



# Skift Travel Health Index

## June 2023 Highlights

The Skift Travel Health Index shows that all regions have recovered, but Europe's travel revival appears to be rather slow. With 17 out of 22 countries having fully recovered and Europe being a popular summer hotspot, the global travel industry has geared up for a bright summer season.

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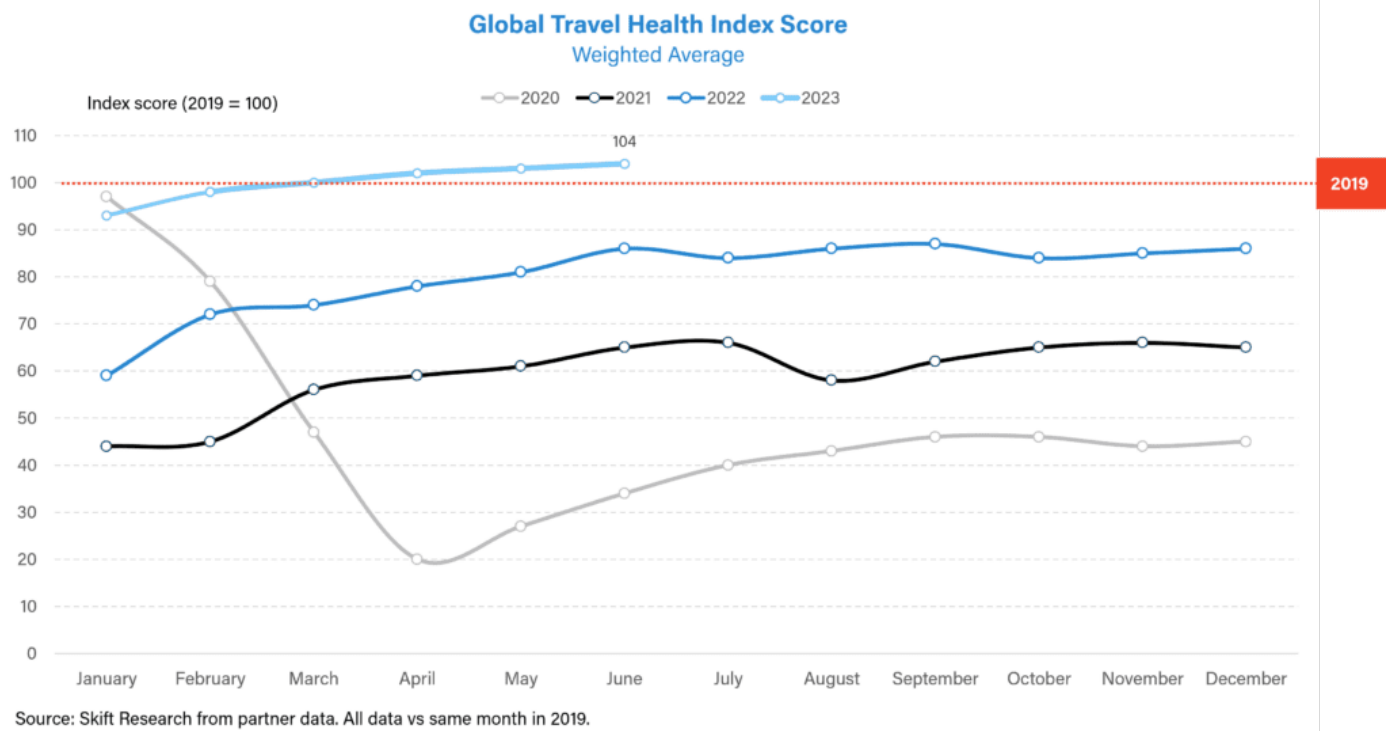
# Executive Summary

The June 2023 Travel Health Index surpassed pre-pandemic performance again, this time with a 4 percentage point (pp) lead. With 17 out of 22 countries recovering fully, the global travel industry has geared up for a bright summer season.

All regions in the index have recovered, but Europe's travel revival seems to be rather slow. This report focuses on Europe's booming lodging sector compared to a slower transportation recovery. With Europe being a summer hotspot, the coming months could propel the region's Health Index forward.

## Summer Travel Shines

The Travel Health Index indicates a bright tourism outlook this summer. As of June 2023, global travel performance soared 4 percentage points (pp) above 2019 levels. It stands at 104, gaining 1 pp over the previous month.



## All Regions Have Recovered

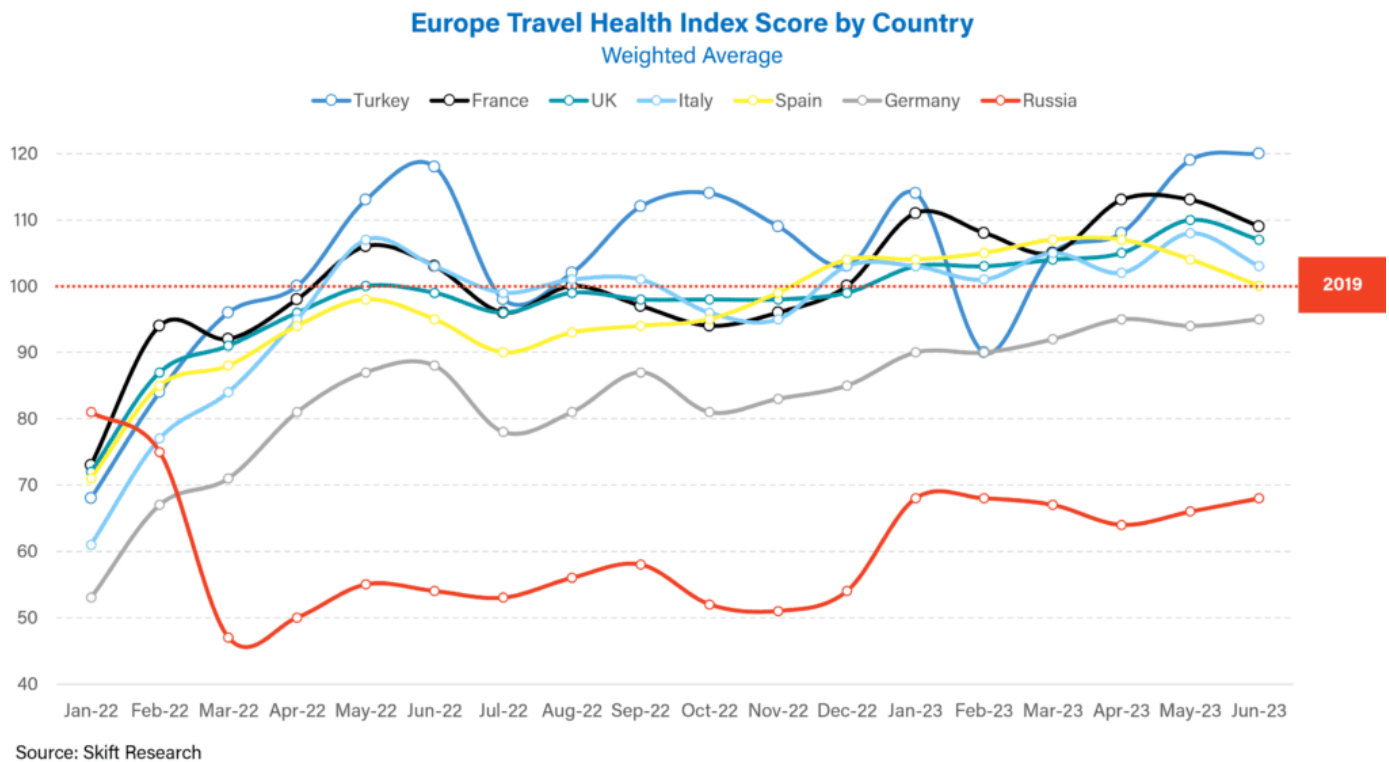
Although some regions appear to have slowed down over the last month, all regions covered have achieved full recovery to pre-pandemic levels.

