

WEEKLY REPORT

14 January 2022



COVID-19 UPDATE

The number of people testing positive for COVID-19 has decreased in the last seven days by 19%. Meanwhile, the number of patients admitted to hospital has risen by 5.2%, however, the number of people being treated for the virus in English hospitals has fallen for two consecutive days this week - the first time this has happened since November. Matthew Taylor, head of the NHS Confederation of hospital bosses believes this is a very important moment as the UK passes the peak of the pandemic. Taylor said: "Unless things change unexpectedly, we are close to the national peak of COVID-19 patients in hospital. This is a significant moment." The vaccination rollout continues to move rapidly with 90.4% of the population, aged 12 and above, having received their first dose, 83.1% their second and a further 62.5% of the population their booster.

Health minister Sajid Javid announced on 13 January that the period of minimum self-isolation will be cut from seven days to five days following studies by the UK Health Security Agency, stating that two thirds of cases are no longer infectious from day five. This will come into effect on Monday 17 January. The Welsh government has decided to keep the isolation period to seven days. However, other restrictions will be eased as follows: from 15 January, the numbers to attend outdoor events will rise from 50 to 500; from 21 January, crowds will be allowed back to sporting events with no limits on those attending; from 28 January, all hospitality venues can operate normally but COVID-19 passes will still be required; from 10 February, Wales will return to a three-week review cycle.

The winter "Plan B" continues to be in effect in the UK and there has been no indication yet that the restrictions will be lifted earlier than their current end date of 26 January. However, the health minister stated that no measures will be kept in place any longer than absolutely necessary. These restrictions include compulsory wearing of face masks indoors (unless exempt) and working from home where possible.

The Irish government's restrictions (in place since 20 December), such as pubs, restaurants and cinemas closing at 20:00 GMT are still in effect. As of 11 January in Ireland, 95.2% of the population aged 18 and above have received their first dose, 94.15% their second and a further 62.2% their third. Those that have received their third will also be eligible to have this reflected in their digital vaccination certificates.

ECONOMIC, POLITICAL AND SOCIAL UPDATE

UK economy above pre-COVID-19 levels in November

The UK economy surpassed pre-COVID-19 levels for the first time in November 2021 after recording stronger-than-expected growth. The Office for National Statistics (ONS) said GDP expanded by 0.9% between October and November. That was higher than economists' expectations and meant the economy was 0.7% larger than in February 2020. However, there is concern that growth slowed again after the spread of Omicron and the introduction of Plan B measures. "The economy grew strongly in the month before Omicron struck, with architects, retailers, couriers and accountants having a bumper month," said ONS chief economist Grant Fitzner. "Construction also recovered from several weak months as many raw materials became easier to get hold of."

UK launches India trade negotiations

International trade secretary Anne-Marie Trevelyan this week met her counterpart, Indian minister of Commerce and Industry Piyush Goyal, to formally start talks on a deal that could create huge benefits for both countries. A new deal would put UK businesses at the front of the queue to supply India's growing middle class, forecasted to increase to a quarter of a billion consumers by 2050. India is set to become the world's third biggest economy by 2050, with a bigger population than the U.S. and EU combined. A deal has the potential to almost double UK exports to India and boost its total trade by as much as £28 billion a year by 2035. Investment from Indian companies already supports 95,000 jobs across the UK. The UK wants an agreement that slashes barriers to doing business and trading with India's £2 trillion economy and market of 1.4 billion consumers.

Impact of Omicron on UK economy expected to be modest

The economy is expected to rebound once the "Plan B" restrictions are lifted, despite growth dips in December and January. Spending on socialising dipped sharply during a period when it would normally be strong, as the Omicron wave spread throughout the UK in December. However, when analysing the economic

impact of each wave of COVID-19 it can be seen that with each wave there have been ever smaller negative effects on UK economic output, leading economists to believe that Omicron will not have as detrimental an impact as once feared.

France lifts ban on UK tourists

The French tourism minister announced on 13 January that the country will lift its ban on UK holidaymakers from today, which has been in place since 18 December. Tourism minister Jean-Baptiste Lemoine said on Thursday that people arriving from Britain would also no longer need to self-isolate on arrival in France, but proof of a negative COVID-19 test taken no more than 24 hours before departure would still be demanded. "People will once again be able to travel for leisure between France and the UK, and to go skiing," he said.

PM faces backlash over further revelations of illegal parties at Downing Street

Prime minister Boris Johnson is facing intense scrutiny from the public, opposing parties and from within the Conservatives after news of another party, held in April 2020, broke this week. This, compounded with the confirmed news of a gathering in the No. 10 garden the following month, has led to calls for his resignation. The reported events were held at a time when the UK was in lockdown and indoor mixing was banned. It remains to be seen what the consequences will be, however, an inquiry into the lockdown parties is underway.

