



# SKIFT TRAVEL HEALTH INDEX

## JULY 2022 HIGHLIGHTS

### SKIFT RESEARCH TAKE

Asia Pacific still has the largest gap to pre-pandemic travel levels, but our back-of-the-envelope analysis shows that a return of Chinese travelers would pull many Asian countries back in the black. Now we just need to wait for the Chinese borders to reopen...

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# REPORT OVERVIEW

This report highlights the latest insights from the Skift Travel Health Index. The index covers travel's performance since January 2020, up to and including July 2022.

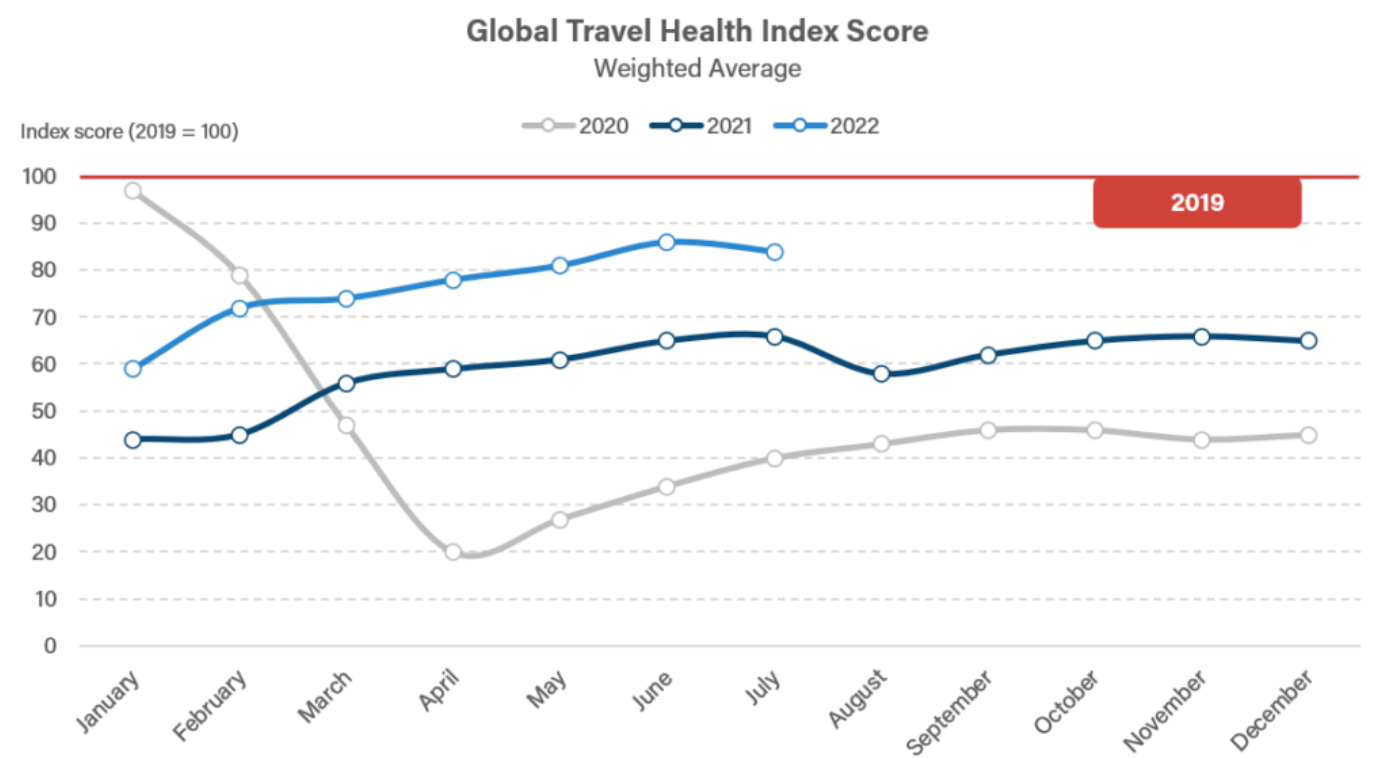
The Skift Travel Health Index is a real-time measure of the performance of the travel industry at large, and the core verticals within it. The Index provides the travel industry with a powerful tool for strategic planning, which is of utmost importance as times remain uncertain.

Skift Research launched the Index in May 2020 as the Skift Recovery Index. At the start of 2022 we rebranded the Index as the Skift Travel Health Index, to reflect some far-ranging changes: the addition of many more indicators, additional data partners, and most importantly, our continued effort to track the industry health beyond the impact of the Covid-19 pandemic.

We are thankful for the support of our data partners: [Amadeus](#), [Aviasales](#), [Beyond](#), [CarTrawler](#), [Cendyn](#), [Collinson](#), [Criteo](#), [Duetto](#), [ForwardKeys](#), [Hotelbeds](#), [Key Data Dashboard](#), [OAG](#), [Onyx CenterSource](#), [OTA Insight](#), [RateGain](#), [Shiji Group](#), [Skyscanner](#), [Sojern](#), [Transparent](#), and [TrustYou](#). Their data allows us to provide you with a monthly assessment of travel's performance.

# ASIA PACIFIC IS EXCEPTION TO GENERAL DECLINE IN TRAVEL PERFORMANCE

The Skift Travel Health Index declined by two points in July 2022. The Index stood at 84 points compared to a baseline of 100 in July 2019.



Source: Skift Research from partner data. All data vs same month in 2019.



