Following Freedom Day, what are the latest hotel and flight booking trends?

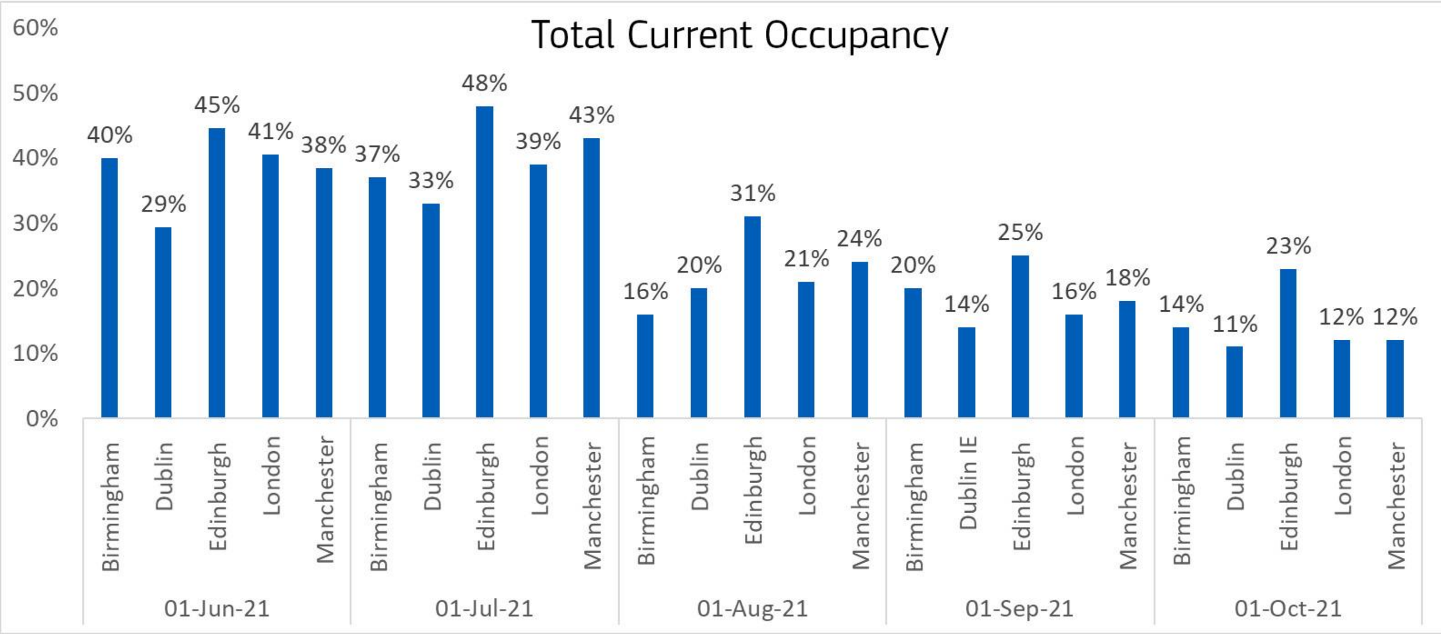
With the UK now finally making a return to the 'original' normal, we take a look at what Amadeus flight and Demand360® forward-looking hotel data shows for the UK & Ireland, and how does this compare to the rest of the world?

Comparing UK occupancy with other markets

Depending on your location in the world, levels of restrictions might look very different. Occupancy levels reflect this. For instance, with much of America now resuming everyday life, occupancy across North America has been averaging 50-60% since May. China too, with recent holidays and a growth in domestic tourism spurring travel, also reached highs of 50-60% as of March. As for Europe, with much of the continent facing ongoing restrictions and a resurgence of the virus, occupancy peaked at 34% in June, and is set to meet the same level in July. If we drill down into key markets across Europe, between the months of February and October, UK is leading the way in terms of occupancy, with highs of 45% in June. For each of these markets, numbers drop the further out we look. This makes sense considering the ongoing trend of reduced booking lead time. In the UK, 45% of bookings are still made within one week of check-in.

