

UK OFFICE

February 2013 REPORT

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UK Director

Tour Operators

Trailfinders

A meeting was held with Andrew Lambert and Tom Dale to discuss the area in general and to provide updated information on area hotels, attractions etc. We have been advised that 2012 saw a total of 980 room nights being booked to our area and that things are looking strong for the start of 2013. The product Trailfinders feature will remain the same for the time being but they will be reviewing all hotels featured within their USA & Canada brochure in the coming months. Their current product portfolio includes the Hilton Clearwater Beach (their top seller in 2012), The Sandpearl Resort, The Marriott Suites on Sand Key, The Barefoot Beach Hotel, The Tradewinds Island Grand and Guy Harvey Outpost resorts. Discussed training for their front line counter staff based in their flagship stores in Kensington, London and discussions are on-going to secure this in the coming months.

Scandinavian Sales Mission

Meetings were held with the following operators

Nyhavn Rejser, Copenhagen – Met with Dorthe Hansen, Product Manager. Nyhavn have a very upmarket product and find it hard to sell Florida as they find it hard to compete. Provided area updates and information on our upmarket resorts.

FDM Travel, Copenhagen – Met with Jesper Ewald, Head of Product. FDM send approx. 30,000 passengers annually to the US with 30% of those travelling to Florida. VSPC not currently featured in their programme but they are considering expanding when a new res system is implemented, giving them access to a greater hotel inventory. Advised I would be prepared to back inclusion with some co-op marketing money. Will follow up further at Pow Wow

ETraveli, Stockholm – Met with Helena Sjorgen, Sales Manager. ETraveli are the largest OTA in the Nordic countries, with a number of different brands and have just started selling Florida ground product last October. Discussed possible co-op campaign along the lines of previous Expedia campaigns with a reach of over 2 million consumers in Sweden, Denmark, Norway and Finland.

VIA Tours, Oslo – Met with Lise Finjarn, Product Manager. Via Tours do not produce a brochure instead working from an online tariff available through their 43 shops across Norway. Florida is selling very well for them this year and they do feature St Pete/Clearwater. Discussed a possible May promotion in their stores and awaiting a proposal.

USA tur, Oslo – Met with Christian Willumsen, Product Manager. They are a new operator having started only a year ago. They specialise in high end tailormade trips as they cannot compete in the mass Florida market. Provided area overview.

Norwegian Airlines, Oslo – Met with Lars Sande, Director of Sales. He provided an overview of the growth of Norwegian Airlines who are launching flights to New York at the end of May from Oslo and Stockholm. They are also looking at launching a direct Florida service which looks like it will be to Fort Lauderdale. However if this route is successful they are seriously considering a direct service to Orlando.

Discover America, Norway – Met to discuss current and proposed activities for the Committee. Widar Jensen provided more information on the proposed Norwegian operator fam as well as the dates for Reiseliv in 2014 and the proposed agent roadshow in early October 2013.

- Lunch with Swanson's and Kilroy Travels in Stockholm and with American Explorer in Gothenburg
- Attended the Swedish Travel Awards in Stockholm
- Dinner with Nordman's Resjer and American Holidays in Oslo

Trainings were held for staff at the following operators:

- Billet Kontoret, Copenhagen
- Spies, Copenhagen
- Ving, Gothenburg
- Ving, Stockholm
- My Planet, Gothenburg

Other Meetings

Sirata Beach Resort: A meeting was held with Stephanie Alexander from the Sirata Beach Resort when she was in town recently. The Sirata Beach Resort updated us on what's new in resort and we also discussed the current UK & Irish markets.

Trade Shows

Ferie – Herning: Florida's Beaches attended the show in Herning, Denmark from 21st – 23rd February. The booth was manned by St Pete/Clearwater and Fort Myers staff. The booth was part of the Discover America Pavilion with other US exhibitors being the Florida Keys, California Tourism, Cruise America, Delta Airlines and Profil Resjer. In addition there were a number of tour operators in the same hall selling US and Florida product. Total visitors to the show this year were 63,840, which was down slightly from last year at 66,295. Visitors were surveyed on exiting the show and 18% of visitors expressed interest in visiting North America. Danish consumers, as with other Scandinavian countries, were intent on touring around Florida and were open to suggestions as to where to go. All seemed to be stopping in Miami and Orlando. Average vacation duration was 2 weeks. Any brochures left over at the end of the show were distributed amongst the tour operators for their offices.

