

ETOA

Prospects for Recovery

March 2021



ETOA

- Intermediaries
 - Scheduled Tour Operators
 - Wholesalers
 - OTAs
 - Online distribution Companies
- B2B & B2C
- Group & FIT

ETOA Origin Markets

- Long Haul Incoming
 - North & South America
 - Asia
 - Australasia
- Intra-European
- Domestic

2019

- Record Year 745 million international visitors to Europe¹
 - 4% up on previous year
- 37 million US arrivals¹
- 17.2 million US departures²
 - 3.9 million to the UK²

• Sources: 1 Statista; 2 US Department of Commerce

Multi-country visitors

- 28% of US visitors to UK visit more than one country
- Average US visitor to Europe visits more than two countries

2020 was going to be better

- ETOA members growth of 5-10%
- Reality was drop of c 95%
 - Mass cancellation and postponement of trips
 - Companies in hibernation
 - “Long Covid” for Tourism Industry and the Service Economy which it sells

What will 2021 be like?

- October 2020
 - 45% of 2019
- January 2021
 - 26% of 2019
- March 2021
 - 23% of 2019

Drivers

- Lack of clarity from destinations
 - Don't know if they will be allowed in
- Lack of co-ordination between destinations
 - Don't know if they can travel between countries
- Lack of clarity in origin market
 - Don't know if they will be allowed back in
- Not just seeing few bookings
 - But bookings exceeded by cancellations

Hidden Negatives

- Brexit
 - Problems at borders
 - VAT
 - Staffing up with no staff
- Damage caused by lockdown
 - Problems hidden by inactivity
 - Big issues concerning deposits/refunds
 - Easy to be insolvent if you have no business to conduct

Positives

- Every market says desire to travel immense
- Massive scope for last minute offers
- Unique offer of low price, low occupancy Europe
 - Never to be repeated
- Fantastic time to be a middle-man
- Rejuvenated domestic demand
 - Domestic demand is what we sell abroad