### Skift Travel Health Index Performance by Region

Regions	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	MoM Growth (abs)
Asia Pacific	85	96	100	103	103	102	-1
Europe	99	97	98	101	102	100	-2
Latin America	110	108	111	113	109	110	+1
Middle East and Africa	98	102	100	102	109	104	-5
North America	102	101	98	99	102	108	+6

## Russia and Germany have Held Europe Back

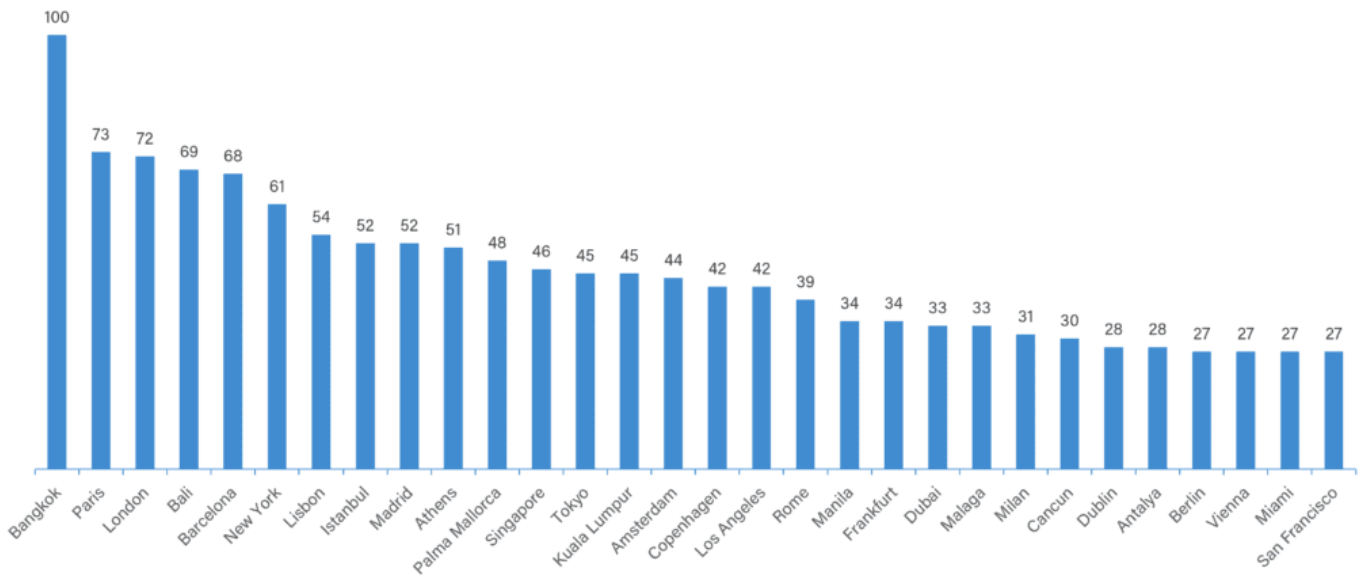
Most European countries covered by the Travel Health Index have recovered beyond pre-pandemic performance levels. Russia, however, continues to be the black sheep. Germany is taking small steps towards recovery and stands at 95% of 2019 levels as of June 2023.



## European Destinations Most Popular for Summer Travel in 2023

A [recent study](#) by the European Travel Commission revealed that travel intent in Europe remains high despite a 4% decrease in the number of Europeans traveling. According to a recent report by [ForwardKeys](#), globally, summer travelers flocked to destinations in Central America, Mexico, the Caribbean islands, and Southern Europe last summer because of restored connectivity and convenient travel requirements. This year has seen a significant shift towards Europe, according to search data from ForwardKeys, with Paris, London, and Barcelona all ranking highly. With Asia Pacific having finally lifted travel restrictions, Bangkok tops the list, and Bali looms large as well. However, when taken on the whole, European destinations dominate summer travel intent.

