

WEEKLY REPORT

19 November 2021



COVID – 19 UPDATE

Prime minister Boris Johnson says it is unclear how the "storm clouds" of the new wave of COVID-19 in Europe "will wash up on our shores". Several countries are struggling to deal with a surge of cases, but whether the new wave is destined to arrive in the UK is uncertain. The virus not only affects different countries in different ways – with cultures, healthcare systems and levels of immunity all playing a role – but also population behaviour is a key factor in how quickly cases spread. Tens of thousands of daily cases have broken out in France and the Netherlands. Austria has introduced a partial lockdown, while in Belgium, new measures mandating working from home and indoor mask use have been announced.

A key factor has been waning immunity with those countries now experiencing the kind of surge the UK has already endured as the vaccination rollout was much quicker there. "We are not behind Europe in this wave, they are behind us," says Paul Hunter, professor in medicine at the University of East Anglia. "We are not currently seeing a surge of the same magnitude as Europe at present largely because of the high case numbers over recent months which most of Europe missed out on". Professor Hunter said this type of behaviour is typical of an epidemic infection as it becomes endemic, meaning the virus is regularly found among particular people or in a certain area. As such, he suggests that we can probably expect oscillations across Europe for a year or so yet. "Sometimes the UK will be worse than Europe, at other times Europe will be worse than us," he said.

Boris Johnson has urged people to get vaccinated "as soon as...eligible", and says it would be a "tragedy" if double-jabbed people fell ill without their booster. Asked if he can rule out Christmas lockdown, Johnson said current data does not point to the need for a "Plan B". The UK's top vaccine advisers, the JCVI (Joint Committee on Vaccination and Immunisation), say all over-40s should be offered a third dose of a vaccine. Meanwhile, the medicines regulator, the MHRA, says it is safe for people aged 16-17 to have their second Pfizer/BioNTech vaccine dose.

Health secretary Sajid Javid has hailed the vaccine roll-out as a “phenomenal success, saving countless lives, reducing pressure on the NHS and helping us stop the spread of the virus”. He has also placed great importance on the need for booster doses due to the immunity to COVID-19 waning after approximately six months. For instance, with this third dose, the protection against symptomatic infection rises to above 90% (93.1% for Oxford/AstraZeneca and 94% for Pfizer-BioNTech). The JCVI will continue to review the data and provide a decision in due course on whether the booster programme will be extended to those under the age of 40. In terms of the booster jab numbers, a total of 13,147,333 people in the UK have received a COVID-19 booster or third jab.

ECONOMIC POLITICAL AND SOCIAL

Inflation: UK prices soar at fastest rate for almost ten years

The cost of living has surged at its fastest pace in almost 10 years, hitting 4.2% in the year to October. It is mainly due to higher fuel and energy prices but the cost of second-hand cars and eating out also rose, the Office for National Statistics said. Inflation is up sharply since COVID-19 restrictions ended this year and the economy reopened. The Bank of England says it may have to raise interest rates in the "coming months" to tackle rising prices. October's reading is far higher than the 3.1% rise recorded in the year to September and more than double the Bank's target of 2%. There are a number of reasons behind this price rise: demand for oil and gas rising; food shortages; government support to businesses during the pandemic; and a shortage of labour leading to a rise in wages.

UK announces plan to boost overseas trade

The government has announced plans to boost the UK's annual exports to £1 trillion by the end of the decade. The “Made in the UK, Sold To The World” plan is intended to help firms seize new opportunities in global markets. Last year, the UK exported about £600bn in goods and services. But only one in ten British firms trades overseas. International Trade Secretary Anne-Marie Trevelyan said it was "vital" for companies to "unleash their full exporting potential". As part of the 12-point plan, government agencies such as UK Export Finance will offer new services to help UK exporters to secure business. There will also be a new UK trade show programme to give UK companies help in exhibiting their products at international events. BBC global trade correspondent Chris Morris says such targets have been set before, but not achieved. The task has acquired a new urgency, because in other rich countries, exports have recovered more quickly from coronavirus-related lockdowns.

