

WEEKLY REPORT

12 August 2022

COVID-19 UPDATE

The number of COVID-19 cases are decreasing in England, Scotland and Wales. In England, between 3 - 10 August 2022, there have been 1,012,531 tests. This shows a decrease of -10.5% compared to the previous seven days. During the same week, 50,414 people had a confirmed positive test result. This shows a decrease of -23.7% compared to the previous seven days. There were 8,487 patients in hospital with coronavirus on 10 August 2022 of which 216 needed a mechanical ventilator.

In Scotland, in the week ending 12th August, there was an average of 714 new cases a day, showing a 22.6% decrease from the previous seven days. During the same week, Scotland had an average of 77 hospital admissions per day, showing another decrease from the previous seven days.

Wales has also seen a decrease in hospital admissions, with an average of 173 admissions per day in the week ending 12 August. Vaccination rates continue to rise as governments in England, Scotland and Wales encourage the population to get their booster vaccinations.

Germany plans to bring back mandatory masks on flights

Germany is planning to tighten COVID-19 restrictions this winter, including making masks compulsory on flights and long-distance rail journeys. The proposal is included in a new Infection Protection Act being introduced by the Ministry of Health together with the Ministry of Justice. If approved by the German Government, the Act will make wearing masks mandatory on flights and long-distance trains from 1 October 2022 until 7 April 2023. In a joint statement, the two ministries said the measure was being proposed to combat an expected seasonal surge in COVID-19 cases during the autumn and winter.

Airlines have been given the go-ahead to resume direct flights between the UK and China

Flights from the UK were banned by the Chinese authorities in late 2020 due to the COVID-19 pandemic. However, the Department for Transport has reached an agreement with the Civil Aviation Administration of China (CAAC) for passenger flights to resume. The agreement follows China's decision to relax COVID-19 restrictions for international passengers.

ECONOMIC, POLITICAL AND SOCIAL UPDATE

Foreign office issues new Israel warning

The Foreign Office has updated its travel advice for Israel to warn of an increased threat of terrorist attacks. It said the warning was issued due to heightened tensions in Gaza, adding that terrorists are 'very likely' to carry out attacks in Israel and the the Occupied Palestinian Territories. "Attacks could be indiscriminate, including in crowded areas, government, military and police installations and against personnel, transportation networks, businesses with Western interests," it added.

Consumers cut back on spending with agencies and airlines

Consumers cut their spending on holidays last month, as rising inflation took its toll on family budgets. Debit and credit card data from Barclaycard showed a 7.7% rise in overall spending in July compared to a year earlier. Overall spending was up 1.6% compared to June. However, spending on international travel and hospitality dropped compared to a month earlier, falling 3.8% in travel agents and 3% at airlines. Barclaycard said: "This is likely due to the ongoing disruption across the aviation sector, as well as the 20% of Brits who are choosing not to summer holiday abroad this year, and the 16% instead opting to take a break in the UK."

Higher air fares forecast as 'times of overcapacity over'

Rising air fares this summer are a foretaste of the future with the era of airline overcapacity in Europe "over". That is according to Lufthansa chief executive, Carsten Spohr, who hailed the current strength of demand allied to constraints on capacity as the industry seeks to curb disruption, as driving up yields on fares. Reporting a Lufthansa Group profit of €259 million for the three months to June, Spohr said: "The business model works so well right now." The group reported the yield on its flights – the difference between fare revenue and operating costs – as 10% higher than in 2019, despite Lufthansa being compelled to cancel a significant number of flights, chiefly at its Frankfurt hub.

Energy bills to hit over £4,200 a year in January

Energy bills for a typical household could hit £4,266 next year, consultancy Cornwall Insight has warned. The higher estimate means the average household would be paying £355 a month, instead of £164 a month currently. The latest price cap - the maximum amount suppliers can charge customers for average energy usage in England, Scotland and Wales for October - is due to be announced at the end of this month. Cornwall expects this to rise to £3,582 a year, compared to the regulator's prediction of £2,800 a year. The energy bill warning comes as the government rejected calls for further help on energy bills until a new prime minister is in place. The CBI business lobby group said it "made no sense to wait" for a new Conservative party leader.

Research finds travel disruption deterred consumers from flying

Flight cancellations and airport delays could deter up to three-quarters of UK holidaymakers from booking travel overseas until the disruption eases, according to market research firm, Mintel. Reports in an online survey of 2,000 UK consumers found 72% said long queues at airports had put them off flying. Spending on overseas travel this year is still forecast to exceed £38 billion, just 12% shy of the £43.3 billion spent on holidays abroad in 2019, according to a forthcoming Mintel travel report based on the research. But Mintel forecasts domestic holiday spending will be 9% higher than in 2019 at £15.7 billion, although this will still be only about 40% of the spending on overseas holidays.