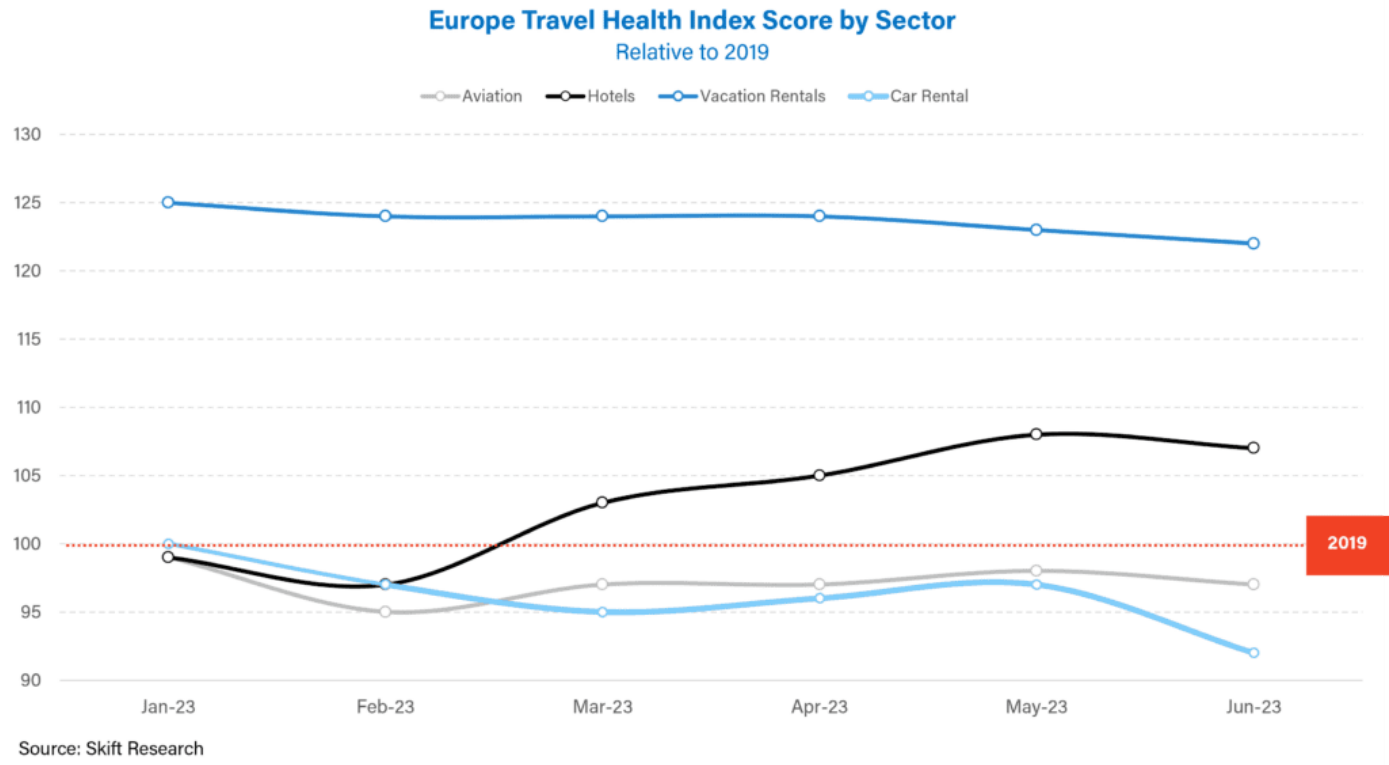
**Most Searched Destinations for Travel in Summer 2023**  
Flight Search Volumes Indexed to 2022



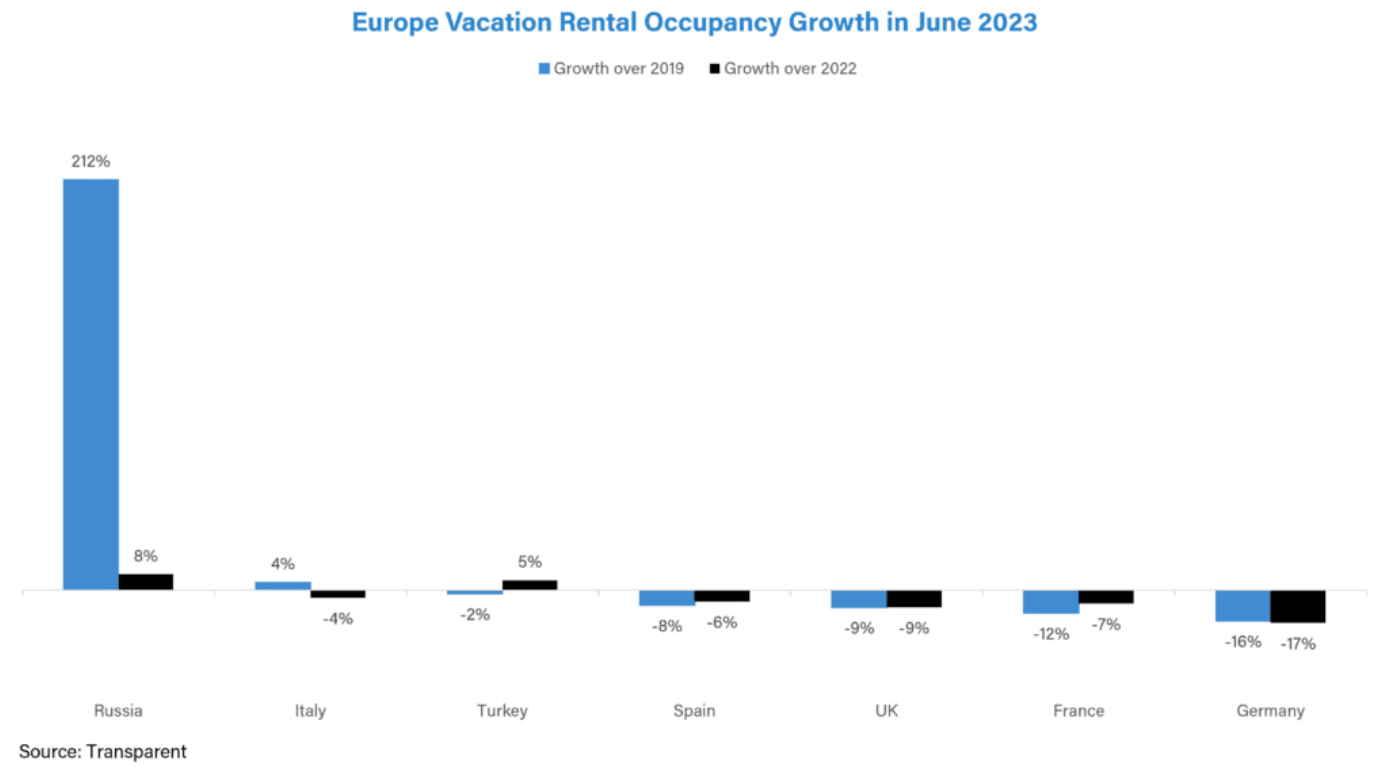
Source: ForwardKeys, Trends Report, June 2023

## The European Accommodation Sector Has Thrived

Hotels and vacation rentals have spearheaded Europe's travel recovery and are at 7% and 22% above 2019 levels, respectively. Air traffic control issues as well as insufficient seat capacity in Europe have led to a lot of delays and flight cancellations. The aviation sector, however, is only 3% short of achieving a complete recovery. Declining car rental bookings have led to a slump in the sector's performance.



