

**UK OFFICE**  
**APRIL 2011 REPORT**  
**Prepared by: Venessa Alexander**  
**UK Director**

**TOUR OPERATORS**

**Premier Holidays**

Met with Heidi Blades, General Manager at Premier Holidays to follow up on our joint co-op marketing campaign in conjunction with SeaWorld Parks & Entertainment. We were advised that the campaign this year, again based on a discount offer, is going really well. Results are to follow in next month's report as the campaign had not finished when we met. We were advised that the Florida market is performing well for Premier Holidays and that the market is up 7% overall year on year. VSPC is still their number one selling beach destination in Florida and has been for a number of years. We were advised that customers are staying in the region for anything from 14 – 21 nights and that fly-drive packages incorporating both Orlando and the Gulf Coast Beaches are selling particularly well. Their repeat business is currently at around 40% so have a very loyal customer base. Provided Heidi with the new visitors guide and area map as well as a list of key selling points for the area.

**Holiday Genie**

Met with the new Product Manger Lyn Bradley to discuss the area in general and offer further assistance where necessary. Also completed training for their call centre and front line retail agency staff at their office in London. A total of 12 agents in total were trained. Provided the staff with up to date literature including the new visitor's guide, area maps and key selling points sheet as well as giveaways.

**Other Meetings**

Met with Ruth Roseweir and Simon Parry at SeaWorld Parks & Entertainment to discuss the final guest list for the June VIP tour operator event as well as the forthcoming June fam trip.

**TRADE LIAISON**

- Finalised and submitted RFP document for rebid on the UK, Ireland and Scandinavia contract
  
- Virgin Holidays/Visit Florida event – Attended a dinner event near the Virgin Holidays offices which was an opportunity to network with members of staff from product, commercial, marketing and network planning.
  
- AirFrance/KLM confirmed seats for a Florida Beaches fam for May. The fam will visit the four destinations included in the Florida Beaches Consortium and will include Swedish tour operator product managers and reservation staff. For the 24 hours the group is in St Petersburg/Clearwater, they will stay at the Barefoot Beach and visit the Sheraton Sand Key, Postcard Inn, downtown St Pete and take a dolphin cruise.

- Promotion with national retailer Matalan in conjunction with Travel City Direct is due to launch on May 19<sup>th</sup>. Travel City Direct are sponsoring the holiday prize as well as offering exclusive discounted offers to our area for Matalan customers.
- Still awaiting further information for the Visit Florida/BA Campaign due to launch in late May and which has now been pushed back in to June.
- The Expedia promo has launched with dedicated landing page including special offers, inclusion in the Expedia newsletter and run of site advertising.
- Simpleview – Continued liaison with Casey at VSPC regarding development of a newsletter for UK consumers
- Avis – Confirmed they will stock our guides at their car rental counter at Tampa Airport.
- Barrhead Travel – Continued working on the co-op marketing activity with Barrhead Travel in conjunction with SeaWorld Parks & Entertainment. Activity confirmed includes press advertising, retail and website activity, radio advertising, window displays and staff training.
- Virgin Holidays – Continued to work on joint co-op marketing activity with Virgin Holidays as part of our on-going campaign. April's activity included a direct mail piece sent to customers who had requested Florida brochures which included an ariel shot of Caladesi on the front cover.
- VSPC/Virgin Atlantic/SeaWorld Parks & Entertainment Familiarisation Trip – Virgin Atlantic have confirmed 10 free airline seats for a tour operator reservations staff fam trip to our area in June 2011. SeaWorld Parks & Entertainment who will be co-hosting the trip. Work has already begun on the itinerary and tour operators have already confirmed the attendees. Tour operators attending are as follows:
  - American Holidays (Ireland)
  - Tour America (Ireland)
  - Funway Holidays
  - Jetsave Holidays
  - Premier Holidays
  - Kenwood Travel
  - USAirtours
  - Thomas Cook Signature
  - Travel 2
- Visit Florida/Virgin Holidays – Work continued on our joint promotion with Visit Florida and Virgin Holidays. Working on the press adverts and the radio campaign.
- Tour America – The remainder of the co-op elements for this campaign have been confirmed and will include an advert in the Sunday World Newspaper, banner on the Tour America homepage as well as specific offers on [www.pigsback.com](http://www.pigsback.com) which is the biggest online holiday offers site in Ireland.

