

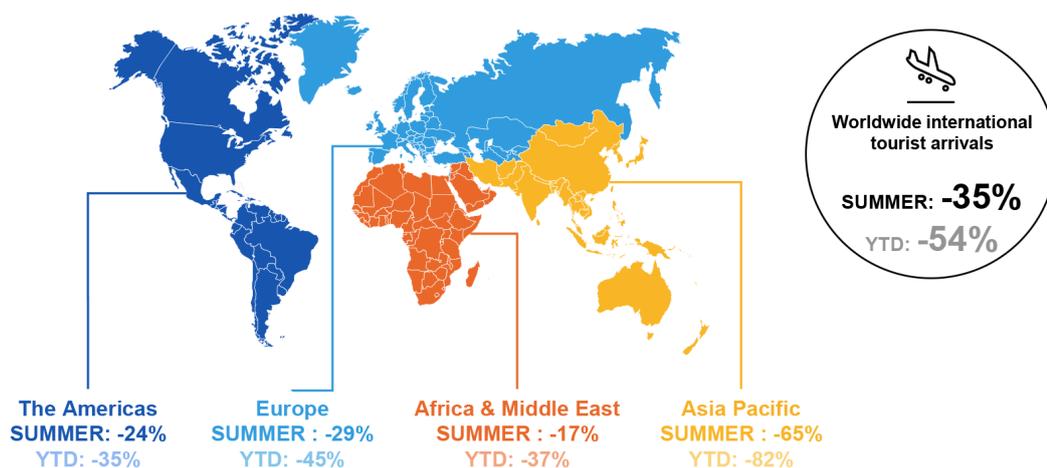
World Travel Market report: Global air travel to recover 65% in Q3

A new report, produced for the World Travel Market (WTM) by ForwardKeys, reveals that global air travel in the third quarter of 2022 (July, August and September) are set to reach 65% of pre-pandemic 2019 levels.

The report shows the return to travel is “patchy,” with some parts of the world seeing recovery at faster rates than others. The report references beach holidays in particular as being “much more popular than urban city visits and sightseeing.

Africa & the Middle East are expected to recover most strongly in Q3, reaching 83% of 2019 levels. The Americas follow with 76%, and then Europe at 71% - but Asia Pacific is set to reach just 35% of 2019 levels.

Worldwide international arrivals in Jan-June 2022 and Jul-Sep 2022 as of 8 June 2022; vs same period in 2019



© ForwardKeys, 2022. All Rights Reserved.

Beach vacations in the lead

The current preference for beach holidays is well illustrated by a comparison of the top ten beach and urban destinations in Europe, ranked by Q3 flight bookings compared to 2019.

“All those in the beach list, which is led by Antalya, 81% ahead, Tirana, 36% ahead and Mikonos, 29% ahead, are showing extremely healthy demand, whereas, in the urban list, only Naples is ahead. Furthermore, the four leading urban destinations, Naples, 5% ahead, Istanbul, flat, Athens, 5% behind, and Lisbon, 8% behind, are all also gateways to beach resorts too,” according to ForwardKeys.

International tourist arrivals on the book in European destinations in summer 2022 vs 2019



Top resilient "Sun and Beach" destinations	Var vs 2019
1st Antalya (TR)	+81%
2nd Tirana (AL)	+36%
3rd Mykonos (GR)	+29%
4th Rhodes (GR)	+29%
5th Chania (GR)	+26%
6th Heraklion (GR)	+23%
7th Thira (GR)	+20%
8th Thessaloniki (GR)	+17%
9th Alicante (ES)	+16%
10th Funchal (PT)	+11%

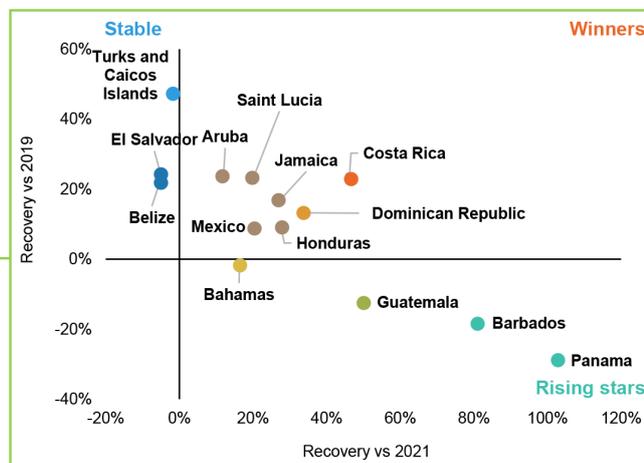
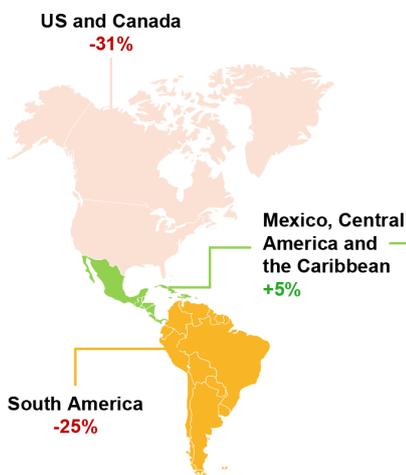
Top resilient "Urban" destinations	Var vs 2019
1st Naples (IT)	+5%
2nd Istanbul (TR)	0%
3rd Athens (GR)	-5%
4th Lisbon (PT)	-8%
5th Florence (IT)	-11%
6th Paris (FR)	-16%
7th Milan (IT)	-16%
8th Madrid (ES)	-17%
9th Edinburgh (GB)	-24%
10th Dublin (IE)	-24%

* "Sun and Beach" and "Urban" indexes are based on the aggregated performance of 100+ city destinations in Europe. Russia is excluded as origin market.