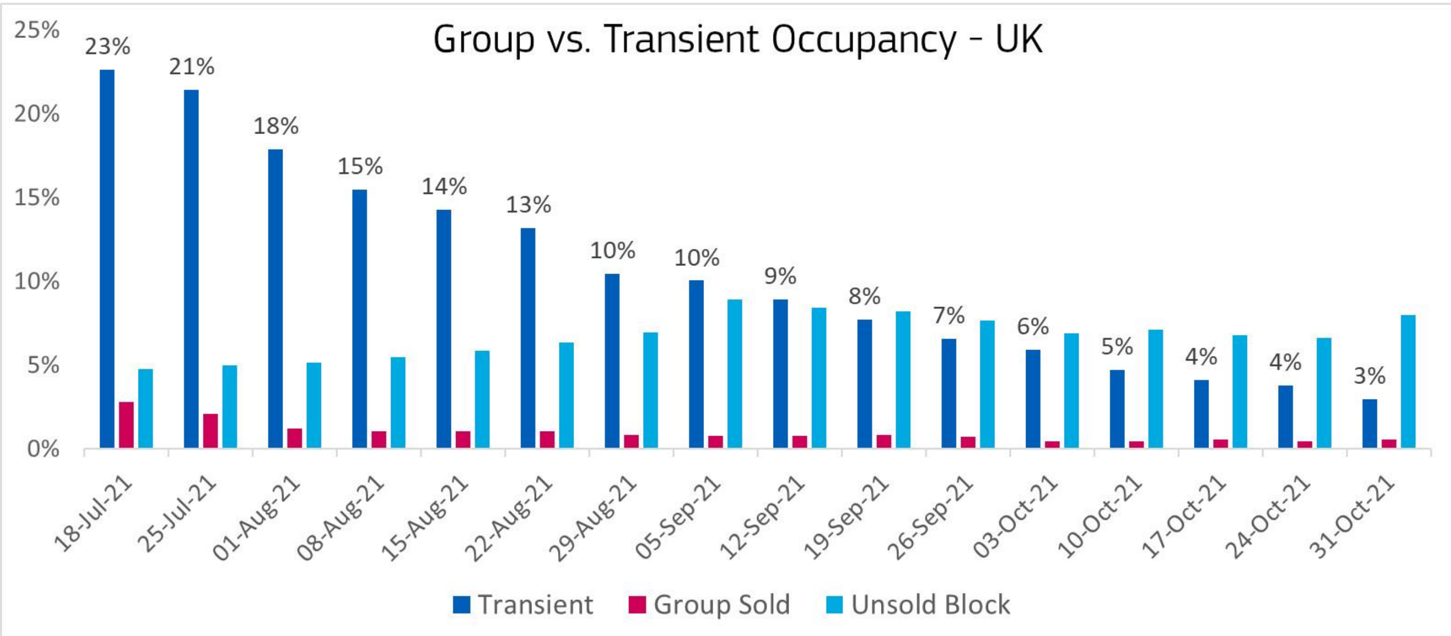
Looking ahead to September, what about key cities?

As the UK and Ireland reopen in July and August, the expectation is that many will return to the office in September. Aside from that, as restrictions ease, activities most associated with cities, such as theatres, nightlife and events, are set to come back. In fact, current Demand360® data seemingly confirms a growing interest in city travel. In the months of June, occupancy in Edinburgh reached 45%, with London and Birmingham close behind at 41% and 40% respectively. July is set to follow this trend, with Edinburgh's occupancy at 48%, according to data from 8th July. Considering the UK overall is averaging 40% in June and July, this is a positive sign of recovery for big cities. Dublin is still lagging behind others, but as Ireland continues to reopen, hoteliers should keep an eye on how this evolves.



