

# Royal Coast Riviera Club – 12 May 2023

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Amadeus Asia, Ltd.

VP and General Counsel, Asia Pacific

## Agenda

Introduction

Recovery Tracker

JFCCT

Amadeus' "Traveler Tribes"

# Amadeus in a few words



One of the world's leading software companies



1.5 billion Passengers boarded in 2022 with Amadeus and Navitaire solutions



400 million Total bookings processed in 2022 using the Amadeus distribution platform

- \_ We are the **leading technology company** dedicated to the global travel industry
- \_ We are present in **190+ countries**
- \_ We employ more than **16,000 people** worldwide
- \_ **60+** Languages spoken
- \_ **150+** Nationalities

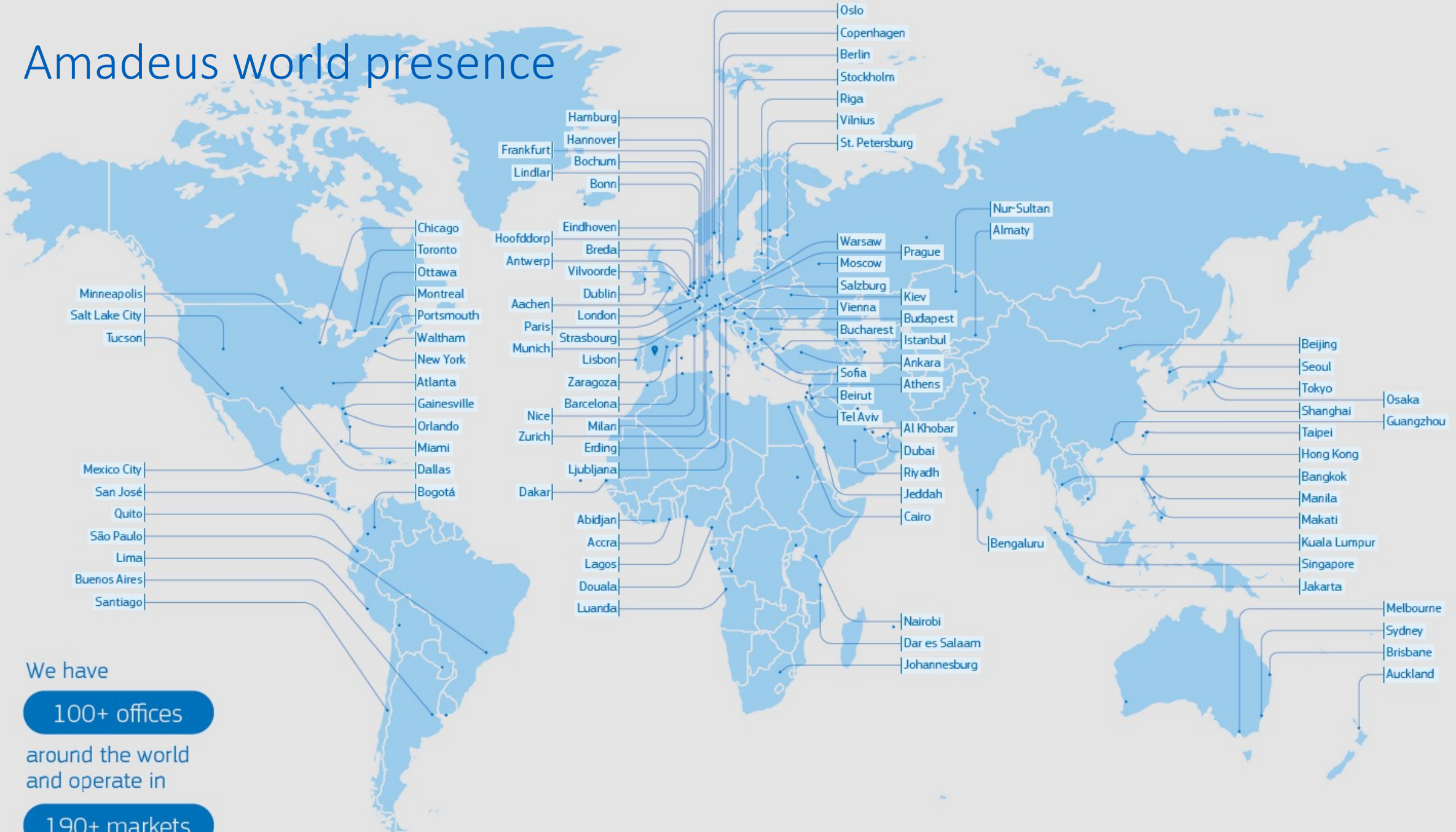


**11<sup>th</sup>** Sustainability Index consecutive year

included in the DJSI

Recognized as world leader in the Software & Services industry sector in

# Amadeus world presence



We have

100+ offices

around the world  
and operate in

190+ markets

# Amadeus in Thailand - Regional Office

Amadeus Asia, Ltd.

- ✓ Regional Office, Amadeus Asia Limited, established in 1995
- ✓ **350** employees at the Regional Office, located in the embassy district on Wireless Road adjacent to the US Embassy
- ✓ Awarded the Top Employers Thailand 2021 certification (6 years in a row)
- ✓ Served as Sole Regional Headquarters until 2014; twin Regional Offices in Bangkok and Singapore now serve the APAC region
- ✓ Qualified under International Business Center (“IBC”) status under the BOI.
  - ✓ Tax advantages for expat employees
  - ✓ Corporate tax advantages (*which we have never availed ourselves of*)

# Recovery Tracker - Summary

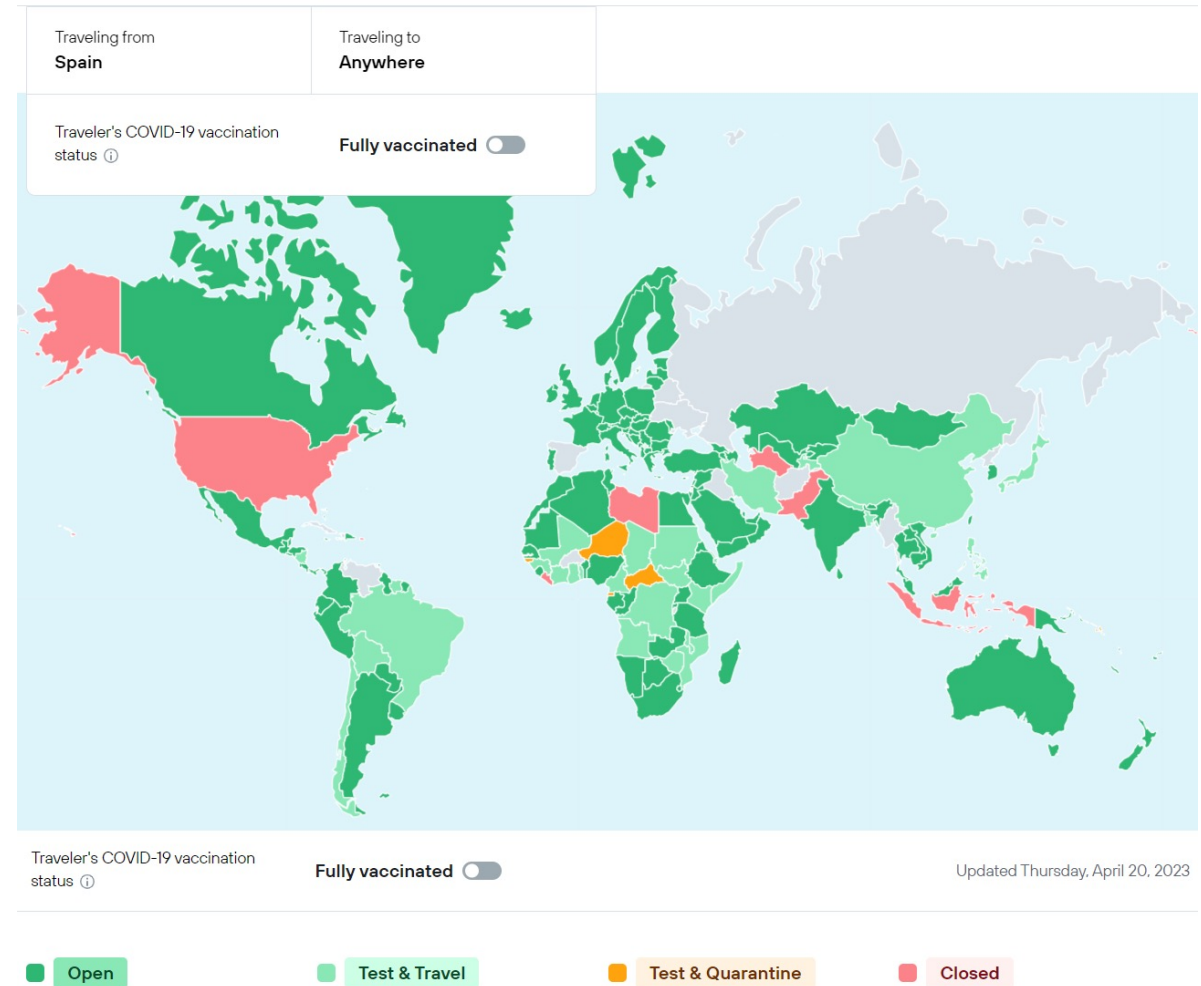
Recovery is reaching levels very close to pre-covid. Domestic capacity is now recovered and International is showing a positive trend that will probably linger through 2024 before we can completely forget about the covid period. Alternatively, business travel seems more and more unlikely to return to pre-covid levels and will result in long-term changes impacting travel suppliers.

