

UK OFFICE
October 2013 REPORT
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UK Director

TOUR OPERATORS

Miki Travel

Met with Nikki Beszant at Miki Travel who is the Product Manager for Florida. Nikki had scheduled a contracting trip to St. Pete/Clearwater and we assisted with details of hotel contacts that she had requested. Nikki advised Florida was up YOY but it was minimal. Total room nights for 2012 were approximately 250 and 2013 is currently up slightly with a total of 270 year to date. Provided area update.

Travel Republic

Training was held at Travel Republic's call centre in Kingston upon Thames this month. We had the chance to train 18 call centre and marketing staff on our destination and also provided them with up to date literature.

Other meetings

NCL Webinar – Attended the live NCL training webinar to over 100 of their independent travel agent partners, we presented for 5 minutes utilising our power point presentation and also offered a prize of a £50 shopping voucher for answering a question correctly. Preparations are also being made for the NCL Roadshows as reported last month.

Mid Counties Co-op – Participated in the recent Mid Counties Co-op Training seminar in which we met with over 50 front line travel agents to train them on our destination as well as network with them during lunch and tea breaks. The event was a fantastic opportunity to meet these key travel agents. We also networked with key tour operators who were there training a little later in the day and discussions took place with Funway Holidays to perhaps attend some of their future managers' meetings and trainings they hold for these travel agents.

Trade Shows

Attended the Tour America show which took place on Sunday 6th October at the Red Cow in Dublin as part of the Florida's Beaches co-op. The show was exceptionally busy this year, with footfall 20% up on last year. There were continuous queues at the Tour America booking stations. Feedback from Tour America has indicated that the average sale price is up by 15% and that revenue was up 30%.

Consumers stopping by the Tour America stand did still ask a lot about Orlando and also where the nearest beach to Orlando was. A few consumers were confused by the Florida's beaches agreement and thought that we covered every beach in Florida, and were surprised when a map was given to them that did not have every single beach on them. St Pete/Clearwater had a lot of interest, with many consumers saying they had been/were looking to go – the audience was largely families looking for a good deal to Orlando. Interest in Fort Lauderdale and Miami was better than expected, this was largely by consumers

looking to go for a cruise. Fort Myers had fairly few enquiries as consumers were very focused on Orlando.

TRADE LIAISON

- UK Product Managers FAM Trip to St. Pete/Clearwater – Accompanied the Product Manager fam that was in destination 11th – 14th October. A total of 9 tour operators attended in addition to a representative from BA. Feedback from the group has been fantastic.
- Post fam attended a number of meetings and site visits at area hotels as well as presenting to the TDC.
- World Travel Market – Meetings and preparations being made for WTM which will take place next month at the London Excel Centre. Meetings have been scheduled with all major UK tour operators. Liaison with Visit Florida regarding graphics and badges.
- Gold Medal – Florida Brochure co-op activity continues and the following has been approved – The Florida beaches KAC piece, their mini brochure, a banner ad on their website, window posters for travel agents, an agent magazine insert as well as a consumer flyer consumer flyer. Results will follow once the campaign has ended.
- Funway Holidays – Florida Beaches Campaign activity has been running and the following has now been approved - Travel bulletin ad, newsletter banner ad, travel bulletin full page ad, travel bulletin HTML, Funway web banner, the A2 poster and a DPS. Phase one completed, waiting to action phase two which should start early next year.
- Trainings – Requests have been sent out for in-house training. Currently have confirmation from Ocean Florida (13th Nov) Cosmos Holidays (22nd November), Premier Holidays (27th November), LetsGo2 (6th December), Gold Medal (20th December) and Infinity Holidays (23rd January).
- Liaison on behalf of Florida's Beaches with Discover America Norway re the Reiselivmessen Show in Oslo in January. Confirmed attendees, opening and set up hours as well as hotel information.
- Liaison on behalf of Florida's Beaches with show organisers for Ferie in Herning. Requested registration information.
- Confirmed quarter page advert in the UK edition of the Visit Florida Guide.
- Barrhead – Confirmed sponsorship of the Barrhead staff conference on 16th December which enables us to present to 100 of their retail staff.
- USAirtours – Two fams have been confirmed, one for their agents (26th – 28th November) and one for their in-house staff (7th – 9th December). Itineraries currently being finalised.