TRADE UPDATE

Ski sales spike as France signals end of travel ban

The ski industry is seeing a surge in demand following France's decision to allow British holidaymakers to visit again. Chris Logan, managing director of Crystal Ski Holidays, said: "Like the rest of the ski community I'm delighted we'll be able to hit the slopes in France once again. With the relaxation of UK testing and the Alps open to the UK again I'm feeling really optimistic...we've seen a steady increase in search and bookings in the last two weeks. Bookings to France doubled on 12 January, even before the announcement, and we would expect to see another very positive uptick now it's official." Crystal plans to restart its ski holidays to France on 22 January, whilst Jet2.com has also announced that it will resume ski flights to the French gateways of Lyon, Chambéry and Grenoble from 22 January.

Demand for air travel picks up

Demand for global air travel picked up again in November, with Europe continuing the trend, new figures from the International Air Transport Association (IATA) show.

European carriers' November 2021 international traffic declined 43.7% versus November 2019, IATA said. However, this was an improvement on the 49.4% decrease in October 2021 versus the same month in 2019. Capacity dropped 36.3% and load factors fell 9.7 percentage points to 74.3%. Globally, demand for air travel in November 2021 was down 47% compared to November 2019. This marked an uptick compared to October 2021's 48.9% contraction from October 2019.

Spain's tourism sector 'close to reaching pre-pandemic levels'

Spain's tourism sector will come close to returning to its pre-pandemic size in 2022, with the emergence of the Omicron variant of COVID-19 and supply issues likely to prevent a full recovery this year. According to Reuters, industry association Exceltur expects the country's tourism gross domestic product (GDP) to be worth €135 billion in 2022, 88% of pre-pandemic levels, compared to 57% in 2021. The association reportedly said activity would return to levels prior to the pandemic only in 2023.

Industry leaders want plan for variants at next travel review

Industry leaders want a "proper plan" for dealing with future variants and no repeat of the "panic" reaction to Omicron following the government's removal of pre-departure and post-arrival PCR tests for vaccinated travellers last week. A review of the system for international travel is now expected in late January and a leading airline source said: "We want a proper plan. The review will set out the system for travel for 2022 [or] what the government hopes for and we should be at the point now where we know what will happen in different situations. We don't want a last-minute panic like the Omicron reaction. We'll still have restrictions in other countries, but we hope to see a plan for what to do should a new variant arise – so we can be ready and have contingency plans. By knowing what comes next the industry can respond quicker. Unexpected measures – changing websites, notifying clients at short notice – are extremely difficult."

AIRLINE UPDATE

Aer Lingus & American Airlines - Aer Lingus and American Airlines have begun a codeshare agreement offering onward connections at a key U.S. hub. Travellers on Aer Lingus's Dublin-Chicago route can now book onward travel on American Airlines services to Albuquerque, Nashville, Dallas-Fort Worth, Los Angeles, Seattle, San Francisco, San Jose and Tucson. The connections will carry the Aer Lingus code. The codeshares are the first to be implemented since Aer Lingus joined the Atlantic Joint Business (AJB) between American Airlines, British Airways, Iberia and Finnair last year. Aer Lingus said: "Further expansion of the codeshare is also planned for the near future." Customers can also book the codeshare flights on Aer

Lingus connecting from Birmingham, Gatwick and Manchester. Additionally, American Airlines will place its code on Aer Lingus flights between Dublin and Heathrow.

British Airways - British Airways has paused three routes to the U.S. just months after they re-started. The airline apologised to customers for dropping the flights, but said it was operating "a reduced and dynamic schedule" due to the pandemic. The paused routes are from London Heathrow to Nashville, Baltimore and New Orleans. The services had only resumed at the end of 2021 after the U.S. lifted its travel ban after almost two years. All three flights are scheduled to resume for the summer season. Flights to New Orleans will return on 26 April, to Baltimore on 2 May and to Nashville on 9 May.

EasyJet - EasyJet reported an immediate spike in bookings to popular French ski destinations for the remainder of the winter season after France lifted its ban on Britons. EasyJet said in a statement on Friday: "In the hours following yesterday's announcement...EasyJet saw a 600% lift in UK bookings to popular French ski destinations. Last-minute bookings to Switzerland also saw a peak immediately after the news broke with a 386% increase in flight bookings, suggesting consumer confidence in international travel continues to build." EasyJet claims it is offering more seats to Europe's major ski destinations from the UK this winter than any other carrier.

Jet2 - Jet2.com is to resume ski flights to Lyon, Chambéry and Grenoble from 22 January following France's relaxation of travel restrictions.

