



# Skift Travel Health Index

## May 2023 Highlights

The Skift Travel Health Index continues to indicate global travel recovery in May 2023. With 14 out of 22 countries having fully recovered and some overtaking pre-pandemic travel performance, we anticipate the index to soon significantly surpass 2019 levels if the present travel trends continue.

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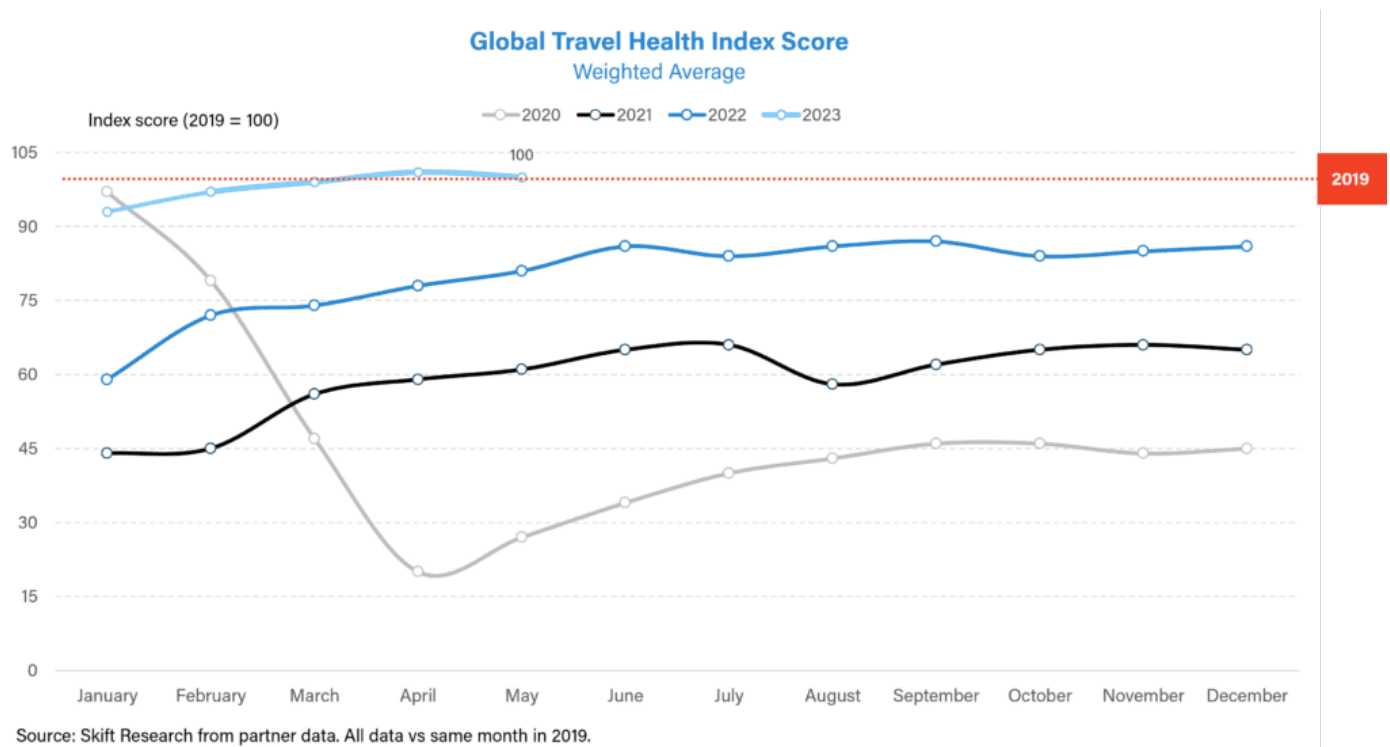
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# Executive Summary

The May 2023 Travel Health Index continues to indicate the complete return of travel on a global average. Now that 14 nations out of the 22 we track have joined the “100 Club”, we expect all to soon achieve full recovery, save Russia and Hong Kong, which may have a longer recovery period. It is safe to anticipate that the index will soon significantly surpass 2019 levels if the present travel trends continue.

## Global Travel Recovery Maintains Momentum

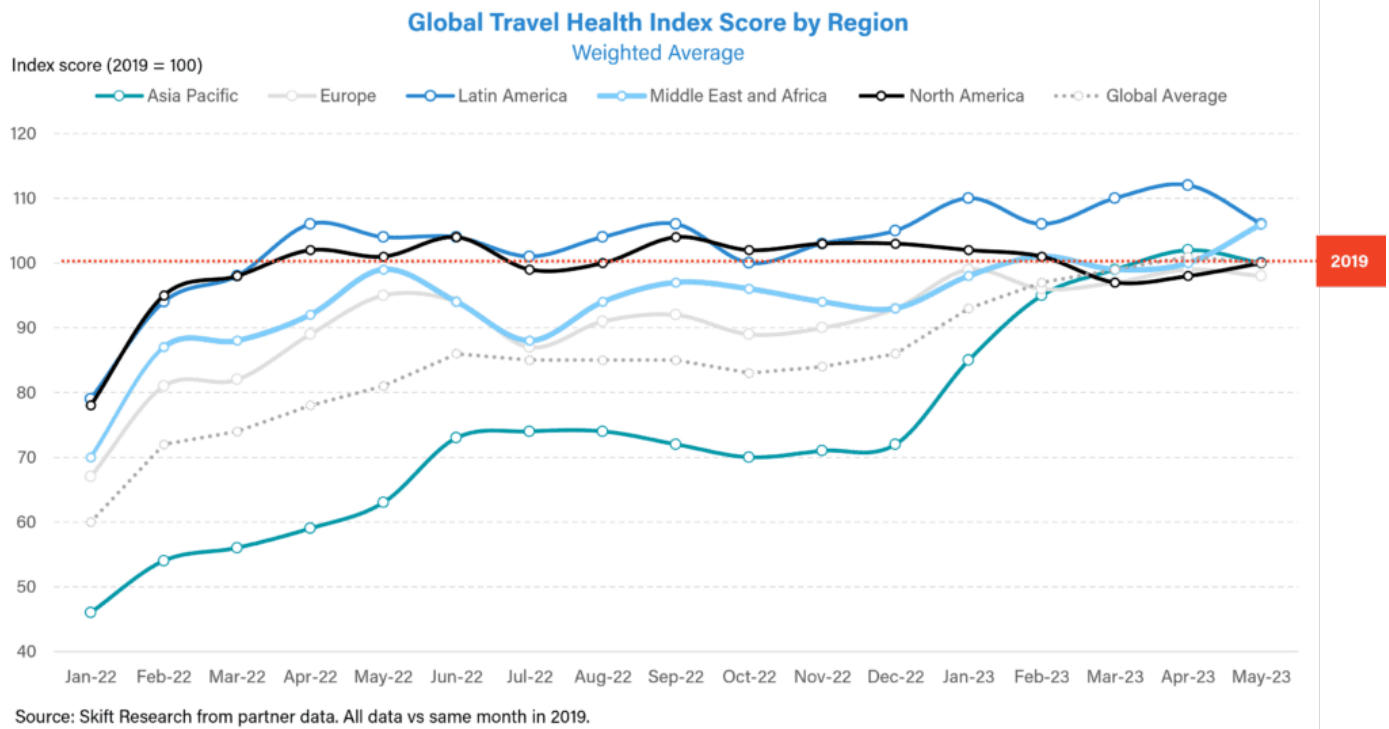
Global travel performance continues to exhibit full recovery. The Skift Travel Health Index stands at 100 in May 2023, which indicates that performance has returned to 2019 levels despite a slight 1 percentage point (pp) decline over the past month.



## Full Regional Recovery On the Horizon

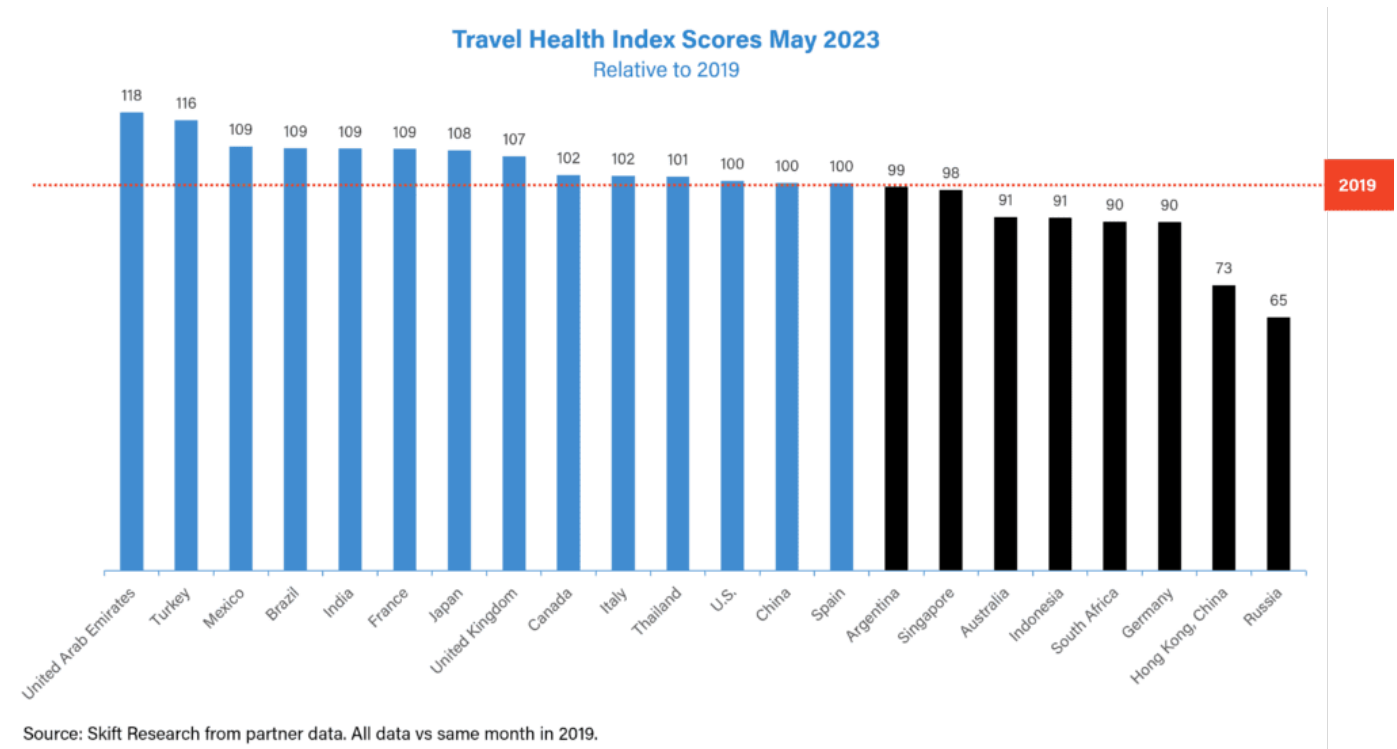
Looking at travel performance by region, all regions except Europe have recovered. Europe is at 98% of pre-pandemic levels. The Middle East and Africa recorded 6 pp

