

# **UK OFFICE**

## **March 2013 REPORT**

**Prepared by: Venessa Alexander**  
**UK Director**

### **Meetings**

Visit Orlando & Visit St. Pete/Clearwater – The joint two day training mission to Ireland has now taken place. We trained agents at Tour America, American Holidays and Sunway Holidays and covered a total of 45 front line sales staff in those trainings. We provided all staff with literature and giveaways as well as hosting pizza and drinks for the staff at Tour America. A meeting was also held with Ivan Beacom, Leisure Business Manager for Europe at Aer Lingus to discuss the area in general. Also attended the Visit USA Association members meeting in Dublin.

### **Trade Shows**

**TUR - Gothenburg:** A representative from both the Miami Convention & Visitor's Bureau and Visit St. Petersburg/Clearwater attended the TUR Trade and Consumer show in Gothenburg, Sweden from the 21<sup>st</sup> – 24<sup>th</sup> March 2013, on behalf of the Florida's Beaches Consortia.

The show was very well attended with over 32,700 visits over the 4 days. This year also saw the number of countries and regions attending increase year on year from 79 to 91. The show this year was also based on only one level and not two, as in previous years. TUR have confirmed that exhibitors offered 194 deals compared to 139 last year which indicates an interest in buying and selling on location too.

The trade days were quite quiet and did not generate any new additional trade leads but we were visited by staff from some of the travel agencies in Sweden and some of the Swedish Tour Operator reservations staff and were advised that Florida still sells very well for them and that most of the agents that stopped by had come by to pick up literature for customers they already had booked to go to our areas, so quite positive feedback for the market in general!

The consumer days on the other hand were very busy with many great enquiries from the general public who were either already booked to go in 2013 or on the verge of booking for travel within the next 6 -10 months.

We depleted all of our brochures that were sent for every beach destination by around 1pm on the final day so if we again participate in this show (which I would recommend we do) then we will need to increase the number of brochures sent by approximately 50 – 100 per destination. For the last few hours of the show, we took names and addresses for consumers asking for information to be sent and have now fulfilled these requests.

## **TRADE LIAISON**

- Barrhead Travel/SeaWorld Parks & Entertainment – Work is continuing with the co-op marketing activity. We have approved webpage banner ads, in-store posters, press ads, the radio script and the postcard mailer for activity launching in April.
- Virgin Holidays – All co-op plans have been finalised and inclusion in the April campaign with Visit Florida has also been confirmed. The April campaign will include an extensive social media campaign, national press ads and Virgin Retail in-store promotion. Our solus activity will include a number of email communications to the Virgin Holidays database, inclusion in their national campaign in January and May and a social media campaign in June.
- Expedia – The results of the campaign that ran in January and February have now been received. The campaign ran from 7<sup>th</sup> January – 10<sup>th</sup> February. During the campaign period, room nights were up by 18% over the same period the previous year at 785 room nights. Average daily rate was up 17% and length of stay was up 8% at 4.44 days.
- ETraveli – Further to a meeting with ETraveli during the Scandinavian Sales Mission, we are proceeding with a co-op marketing campaign in conjunction with SeaWorld Parks & Entertainment. The promotion will feature microsites and run of site advertising across their 3 brands (SuperSaver, Seat 24 and Travel Planner) in Norway, Denmark, Finland and Sweden with a reach of over 2million consumers. The campaign launches in mid April.
- Confirmed 20 seats from BA for fams. The first fam will be for tour operator reservations staff and will visit in May 2013. The second is for Product Managers and will visit in October 2013. Both fams are in conjunction with Tampa Bay & Co.
- Premier Holidays/SeaWorld Parks & Entertainment. Provided Premier Holidays with images, copy and logos for use in the promotion scheduled to launch in May.
- British Airways Holidays Florida Campaign – The campaign will launch on 16<sup>th</sup> April and will feature digital out of home and national press advertising. In addition, to upweigh the campaign, we are running advertorials in conjunction with Tampa Bay & Co in the Express, the Telegraph and the Mail newspapers with a BA Holidays call to action.
- Visit Florida – confirmed participation in the forthcoming tour operator events in Dublin and London.
- American Holidays – Finalised all elements of our joint campaign in Ireland with American Holidays. We have now approved the e-zine newsletter, the banner ads and landing page and all press ads including the Irish Sunday Independent on line banners.
- Visit USA Ireland – Finalised some details for our main sponsorship of the Visit USA Agent Appreciation night being held in Dublin on the 9th May. Provided a 3 night stay prize for the prize giveaway as well as sending logos.

