



# 2022

## TRAVEL TRENDS

**FLIGHT CENTRE**  
TRAVEL GROUP™



## FOREWORD

This year is one of revenge travel. Travellers are itching to stick it to Covid-19 and will take great pleasure in boarding a plane and crossing borders in 2022. The pent-up demand from the last 22 months is bubbling over as people see an end in sight for this pandemic. And they want vengeance. Vengeance for all the cancelled holidays, missed weekends away, and the get-togethers they never got to plan.

We are already seeing our highest numbers of enquiries and bookings since the pandemic started. Our customers love to travel, whether it's for adventure, wellbeing, connecting with others or visiting friends and family. We are a country of travellers, with an annual market estimated to be worth £32bn (source: Phocuswright). At Flight Centre, we're ready to open up the world again for those who want to see it.

There's no denying that travel in 2022 will be more complex than ever before. That's where we come in; our experienced travel consultants can help navigate this new world of travel, so our customers can start making travel memories again - and get even.



**Liz Mathews,**  
Leisure Managing Director

## A NEW YEAR WITH MORE TRAVEL

International travel was largely put on hold from March 2020 when the World Health Organisation officially declared Covid-19 a global pandemic.

**As we enter 2022 with vaccinations, testing, and new treatments to help manage the virus – travel is back on the cards around the world, and traveller confidence is growing.**



## A QUICK COMEBACK

Travel remains a rite of passage for people of all walks of life and the desire to see the world and take a break from reality is in high demand.

We have seen travel bounce back quickly in markets where travel restrictions have eased.

In 2021, Flight Centre Travel Group's South Africa, France, Mexico and UAE branches returned to profit swiftly after border restrictions were lifted.

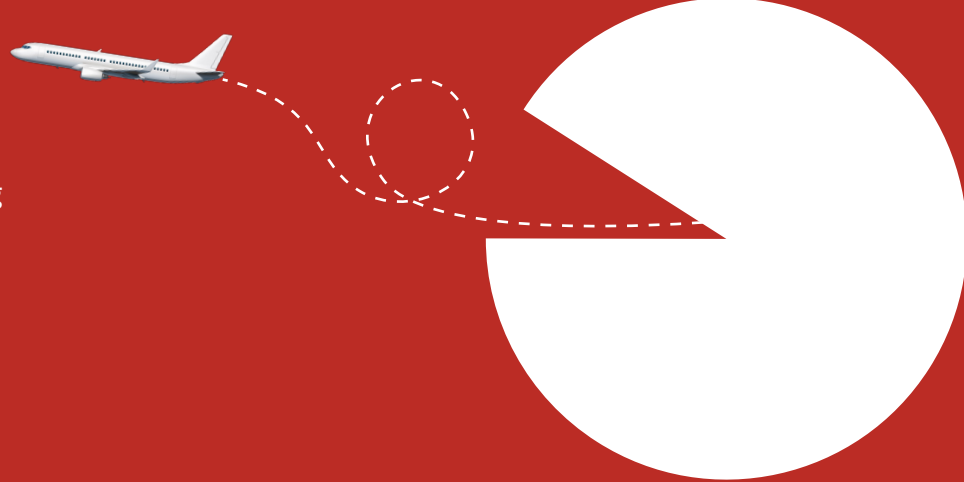
Booking numbers are also heading back towards profitable levels in other parts of Europe, including the UK, the Americas and Australia.



Before Omicron set in, we saw a huge comeback in bookings from the UK. Consumer confidence lifted with the removal of the Government traffic light system. In October 2021, 65 per cent of UK customers felt positive about travel (Flight Centre UK Survey October '21), and 91 per cent said they would be going abroad in the next year. Those 'never wanting to book travel again' had dropped from 5 per cent to just 0.5 per cent.

