



Olivier Ponti, VP Insights, ForwardKeys

Flight bookings to Europe dive as coronavirus reaches Italy

Cancellations exceed new bookings to Italy; Europe is 79.0% down

5th March 2020

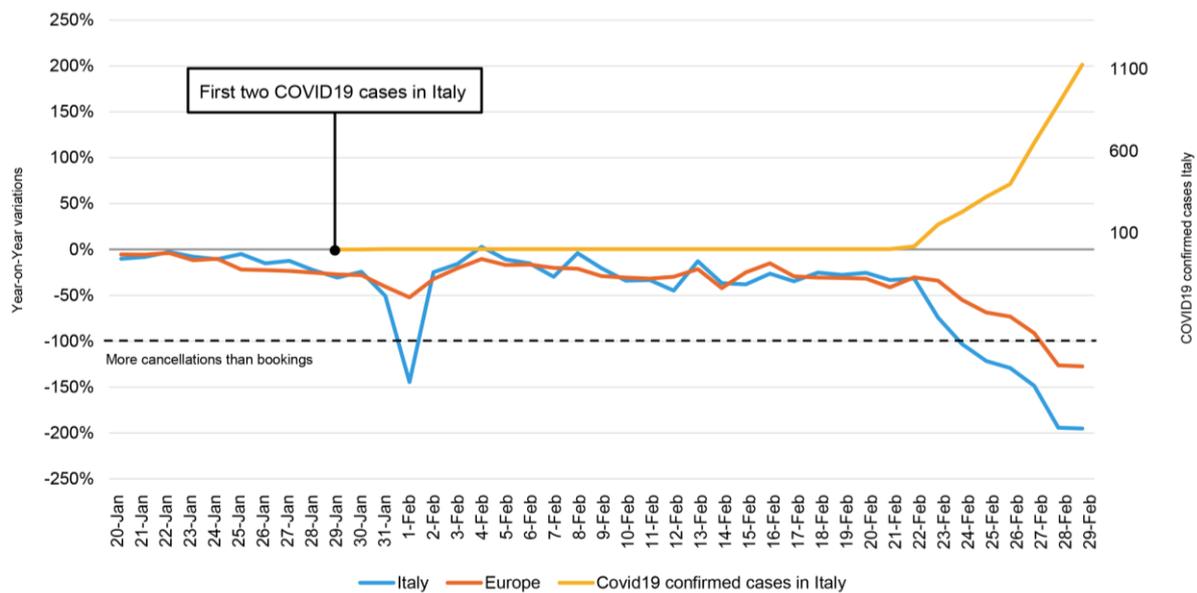
A report by ForwardKeys, the travel analytics company, commissioned by European Cities Marketing (ECM), reveals that the outbreak of the COVID19 virus, in Italy, in the final week of February (Feb 23rd – 29th), has triggered a wave of cancellations to Italy and a collapse in new bookings to Europe from intercontinental source markets.

From the moment China imposed restrictions on outbound travel, in the week of January 20th, until February 22nd, when the outbreak of COVID19 cases in northern Italy began, bookings to Europe from intercontinental source markets had decreased by 23.7%. However, in the final week of February, the situation worsened considerably, as the number of new bookings to Italy was suddenly outpaced by the cancellation of existing bookings. The impact on travel was not confined to Italy; simultaneously, the overall number of new flight bookings to Europe fell by 79.0%.

The first COVID19 case confirmed in Italy occurred on 31st January 2020, when two Chinese tourists tested positive in Rome. It led to an immediate dip in bookings to Italy. Bookings swiftly reverted to trend after few new cases were reported there in the following three weeks. However, everything changed almost immediately after a cluster of cases was detected in Lombardy on 21st February – and Italy's first deaths were reported the following day. Since then, the number of cases in Italy has grown exponentially to over a thousand; and, as rapidly as they have increased, flight bookings to Italy have decreased. Bookings to Italy, in the final week of February, fell by 138.7%, meaning that the number of cancellations exceeded the number of new bookings.

Bookings made for arrivals to Europe & Italy from worldwide destinations

20 January to 29 February 2020; Year-on-Year variations



Arrivals from 20 January to 29 February 2020 vs same period on previous year. Only considered pax staying 1 to 21 nights at destinations. Source: ForwardKeys air reservation data.