February RPKs continue growing (+1.2pp vs January) supported by APAC full reopening trailing behind China's ending zero-covid policy.

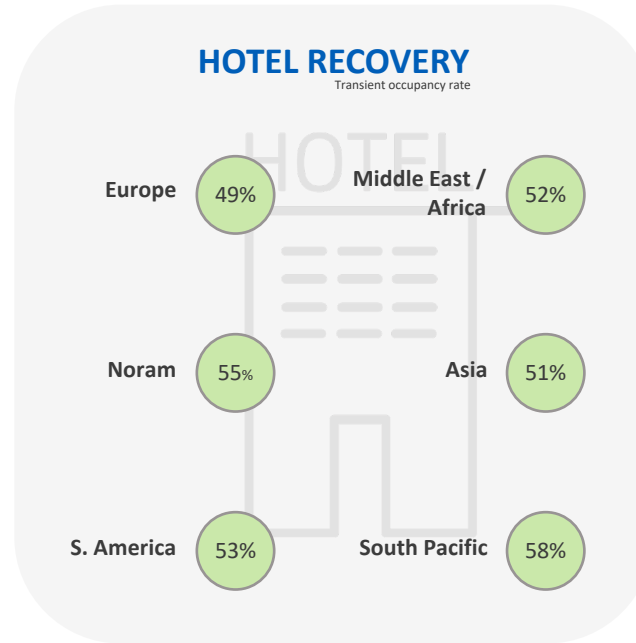
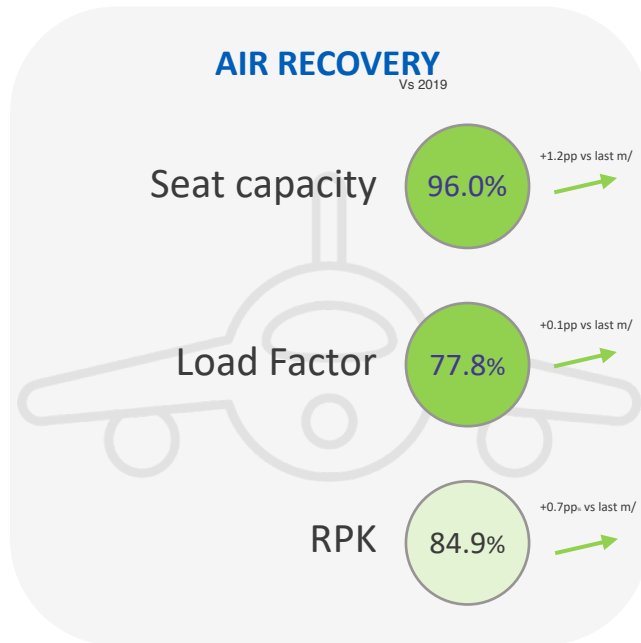
COVID is disappearing from the radars as concerned almost completely vanished. Still some restrictions remain in place and limit the full traffic potential especially in the US and China. Nonetheless, discussion started in many countries to put an end to it, and it should progressively become a reality soon.

All signals are now green, for the industry to follow a recovery curve that is only dependent on travel demand without other restriction than macro-economic factors.

Even if the recovery seems almost unrestricted that does not mean travel is going to return fully to its previous state and business travel seem to be the most visible area that permanently changed with the covid crisis.



# Recovery Tracker - Overview



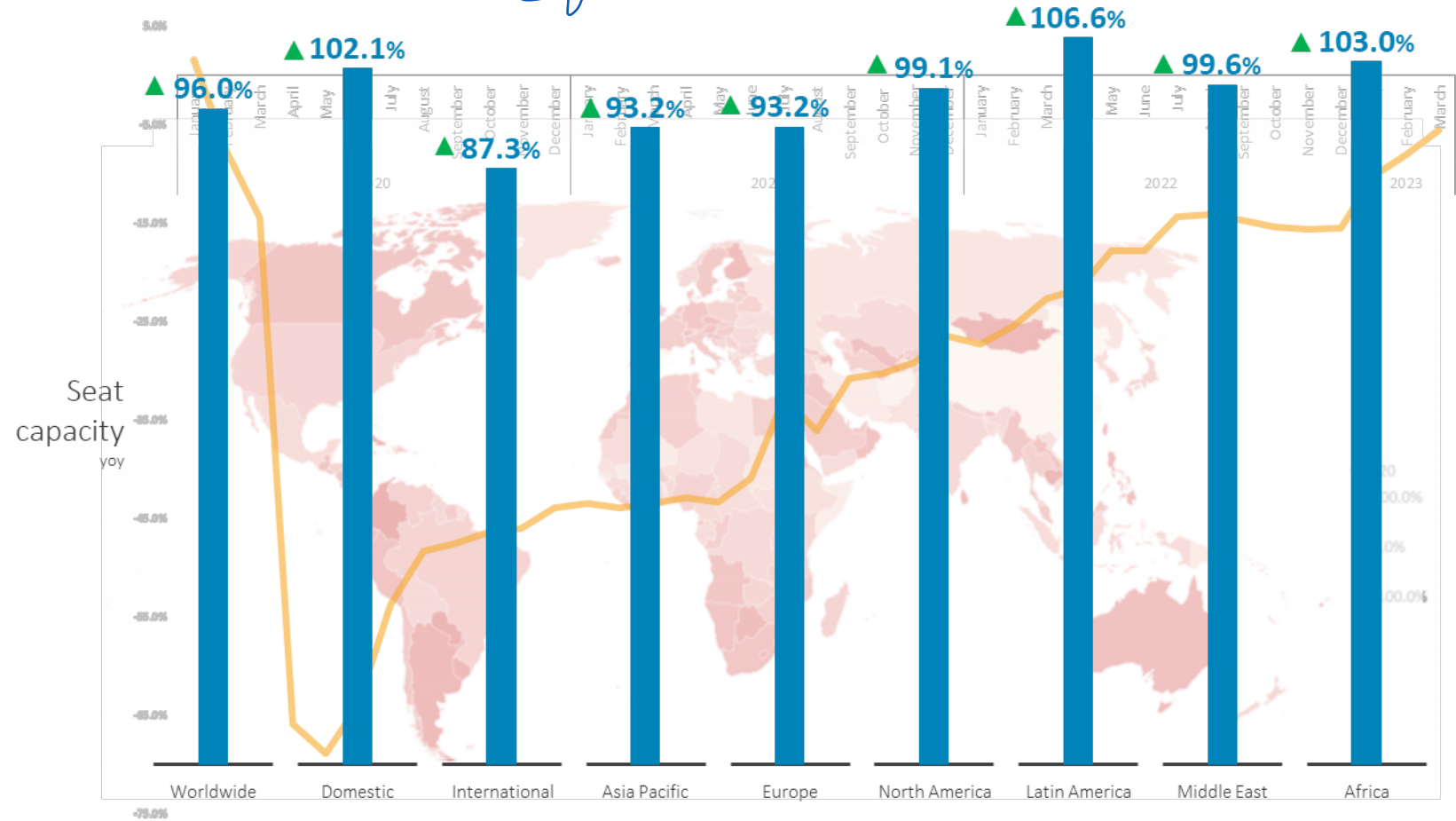
- ### TRAVELLER SENTIMENT
- European travellers gearing towards early summer holiday...  
...with economic concerns high on the map...leading to a slower demand for 2023 summer
  - US on the contrary shows stronger demand than 2022  
Business travel does not seem to appear back... with full recovery delayed to 2025... minimum...due to strong factors hindering full recovery
  - Sustainability concerns adding weight...to reduce travel spend even further.

