

WEEKLY REPORT

3 January 2025



ECONOMIC, POLITICAL AND SOCIAL UPDATE

Energy prices rise with warnings of more pain to come

Domestic energy prices have risen with little respite expected for bill payers during the rest of the year. The second increase in Ofgem's price cap this winter takes effect on Wednesday and means someone paying by direct debit and using a typical amount of gas and electricity will pay £1,738 a year. Bills are about 50% higher than pre-Covid levels, and analysts predict they will rise by a further 3% in April.

Twenty councillors quit Labour in Starmer protest

Twenty councillors have quit Labour in protest at the party's direction under Sir Keir Starmer. The councillors - from Broxtowe Borough Council in Nottinghamshire - claimed the party had "abandoned traditional Labour values" and criticised policies such as cutting the winter fuel allowance for some pensioners. Council leader Milan Radulovic, who had been a party member for 42 years, is among those walking away from Labour. The councillors said they would establish a new independent party, planning to run the borough council as a minority administration in the short-term, but may need support from existing independents in order to keep control.

Flu rises sharply in England's hospitals, NHS warns

The number of people with flu in hospital in England has risen sharply over Christmas, NHS chiefs warn. The latest data shows there were 5,000 patients in hospital with the virus at the end of last week - almost 3.5 times higher than the same week in 2023. The figures come as top doctors warn about the impact of very cold weather over this weekend on vulnerable patients and the health system.

TRADE UPDATE

Spending with travel agents rose according to Barclays

Consumer spending on travel grew by 6.9% in 2024, a slowdown from 15.2% in 2023, while total travel transactions also saw a slower increase of 6.8% compared to 11.4% last year. Despite this, holidays remain consumers' top discretionary spending priority. Spending with travel agents rose by 7.9% year-on-year, down from 10.4% in 2023, with total transactions increasing by 14% in 2024, up from 11.8% last year. In contrast, spending with airlines slowed significantly, from +30.8% in 2023 to +7.5% in 2024, with total airline transactions dropping from +28.7% to +8.5%. However, growth in travel spending outpaced that of other non-essential sectors, including entertainment (5.8%), hospitality and leisure (5%), and eating and drinking (2.5%), as well as the overall rate for non-essential spending (+1.9%).

Demand for longer holidays and shorter weekend breaks abroad is set to drive growth in the UK outbound market this year, according to new research. A survey of 2,000 consumers conducted for audit, tax and consulting firm RSM UK's latest Consumer Outlook found 41% plan to take a holiday overseas lasting more than five days in 2025, up from 35% in 2024. Those intending to take a weekend trip overseas jumped from 24% in 2024 to 30% for 2025. Chris Tate, head of travel at RSM UK, said: "Holidays remain a priority for many and demand in 2025 looks set to increase with more holidaymakers planning longer overseas holidays and short breaks. He added: "Travel and tour operators will be hoping for an uptick in year-on-year booking for Sunshine Saturday in January as demand heats up".

AIRLINE UPDATE

Cathay Group - Cathay Group exceeded the 100,000-passenger mark on eight days during the year-end travel peak. The landmark marked the completion of a two-year recovery from the pandemic. Sister airlines, Cathay Pacific and HK Express, carried a combined total of 100,856 passengers on December 15, the most on a single day since the start of its rebuild. Together Cathay Pacific and HK Express will have reached 100% of pre-pandemic flights from January 2025. The two airlines are projected to operate passenger services to 100 destinations around the world this year.

Emirates - Emirates is raising capacity to Sri Lanka by 30% with an additional service from Dubai. The expansion comes as the carrier supports Sri Lanka's plans to boost tourist arrivals to three million in 2025. Emirates' expanded schedule provides more options for UK travellers connecting to Colombo via Dubai, expanding accessibility to Sri Lanka. The new flight, operated by a 360-passenger Boeing 777-300ER, will operate six times a week until April 1 when a seventh weekly frequency will be added.

Virgin Atlantic - Virgin Atlantic is ranked as the most punctual airline in the UK market, according to new figures from aviation analytics firm Cirium. Its annual On-Time Performance report showed that the airline topped the table with a 74.01% on-time arrival record. Budget carrier Wizz Air UK came in second place (70.54%), followed by another low-cost airline, easyJet, in third place (68.43%). British Airways was in fourth (67.83%).