Like the previous month, growth was registered in Asia Pacific, the region that still suffers the largest gap to 2019 levels (-25 points). All other regions saw their score declining in July, although Latin America and North America continued to track at par with 2019 performance levels.

	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Jun-Jul change
Asia Pacific	54	56	59	63	73	75	+2 pp
Europe	82	83	90	96	95	87	-8 pp
Latin America	94	97	105	103	103	100	-3 pp
Middle East and Africa	88	88	93	99	95	90	-5 pp

	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Jun-Jul change
North America	94	97	101	100	103	99	-4 pp
Global average	72	74	78	81	86	84	-2 pp

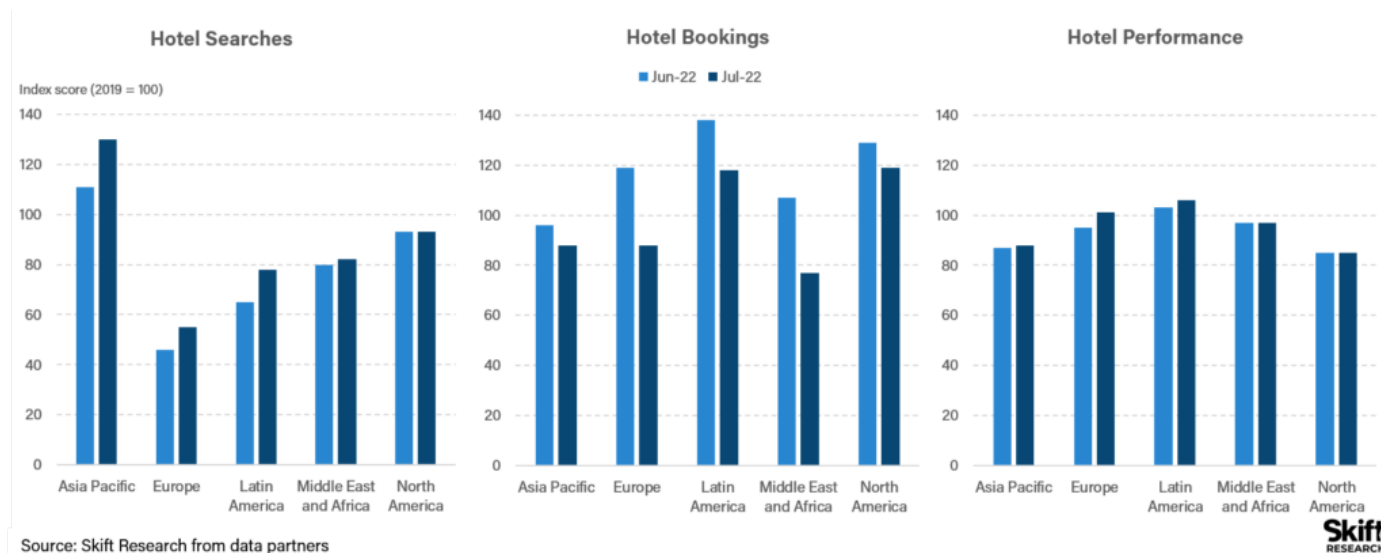
# AVIATION AND HOTELS SAW DECLINE

With regard to travel sectors, most of the decline came from hotels, while aviation also saw some weakening. Vacation rentals continued to perform above 2019 levels.

	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Jun-Jul change
Aviation	59	63	66	68	71	69	-2 pp
Hotels	77	79	87	95	103	96	-7 pp
Vacation Rentals	110	109	105	105	106	108	+2 pp
Car Rental	82	82	84	85	87	88	+1 pp

The weakness in Hotels stems from a declining performance in hotel bookings in all regions. While we cannot be certain, worsening economic performance and continuing high hotel prices might have an impact on future bookings.

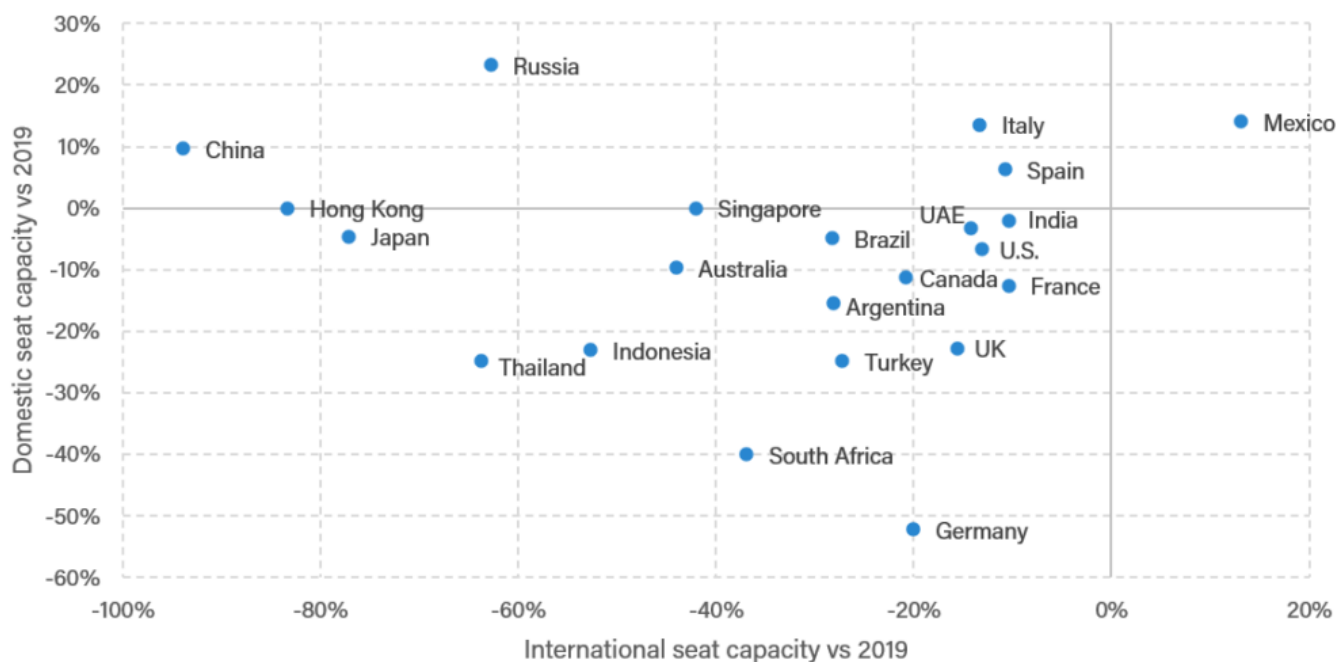
Searches for hotel stays increased in all regions, with especially Asia Pacific seeing a strong increase in the past months as countries relaxed travel rules. Searches for hotels in Europe were still only half of 2019 levels. Actual Hotel Performance, which includes occupancy and rates data, was stable or increased in all regions.