- Barrhead Travel – Confirmed participation with Barrhead Travel in their Turn of Year campaign which covers a number of co-op elements such as TV, radio, press and online activity in Scotland. Further to discussions, SeaWorld Parks & Entertainment have also confirmed their participation with us in this campaign.
- USAirtours – Confirmed the Destination Of The Month campaign with USAirtours. The campaign will commence in January 2014 but we shall be featured during the month of February 2014. Activity includes the travel agents desk calendar, offer emails to travel agents, posters for them to utilise in store
- Gold Medal – Assisted Ashley Pilkington, Assistant Product Manager at Gold Medal with their summer 2014 brochure pagination.
- Tour America – Provided the prize for the recent Tour America Staff Incentive to Veronica Flood. The prize of a Michael Kors watch was presented to the winner.
- Visit USA Newsletter – A full press release on ‘Film tourism gives big boost to St Pete/Clearwater economy’ was sent to Clodagh at Visit USA Ireland. This was then sent to their entire database and posted on their social media forums.

ENQUIRIES:

Telephone/website enquiries for information and/or literature

27

MARKET INTELLIGENCE:

02 October 2013 – Source Travel Daily

Thomas Cook reveals rebrand

Holiday giant Thomas Cook has revealed its new corporate rebranding as it looks to unify its brands under one new logo and slogan from today. The new ‘sunny heart’ and ‘Let’s Go’ tagline will be used for brands including Neckermann in Europe, Ving in Sweden, Condor in Germany and Airtours in the UK. While most brands will carry the new logo within some part of their branding, the intention isn’t to rebrand every one of the group’s companies with the new logo. “It’s a major milestone in our high tech, high touch transformation,” said Harriet Green, Group CEO of Thomas Cook Group. “This isn’t just a rollout of a new logo, it’s about a promise. What we’re announcing today is a renewed promise to our customers, our people and suppliers. A promise that we’re putting them at the heart of our transformation it’s the essence of who we are. “The unification of our brands under the Sunny Heart is three fold; it will make it easier for our customers to understand the full strength and end-to-end value of the entire Thomas Cook Group coupled with our full innovative offering of our services and products; it will show more clearly what differentiates us and how we provide a total experience along every touch point – from research, to booking, to anticipation, to the holiday itself; and importantly, it will clarify our customer promise– a complete range of inspirational experiences for our customers. “The Heart will appear on the web, in brochures, in our aircraft, in our concept hotels, our other hotels and in our stores: in short, everywhere that our customers connect with us,” continued Harriet Green. “Our new brand essence will show our customers the breadth and depth of the Thomas Cook Group. It will inspire and assure our customers, showing that everything through our brands is connected at every level ensuring a unification of care for our customers, through every step of their journey with Thomas Cook.”