Amadeus' Demand360® data as of 11 July 2021

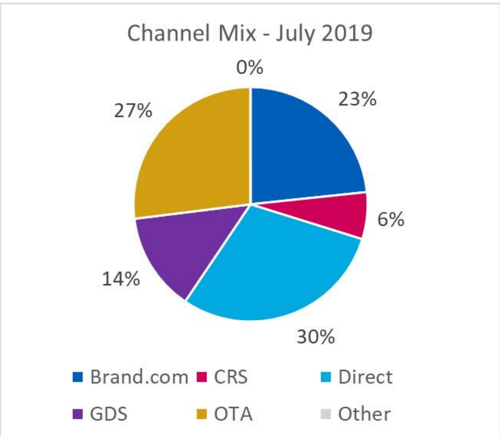
Interestingly, if we look ahead to September, there are some clear differences between group and transient booking behaviour. We previously mentioned that overall lead time in the UK is still fairly last minute. However, when we look at occupancy levels in September and October, group business increases the further out we look. This suggests that while leisure travellers might be cautiously booking, when it comes to group business, planning ahead is still favourable. In terms of markets driving this demand, flight data reveals that 17% of the scheduled flights in the UK for September and October are expected from within. This suggests that domestic travel will continue to drive both leisure and business travel in the short-term.



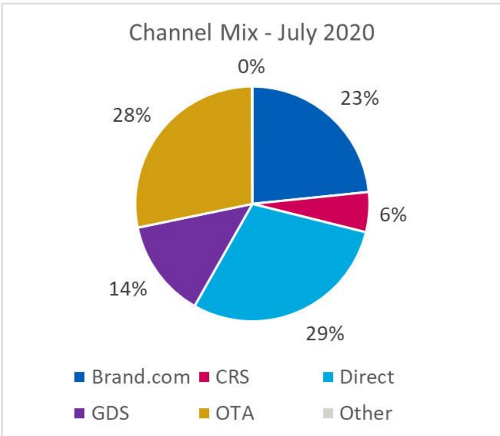
Amadeus' Demand360® data as of 11 July 2021

Keeping an eye on the channel mix

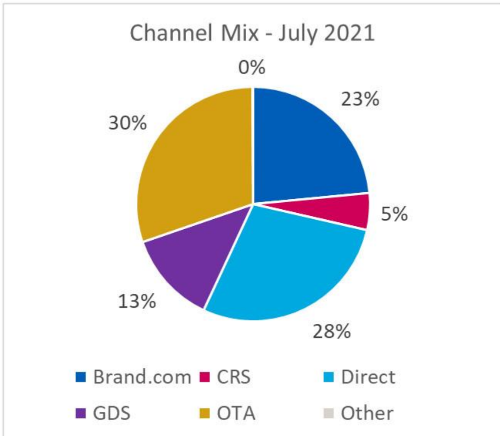
Throughout the pandemic, Amadeus has closely monitored changes in the channel mix, and how consumers are booking travel. If we compare the channel mix in 2021 versus 2020 and 2019, there are some notable shifts. Firstly, in 2019 bookings through Online Travel Agencies (OTA) made up 27% of all bookings. In 2019, this increased to 29% and, in 2021, this now sits at 30%. Whilst this channel is great at helping hotels get their properties seen, it is less profitable than direct or brand.com. The consequence of the OTA gaining share means that bookings direct have fallen, from 30% in 2019 to 28% in 2021. As hoteliers look to recover occupancy, it's important to make sure this number doesn't continue to drop. For more guidance on this, download our [Preparing for Recovery: Revenue Management eBook](). The good news is that GDS bookings are almost equal to 2019 levels, at 13% (vs. 14% in 2019). As data shows that group business is increasing during the autumn, now might be a good time to invest in GDS media campaigns that can help drive more corporate business.



Amadeus' Demand360® data as of 3 July 2021



Amadeus' Demand360® data as of 3 July 2021



Amadeus' Demand360® data as of 3 July 2021

As you continue to rebuild your business, to help you on your way, Amadeus has updated our series of recovery eBooks - published in collaboration with HOSPA, HSMAI and the Institute of Hospitality. If you're looking for more guidance on Operations, Marketing, Revenue Management or Sales, download one of the complimentary eBooks.