

June 2021

Occupancy, booking windows and feeder markets – what are the latest booking trends for the UK & Ireland?

There's no question about it, demand for travel is on the up. In their most recent research, the [European Travel Commission](#) reports that 72% of Europeans plan to travel between June and September. But with the majority of typical hotspots yet to make the green list, the question becomes, how can hoteliers take advantage of available demand in the coming months? Using Amadeus Demand360® forward-looking hotel and flight data, we share the latest booking trends in the UK & Ireland, and what this means for hospitality.

Comparing booking behaviour with 2019

If we take a look at current booking trends in the UK compared with 2019, there are clearly reasons to celebrate. Occupancy has recovered to more than half of 2019 levels during the latter weeks of May and into June, with highs of 51%. Since reopening began in April and May, this number has steadily grown, with occupancy in the UK averaging 23% in April. As we look further out in the short-term, occupancy does dip. But this doesn't necessarily mean the demand isn't there. If we look at booking windows, 44% of bookings in the UK are still made within 0-7 days. In 2019, this figure was 38%, suggesting that, despite a growing desire, travellers are still opting for a more hesitant, wait and see approach. If we also compare current Average Daily Rate (ADR) with 2019, as of 6th June, ADR in the UK stood at \$126, compared with \$187 in 2019. As a hotelier, this provides two important insights. Firstly, don't drop rates as a way to secure bookings, because the growth in occupancy confirms that the demand is there. Secondly, if you do drop rates, this will risk making it harder to recover the same rates as in 2019, as travellers come to expect discounts. Another important consideration here is the channel mix. One notable change compared with 2019, is a growth in the Online Travel Agency channel. As of June, 42% of bookings came from OTAs, compared with 29% in 2019. Direct bookings have also decreased as a result, down to 21% in 2021, versus 29% in 2019. Although a diverse channel mix is favorable in order to secure more bookings, this drop in Direct bookings could impact on overall revenue. Take a look at our [Direct Booking playbook](#) for advice on how to address this.

Moving onto Ireland, there are clear differences in behaviour. Overall occupancy is due to hit mid-30s in June, with some regions recovering faster than others. For example, Demand360® data reports highs of 80% occupancy in Galway for July. Keep in mind that this data is not predictive but represents actual on-the-books reservations. Bookings in Ireland also show a longer lead time overall than compared to the UK. 51% of bookings are currently made 31

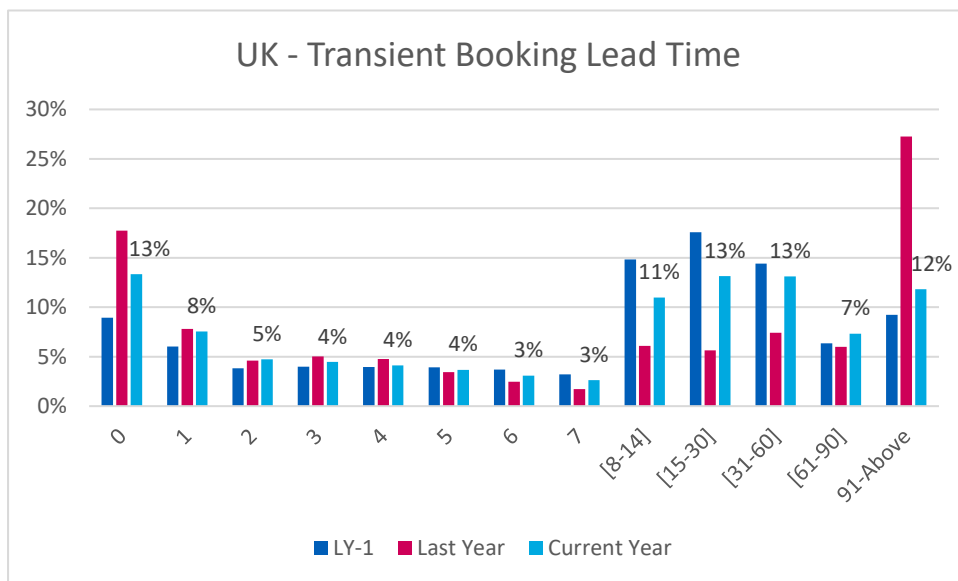


days or more in advance, up 13% from 2019. For hoteliers, use this knowledge to think whether you could build any promotions to secure these further-out bookings. What about a long-weekend break in the Autumn months, or a special celebration for Christmas? As with the UK, consider how to build these without dropping prices. ADR in Ireland is still recovering compared with 2019, reaching highs of \$201 as of June 6th, compared with \$268 for the same time in 2019. Direct bookings are currently higher than 2019 (35% vs 31%) although bookings via OTAs have also grown. Keep an eye on this mix in order to drive more bookings through your most profitable channels.

Which markets are driving demand?