- Decathlon Promotion –Signed off the poster and mailer artwork, web banner ads and landing page, A5 in-store flyer, email newsletter and Facebook banner ads. Also sent giveaways as an incentive for sales staff to push the holiday prize. The promotion is now live and results are to follow next month.
- Bathstore Promotion – Finalising the consumer facing promotion with Bathstore and Virgin Holidays which will be distributed via national press insert, in-store and online. Signed off the website landing page, newsletter flyer and the homepage banner ad. Extra flyers have also been printed and sent out with their in-house mailing to their database free of charge.
- Flexibletrips – As reported back in January, a co-op marketing proposal has been received and confirmed with Flexibletrips (part of the Thomas Cook Group) for May 2013. Images, logos and copy have now been sent.
- Tour America/Visit Florida Promotion – Confirmed activity to run with Tour America and Visit Florida in April. Activity includes shop window displays in both Dublin and Cork, Facebook Cover, Sunday World Advert, Bus side advertising, email newsletters and homepage banners.
- Gold Medal – Confirmed co-op activity to run with Gold Medal Travel / Thomas Cook in April/May/June. Activity will run across their 3 brands of Gold Medal, Thomas Cook Signature and Netflights and will include online activity targeting the trade as well as substantial inclusion in a number of their magazines and direct mail pieces targeting trade and consumer.
- TUI Specialist - We have confirmed a joint campaign with TUI (Hayes & Jarvis brand) in conjunction with Tampa Bay & Company. The activity will include email and direct mail initiatives to trade and consumer.
- Trailfinders – We had an update from Debbie Packer, USA Contracts Manager. We have been advised that Trailfinders had 354,358 room nights sold in the USA in 2012 with 213,466 already on the books for 2013. They are currently 21% up year on year. Passenger numbers totalled 109,502 to North America in 2012. Also discussed training options and have secured training for their staff at High Street Kensington(their flagship store) for June 2013.
- Norwegian Cruise Lines: Preparations on-going for the inaugural that we are attending next month in Southampton which includes exposure to over 3000 agents who will be attending the event.
- Ongoing liaison with Rooster PR
- Bon Voyage Travel – A meeting with Karen Niven and training for the sales agents on our area has been scheduled for May 2013.
- Visit USA UK - Updated the content for the visit USA UK training programme.

- Visit USA Ireland – The Visit USA Ireland March newsletter included details of the many accolades we hold in our area for our area beaches.
- British Airways newsletter – The British Airways Executive Club newsletter this month promoted air fares to Tampa starting from £2347 for a return flight from London in Business Class.
- British Airways Holidays – Provided details of the Safety Harbour Resort & Spa after a request for information from Gemma Pascal, Destination Executive.
- THG Holidays: The results have been received from THG Holidays from our joint co-op advertising in the local area press in Swansea and a total of 8 bookings totalling 37 room nights were booked. They also received many requests for quotes based on the advertisements. We shall be travelling down to Swansea in May to conduct in house and Travelhouse travel agents training.

#### **ENQUIRIES:**

Telephone/website enquiries for information and/or literature

46

#### **MARKET INTELLIGENCE:**

01 March 2013 – Source Travolution

##### **Thomas Cook takes ‘major step’ with digital advisory board**

A “major step” in the expansion of Thomas Cook’s online capability has been announced with the creation of a Digital Advisory Board. This will “facilitate strategic innovation and differentiation” across the business within the digital arena. The 12-strong DAB will play an important role in developing the business' digital capability and will advise and inform the group's board on digital issues, Cook said. Group chief executive Harriet Green will jointly chair the group with head of digital excellence John Straw. Four independent experts will sit on the advisory body - Simon Darling, Tom Wood, Laurence John and Marco Ryan. Darling, chief executive at Jack & Anna Group and founder of Quiet Riots is a web product expert, user experience guru Wood is partner at Foolproof, venture capitalist John is founder and chief executive of Project Helpful and Ryan is an e-commerce expert as partner and managing director at Accenture Internative. Green said: "A vital element in our transformation of Thomas Cook is the development and implementation of our digital strategy. Today we are taking an essential and significant step forward with the creation of the Digital Advisory Board. “The DAB will make a significant contribution to the success of Thomas Cook. “It, in addition to the group's executive team, includes an exceptional array of independent experts whose input will be invaluable to our activities. “I am delighted that Simon, Tom, Laurence and Marco have agreed to join us in this exciting and important initiative and look forward to working with them."