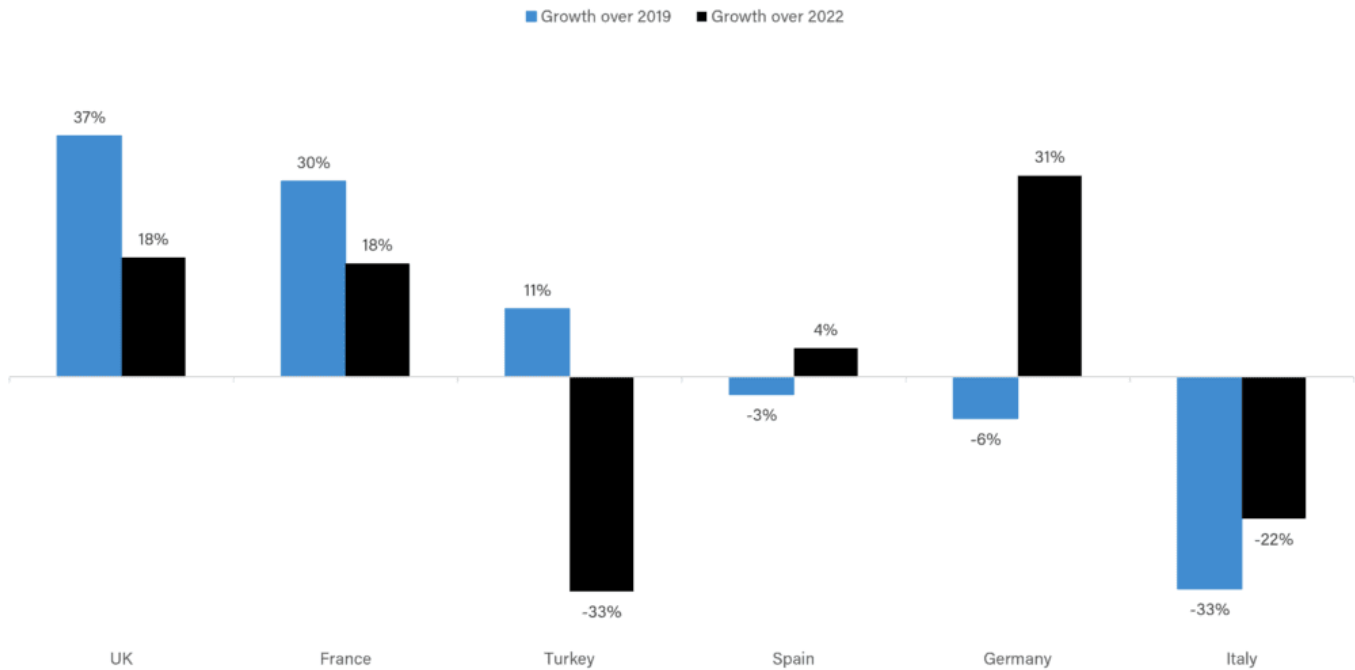
Although the vacation rental sector’s overall performance has recovered, occupancy levels appear to be slowing down in June 2023.



Hotel room nights growth in Europe is a mixed bag. The only countries where hotel room nights exceeded both 2019 and 2022 were the UK and France. Italy witnessed

an overall decline. Spain and Germany grew beyond 2022 but are yet to catch up to 2019 levels. Turkey's hotel demand was higher than in 2019 but lower than the previous year.

#### Europe Stayed Hotel Room Nights Growth in June 2023



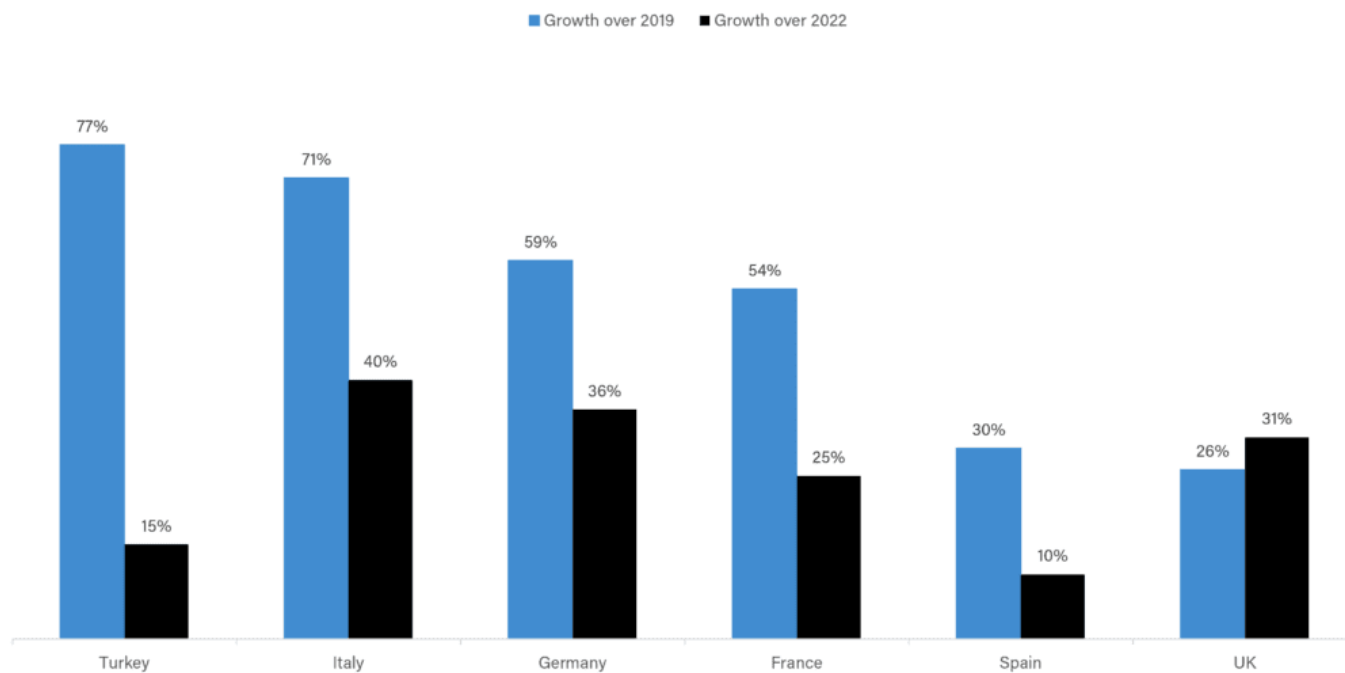
Source: Skift Research with data from Hotelbeds and Cendyn