Airlines have received a lot of bad press as of late, but their score only declined slightly. Airline seat capacity data from OAG shows that for August, scheduled seat volumes are still below 2019 levels for most countries, indicating that the expected demand remains lower than pre-pandemic or issues with staffing are suppressing available supply. There are some outliers though. Mexico has especially strong international and domestic seat capacity, while Russia has high domestic capacity, but low international flight capacity, mostly due to sanctions related to its war with Ukraine.

### Airline Seat Capacity Growth

August 2022 vs August 2019



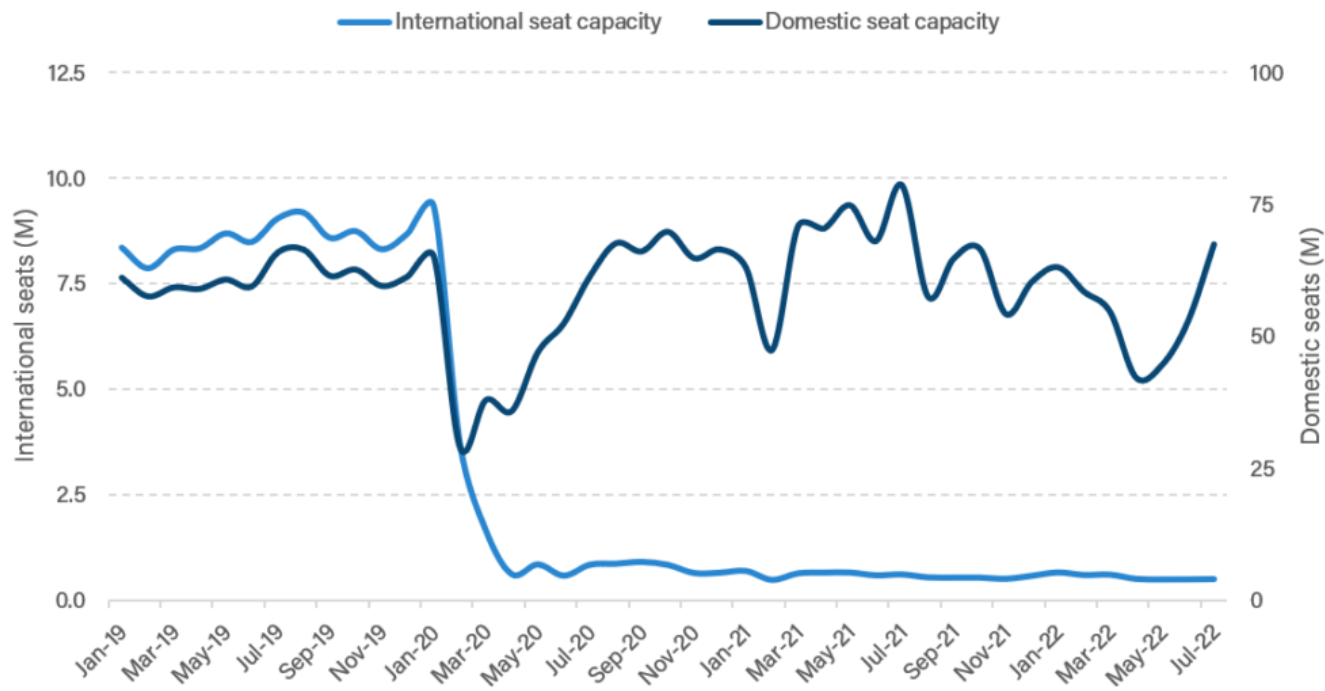
Source: Skift Research from OAG



China has the starkest difference between international and domestic performance. As reported in last month's update, there is a belief that the government might start to reduce some of the strictest measures when Covid cases flare up, but it is still hanging on to its zero-Covid policy for now. More than 80,000 tourists have been stranded on the resort of Sanya after a Covid outbreak. The Chinese government moved quickly to order all flights and train links canceled following hundreds of positive cases.

This policy is having an impact on domestic travel, as we see domestic flight capacity and room nights booked for Chinese hotels fluctuating significantly over the past two years as parts of the country have gone in and come out of lockdowns. But the biggest impact is unsurprisingly on international arrivals and departures, as most country borders are still closed.