- Jetsave – The Jetsave Sales Brochure that was due to be launched in April to coincide with their new 2012 Florida brochure launch has been pushed back due to the launch date running later than initially planned. Awaiting the creative artwork to finalise. VSPC will have a full page advertorial to include special offers. The sales brochure will be sent to all Thomson and First Choice retail branches as well as 3<sup>rd</sup> party travel agents.
- USAirtours – Continued preparations for the USAirtours promotion ‘Destination of the Month’ campaign during this month which is advertised on their website and via the retail travel agent distribution network. The campaign includes production of generic A4 Florida Posters and dedicated special offer A2 size posters for agents to utilise in store or in window. Results to follow next month.
- Lastminute.com – Provided Michelle Heathcote with a current listing of events for the remainder of our 2011 calendar year for them to utilise on their website. Training has also been confirmed with their call centre staff based in Woking during the fall in conjunction with our other UK Florida’s Beaches partners (Fort Myers & Sanibel, Miami and Ft. Lauderdale).
- Visit USA Ireland – Provided the Visit USA Association in Ireland with details of the new Augmented Reality Experience to include in their April monthly e-newsletter that is distributed to both the trade and consumer database.
- Discover America.com – Provided the UK representation office of Discoveramerica.com with copy details on the new Augmented Reality Experience and an area image to include in their new DA.Com newsletter that will be promoting various states and regions in the US to consumers with an interest in the US.
- Kenwood Travel – Discussions are taking place with Andrea Lovering, Product & Marketing Manager at Kenwood Travel. Kenwood are a new tour operator to our area.
- Black Tomato – The meeting with Black Tomato that had been re-scheduled for April was again cancelled and will now take place during the month of May. We plan to discuss the area in general and offer assistance where necessary.
- Ocean Florida – Discussions still on-going to try to re-schedule training for their staff after the last confirmed appointment was cancelled.

## **ENQUIRIES:**

Telephone/website enquiries for information and/or literature

77

## **MARKET INTELLIGENCE:**

31 March 2011 – Source USA Department of commerce

### **2010 Releases on International Visitation to the United States and Fast Facts on the Travel and Tourism Industry**

The U.S. Department of Commerce today released its 2010 reports on *International Visitation to the United States* and *Fast Facts* for the U.S. travel and tourism industry, which are now both available on the Office of Travel and Tourism Industries website.

The report on *2010 International Visitation to the United States* includes a brief analysis, 15 separate tables, charts and graphs outlining international visitor volume data for the following:

- Total International Arrivals
- Top Overseas Regions
- Top 50 Markets
- Comparison of Pleasure to Business Visitors
- Top Ports-of-Entry

Highlights from the *2010 International Visitation to the United States* report include:

- 2010 international visitation set a new record to support the National Export Initiative.
- The United States welcomed 60 million international visitors in 2010, 5 million more than the year before.
- In 2010, the top inbound markets continued to be Canada and Mexico, both of which were up in arrivals along with eight of the nine overseas regional markets.
  - Non-resident visits from Canada, which set a record in 2010, and Mexico were up 11 percent and one percent, respectively.
  - Four regional markets brought in record levels of visitors to the United States in 2010: South America, Oceania, Middle East and Africa.
  - Asia, South America, Oceania and the Middle East experienced the strongest growth in 2010, due in part to record level arrival totals from Brazil, South Korea, Australia, China, India and Colombia.
- Annual overseas arrivals (excluding Canada and Mexico) totalled 26.4 million during 2010, up 11 percent from 2009.
  - In 2010, travel from overseas markets accounted for 44 percent of total arrivals to the United States.
  - Overseas travel was up one percent from its peak in 2000, creating a new record level of overseas visits for the United States.
  - Seventeen of the top 50 overseas markets set new visitation records in 2010.

The *Fast Facts: United States Travel and Tourism Industry - 2010* report is a one page summary of key information on the impact of travel and tourism on the U.S. economy. This report includes aggregate data on:

- Employment
- Market Share
- Receipts
- Visitation

01 April 2011 – Source Travolution

### **Expedia's Hotwire Launches in the UK**

Hotwire, the major US discount travel site owned by leading OTA Expedia, has launched in the UK. The brand, which provides last minute hotel deals, is offering rooms in more than 2,450 cities worldwide. The company has been operating for more than 10 years in the US and its UK launch marks the start of a global push. Clem Bason, president of Hotwire, said: "We are proud to announce the launch of Hotwire in the UK, bringing British customers the best hotel deals from some of the most trusted hotel brands in the world." Customers are looking for new ways to save when booking a holiday or short break. At Hotwire that's what we do. We work hard every day to bring unsold rooms to consumers at deeply discounted prices ensuring that customers continue to have great travel experiences, they just pay less for them." Hotwire, which is owned by Expedia, also handles cheap airline tickets, car rentals and cruises although currently these features are not available in the UK. The company is focusing on building relationships with hotels initially. It already has 25,000 hotels including the properties operated by the Hilton and Intercontinental groups. Hotwire claims it can negotiate up to 50% off room rates.