01 March 2013 – Source Travel Daily

##### **Travel and tourism industry outperforms UK economy**

Growth in the travel and tourism industry outperformed the growth of GDP in 2012, new research from the World Travel and Tourism Council (WTTC) has found. A new report issued found the travel industry increased its GDP contribution by 0.5% last year while the

entire GDP only grew 0.1%. The sector is said to have generated GBP106.3 billion to the GDP supporting 2.42 million jobs and 8% of the UK's employment. The figures will have been construed by the Jubilee and Olympics but will add clout to ABTA's new manifesto launched yesterday which outlined how a combined approach and recognition of the industry will help drive economic growth (see below). This year travel and tourism is predicted to increase its GDP contribution by 1.7%, while the total GDP is set to improve by 2.4%. "The UK is the only European G20 country where travel and tourism outperformed its economy in 2012," said David Scowsill, president and CEO of WTTC.

01 March 2013 – Source Travelmole

### **Virgin unveils brand for domestic service**

Virgin has confirmed that its new domestic airline will be called Little Red. It will launch on March 31 in Manchester, on April 5 in Edinburgh and April 9 in Aberdeen. There will be four daily round-trips between London Heathrow and Manchester, six daily round-trips to Edinburgh and a three daily round-trips to Aberdeen. Customers will be allowed 23kg luggage check-in, pre-assigned seats, complimentary snacks and drinks and hot breakfasts on early morning flights. Sir Richard Branson, Virgin Atlantic founder and president, said: "Virgin Atlantic has been on an incredible journey since we started with a single plane 29 years ago. "Little Red represents the next step on that journey as we go head to head with British Airways to provide domestic flights that deliver Virgin Atlantic's rock and roll spirit as well as real value for money. "The European Commission recognised that a British Airways monopoly would be undeniably bad for consumers and Virgin Atlantic Little Red will stop British Airways dominating routes and driving higher prices." Little Red flights will operate to and from Heathrow Terminal 1 but will connect with Virgin's international flights from Terminal 3. There will also be early flights to serve business fliers reaching morning meetings in each city.

04 March 2013 – Source Travelmole

### **Thomas Cook expected to sell more 'non core business'**

Thomas Cook's chief executive is considering selling Thomas Cook Essentials, Thomas Cook Sport and Elegant Resorts as part of the tour operator's shake-up. Harriet Green is looking at getting rid of the arm that sells extras like insurance and airport parking as well as the sports package business and the upmarket tour operator, reports the Sunday Times. Ski specialist Neilson and Gold Medal are already reported to be under threat as part of the overhaul, see previous story. Although insiders insist that no decisions have been made yet. Green is to announce her plans for the tour operator's revival on March 13 which will include offloading 'non core' business but she may not identify which will be sold.

06 March 2013 – Source Travel Daily

### **Thomas Cook to cut 2,500 jobs**

Thomas Cook is to close 195 shops and cut 2,500 jobs as a continuation of its restructuring plans and digital strategy. The group's back office and retail workforce is to drop from 15,500 to 13,000 in the changes in moves it said would secure its future. Underperforming stores or towns that have more than one outlet will see closures, reducing its network to 874.

"It is never easy to make decisions that impact directly on our people, but we also owe it to our customers to shape the business effectively and ensure that, when they book their holiday with us, our administrative costs are as low as possible. It is essential that we operate with the right number of people as we move forward into the next era for our company, allowing us to meet the future needs of our customers more effectively," said Peter Fankhauser, CEO continental Europe & UK at Thomas Cook. "As we improve and develop our online

capabilities, maintaining a strong presence on the High Street is an important part of our omni-channel strategy. Even after these changes we will still have one of the largest retail networks in UK travel," he added.