China: Domestic and International Airline Seat Capacity

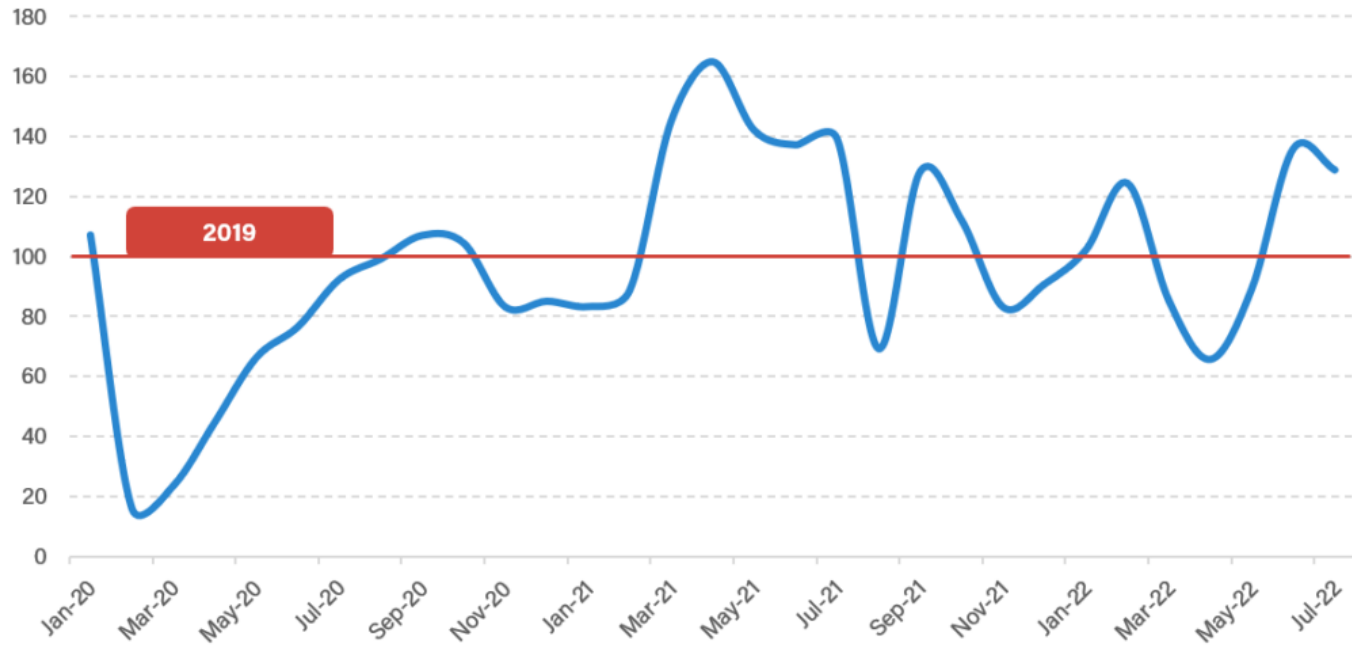


Source: OAG



Room Nights Booked for Chinese Hotels

Indexed to same month in 2019



Source: Shiji Group





# WHAT IF THE CHINESE TRAVELED INTERNATIONALLY... TODAY?

We analyzed the importance of Chinese travelers for the 21 other countries we cover in our Index, and performed a rudimentary exercise to see what their impact would be on countries' Index score.

Due to its proximity, Hong Kong is the destination most reliant on Chinese travelers, followed by other Asian countries like Thailand, Japan, and Singapore, all seeing over 20% of their foreign arrivals stemming from China.