# Recovery Tracker - Air Traffic Overview

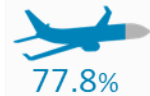


As of 19th of April 2023,

- Global capacity up again even if slowing (+1.2pp) at **96.0% vs 2019** with all markets increasing capacity. Still positive trend, with now 2 regions above 2019 levels.
- Load factor (+0.1pp) back to growth with APAC ramp-up but still room for summer demand boost.
- February 2023\* RPK still positively moving to -15.1% (+0.7pp) due to APAC compensating for a slow down in some other markets compared to January.



\*Load factor



\*RPK yoy

-15.1%

-2.8%

-22.5%

-26.3%

-14.3%

-2.3%

-9.3%

-6.2%

-6.6%

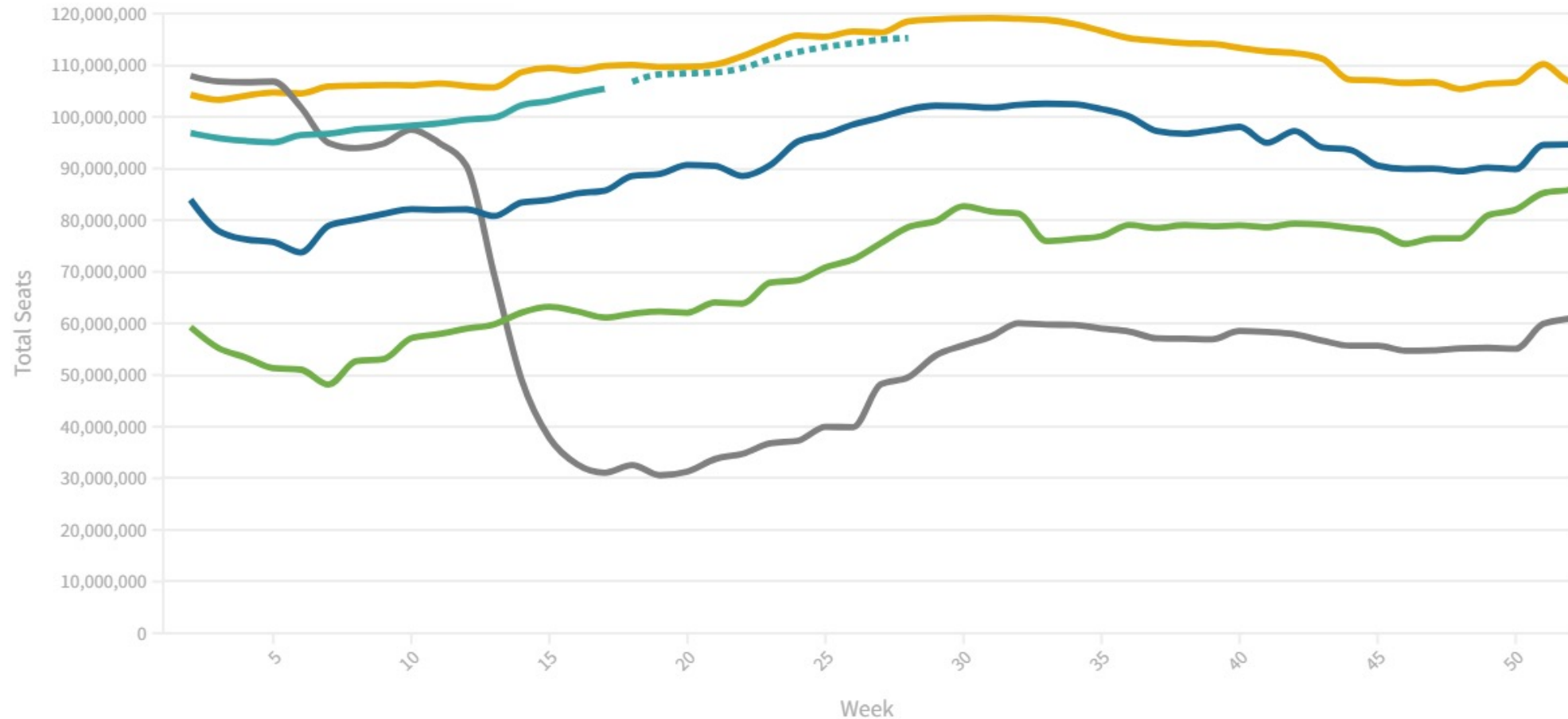


## Global seat capacity

Year on year comparisons by month

- This week sees another 1 million seats added to global airline schedules, bringing global capacity to 105.5 million seats. This means that the number of seats in the market is now only 4% below where it was in the same week in 2019, and 23% above where it was this time last year.
- Airline capacity this week is 1% more than it was last week and the current schedule sees more capacity added over the next 2 weeks in particular, but less added through May. The additional capacity planned does not, however, mean that global capacity will exceed 2019 levels, at least not for the next few months.
- The current indication of capacity for early July shows that it is still around 3% below the same week in 2019 and the pattern to date has been that capacity is reduced in the weeks up to operations, so is likely to be below this level.