06 March 2013 – Source Travolution

### **Cook redundancies 'a sign of decline on the high street'**

The latest round of mass redundancies on the high street won't put customers off using travel agents but underlines the demise of bricks and mortar retailing. David Speakman, chairman of Travel Counsellors, said the announcement of 2,500 job cuts at Thomas Cook today was a "personal tragedy for each of the consultants involved". But he dismissed the wider impact Cook's move will have on the public saying many still want a personal service although they won't necessarily look to the high street for it. "This is all part of the business changing," Speakman said. "You cannot expect everyone to have a computer at home, a mobile in their hands and an iPad and not expect there to be change on the high street in the way people buy and sell. "From a business point of view the changes in the industry mean it's just not sustainable to have so many people in travel agencies on the high street. "Travel agents are still necessary but not from a high street point of view because it's too expensive. The two things must not be confused - this does not mean the death of the travel agent." Speakman said people who buy on price alone might be encouraged to go online and book themselves but those who want service will search for travel agents online who offer that. He believed Cook's move was not a signal that it intends to return to high service value but to continue trying to beat the likes of Expedia online by being the cheapest. "It's all about the web. That's where they are going, that's the focus. But there will be other brands out there that are relational and other agents will step into the vacuum. This does not mean the end of the travel agent." Peter Fankhauser, Thomas Cook's UK chief executive, said the firm had to link its offline and online presence better to provide its customers with an "omni-channel" experience. "We are committed to the high street, there is no need for any speculation on that. We are entirely happy with our presence on the high street with 874 shops but we have to combine offline with online and build an omni-channel presence." Alan Bowen, of AGB Associates, a former legal advisor to Abta and now to the Association of Atol Companies, said: "I think we recognise that there are too many travel agents on the high street and Thomas Cook have a long way to go to get back onto the straight and narrow. "Thomson have been closing stores too but not making a song and a dance about it. "They [Thomas Cook] have been saying they have been looking to do more digital sales as there's less human involvement."

12 March 2013 – Source Travelmole

### **BA offers more hand-luggage only fares**

British Airways has extended its "hand baggage only" fares to all of its 32 short-haul routes at Gatwick. It said the new fare, launched last month, was proving popular with customers on the initial five destinations from Gatwick - Amsterdam, Dubrovnik, Jersey, Tunis and Turin. The fares from Gatwick are on sale for travel from April 2. Additional hand baggage only routes now on offer include Genoa and Glasgow from £39 one-way. For summer, fares to Barcelona, Nice and Venice all start from £49 one-way. Peter Simpson, director of Gatwick for British Airways, said: "The new fares have been very well received by customers and we have now decided to make the discounted prices much more widely available. "We are confident that they will prove popular during the busy summer season as short-haul customers continue to take 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." Customers choosing the "hand baggage only" fare can carry on a good-sized case (56cm x 45cm x

25cm), plus a handbag or laptop bag.

13 March 2013 – Source Travelmole

### **Thomas Cook confirms sale of major brands to cut debt**

Thomas Cook today confirmed it is selling some of its brands as reports claimed that group chief executive Harriet Green was also preparing to turn to shareholders to raise more than £400 million as part of a rescue plan for the business. Sky News claimed sources within the operator had told it Green was planning a share placing to reduce the tour operator's debt mountain, further details of which will be released in coming weeks, it said. Revealing long-awaited details of her turnaround strategy for the business, Green gave no hint of any plan to tap shareholders for cash, saying only that the company planned to raise a further £100 million to £150 million by off-loading several of its non-core brands, the disposal of which is underway. The brands put up for sale were not named, but they are expected to include ski operator Neilson, luxury brand Elegant Resorts and Gold Medal. In a brief trading update ahead of the half year results to be announced in May, Green said the business transformation plans were "well ahead of schedule". She announced a further £50 million of cost-cutting had been identified, bringing the total improvement so far to £350 million. By 2015, the company hopes new product will be bringing in an additional £500 million of revenue, half it holidays will be sold on the web (see story) and profits will have improved by £350 million.