04 October 2013 - Source Travel Daily

Airlines angry at Heathrow landing fees

Airlines have expressed their disappointment in the Civil Aviation Authority (CAA) for agreeing Heathrow can raise its landing fees, although not by more than inflation. Dale Keller, chief executive of BAR UK said the price regulation decision is “bad news” for the UK’s international competitiveness while Virgin Atlantic criticised the CAA for bowing down to Heathrow’s demands. Heathrow has said its charges are justified to continue investment into the airport, but has been growing for several years and will continue to for another five. Keller said: “Airline CEOs will be reaching for their oxygen masks in the knowledge that they will be forced to pass on excessive airport charges to their customers for the next five years. “Consumers have benefitted from intense competition between airlines, driven by major efficiency gains and razor thin margins. Yet the CAA’s new primary duty to consumers has failed its test flight by instead rewarding operating inefficiencies and excessive shareholder returns at the monopoly that is Heathrow. Following increases exceeding 300% over the past 11 years, the latest settlement allowing further RPI increases escalates costs to consumers and weakens the international competitiveness of the UK’s only hub airport.” In a statement, Virgin Atlantic said: “It is deeply disappointing to see the CAA has bowed to pressure from Heathrow Airport Limited and its shareholders. The decision to further increase charges at the airport for the next five years is another hammer blow for both UK consumers and overseas visitors wanting to travel to this country. Prices at Heathrow are already triple the level they were ten years ago and coupled with ever increasing Air Passenger Duty, passengers are facing some of the highest charges in the world and this is deterring inbound tourism and foreign investment.” However, Heathrow said the raise was not far enough as it looks to improve infrastructure using funds from stakeholders and the fees. “This proposal is the toughest Heathrow has ever faced. The CAA’s proposed cost of capital of 5.6% is below the level at which Heathrow’s shareholders have said they are willing to invest. The CAA’s settlement could have serious and far-reaching consequences for passengers and airlines at Heathrow,” said the airport’s chief executive Colin Matthews. “We want to continue to improve Heathrow for passengers. Instead, the CAA’s proposals risk not only Heathrow’s competitive position but the attractiveness of the UK as a centre for international investment. We will now carefully consider our investment plans before responding fully to the CAA.” Meanwhile, the CAA has listened to Gatwick’s Commitments framework to improve competition, while a decision is yet to be made for Stansted after the Essex airport agreed new deals with easyJet and Ryanair. Dame Deirdre Hutton, CAA Chair said: “Tackling the upward drift in Heathrow’s prices is essential to safeguard its globally competitive position. The challenge for Heathrow is to maintain high levels of customer service while reducing costs. We are confident this is possible and that our proposals create a positive climate for further capital investment, in the passenger interest.”

09 October 2013 – Source Travel Daily

Hayes Travel acquires Bath Travel

Hays Travel has extended its network by acquiring independent travel agent Bath Travel. The buy-out will increase Hays branches by 60 but will continue to trade under the Bath Travel name. All 360 of those employed by Bath Travel will retain their jobs in the move. “I’d like to pay tribute to the Bath family. Throughout all of our discussions they’ve been really open, everything’s been really constructive and they’ve been really concerned that their business – which has been part of their family for over 50 years – goes to a good home. I’m really pleased that they feel that Hays Travel is a good home,” said John Hays, managing director of Hays Travel. “I’m delighted that the Bath family saw Hays Travel as a company, and an

organisation, where the values of Bath Travel would be continued. The values of Bath Travel are of independent and knowledgeable, personal service. The Bath Travel brand is synonymous with quality and service and we will retain the brand. Hays already has 43 shops of its own and with the Bath acquisition means it now has 103 stores across the UK. Bath Travel has annual sales in excess of GBP100 million, while Hays draws in an annual turnover of more than GBP500m.

10 October 2013 – Source Travel Daily

British Airways has rolled out its hand baggage-only and semi-flex fares across its entire short-haul network.

The seats are on sale now for immediate travel on European and domestic routes to and from Heathrow, Gatwick and London City. The semi-flex fare was announced earlier this year and includes extras on top of a standard fare including free booking changes on the day of departure and the ability to select a seat for free two days before travel. “The hand-baggage only and semi flex fares have proved popular with customers as they are able to create a booking that suits them best, either with flexibility in one or both directions, or by delivering an added discount to those who don’t want to check in a bag,” said Robin Glover-Faure, British Airways’ head of short-haul. “We’re now planning on rolling both ticket types out across our short-haul network so all our customers flying to Europe or within the UK will benefit from greater choice and more flexibility when they fly with British Airways,” he added.

10 October 2013 – Source Travel Daily

Consumer confidence puts travel in recovery

The leisure travel industry is in recovery across the UK as consumer confidence picks up, according to PhoCusWright. The share of adults who took at least one holiday in the last 12 months jumped 3% to 78% in the UK, higher than the French at 70% and Germans at 72%.

UK travellers are said to be spending EUR283 more on holidays this year compared to 2012, prioritising spending money on holidays first when the pursestrings are loosened. Paying for holidays is said to come ahead of dinners and nights out, sports, fashion and electronics.