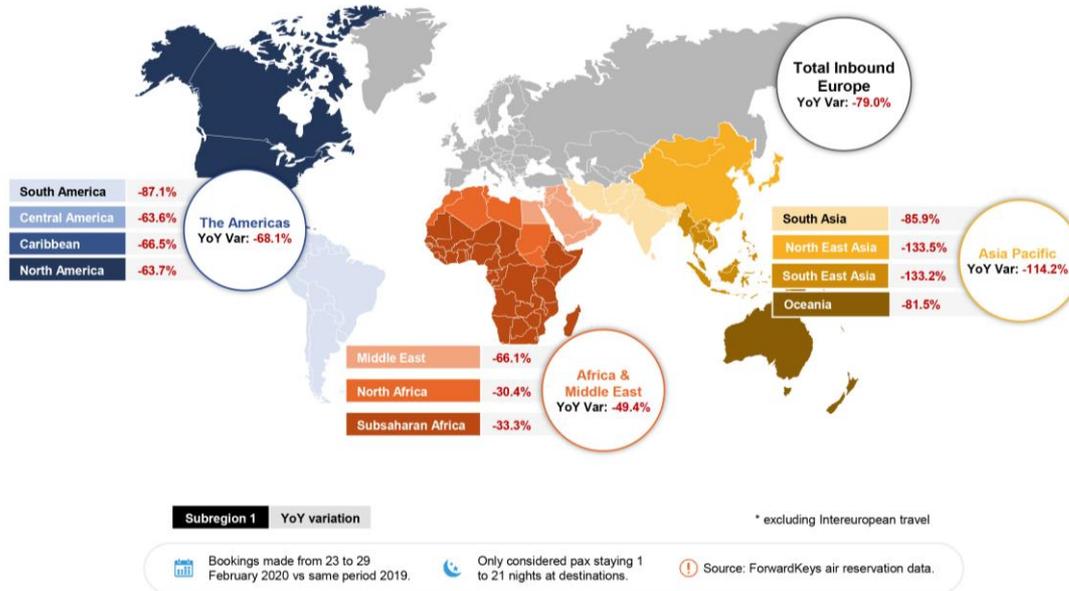
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An analysis of Europe’s various source markets shows a double-digit decline in bookings in the final week of February from every major region of the world.

Bookings from the Asia Pacific region fell by 114.2% (cancellations exceeding new bookings), followed by the Americas which fell by 68.1% and Africa & the Middle East, which fell by 49.9%.

Breaking the global origin markets down into sub regions, in order of least to worst affected, revealed that bookings from North Africa decreased by 30.4%, from Sub Saharan Africa, by 33.3%, from Central America by 63.6%, from North America by 63.7%, from Middle East by 66.1%, from the Caribbean by 66.5%, from Oceania by 81.5%, from South Asia by 85.9%, from South America by 87.1%, from South East Asia by 133.2% and from North East Asia by 133.5%.

Bookings made for arrivals to Europe from worldwide destinations by origin*
23 to 29 February 2020; Market shares by region and Year-on-Year variations



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Whilst the analysis of bookings reveals people’s travel plans, the analysis of arrivals reveals how many have actually travelled. Looking back over the first two months of the year, from 1st January to 29th February, visitor arrivals in Europe have shown a two-phased decline as a consequence of the COVID19 crisis.

Initially, intercontinental visits to Europe tracked collectively 1.3% above 2019 levels in the period from the start of the year to 28th of January. The first phase of decline in Europe began on 29th January, nine days after the beginning of the crisis in China, when European destinations started to suffer, and arrivals decreased by 17.6% from 29th of January to 23rd February. Phase 2 began with the sharp slump in visits which happened in tandem with the explosion of COVID19 cases in northern Italy. In Phase 2, arrivals in Europe collapsed by 25.9% between the 24th and 29th of February alone, leaving the year to date results 10.5% below the same period last year.

Olivier Ponti, VP Insights, ForwardKeys said: “The arrival of the COVID19 virus in Italy marks a new phase in the travel crisis in Europe. The drop-off in bookings to Italy is even worse than we have observed in the past for some of the most disruptive events such as terror attacks. The booking behaviour, appears to be disproportionate, as parts of Europe other than Italy are experiencing very substantial declines in visitor interest.”

Petra Stušek, President, European Cities Marketing, concluded: “When it comes to tourism, we should bear in mind that the more people travel within Europe, the more stable the travel economy will be. It is important to stay calm, not to overreact and work to keep ourselves and our communities safe, but also functioning, until the recovery.”