gains over the previous month, followed by North America, which rose 2 pp to match May 2019 performance. Europe and Asia Pacific declined slightly. Latin America experienced a 6 pp dip over April 2023 after a sustained growth trend, but it is still 6 pp over 2019 levels.



## The “100 Club” Keeps Growing

14 out of 22 countries tracked by the index are at 100 or higher. Argentina and Singapore are just shy of 2019 travel levels this month. While most countries have reached more than 90% travel recovery, Hong Kong and Russia remain the slowest to bounce back.



In comparison to April, travel performance for most countries somewhat slowed down in May. All Latin American nations tracked experienced a decline in performance. North American countries grew over April to reach 2019 levels. Asia Pacific and Europe were a mixed bag. Turkey's tourism surge compensated for some of Europe's decline. The depreciating value of the Turkish Lira since the elections has made the country a more affordable destination for vacations in comparison to other European tourist destinations. STR points to a healthy outlook for hotels in Europe. Resilient leisure demand and recovering corporate demand helped hotel RevPAR in European countries overtake 2019 levels for the period between January and May 2023.

### Skift Travel Health Index Performance by Country

Country	May-23	Apr-23	MoM Growth (abs)	YoY Growth (abs)
Turkey	115.9	105.7	+10	+3
United Arab Emirates	117.9	107.9	+10	+5
United Kingdom	106.6	104.3	+2	+7
Canada	101.8	99.8	+2	+7
Russia	65.1	63.1	+2	+10
U.S.	100.3	98.8	+2	-2
Italy	101.6	100.2	+1	-5

Country	May-23	Apr-23	MoM Growth (abs)	YoY Growth (abs)
Japan	108.1	107.0	+1	+51
Indonesia	90.8	90.1	+1	+9
South Africa	89.8	90.1	0	+11
India	108.6	109.6	-1	+5
China	99.8	101.0	-1	+55
Hong Kong, China	73.4	76.2	-3	+36
Thailand	101.4	104.3	-3	+18
France	108.5	111.4	-3	+3
Singapore	97.9	101.1	-3	+13
Brazil	108.7	111.9	-3	+2
Australia	91.0	95.1	-4	-1
Germany	89.7	94.0	-4	+3
Spain	99.7	105.0	-5	+2
Mexico	109.2	116.3	-7	0
Argentina	98.7	108.0	-9	+4

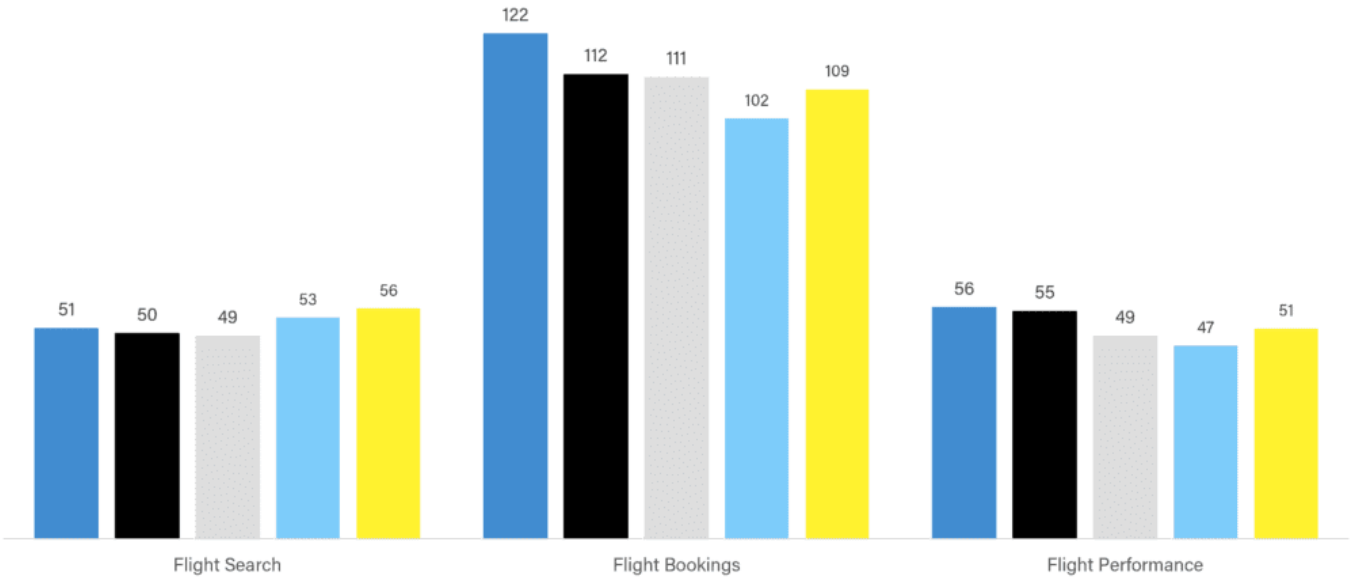
## Russia Makes Gradual Progress

Russia is slowly seeing month-over-month travel gains this year. Trips to Russia have gained 17% over last year, going up to 3.27 million from January to March 2023. There is an uptick in inbound travel from Europe and China, growing over 2022 by 11.8% and 460%, respectively.

Segmenting the aviation industry in Russia into flight search, bookings, and performance, we see that flight bookings have actually surpassed pre-pandemic levels.

**Russia Aviation Sector Index Scores**

■ Jan-23 ■ Feb-23 ■ Mar-23 ■ Apr-23 ■ May-23

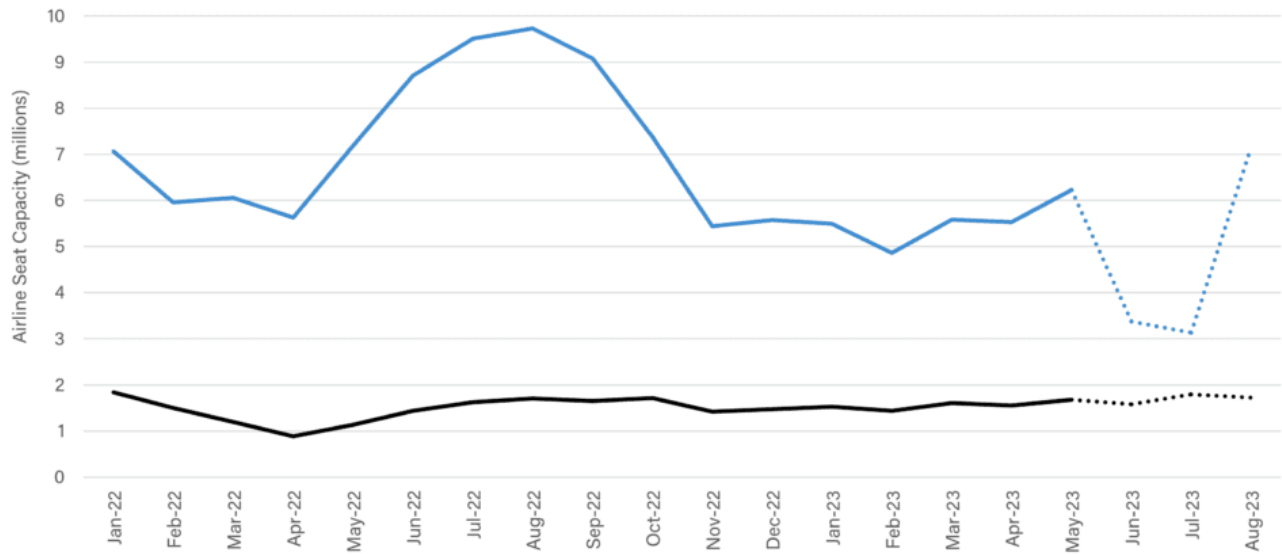


Source: Skift Research from data by Amadeus, Aviasales, Sojern, ForwardKeys, OAG, and Collinson

This year, domestic flight performance has significantly slowed, primarily as a result of flight cancellations by Russian airlines due to the state's reduction in subsidy payments. Domestic seat capacity has been slowing down since late 2022 and is anticipated to further decline before growing slightly in the upcoming months. International travel is expected to remain stable.