2019 2020 2021 2022 2023 2023 Schedule

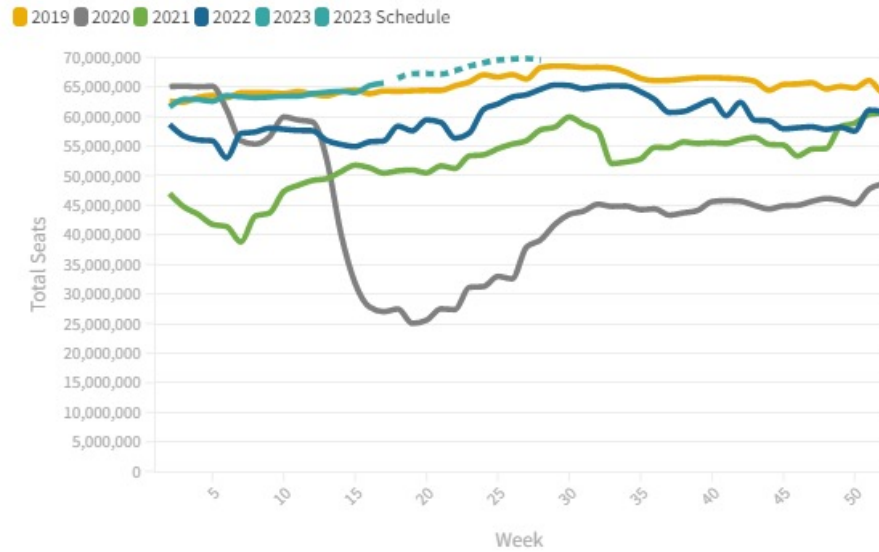




# Recovery Tracker - Capacity



## DOMESTIC SEATS

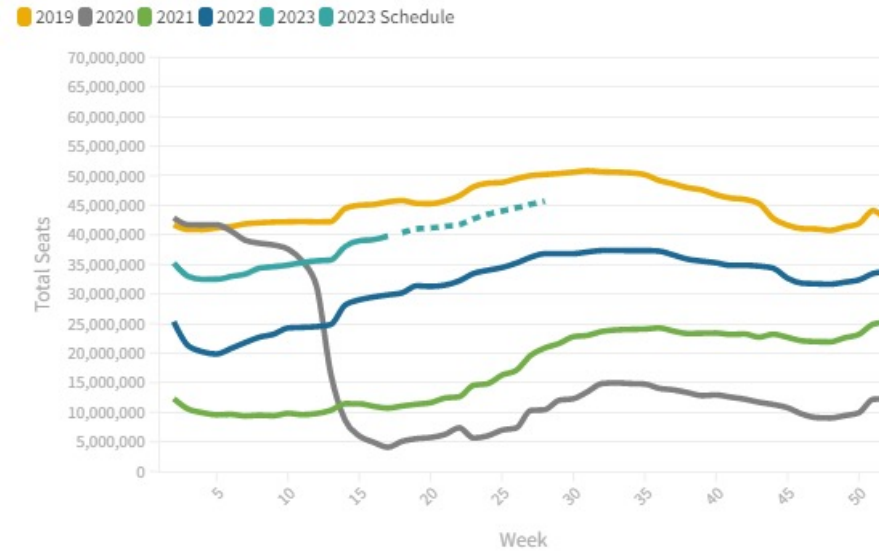


Source: [OAG](#)

OAG

- This week's schedule sees **450,000 more seats than last week**, bringing the total to 65.7 million seats, an increase over last week of 0.7%.
- This means that global domestic capacity is currently running at **2.1% above the same week in 2019**. If the capacity in the schedule for the next few weeks materializes, this should increase to between 3% and 4.5% over the next couple of months.

## INTERNATIONAL SEATS



Source: [OAG](#)

OAG

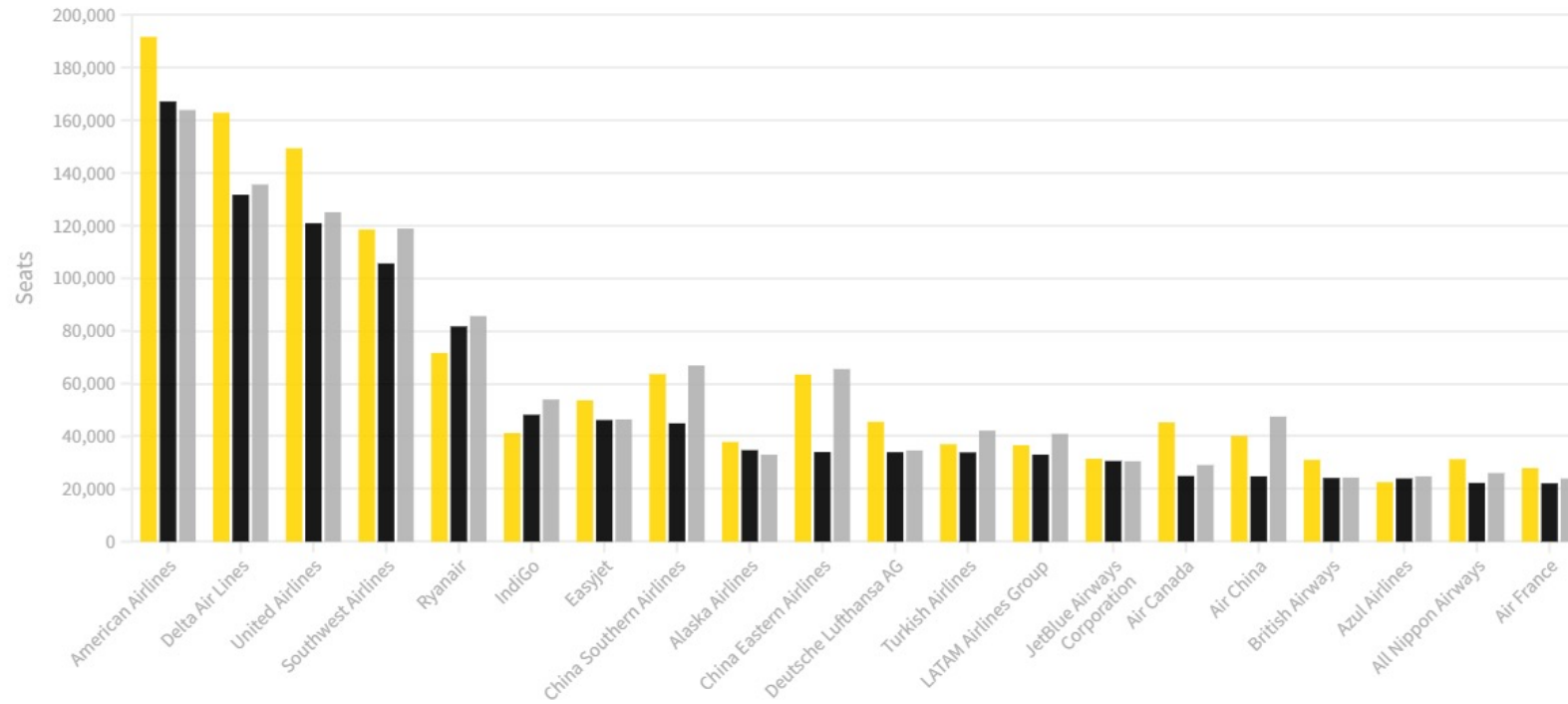
- This week sees **international capacity increase by more than domestic capacity** with an additional 587,000 seats, or 1.5% more capacity than last week.
- Total **international airline capacity is now at 39.8 million seats**.
- International capacity is 12.7% below where it was in the same week in 2019 but current schedules point to a continual, albeit slow, recovery, with international capacity reaching within 10% of 2019 levels in just a couple of weeks' time.

# Recovery Tracker - Capacity



## Top 20 Airlines by Market Size

■ Apr-19 ■ Apr-22 ■ Apr-23



## KEY POINTS

- The three legacy US majors' frequency this month remains around 15% below 2019 levels, whilst Southwest is now just slightly above April 2019 at +0.3%. Jetblue is also close to 2019, with frequency sitting 3.1% below.
- All three Chinese majors are now above 2019, with Air China most recovered, operating 18.2% more flights this month than in April 2019.
- The largest month-on-month increase in frequency this month comes from Ryanair, who will operate 21.6% more seats this month. easyJet has also seen a considerable increase, planning 16.3% more seats. Both carriers are gearing up for a busy summer season.

# Travelers continue to plan further ahead

Search windows have continued to lengthen in recent quarters as travelers are planning for trips further out. The 180+ day search window increased by 30% QoQ, driven by 75% growth in both APAC and Latin America (LATAM). LATAM and APAC also saw strong growth in the 180+ day window for domestic and international searches, both up by more than 100% and nearly 40% QoQ, respectively.

