

UK OFFICE

April 2014 REPORT

Prepared by: Venessa Alexander
UK Director

Tour Operator Meetings

Attended IPW where meetings were held with the following operators:

Risskov Travel – Denmark

Follow up meeting to meeting held recently in Denmark. Growing their cruise and stay programme and asked for images.

Stella Travel

2014 is up to Florida by 20%. Discussed possible co-op marketing and requested a proposal from them.

Gold Medal Travel

Room night stats are up by 56% to SPC on same period in 2013 and now stand at 1219. Miami are at 1500 for the same period and we were advised that we have closed the gap. Orlando the best seller but Miami and SPC are second.

American Holidays

General catch up meeting, discussed the recent consumer event and the possibility of cruise and stay programme.

Explorer Travel, Sweden

Introductory meeting, provided an area overview as we are not currently featured in their programme and sent images and copy.

THG Holidays

Interested in featuring SPC as part of Secret Escapes promotions and introduced a number of SPC hoteliers during the meeting.

Trailfinders

Florida up 15% in 2014 and SPC doing well. Orlando has also seen good increases. Spoke about the lack of self-catering options in their programme and was passed the contact for their villas programme who has since been contacted.

Ocean Florida

General update meeting as currently working on co-op. Discussed cruise and stay as they do feature NCL Cruises out of Tampa. Follow meeting requested with Ocean Florida and NCL to see how we can proceed.

Best At Travel

SPC has been added to their website and they have since seen a good increase in 2 centre holidays. Currently send approx. 4500 pax to Florida. Requested training for their reservations staff.

Barrhead Travel

Chased campaign stats which we are still awaiting. Currently send approx. 10,000 pax to Florida per year. 3 night SPC stay automatically quoted on their system if any consumer asks for a twin centre.

American Holidays, Norway

General update meeting.

Tour America

Discussed the forthcoming June campaign. Room nights to SPC are up for 2013 by 13%.

USA Resjer

Follow up meeting to meeting held recently in Copenhagen and discussed proposed co-op campaign.

Jetline Travel

Spoke about their business to the US in general which is up and cruise and stay as they operate a large programme on NCL out of Tampa. Requested res training for their staff

BA Holidays

Discussed the creative for the forthcoming campaign. Business to SPC is up 29% year on year with average length of stay at 7.5 nights.

TUI

Discussed forthcoming co-op campaign. Room nights to SPC are up 19% to 1660 YTD

American Sky

200% up to Florida as this is now their first full year of operation. Currently at 355 room nights to SPC. Keen to sponsor holiday prizes for brand affinity promotions and also to sponsor journalist visits to the area.

Virgin Holidays

General update on room nights with Clearwater up 8.5% and St Pete up 26.4% YTD. Florida is up for them by 14%.

Premier Holidays

General update and discussed forthcoming co-op. Florida is up 9% for them but Orlando is flat. SPC is by far their best selling destination and room nights are up 8% YTD.

Bookabed

General update meeting and requested co-op money from us. Could not provide room night stats so have requested these.

Sunway Holidays

Requested up to date room night stats and we recapped the recent co-op. They are 24% up to Florida year on year.

Thomas Cook

Confirmed that we are back in their charter programme. Provided room night stats but they appeared wrong so checking back and will revert with room night stats.

General Meetings and Events

North America Travel Service – Training was held at NATS head office and retail store in Leeds. SeaWorld Parks and Entertainment joined us for the training at NATS head office. We trained a total of 10 key sales agents. Provided an update on the St Pete/Clearwater area and literature and giveaways were handed out. At the NATS retail store, a total of 4 agents were trained and again given a refresher of our area, brochures, area maps and giveaways were also distributed.

TUI Specialist – TUI held the launch of their Jetsave 2015 Summer Brochure at the beginning of April. We were the only Florida destination invited to support the launch, along with the three main theme park suppliers (Disney Parks, Universal Resorts and SeaWorld Parks & Entertainment). The launch event was held at the TUI head office in Crawley. We had a table top allocated to us and handed out literature to the call centre staff as well as giving an overview on the area and answer any questions the staff had. It was a very worthwhile event as we saw a lot of staff throughout the day from various departments. It was also the start of our staff incentive which has a prize of an iPad and will last for a period of one month.

TUI store visits – The first of our three days on the road with the TUI Sales Manager took place. We went into stores in Crawley, Brighton, Worthing and Horsham. In all four stores a presentation of St Pete/Clearwater was shown to the staff and brochures were handed out. The staff took a lot of interest in our area and seemed very keen to promote the twin centre option. The two final days will take place in May.

British Airways Holidays - BA training for their call centre staff took place at their offices in Newcastle. The day was a Mini Travel Market where all suppliers had a table top and agents were able to come along take brochures, ask questions and be given an overview on St Pete/Clearwater. It was a very successful event in which we saw approx 80 agents throughout the day.

Virgin Holidays – The Virgin Holidays Florida Suppliers Day took place at their Base office. Virgin Holidays retail staff from all over the country came in for the day. A passport to Florida was given to all the staff which had all suppliers KSP's. We then had 10 sessions of 5/6 agents to show our St Pete/Clearwater presentation, hand out brochures and answer any questions. It was a great success. All the agents were engaging and it was a great opportunity to see agents from all over the UK in one place.

Bookabed – Training took place at Bookabed's office near Dublin in Ireland. A total of 7 agents were given an update on our area. Brochures, maps and giveaways were also provided.

Tropical Sky - A total of 3 staff members were given training at Tropical Sky's office in

Dublin. The staff were provided with general information and an update on our area. As well as distributing brochures and maps we also handed out area giveaways.