**Russia Airline Seat Capacity**

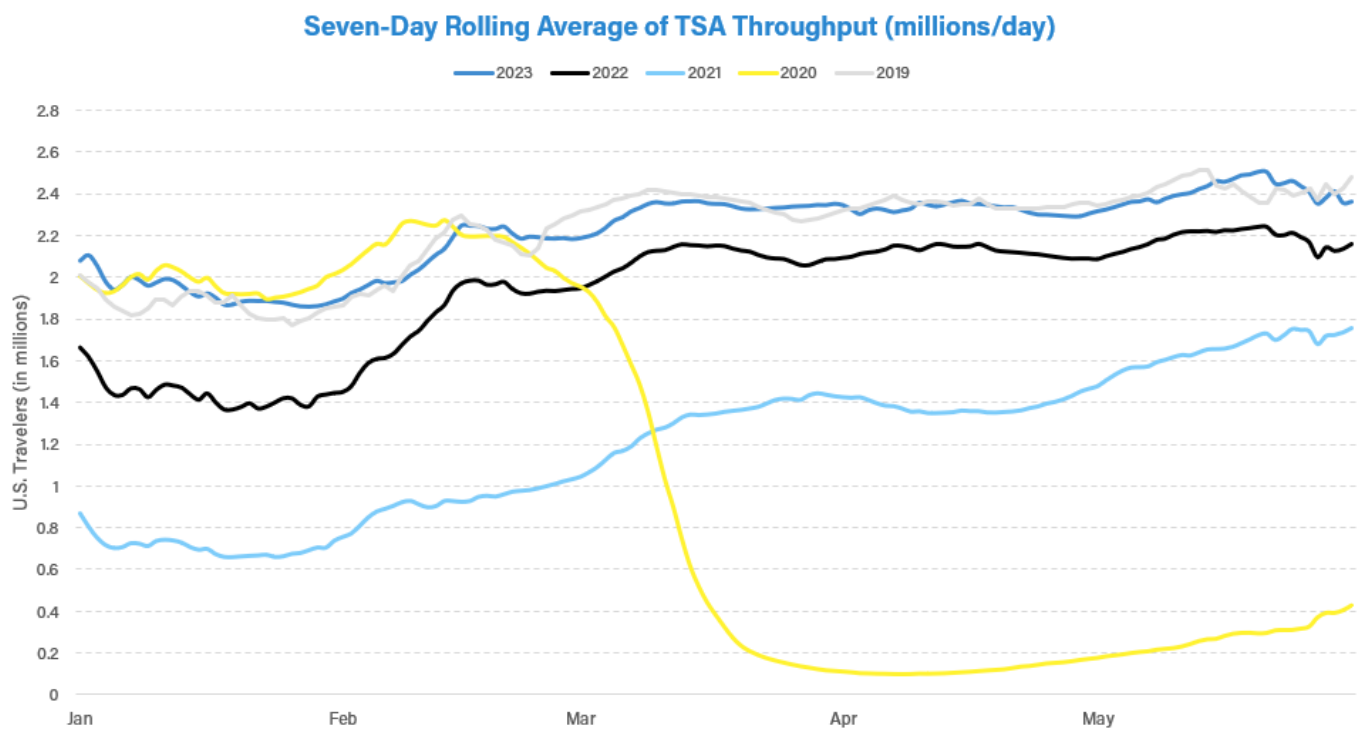
— International — Domestic



Source: OAG

# U.S. Travel Sector Thrives with Memorial Day Weekend Demand

The Memorial Day holiday helped push travel performance in the U.S. Despite the looming fear of recession, Transportation Security Administration (TSA) checkpoint data trends show that travel volumes in the U.S. mirror 2019 levels. As per American Automobile Association (AAA) projections, 42.3 million Americans were expected to travel during the period, a 7% increase over 2022.

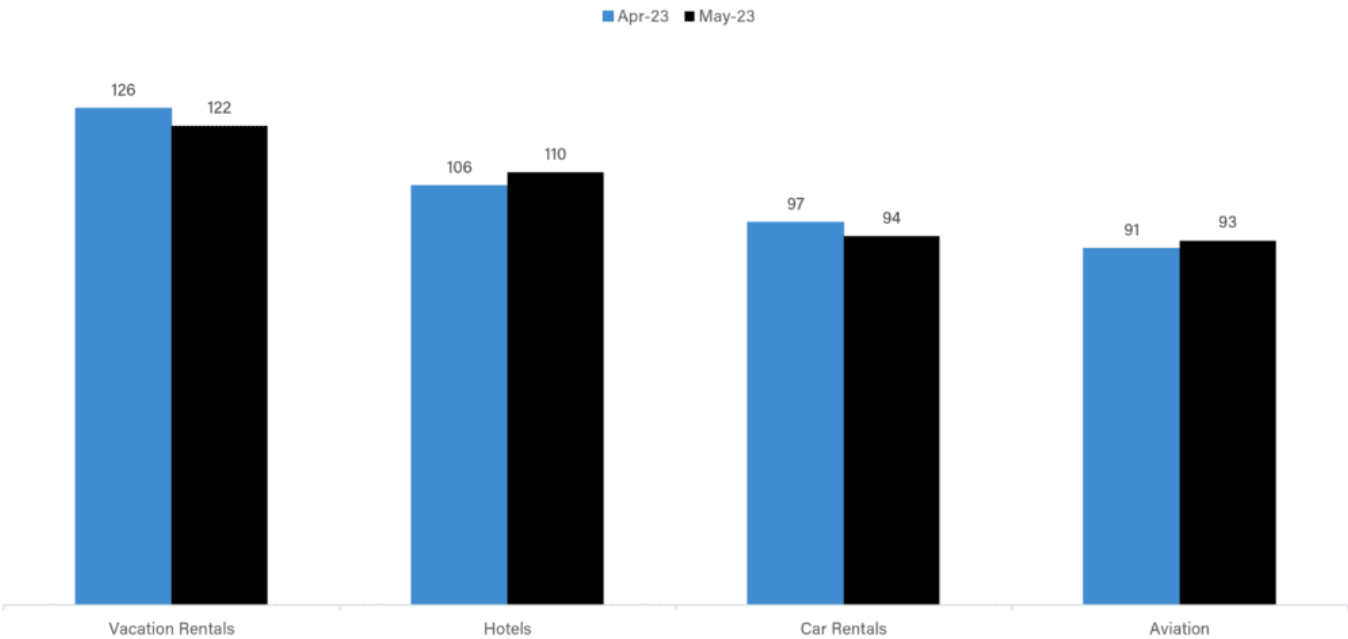


Source: TSA, June 2023

Although not fully recovered, the aviation sector gained 2 pp over the last month. The hotel sector thrived as well. Slight declines were observed in car rentals and vacation rentals.



### U.S. Performance Across Sectors Relative to 2019

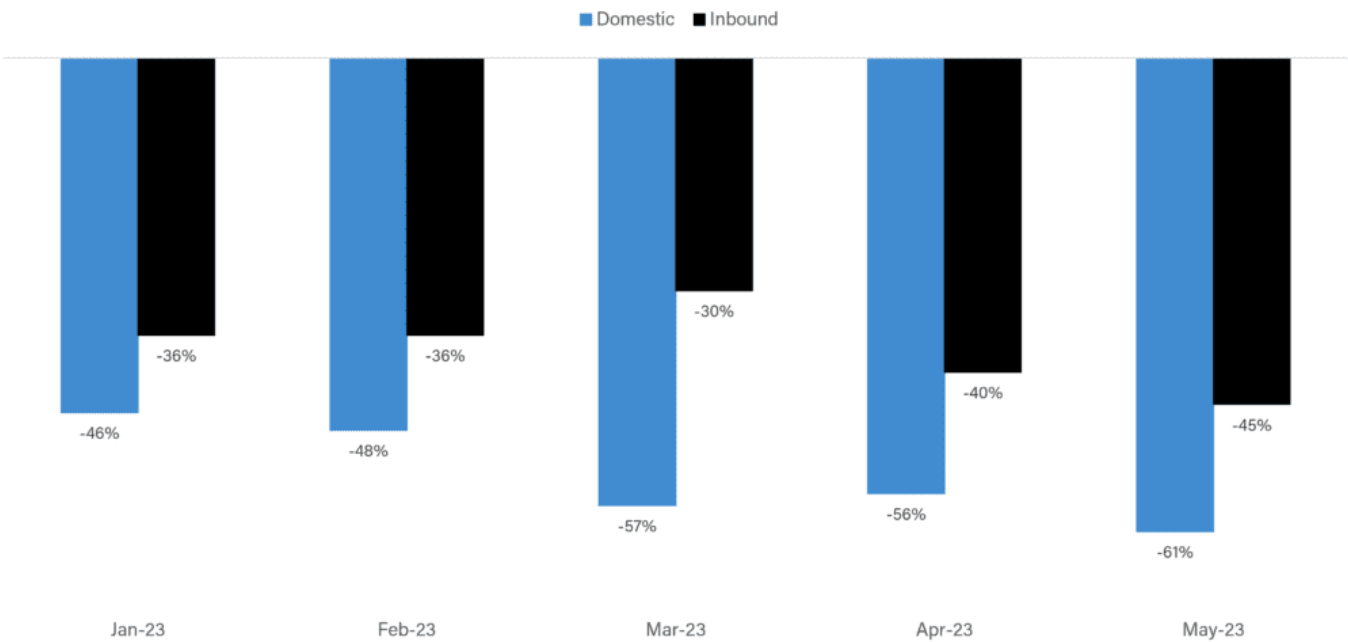


Source: Skift Research from partner data. All data vs same month in 2019.