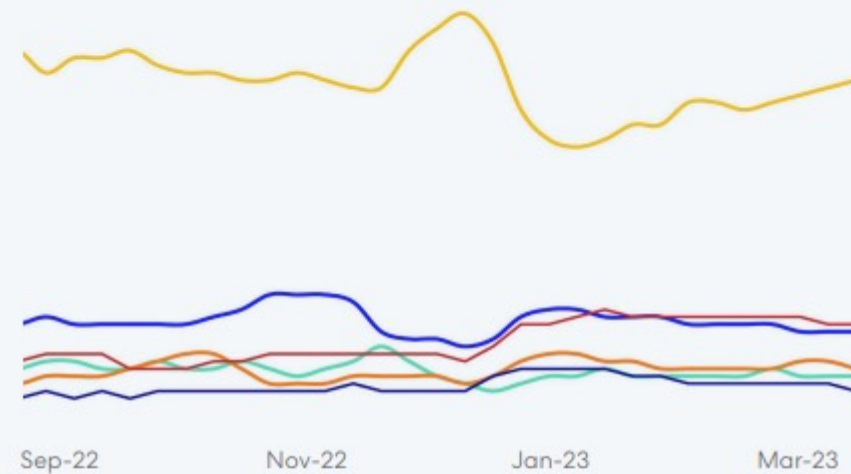
Globally, the 91- to 180-day search window saw the strongest growth, with a 60% increase QoQ, led by EMEA then North America (NORAM), with 90% and 45% QoQ increases, respectively. EMEA saw the greatest increase in the 91- to 180-day search window for both domestic and international searches, up by over 100% and nearly 70% QoQ, respectively.



2022-2023

Global traveler search windows | WoW % Change

- 0-21 Days
- 22-30 Days
- 31-60 Days
- 61-90 Days
- 91-180 Days
- 180+ Days



Source: Expedia Group data, Q3 2022-Q1 2023

**Globally, the 91- to 180-day search window saw the strongest growth, with a 60% increase QoQ, led by EMEA then North America (NORAM), with 90% and 45% QoQ increases, respectively.**

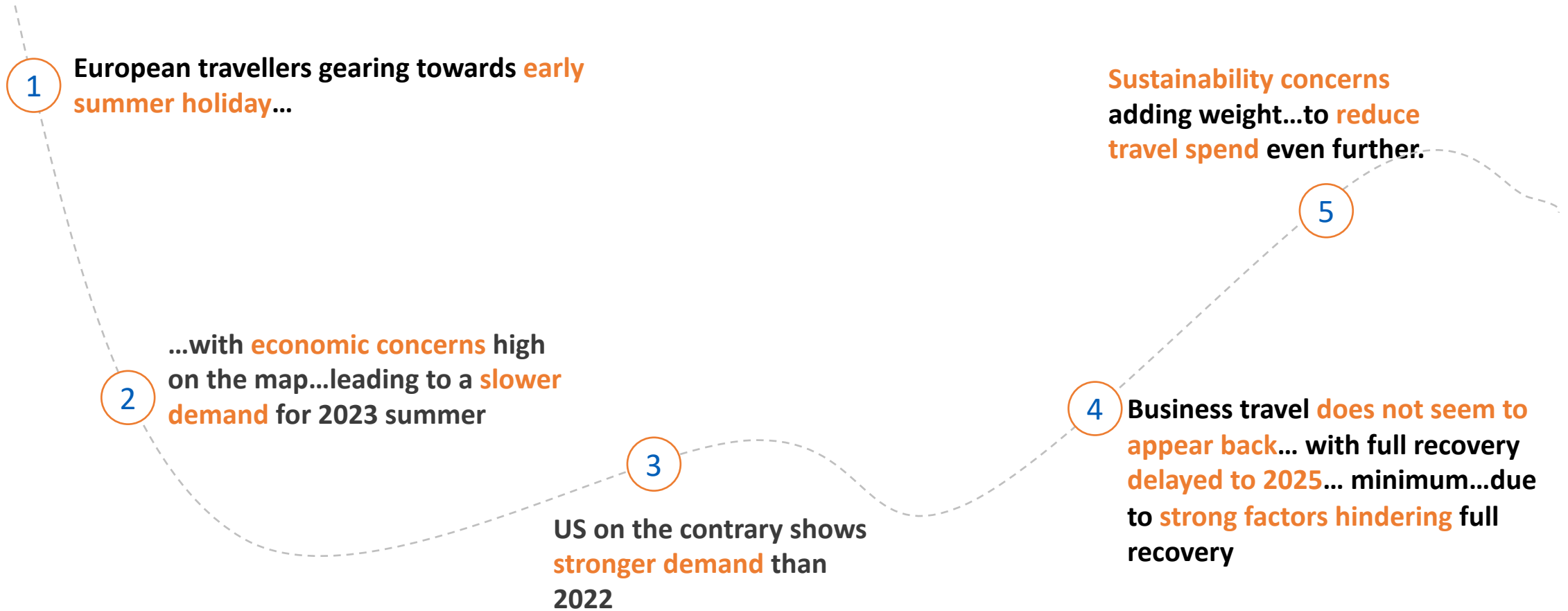


# Traveler Sentiment

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# Key findings

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## WHAT DO EUROPEAN TRAVELLERS WORRY ABOUT?

Europeans remain anxious about the financial burden of their voyages (24%) and their personal finances (17%) Adding to their worries is the growing unease over extreme weather conditions (7%), which is climbing up the list of top concerns

### The biggest concerns about travelling within Europe (March '23 survey)

**23.7%**  
Rise in the overall cost of my trip due to inflation



**11.5%**  
The ongoing conflict between Russia and Ukraine



**7.4%**  
Booking and cancellation policies (refunds, etc.)



**6.7%**  
Too many visitors in the destinations I want to visit



**17.4%**  
Economic situation and personal finances



**8.0%**  
Sudden quarantine measures or changes in travel restrictions during my trip



**7.3%**  
Extreme weather events



#### Top 4 markets concerned with rising travel costs

Spain  
28%

UK  
25%

Germany  
25%

Italy  
25%

#### Top 4 markets concerned with personal finances

Spain  
20%

Poland  
19%

Germany  
19%

UK  
19%

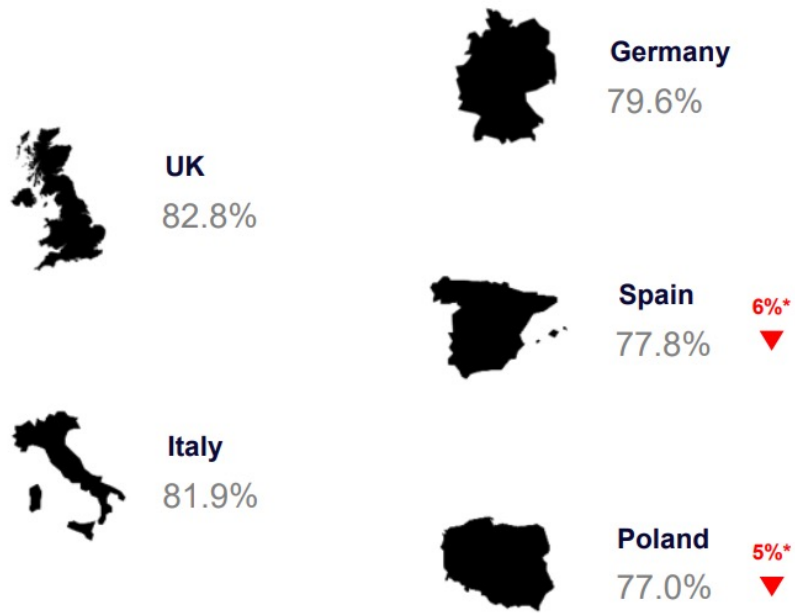
# ...leading to a slower demand for 2023 summer