## CHINESE OUTBOUND TRAVELERS (2018) BY DESTINATION

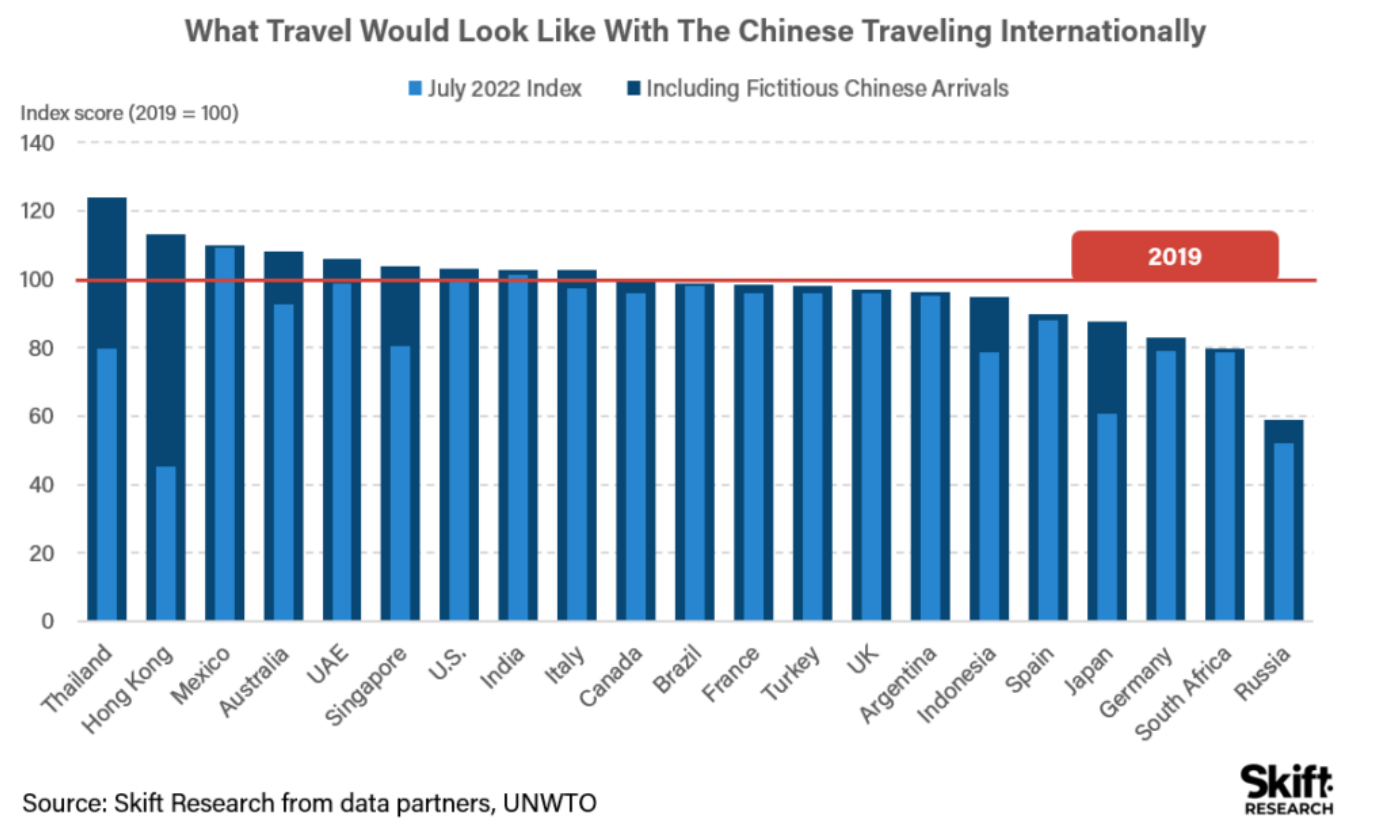
	China Outbound ('000s)	China as % of total
Hong Kong	19,902	68.0%
Thailand	16,874	44.2%
Japan	8,380	26.9%
Singapore	3,418	23.3%
Indonesia	2,139	16.0%
Australia	1,432	15.5%
UAE	1,481	7.3%
Russia	1,690	6.9%
Italy	3,201	5.2%
Germany	1,592	4.1%
U.S.	2,992	3.8%
Canada	737	3.5%
France	2,176	2.4%
Turkey	1,028	2.2%
Spain	1,452	1.8%
India	282	1.6%
Argentina	72	1.0%
UK	391	1.0%

	China Outbound ('000s)	China as % of total
South Africa	100	1.0%
Brazil	56	0.9%
Mexico	168	0.4%

Source: UNWTO

While the Index provides a holistic insight into the health of the travel industry, and this is not directly comparable with simple arrival numbers as provided above, collating the two datasets does provide an interesting insight into the impact Chinese travelers would have on global recovery.

Taking the Index score for each country, and adding the share of Chinese travelers to each destination, highlights how a full return of Chinese travelers could pull Thailand, Hong Kong, Australia and Singapore back to pre-pandemic travel performance. While very much a ‘back of the envelope’ exercise, it clarifies why Asian destinations in particular are not back to pre-pandemic levels of performance yet, and what the impact of an opening of Chinese borders could have for those destinations.



# NOTE REGARDING METHODOLOGY CHANGE

The Index consists of five different buckets with each holding a number of indicators. One of these buckets has always been Macroeconomics, containing four indicators that have tracked the broader economic condition of each country, tracking unemployment rates, industrial production, retail sales, and stock market returns. It has become harder and harder to track this data reliably in comparison to 2019 levels, which is a key methodology that we utilize across all our indicators in the Index. We have therefore decided to remove the Macroeconomics indicators from the Index.

The Macroeconomics bucket accounted for 5% of the total Index score, and this weighting has been redistributed across the other four buckets: Aviation, Hotels, Vacation Rentals, and Car Rental. As Macroeconomics contributed only a small percentage of the total score, we are seeing very little impact on the overall score of the Index.