## U.S. Transportation Sector

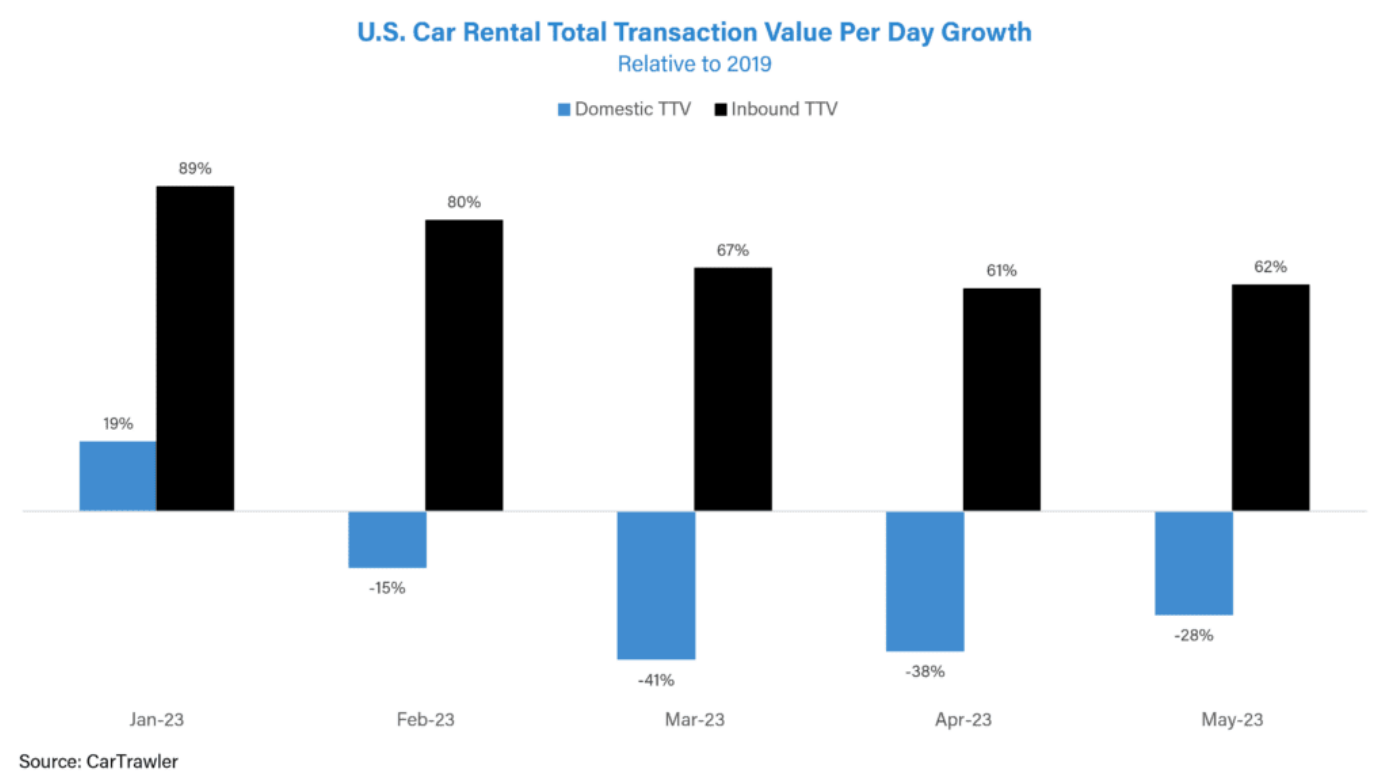
Although car rental searches in the U.S. have been high, they have not translated into bookings. Car rental bookings have been on a steady decline this year, with domestic bookings falling faster than inbound bookings.

### U.S. Car Rental Bookings Growth Relative to 2019

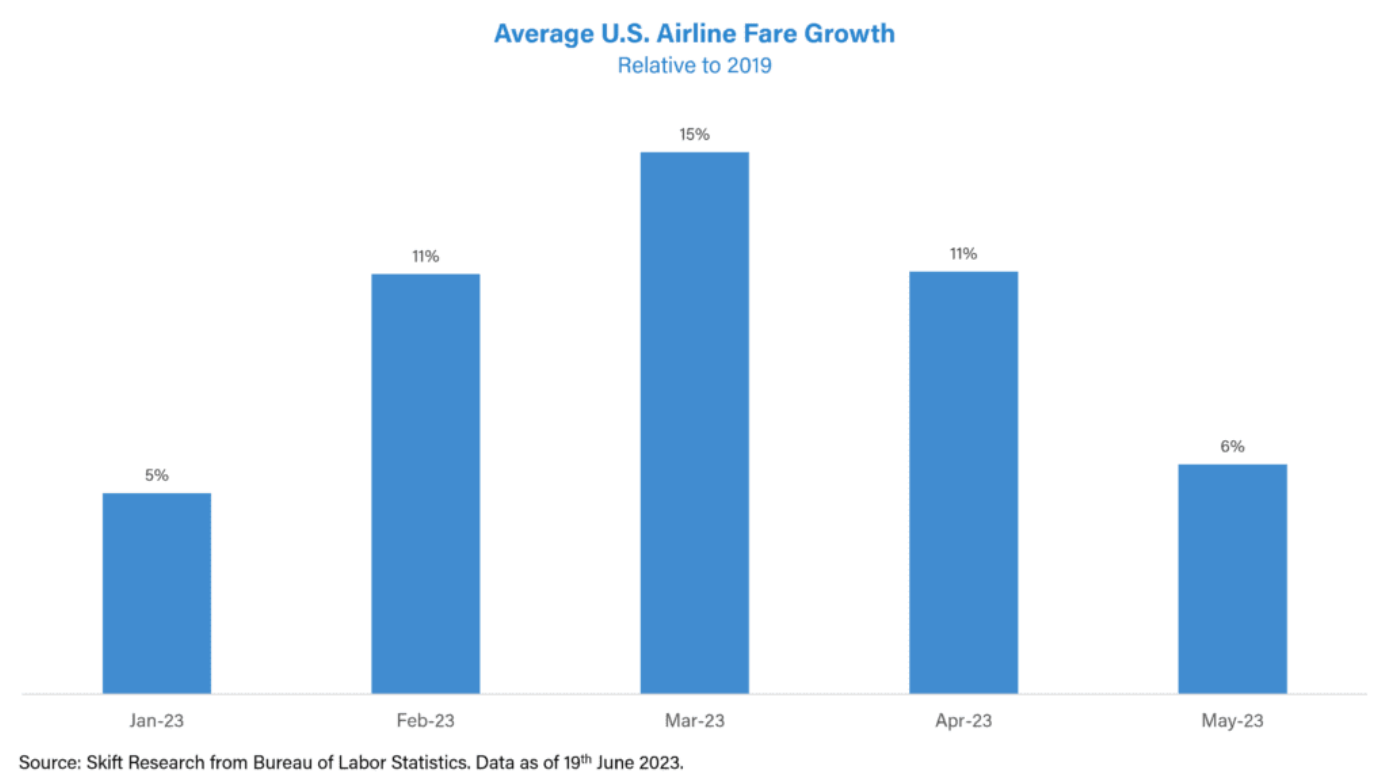


Source: CarTrawler

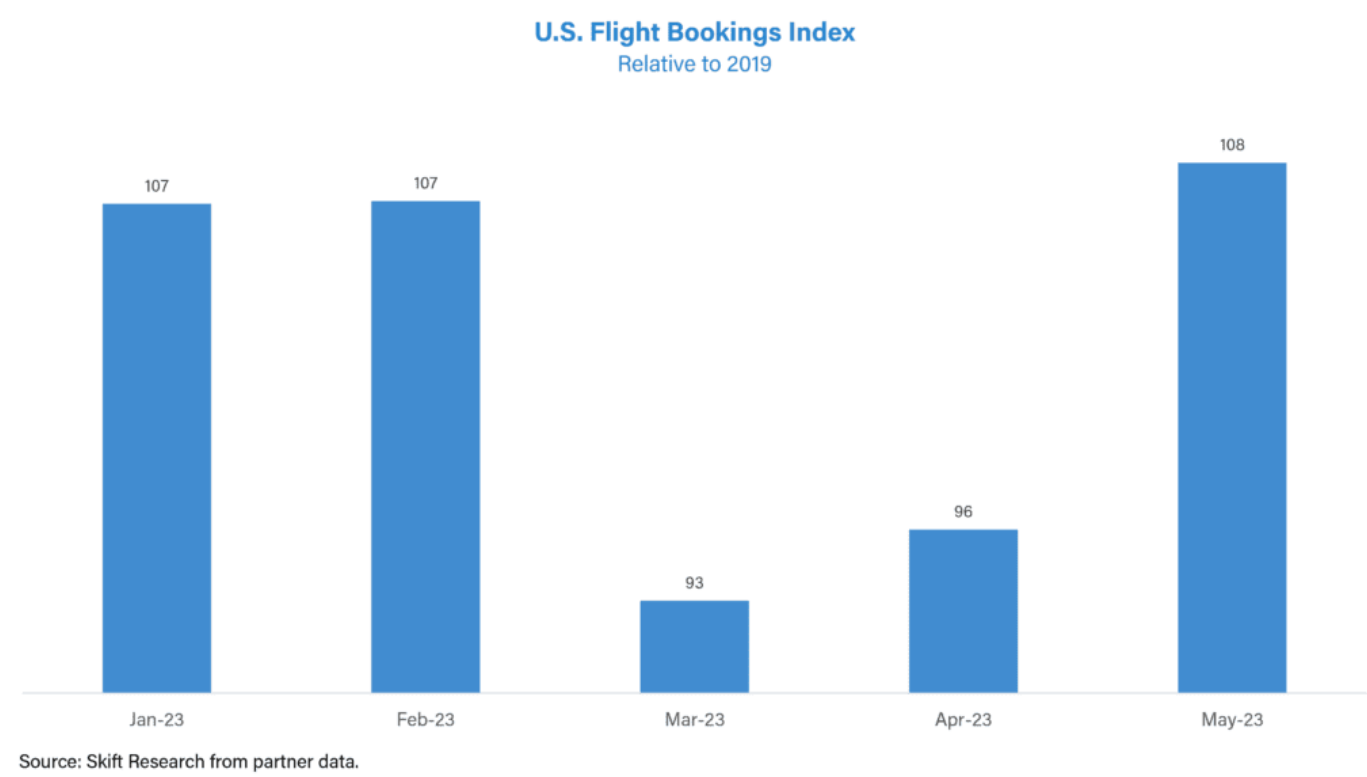
Transaction values per day for domestic car rentals are below 2019 levels too. Inbound car rental values, though, have increased.