The company, which announced last week that a further 2,500 jobs will be axed and 195 more of its high street shops will close along with its Accrington office, said its UK turnaround was on track, with a target to achieve a UK EBIT margin in excess of 5% by 2015. "Our Business Transformation plans are ahead of schedule and already delivering substantially improved performance, which resulted in our recent return to the FTSE 250," said Green. " We have exceeded our initial commitments and today announced a further £50m of cost out actions, bringing the total profit improvement actions identified already to £350m, £290m of which is still to come. "Stabilising the business has been our priority through addressing our cost and cash challenges, and strengthening the leadership team to create a more effective, aligned organisation focused on rigorous execution. " Announcing long-awaited details of her turnaround strategy for the business, Green said this would be based on four cornerstone principles; delighting customers with trusted, personalised holiday experiences through a high tech, high touch approach. "Based on comprehensive consumer research we aspire to occupy a unique position in the market through our new strategy, deliver industry leading margins and customer loyalty, whilst maintaining consistent quality that can be trusted. "We will expand our already successful hotel concepts; and build a new portfolio of flexible, trusted products and services; creating a single gateway for customers to access personalised recommendations, specifically tailored to meet their needs. "The operational credibility of this strategy rests on the success of our self -help measures to date, our trusted brand and the clear targets and KPI's against which we are ready to be judged. We have real options now, with the prospect of delivering improved revenues, strengthened gross margin, better cash flow and disposal opportunities, to build a strong and exciting future for the Thomas Cook Group, worthy of our customers and our heritage."

13 March 2013 – Source Travelmole

### **Expedia completes deal for Trivago**

Expedia today completed its acquisition of 61.6% of Trivago for €434 million. The deal for the German-based metasearch company has resulted in the issuing of 875,200 shares of Expedia common stock over five years. Trivago will continue to operate independently from its headquarters in Dusseldorf. Expedia president and chief executive Dara Khosrowshahi said: "Metasearch is an incredibly popular product because it enables consumers to find their

ideal hotel at the lowest possible rate. “The Trivago team built one of the best hotel search user experiences and gained tremendous brand recognition in Europe.” Trivago co-founder and managing director Rolf Schromgens added: "Our focus remains on rapidly growing revenue as we expand globally. "The ability to leverage Expedia's knowledge of and experience with global scale operations will be invaluable to profitably achieve this goal.”

15 March 2013 – Source Travelmole

### **Green: Creating good holidays, how hard can it be?**

When Harriet Green joined Thomas Cook as group chief executive 32 weeks ago (she's counting the days), she found the staff were "shattered, beleaguered, upset" after the company they treasured had, in her own words, "nearly hit the wall". Green's starting point for finding out what had gone wrong was to ask those who worked there. "It is my belief that people inside a business know what's wrong and what needs fixing," she said. In Thomas Cook's case, they had plenty to say. Some 8,000 of them provided her with "pages and pages" of information. Now, sadly, 2,500 of those staff are facing redundancy because, among other problems, Green quickly identified that Cook had too many shops, too many offices spread across the country, and too many conflicting brands. Coming into a company and getting rid of 15% of its workforce would be a painful decision for anyone, but Green gives the impression that while she isn't exactly ruthless, she is efficient. In just 32 weeks she has brought about more than 70 significant changes to the business. Green insists she is committed to maintaining a strong retail network, although in the future the shops will be "more Apple than travel". She insists the Thomas Cook brand will grow, she repeatedly states that it "won't shrink to greatness", but to do that she's prepared to chop away the excess. "Of the 195 shops that are under review, 48% are within a kilometre of another Thomas Cook," said Green. Turning to the brands, she said many were duplicating, competing or not adding value to the business. Several are already up for sale, but she refused to say which. "We are going through a simplification process," she said. She appears in a hurry to get on with it, reluctant to waste even a second. When she arrives promptly for her first press meeting since unveiling Thomas Cook's turnaround plan this week and finds a few of the journalists have yet to arrive, she darts off and returns 10 minutes later when everyone is gathered. She ends the meeting bang on time, answering the last couple of questions while walking out of the door, off to another meeting. She has bags of nervous energy, her stiletto heel constantly jiggling as she talks. She says the realisation that Thomas Cook's OTA had to stop competing with the rest of the business came to her in week six of the job, "while I was running along the Canal". "I am the sort of woman who has stretch goals on my fridge," she adds. Green acknowledges that her appointment was a surprise for some, simply because she was an outsider, she'd never previously worked in travel having spent most of her working life in electronics. "People were amazed I'd never been a rep, that I couldn't quote all the codes for all the major airports around the world," she jokes, but she admits she thought the reaction was odd. "I have lived and worked in four continents." Some might have thought her lack of travel industry experience a weakness, but she clearly doesn't. Rather, she thinks that her predecessors at Thomas Cook over-complicated things. "This is not the French nuclear industry, it's not a complex business," she said, "how difficult can it be to put together good holidays?" Green has, however, shrewdly assembled a management team with bags of relevant experience. Her right-hand man, the new UK and Ireland CEO Peter Fankhauser has travel industry form, having previously served as CEO of Thomas Cook in Continental Europe. Also, she points out that she has a background in transforming business via the web, and she has brought in digital entrepreneur John Straw to develop an internet strategy for Thomas Cook. Already the company is testing five or six apps for tablets and smartphones, she said, as part of the group's aim to increase its online sales from a third to half of all