## Strong Pricing has Driven European Recovery

Hotel published rates across all countries covered are much higher than 2019 levels and even higher than last year. Inflation in Europe has played a significant role in the rising hotel prices. For instance, with rising inflation, hotel costs in Turkey have increased significantly. This has impacted accommodation prices too. Higher pricing has helped hotels keep pace with spiking costs, but this does not entirely indicate driving recovery in an inflationary environment.



## Europe Hotel Published Rates Growth in June 2023



Source: OTA Insight

However, 24% of European travelers worry about the overall rise in trip costs, while 17% are concerned with the economic situation and personal finances. It remains to be seen whether these concerns will impact Europe's travel performance in the coming months.

## The Car Rental Sector Seems to be Cooling Off

Despite a month-over-month dip, global car rental performance is still 8 pp above pre-pandemic levels. All regions saw a decline in performance, except for North America, where it increased by 3 pp from May 2023.

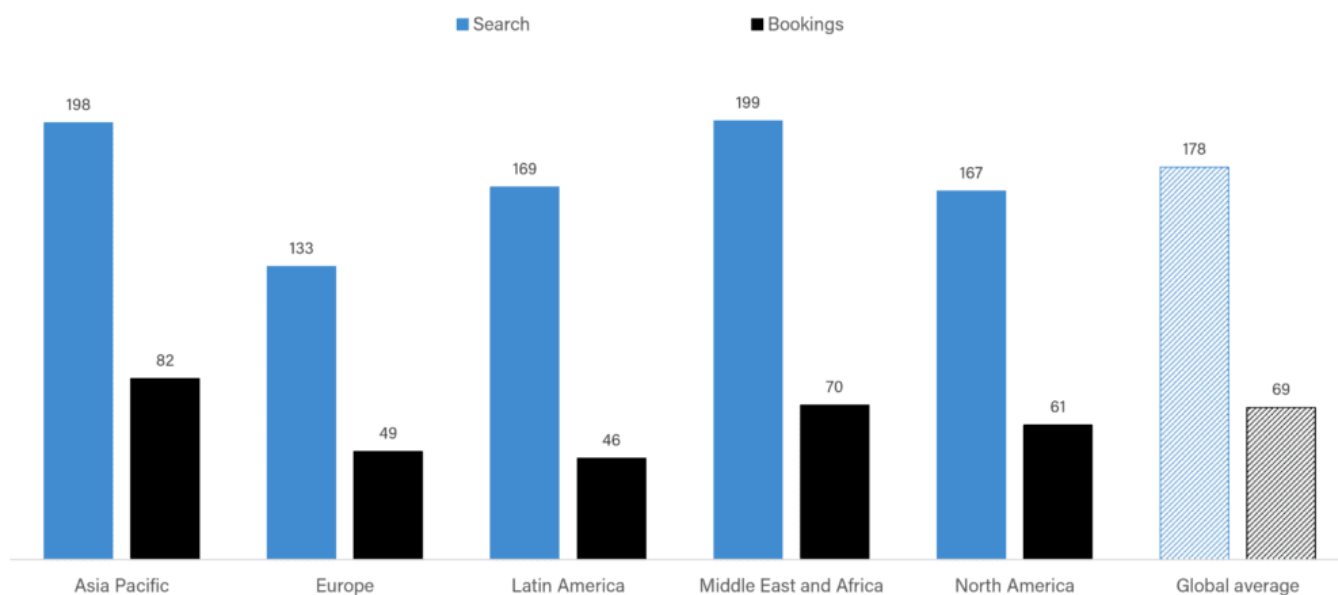
### Car Rental Performance by Region

Regions	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	MoM Growth (abs)
Asia Pacific	86	108	120	124	121	120	-1
Europe	100	97	95	96	97	92	-5

Regions	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	MoM Growth (abs)
Latin America	106	103	99	102	101	98	-3
Middle East and Africa	112	115	110	114	115	115	0
North America	116	107	99	98	94	97	+3
<b>Global average</b>	<b>98</b>	<b>106</b>	<b>109</b>	<b>112</b>	<b>109</b>	<b>108</b>	<b>-1</b>

Segmenting the sector's performance into searches and bookings, we see that while searches have been high this year, actualized car rental bookings are much lower.