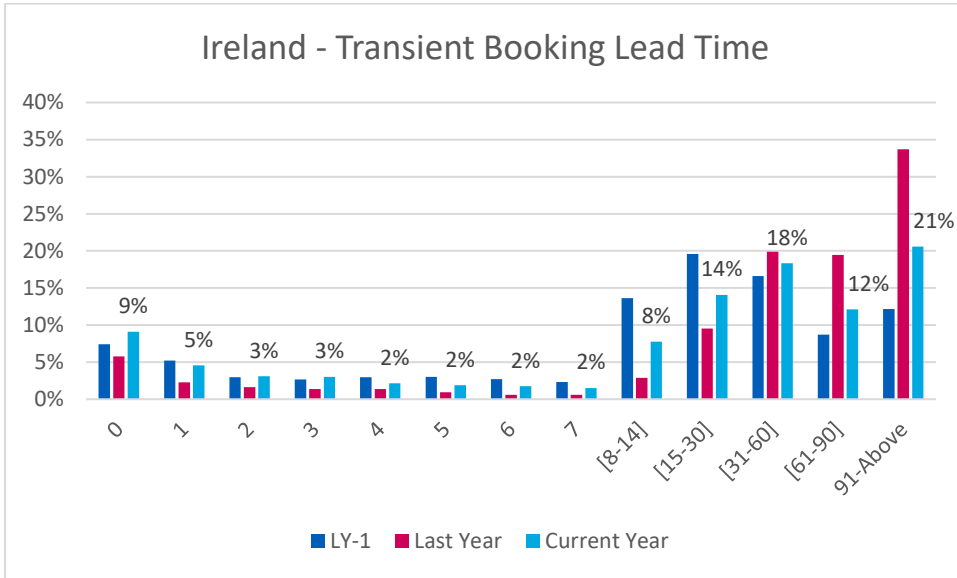
As you continue to rebuild and capture business in the coming months, it will be important to understand which markets are influencing demand. In most markets globally, unsurprisingly, domestic travel continues to drive the majority of bookings. For example, in Portugal, despite a growth in bookings following their addition to the green list, only 15% of bookings came from the UK in the trailing 4 weeks as of mid-June. With quarantine mandatory for most markets, currently 76% of reservations in the UK are made domestically. However, Ireland tells a different story. Following the news that [American tourists are welcome](#) as of July 19th, 34% of bookings in this market are currently coming from the U.S. This provides an important opportunity for hoteliers in Ireland. Consider directing any available ad spend to this market, in order to get your property seen – and booked. For the UK, continue to monitor feeder markets, to anticipate and adjust promotions ahead of the competition, for instance should the US and UK travel corridor go ahead.

If you’re looking for further insight and guidance on what decisions to take in the areas of Operations, Sales, Marketing or Revenue Management, then visit the dedicated [Amadeus Hospitality Rebuild Travel hub](#).