# METHODOLOGY

## DATA PARTNERS

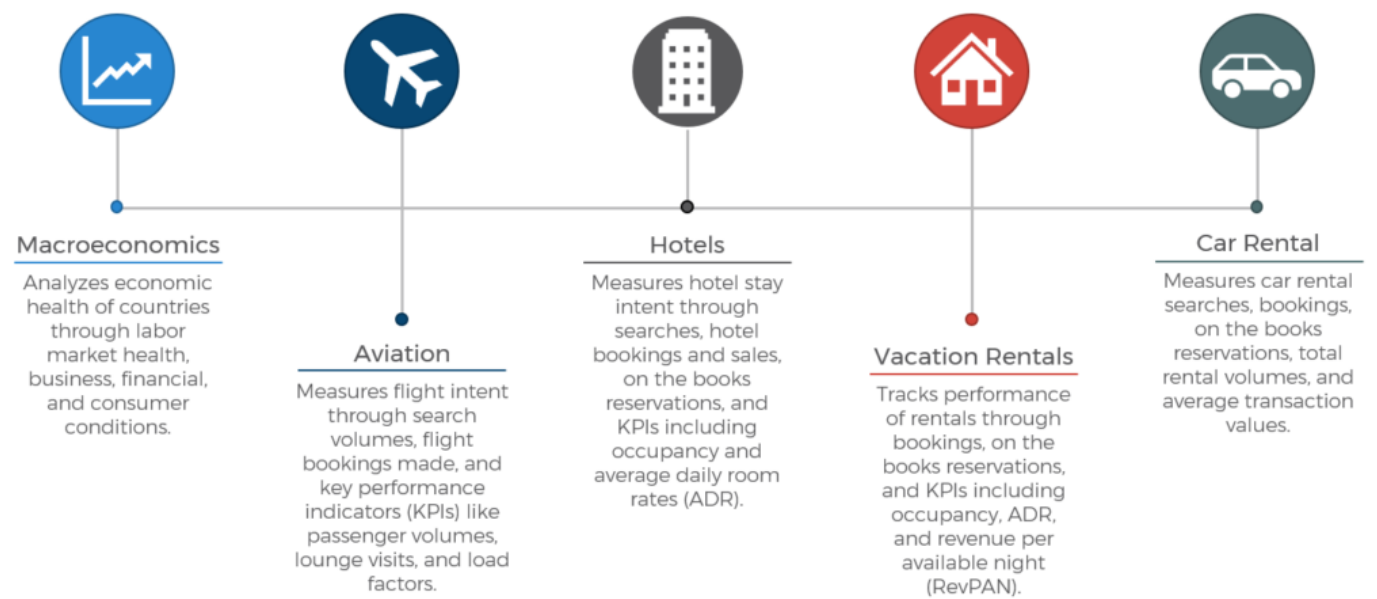
Skift Research collects and analyzes data from 20 different data partners, to provide the most comprehensive view of the travel industry's performance.

Aviation	Hotels	Vacation Rentals	Car Rental
amadeus	CENDYN	BEYOND	CarTrawler
aviasales	duetto	KEYDATA	
COLLINSON	hotelbeds	Transparent	
CRITEO	onyx		
ForwardKeys	OTA INSIGHT		
OAG	RateGain		
Skyscanner	Shiji		
SOJERN	TRUSTYOU		

## INDEX DESIGN

The Index tracks 84 indicators per country to assess the health of the travel industry in each country. These indicators are aggregated into performance categories and sub-categories. The top level of division is by travel vertical, and each vertical is further divided by intent indicators, booking indicators, and key performance indicators.

The Index covers the following travel sectors:



## COUNTRY COVERAGE

The Index focuses on the travel performance in 22 of the largest tourism economies, combined accounting for 62% of inbound tourism receipts, 67% of outbound tourism expenditure, and 78% of global 2019 GDP.

- Argentina
- Australia
- Brazil
- Canada
- China
- France
- Germany
- Hong Kong, China
- India
- Indonesia
- Italy
- Japan
- Mexico
- Russia
- Singapore
- South Africa
- Spain
- Thailand
- Turkey
- U.S.
- United Arab Emirates
- United Kingdom

## INDEX SCORE CALCULATION

The Index is designed to provide an easy overview of the health of the travel industry. We have tracked the industry since the beginning of 2020. For 2020, 2021, and 2022 data, the

performance of each indicator is compared to the same time in 2019. The Index provides a score relative to a baseline reading of 100 for the same month in 2019.

The full methodology can be found on our [website](#).

# DATA TABLES

Total Skift Travel Health Index Scores by Country

	Dec 2021	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022	Jul 2022
Argentina	72.2	59.0	76.3	82.0	98.6	94.9	98.9	95.4
Australia	61.2	57.9	73.3	86.6	94.6	92.3	98.7	92.5
Brazil	94.8	80.3	97.3	97.7	106.1	103.9	100.1	95.7
Canada	65.1	55.3	76.6	89.9	94.0	97.4	101.6	93.2
China	55.5	44.3	50.5	46.1	43.0	44.8	62.4	66.8
France	71.0	73.0	95.1	93.5	99.7	107.5	103.7	94.0
Germany	48.0	53.4	67.3	70.9	81.8	87.4	88.2	77.4
Hong Kong, China	32.2	26.3	32.0	31.2	31.8	37.1	40.8	45.3
India	67.7	53.5	76.1	85.1	95.6	103.1	104.2	100.9
Indonesia	43.2	51.0	51.3	63.1	72.1	82.2	85.0	75.7
Italy	59.8	61.2	79.7	86.1	98.6	109.7	105.6	97.1
Japan	38.7	39.9	38.2	43.7	46.8	56.7	57.5	60.8
Mexico	99.5	94.5	106.0	111.1	110.5	108.8	113.0	108.7
Russia	80.4	80.5	74.8	46.7	49.7	55.1	53.6	52.0
Singapore	36.5	44.3	56.7	65.4	78.2	84.7	86.7	78.9
South Africa	44.7	62.3	72.8	75.4	78.9	80.2	80.1	78.8
Spain	64.5	71.9	85.8	89.8	95.2	98.8	95.5	86.9
Thailand	35.9	43.5	49.6	58.9	71.8	83.1	86.0	77.2
Turkey	81.2	70.5	86.7	97.9	104.3	111.0	115.1	95.9
U.S.	85.5	78.4	95.7	98.4	102.1	100.9	103.3	98.8

	<b>Dec 2021</b>	<b>Jan 2022</b>	<b>Feb 2022</b>	<b>Mar 2022</b>	<b>Apr 2022</b>	<b>May 2022</b>	<b>Jun 2022</b>	<b>Jul 2022</b>
United Arab Emirates	80.0	77.2	98.4	97.6	102.3	112.8	105.5	95.8
United Kingdom	58.1	71.6	86.7	91.0	96.2	99.9	98.5	95.1