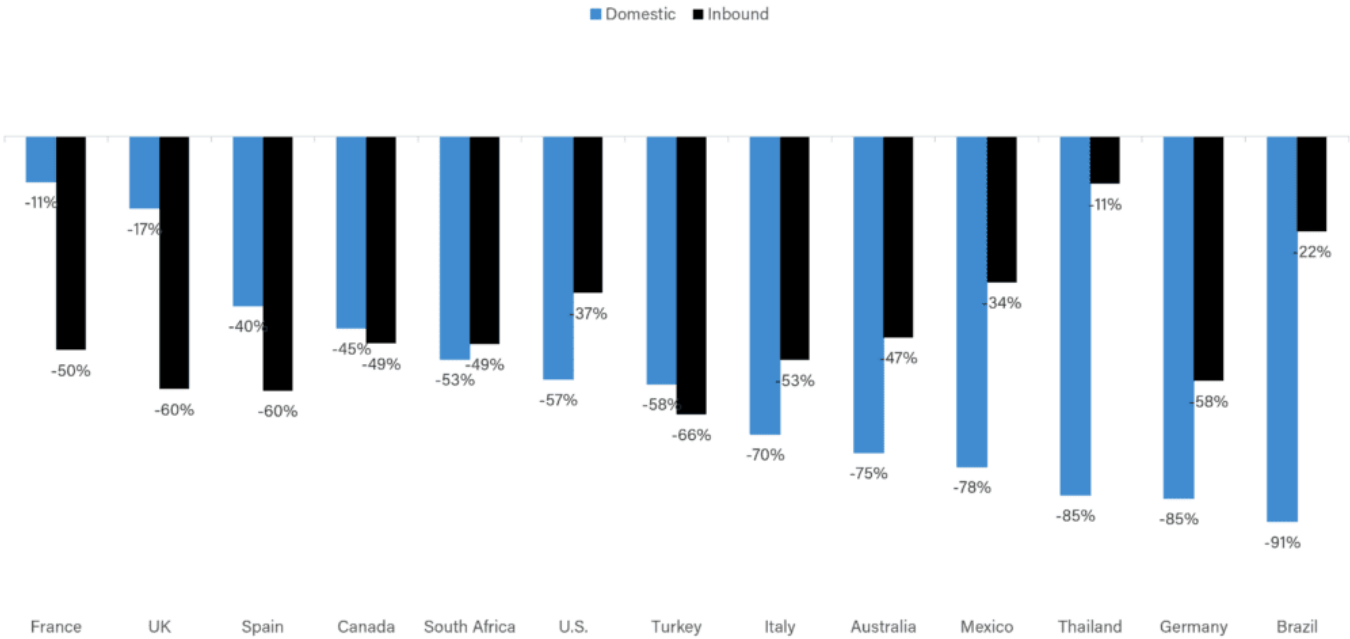
**Car Rental Search and Bookings Index June 2023**  
(Relative to 2019)



Source: Skift Research with data from CarTrawler

Both domestic and inbound bookings have significantly declined across all countries covered.

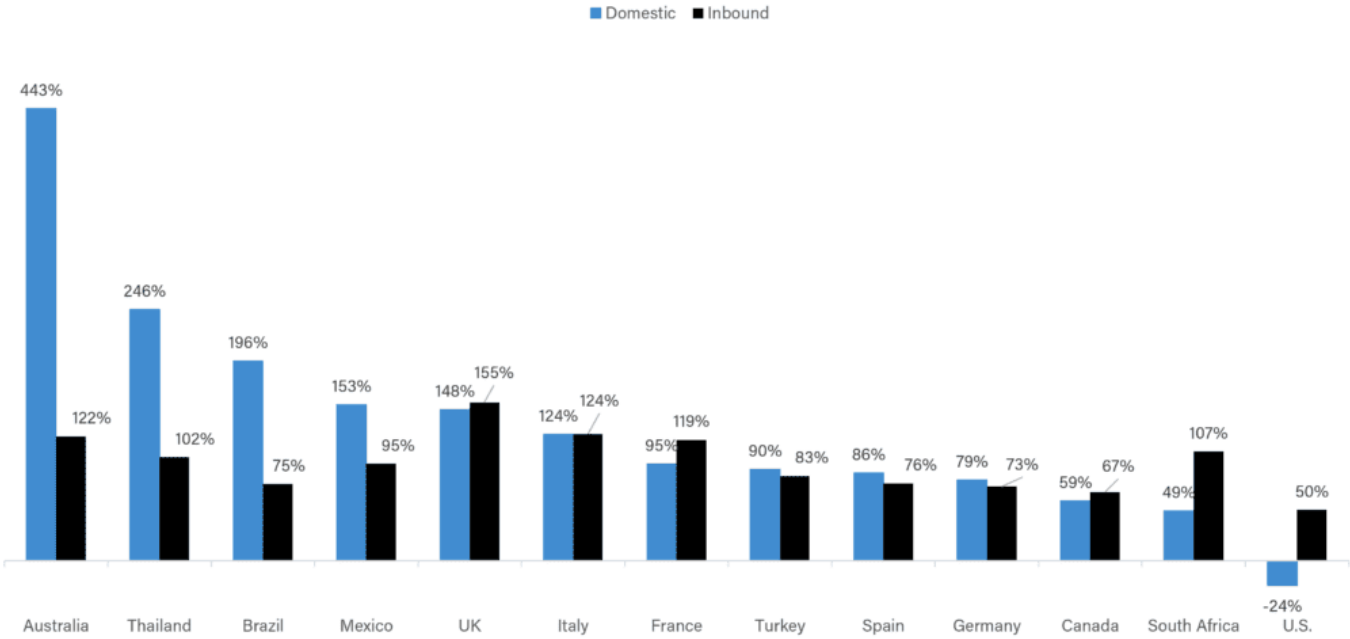
**Car Rental Bookings Growth June 2023**  
Relative to 2019



Source: CarTrawler

With the exception of the U.S., where domestic car rental transaction values per day are lower than in 2019, all other countries have seen an increase in both inbound and domestic car rental transaction values.

**Car Rental TTV per Day Growth June 2023**  
Relative to 2019



Source: CarTrawler

# Conclusion

The Travel Health Index surpassed its 2019 performance by 4 pp in June 2023, continuing to indicate that global travel is booming. 17 out of 22 countries are fully recovered in June 2023.
















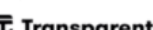

All regions in our index have now recovered. Although Europe has rebounded, the region's travel revival remains sluggish, largely because of Russia. Although travel performance in the region declined slightly over the previous month, it is a popular summer hotspot. The travel recovery has been fueled by high prices across the European lodging industry. There seems to be some price-related anxiety among European travelers, but how this would impact travel in Europe remains to be seen.

**Note:** Input of OAG data has been changed retroactively due to an error. This has slightly impacted the index.

# Methodology

## Data Partners

Skift Research collects and analyzes data from 22 different data partners, to provide the most comprehensive view of the travel industry's performance.