Brexit trade war would have ‘immediate and devastating’ effect on UK economy, industry warns

Business chiefs and economists say huge disruption lies ahead if Downing Street triggers Article 16, which would allow Northern Ireland to trade with the Republic of Ireland as part of the EU’s single market, meaning goods could flow freely between the Republic of Ireland and Northern Ireland. The disruption this may cause could lead to the EU taking retaliatory measures - an option the EU is already exploring, according to the professor of EU law at Trinity College at Cambridge University, Catherine Barnard. Brexit Minister Lord Frost has said this will only be the case if “significant gaps” with the EU cannot be bridged. The Irish prime minister, Micheál Martin, has echoed this sentiment stating that there is “serious intent” in the EU to solve the issue surrounding the Northern Irish border. Industry leaders have expressed their concern over the impact on British exports and further disruptions to already prevalent supply chain issues.

TRADE UPDATE

Travel And Tourism UK’s ‘fastest growing sector’ in October

The UK’s tourism and recreation sector, which includes travel agents and tour operators, recorded an output reading of 70 in new analysis by Lloyd’s Bank this month, making it the fastest growing UK sector monitored by the tracker for the second month in a row. Lloyds said the sector was “boosted” by the relaxation in international travel rules and more tourists visiting the UK. A reading above 50 reportedly signals output is rising, while a reading below 50 indicates contraction. According to the company’s UK Recovery Tracker, the number of sectors reporting output growth also hit a three-month high last month. Twelve out of 14 sectors reported output growth, up from 10 in September.

Record number of agents now receiving holiday enquiries

More than 99% of agents received new holiday enquiries during the past two weeks according to the latest TTG Travel Agent Tracker – the highest level since the start of the COVID-19 pandemic. Virtually all agents said they had received at least one enquiry during the two weeks to 12 November, a record high since the Tracker was first launched in April 2020. North America’s resurgence, meanwhile, has continued after the U.S. finally reopened its borders to international travellers on 8 November. Some 59% of agents said they had received enquiries for the U.S. and Canada – up from 55% from in the previous Tracker survey – with the region ranking only behind the Mediterranean in popularity.

Business travel recovery in UK trails most other markets

The business travel market in the UK is expected to shrink by 17% this year compared to 2020, according to the Global Business Travel Association. It estimates business travel spending in the UK will be \$17.6 billion in 2021. Out of the top 15 business travel markets, only Japan is expected to show a worse annual growth figure, with spending down by 37%. For the whole region of western Europe, business travel expenditure for 2021 is expected to fall 3.8% from 2020 levels.

Cyprus vows to remain open “whatever happens” with COVID-19

Deputy minister of tourism Savvas Perdios told TTG he was “proud” Cyprus had maintained the same entry protocols since April 2021, adding this would “stay unchanged. We will not be stopping people from flying,” said Perdios. “Cyprus remains open, and will remain open whatever happens with the COVID-19 situation in Cyprus – or elsewhere.”

U.S inbound leisure market ‘may not fully recover until 2025’

International inbound travel spend in the U.S. is not expected to recover to 2019 levels until 2024 at the earliest and may take until 2025, the U.S. Travel Association has said. President and chief executive Roger Dow said he expected an “uneven” recovery after the country’s 20-month border closure, which finally ended on 8 November. The association’s biannual forecast, issued on 15 November, highlights how U.S. domestic leisure travel has already returned to near pre-pandemic levels.

AIRLINE UPDATE

British Airways - British Airways’ first transatlantic flight from Gatwick since the start of the pandemic has taken off to Tampa. The airline’s service to the Florida destination will operate three times a week. BA also resumed flights from Gatwick to Orlando on 19 November. Claire Bentley, British Airways Holidays managing director, said: “Orlando and Tampa are among our most popular destinations, so we know how much our customers are looking forward to heading back.”

Emirates - Emirates has announced plans to conduct a test flight using 100% sustainable aviation fuel (SAF) by the end of 2022. The airline has signed a memorandum of understanding (MOU) with jet engine provider GE Aviation to develop the programme that will see one of its Boeing 777-300ER aircraft carry out the test. Currently, SAF approved for use is a blend of petroleum-based jet fuel and a SAF component with a maximum blend limit of 50%.