### Aviation Scores by Country

	<b>Dec 2021</b>	<b>Jan 2022</b>	<b>Feb 2022</b>	<b>Mar 2022</b>	<b>Apr 2022</b>	<b>May 2022</b>	<b>Jun 2022</b>	<b>Jul 2022</b>
Argentina	60.4	52.8	63.1	68.6	75.3	73.2	76.3	75.4
Australia	54.5	48.3	64.0	80.5	88.8	80.3	86.2	81.7
Brazil	102.3	83.7	101.5	100.0	108.5	106.6	91.7	89.9
Canada	53.7	49.1	63.6	73.4	75.4	79.4	81.9	77.5
China	34.9	26.2	29.6	26.2	24.0	26.5	34.3	38.6
France	58.0	62.2	76.4	79.3	85.4	91.1	89.8	85.5
Germany	48.3	48.7	57.2	64.3	74.2	78.1	79.4	71.9
Hong Kong, China	13.4	8.0	8.1	10.0	12.0	12.9	14.5	14.9
India	54.9	59.7	76.1	86.9	92.2	101.8	99.1	94.6
Indonesia	23.5	25.9	27.6	38.1	46.9	51.2	54.8	45.9
Italy	54.3	62.1	77.7	84.9	101.2	110.5	107.6	102.4
Japan	30.2	26.2	26.5	33.0	37.1	40.3	43.3	44.2
Mexico	81.7	90.3	97.8	100.5	100.6	97.5	99.1	99.5
Russia	87.6	87.3	84.9	64.8	59.7	72.2	80.5	76.1
Singapore	27.0	22.9	29.2	40.9	52.7	60.3	65.8	54.7
South Africa	44.9	56.2	64.1	68.5	71.4	74.7	75.0	74.5
Spain	65.0	73.1	85.7	88.8	97.1	99.3	96.9	93.0
Thailand	25.6	28.4	33.2	38.9	47.2	57.3	62.7	58.9



	<b>Dec 2021</b>	<b>Jan 2022</b>	<b>Feb 2022</b>	<b>Mar 2022</b>	<b>Apr 2022</b>	<b>May 2022</b>	<b>Jun 2022</b>	<b>Jul 2022</b>
Turkey	84.6	78.8	86.6	86.7	100.1	105.5	102.0	93.1
U.S.	77.0	70.0	83.2	88.9	91.6	90.3	93.5	89.4
United Arab Emirates	65.5	69.3	84.1	85.5	89.2	97.0	94.9	93.8
United Kingdom	50.5	62.1	76.5	81.8	87.2	89.6	89.0	86.0

Aviation contributes 37.5% to the total score. The scores in this table have been indexed to give a better insight into performance. 100 = pre-pandemic level.

### Hotel Scores by Country

	<b>Dec 2021</b>	<b>Jan 2022</b>	<b>Feb 2022</b>	<b>Mar 2022</b>	<b>Apr 2022</b>	<b>May 2022</b>	<b>Jun 2022</b>	<b>Jul 2022</b>
Argentina	72.7	67.3	76.1	96.6	123.1	115.4	125.1	119.2
Australia	54.4	54.3	67.5	83.9	93.7	97.3	104.4	91.8
Brazil	96.4	78.2	91.4	95.7	107.4	105.9	113.9	101.7
Canada	63.7	54.5	71.5	95.5	105.6	110.3	120.0	106.2
China	61.4	52.4	64.6	46.4	44.4	55.3	86.0	89.4
France	57.4	70.4	89.7	97.6	112.0	122.1	124.5	101.9
Germany	35.1	48.9	64.9	75.6	93.6	101.5	106.7	86.7
Hong Kong, China	42.7	36.9	49.9	37.5	40.1	49.1	52.2	60.6
India	83.5	47.5	81.2	94.2	113.8	126.0	124.1	113.1
Indonesia	61.9	72.2	64.7	89.8	101.7	121.1	122.3	102.7
Italy	50.1	58.8	81.3	92.0	107.6	123.4	119.9	101.1
Japan	35.6	64.7	58.9	61.0	62.8	78.2	75.4	75.5
Mexico	96.3	89.7	105.7	123.8	129.7	129.5	135.1	120.7
Russia	74.3	74.8	66.3	1.4	18.3	22.0	11.1	11.9

	<b>Dec 2021</b>	<b>Jan 2022</b>	<b>Feb 2022</b>	<b>Mar 2022</b>	<b>Apr 2022</b>	<b>May 2022</b>	<b>Jun 2022</b>	<b>Jul 2022</b>
Singapore	39.1	58.1	76.4	91.6	103.8	105.5	101.8	94.7
South Africa	26.8	65.2	77.0	78.8	86.2	82.9	85.1	76.5
Spain	53.6	61.3	79.1	89.9	101.1	108.5	103.9	84.6
Thailand	41.1	58.2	62.1	76.9	101.3	116.9	114.6	90.3
Turkey	81.7	63.8	91.7	118.7	123.8	138.2	151.2	104.5
U.S.	85.9	79.6	95.5	103.0	112.4	115.1	114.7	108.2
United Arab Emirates	95.7	68.2	94.0	100.3	111.2	130.3	113.5	87.3
United Kingdom	54.2	61.7	80.0	90.9	100.6	106.4	107.2	102.1

Hotels contributes 32.5% to the total score. The scores in this table have been indexed to give a better insight into performance. 100 = pre-pandemic level.