Swanson's – Osby, Sweden : Florida's Beaches attended the Swanson's show on 2nd March. The show was staffed by Fort Lauderdale. The show received 1298 visitors which was a record number and 143 packages were booked during the day including 49 to Florida.

Visitors were asked for information on their travel plans of which 538 visitors provided information.

264 planned to travel this year
151 planned to travel next year
74 planned within three years
15 had no plans

This means that more than 90% of those who replied are planning a trip within two years.

The main destinations planned:

New York	27%
Florida	19%
Fly/Drive	10%
Tour with Swedish tour guide	11%
Cruise	11%
West Coast	22%

TRADE LIAISON

- **Funway Holidays:** Finalised all co-op activity elements with Funway Holidays. Activity that has been approved in the past few weeks included the Travel Bulletin newsletter banner ad, 1/4 page strip ad, full page ad. The solus email blast to the Funway trade database of over 5,000 travel agencies, the Funway homepage feature, the Funway web banner ad to a dedicated landing page on the Funway site as well as the dedicated Funway email blast. The last of the activity will be taking place in March
- **Premier Holidays:** Confirmed a joint co-op marketing campaign with both Premier Holidays and SeaWorld Parks & Entertainment. We have confirmed the activity will be taking place in May 2013. The proposal included both trade and consumer elements including retail in-store poster displays and in-store leaflets to be handed out to the travel agents' customers, a dedicated trade web page for agents to learn about the promotion and staff incentive, a consumer webpage (dedicated landing page) and banner ads as well as a trade and consumer e-newsletter to both databases.
- **Barrhead Travel:** Work has started on the joint promotion with Barrhead Travel and SeaWorld Parks & Entertainment. The joint activity will include a radio advert, a postcard mailer to a selection of their consumer database, offers in regional press adverts, point of sale in their Glasgow branch of Barrhead Travel, A3 posters in other branches throughout their retail network,, radio ads, a 2 week homepage promo box banner ad leading to a dedicated landing page as well as web activity. The promotion is due to start in the 3rd week of March and continue until the end of the month and on some elements into April 2013.

- Norwegian fam trip has been confirmed for April and will involve Norwegian tour operators and travel agencies. The group will stop in SPC as part of a trip that includes Orlando, Fort Myers and Miami. The group will spend 2 nights in SPC and itinerary is currently being finalised.
- American Holidays: Preparations on going with American Holidays in Ireland finalising our joint co-op marketing activity. The campaign features online advertising including premium display ads leading to a dedicated landing page with destination information & offers, an e-newsletter to their consumer database, press advertising as well as social media activity.
- THG Holidays: The joint advertisements have now been finalised and been placed. The ads featured an image, logo and a special offer to the area to encourage consumers to contact THG Holidays for further information and to book the destination. The campaign has also included an e-newsletter to their trade and consumer databases. Results to follow.
- TUI Specialist: We have again confirmed our participation with an advertisement on the back cover of the Jetsave Florida Summer 2014 brochure. The brochure will be racked in 5000+ Thomson and First Choice branded retail stores as well as their independent travel agent partners.
- Decathlon Promotion: Work has started on a brand affinity marketing campaign in partnership with Jetsave Florida and Decathlon due to take place in April 2013 for the period of one month. Activity confirmed includes in-store and online promotions for a chance to win a family holiday for 4 to St. Pete/Clearwater. Jetsave are providing the holiday giveaway for the promotion.
- Norwegian Cruise Lines: We have been given the opportunity to participate in the inauguration of the new NCL cruise liner that is due to set sail in April 2013. We have been offered the opportunity to have a stand on board whereby we can interact with 3000+ UK travel agents over the period of one day/one night, promoting our destination as a pre & post cruise stay. The event will take place in Southampton, where the ship will be docked and takes place a day before the ship sets sail on its maiden voyage.
- British Airways Holidays: Confirmed our participation in the Mini Travel Market for Florida at the BA Call Centre in Newcastle which will take place in April. VSPC will have the opportunity to meet all the call centre staff during the day and promote/train them on our destination. We will also provide area literature as well as giveaways and sweets to all the staff that attend.
- Visit Orlando & Visit St. Pete/Clearwater – A joint two day training mission to Ireland has been confirmed with Catherine Hamou from the Visit Orlando office in London. We have secured trainings with Tour America, American Holidays and Sunway Holidays. A meeting with Ivan Beacom, Leisure Business Manager for Europe at Aer Lingus has also been secured and we will also be attending the Visit USA Association quarterly meeting taking place in Dublin.
- Visit USA Committee – Ireland: We have confirmed participation as a main sponsor of the Visit USA Agents Appreciation Night which will be taking place in Dublin for 100

