

WEEKLY BRIEFING

19 February 2021



HB HIGHLIGHTS

This week, Brand USA president Chris Thompson, alongside other U.S. tourism chiefs, discussed the new chapter for U.S. travel and the future opportunities for UK travel agents in [ITG](#).

Additionally, the PR team is working closely with [About Time](#) magazine to create a series of city guides. First on the list was 48 hours in [Nashville](#).

ECONOMIC, POLITICAL, AND SOCIAL UPDATE

COVID-19 Update

Boris Johnson has confirmed that the easing of England's COVID-19 restrictions will be carried out in "stages" with a "cautious and prudent approach," with the Prime Minister due to share his road map out of the nationwide lockdown on 22 February. Speaking at a mass vaccination centre in south Wales on Wednesday, Johnson said "I certainly think that we need to go in stages...we need to go cautiously," commenting that the UK government would continue to hold conversations with the devolved administrations about how best to exit lockdown. The chief executive of NHS Providers Chris Hopson has set out four "tests" which should guide easing: getting case numbers down, reducing the pressure on the NHS, further strides in the vaccination programme and an effective strategy to control future outbreaks.

COVID-19 total cases continue to fall, down 16% week-on-week, with infection rates trending down steadily. At the start of the week, the government reached its target of immunising 15 million people by 15 February, including the four most vulnerable groups. After achieving the target, ministers have now set their sights on offering the vaccine to everyone over the age of 50 and all adults in at-risk groups by May, amounting to 32 million people.

Lockdown restrictions in Northern Ireland have been extended until 1 April, but children aged four to seven will go back to school on 8 March. Another review of the measures will take place on 18 March, with health officials saying they want to avoid

a possible rise in cases around St Patrick's Day on 17 March.

As of 15 February, 182,193 first vaccinations and 98,833 second doses have been given in Ireland. Paul Reid, the chief executive of the Health and Safety Executive (HSE), has said the HSE plans to be able to vaccinate one million people a month from April in Ireland. Meanwhile, the First Minister of Wales has suggested that stay-at-home rules in Wales could be lifted in three weeks, but this would depend on case rates continuing to fall.

Pound hits three-year high on vaccination hopes

The pound has hit its highest level against the dollar in nearly three years, amid rising optimism about an end to the lockdown in the UK, surpassing \$1.39 on 15 February, while also hitting a nine-month high against the euro at €1.147. More than 16 million people have now had their first COVID-19 jab, raising hopes that restrictions can soon be eased and the economy can start to recover. Chris Turner, global head of markets at financial services company ING, said: "[The pound] continues to reap the dividends of a successful vaccine rollout and momentum is building towards a reopening of the economy - probably starting with schools on 8 March." The UK's main share index, the FTSE 100, also climbed on Monday, rising by 2.6%.

TRAVEL AND TOURISM UPDATE

UK consumers "have not lost their appetite to travel"

Research firm Mintel has found that UK consumers are keen to travel, with a study suggesting one in three still intend to take an overseas holiday this year. Mintel research conducted in late January found two-thirds (66%) of UK adults intended to take a holiday in the UK or abroad this year, despite the current lockdown and restrictions on travel. Mintel analyst Marloes de Vries concluded: "Brits have not lost their appetite to travel. Brands can expect a surge in bookings, first when the reopening date for travel is announced and second when restrictions are lifted." De Vries suggested overseas travel will recover more slowly than domestic "due to the likeliness of entry restrictions and requirements for travel to or from certain countries" but said overseas beach holidays are in high demand.

Heathrow airport says it is ready for red list arrivals

Heathrow has said that it has "adequate resource and processes" to ensure passenger safety as it begins to operate England's new quarantine policies. A Heathrow spokesperson said: "Over the weekend, our teams worked closely with government to support the successful implementation of the managed quarantine policy." Since Monday, arrivals into England from 33 red list countries must isolate in a designated airport hotel room for 10 days at a cost of £1,750.

Luxury travel trends to watch for 2021

Trends intelligence specialist Stylus has highlighted the key trends to focus on for post-COVID-19 luxury travel and hospitality, as weary consumers are craving the enrichment, escapism and energy that travel brings. It has identified safety, wellness and sustainability as three key trends to look out for in the luxury travel sector this year. While exclusivity has always been a marker of prestige when it comes to travel, cleanliness and safety will be just as important in 2021. As such, remote destinations and areas experiencing low-viral rates will hold high appeal. Travel and hospitality brands are also perfectly positioned to step into the wellness sphere with offers that help deal with trauma, burnout, anxiety, change and uncertainty, as well as restoring confidence and optimism. Lastly, consumers will be questioning not only their personal safety, but also their environmental impact, as reports from across the world indicated a recovery in local eco-systems as a result of lockdowns. Continuing this momentum, travel brands must respond with fast-track strategies that prioritise eco alignment. Chemical-free hospitality will also occupy a burgeoning area of sustainable tourism. According to Stylus, this trend will manifest across all corners of hospitality, from chemical-free cleaning methods such as antibacterial microshields to dedicated hypoallergenic rooms and hotel toiletries that swap synthetic chemical-laden miniatures for all-natural formulas.

