

DEMAND FOR INTERNATIONAL BUSINESS TRAVEL IN RUSSIA IS GROWING



Demand for cross-border flights by business travelers from Russia in the first four months of this year increased by 87% compared to last year. However, the demand for international flights was 54% lower than in 2019.

Experts report that the share of foreign flights reached 15% of the total number of booked tickets for business travel (21% in 2019, 7% in 2021, and 11% in 2022). **Therefore, on average, the share of business class on international routes in 2023 will decrease by 3% compared to 2022.** It will be fixed at 9%, corresponding to figures in 2019.

The return to regular business travel in Russia is also reflected in the average duration of international business trips, which fell from eight days in 2022 to six days in 2023, returning to 2019 levels.

Airline bookings in 2023 are almost at the same level as in 2019. This year, just like in 2019, only about one-third of all tickets were purchased a week or less before departure (41% in 2021 and 43% in 2022). Additionally, 49% of business travelers bought their tickets two weeks or less before departure in 2023.

Before the pandemic, an average of 53% of business travelers would book their tickets in advance. In 2021 and 2022, the numbers were 39% and 37%, respectively.

Turkey, for the first time, became the leader in demand for business trips – the share of tickets to this country among business travelers was 12%, and the demand for this destination increased by 125% compared to last year.

Last year this direction occupied sixth place, and before that, it was not even in the top 20. On the other hand, Belgrade took first place among all foreign cities by the number of purchased tickets from the beginning of the year. The share of tickets to Serbia accounted for 11% of the total number of business tourists traveling abroad, while the demand increased by 1640% compared to last year (+924% in 2019).

Kazakhstan, leading in 2021, has moved to the third position, despite a third increase in demand compared to last year (-13% in 2019). Since the beginning of 2023, the demand for flights to Armenia has increased significantly compared to the previous year; the demand has grown by 214% (+98% in 2019), and it has moved from the fifth to the fourth most required business travel destination.

The United Arab Emirates was at the bottom of the top three in the last two years and was in fifth place. Business travelers from Russia started flying to this country 54% more often than in 2022 (+160% compared to 2019). Uzbekistan also attracted 63% more business travelers from Russia than last year (+45% vs. 2019).

China was in the top 10 of the most popular countries for Russian business travelers and ranked

seventh; demand for this destination has almost completely recovered to "pre-pandemic" levels (-3%).

Belarus (+96% by 2022) and Italy (-42% by 2022) rank eighth and ninth, respectively. Also, India's demand for business from Russia increased by 116% last year (-11% by 2019), and it took the previous tenth place, ahead of European countries.

According to the latest data, the average cost of a flight abroad in economy class has decreased by 34% compared to last year, to 40 000 RUB (about 460 EUR) for a one-way ticket. **On average, business travelers in 2023 paid 175 000 RUB (about 2015 EUR) for business class, which is 5% cheaper than last year.**

Aeroflot was the top choice for business travelers on international routes, with 27% choosing the national carrier. Turkish Airlines was the second most popular option for Russian business people, with 18% of them choosing their flights, and Air Serbia chose 9% of the businessmen traveling abroad.

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