Irish travel agents in May this year. Sponsorship includes our logo on any signage, all correspondence with the agents, the chance to show a video and address the agents on the night. Preparations on-going.

- Visit USA February Newsletter: Provided the Visit USA Association in Ireland with information on our area to include in their February e-newsletter to both their trade and consumer database. The information supplied covered the recent accolades won by our area beaches.
- Premier Holidays: Discussions taking place to secure training for the Premier Holidays call centre staff to link into our co-op marketing activity scheduled for May 2013. We are also in discussion about running an in-house res staff incentive to follow on from our campaign.
- Travel Counsellors: Supplied area literature and information to a Travel Counsellor in Guernsey for them to distribute to their customers who are travelling to our area in 2013.
- Hayes & Jarvis: The February edition of the Hayes & Jarvis consumer e-newsletter featured our area as a twin centre package with Orlando and featured the Hyatt Regency Clearwater Beach hotel within this package.

ENQUIRIES:

Telephone/website enquiries for information and/or literature

60

MARKET INTELLIGENCE:

04 February 2013 – Source Travel Daily

Passenger demand slows in 2012

Global passenger air traffic increased 5.3% during 2012 compared to the previous year, new IATA figures have said. The growth has dipped from 2011's 5.9% growth with load factors for 2012 at near record levels of 79.1%. international travel saw a larger boost than domestic routes, although in Europe the growth was seen from airlines based outside of the Eurozone, particularly Turkey. In Europe specifically, capacity increased 3.1% pushing the average load factor to 80.5% - the second highest behind US-based carriers.

04 February 2013 – Source Travelmole

Big operators say things are looking up

Cosmos has reported a stronger than forecast start to the peaks sales campaign, with sales across brands significantly ahead of forecast and prior year. MD Hugh Morgan of parent The Monarch Travel Group said: "We have had an excellent start to our peaks campaign. "We went out with a very clear message for our package holidays of low deposits, great value for money and ATOL bonding, and consumers have responded to this. "There are undoubtedly more consumers buying in peaks this year versus last year when the Queen's Jubilee, European Football Championship and of course, Olympics encouraged some travellers to hold off buying." Meanwhile TUI chief executive Peter Long said that, compared to previous

years, there were "not a lot of negatives on the horizon". In his outlook of the year ahead (see here) Long said the travel industry was benefiting from the incessant rain throughout the seasons that was prompting people to book holidays abroad. "You can't say customers aren't spending, but they are being selective and looking for value," he said. Cosmos claimed it was outperforming the package market, which is showing 1% growth for summer 2013. "In fact, we had our best ever sales day on January 5, with sales for that week up 30% year on year and this week sees sales up by 50%," said Morgan, but he did not disclose actual figures. Monarch Travel Group's other trade brands, Avro and somewhere2stay, have also fared well in early season sales, with passenger numbers exceeding expectations, he added. "Sales in our dynamic packaging brands are also very strong. Monarch Airlines has gone into new bases at Leeds Bradford and East Midlands airports, and has increased its aircraft numbers for summer 2013. That has allowed us to offer more flight seats to the trade through Avro, and we've taken additional bed stock into somewhere2stay to support the increased flying programme - it's all adding up to be a very positive story."