91%

of Brits see themselves travelling overseas in the next year



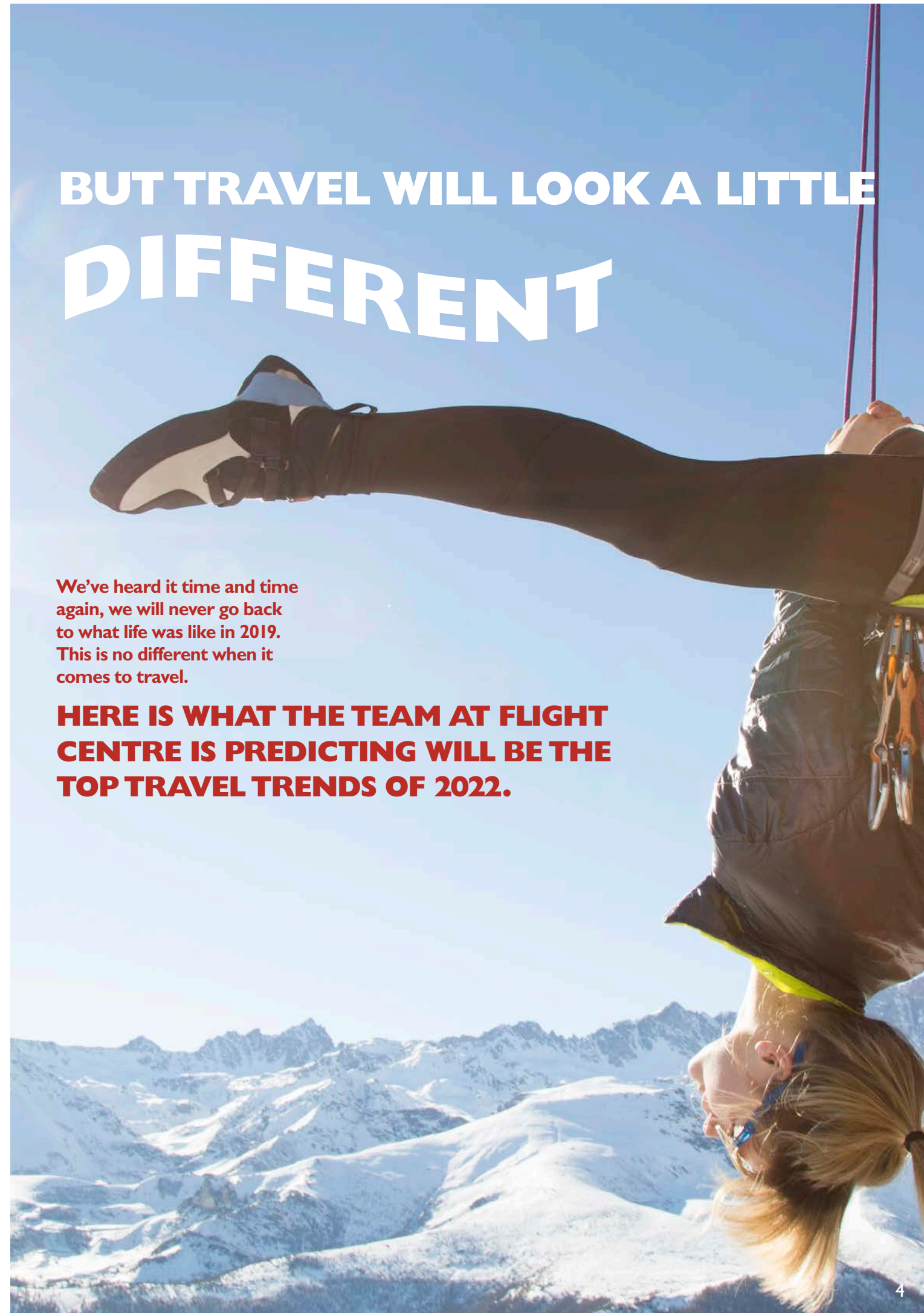
**SINCE THE PANDEMIC BEGAN, JANUARY 2022 HAS SEEN OUR HIGHEST LEVELS OF ENQUIRY AND UK BOOKINGS.**

As consumer confidence improves and border controls loosen in those key destinations, we predict continued growth.

# BUT TRAVEL WILL LOOK A LITTLE DIFFERENT

We've heard it time and time again, we will never go back to what life was like in 2019. This is no different when it comes to travel.

**HERE IS WHAT THE TEAM AT FLIGHT CENTRE IS PREDICTING WILL BE THE TOP TRAVEL TRENDS OF 2022.**





## NEVER HAS IT BEEN MORE VALUABLE TO BOOK THROUGH A TRAVEL AGENT

Though the benefits of booking through a travel agent have long been recognised, the uncertainty of travel in this Covid-age has further cemented the value of an agent's expertise.

Pandemic-era travel requires more emphasis on pre departure planning than ever before. Add to that - unexpected changes and cancellations due to outbreaks, reduced airline capacity and scaled down airline staff, makes having a one-stop shop service with a travel agent invaluable.

## TRAVEL AGENTS HELP ENSURE TRAVEL SAFETY

both in terms of  
hygiene and finance.

An experienced travel agent can keep travellers across the ever-changing Covid-19 regulations, as well as assist with changes, cancellations and reimbursements that airlines themselves have admitted and demonstrated they are not able to deal with the sheer volume of alone.