Heathrow launches zero carbon aviation research project

Heathrow airport has started research on two projects that aim to reduce emissions, cut costs and make the airport more efficient. The projects are being funded by the government's Future Flight Challenge, which is investing up to £125 million to develop greener ways to fly, such as all-electric aircraft and deliveries by drone. The investment is matched by a further £175 million from the industry. The two successful projects being researched by Heathrow are Fly2Plan, which is looking at how technology can use the airport's data more efficiently, and Project NAPKIN, which will develop a "blueprint" for zero carbon aviation across the UK.

World Travel & Tourism Council to hold 'hybrid' summit in April

The World Travel & Tourism Council's (WTTC) 20th global summit will take place in April this year, it has been confirmed. The event is being organised with the government of Quintana Roo in Mexico and will be held from 25-27 April in Cancun. WTTC expects the relaxation of travel restrictions will enable more international participants to take part as the sector looks to recover. The event will take place in a hybrid format, allowing those unable to travel to benefit from the content virtually.

Marriott chief Arne Sorenson passes away

Marriott International has paid tribute to "visionary leader" and "exceptional human being", president and chief executive Arne Sorenson, who has died aged 62 while undergoing treatment for cancer. Marriott said Sorenson was tireless in his pursuit of growth while creating opportunities for associates, franchisees and

partners, and delivering results for shareholders. The company added Sorenson was recognised for his leadership on national and global issues ranging from diversity and inclusion to sustainability and driving awareness of human trafficking. Tributes for Sorenson have been paid throughout the industry.

AIRLINE UPDATE

Aer Lingus - IAG, the parent company of Aer Lingus, looks set to position the Irish carrier as a budget transatlantic option with flights from the UK via its Dublin hub, and also with a new subsidiary, Aer Lingus UK, to fly non-stop from Manchester to the USA. Documents filed in December 2020 with the US Department of Transportation confirm the new company is registered at Belfast City airport, giving it UK status. They reveal Aer Lingus UK has applied to the CAA for an AOC (Air Operator Certificate) and route licences. "Aer Lingus (UK) Limited anticipates the CAA will issue its AOC and licences in or around February 2021," it says, confirming flights will be from Manchester. Aer Lingus (UK) Limited intends to operate daily flights to New York (JFK), daily summer flights and four weekly winter flights to Orlando, and summer flights to Boston.

Air Namibia - Namibia's national airline has gone into liquidation after 75 years, with all flights now cancelled.

British Airways - British Airways has agreed a partnership with hygiene brand Dettol as part of the airline's "ongoing commitment to help keep its customers and colleagues safe." From March, BA customers will have access to a range of Dettol products "that are proven to kill 99.9% of bacteria and coronavirus (SARS-COV-2) in the air and on the ground." The airline said its updated cleaning protocols using Dettol products, have been supported by the London School of Hygiene and Tropical Medicine. At Heathrow Terminal 5, Dettol hand sanitiser stations will be positioned at all check-in desks, self-service bag-drop, lounges and departure gates. The airline will also use Dettol antibacterial wipes, cleaners and sprays to keep surfaces clean at the airport and in its lounges. On aircraft, each customer will be handed a packet containing a Dettol antibacterial hygiene wipe as they board.

Etihad Airways & Gulf Air - Gulf Air, Bahrain's national carrier, and Etihad Airways, the national airline of the United Arab Emirates, have signed a deal to "deepen their partnership between Bahrain and Abu Dhabi and beyond." The partners' codeshare agreement, first signed in 2019, will be significantly expanded by June. Gulf Air and Etihad will be able to offer up to an additional 30 combined destinations beyond the Bahrain and Abu Dhabi hubs, across the Middle East, Africa, Europe and Asia.

JetBlue - The New York-based carrier has secured slots at Gatwick and Stansted for JFK and Boston flights, and has confirmed a start of this summer.