Average airline fares, on the other hand, have been higher than 2019 levels this year.

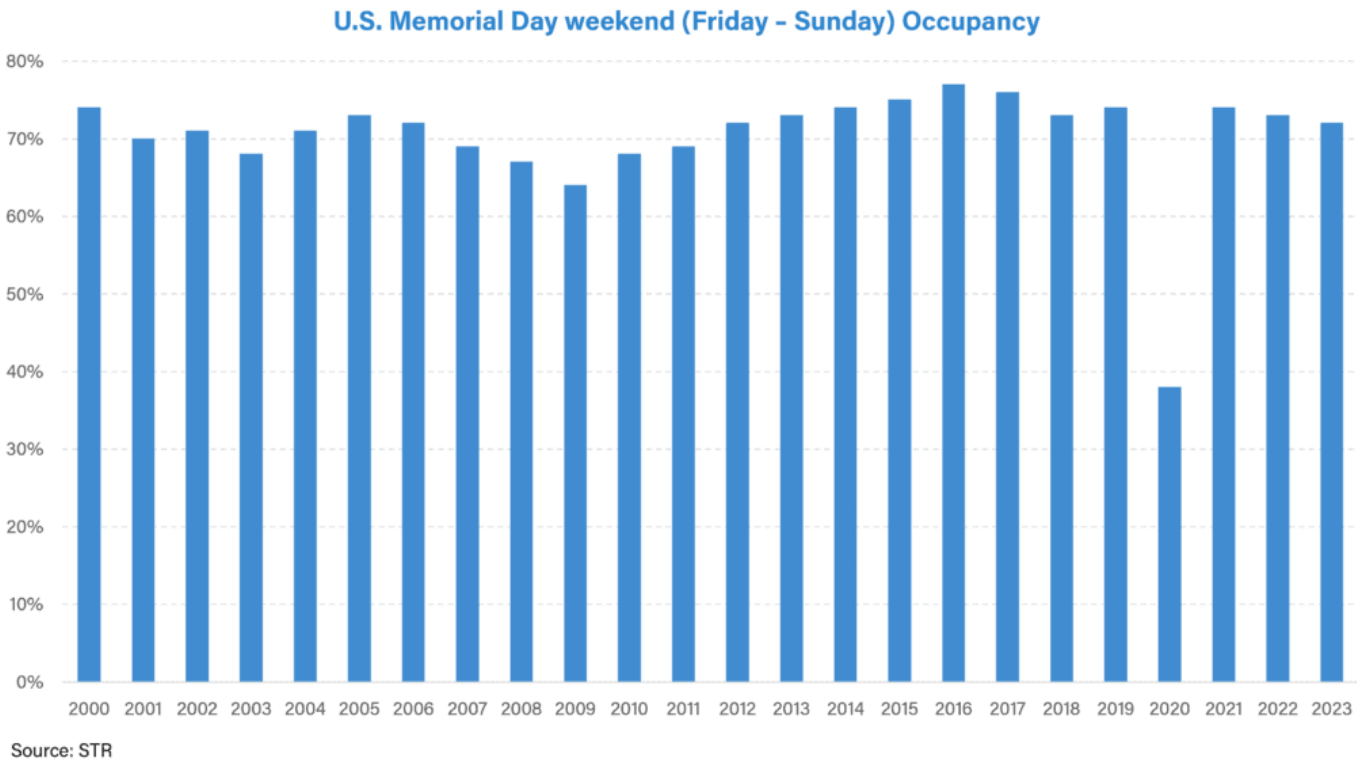


Despite high ticket prices, flight bookings overtook pre-pandemic levels by 8 pp in May 2023.

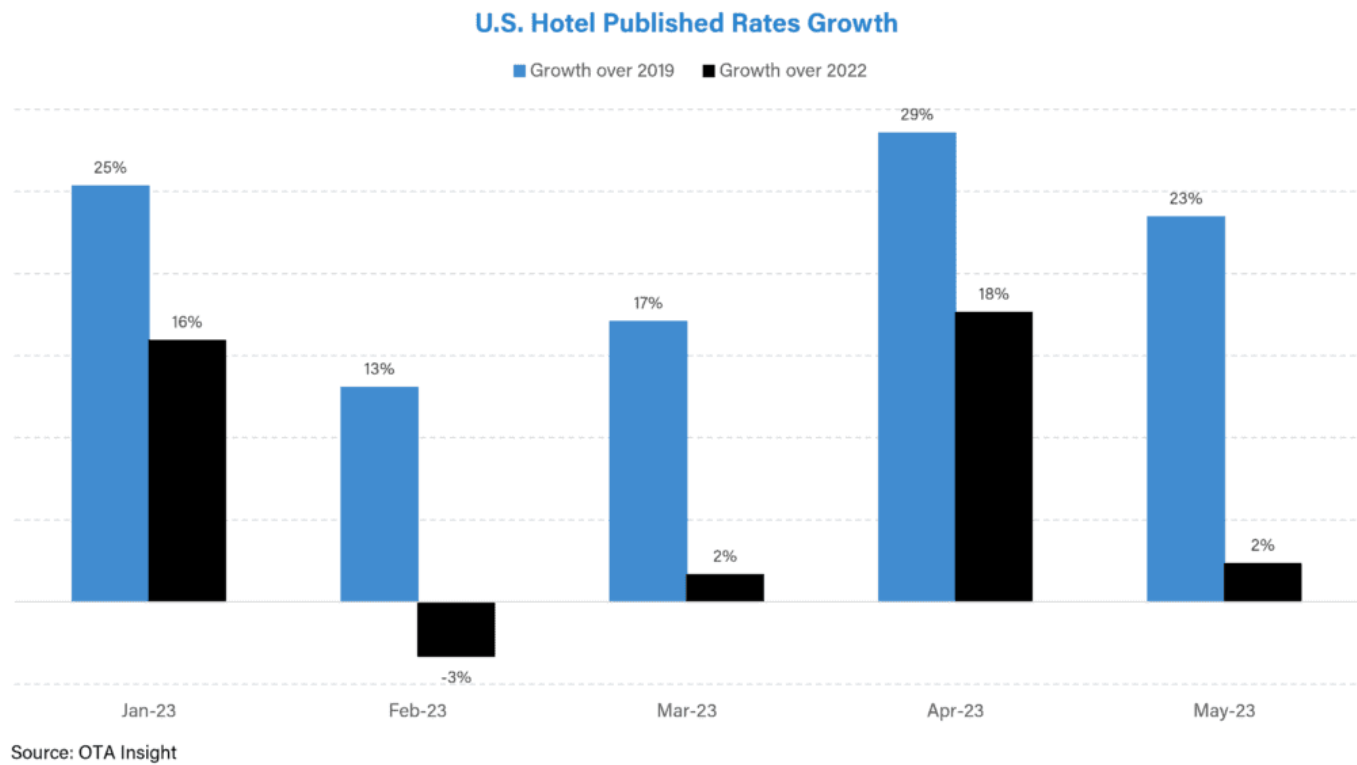


## U.S. Accommodation Sector

According to STR data, hotel occupancy over the Memorial Day weekend this year reached 72.1%, which is the fourth-highest level since 2000.

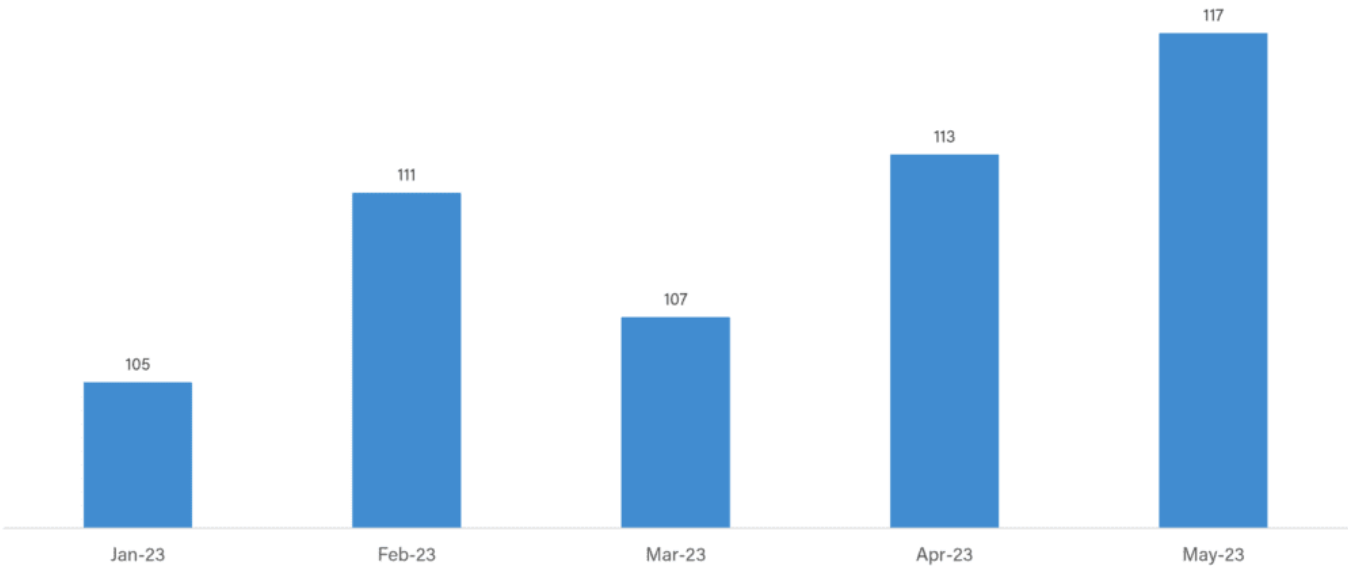


U.S. hotel published rates are also on a growth trajectory this year.