Wizz Air - Wizz Air has confirmed plans to build a 500-strong fleet after it placed an order for 102 new Airbus aircraft. Completion of the order remains subject to approval by Wizz Air shareholders. With the new order, Wizz Air's delivery backlog comprises a total of 429 aircraft. Jozsef Varadi, Wizz Air's chief executive officer said the airline's Airbus A321neo "continues to provide market-leading aircraft technology". "With its next-generation engines, it has proven to be the game-changer we said it would be when we placed our first order back in 2015" he added.

Scoot - Low-cost carrier Scoot has appointed Discover the World as its general sales agent (GSA) for the UK and Ireland ahead of launching its first UK services. Scoot, which is a subsidiary of Singapore Airlines, last week announced plans to launch flights from Gatwick to Singapore, via Bangkok from 16 December. Aiden Walsh, head of airline development at Discover the World, said: "We are delighted to be partnering with Scoot to develop the sales and marketing strategy for the UK and Irish markets".

Flybe - UK regional airline Flybe, one of the first corporate casualties of COVID-19, has outlined plans to return to the skies next year. The carrier said it would restart flying to destinations in the UK and EU in "early 2022" from a new base in Birmingham.

United - United Airlines was forced to cut service to 11 secondary cities across the midwestern U.S. beginning in January due to the pilot shortage, the company's chief executive officer says.

TOUR OPERATORS, TRAVEL AGENCIES AND OTA UPDATE

Easyjet Holidays - EasyJet holidays has put its 2023 summer season on sale, offering holidays to more than 50 destinations. Trips with the operator can now be booked up to the end of October 2023. The new season includes destinations such as the Canary Islands, the Balearics, Turkey and Greece, and features breaks to a selection of recently added hotels to easyJet holidays' portfolio.

Hays Travel - Speaking during a Barclays webinar, Hays Travel co-founder Irene Hays said business was "booming", adding a target of 70% of 2019's cash flow was being "exceeded significantly". Hays added retail provided 65% of total business volume. "We see the retail market being part of the customer journey now. "Over 70% will research online then come into retail and book."

Newmarket Holidays - Newmarket Holidays' long-haul programme has resumed for the first time since September 2020. The operator has taken more than 70 customers on tours to the U.S. and Canada following the relaxation of border restrictions. The company expects to take more than 130 passengers to North America by the end of the year.

eDreams ODIEGO - European OTA eDreams Odigeo reported strong bookings growth ahead of pre-COVID-19 levels in three months to September. Booking levels were 22% above pre-pandemic figures in the quarter. "Trading continues to improve and year-on-year growth rates for bookings versus pre-COVID-19 levels are accelerating – September +33%; October +42% and November +53%, versus fiscal year 2019," the company reported. The group gained 513,000 new members to its Prime subscriptions business during the quarter.

Thomas Cook - Online travel agency Thomas Cook has topped the UK's most improved brand list this year, according to research firm YouGov. It gave the brand a score of 9.8, up by 11.3 points on the previous year's score of -1.5. The score in YouGov's Global Best Brand Rankings report is a measure of overall brand health calculated by taking the average consumer impression, quality, value, satisfaction, willingness to recommend and reputation.

SOCIAL UPDATE

TikTok set to surpass 1.5 billion users in 2022

Despite challenges from rival platforms TikTok continues to go from strength to strength. According to a new report, the app's growth momentum will not be slowing down any time soon. As its cultural influence continues to spread around the world, TikTok is set to surpass 1.5 billion users in the next twelve months, putting it well ahead of Instagram, which has a billion active users.

Twitter launches updated analytics

Twitter is rolling out an updated analytics display which will be available on each tweet. This update will provide more specific performance insights, with extra engagement elements listed in the data. The new analytics display will include insight on replies, retweets and likes, as well as more specific data on where tweet impressions have come from, and notes on link clicks and engagements.

MICE UPDATE

Number of events in London increases 231% month-on-month

New data has revealed that the number of events in London is increasing steadily. The data has been released by Venue Performance and shows London venues increased the number of events they ran by 231% in September 2021, compared with August 2021.

London hosted an average of 12.6 events per venue in September 2021, compared to an average of 3.81 in August 2021. The data shows that event planners are increasingly confirming forward bookings in London, revealing an average of 8.4 confirmed bookings per venue in September 2021 compared to 5.31 in July 2021, an increase of 58%.

LIGHTER NOTE

A greedy squirrel gets rescued from a bird feeder. Watch it [here](#).