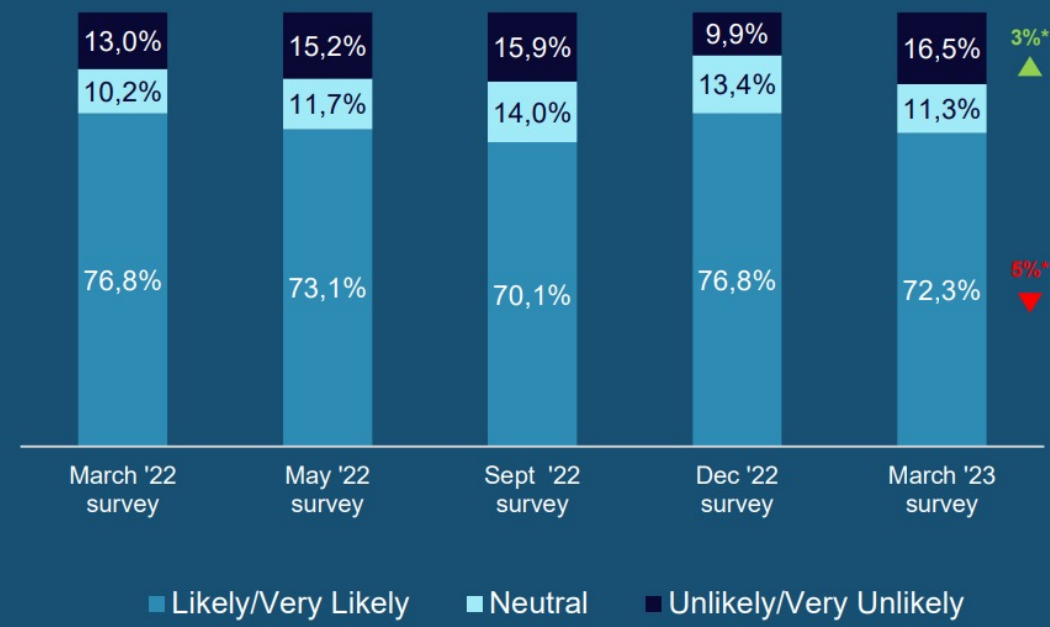
Europeans' travel intention is strong, at 72%, despite a slight year-on-year decrease



## Top 5 markets most likely to travel in the next 6 months



## Intention to travel in the next 6 months



10 Q8. Do you plan to take an overnight trip domestically or within Europe in the next 6 months, either for personal or professional purposes?

# US on the contrary shows stronger demand than 2022

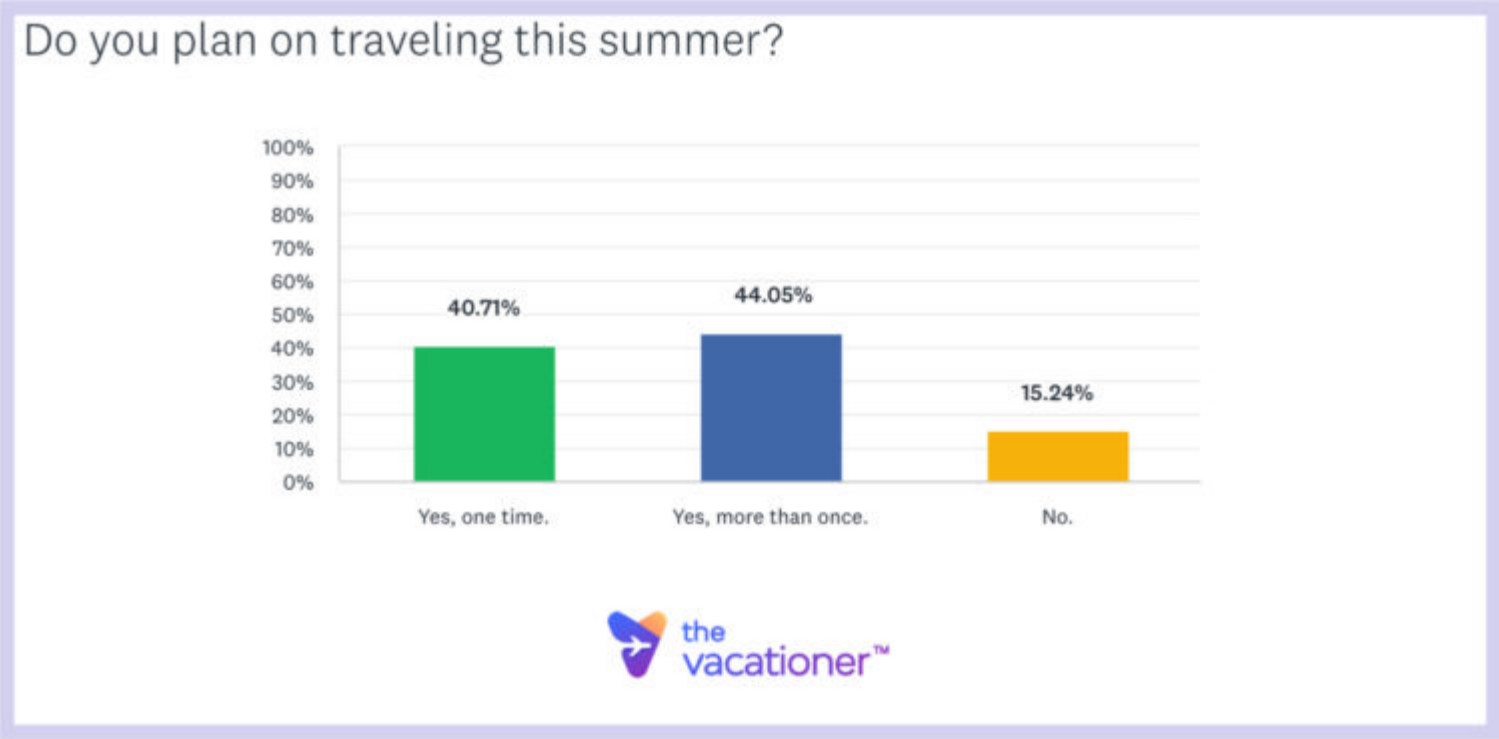
1

2

3

4

5



+5%  
vs 2019



# Business travel does not seem to appear back...



## Business travel doesn't appear back

Q: Thinking about the rest of the year, to what extent do you agree or disagree with the following statements?

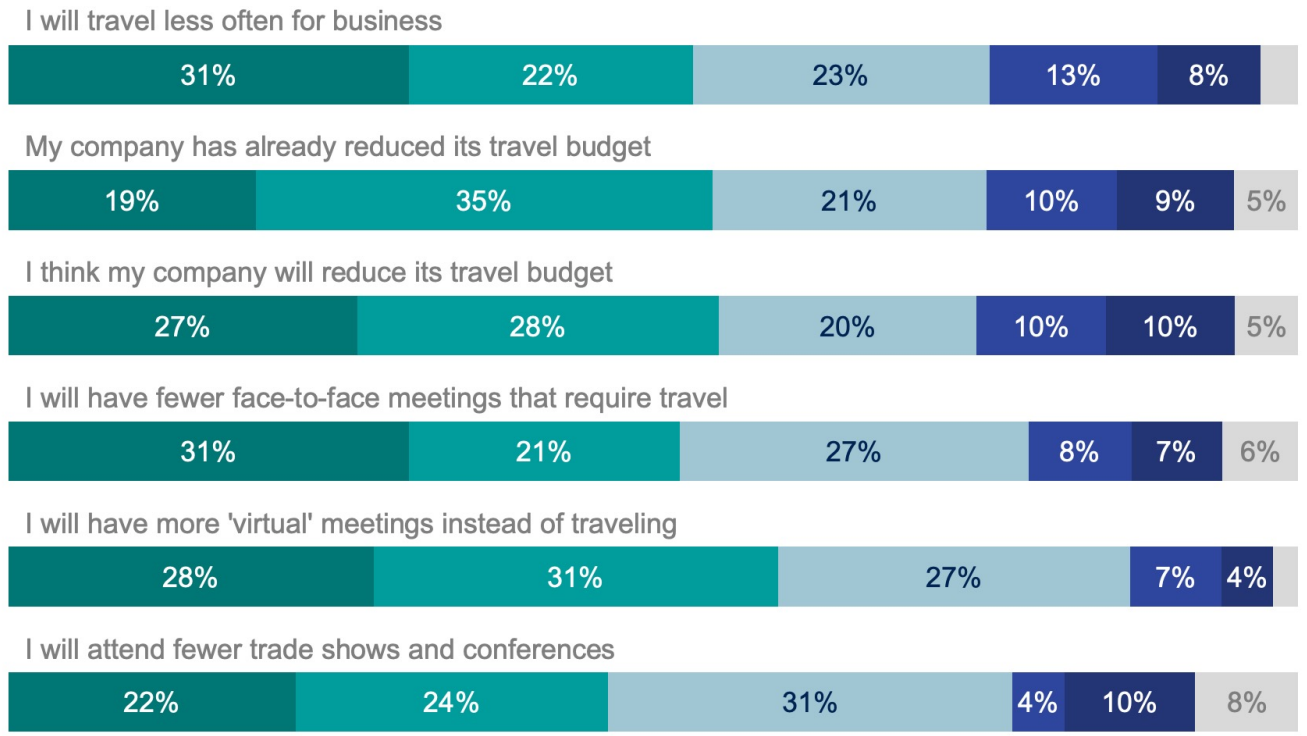
Q: Last year, how frequently did you travel by air for business?