This month, 17 pp above May 2019, the U.S. hotel booking index reached its highest level for the year.

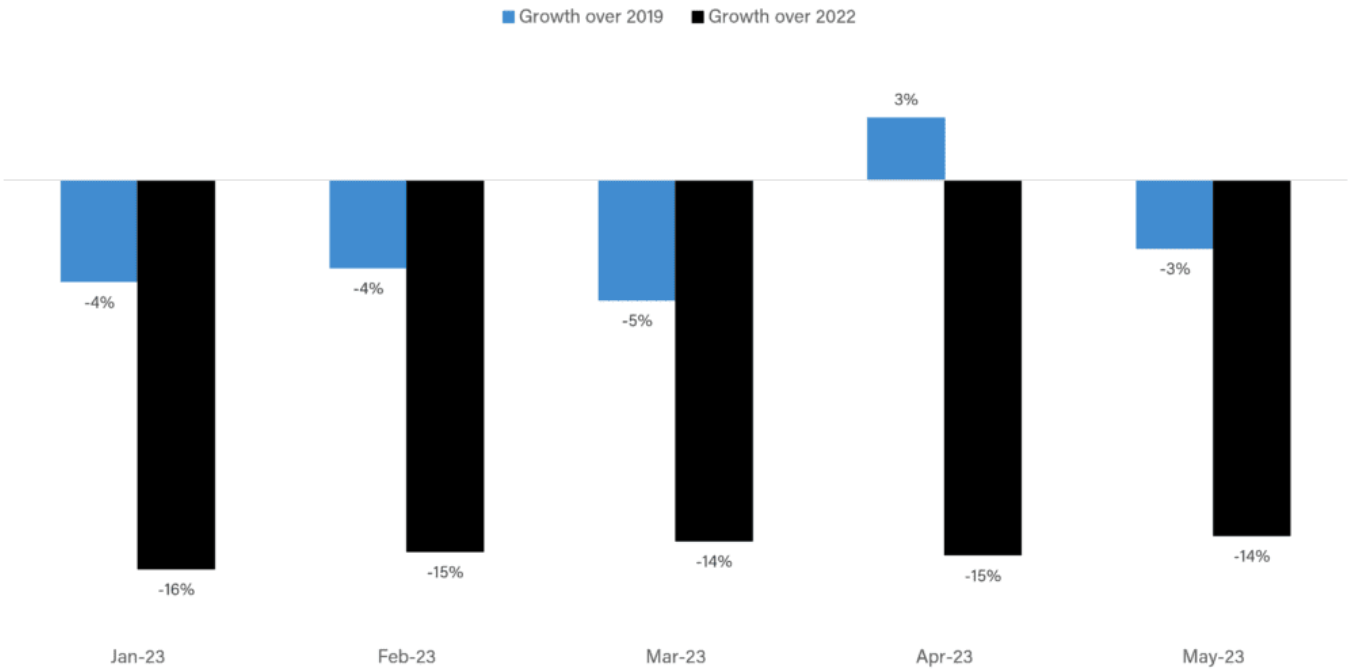
**U.S. Hotel Bookings Index**  
Relative to 2019



Source: Skift Research from partner data.

Vacation rental occupancy levels though, appear to be considerably slowing down this year.

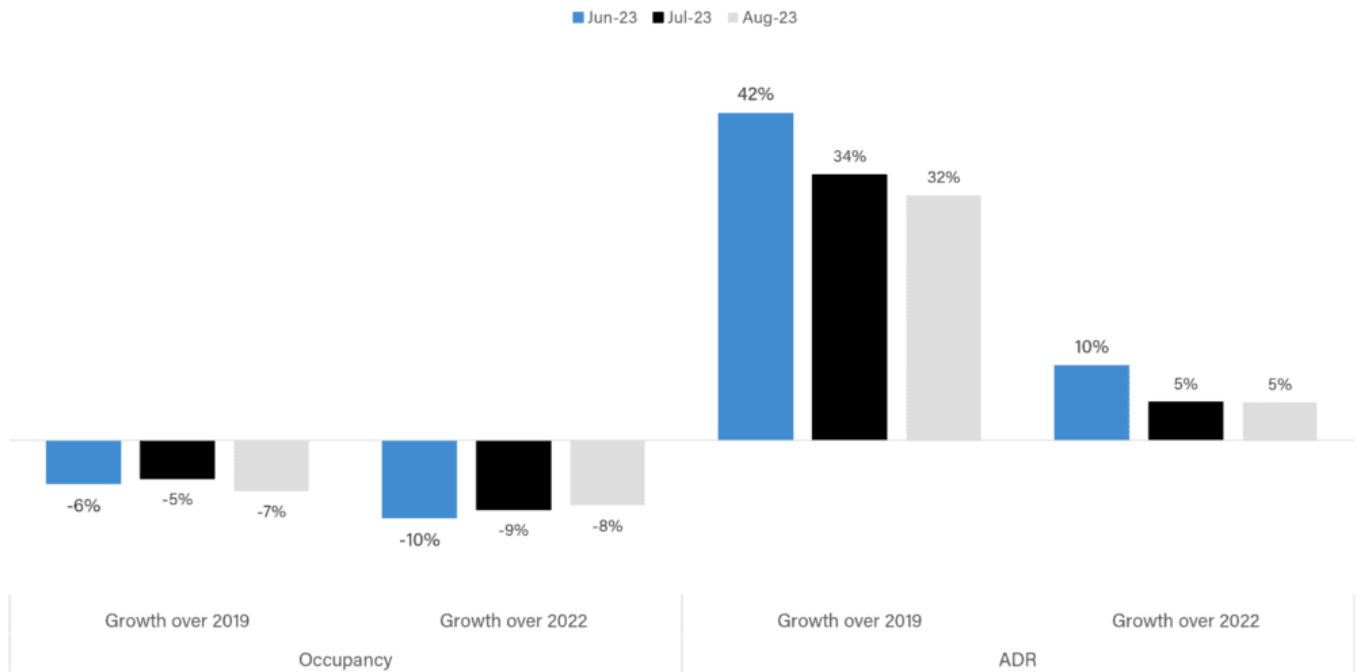
**U.S. Vacation Rental Occupancy Growth**



Source: Skift Research with data from KeyData and Transparent

Forward looking data shows that the upcoming months are expected to bring stronger ADRs but lower occupancy levels for the vacation rental sector.