“Millions of European consumers have returned to the traveller pool, and while Europe may not be out of the woods yet, consumers are beginning to feel that the worst is behind them,” says Marcello Gasdia, analyst, consumer research at PhoCusWright. “Given the high priority Europeans generally place on travel, the travel industry is among the first to benefit from the boost in morale.” PhoCusWright’s full European Consumer Travel Report (4th edition) is available to buy on its website and looks into changes in trip frequency, duration, expenditure and the planning process.

18 October 2013 – Source Travel Daily

Norwegian announces new UK-US Routes

Norwegian has announced three new long-haul routes from Gatwick to the USA. The carrier will launch services from the Sussex airport to New York (JFK), Los Angeles and Fort Lauderdale next summer, as well as five new European routes and additional frequencies on others. The new routes will include flights from Gatwick to Santorini, Corfu, Sicily, Cyprus and Budapest. Extra frequencies will be added on connections to Malaga, Ibiza, Split, Dubrovnik, Majorca, Faro, Tenerife, Copenhagen and Barcelona. The airline will be using some of its new Boeing 787 Dreamliners to operate the routes. “There’s great demand for high quality flights at a low fare between the UK and the US, particularly to and from London Gatwick, where no other airline currently offers these routes. We are looking forward

to welcoming many new customers on board our brand new aircraft. Launching long-haul routes between London Gatwick and the United States is also an important part of our strategy to expand internationally and get a stronger foothold in markets outside Scandinavia,” said Norwegian’s CEO Bjørn Kjos. Gatwick’s CEO Stewart Wingate called the announcement a ‘game-changer’, allowing the airport to compete on routes with Heathrow that it has not offered before. Under new owners the airport has been developing a larger network of European and long-haul routes, with Norwegian alone offering 320 weekly flights and 25 routes from Gatwick. “Norwegian’s decision to re-establish London Gatwick’s links to strategic destinations in North America gives passengers, once again, real choice about how to get there and, importantly, provide options for affordable travel to popular business and leisure destinations. Norwegian’s decision to operate high quality services on new long range aircraft offering good-value fares to the US from London Gatwick is a significant industry game-changer,” Wingate added. Norwegian moved its flights from Stansted to Gatwick in 2009.

25 October 2013 – Source Travel Daily

Warning of price hike as Virgin Holidays waits appeal outcome

Holiday prices could rise if Virgin Holidays’ appeal against an injury payout is not appealed, lawyers have warned. The company’s GBP24,000 payout to customer Moria Japp has raised concern that operators will be made more liable for what happens in resorts and could therefore impact the price customers pay to cover potential costs. Virgin Holidays started its appeal against Japp earlier this week, who was awarded GBP24,000 in damages for walking into a glass door and suffering deep cuts that were said to be life threatening. Japp was staying at the Crystal Cove Hotel, Barbados in 2008 when the incident occurred and won in courts against Virgin Holidays in October 2012. Virgin Holidays was found 80% liable for the deep cuts caused when she walked into a glass door that went from her balcony to her room. According to the Evening Standard, the tour operator’s lawyers has warned of difficulties for the tourism industry if British health and safety standards are expected to be complied in overseas destinations. Japp’s lawyers have argued that as a British citizen and company, Virgin Holidays should send customers to hotels that apply to UK rules. However hotel auditor Check Safety First said tour operators could save money by having hotels checked independently and need to “wake up” so to not come victim to claim culture. Steve Tate, chairman of Check Safety First said: “The judge is right to say that the tour operator should ensure that the hotel is safe. However, this doesn’t mean that the European tour operator, or hotel, should be liable for every little accident that occurs, just as they are not liable in the UK for every single incident. However, the tour operator has a duty of care to ensure that the hotels and holidays it sells have been independently checked.” He continued: “If the travel trade wakes up to the fact that prevention is much better, and cheaper, than sorting out claims after the event, millions of pounds in compensation could be saved. In this case, the judge is not applying UK law but referring to the 1992 EU package travel directive which makes European tour operators liable for the safety of their guests anywhere in the world. “No one wants to see holidays sanitised and bland, but holidaymakers don’t want to stay in a death trap either. Safe hotels are not expensive hotels to maintain; they are simply well run establishments.” The court’s judgement is to be given at a later date