05 February 2013 – Source Travelmole

Trade reports strong start to 2013

The trade is hoping for a buoyant 2013 as tour operators and agents see a positive start to the year. Record numbers were reported at the recent Destinations travel show in London with Saturday being the busiest day in 10 years. Leger Holidays took the highest number of holiday bookings ever during the show and reports January has been 'significantly' better than last year on most product types. Huw Williams, marketing director said: "I think consumer confidence is improving in relation to travel and that consumers are determined to ensure they enjoy at least one good holiday in 2013." Ellen Walker, groups manager of Brightwater Holidays, reported that the quality of inquiries at the show was incredible and that people were there 'with the intention of booking'. "The demographics were very much the 50 plus market. I think people have just had enough - there's only so much doom and gloom you can take. People were there on a serious mission. "The key is having something different to sell - something that people can't really package themselves." Agents are also finding sales on the up. Advantage Travel said passenger sales for summer 2013 were up 14% year on year with revenue sales on a par with 2012. Travel Counsellors reported overall sales up 11% in January from the previous year and on a worldwide scale, record sales of £42 million in the month. Midcounties Co op also saw sales up 8% in January but admitted the severe weather affected trade in some of its agencies. Group general manager, Alistair Rowland said: "What it looks like is people give up most things but not their main summer holiday. There's also a move towards all-inclusive and sensible value deals." This fits in with operators Cosmos and TUI which have already reported a stronger than forecast start to 2013.

07 February 2013 – source Travelmole

We're on track says Thomas Cook

Thomas Cook has released a positive interim statement, saying its business transformation is firmly on track. Chief executive Harriet Green said although trading conditions remain "challenged" she is confident of a turnaround. "We have seen stronger operating performances in our major markets - the UK, Germany and the Nordics," she said. "I am particularly pleased with the improved performance in the UK as the benefits of the turnaround plan are reflected in its operating results. "Our business transformation is firmly on track. We have further strengthened our leadership team and the pace at which we are driving change gives me confidence that together we will achieve our near term objectives

and much more. "The business has generated higher gross margins than we did last year and this will remain an area of focus for us through the financial year. "Our cost-out initiatives and improved cash management will be important contributing factors to the Group's future performance and continue to receive strong focus in all parts of the business. "Although global economic conditions and consumer confidence remain challenged, our business transformation is firmly on track." Thomas Cook reported revenues of £1,724 million in the three months to the end of December, with a gross margin of 21.9%, up 1.3 percentage points over the same period last year. Underlying operating profit improved to losses of £70 million, compared to £93 million in 2012. The group plans to achieve annual savings of £100 million by 2015 and has identified another £60 million of savings.

09 February 2013 – Source Travel Daily

TUI continues positive trading

TUI continued to benefit from its exclusive contracts and bedbanks in its most recent first quarter, its latest figures have revealed. The company saw its operating loss drop by GBP16 million to GBP93m during the period up to 31 December 2012, with its 'unique' holiday bookings in the UK up 15% for summer 2013. The company said 83% of its winter 2012/13 holidays are sold with summer 2013 bookings up 9% for the UK market. "We are pleased to report that our strong trading momentum has continued with particularly encouraging growth in the UK and Nordics. Our leading position in the UK has further benefited from increased market share as a result of higher demand for our unique holidays," said Peter Long, ceo executive of TUI Travel.