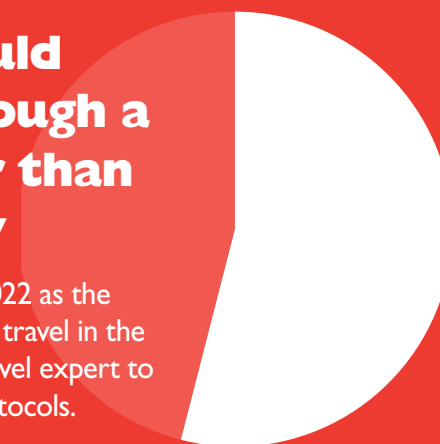
## BRITS ARE TURNING TO TRAVEL AGENTS FOR GUIDANCE

Our UK travel agents have had thousands of conversations with new customers looking for the help and support they just can't get elsewhere. This has driven hundreds of Trustpilot reviews, quoting how our Flight Centre staff have helped our customers.

Since the pandemic began, the average age of our British customer has dropped from 53 to 51, as younger travellers have discovered that extra help and protection offered by an agent is missing when you book several components online.

### 54% of Brits would choose to book through a travel agent, rather than independently

We expect this number to grow in 2022 as the public further realise the complexities of travel in the Covid-era and the benefits of having a travel expert to guide them through these new protocols.



## FLEXIBILITY IS KEY

Flexible booking options have become crucial for travellers.

Travellers want reassurance that they can change the date of their booking, without incurring major fees if Covid-19 travel regulations change.

In a recent survey sent to Flight Centre's database, over 50 per cent of respondents said if they had certainty around flexibility or credit offerings, they would be comfortable booking their trip, even before borders open.

Our low deposit of just £49 per booking took off during the pandemic, giving thousands of customers something to look forward to. We offered late payments by negotiating special fares with our airline partners that are not available to customers directly.

Airlines are also responding to this demand with a range of new flexibility options. British Airways, Virgin Atlantic, Air France-KLM, Emirates, Etihad and Singapore Airlines offer the flexibility of last-minute changes or Covid-related cancellations that enable customers to book with confidence. This is particularly important in light of recent spikes in Covid numbers.

Customers can rest assured that Flight Centre consultants will provide them with the most flexible travel options available. We want to ensure that our customers can book their trip, get excited about it and have that peace of mind that it's flexible too.



## RECONNECTING WITH FAMILY AND FRIENDS

Since 1970, the number of people living in a country other than where they were born has tripled. As of 2020, there were an estimated 272 million international migrants around the world.

According to the Office for National Statistics (2018), around 14 per cent of the UK's resident population was born abroad. That's approximately 9.3 million people who most likely have relatives overseas.

The Covid-19 pandemic prevented many of these people from connecting with loved ones over holidays, weddings, birthdays, funerals and everything in between.

With border restrictions around the world likely to ease in 2022, travelling for reconnection will be in high demand.

In a survey to Flight Centre Travel Group's database, 30 per cent of people said their main reason for travel would be to reconnect with family and friends.

## 30% OF PEOPLE SAY THEIR REASON FOR TRAVEL IN THE NEXT YEAR WOULD BE TO RECONNECT WITH LOVED ONES

Flight Centre UK flew more people back to Australia than any other agent during the pandemic. With the limited capacity of flights authorised to enter Australia, this was particularly challenging. We had teams of people primed to search out the highly-prized seats to get people home and were named in social forums as the go-to place for flights to Australia.

## TAKE US TO THE BEACH!



For those wanting a break from reality, the beach is where they mostly want to be.