bookings. Developing an omni-channel distribution strategy will be one of the keys to success, says Green. When she joined Thomas Cook, it was described by one financial journalist as "a basket case", so what made Green, a successful CEO in the electronics industry, want to take it on? "I could say because I thought that was bollocks," she quips. Her first holiday was with Thomas Cook and she believes it is a quality, affordable brand, but she didn't take the job for sentimental reasons. Green said she saw that the company had a robust 22% gross margin, which wasn't translating into operating profits. She realised that if she could strip away layers of costs, she could increase the profit. "I thought that was eminently doable."

20 March 2013 – Source Travel Daily

### **Travel more important than marriage home**

Travelling the world is more important than getting married or buying a home, a new G Adventures survey has found. Nearly three quarters (74%) of respondents said travel was important to their happiness compared to marriage (8%) and buying a house (7%). Its customers were half and half split on whether more travel or a pay rise would make them happier (52% in favour of travel) in statistics released to tie in with the first International Day of Happiness today. The majority of its UK customers (88%) considered travel to be important and a third would travel alone, compared to the global averages of 83% and 25% respectively.

20 March 2013 – Source Travelmole

### **Industry furious that budget 'puts beer before aviation'**

The Government has been berated by airlines and the rest of the UK travel industry for failing to put an end to APD misery in his latest Budget. Dale Keller, chief executive of the Board of Airline Representatives, said it was "beyond belief that the Chancellor has put beer before aviation". "Just because the industry was fully expecting a slap in the face from the Treasury does not make it any more palatable," he said. "We have listened to much talk from the Government about the UK being in a global economic race and the importance for the UK to become more competitive, yet airlines, amongst the most global of businesses; continue to be hammered by the highest aviation tax in the world. The Government has built a veritable 'wall of tax' around the UK which international travellers and airlines are increasingly overflying."&die;" Simon Buck, chief executive of British Air Transport Association, said in light of "incontrovertible evidence" that the tax is damaging the UK economy "the missed opportunity to help kick start our economy is a shocking own goal". He added: "1p off a pint of beer won't do much to help those who might otherwise have been looking forward to new jobs." GTMC chief executive Paul Wait said APD was putting extra pressure on companies trying to build trade and export overseas. "We are concerned that the practice of using European hubs to travel to critical long haul business destinations and emerging markets to lower costs and avoid higher APD charges will significantly increase," he said. Chris Clarkson at [www.sunshine.co.uk](http://www.sunshine.co.uk) said the Chancellor's failure to act over APD was a "huge kick in the teeth for holidaymakers". "I'm sure people will be celebrating everywhere about beer being cut by 1p, but if you really think about it, you'd have to drink one beer every day for a year before you're getting a beer on George. What about the annual summer holiday? High APD tax rates are really getting to be ridiculous now and need to be sorted, so it's really not good that the subject wasn't even touched upon in today's Budget." ABTA chief executive Mark Tanzer said: "We needed to see bold action on infrastructure and APD. We saw neither." In a joint statement, the chief executives of British Airways' parent IAG, easyJet, Ryanair and Virgin Atlantic said the planned rise in APD "beggars belief". "We are very disappointed that the Government's tax on flying, already the highest in the world, will

increase yet again this year and next," they said. "These rises in Air Passenger Duty show the emptiness of rhetoric on boosting exports to emerging economies and building the most competitive tax system in the world. "Increasing this alarmingly uncompetitive tax on business, trade, and inbound tourism beggars belief when the evidence clearly suggests that abolition would deliver growth, create 60,000 jobs and pay for itself through higher receipts from other taxes." The Chancellor did announce a range of tax cuts, some of which will benefit travel companies, but the Forum of Private Business said most firms would be hugely disappointed after the Chancellor gave no concessions on business rates. Forum spokesman Robert Downes said: "Ask any small businesses what they wanted to see from this Budget and many will have said: 'action on business rates'. "We said before the Budget government couldn't keep clobbering businesses with hike after hike, and unfortunately we haven't seen that sentiment acknowledged today by Mr Osborne. "It was really a case of enough already years ago, and April's increase which now goes ahead as planned will mean rates have spiralled by a mammoth 13% in just three years. There aren't many businesses who've seen income increase by anything close to that figure with sluggish growth and recession to contend with in the same period. "Business rates have risen so much in just a few years they are the number one enemy to many small firms, and we believe are a big part of the problem behind the problems with our high streets too. It's disappointing to see no action here - it was the obvious way to relieve pressures and is a missed chance for quick and easy relief for business."