12 February 2013 – Source Travolution

TUI aims to cut out Google from online sales business

Cutting out Google from its online sales business is the ultimate aim, said Tui Travel's marketing director at Travel Marketing Question Time this week. Jeremy Ellis said he thought the travel industry had become too price-focused, but added that brand still needs to play a role. "Our aim is to maximise the exclusivity that we have," said Ellis. "The ambition will be to cut Google out completely. The more we can do that with exclusivity, the less reliance we have on Google." At the event, hosted by the Chartered Institute of Marketing's Travel Industry Group (CIMTIG) in London, Ellis said that Tui Travel didn't want to operate in the commodity market. "We believe our differentiated product strategy allows us to charge a premium," he said. "We have got to build a brand to enable people to come to you for what you stand for. "If we didn't tell people what our product is all about, people wouldn't pay that premium." However, he added: "We will never sell commodity because we are a large mainstream business, but there's only so much that we can sell at a premium so there will always be demand for commodity." Richard Singer, Travelzoo's managing director for Europe, said: "People want to go on holiday as cost-effectively as possible. They want to save as much money as possible. There will always be capacity that needs to be sold, that's just a reality of the travel business today. "Deals will always exist," he continued, adding: "There's definitely a difference between people pushing brand and people filling capacity." Speaking from a destination point of view, Carol Hay, director of marketing at the Caribbean Tourism Organisation, said her friend summed it up perfectly: "I want the cheapest room in the best hotel." "They do want value but they want a deal as well," said Hay, but said that some of their luxury islands and properties couldn't be sold as value deals. "As a region, we have to be mindful that while we do want value, there's some that can't be sold cheaper," she explained, citing private luxury islands like Mustique, a popular holiday spot

for the Duke and Duchess of Cambridge. Steve Endacott, chief executive of On Holiday Group, said that if everyone is trying to offer differentiated product online as a way of setting themselves apart, it may ultimately still come down to price. The value of social media also cropped up at the event, as did Air Passenger Duty. "Social channels are not strong sales channels at the moment but it's a great place to share content," said Ellis. "The biggest feedback we get is that they [customers] are not comfortable making money from their friends, so your whole approach has to be anti-commercial," Endacott advised.

12 February 2013 – Source Travelmole

Thomas Cook numbers improve

Thomas Cook posted an improvement in its underlying operating results last week of GBP70m from GBP90m in 2012. The travel company said its transformation programme was "firmly on track" with "robust" winter and summer bookings in line with its expectations. Its net debt reduced by GBP86m year-on-year with its quarter one revenue at GBP1.7bn. Harriet Green, group chief executive at Thomas Cook said the UK market and the firm's brand name had been key to its growth. "As we continue to strengthen Thomas Cook and determine our profitable growth strategy for the future, the power of our brand remains key to the transformation," she said.

12 February 2013 – Source Travelmole

Gatwick passenger numbers fall

Gatwick saw a slight drop in the number of passengers using the airport last month, which it blamed on challenging economic conditions and the poor weather in January. Numbers were down 0.8% year on year, but domestic traffic was up by 6,800 and the airport handled 21,900 more long-haul passengers than in January the previous year. Chief financial officer Nick Dunn said: "In January we saw a slight decline in the number of passengers travelling through Gatwick, which is a reflection of lower European traffic. However this was balanced with growth from long-haul airlines serving Asia. Garuda Indonesia will operate six direct flights a week from Gatwick to Jakarta starting in winter 2013, making Gatwick the only UK airport to connect passengers directly to the largest economy in South East Asia. However, Korean Air has announced that it is to cancel its Gatwick to Seoul service, less than a year after launching the flight, which the airport said was a sign of the UK's challenging economy. The airline also has a new competitor on the route, since British Airways launched a five-times-a-week service from Heathrow in December.

13 February 2013 – Source Travelmole

TUI sells fewer packages at higher prices

Thomson and First Choice parent TUI Travel saw customer numbers fall by 3.4% in the first quarter, but an increase in the average selling price meant turnover rose 1.3% to around €3.4 billion. It said the rise in package prices was achieved through an increase in sales of exclusive product. However, figures released at the AGM by TUI AG, which owns a majority stake in TUI Travel, show the travel giant's seasonal loss increased year-on-year from €130 million to €147 million. While the overall business performance was positive, this decline is exclusively attributable to recognition changes by TUI Travel, it said. "Compared with the prior year reference period, TUI Travel updated the parameters used for the measurement of empty leg costs for inbound customer. "Excluding this effect, which will