TRADE UPDATE

Derek Jones to leave Der Touristik UK

Derek Jones is to leave Der Touristik UK after more than a decade at the helm of Kuoni in the UK. Jones joined in 2009 and became chief executive for the UK in 2011. In a message to staff, Jones thanked the team for their dedication and resilience and said the UK group was well placed to recover in the months and years ahead. Francis Torrilla, managing director of specialist businesses, will take on the role of chief executive of Der Touristik UK on an interim basis and will report into Leif Vase Larsen, chief executive of Der Touristik Northern Europe. Jones said: "It's been a privilege to lead the Kuoni brand over the years, it's felt like the best job in the world. I couldn't be prouder of the team and everything we've achieved together and I know that the business will continue to thrive within the DER Touristik group and wish it every success under new leadership."

Riviera Travel executive joins Atas board

Stuart Milan, the channel director at Riviera Travel, has joined the board of the Association of Touring and Adventure Suppliers (Atas). He replaces Donna Jeavons, managing director for the UK and Europe at TTC Tour Brands, who is joining Abercombe & Kent in September. Milan said: "I'm delighted to join the Atas board and to be working alongside such an esteemed group of experts. Atas is a leading source of information and insight for Riviera Travel and the wider industry, and I am keen to support their aim of raising the sector's profile, as well as helping agents develop their expertise."

Hays to hold first retail managers conference in three years

Hays Travel's Overseas Managers' Conference was last held in October 2019 just after the acquisition of Thomas Cook's retail estate. The group has chartered three aircraft from Jet2 out of Newcastle, Manchester and Stansted to take more than 600 shop managers to the event at Lujo Hotel in Bodrum, Turkey, from November 8-12. The conference will give shop staff their first chance to hear about the retailer's peak season sales campaign plans for January 2023 as well as its traditional fancy dress night, competitions and giveaways. It will also include a refreshed format for managers to meet suppliers. Instead of group appointments at allocated times with suppliers, the conference will offer a more relaxed exhibition-style event for agents to walk around and meet operators one-to-one.

Transport chair: "Govt must stop sacrificing travel and work with industry"

The chair of parliament's transport select committee, Huw Merriman MP, is drawing up a "shopping list" of proposals to help the industry work through crises like the pandemic. Merriman told TTG's Agenda 2022 seminar he would put together his ideas during parliament's summer recess, reasoning there had not been enough interaction between government and industry during the pandemic. "I'd like to see a rules-based approach so everyone can see how decisions are made and everyone is collectively making them," he said. The government had given "warm words" on this, but made no firm commitments. "We can't have this industry shut down again for no justifiable reason." Lessons could be learned from other nations, he said. "We went to Germany – what was really telling was we sat down with officials from the department responsible for travel restrictions alongside the industry, they were joined at the hip."

AIRLINE UPDATE

British Airways to offer two new Caribbean destinations next summer

British Airways will expand its Caribbean route network next summer with the addition of flights to Aruba and Guyana. BA will operate twice-weekly services to Oranjestad and Georgetown from Gatwick, starting next March, using Boeing 777-200 aircraft. Flights to Aruba's capital Oranjestad will get under way on 26 March, operating via Antigua. Georgetown flights, meanwhile, will get under way on 27 March, operating via Saint Lucia. BA's Oranjestad flights will lead in from £599pp return, and Georgetown from £524pp return. The additions grow BA's Caribbean destinations to 17 in total.

JET2 to fly six new routes during 2023/34 winter sun schedule

Six new routes have been confirmed by Jet2.com and Jet2holidays with the launch of the 2023/24 winter sun programme. More than 110 winter sun routes feature from 10 airports, with the brands' ski and city breaks destinations to be announced shortly. The new routes are Belfast International to Malaga and Faro, Newcastle to Malta and Bristol to Malaga, Malta and Palma. Jet2 also boasts it is the UK's leading airline and operator to the Canaries, with more than 230 weekly services planned. Steve Heapy, Jet2.com and Jet2holidays chief executive, said: "We are seeing strong demand from customers wanting to escape the long British winter by booking their winter 23/24 holiday nice and early. In response to this demand, we are stepping in by putting our winter sun programme on sale from all 10 of our UK bases. The strong demand we are seeing for winter sun means we are looking ahead with real confidence and look forward to revealing even more details of our exciting programme very soon."

Cuba to target return of direct flights in UK push

Cuba tourism chiefs say the return of direct flights from London is key to restoring the UK's pre-pandemic position as the island's top European market. Mayte Suarez, recently-appointed director of the Cuba Tourist Office and counsellor of tourism in the UK, said lobbying efforts were ongoing to restore air links previously operated by Virgin Atlantic and Thomas Cook. The UK is currently the seventh ranked source market for Cuba, having previously been second on the list behind the established leading market of Canada. Suarez said: "TUI is operating to Varadero from Manchester and we are seeing strong demand, but we are working hard to re-establish direct flights from London first to Havana and also to Holguin."

