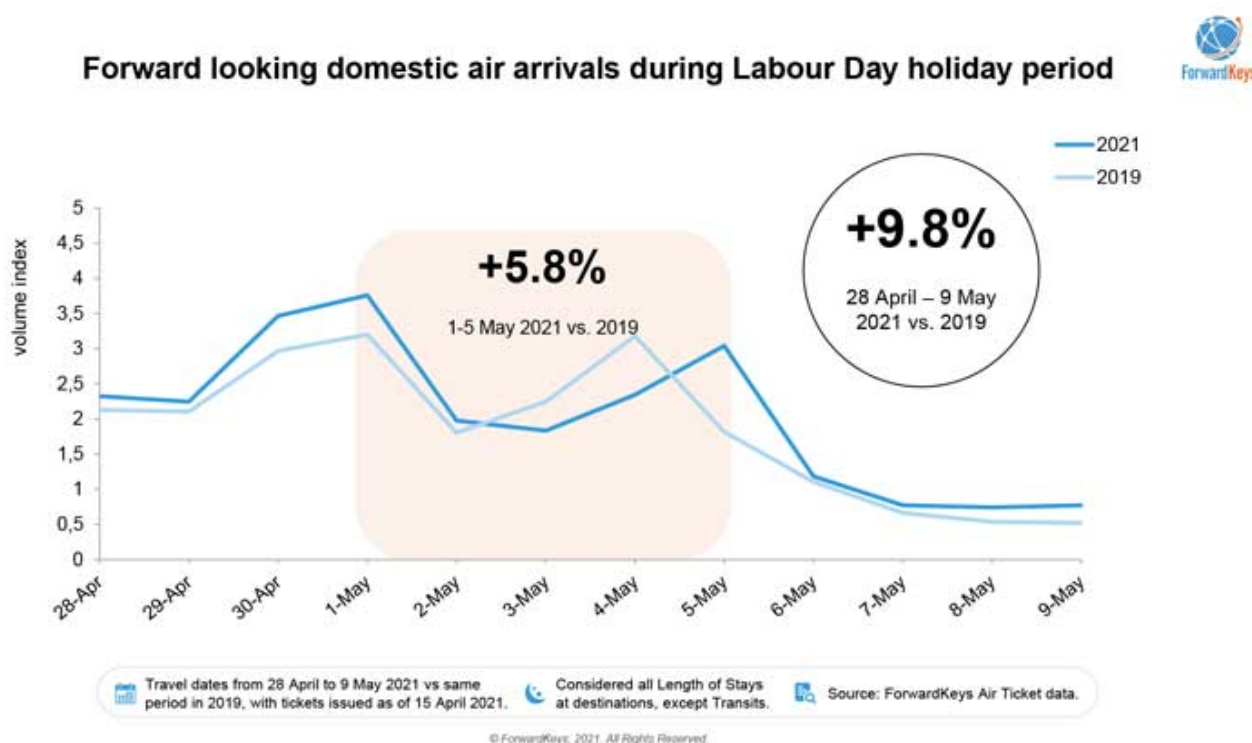


# China prepares for record-breaking Labour Day travel

Chinese domestic travel during the forthcoming Labour Day holiday is set to substantially exceed pre-pandemic levels, according to research conducted by ForwardKeys, which has the most comprehensive flight booking data available.

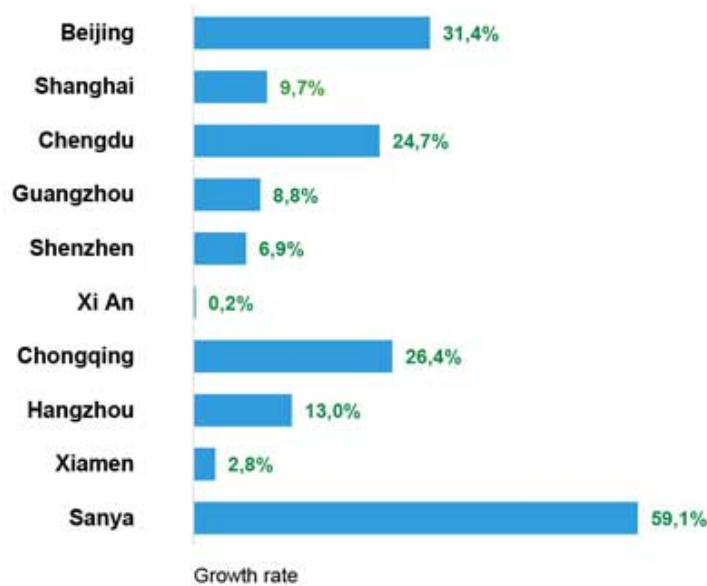
In recent years, Labour Day has again become a significant national holiday. In 2008 it was cut back from a seven-day to a three-day break; but was extended to four days in 2019 and to five days in the last two years. Therefore, for those in the travel and hospitality industry, it is eagerly awaited.