04 April 2011 – Source Travel Daily

### **Virgin launches A330 to Manchester, Airline launches touch screens across in-flight entertainment**

Virgin Atlantic introduced its new A330 aircraft to its Manchester- Orlando route on Saturday. The plane delivery is one of 10 that the airline will receive over the next two years and it is set to feature a range of technological advances. These include touch screen systems that mimic a tablet style of entertainment. As part of the service, passengers will be able to rate what they are watching and bookmark films, television shows, music or games for later. There will also be an ability to view destination tips from travellers and Sky News updates (including radio and sports). Passengers will be able to view two things at once (such as watch a film and view the moving map) and have the option of plugging in mobile devices through USB to see their own content. Then later this year, Virgin Atlantic's A330 passengers will be able to send and receive emails and texts on Blackberries, PDAs and other mobile devices. "Virgin Atlantic has always led the industry in in-flight entertainment and technology – we were the first airline to provide all passengers with seat back television screens nearly twenty years ago and have since then been the first British airline to introduce texting and emailing facilities onboard," said Dee Cooper, director of product and service for Virgin Atlantic. "The new system Jam is simple and fun to use and is more like a tablet touch screen entertainment screen."

05 April 2011 – Source TTG

### **Government confirms green tax to be imposed on top of APD next year**

Treasury minister Justine Greening today confirmed that the industry will face extra costs from the emission trading scheme (ETS) as well as higher air passenger duty rates next year. In a question and answer session, economic secretary to the treasury Greening told delegates at the Abta travel matters conference, that the ETS will be imposed on top of APD in 2012. The industry has been united in calling for APD to be scrapped or reduced when ETS comes into force. But Greening's confirmation means the industry will face the new cost of ETS at the same time as a double inflation increase on APD after this year's increase was postponed in the budget. Greening confirmed that ETS would be on top of APD after she was pressed on the issue by Co-operative Travel managing director Mike Greenacre. Greening said the government was doing other things to help businesses such as reducing corporation tax and trying to revive the economy which would help all sectors.

But she said aviation had to accept that it had other tax advantages such as not paying vat on air tickets.

### **Government promises 'fairer' APD reforms**

The government is promising to make its reforms to Air Passenger Duty “simpler, fairer and more efficient”, the economic secretary to the treasury said today. Justine Greening told the Abta Travel Matters conference that the consultation into changing APD would aim to create a sensible structure for the tax that would include removing anomalies such as travellers paying more tax on flights to the Caribbean than to destinations that are further away, such as California. Greening said the government was welcoming the chance to talk to interested parties within the travel industry during the consultation process, which runs until mid June. “We are looking for a sensible conclusion to APD structure for the years ahead,” she said. “We are looking to provide a level of certainty for the travel industry. “We are looking for a taxation that works for people – that is fair and does not unduly distort or impede the decisions of consumers and industry.” Greening said that plans to change to a per plane duty were not currently feasible because they did not comply with international law. She said that aviation accounted for 6% of total UK emissions in 2010 and that this proportion was set to rise further in the coming years, and added that this was why aviation was going to be included in the European Union’s emissions trading scheme from 2012 onwards.

06 April 2011 – Source Travel Daily

### **British Airways increases long-haul fuel surcharges**

British Airways has increased its fuel surcharges on long haul flights following the continued rise in fuel. The fees will come into effect on Friday and there will be no rise in charges on short-haul or domestic flights. As a result, World Traveller flights under nine hours will face a fee of £85 and flights more than nine hours in duration will have a £98 fee. Meanwhile World Traveller Plus passengers will be charged £95 and £116.50 for the respective flight

lengths. First and Club World flights will increase to £125 and £145. “It’s with real regret that we have to increase our long-haul fuel surcharge. As customers will know from the price at the petrol pumps, the cost of fuel has continued to rise significantly over the past three months,” said Nick Swift, chief financial officer at BA.