### Vacation Rental Scores by Country

	<b>Dec 2021</b>	<b>Jan 2022</b>	<b>Feb 2022</b>	<b>Mar 2022</b>	<b>Apr 2022</b>	<b>May 2022</b>	<b>Jun 2022</b>	<b>Jul 2022</b>
Argentina		118.8	133.8	138.8	138.7	137.8	136.9	139.0
Australia	106.8	140.8	140.1	134.9	135.3	134.8	140.9	136.5
Brazil	70.7	114.0	116.9	113.7	116.1	110.8	106.3	112.3
Canada	93.0	104.3	113.2	124.9	122.3	122.6	123.6	122.5
China	124.1	119.9	117.0	115.0	108.9	112.6	112.6	116.7
France	124.7	105.6	139.8	129.1	120.2	126.6	125.2	124.3
Germany	75.1	101.8	104.2	96.1	92.5	96.6	98.4	98.0
Hong Kong, China	51.5	62.6	57.3	57.1	56.8	62.6	67.8	71.0
India	75.3	96.6	94.2	98.1	99.3	100.8	101.4	104.2
Indonesia	45.1	120.0	97.8	73.4	73.8	82.9	78.5	83.4

	<b>Dec 2021</b>	<b>Jan 2022</b>	<b>Feb 2022</b>	<b>Mar 2022</b>	<b>Apr 2022</b>	<b>May 2022</b>	<b>Jun 2022</b>	<b>Jul 2022</b>
Italy	83.8	108.0	109.4	116.1	107.3	117.4	116.0	116.3
Japan	55.7	65.2	57.8	57.4	56.9	60.7	59.9	61.6
Mexico	166.2	132.2	133.9	136.6	122.4	123.0	123.0	118.3
Russia	73.5	111.1	92.6	119.2	111.1	101.3	91.8	91.1
Singapore	48.7	100.9	93.9	91.9	92.4	93.0	94.6	93.3
South Africa	72.9	87.3	94.4	98.9	101.0	99.6	94.0	102.3
Spain	81.4	119.6	119.4	131.0	110.5	105.7	108.2	106.1
Thailand	45.8	84.6	78.7	80.9	82.7	86.4	89.1	95.7
Turkey	66.1	101.9	99.7	109.3	103.0	105.2	96.6	103.5
U.S.	112.3	119.9	118.4	115.2	113.1	106.0	111.2	109.3
United Arab Emirates	80.0	123.8	126.2	130.2	116.3	123.4	116.1	124.0
United Kingdom	109.2	133.9	132.1	134.0	139.4	134.4	129.6	127.7

*Vacation Rentals contributes 10% to the total score. The scores in this table have been indexed to give a better insight into performance. 100 = pre-pandemic level. 2021 VR data for Argentina missing.*

## Car Rental Scores by Country

	<b>Dec 2021</b>	<b>Jan 2022</b>	<b>Feb 2022</b>	<b>Mar 2022</b>	<b>Apr 2022</b>	<b>May 2022</b>	<b>Jun 2022</b>	<b>Jul 2022</b>
Argentina	72.0	73.8	112.2	103.7	115.2	114.6	111.4	102.5
Australia	29.3	65.2	86.3	93.1	104.0	106.7	109.8	109.6
Brazil	72.0	92.2	110.5	105.0	109.0	111.3	109.8	105.1
Canada	53.3	75.4	110.0	112.5	116.6	117.3	115.4	108.3
China	29.3	29.4	41.9	52.8	52.7	43.1	48.5	56.1
France	72.0	115.1	150.2	120.1	117.9	117.0	103.2	97.3

	<b>Dec 2021</b>	<b>Jan 2022</b>	<b>Feb 2022</b>	<b>Mar 2022</b>	<b>Apr 2022</b>	<b>May 2022</b>	<b>Jun 2022</b>	<b>Jul 2022</b>
Germany	48.0	66.4	88.2	80.2	83.1	85.5	81.2	78.8
Hong Kong, China	28.8	36.1	46.5	55.7	58.0	66.0	76.2	82.9
India	28.8	41.4	61.5	69.8	78.8	83.5	92.5	96.6
Indonesia	28.8	41.4	61.5	69.8	78.8	83.5	92.5	96.6
Italy	72.2	61.7	80.3	74.9	77.2	80.0	79.3	79.7
Japan	28.8	39.6	46.6	61.1	67.0	86.0	90.2	88.9
Mexico	72.2	118.8	128.9	115.8	114.6	119.7	115.2	114.2
Russia	53.8	74.6	74.6	74.6	74.6	74.6	74.6	74.6
Singapore	28.8	56.7	78.3	90.0	115.3	114.9	114.8	116.5
South Africa	53.8	81.1	110.0	96.0	92.5	95.1	97.9	98.9
Spain	72.2	74.2	91.7	77.9	79.1	83.2	83.2	82.4
Thailand	28.8	55.6	73.2	74.5	80.2	85.4	93.7	97.7
Turkey	72.2	74.7	92.6	84.5	90.3	78.7	84.7	91.3
U.S.	66.8	93.0	123.5	111.3	111.1	115.2	113.4	110.8
United Arab Emirates	53.8	102.5	137.5	111.2	117.2	116.9	117.9	111.8
United Kingdom	47.5	94.2	115.3	103.4	100.0	102.0	101.7	100.2

*Car Rental contributes 15% to the total score. The scores in this table have been indexed to give a better insight into performance. 100 = pre-pandemic level.*

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