As of mid-April, total flight tickets issued for travel over the peak period, May 1 - 5, were 5.8% ahead of where they were at the equivalent moment in 2019 and bookings for the extended holiday period, April 28 - May 9, were 9.8% ahead.



China's capital, Beijing, and Shanghai, where the Disney Resort is celebrating its 5<sup>th</sup> birthday with a "Year of Magical Surprises," will be the most popular destinations for holiday travel this spring, with bookings 31.4% and 9.7% ahead, respectively. The country's southernmost city, Sanya, situated on the holiday island, Hainan, in the South China Sea, is proving exceptionally popular, with bookings currently 59.1% ahead of 2019 levels.

## Forward looking top destinations during Labour Day holiday

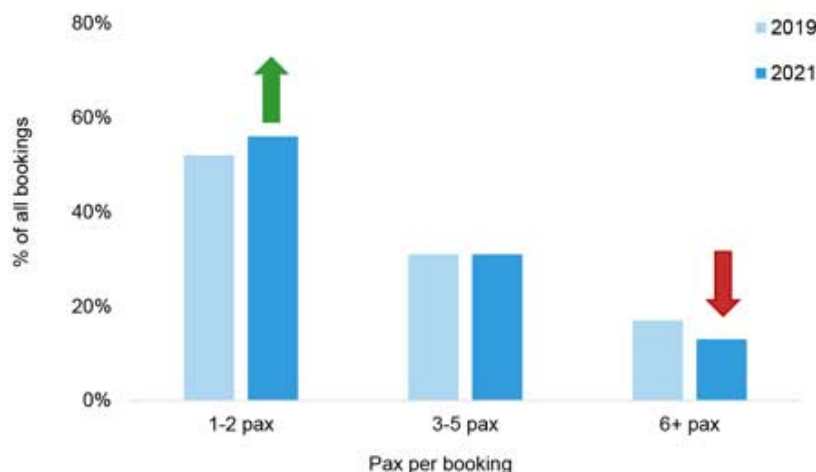


 Travel dates from 28 April to 9 May 2021 vs same period in 2019, with tickets issued as of 15 April 2021.
  Considered all Length of Stays at destinations, except Transits.
  Source: ForwardKeys Air Ticket data.

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Fewer people will be traveling as part of a group this spring. An analysis of passenger profiles shows that the share of group bookings is down from 17% in 2019 to 13% in 2021. By comparison, the proportion of people traveling solo or in pairs is up to 56%, compared to 52% in 2019.

## Passenger profiles for Chinese domestic travel during Labour Day holiday



 Travel dates from 28 April to 9 May 2021 vs same period in 2019, with tickets issued as of 15 April 2021.
  Considered all Length of Stays at destinations, except Transits.
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In January, a resurgence of COVID-19 caused a substantial set back in domestic travel, with arrivals diving 69% compared to 2019. However, containment of the disease and innovative travel promotions have stimulated a spirited revival. Surprise destination promotions, known locally as “blind boxes,” in<sub>2</sub>

which the traveler purchases a flight ticket to an unknown or surprise destination for a very cheap price, typically \$10-15 (USD), have been a big hit.

Following the launch of “plane ticket blind boxes” by [LY.com](#) in March, more than 10 million people took up the offer in a sale coinciding with the Qingming festival in early April; although not all purchases converted into flight tickets. Other leading online travel agents such as Ctrip, Fliggy and Qunar, followed suit in the third week of April and [LY.com](#) has just completed a further round of blind box offers. The promotions have created considerable popular interest among young audiences via social media platforms.

Outbound travel is still almost impossible for the Chinese. The only exception is Macau, which has a bilateral agreement with mainland China for quarantine free travel. Currently, Labour Day holiday demand for the destination stands at 75% of pre-pandemic levels.

“This year’s record-breaking Labour Day domestic travel is down to three factors: the release of pent-up demand, control of COVID-19 and imaginative marketing,” says Olivier Ponti, VP Insights, ForwardKeys.