07 April 2011 – Source Travolution

### **St Pete CVB deploys augmented reality ‘3D tour’**

Destination marketer [Visit St Pete/Clearwater](#) has launched a new marketing campaign featuring augmented reality. The US convention and visitors bureau created the 'Two Treasures 3D Tour' with the help of [Digital Frontiers Media](#) and [Miles Media](#). To launch the 3D tour, users print out a 'marker' and hold it up in front of their webcam while on the Visit St Pete/Clearwater website. It then transforms into an interactive beach scene with a superimposed human host. Visit St Peter/Clearwater said this is the first use of this type of 3D augmented reality in the travel industry. “With the vast majority of travellers - including more than 600,000 Britons - who visit St Pete/Clearwater Florida each year having researched vacation spots online, we wanted to provide something to augment that experience and make it more enjoyable,” said executive director DT Minich. “This new, interactive approach complements both our website and our printed visitor guide, and it’s definitely a unique way to promote the area.”

13 April 2011 – Source Travelmole

### **British Airways plans total re-brand**

British Airways has confirmed it is planning a re-launch of its brand, but it is keeping details under wraps until the autumn. A spokesman for the airline said today: "We are currently working on the re-launch of the BA brand, first internally with our staff then later in the year as an advertising campaign." It will be the first dedicated brand campaign for the airline in two years, and the first since it became part of the International Airline Group. According to Marketing magazine, the ad campaign is expected to break in early September. It quoted BA's former global marketing head Kerris Bright saying the campaign 'will put a great brand back on the map'. However, Bright left the airline earlier this month and BA's head of brand engagement Abi Comber is leading the carrier's marketing activities until a replacement is found. BA is understood to have retained creative agency Bartle Bogle Hegarty as well as digital and direct agency OgilvyOne, after an internal review of its agency support.

14 April 2011 – Source TTG

### **The clock is ticking: warning over lates market**

Industry bosses have warned that agents and operators will face an "acid test" in May as businesses come up against some of the latest booking trends ever seen. Easter and the royal wedding are expected to hit April sales –compounding the impact of declining bookings over the past two months as a result of global natural disasters, unrest in the Middle East and economic uncertainty – and leave the summer season dependent on May bookings.

Advantage chief executive John McEwan said British Retail Consortium figures out this week showing a monthly sales drop of 1.9% – the worst for 16 years – were reflected in the travel industry's performance. He said global events had raised the level of concern among consumers, and the lates trend was continuing, with March bookings made about eight weeks before departure. "The acid test will be once we get into May and the lates period. Last year we had the ash cloud, the election and the World Cup, but this year it will be a clearer period." Jo Rzymowska, Royal Caribbean International's UK and Ireland managing director, said booking patterns this year were the latest she had seen in her six years in the sector, because customers were "holding out" before booking. Dave Clayton, managing director of the Global Travel Group, agreed: "We've seen people booking later and later this year, in case something happens – like another volcano deciding to go off." Sunvil Holidays managing director Noel Josephides said bookings had remained "fairly flat", indicating another late market, and predicted bookings for the second half of April would not be much up on last year's post-ash cloud period. Paul Riches, Youhotels.com's sales and marketing director, said May would serve as a sales barometer for the year, after January, February and March performed worse than in 2010. Complete Cruise Solution sales director Giles Hawke agreed that the booking curve had changed over recent years, but said he had noticed that customers were prepared to pay more for a late booking than previously. McEwan added that average selling prices across the market were about 7% up on 2010, meaning revenue was holding strong, even though the rise was not pure profit as some of it was caused by rising fuel prices and APD.

15 April 2011 – Source TTG

### **Hopes rise of end to BA strike threat**

Hopes of an end to the long running British Airways cabin crew dispute have risen after union leaders held back from calling fresh strikes to allow peace talks to continue. Members of Unite voted last month to stage fresh walkouts, but their mandate for a strike

ran out on Monday, meaning dates for any action would have had to be announced by the end of this week. But in a joint statement the two sides said that a 28-day extension had been agreed to allow talks to continue, as a lasting peace was essential for cabin crew and customers. The dispute started over changes to staffing on some flights, but intensified to cover removal of travel privileges from crew who took part in strikes, and disciplinary action against some members. The statement said: "To achieve such a peace, it is understood by British Airways that cabin crew must feel that their concerns are being fairly dealt with, and it is recognised by the union that the management and acceptance of change is the key to lasting peace." It added that a lasting settlement would require restoration of staff travel privileges, a review of disciplinary procedures, and measures to address concerns over "earnings and lifestyle" caused by the changes to staffing levels. The statement went on: "The current strike ballot mandate given by cabin crew means industrial action must be announced by April 15. Both parties accept that this would severely undermine any attempt at a genuine settlement. "Accordingly, British Airways is prepared to grant an extension of 28 days to the Union. "A variety of meetings will now take place in the belief that the optimism of recent weeks can be turned into a reality that will allow British Airways to focus on delivering the high-quality service our customers expect, and to take all its staff confidently into the future." The deal means the threat of a strike over Easter and the royal wedding period has been lifted.