TOUR OPERATORS, TRAVEL AGENCIES & OTA UPDATE

Cassidy Travel - Cassidy Travel has launched its highly anticipated 2025 Family Travel Brochure, designed specifically with families in mind. Redefining the standard travel brochure experience, Cassidy Travel has curated an innovative guide that caters to the diverse needs and interests of all family members. "Families are looking for travel experiences that bring them together and create lasting memories," said Sharon Harney, General Manager at Cassidy Travel. "With our new Family Travel Brochure, we wanted to simplify the planning process and provide a dedicated resource that highlights the best family-friendly destinations and activities."

Hays Travel - Hays Travel unveiled the first of three new television advertisements on Boxing Day. The advert was created by newly appointed creative agency Toast TV to show the breadth of product and service Hays Travel offers to its customers. As announced at the group's overseas conference in Turkey, Hays Travel is investing more than ever in its turn-of-year marketing campaign and will adopt an "always on" approach to TV advertising for 2025. Dame Irene Hays said: "Our 2025 peaks campaign will be Hays Travel's biggest investment in advertising to date. Our focus is on the service, value, and choice we give our customers – who in turn feel reassured by our agents' expertise and trust us to realise their holiday dreams".

Jet2holidays - Jet2holidays has prepared for a surge in sales this weekend with a flurry of consumers expected to be keen to book trips on 'Sunshine Saturday'. The first Saturday of January is typically one of the most popular days of the year to book a holiday, so Jet2holidays has ensured that its contact centre is fully staffed and its dedicated independent travel agent team will be working "tirelessly" to

support partners. The company is predicting its Travel Agent Finder page, which enables customers to find the nearest independent high street agent that sells Jet2holidays, to see an increase in traffic this weekend.

Jules Verne - Jules Verne is using its peak sales campaign to showcase a new-look logo as part of a wider company rebrand. The small group escorted tour operator's first TV ad for several years went live on January 1. It will run for a month across multiple channels including Channel 4, More 4, Sky News and Sky Arts. The ad – featuring the new look – celebrates the company's 45 year history by starting with sepia-toned footage of travel by train and ship, including memories of the first moon landing and a boy playing with a toy rocket in the 1970s, before transitioning to full-colour scenes of modern travel adventures such as hot air ballooning and exploring Petra in Jordan.

Platinum Travel - Platinum Travel Limited ceased trading on 19 December 2024. As the company is no longer operating, customers who had bookings with Platinum Travel should be aware that they may be entitled to protection under the Irish Aviation Authority's consumer protection schemes, provided their travel departs from Ireland.

SOCIAL UPDATE

Threads topped the iOS download charts in November

In November 2024, Meta's Threads maintained its position as the sixth most downloaded app, mirroring its October ranking. Notably, it led iOS downloads for the month, despite a slight decrease from 12 million downloads in October. Globally, Instagram was the most downloaded app in November, with TikTok, WhatsApp, and Facebook following, and ChatGPT securing the fifth spot.

Bluesky surpasses 25 million users and introduces trending topics

Bluesky has introduced a "Trending Topics" feature which will showcase topics that are receiving the most mentions. This feature is at present available in English, with the platform planning a broader rollout in the future. Users can disable this feature and their mute words will be carried over to trending topics. Bluesky chief, Jay Graber, has reported that the platform currently has 25.9 million users and that organisations have noted a 2-10x increase in engagement in the past month and a half.

MICE UPDATE

ISIC codes fail to record events industry value, says TBOE report

A White Paper, published by The Business of Events, reveals that ISIC (International Standard Industrial Classification) codes do not sufficiently capture

the global value of the events industry, despite being updated as recently as 2023. Key industry segments such as agent, venues, association, academic, supplier and service businesses, as well as sustainability-focused initiatives, remain either misrepresented or entirely absent from the current codes. This omission significantly undermines the sector's ability to demonstrate its economic and societal value, making it harder for industry bodies to lobby for government recognition and support effectively. The White Paper explores how these outdated codes fragment the measurement of the Events Economy, making it challenging to quantify the sector's contributions to GDP, job creation, and knowledge exchange accurately.

LIGHTER NOTE

The UK's biggest-ever dinosaur footprint site has been discovered in a quarry in Oxfordshire. Read more [here](#).