Virgin Atlantic - Virgin Atlantic is to recruit 400 new cabin crew members as part of its pandemic recovery plans. The drive marks the airline's first external recruitment for two years after being forced to put hundreds of cabin crew on furlough and make swingeing job cuts in the early days of the crisis. The carrier said 750 cabin crew had returned to a holding pool from extended furlough in 2021, with more than 230 due to return in the first quarter of 2022. Estelle Hollingsworth, chief people officer, said: "It's the best jobs that make people fly, and we couldn't be more excited to be welcoming so many new cabin crew members to take to the skies with our recruitment drive. We're committed to supporting diversity both on the ground and on board, so are seeking people from all backgrounds who aspire to be the friendly, smiling and professional face that is the airline – with the iconic Virgin Atlantic style and flair."

Wizz Air - Low-cost carrier Wizz Air has issued a second €500 million bond offering to support its planned expansion across Europe. In an update to the London Stock Exchange, the airline said the offering is expected to close on 19 January and that it

is “taking advantage of robust financing markets and very attractive pricing”. The bond was sold at an interest rate of 1% and was “multiple times oversubscribed”, said the airline. A year ago, Wizz Air secured €500 million via its first bond offering, which was sold at an interest rate of 1.35%. József Váradi, Wizz Air Group chief executive, said: “We are pleased to announce our second bond offering at even more attractive pricing levels compared to our debut offering last year. “The proceeds will further support Wizz Air as it scales-up to become an even stronger low-cost player in the coming years.”

TOUR OPERATORS, TRAVEL AGENCIES & OTA UPDATE

Avventura Group - The Avventura Group has acquired Uttoxeter-based travel agency Journeys à la Carte, for an undisclosed sum. The transaction was completed over the Christmas period and Margaret May, who founded Journeys à la Carte in 1995, will now retire. One of Uttoxeter’s best known and well-established travel agencies, it has won many major awards, including The UK’s Best Travel Agency with *The Guardian* and *The Observer*. Avventura Group – which also owns Avventura Travels, a luxury tour operator based in Northamptonshire – was launched in June 2019 and offers tailor-made itineraries for upmarket adventure tours.

Intrepid - Intrepid Travel has added 22 new “impact initiatives” to its escorted tours in 2022. The tour operator says these experiences directly support environmental or wildlife conservation, preserve indigenous cultures or support marginalised social groups. Most of Intrepid Travel’s top trips already offer “impact initiatives”, with dozens having been added to the tour operator’s portfolio in the last year. Erica Kritikides, senior product manager at Intrepid Travel, said: “Businesses such as ours have an exciting opportunity, not to mention a responsibility, to find more ways to contribute in a positive way to the places and people we visit. The operator said that offering more purpose-led activities in its tours “not only makes for a more responsible and ethical holiday, but also provides a more enjoyable and enriching experience overall for its travellers”.

Travel Counsellors - Travel Counsellors says its booking figures in the last week were back to pre-pandemic levels thanks to the UK government’s decision to scrap pre-departure tests. The homeworking travel agency group enjoyed a sales increase of 213% for the week commencing 3 January, including what has been dubbed ‘Sunshine Saturday’, compared with the previous week. In terms of new enquiries, Travel Counsellors reported its highest weekly figure since the start of the

pandemic and a 236% week-on-week rise. Booking enquiries were split across the seasons, with 27% for immediate travel, 20% for this summer and 13% for this Easter. The most popular destinations asked for by customers were the United Arab Emirates, the U.S., the Maldives and Spain for holidays in January and February, with 74% of bookings for premium leisure and tailor-made trips.

SOCIAL UPDATE

Instagram tests option to re-arrange grid posts

Instagram is testing out a new option which would enable users to format their previously posted content into any order of their choice on their main feed. Head of Instagram, Adam Mosseri, also recently hinted at a possible 'pinned post' option for profiles, which would enable users to select certain posts that they want to showcase at the top of their grid. As Instagram gradually transitions its focus to video content and the main grid becomes de-emphasised, it seems increasingly willing to experiment with feed and profile options.

YouTube adds new filters to its video performance chart

YouTube has added a new advanced analytics option to YouTube Studio which enables users to visualise the performance of their uploads by the focus topic. Creators can now view a scatter plot graph of all their videos and their comparative performance on variable timelines. With an option to filter by 'videos with similar topics', this update gives users a better comparison of like-for-like video performance and contextualises video engagement, highlighting the specific topics that are resonating over time.

MICE UPDATE

97% of event planners increasingly prefer to meet face-to-face

Live events are increasingly the focus for UK event planners in 2022, according to recent research from etc. venues. This latest research also reveals that live only events are returning faster than expected, with nearly a quarter of event organisers planning to host live only events in 2022. The value gained from face-to-face interactions was highlighted in the survey with 82% agreeing that they value in-person events more now than before the pandemic. Event planners value the greater engagement and participation that in-person meetings generate and

welcome them as a good way to build relationships. Within the survey, 70% of event planners said they want to meet colleagues in-person more often in 2022.

LIGHTER NOTE

The piano playing duck with a 30-trick repertoire. Watch it [here](#).