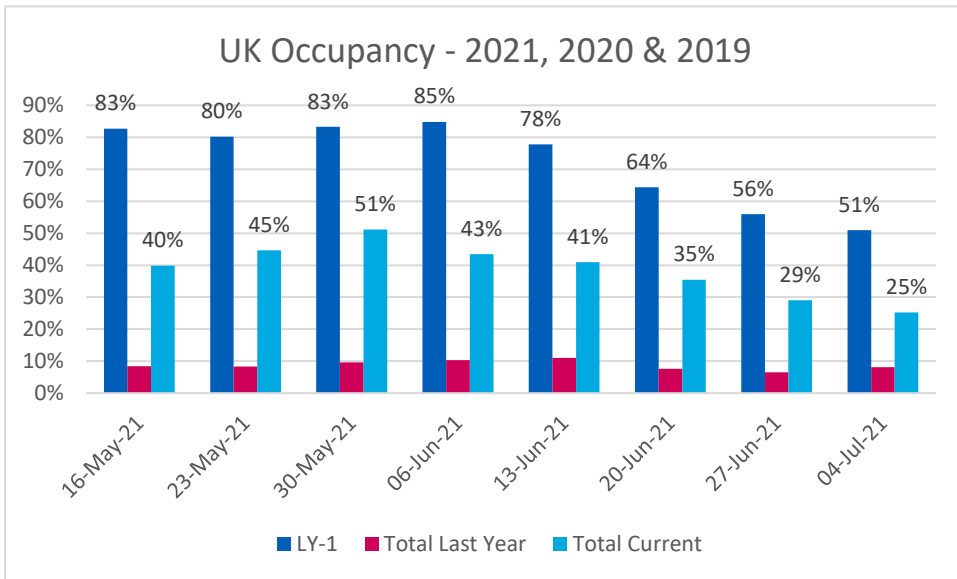


Amadeus’ Demand360® data, as of 14 June 2021

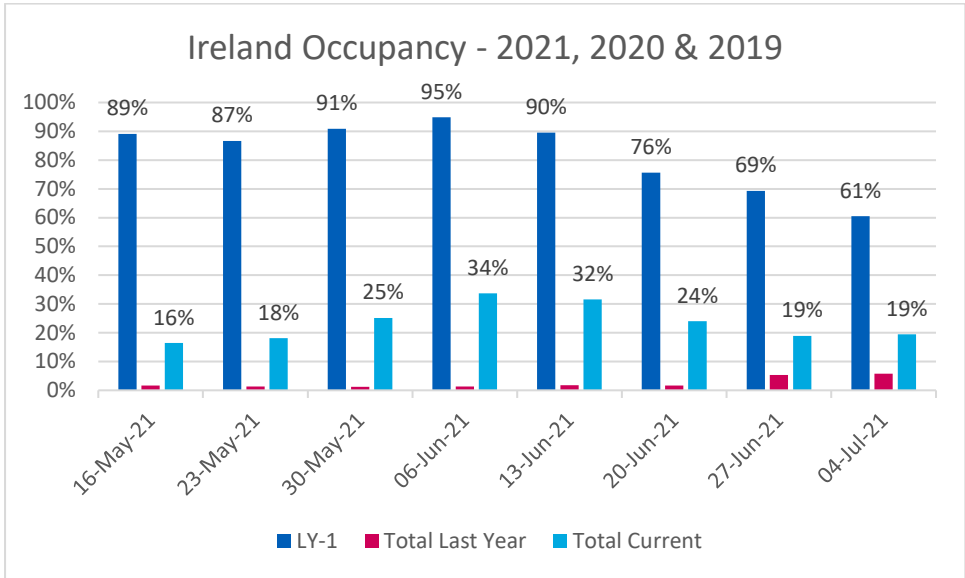
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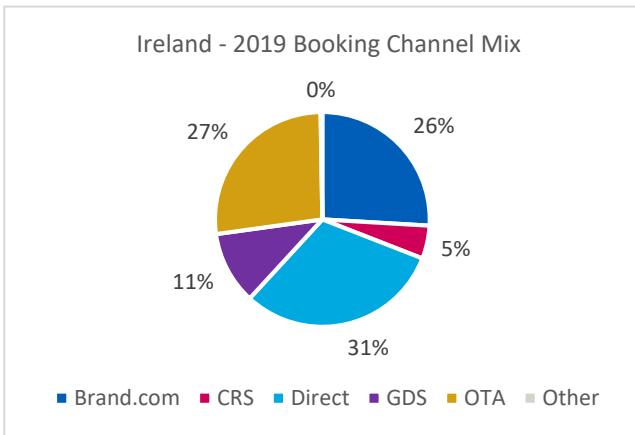
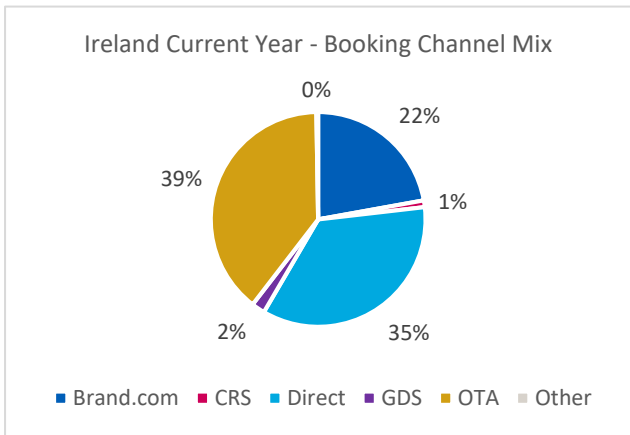
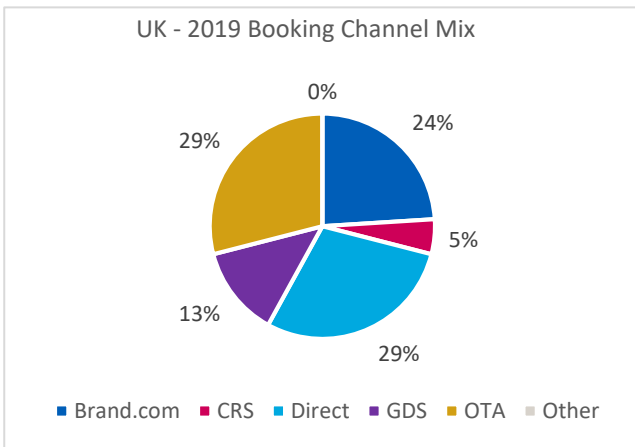
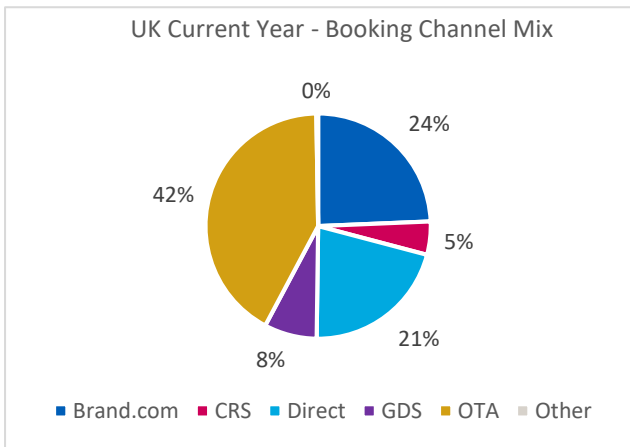
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