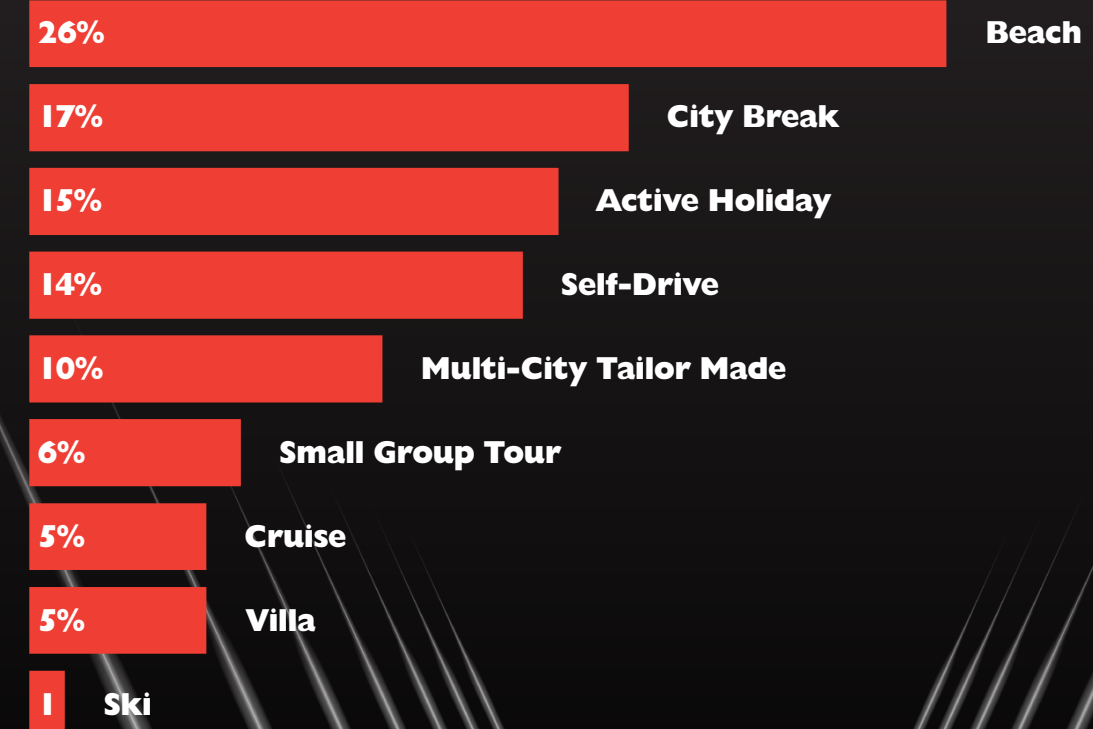


As part of Flight Centre's recent online event, Travel Runway, which showcased various categories of travel through immersive video, the Beach category was the most popular in all markets including, the United Kingdom, Australia, New Zealand, South Africa and Canada..

The beach continues to be the most sought-after holiday during the pandemic (Flight Centre Insights Survey), with 26 per cent of customers longing for that feeling of sand between their toes.

During the summer months, we saw bookings spike to the Greek and Spanish Islands, along with Croatia and Italy. Once the USA opened, we saw Florida and California starting to pick up. And Thailand also drove substantial volumes.

The Beach holiday was closely followed by:





## AND I WANT TO TRAVEL IN STYLE...

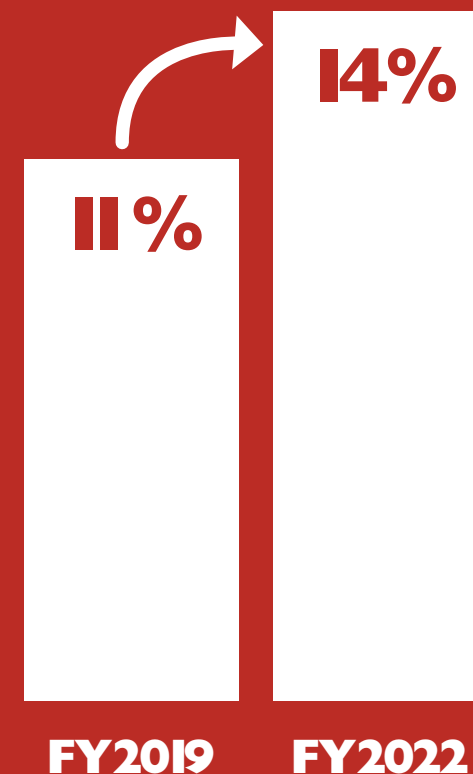
**The second favourite category for all markets from the Travel Runway event was Luxury.**

To make up for the holidays travellers have missed, many are willing to spend more on a trip than what they would have pre-Covid, to ensure it's one to remember.

Most notably, in Flight Centre's largest market, Australia, average booking value for both flight only and package bookings almost doubled.

Business-Class and First-Class cabins booked through Flight Centre Australia were also up. Rising from 11 per cent of the average booking in FY 2019 (pre-Covid) to 14 percent for FY 2022.

Business-Class and First-Class cabins booked through Flight Centre Australia were also up. Rising from 11 per cent of the average booking in FY 2019 (pre-Covid) to 14 percent for FY 2022.



External research suggests it's the social-media inspired Millennials and Gen Z who are driving up demand in the luxury market.

The 2019 Luxury Goods Worldwide Market study reports that Millennials account for 35 per cent of the luxury market and that's expected to grow to 45 per cent by 2025. Gen Z are estimated to hold 40 per cent of the market by 2025.