# 59%

of full-time employed say they never travel for business, up from 44% in 2020

Source: Ipsos Consumer Tracker, fielded April 11– 12, 2023 among 1,120 U.S. adults

- Strongly agree
- Somewhat agree
- Neither agree nor disagree
- Somewhat disagree
- Strongly disagree
- Don't know

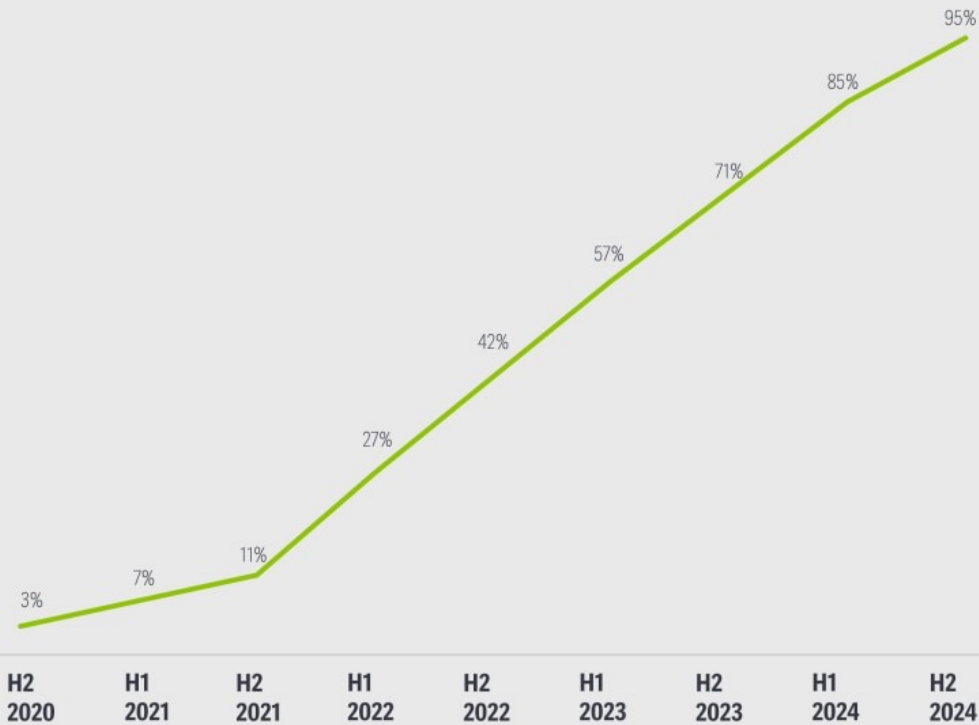


... with full recovery delayed to 2025... minimum...

Figure 1

**Travel spend is expected to surpass half of prepandemic levels by the first half of 2023**

Corporate travel as a percentage of 2019 spend, United States and Europe combined



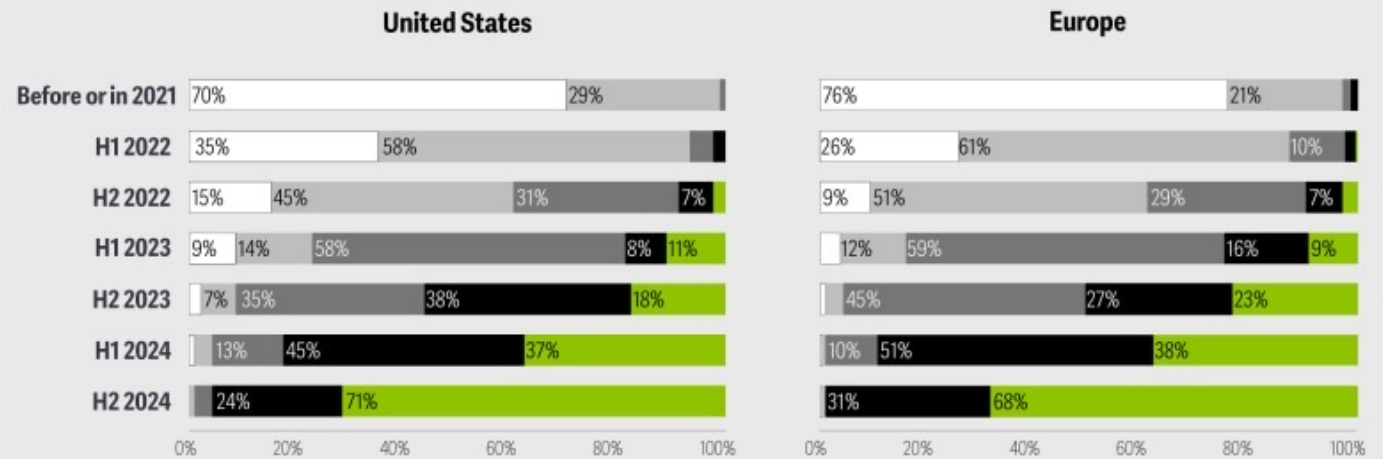
Question: When did or do you expect your company's travel spend to reach the following levels of 2019 spend?  
 Note: N = 334.  
 Source: 2023 Deloitte Corporate Travel Survey.

Figure 2

**71% of US companies expect a full recovery in travel spend by the end of 2024**

Spend as a percentage of 2019 by quarter, United States versus Europe respondents

○ Less than 25%   ● 25–49%   ● 50–74%   ● 75–99%   ● 100%



Question: When did or do you expect your company's quarterly travel spend to reach the following levels of 2019 spend?  
 Note: N (US) = 106; N (Europe) = 228.  
 Source: 2023 Deloitte Corporate Travel Survey.