TOUR OPERATOR UPDATE

Advantage Travel Partnership - The Advantage Travel Partnership has followed the launch of its Keep Calm and Dream of Travel campaign with assets for its members to share with customers. The travel agency consortium launched the campaign last week in a bid to share 'positivity' around future holidays. Graphics designed for the campaign champion the expert knowledge of the trade, and include the hashtag #AskYourTravelAgent. They urge customers with questions about the added complexities of travel since the onset of COVID-19 to seek expert advice, and promise Advantage members will ensure financial protection, use flexible providers and suppliers who offer "fair refund policies" and "take care of you from the moment we speak until the moment we welcome you home."

Classic Package Holidays - Trade-only operator Classic Package Holidays has added a range of mid- and long-haul options to complement its existing short-haul proposition. Dubai, Mexico and the Caribbean have been added for 2021 to capitalise on pent-up demand for what it described as "perennial UK market favourites." Caribbean destinations include Barbados, Antigua, Saint Lucia and the Dominican Republic. Classic Package Holidays said that owing to current COVID-19 travel restrictions and many destinations' plans for phased restarts, it would take a cautious approach to launching the new destinations, with no departures fixed for any earlier than 1 May at this time.

Elegant Resorts - The luxury tour operator is focussing on the Indian Ocean, Dubai and the Caribbean as its key destinations with long-haul bookings for this year and also for 2022 being taken. In the U.S., Elegant Resorts is reporting that New York and California are the most popular at the moment with customers. Elegant Resorts, and its sister company If Only, will focus on California, New York and Florida for recovery as well expanding its product for Colorado, Utah and Las Vegas, including new website content and itineraries.

Gold Medal - Sales data from Gold Medal reveals U.S. trips accounted for around a third of all bookings made last month, with the average booking value increasing by 11% in January 2021 compared to 2020. New York, Florida, Las Vegas, California and Boston were the operator's most popular destinations, with the Big Apple performing particularly well – room nights booked in January were more than 50% higher than in December (the highest they have been since late February 2020).

SOCIAL AND DIGITAL UPDATE**Twitter's 'Spaces' gains momentum**

Twitter is working to quickly evolve and roll-out its version of Clubhouse named Twitter Spaces. Twitter Spaces is still in its developmental stage and is gradually being released to more users, whilst simultaneously upgrading features in line with users' response. The most recent developments include a new display of all speakers and listeners in a room and more prominent markers for identifying speakers and hosts within a Space. Soon, speakers and hosts will also be able to manage guests in a Space as Twitter works to develop the platform based on initial user feedback.

Instagram to launch multi-participant live-streams

Instagram chief, Adam Mosseri, has revealed that that company is planning to launch multi-participant IG Live video chats within the next few weeks. The latest feature will allow up to four users to broadcast from one IG Live. Live-streaming, in general, saw a big rise in 2020, as people sought ways to stay connected. Instagram's new feature will provide users with another means to broadcast and connect with their Instagram audience.

MICE UPDATE**DRPG says 30% of event bookings are live from autumn**

UK based creative agency DRPG has said it is seeing a "good mix" of event bookings in 2021, with 30% of these being for live in-person events from September. All events booked until the end of June are for virtual only events, but clients are looking at hybrid options from June onwards. This trend towards confidence in live events is also revealed in statements from other agencies, including Top Banana and Strata Create.

DRPG's director of events, Matt Franks, said: "We are receiving quite a lot of enquiries and bookings for events in 2021, and there is a good mix of enquiries for new types of projects. People are being innovative and somewhat brave in how they communicate. There is a desire to bring back in-person experiences. I'm excited about how this will challenge us to think and behave and the new technologies and rules of engagement that it will bring."

FURTHER READING

1. This week, the travel industry lost a visionary leader. Arne Sorenson passed away after a valiant two year battle with cancer. Arne was the first Marriott boss not to come from the Marriott family and won acclaim for his empathetic response to the pandemic crisis that struck the hotel industry. His last major interview was in *Wallpaper's* October 2019 issue talking to his friend Ian Schrager about how they collaborated to make the EDITION Hotels a successful brand. *Wallpaper* magazine republished the piece in tribute, which can be read [here](#).

2. *The Times'* front page today leads with 'Hope for Holidays Overseas'. Although Boris Johnson is determined to be led by "data not dates", the introduction of vaccination passports may make summer holidays a reality this year. The full piece can be read [here](#).

3. Mike Gooley, Trailfinders' CEO speaks to *The Times* about immunisation certificates, COVID-19 challenges and pent up demand for travel. Read the big interview [here](#).

A LIGHTER NOTE

Larry the Cat celebrates 10 years in office at Downing Street – see his best moments [here](#)!