WEEKLY REPORT

MMGY
Weekly Report for UK & Ireland
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TRADE UPDATE

UK Bank Holiday Flight Departures Still Below Pre-Pandemic Levels

Nearly 12,500 flights, equating to over two million seats, are scheduled to depart UK airports over the August bank holiday weekend, according to Cirium data. This marks a 1% rise on 2024's bank holiday departures but remains 5% lower than pre-pandemic 2019 levels. Friday is expected to be the busiest day, with 3,256 flights. Heathrow leads with 2,679 departures, followed by Gatwick, Manchester, and Stansted. The total exceeds the early May bank holiday figure of 11,747 flights, reflecting ongoing but incomplete recovery in air travel demand.

Source: Travel Weekly

Fewer Families Drive Rise in Off-Peak Travel Across Europe

A decline in the number of adults with children is contributing to growth in off-peak holidays, allowing more child-free travellers to take advantage of cheaper trips outside the summer peak. A study by Capital Economics found that while tourists are not changing destinations, they are shifting travel times, with southern Europe seeing stronger growth in overnight stays despite heat waves and over tourism concerns. Factors driving this trend include rising summer accommodation prices, fewer family constraints, and more retirees with time and resources to travel. Off-peak tourism is boosting economic stability by reducing unemployment and improving infrastructure use in tourism-dependent countries. Although climate change has raised speculation of a shift toward northern Europe, growth since the pandemic has been stronger in southern destinations.

Source: Travel Weekly

CAA to Consult on Recovering Heathrow Third Runway Planning Costs

The Civil Aviation Authority (CAA) is consulting on whether Heathrow's early planning costs for a proposed third runway can be recovered through airline charges. These costs include environmental studies, legal advice, design work, land surveys, and public consultations. Rival bidder Arora Group, which has proposed a shorter runway, has asked for its costs to be treated equally. The CAA is considering four options, with safeguards to ensure only efficiently incurred, directly related costs are recoverable. The regulator said fair cost recovery could benefit consumers by encouraging competition, reducing wasteful spending, and supporting timely expansion. The consultation runs until September 10, with an initial decision due by the end of September.

Source: Travel Weekly

ECONOMIC, POLITICAL & SOCIAL UPDATE

New figures show record number of asylum applications and asylum seekers in hotels
UK asylum claims reached a record 111,000 during Labour's first year in office, representing a 14% increase from the previous 12 months. The latest Home Office figures found that there were more than 32,000 asylum seekers in hotels, marking a rise of 8%. Home Secretary Yvette Cooper claimed Labour "inherited a broken immigration and asylum system that the previous government left in chaos" and highlighted that Labour's action had increased returns of failed asylum seekers by over 30%, cut asylum costs by 11% and reduced the backlog by 18%. Opposition parties criticised the government's border control, while the Refugee Council welcomed faster processing but criticised decision quality, noting that over half of appeals are successful.
Source: The Times

Increase in food prices and airfares drive inflation up 3.8%
UK inflation rose by 3.8% in the year to July 2025, reaching its highest level since January 2024. Inflation was driven primarily by a dramatic 30.2% surge in airfares due to the timing of school holidays, marking the largest jump for that period since the collection of this data began in 2001. Food and drink inflation also climbed to 4.9%, marking the fourth consecutive monthly increase. The Bank of England recently cut interest rates to 4% but faces difficulty controlling inflation while supporting economic growth, with economists predicting cautious future rate cuts. Chancellor Rachel Reeves acknowledged that more work is needed to ease the cost of living, while opposition parties criticised the government's economic policies for contributing to rising costs, stretching household budgets.
Source: BBC

Consumer confidence at highest for 2025
UK consumer confidence reached its highest point this year, following the Bank of England's interest rate cuts, with the cost of borrowing at its lowest level in two years. While consumers showed improved sentiment about their personal finances, they remain cautious due to several economic concerns. Analysts noted "many clouds on the horizon" including inflation at its highest since January 2024, rising unemployment, and uncertainty about potential tax rises in the upcoming autumn budget. A British Retail Consortium survey found 42% of shoppers expect to spend more on groceries in the next three months, while major retailers including John Lewis, Tesco, and Sainsbury's have written to Chancellor Rachel Reeves warning that recent employer national insurance hikes and potential further tax rises could impact living standards.
Source: Sky News

AIRLINE UPDATE

British Airways: British Airways is expanding its long-haul network for summer 2026, adding capacity across Asia, the Caribbean, the USA, and the Middle East. Bangkok flights from Gatwick will become year-round, with three weekly services in summer and six in winter, adding 60,000 seats and connecting via Bangkok Airways to regional destinations like Phuket and Phnom Penh. In the Caribbean, Kingston, Jamaica, gains an extra weekly Gatwick service, rising to four per week and adding more than 300 seats weekly. US services will see a major boost, with Heathrow–Miami returning to double-daily, Dallas resuming daily, Las Vegas increasing from 10 to 13 weekly, and both San Diego and Austin upgraded to 14 per week. Flights to New York JFK will operate exclusively from Heathrow, with nine daily departures, including upgraded 777-200 aircraft featuring First and Club Suite cabins. In the Middle East, Bahrain services will rise to daily, while connectivity with Saudi Arabia will improve through five weekly flights to Jeddah and 14 to Riyadh, alongside an increase to 14 weekly flights to Doha. BA Chief Planning and Strategy Officer Neil Chernoff said the airline is expanding services to "some of our most-loved destinations."
Source: [Travel Gossip]