© ForwardKeys, 2022. All Rights Reserved.

In the Americas, Q3 bookings for air travel to the Caribbean, Central America and Mexico are 5% ahead of 2019 levels, whereas flight bookings to South America and to the US and Canada are, respectively, 25% and 31% behind. The destinations which are set to perform most strongly are Costa Rica (24% ahead), Jamaica (17% ahead) and the Dominican Republic (13% ahead).

International tourist arrivals on the book in the Americas, summer 2022 vs 2019

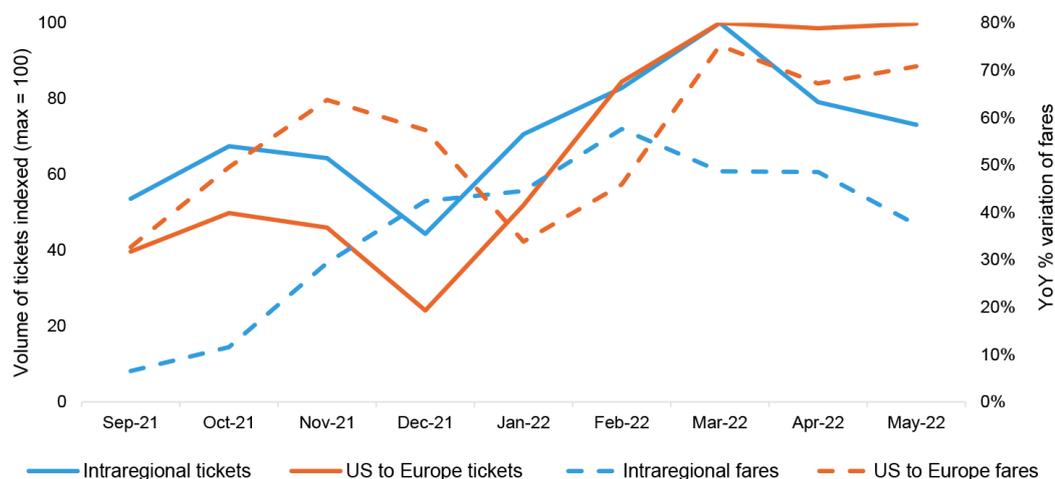


© ForwardKeys, 2022. All Rights Reserved.

ForwardKeys explained, "Enthusiasm to travel again internationally is so strong that a rise in air fares has done relatively little to dampen demand."

The average fare from the US to Europe climbed by more than 35% between January and May with no noticeable slowing in booking rates. These fares were nearly 60% above the previous year. Fares for short-haul and intraregional travel also increased substantially by 47%, which is less than for long-haul. However, the demand for those tickets peaked in March.

Evolution of tickets issued for US outbound travel (indexed) and year-on-year air fare variations



© ForwardKeys, 2022. All Rights Reserved.

American travelers plan to stay longer, spend more

The report concludes that American travelers are planning to stay longer and spend more than they did in 2019 - but not as much as they did during the pandemic.

The average planned length of stay in Q3 is 12 days, up from 11 days in 2019. Last year, it was 16 days, but fewer people, with a more affluent profile, were traveling at that time. The proportion of people flying in premium cabin classes in Q3 is also set to rise, from 12% in 2019 to 15% this year (although, it reached 19% in 2021).

The ForwardKeys report called it a “relatively promising outlook for summer travel to Africa and the Middle East.”

This is due to a combination of factors: several Middle Eastern airports act as hubs for travel between Asia Pacific and Europe, which has led to the Middle East benefiting from the revival of intercontinental travel, particularly driven by people returning to Asian countries to visit friends and relatives. The closure of Russian airspace has also contributed to the uplift in hub traffic. Cairo, 23% ahead, has increased connectivity to European markets. Nigeria, 14% ahead, Ghana, 8% ahead, and Ivory Coast, 1% ahead, with large diasporas in Europe and the US, are seeing expats return to visit friends and family. Tanzania, 3% ahead, Cape Verde, flat and the Seychelles, just 2% behind, are successfully attracting long haul visitors from Europe.

Travel to and within the Asia Pacific region is recovering more slowly, owing to stiffer COVID-19 travel restrictions remaining in force for longer.

“With 2022 seeing travel restrictions lifted, connectivity re-established, and consumer confidence regained, demand for international travel is on the rise once more, marking a departure from the domestic travel trend that dominated in recent years. In Q3 this year, holidaymakers are relatively much keener to leave the pandemic behind with a relaxing break on the beach than they are to consume culture, cities, and sightseeing,” said Olivier Ponti, VP Insights, ForwardKeys.