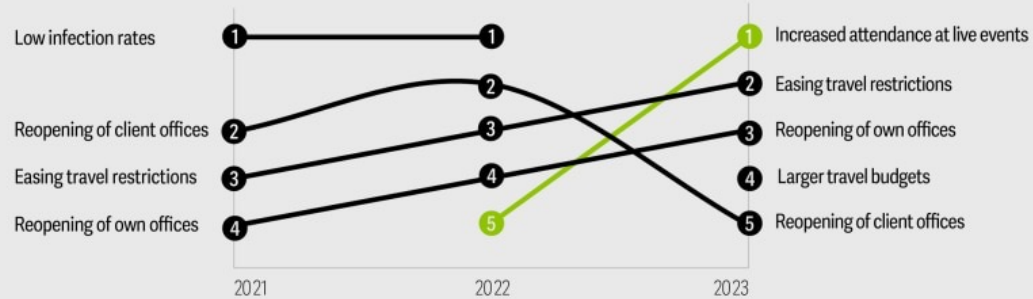
# ...due to strong factors hindering full recovery



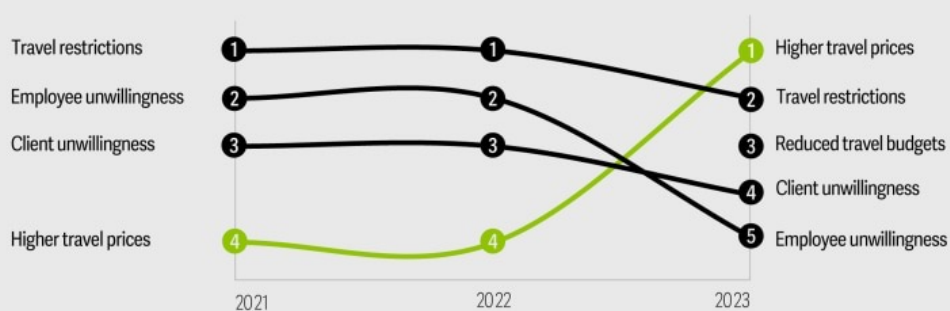
Figure 4

## Live events and easing of travel restrictions set to lead corporate travel growth drivers in 2023

### Top five developments triggering business travel return



### Top five factors slowing business travel return



Questions: What are the developments most likely to increase your company's travel volume in 2023? What are the factors most likely to restrict the growth of your company's travel volume in 2023?

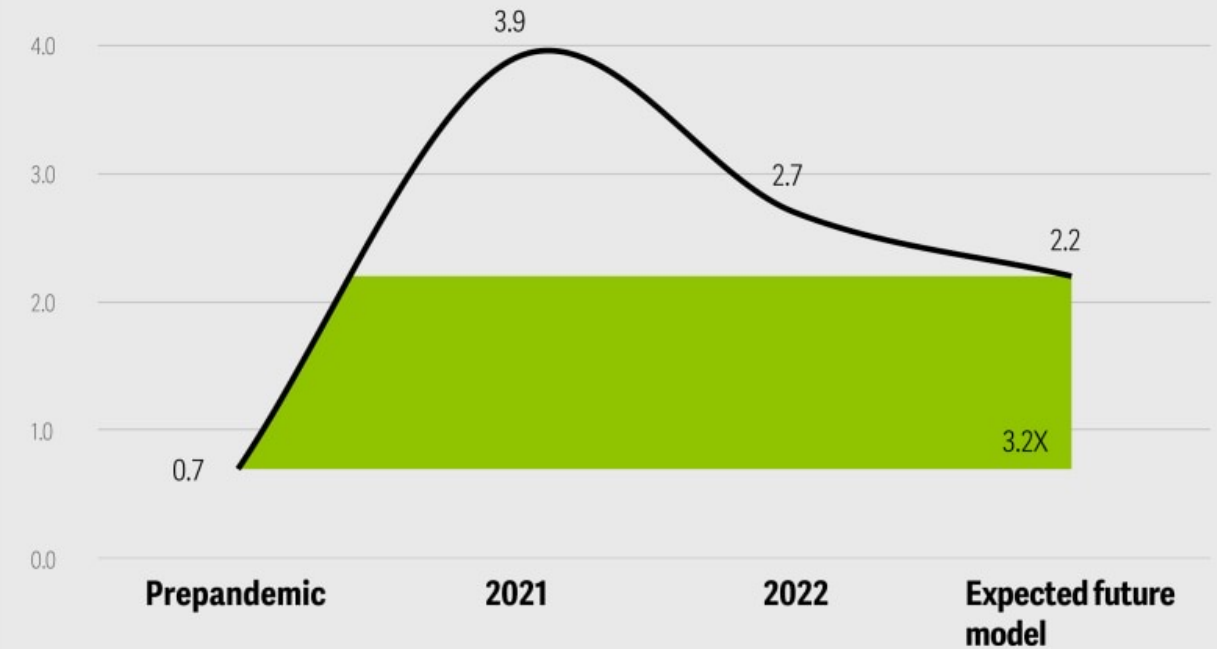
Note: N = 334.

Source: 2023 Deloitte Corporate Travel Survey.

Figure 5

## Future work from home days per week expected to be more than triple prepandemic

Workplace flexibility over time: Days per week work from home



Question: Please choose the workplace flexibility level that prevailed or that you expect to prevail in your company at the given points of time.

Note: N = 334.

Source: 2023 Deloitte Corporate Travel Survey.

# Sustainability concerns adding weight...

Figure 10

## Despite challenges in data collection and consistency, most travel buyers gather and track several sustainability metrics

Travel buyers' consideration of sustainability attributes and initiatives

	Hotel			Airline			Car rental
	Sustainability certifications and ratings	Proximity to minimize transport emissions	Chainwide sustainability standards and initiatives	Use of sustainable aviation fuel	Fare classes and seat upgrades	Carbon emissions per flight	Availability of electric vehicles
Collect and track data	40%	30%	23%	25%	23%	24%	24%
Use to calculate trips' carbon footprint	32%	38%	31%	31%	27%	29%	27%
Flag in booking engine	16%	24%	29%	29%	34%	31%	30%
Mandate use by travelers	12%	14%	14%	11%	17%	17%	19%



Question: What best describes your company's approach to the above sustainability initiatives/measures by travel suppliers?

Note: N = 334.

Source: 2023 Deloitte Corporate Travel Survey.

...to reduce travel spend even further.

Figure 9

### Amid the growing focus on sustainability, most companies are looking to reduce travel per employee

Reduction in per employee travel spend needed to meet 2030 sustainability targets

● Less than 10%   ● 10%–20%   ● 21%–30%   ● More than 30%



Question: In order to meet your company's emissions goals, how much do you estimate you will need to reduce travel on a per employee basis by 2030?

Notes: N = 334. Figures may not add to 100% due to rounding off.

Source: 2023 Deloitte Corporate Travel Survey.





# Joint Foreign Chambers of commerce in Thailand (JFCCT)





## JFCCT Strategy components and organs

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### 1. JFCCT VISION and Mission

### 2. JFCCT Committees

- Digital Economy / ICT
- Education & Skills
- International Trade
- SME
- Sustainable Development
- Tourism

### 3. JFCCT advocacy areas:

- FBA
- Fast Track Regulatory Reform
- Work Permit & Visa
- Competitiveness

### 4. JFCCTs Key Messages





## **JFCCT Vision**

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**The voice of the foreign business community in Thailand  
for over 47 years**



## JFCCT Mission

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### MISSION

1. To promote trade and investment in the Thai economy
2. To be a thought leader contributing to economic enhancement, competitiveness and good business practices
3. To promote and advocate skills development and transfer of knowhow.
4. To promote, support and advocate a more sustainable economy.



[LINK](#)



## JFCCT Committees





## JFCCT Working Team



**Ms. Vibeke Lyssand Leirvåg**  
Chairwoman



**Mr. Robert Fox**  
Digital Economy/ICT  
Committee Chairman



**Dr. Kongkiti Phusavat**  
Education and Skills  
Committee, Chairman



**Dr. Supareak CHOMCHAN**  
Vice Chairman



**Mr. Stefan van de Sluys**  
International Trade  
Committee, Chairman



**Dr. Nimnual Piewthongngam**  
SME Committee, Chairwoman



**Mr. Stanley Kang**  
Senior Advisor



**Mr. Lars Svensson**  
Sustainable Development  
Committee, Chairman



**Mr. Anthony Høglund**  
Tourism Committee,  
Chairman



**Mr. Timothy Wong**  
Honorary Treasurer



**Ms. Wanlapa Yamapai**  
Executive Secretary

**Vacant**  
JFCCT Staff



## Advocacy / Policy Focus Areas





## Advocacy / Policy Focus Areas

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### JFCCT Advocacy work:

- FBA
- Work Permit & Visa
- Fast Track Regulatory Reform / Guillotine
- Competitiveness