26 March 2013 – Source Travelmole

#### **Most and least tourist-friendly countries named by global body**

Want your customers to feel at home when they travel? Send them to Iceland, New Zealand, or Morocco, the friendliest countries in the world. But you might want to avoid Bolivia, Venezuela, and Russia, which hug the bottom of the list. In the Middle East, Iran, Pakistan, and Saudi Arabia also are unwelcoming and so is China. The World Economic Forum surveyed 140 countries from late 2011 to late 2012, asking, "How welcome are foreign visitors in your country?" The WEF says the results of its Travel and Tourism Competitiveness Report 2013 are designed to "measure the extent to which a country and society are open to tourism and foreign visitors." Other high-ranking countries include many in the Western world (Ireland, Canada, Austria, the United States), a few of the most popular tourist destinations like Thailand and the United Arab Emirates, and many countries in West Africa. The report emphasized the importance of travel and tourism to job creation in a relatively stagnant global economy. The industry now accounts for one in 11 jobs in the world.

26 March 2013 – Source Travelmole

#### **TUI announces double digit growth**

TUI Travel has seen double-digit revenue growth on the back of a 9% increase in bookings in the UK and Nordics for summer 2013. In a trading update to the City this morning, the Thomson and First Choice parent said it was "very pleased with the development". It added: "We remain particularly pleased with trading in the UK and Nordic source markets, where we see double-digit revenue growth. "Average selling prices and margins across all key source markets are up year on year." It said 46% of the overall mainstream summer programme has been sold. Its bed bank TTV has seen summer sales rise by 10%, driven by Latin America and Asia where it is up by 19%. Winter was ending strongly, it said, with higher average selling prices and margins. In the UK winter sales are up 5%, although in France - TUI's worst performing market - they are down by a quarter. The operator said it had maintained a cumulative market share increase of four percentage points over the prior year in the UK.

Unique holiday bookings in the UK are up 15% and direct distribution sales remain at 90%. Online sales now account for 40% of all bookings in the UK, a slight increase over last year, TUI Travel chief executive Peter Long said: "We have a clear roadmap for growth built upon a deep understanding of our industry and customers. Our strong operational performance over winter means we will deliver reduced winter losses. This very strong trading has continued into Summer 2013, leaving us well placed to achieve a full-year performance towards the upper end of our growth targets."

28 March 2013 – Source Travelmole

### **Dismal weather leads to Easter bookings bonanza**

Thomson and First Choice claim the dire British weather has prompted the highest number of Easter bookings for 10 years. Over 36,000 people are set to travel with Thomson and First Choice this weekend, heading to destinations with warmer climates in the Mediterranean and North Africa. Online bookings to Fuerteventura in the Canary Islands, Greece and Tunisia are up 73%, 45% and 37% respectively versus 2012. In what has been the coldest March since 1910, Thomson has seen a 60% year-on-year increase in online searches. Garry Wilson, managing director of purchasing for Thomson and First Choice, said: "We are seeing the strongest demand in 10 years for beach holidays this Easter as Brits look to escape the freezing temperatures and grey skies. "With predicted highs of 24 degrees in Fuerteventura, Canary Islands and 20 degrees in Hammamet, Tunisia on Easter Sunday versus just six degrees in London and four degrees in Manchester it's easy to see why people are heading south for the long weekend." ABTA estimates that 1.7 million British holidaymakers will head overseas for the Easter weekend. It said Spain is the most popular destination, particularly the Canary and Balearic Islands. "Egypt and Tunisia have also sold very well as people look to escape the freezing weather in the UK," said a spokeswoman "With the UK suffering one of the coldest Easters on record, ABTA members are reporting substantial year on year increases in last minute bookings to sunshine destinations."