## Future Growth in Occupancy and ADR (Jun - Aug 2023)

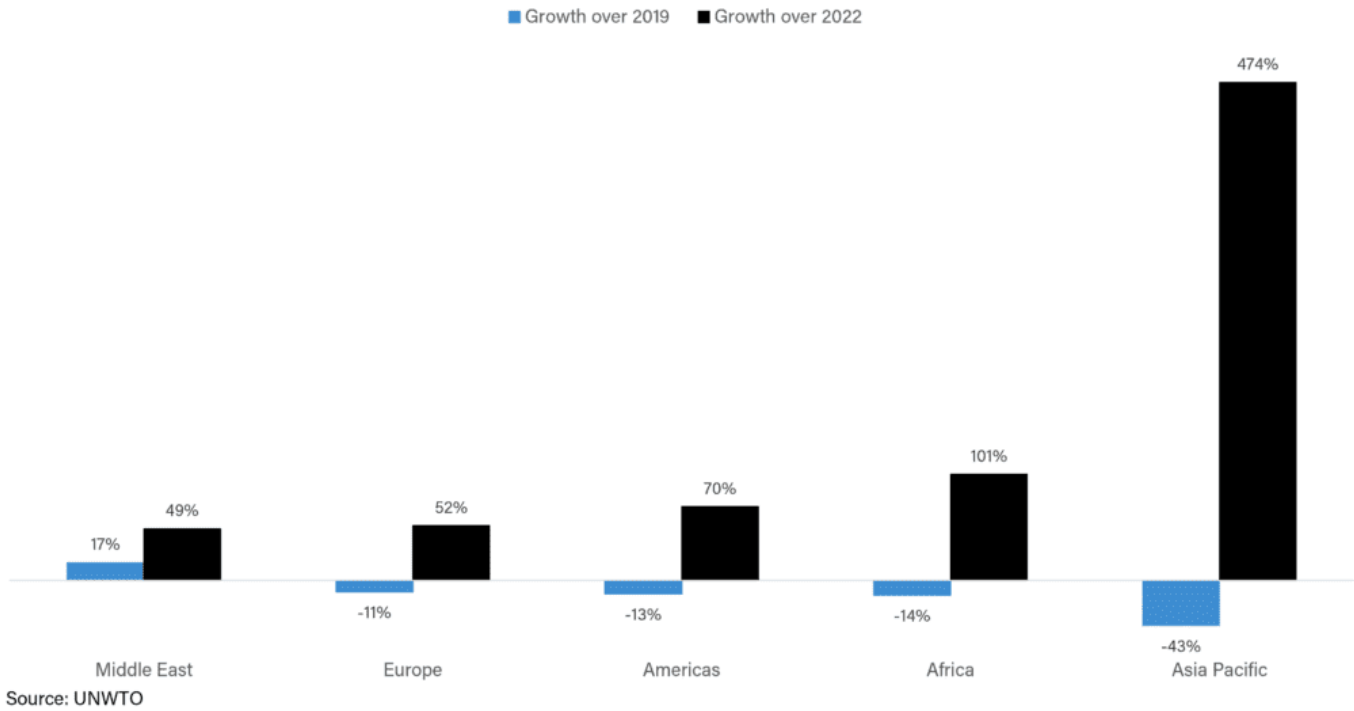


Source: Skift Research with data from KeyData and Transparent

## The Middle East Tourism Sector Experiences Remarkable Growth

As of the first quarter of 2023, the Middle East was the only region to surpass 2019 levels of inbound tourism. The United Arab Emirates (UAE) greatly benefited from the Arabian Travel Market held in Dubai in May, which had 30,000 attendees- a 29% increase over 2022. The World Travel and Tourism Council (WTTC) projects the UAE to meet its 2019 peak this year, contributing AED 180.6 billion to the UAE's economy, getting almost close to the 2019 high of AED 183.4 billion.

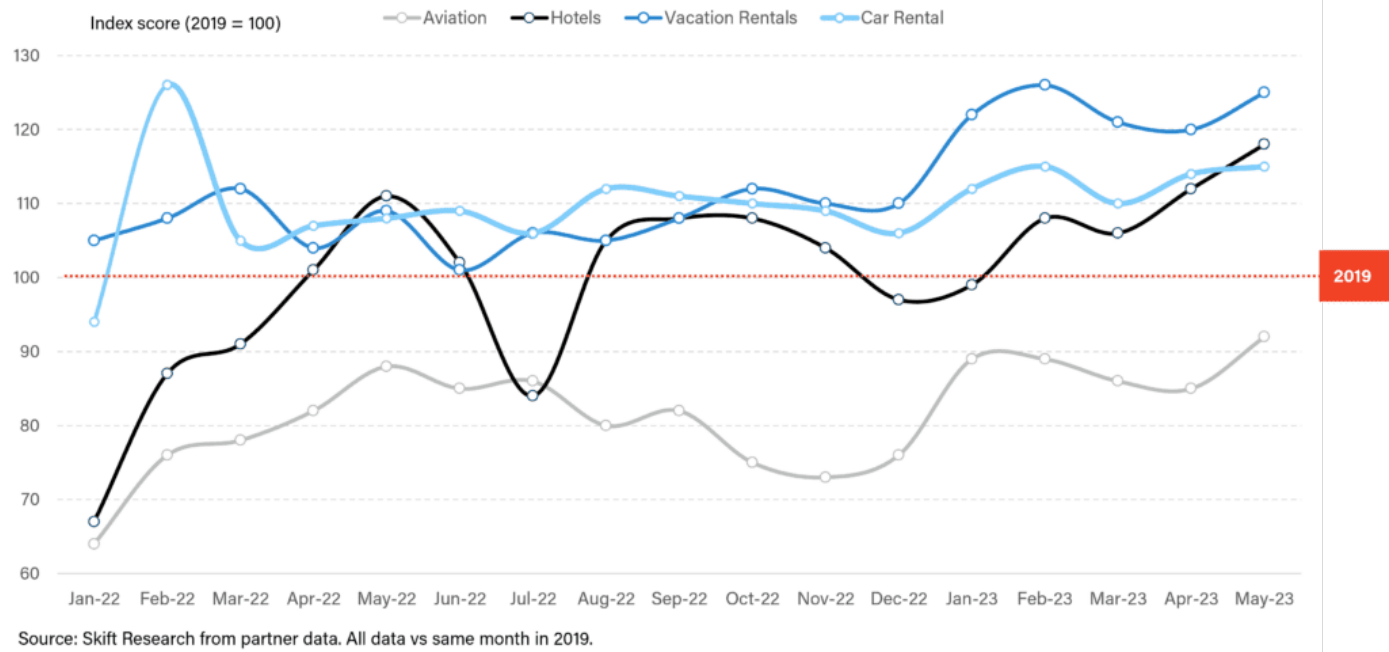
### International Tourist Arrivals Growth (Jan to Mar 2023)



The aviation sector is the only one lagging in full recovery but still stands at 93. All other sectors in the region have long surpassed 2019 levels.

### MEA Travel Health Index Score by Sector

Weighted Average



# Conclusion

In May 2023, travel performance around the world kept up its recovery. While other sectors continued to perform better than 2019 levels, the aviation sector's recovery rate stayed at 83%, unchanged from last month.

14 out of 22 countries tracked by the index made it to the "100 Club" this month, indicating full recovery. Travel performance in the U.S. thrived with Memorial Day weekend demand. The UAE has emerged as a prominent destination, exhibiting significant growth in travel performance.

Hong Kong and Russia continue to rank lowest in our index. Domestic travel, which supported Russia throughout last year, seems to be slowing down. It is safe to assume that Hong Kong's full recovery seems improbable unless China's international travel resumes in full force. Additionally, the reopening of China has the potential to strengthen the aviation industry.

Overall, even if some nations are still catching up, the travel boom in other countries is making up for a complete recovery on a global average.

# 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.

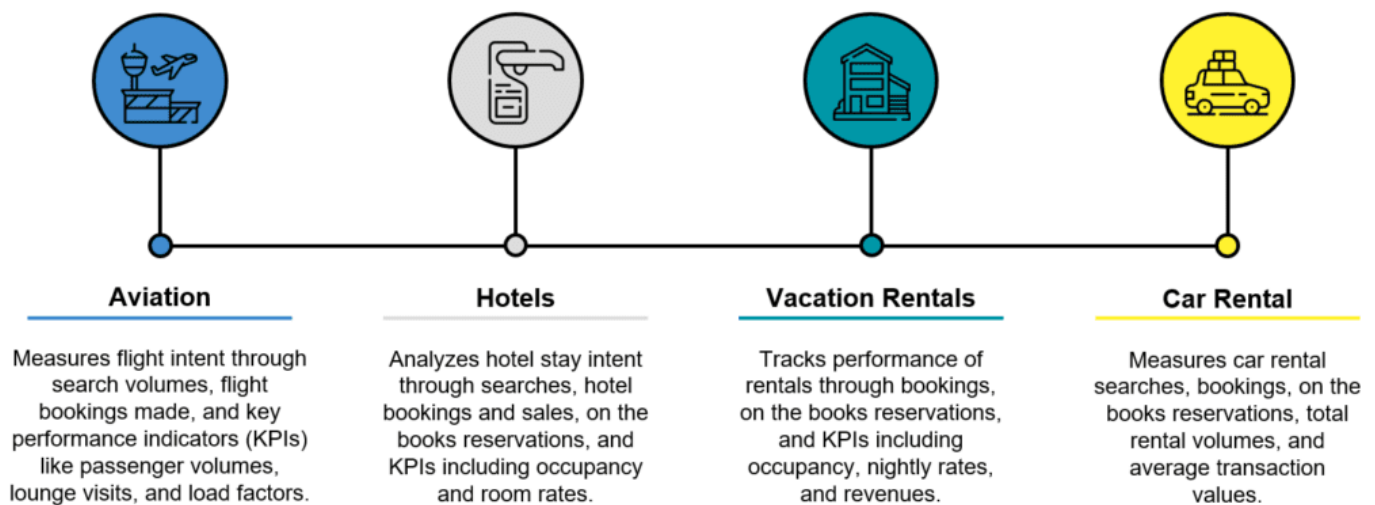
Aviation	Hotels	Vacation Rentals	Car Rental
        	        	  	



## 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

	Oct 2022	Nov 2022	Dec 2022	Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023
Argentina	94.9	90.5	92.4	96.6	94.9	102.7	108.0	98.7
Australia	94.4	93.1	99.4	109.4	99.4	99.7	95.1	91.0
Brazil	97.2	103.5	104.4	111.2	106.2	109.1	111.9	108.7
Canada	97.1	95.4	96.7	94.6	97.8	96.2	99.8	101.8
China	55.4	57.0	55.9	73.8	91.8	96.0	101.0	99.8
France	94.0	95.9	99.9	111.0	106.6	104.5	111.4	108.5
Germany	80.8	82.6	85.4	90.3	89.0	90.7	94.0	89.7
Hong Kong, China	55.6	55.6	68.5	56.8	74.1	71.1	76.2	73.4
India	96.9	98.2	100.4	100.1	105.5	110.6	109.6	108.6
Indonesia	81.5	80.6	82.2	91.0	92.1	87.4	90.1	90.8
Italy	95.7	94.8	102.9	102.5	99.2	103.4	100.2	101.6
Japan	77.5	73.2	78.8	102.3	101.9	108.1	107.0	108.1
Mexico	111.0	114.3	119.0	121.0	118.4	119.7	116.3	109.2
Russia	52.4	51.1	54.1	68.4	67.5	65.4	63.1	65.1
Singapore	85.1	87.1	83.2	90.9	93.0	102.3	101.1	97.9
South Africa	80.2	81.9	77.3	90.8	91.8	91.9	90.1	89.8
Spain	94.9	99.2	103.9	103.7	104.4	103.7	105.0	99.7
Thailand	77.9	79.2	90.1	97.1	97.9	99.0	104.3	101.4
Turkey	113.8	108.8	103.4	113.9	88.5	104.3	105.7	115.9
U.S.	102.7	104.4	103.9	102.6	101.4	98.0	98.8	100.3