balance out over the quarterly results and thus will not have a full-year impact, TUI Travel's operating result would have been around €12 million up year-on-year." Last month, TUI AG announced it had backed out of talks with TUI Travel about a possible merger of the two businesses. After today's AGM, Friedrich Jousen will take over as CEO of TUI AG from Dr Michael Frenzel, as announced last year. Jousen has been a member of the Executive Board of TUI AG since October 2012. The chairman of the Supervisory Board of TUI, Professor Dr Klaus Mangold, thanked the outgoing CEO for his commitment. "Dr Michael Frenzel has created Europe's largest and strongest travel group by far. "The transformation of the Group is his entrepreneurial life's work."

13 February 2013 – Source Travelmole

Ryanair's takeover of Aer Lingus blocked by Europe

Ryanair's third attempt to takeover Aer Lingus is to be blocked by the European Commission. The airline said it was notified at a State of Play meeting with the EC that the Commission intends to prohibit its offer for its Irish rival. Ryanair said it will appeal against the decision to the European Courts and has already instructed its lawyers. Ryanair claimed it had "met every competition concern" raised in the EU's Statement of Objections during the review process, including providing the EU with commitments from two buyers to eliminate all competitive overlaps between Ryanair and Aer Lingus. " IAG has committed that they would take over divestments of Ryanair's and Aer Lingus' entire London-Gatwick operations, and Flybe has committed to take over 43 Aer Lingus UK and European routes," it said. "Given that the EU Commission recently approved IAG's acquisition of BMI at London-Heathrow on the basis of three year commitments, the EU's claim that it could not be satisfied of IAG's and Flybe's commitments to these Irish routes after three years is another example of the EU holding Ryanair to a much higher standard than any other EU airline," said a spokesman. Ryanair's Robin Kiely added: "It appears clear from this morning's meeting, that no matter what remedies Ryanair offered, we were not going to get a fair hearing and were going to be prohibited regardless of competition rules. "Given Ryanair's remedies package clearly addresses every issue raised in the EU's Statement of Objections, any decision to prohibit would be manifestly unfair and in contravention of EU competition rules. "Ryanair has no alternative but to appeal any prohibition decision and we expect to get a fair hearing at the European Courts, as we haven't received one from Commissioner Almunia and his case team. "This decision is clearly a political one to meet the narrow, vested interests of the Irish Government and is not based on competition law."

14 February 2013 – Source Travelmole

TUI Travel chairman to resign

TUI Travel chairman Michael Frenzel has announced his intention to resign as chairman as early as next month, six months earlier than originally planned. He announced today that he would step down at the next TUI Travel Board meeting on March 25. TUI AG, parent to Thomson and First Choice, has proposed that his position will be filled by Friedrich Jousen, who has just replaced Frenzel as TUI AG chief executive officer. TUI AG's director of digital strategy Sandra Leonhard has also resigned, the company announced today. It said Leonhard, who had led a group-wide digital transformation project for over a year, was leaving at her own request. The online and ecommerce expert said now the project was completed it was time for a new professional challenge. "I regret that Sandra Leonhard has decided to leave TUI Group," said Frenzel. "Having led the project Digital Strategy & Transformation, she has created a group-wide foundation to further expand the online

business. "Ms Leonhard enjoys an excellent reputation both within the company as well as in the international online travel industry. The Board of Directors would like to thank Ms Leonhard and we wish her every success in the future." Leonhard has been working in different online positions within the TUI Group for over eleven years and was responsible for the development of the Thomson website.

15 February 2013 – Source Travel Daily

American Airlines, US Airways announce merger

American Airlines and US Airways have announced they are to merge into one airline in an USD11bn (GBP7bn) deal. The carrier will operate under the American Airlines name and boost its global network, as well as fellow members of the oneworld alliance. The airline will be led by US Airways' chairman and CEO as CEO with American Airlines' boss Thomas Horton as chairman during the transition. American has gone through a major restructure in the last year ahead of the merger, which is due to be completed in the third quarter of 2013.