Air Canada: Air Canada has expanded its compensation policy for passengers affected by the cabin crew strike that disrupted flights between August 15–23 and stranded at least 500,000 travellers. In addition to flexible rebooking and reimbursement of transport costs, the airline will now cover reasonable accommodation, meals, transportation, and other out-of-pocket expenses—going beyond its legal obligations. The carrier said it expects to restore its full schedule ahead of plan, with chief operations officer Mark Nasr apologising to customers and emphasising the airline's commitment to "make things right."
Source: [Travel Weekly]

Norse Atlantic: Norse Atlantic Airways has renewed its charter partnership with P&O Cruises to fly UK passengers to Caribbean cruises over the next two winters. The announcement came as the airline reported a sharp reduction in second-quarter net losses to $6 million, down from $32 million last year, alongside its first-ever Q2 operating profit of $4.4 million. Passenger revenue rose to $187 million, driven by a "dual leg" strategy of operating its own network while leasing out Boeing 787s under ACMI agreements, including a major deal with Indian carrier IndiGo. By early 2026, Norse plans to operate six Dreamliners on its own routes while securing predictable income from ACMI contracts. Load factors reached a record 97% in Q2, with strong forward bookings for autumn and winter flights, especially to Asia and Africa. Since launching three years ago, the airline has carried 3.6 million passengers.
Source**:** [Travel Weekly]

TOUR OPERATORS, TRAVEL AGENCIES & OTA UPDATE

Intrepid: Intrepid Travel is planning a week-long celebration to mark the fifth annual National Travel Agent Day (NTAD) on September 5, recognising the vital role of agents since the day's creation in 2020. The celebrations include daily giveaways such as vouchers, a Sunday roast lunch token, and a free Intrepid trip, alongside in-store visits where staff will reward top agents and distribute a new mini brochure, some containing golden tickets with exclusive UK experience days. Trade incentives include a boosted 60% discount for agents and 40% for companions on 2025–26 bookings made in September, plus £50 for every Premium booking. The celebration also coincides with the first anniversary of Intrepid's agent hub, which has attracted over 336 sign-ups. Head of trade partnerships Carrie Grant said the initiative underlines Intrepid's appreciation for agents' dedication and invited other operators to join in supporting NTAD.
Source: Travel Weekly

TUI: Tui Group has expanded its presence in Asia to 25 hotels across eight countries with the opening of Tui Blue Angkor Grace in Siem Reap, Cambodia, near Angkor Wat and Tonlé Sap Lake. The 151-room property focuses on wellness, offering a hydrotherapy experience with a magnesium-rich pool, onsen, ice baths, and traditional therapies, along with a child wellness centre for ages six months to 12 years. The opening follows the launch of Tui Blue Sihanoukville in May and is part of broader regional growth, with seven new hotels added across China, Thailand, Cambodia, and Indonesia this year. Further expansion is planned in Vietnam and Malaysia, with the group increasingly targeting Asian travellers seeking authentic holiday experiences. Tui Hotels & Resorts CEO Artur Gerber highlighted the significance of the new property for Cambodia's leisure hotel industry and its appeal to wellness-focused guests.
Source: Travel Weekly

We Love Holidays: Founded in 2012, We Love Holidays built its success on advanced price caching technology, enabling quick, flexible holiday searches. After Livingbridge acquired the firm for £190m in 2018, Love scaled aggressively, growing its workforce and dominating Google PPC travel searches. Although Covid-19 caused heavy losses, the company rebounded strongly, carrying five million passengers and generating £67.6m profit in 2024—double that of its nearest rival, On the Beach. Its breakthrough came in 2024 when Ryanair approved Love as its first package holiday partner, granting fee-free access to its flights, now powering over half of its bookings. This deal, alongside surplus UK flight capacity, has fueled record performance and paved the way for a planned £1bn IPO in 2026.

However, challenges lie ahead. Google advertising is becoming less efficient, with AI-driven search tools like Gemini reducing OTA visibility while driving up click costs. Love's reliance on PPC over brand-building could make it vulnerable as AI enables more travellers to book directly with airlines and hotels. While its caching systems could appeal to AI platforms seeking best-price comparisons, investor confidence is tempered by uncertainty over how AI will reshape the market, raising questions about whether Love has already reached peak valuation.
Source: Travel Weekly

SOCIAL UPDATE

New Instagram feature allows Reels to be linked to one another
Instagram has launched a new "Link a reel" option which allows creators to link their Reels together, enabling them to easily create multi-part video series directly within the app. This update gives creators the ability to connect new or existing Reels, adding a "Watch Part 2" (or relevant sequence number) to the video. This feature could assist in promoting viewership and engagement as well as showcasing more creators' content.
Source: Social Media Today

MICE UPDATE

Corporate events set to generate over £30m for Blackpool by 2028
Blackpool's conference bureau, Meet Blackpool, has announced that corporate events have already brought in over £3.2 million for the town in 2025, reaching its annual target of £2.2 million seven months early. This impressive result represents a 12% increase on the previous year's figures and a remarkable 220% uplift over the last three years, which have seen major local investment projects. With future bookings already confirmed, the bureau is on track for continued growth, aiming to generate over £10 million per year for the town by 2028. According to Meet Blackpool's head, Julie Vincent, the success highlights the town's growing reputation as a credible business destination and a powerful example of how business tourism can drive regeneration.
Source: Conference News

LIGHTER NOTE

Two brown bears living at a wildlife park in Devon have been introduced to a pair of new playmates. Mish and Lucy made headlines earlier this week, when they escaped their enclosure and ate a whole week's worth of honey- see more HERE