	<b>Oct 2022</b>	<b>Nov 2022</b>	<b>Dec 2022</b>	<b>Jan 2023</b>	<b>Feb 2023</b>	<b>Mar 2023</b>	<b>Apr 2023</b>	<b>May 2023</b>
United Arab Emirates	107.8	102.9	104.7	103.5	108.5	104.6	107.9	117.9
United Kingdom	97.6	97.8	98.5	103.1	101.6	102.9	104.3	106.6

## Aviation Scores by Country

	<b>Oct 2022</b>	<b>Nov 2022</b>	<b>Dec 2022</b>	<b>Jan 2023</b>	<b>Feb 2023</b>	<b>Mar 2023</b>	<b>Apr 2023</b>	<b>May 2023</b>
Argentina	80.2	78.8	83.7	83.2	81.8	86.2	94.6	79.4
Australia	89.9	90.4	94	92.6	99.5	101.8	91.0	86.7
Brazil	89.2	93.5	92.2	104.4	96.0	100.7	110.2	107.0
Canada	83.7	84.8	87.2	76.2	87.0	83.6	84.7	82.4
China	28.2	36.1	45	42.0	55.4	56.6	59.1	59.5
France	82.2	83.9	86.4	99.0	94.0	97.1	103.6	93.0
Germany	71.3	71.1	76.6	90.8	85.7	88.3	91.5	85.6
Hong Kong, China	29.2	34.1	46	35.9	50.3	51.3	54.0	51.7
India	92.7	104.4	111	101.7	101.9	104.8	101.8	105.3
Indonesia	54.9	55.1	57.6	67.9	64.3	59.5	63.7	60.7
Italy	98.5	95	108.3	113.8	102.3	107.7	97.1	106.5
Japan	61.7	65.6	73.6	88.1	83.4	91.6	89.3	88.7
Mexico	101.6	102.8	105.5	107.9	106.5	110.3	110.1	98.0
Russia	65.3	67.7	67.2	77.9	73.9	70.8	67.1	71.9
Singapore	58.8	60	61.1	71.7	73.9	74.6	75.8	71.2
South Africa	62.2	61.6	64.2	78.6	71.7	70.7	71.7	68.5
Spain	83.2	90.3	87.1	116.2	114.6	108.2	106.7	103.0
Thailand	66.6	71	76	80.9	79.3	78.4	84.0	75.9

	Oct 2022	Nov 2022	Dec 2022	Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023
Turkey	86.5	89.3	87.8	106.6	91.3	92.3	99.5	107.8
U.S.	85.1	85.4	86.2	94.1	93.4	89.8	90.5	92.5
United Arab Emirates	84.6	80.8	84.3	96.9	100.6	96.3	94.6	107.8
United Kingdom	73.2	76.4	77.8	90.9	89.0	92.1	90.5	92.7

*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

	Oct 2022	Nov 2022	Dec 2022	Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023
Argentina	112	100.2	102.5	114.6	113.7	125.1	124.8	125.1
Australia	91.6	96.9	95.7	126.0	93.7	91.9	87.4	81.9
Brazil	111.1	121.9	123.1	126.6	129.2	140.6	132.6	129.8
Canada	109.8	111.3	107.6	103.6	101.9	103.5	111.1	121.3
China	58.5	55.3	47.8	91.1	106.8	107.6	111.8	110.8
France	103.7	106.6	115.1	119.6	114.4	113.6	115.1	115.1
Germany	91.7	94.2	89.4	90.9	95.6	101.4	102.9	96.5
Hong Kong, China	58.8	56.8	74	59.7	83.2	74.7	87.8	75.1
India	97.3	89.9	89.8	95.6	104.9	117.3	118.5	111.4
Indonesia	98.4	95.9	100.2	111.1	113.6	108.2	111.8	115.6
Italy	101.3	98.9	96.4	96.9	100.6	103.1	106.5	96.9
Japan	94.2	81.6	82.6	124.1	120.5	123.4	123.3	124.0
Mexico	125.4	130.1	135.4	133.8	129.5	132.2	127.1	121.9
Russia	19.1	12.6	21.8	49.8	51.6	52.5	48.0	46.9

	Oct 2022	Nov 2022	Dec 2022	Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023
Singapore	96.8	109.2	86	99.6	108.2	127.2	130.9	122.9
South Africa	87.6	91.2	72.5	101.1	114.3	114.7	112.5	112.4
Spain	94.6	96.1	98.2	91.0	96.4	104.5	108.2	96.9
Thailand	87.5	86	106.4	117.7	109.8	123.6	134.4	124.0
Turkey	137.1	118.6	101.3	130.7	86.7	120.1	113.5	135.5
U.S.	104	107	103.8	103.9	105.6	104.6	106.4	109.8
United Arab Emirates	122.1	113.8	114.1	98.9	104.9	101.6	112.3	122.7
United Kingdom	103.8	104.7	100.3	107.0	108.1	110.1	115.4	118.1

*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

	Oct 2022	Nov 2022	Dec 2022	Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023
Argentina	144.1	143.8	139.1	144.9	144.4	142.8	146.1	145.2
Australia	137.4	103.0	141.0	139.3	136.2	137.0	138.8	130.8
Brazil	115.1	114.3	113.2	130.2	131.3	122.2	126.9	121.3
Canada	113.4	93.7	115.9	122.8	122.2	129.4	132.3	130.1
China	108.3	109.0	112.3	165.2	180.0	180.0	180.0	180.0
France	122.4	125.3	122.8	131.1	131.1	130.9	136.9	138.0
Germany	99.0	104.5	110.0	115.4	117.1	111.5	108.5	98.3
Hong Kong, China	84.4	91.7	97.9	64.9	79.5	81.9	87.0	89.0
India	99.7	100.2	105.2	106.6	111.8	108.3	112.1	113.1

	Oct 2022	Nov 2022	Dec 2022	Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023
Indonesia	94.0	99.6	100.5	96.6	98.1	89.4	91.9	98.6
Italy	116.8	116.1	126.4	127.1	129.5	139.2	132.8	136.2
Japan	79.2	98.3	112.6	119.6	121.1	133.1	133.5	143.3
Mexico	124.5	135.6	142.3	142.7	140.3	133.9	128.9	124.4
Russia	112.9	112.8	112.5	113.0	113.7	101.8	109.1	113.8
Singapore	108.1	103.2	100.6	112.1	119.2	117.4	111.1	106.0
South Africa	84.0	83.4	86.7	96.5	96.2	94.5	93.2	96.0
Spain	116.6	119.3	131.8	133.5	130.1	128.8	125.5	124.3
Thailand	94.8	102.3	102.2	123.3	136.8	126.6	122.4	117.5
Turkey	137.8	146.3	137.8	117.8	110.0	115.5	116.0	121.0
U.S.	112.3	110.3	120.3	129.8	128.2	125.1	126.1	121.6
United Arab Emirates	130.7	128.6	126.6	140.3	147.1	140.0	138.9	145.2
United Kingdom	129.3	125.0	126.7	134.5	129.6	132.4	130.1	128.5

*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

	Oct 2022	Nov 2022	Dec 2022	Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023
Argentina	99.5	82.9	79.6	94.1	88.9	85.9	97.5	93.7
Australia	106.5	103.7	110.7	110.3	106.3	105.5	107.1	105.6
Brazil	93.4	89.6	91.9	98.8	98.8	94.3	98.7	100.9
Canada	122.7	122.0	117.5	129.1	126.2	119.4	118.3	116.5

	Oct 2022	Nov 2022	Dec 2022	Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023
China	85.4	82.5	66.2	63.4	101.4	124.0	135.0	128.0
France	103.3	102.6	101.0	133.6	129.9	115.5	121.4	123.9
Germany	84.5	84.1	95.6	85.6	84.7	85.7	85.0	88.1
Hong Kong, China	118.4	105.0	105.8	109.5	121.6	117.5	109.8	116.6
India	114.6	109.6	103.1	110.9	121.3	121.2	117.3	116.7
Indonesia	114.6	109.6	103.1	110.9	121.3	121.2	117.3	116.7
Italy	76.9	83.3	100.9	80.8	79.7	83.7	84.4	85.2
Japan	98.7	95.1	99.4	114.1	113.1	117.6	116.7	117.7
Mexico	112.9	109.2	112.7	129.8	124.0	120.5	113.4	110.0
Russia	74.6	74.6	74.6	74.6	74.6	74.6	74.6	74.6
Singapore	118.8	114.4	111.3	119.6	127.0	120.0	116.2	111.3
South Africa	103.8	103.0	100.8	107.6	107.9	105.5	103.0	101.6
Spain	88.3	94.0	106.9	89.3	87.6	87.9	88.1	89.9
Thailand	98.3	93.7	95.8	102.1	107.3	100.5	98.7	110.6
Turkey	102.4	99.9	99.3	109.9	95.3	104.3	109.2	94.2
U.S.	127.3	128.8	124.4	116.1	107.0	98.2	97.1	93.6
United Arab Emirates	114.9	113.1	110.4	115.9	121.2	114.4	121.5	124.5
United Kingdom	115.1	108.7	108.1	117.7	113.3	110.2	107.2	108.0

*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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