The luxury destinations of the Maldives, Mauritius and the Caribbean Islands were hugely popular with Brits during the last 12 months. A mix of strict hygiene protocols, their natural geographical spread and the ease of access for British travellers contributed to their appeal. Dubai was also a clear winner, delivering a lot of capacity for the UK market, particularly for winter sun.

## TRAVEL GOES

# GREEN

**Climate change continues to be one of the largest threats ever faced by humanity.**

The world's population is increasingly putting pressure on governments and organisations to play their part to help reduce emissions. As a result, we've seen commitments from world leaders and businesses to take further action in 2022.

The climate crisis is also reshaping expectations around travel.

In a World Travel and Tourism Council report created in November 2021, over 80 per cent of global travellers said sustainable travel is vital, with almost 70 per cent expecting the travel industry to offer more sustainable travel options, and over 60 per cent saying the pandemic has made them want to travel more sustainably in the future.



Conservation of our environment is essential to the future of tourism and as one of the world's largest travel groups, Flight Centre Travel Group is well positioned to present and promote eco-friendly options, as well as help affect positive change.

Our suppliers are also taking positive steps to reduce their impact, with many of our preferred partners having implemented comprehensive environmental and broader Corporate Social Responsibility strategies.

**Relevance of sustainability among global travellers**

# 83%

of global travellers think sustainable travel is vital

# 69%

of global travellers expect the travel industry to offer more sustainable travel options

# 61%

of global travellers say the pandemic has made them want to travel more sustainably in the future.

## BOOK SUSTAINABLY

The travel industry is increasingly putting sustainability top of mind when helping customers book their holidays.

Flight Centre Travel Group's booking platforms have been designed to inform and help clients make decisions around their travel options, as well as provide CO2 reporting and carbon offsetting solutions that contribute to positive climate action.

Additionally, products that have met the highest standards have been flagged under a Worldwide logo within Flight Centre Travel Group's global booking system, to highlight their status to our consultants and their customers. Where major sustainability concerns have been identified and not addressed, products have been removed from our booking systems.

Examples of this include the removal of experiences that include elephant riding or other cruel animal practices such as Running with the Bulls.



## FLY SUSTAINABLY

Travel disruption over the last two years due to Covid-19 has enabled airlines to reduce their overall carbon footprint, but many are now re-emphasising their environmental aims as more flights are being added to schedules.

Exhaust from planes is responsible for between two and three per cent of global emissions. This had been growing quickly in the decade leading up to the pandemic, leading to the International Travel Association adopting a set of ambitious targets to mitigate this.

As such, airlines have committed to carbon-neutral growth from 2020 and a reduction in net aviation CO2 emissions of 50 per cent by 2050, relative to 2005 levels.



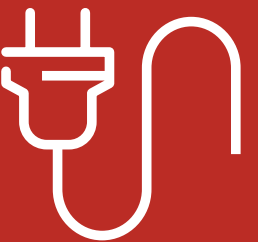
## THE USE OF BIOFUELS WILL BE A FOCUS FOR MANY AIRLINES IN 2022.

Over 45 airlines have now had experience with Blended Sustainable Aviation Fuel (SAF), which can reduce emissions by up to 80 per cent during its full lifecycle.

There have been further commitments to the use of the biofuel in 2022, with an estimated 14 billion litres of SAF in forward purchase agreements.

Other environmentally friendly actions already in play include reducing single-use plastic onboard aircraft, investment in newer planes that offer improved fuel efficiency, and even plans to use electric planes for shorter routes in the future.

British Airways was the first airline to commit to net zero emissions by 2050. The flag carrier has said all new aircraft will be 25-40 per cent more efficient than those they replace and is investing in hydrogen propulsion technology. It has also partnered with Velocys to create the first waste-to-jet fuel plant in Europe.



## STAY AND PLAY SUSTAINABLY

As the fresh faces of climate change activism, it is no secret that Millennials and Gen Z prioritise sustainability and social responsibility when it comes to spending cash. This also correlates to how they are travelling.

As such, there are increasing options for travellers to have their adventures directly contribute to things like conservations, gender equality, indigenous culture preservation and more.

We are also seeing a rise in eco-tourism attractions around the world, with entry fees often contributing towards conservation projects or the protection of local ecosystems.

Additionally, many accommodation providers hold sustainability certificates that verify them against internationally-recognised sustainability standards. This includes reducing food waste, sourcing electrical energy from renewables, and investing in electric vehicles.



**Analysis by the World Travel and Tourism council showed that 42 per cent of the Travel and Tourism businesses analysed have officially announced climate targets. As social and political movements re-focus on environmental issues post-Covid, we expect this number to increase significantly in 2022 and beyond.**