18 April 2011 – Source Travelmole

### **Brits shot in Florida**

Two British tourists holidaying in Florida have been shot dead. The bodies of James Cooper, 25, and James Kouzaris, 24, of Northampton, were found by police in the small hours of Saturday morning in a gang-infested area of Sarasota called Newtown, which has been the scene of 12 shootings in the past year. A 16-year-old boy has been arrested and charged with the murders. The men were staying 12 miles away in a more upmarket island city called Longboat Key. Police were called to the crime scene after a local called 911 after hearing gunfire. The men were pronounced dead at the scene, where officers marked 20 shell casings on the street. Captain Paul Sutton of the Sarasota police told The Daily Telegraph: "We're trying to work out why they were in this area. It's a residential area and not somewhere that would normally attract outsiders". He said the dead men had not been carrying any weapons or drugs or a high amount of cash.

21 April 2011 – Source Travelmole

### **Virgin jumps into bed with hotel giant**

Best Western has inked a deal with Virgin Atlantic allowing its loyalty programme customers to earn flights with the carrier. Members of Best Western Rewards can now collect 500 Virgin Atlantic Frequent Flyer Club Miles during every night's stay at a UK property. The group publicised the launch with a video on Youtube recreating the glamorous Virgin Atlantic 25th anniversary ad featuring beautiful air crew and a super cool pilot swanning through a hotel lobby. Only this time, the crew were Best Western staff and the pilot head of marketing Tim Wade. Director of Best Western Keith Pope said: "The partnership between Best Western and Virgin Atlantic is a great strategic fit with the personality of both brands working well together. "We worked on the deal in the British office based in York and thanks to the dedication of the team involved we have seen the partnership develop to a global scale with all international offices partaking in the scheme." Best Western loyalty scheme members can already redeem points with Marks

and Spencers, Amazon, Debenhams or donate them to the NSPCC.

27 April 2011 – Source Travel Daily

### **Last minute trend to continue, suggests survey**

Nearly two thirds of Britons have not yet booked their summer holiday for 2011, suggesting that the last minute booking trend is set to continue. Research from Travelzoo found that 64 percent of Brits hadn't booked their main summer holiday but 59 percent were certain they would take a holiday in the spring. Of those who said they would go away, 21 percent planned to spend £900 in total and 35 percent would spend more than £1,500 per person on their main holiday. "It will come as no surprise to most of the travel industry that more than two thirds of people have not yet booked their main holiday this year," said Joel Brandon-Bravo, managing director of Travelzoo UK.

### **Online travel agency launches new website**

Online agency Travel Republic has launched a new, more user-friendly version of its website after seeing bookings more than double since 2007. The new site has a more modern design and easier search tools for hotels, flights, car hire, airport transfers and airport parking, said Travel Republic. Users can also view a map with Google Street view to see the precise location of particular hotels for the first time and hotel searches can be filtered using criteria such as customer ratings. Travelrepublic.co.uk has increased integration with social media sites Facebook and Twitter, so users can click 'Like' or 'Tweet' buttons on any page on the site to share recommendations with friends. Managing director Paul Furner said "The new website is much faster, more user-friendly and has a fresh, modern look and feel. We are absolutely delighted with the extremely positive feedback we have already had from our customers."

And finally.....

### **US visitors top inbound travel for Royal Wedding...Heathrow rolls out red carpet**

British Airways will be carrying more than 250,000 people into London this week ahead of the Royal Wedding celebrations. According to the airline, the event is proving a huge draw for tourists from the USA, with the top six busiest routes into the UK capital being New York, Boston, Washington DC, Los Angeles, Miami and San Francisco. Scotland leads the way for short-haul travel, followed by France and Germany. There is also high demand for inbound flights from Paris, Nice, Munich and Berlin. Meanwhile, Heathrow Airport is laying half a kilometre of red carpet in its arrival halls to welcome passengers over the next two days. Passengers will be given the 'royal treatment' until Friday evening, which includes a cup of Twinning's Earl White tea on arrival.