Vueling to launch Tenerife, Gran Canaria and Lanzarote from Gatwick

Vueling will fly three new routes from Gatwick to Tenerife, Gran Canaria and Lanzarote this winter, the airline has announced. The low-cost Spanish carrier will launch its Tenerife service on 6 December and operate three flights a week on Tuesday, Friday and Sunday. Flights to Gran Canaria are scheduled to depart the following day (7 December) and run twice weekly on Wednesday and Saturday. Meanwhile, Vueling's Lanzarote service takes off for the first time on 8 December and will also operate twice a week on Thursday and Saturday.

TOUR OPERATORS, TRAVEL AGENTS, OTA UPDATE

Touring aggregator TourHound launches trade tool

Touring and adventure aggregator TourHound has released a travel agent tool to keep track of changes in touring and adventure suppliers' pricing. Tour price tracker, which can be found on TourHound's website, provides a daily update of price changes from more than 50 of the UK's operators as well as a history of all the changes for a specific tour. Agents who have the free TourHound Pro technology can share information from the tour price tracker with their customers using social media platforms including facebook. Calling the new tool "a game-changer", chairman Laurence Hicks said: "We are delighted to bring this technology to agents and homeworkers who are actively selling touring and adventure holidays. It will save retailers valuable time when sourcing deals and offers for their customers" TourHound technology provides a free application that is embedded onto a retailer's existing website or as a standalone white label website, providing real-time content from suppliers.

TUI plans dynamic package and accommodation-only push

TUI plans to take on the online booking engines in the UK via new dynamic packaging tools. An initial push in Germany will be followed by inroads into the UK market. "We are not the company anymore that sells only traditional packages," said new TUI Group chief executive Sebastian Ebel. "In Germany, 25% of sales were built dynamically. This will be a source of growth for the future when we roll that out to the UK. We are going to offer component sales and accommodation-only to get a fair share of the booking.com arena." Ebel said TUI would offer "a far broader range of products" to existing customers, but would also target new customers, especially in the activities sector.

G Adventures to relaunch Bhutan, Australia and New Zealand in september

G Adventures will resume operations in Bhutan, Australia and New Zealand next month. The adventure specialist will become the first group tour operator to take travellers along the newly restored Trans Bhutan Trail, which will reopen for the first time in 60 years on 28 September. Trips to Australia and New Zealand, meanwhile, will return to G's portfolio in September. Yves Marceau, G Adventures vice-president of product, said G was excited to relaunch three destinations that are among the last to reopen, and to restart the flow of tourism revenue into local communities.

Viking returns to Asia with new mekong ship Viking Saigon

Viking's new purpose-built Mekong ship has embarked on the line's first south-east Asia sailing since the onset of COVID-19 two and a half years ago. Viking's Magnificent Mekong itinerary includes hotel stays in Hanoi, Siem Reap and Ho Chi Minh City (Saigon) and offers 16 guided tours throughout the trip.

SOCIAL UPDATE

Authentic content is becoming increasingly important in social media strategy

One emerging trend over the past few months has been a drive towards authenticity on social media and BeReal is leading the way. The platform was established in 2020, but has only recently gained popularity internationally. BeReal prompts users at a different, randomly chosen time each day to take a candid snapshot of what they're doing. Once receiving the daily notification, users have two minutes to pose before the app captures the view from both the front and back cameras of the phone, which it then shares with their friends. With unedited "photo dumps" and high profile influencers and celebrities publishing content to show their relatable side across Instagram, BeReal - which eliminates the ability to prepare, plan or edit a shot - could be right on trend.

Instagram takes inspiration from BeReal with new test features

Instagram has launched a new 'Dual' camera mode, which enables users to capture content and their reaction at the same time, using a phone's front and back cameras simultaneously. In addition to this, Instagram is also testing an option that would enable users to add a QR code to posts, which other users could then scan in order to see, on a map, where exactly they are at any given time, though this does present some privacy issues.

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MICE UPDATE

Immersive outdoor corporate events in high demand

Center Parcs has revealed its conference and event bookings are up 10% on 2019 figures, with nine out of 10 bookings incorporating outdoor activities. Since June 2022, Center Parcs has seen a 10% increase in enquiries compared to the same period in 2019. Since welcoming bookings this summer, 90% of confirmed events will use its leisure activities, as event bookers and businesses strive to deliver conferences, meetings and away days which offer attendees and colleagues the chance to reconnect and recharge, with fun and engaging activities to suit all abilities and interests.

LIGHTER NOTE

A 12-year-old girl has made hundreds of survival blankets for homeless people out of crisp packets. During the past year, she has made more than 200 blankets using almost 10,000 waste crisp packets. Find out more [here](#)