"Today, we are proud to launch the new American Airlines – a premier global carrier well equipped to compete and win against the best in the world," said Horton. "Together, we will be even better positioned to deliver for all of our stakeholders, including our customers, people, investors, partners, and the many communities we serve."

18 February 2013 – Source Travel Daily

Florida makes u-turn on driving licenses

Officials in Florida have suspended the state's requirements for international travellers to have a permit following confusion over the regulation. Those driving in Florida were supposed to have carried an International Driving Permit (IDP) from January although many companies and customers were unaware of the change in law. The Florida Department of Highway and Safety and Motor Vehicles (DHSMV) has now suspended the need for an IDP and those travelling to the state can drive with their own UK licence. However confusion remains into whether drivers should still carry an IDP due to the law that has been passed and the potential insurance claims in the US.

20 February 2013 – Source Travel Daily

BA adds new fare to compete with LCC's

British Airways has become the latest airline to announced new "hand baggage only" fares on selected routes as traditional European airlines battle it out with low-cost carriers. BA's new fares are available on its Gatwick routes to Amsterdam, Dubrovnik, Jersey, Tunis and Turin and allow passengers to take on a case plus a handbag or laptop bag. It comes following the success of carriers like EasyJet and Ryanair that have snatched some of the weekend city break and business market by

charging for checked baggage, therefore encouraging hand baggage only. With these travellers focused on price and convenience, airlines such as BA are now adopting a similar approach and are releasing 'no-frills' fares in an attempt to claim back passengers. KLM has too announced it will now ask travellers to check in baggage for European flights in its new fares. The additional benefit of these is the airlines can offer what appears at first as a cheaper starting price. Although as Peter Simpson, BA's director at Gatwick says: "Many British Airways customers on Gatwick short-haul breaks choose not to check in a bag as they're already taking advantage of our generous two-bag hand luggage policy. Those who still want to check in a bag will simply pay the same price they do now". Perhaps the airlines are

hoping the hand luggage-only fares will encourage customers to purchase higher class tickets.

21 February 2013 – Source Travel Daily

Pound hits lower rate against Euro, US Dollar

The pound sterling has plunged to its lowest rate this year against the euro and US dollar. According to the Post Office Travel Money, travellers can currently get just US\$1.41 for each pound, 5.3% less than early January and EUR1.05 for every pound, down 7%. The dollar exchange rate has also affected rates for the Barbados dollar, East Caribbean dollar and UAE dirham, while tourists will pay more for all European currencies this month except the Icelandic Krona. Despite the low against major holiday destinations, the pound has strengthened against 13 long-haul destinations. The forecast for Latin America “looks good” while the pound has also improved against Japanese yen; South African rand and Kenyan shillings. Those travelling to Egypt are also getting more for their pounds.

28 February 2013 – Source Travelmole

TUI snaps up tours business

TUI Travel has bought UK-based travel excursion and tours provider isango! for an undisclosed sum. The business will form part of TUI Travel Accommodation & Destinations, the travel giant's accommodation and inbound travel arm. It provides airport meet and greet services, excursions, transfer, tours and other tailored products and handled 12 million customers last year. TUI said its acquisition of isango! was part of its strategy to invest in fast-growing segments of travel and to enhance its plans to grow online sales of destination services. Isango! was launched in 2007 to offer an online booking facility for tours, sightseeing, attractions and activities in more than 60 countries. It claimed the market for tours and activities is predicted by Euromonitor to grow at over 7% a year until at least 2015. Carlos Muñoz, managing director of TUI Travel A&D, B2B division said: "Isango fits well into our strategy, and brings complementary products, as well as innovative technologies. "We will be integrating isango's technologies and product lines into our business to enhance our online distribution channels and increase sales of our travel products in destinations to our customers worldwide." Isango! will continue to be managed by its existing management team, led by co-founder and CEO Ranjan Singh. "This is a pivotal time for isango! Becoming part of TUI Travel is the icing on the cake and caps a strong period of growth for our business," he said. "By combining the strengths of the two businesses, we can create a formidable player in this very exciting sector of the travel. We are excited to be sharing our consumer insights and leading edge technologies with the major player in this market."