

Top 5 business travel destinations for South Africans

By Oz Desai

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After a difficult time, the business travel market is experiencing an exciting recovery. We've seen a massive spike in demand growth to 80% of pre-Covid levels during the past month, once more outstripping supply, which stands at 65% of pre-Covid levels. In general, all flights showed an increase in yield during March.



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While South Africans have been quick to start packing their bags once more, the resurgence of the travel market has been led by the UK and Europe, while the US, Canada and Australia lag only slightly behind.

Where to?

Exciting news indeed – but while industry members prepare to welcome foreign arrivals, where will our own business travellers be headed?

1. United Kingdom

The UK has traditionally been a favourite amongst South Africa's outbound corporate market: in 2020, visitbritain.org reported that 14 350 seats departed from South Africa to England every week. The country's status as a top destination hasn't changed.

2. Europe

With a number of trade shows set to take place in Europe during the year, the country's continental neighbours will also be seeing a fair share of traffic. The European summer months are expected to be especially busy, with shows like Viva Technology (Europe's largest tech industry showcase) taking place in Paris in June.

Tech players are also looking forward to Madrid's South Summit in June, which ends days before the London Tech Week. Berlin is gearing up to host Automechanika, the largest automotive industry trade show, in September, while IFA, the world's largest consumer and home electronics conference, will take place in Berlin during the same month.

Airlines have steadily been increasing capacity between Europe and South Africa, and there is even a new airline on the horizon: Brussels Airlines. The launch of Brussels Airlines' South African flight will positively impact travel to Europe. Although this impact is sure to be most keenly felt by the leisure tourism market, it improves capacity and accessibility to Europe, as the city's central location makes for easy travel elsewhere on the continent.

3. The United States

Trade shows have become big business in the United States. According to ibisworld.com, the number of trade shows and conference planners in the country now stands at almost 7 500, an increase of 8.2% since 2021. Clearly, the demand for exhibitions is on the rise, with several shows drawing worldwide attention. These include the Offshore Technology Conference (taking place in Houston in May), InfoComm, a showcase for the audiovisual industry (scheduled for June in Las Vegas), and JCK Las Vegas, a jewellery industry expo, also taking place in Las Vegas in June. With its many hotels and conferencing facilities, it stands to reason that Las Vegas is a hugely popular destination for business travellers.

4. Australia

Australia's decision to open borders in March, after a two-year travel ban, has been warmly received, and South Africans are already looking down under for opportunities.

5. Africa

Travel to other African states has remained consistent over the past few years, and we can expect regional travel will continue to be in strong demand.

Amongst other outbound locations known to attract South African business travellers, Asian markets are showing some lag. Singapore, for example, accounts for only a small percentage of the outbound corporate market at present.

However, the situation cannot be helped for other countries: although the Chinese and South African governments have been working to improve travel freedom between the two countries, China is still restricting entry into the country, as is Hong Kong.

Pricing and capacity – what's the impact?

With our outbound corporate market gaining momentum, the increase in flights is appreciated. In addition to the new route to Brussels, South Africa is seeing more capacity offered by Emirates, which has added one Durban and one Cape Town flight. We will definitely see a need for increased capacity in the coming months.

Unfortunately, though, this is unlikely to translate into lower ticket prices. Prices are expected to continue to rise, primarily driven by the cost of oil. What's more, although price increases traditionally took place on Tuesdays, when prices were reviewed, costs are now changing almost constantly. At the same time, demand is growing. It's always cheaper to travel on a Tuesday, so I personally will always book my flight for Tuesday travel.

Although the pandemic may still surprise us with a new variant, this is a great time for the industry. Recent developments like the simplification of protocols for travel have removed barriers, increasing confidence and the appetite to travel.

ABOUT OZ DESAI

With a proven track record in business management and finance, Oz Desai heads up Flight Centre Travel Group's dynamic Corporate Traveller brand in South Africa. Having worked in a retail travel, management and finance environment within the Right Centre group, Desai's first-hand experience brings great depth to the role of positioning Corporate Traveller as the preferred provider of travel solutions to corporate South Africa.

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