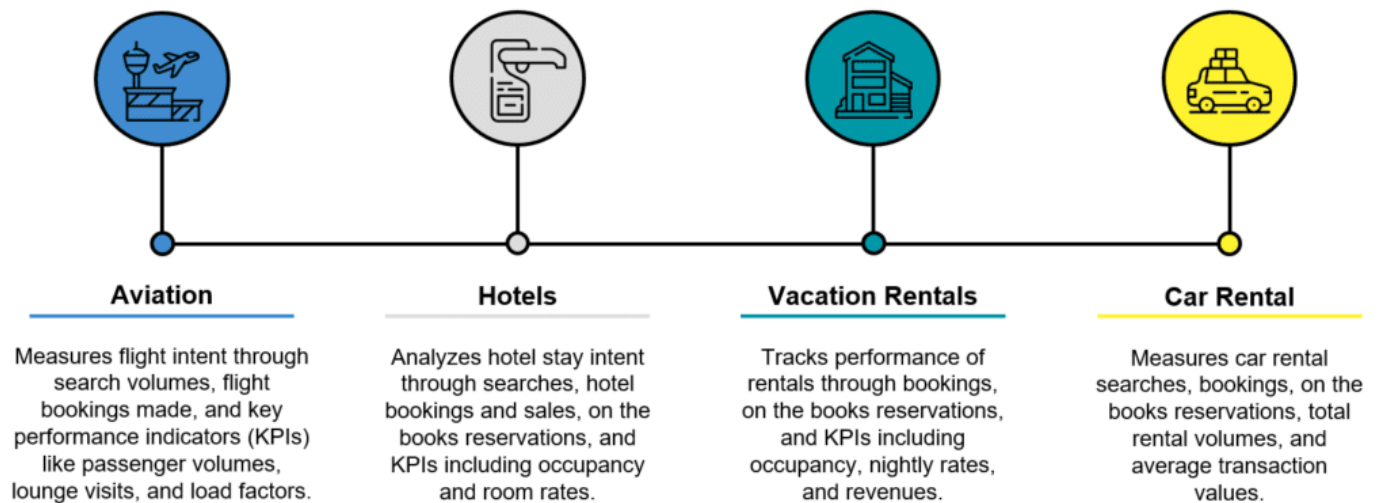
Aviation	Hotels	Vacation Rentals	Car Rental
        	        	  	

## 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, 2022, and 2023 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

	Nov 2022	Dec 2022	Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023	Jun 2023
Argentina	90.5	92.4	96.6	95.0	103.1	109.7	100.3	105.8
Australia	93.1	99.4	109.4	100.5	100.7	96.9	94.5	99.3
Brazil	103.5	104.4	111.2	107.9	110.5	112.3	110.8	109.2
Canada	95.4	96.7	94.6	98.8	98.5	101.4	104.9	108.9
China	57.0	55.9	73.8	92.6	97.1	102.4	102.4	99.9
France	95.9	99.9	111.0	108.0	105.3	112.6	112.9	109.3
Germany	82.6	85.4	90.3	90.1	92.0	95.3	94.2	95.3
Hong Kong, China	55.6	68.5	56.8	74.3	71.3	76.3	73.4	69.7
India	98.2	100.4	100.1	106.0	110.9	110.6	109.9	112.5
Indonesia	80.6	82.2	91.0	93.6	88.5	90.6	93.5	103.9
Italy	94.8	102.9	102.5	101.0	104.9	102.2	108.0	103.0
Japan	73.2	78.8	101.8	103.6	109.0	106.9	109.9	108.3
Mexico	114.3	119.0	121.0	120.3	120.6	117.4	115.2	116.8
Russia	51.1	54.1	68.4	67.6	66.7	64.3	65.9	67.8
Singapore	87.1	83.2	90.9	94.4	102.8	102.4	101.0	103.8
South Africa	81.9	77.3	90.9	93.5	93.2	91.4	92.7	93.8
Spain	99.2	103.9	103.8	104.9	106.7	107.3	103.5	99.6
Thailand	79.2	90.1	97.0	99.0	99.4	103.9	102.5	103.9
Turkey	108.8	103.4	113.9	89.7	104.6	107.9	118.5	120.4
U.S.	104.4	103.9	102.6	102.0	98.5	99.7	102.7	108.2
United Arab Emirates	102.9	104.7	103.5	109.1	105.3	109.1	121.1	110.8

	Nov 2022	Dec 2022	Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023	Jun 2023
United Kingdom	97.8	98.5	103.0	102.6	103.8	105.3	109.6	106.8

## Aviation Scores by Country

	Nov 2022	Dec 2022	Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023	Jun 2023
Argentina	78.8	83.7	83.2	82.1	87.3	98.5	83.5	95.2
Australia	90.4	94	92.7	101.8	103.6	94.5	92.6	98.7
Brazil	93.5	92.2	104.4	100.3	104.1	110.5	111.9	105.7
Canada	84.8	87.2	76.1	89.4	89.6	88.1	88.3	94.2
China	36.1	45	42.0	57.0	58.5	61.4	62.9	64.3
France	83.9	86.4	99.0	96.9	98.3	105.7	98.1	95.0
Germany	71.1	76.6	90.8	87.8	90.3	92.1	89.3	93.4
Hong Kong, China	34.1	46	35.9	50.7	51.5	54.6	52.3	55.5
India	104.4	111	101.7	103.2	105.5	104.0	108.7	111.3
Indonesia	55.1	57.6	67.9	67.9	62.1	64.9	67.0	82.8
Italy	95	108.3	113.8	106.0	110.2	100.3	115.0	109.5
Japan	65.6	73.6	86.8	87.8	94.2	89.5	94.7	94.6
Mexico	102.8	105.5	107.9	111.3	111.7	111.4	108.6	109.1
Russia	67.7	67.2	77.9	74.3	74.0	70.6	73.5	79.6
Singapore	60	61.1	71.7	77.1	75.3	76.2	74.9	85.2
South Africa	61.6	64.2	78.6	75.7	73.6	73.6	73.7	70.8
Spain	90.3	87.1	116.2	115.6	113.9	111.3	107.8	105.8
Thailand	71	76	80.5	82.1	79.5	84.0	80.3	90.5
Turkey	89.3	87.8	106.6	94.2	92.9	104.6	113.3	113.3
U.S.	85.4	86.2	94.1	94.9	90.8	92.0	96.1	107.7



	Nov 2022	Dec 2022	Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023	Jun 2023
United Arab Emirates	80.8	84.3	96.9	101.7	97.3	96.1	111.3	101.4
United Kingdom	76.4	77.8	90.5	91.3	93.9	92.5	98.2	94.1

*Aviation contributes 40% 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

	Nov 2022	Dec 2022	Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023	Jun 2023
Argentina	100.2	102.5	114.6	113.7	125.1	124.8	124.4	128.3
Australia	96.9	95.7	126.1	94.1	92.8	88.8	88.2	94.0
Brazil	121.9	123.1	126.6	129.2	140.6	132.6	129.1	135.5
Canada	111.3	107.6	103.7	101.9	103.6	111.9	124.8	128.9
China	55.3	47.8	91.1	107.2	108.6	113.7	115.5	114.1
France	106.6	115.1	119.6	114.7	114.5	116.5	124.6	124.5
Germany	94.2	89.4	91.0	95.9	102.3	104.3	103.4	105.9
Hong Kong, China	56.8	74	59.7	83.3	75.0	88.3	76.5	68.4
India	89.9	89.8	95.6	104.9	117.3	118.5	111.1	116.0
Indonesia	95.9	100.2	111.1	113.6	108.2	111.8	115.9	127.4
Italy	98.9	96.4	97.0	101.0	104.2	108.2	106.7	97.7
Japan	81.6	82.6	124.1	120.5	123.4	123.3	123.8	124.9
Mexico	130.1	135.4	133.8	130.3	133.6	129.2	127.9	131.8
Russia	12.6	21.8	49.8	51.6	52.5	48.0	47.2	46.0
Singapore	109.2	86	99.6	108.5	127.9	132.3	129.8	124.0

	Nov 2022	Dec 2022	Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023	Jun 2023
South Africa	91.2	72.5	101.1	114.3	114.7	112.5	112.7	118.0
Spain	96.1	98.2	91.2	96.8	105.5	109.6	105.1	97.0
Thailand	86	106.4	117.7	109.8	123.6	134.4	124.3	123.9
Turkey	118.6	101.3	130.7	86.7	120.1	113.5	136.2	141.4
U.S.	107	103.8	103.9	105.8	105.1	107.2	114.1	114.6
United Arab Emirates	113.8	114.1	99.0	105.2	102.5	113.7	127.1	109.9
United Kingdom	104.7	100.3	107.0	108.4	110.7	116.4	122.8	121.6

*Hotels contributes 35% 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

	Nov 2022	Dec 2022	Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023	Jun 2023
Argentina	143.8	139.1	144.9	144.4	142.8	147.3	147.3	148.5
Australia	103.0	141.0	139.3	136.4	136.2	137.7	130.2	134.5
Brazil	114.3	113.2	130.2	131.3	122.2	129.5	124.8	124.1
Canada	93.7	115.9	122.9	122.3	129.1	132.6	131.3	132.1
China	109.0	112.3	165.2	180.0	180.0	178.1	176.0	155.0
France	125.3	122.8	131.2	131.9	130.8	136.0	138.0	136.0
Germany	104.5	110.0	115.4	118.4	112.8	114.9	108.5	107.0
Hong Kong, China	91.7	97.9	64.9	79.5	81.9	83.9	82.4	84.8
India	100.2	105.2	106.6	111.8	108.3	112.4	113.8	120.3
Indonesia	99.6	100.5	96.6	98.1	89.4	92.9	99.7	108.6

	Nov 2022	Dec 2022	Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023	Jun 2023
Italy	116.1	126.4	127.3	130.9	139.9	133.7	136.9	131.8
Japan	98.3	112.6	119.1	120.7	132.0	131.1	137.0	128.8
Mexico	135.6	142.3	142.3	137.7	132.1	127.4	126.5	127.2
Russia	112.8	112.5	113.0	113.7	101.8	107.5	114.7	114.3
Singapore	103.2	100.6	112.1	119.2	117.4	117.9	116.5	116.4
South Africa	83.4	86.7	97.7	97.8	95.8	98.1	103.6	104.0
Spain	119.3	131.8	133.6	129.7	128.4	125.1	123.2	123.6
Thailand	102.3	102.2	123.3	136.8	126.6	118.3	109.7	107.5
Turkey	146.3	137.8	117.8	110.0	115.5	117.7	122.7	127.1
U.S.	110.3	120.3	129.5	127.6	124.3	125.4	121.0	123.7
United Arab Emirates	128.6	126.6	140.3	147.1	140.0	140.1	147.1	146.6
United Kingdom	125.0	126.7	134.8	129.5	132.2	128.7	125.2	123.0

*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

	Nov 2022	Dec 2022	Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023	Jun 2023
Argentina	82.9	79.6	94.1	88.9	85.9	97.5	93.7	88.9
Australia	103.7	110.7	110.3	106.3	105.5	107.1	105.6	101.5
Brazil	89.6	91.9	98.8	98.8	94.3	98.7	100.9	96.8
Canada	122.0	117.5	129.1	126.2	119.4	118.3	116.5	110.4
China	82.5	66.2	63.4	101.4	124.0	135.0	128.0	131.1

	Nov 2022	Dec 2022	Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023	Jun 2023
France	102.6	101.0	133.6	129.9	115.5	121.4	123.9	109.3
Germany	84.1	95.6	85.6	84.7	85.7	85.0	88.1	82.8
Hong Kong, China	105.0	105.8	109.5	121.6	117.5	109.8	116.6	109.8
India	109.6	103.1	110.9	121.3	121.2	117.3	116.7	111.3
Indonesia	109.6	103.1	110.9	121.3	121.2	117.3	116.7	111.3
Italy	83.3	100.9	80.8	79.7	83.7	84.4	85.2	87.8
Japan	95.1	99.4	114.1	113.1	117.6	116.7	117.7	110.4
Mexico	109.2	112.7	129.8	124.0	120.5	113.4	110.0	109.9
Russia	74.6	74.6	74.6	74.6	74.6	74.6	74.6	74.6
Singapore	114.4	111.3	119.6	127.0	120.0	116.2	111.3	110.0
South Africa	103.0	100.8	107.6	107.9	105.5	103.0	101.6	104.0
Spain	94.0	106.9	89.3	87.6	87.9	88.1	89.9	84.8
Thailand	93.7	95.8	102.1	107.3	100.5	98.7	110.6	104.0
Turkey	99.9	99.3	109.9	95.3	104.3	109.2	94.2	103.6
U.S.	128.8	124.4	116.1	107.0	98.2	97.1	93.6	96.6
United Arab Emirates	113.1	110.4	115.9	121.2	114.4	121.5	124.5	123.1
United Kingdom	108.7	108.1	117.7	113.3	110.2	107.2	108.0	104.6

*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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