TRADE LIAISON

- Results for the Expedia campaign that ran in Jan/Feb have now been received and are as follows:
 - 3.02 million impressions were delivered during the campaign period
 - Room nights booked during the campaign period were up 4.7% to 986
 - People per day making bookings were up 144.6% during the campaign period
 - Room nights YTD (to end Feb) are up 4.3% at 6060
- Signed off all final elements of the BA Holidays campaign which launched late April. Liaison with Visit Tampa re advertorials that will appear in the Express and Telegraph off the back of this campaign. Advertorials have been signed off with My America Holidays as the call to action which is the direct consumer arm of Funway Holidays.
- Barrhead Travel – Work has started on signing off all artwork for the Barrhead Travel/Visit St. Pete/Clearwater and SeaWorld Parks & Entertainment promotion that will launch on the 1st May. Activity approved includes the retail campaign including the window poster, postcard and banner ad. We also approved the underground poster which is a Visit St. Pete/Clearwater stand alone piece and the staff incentive. The promotion will last for a period of one month.
- Received results from Virgin Holidays on the click through activity to our pages on their website during the recent London campaign on bus and underground. There was a 745% increase in visitors and an 836% increase in page views year on year!
- Getabed – Feedback and results from the joint co-op marketing campaign with Getabed that took place in February have been supplied. The total room nights booked in 2013 were 832. For 2014 YTD including forward sales, room nights booked currently stand at 560 Year on Year. Sales for bookings taken in the promotion period (09 Jan-15 Feb) total 36 bookings (vs 22) and 212 room nights (vs 133), up approximately 60%.
- Sunway, Ireland – Results for the March activity has now been supplied. The dedicated newsletter open rate was 18.48% and they had 40 calls to the dedicated number with a total of 13 bookings. During the campaign period (01/03 – 15/04) a total of 79 room nights were booked compared to the same period last year where 50 room nights were booked. Further co-op marketing with Sunway is taking place at the end of May. This includes half a page in the Sunday Independent, a full page in the Sunday Business Post and online activity on RTE.com. Claire has all images, copy she needs and proofs will be sent over shortly for sign off.
- Signed off a number of elements for the Gold Medal co-op campaign.
- Work with a UK media placement agency on a proposal to present to DT Minich and BVK at IPW. Feedback received and aspects are being renegotiated as well as adding a digital element.

- Signed off the Virgin Holidays proposal for inclusion in their May Peaks campaign. This will include online banners on a variety of media portals.
- Ocean Florida – The co-op marketing activity for our forthcoming promotion with Ocean Florida has now been finalised. This includes the St Pete/Clearwater blog, newsletter, flash sale and splash page which have all been confirmed to go live in May. Also liaised with Lisa Barrington regarding their forthcoming direct mail piece which we have been given inclusion in free of charge. The DM piece will be an 8 page brochure sent out to their database.
- Visit USA Ireland – For this month's e-newsletter which goes out to their trade and consumer database, we provided Visit USA Ireland with information that three of St Pete/Clearwater beaches made TripAdvisor's 25 Best Beaches in America for 2014.
- American Sky – The campaign is currently running and will continue into May.
- Land's End Consumer Promotion – The Land's End campaign in conjunction with British Airways Holidays will be launched in May 2014. Most of the elements of the campaign (excluding 2 x e-newsletters, which will be sent in May & June) have now been approved and the campaign will run for a period of 6 weeks.
- Flight Centre/Infinity Retail Promotion –The retail in - store promotion with Flight Centre ran from the 1st – 15th April. Flight Centre will be providing us with the campaign results 6 weeks from now to establish if the campaign had a knock on effect on bookings after it ended. By all accounts Flight Centre are seeing an increase in interest and bookings to our area after our first retail in store campaign with them last year and continuing the partnership into 2014.
- TUI Specialist – Work has started on the joint and solus campaigns we will be doing with TUI and Visit Tampa promoting twin-centre holidays. The joint activity with Tampa includes a direct mail piece for their Hayes & Jarvis Brand as well as email blasts. Solus activity with TUI Specialist and their Hayes & Jarvis brand will include email blasts, direct mail and digital marketing. First solus email has been signed off.
- Waitrose Promotion – Campaign results have now been received and they are as follows:
 - Competition Entries were a total of 19,990 (18,219 online/807 by telephone/964 postal entries)
 - 3,298 opted in for further information from St Pete/Clearwater and our partners
 - The Magazine reached a total of 3 million consumers
 - Online reached an audience of 1 million consumers
 - Total reach was 4 million consumers with a cost of £0.002 per reach
 - Total media value equated to £52,088
- Aer Lingus/Tampa/St. Pete/Clearwater Fam – All aspects of the joint fam trip taking place in May 2014 with Aer Lingus and Visit Tampa have now been finalised. The fam will take place from the 15th – 19th May and will include key Irish Product personnel.

- Amberley – Finalised menus, rooming lists and room gifts for the event taking place on 8th May in conjunction with Busch Gardens
- Premier Holidays/Visit St. Pete/Clearwater & SeaWorld Parks & Entertainment – Awaiting activity elements for the forthcoming Premier Holidays/SWP&E promotion that will start in May and last for a period of one month. A date for the sponsored Managers meeting as part of the promotion has been advised and will take place in June.
- Brand USA Megafam – All aspects of this fam have been finalised for the 14 agents on the Brand USA Megafam which will visit our area on 19th and 20th May
- Norwegian Cruise Lines – Finalised tour operator attendees to the NCL ship tour luncheon in Dover, Kent on the 16th May. Product personnel from Ocean Florida, Tropical Sky and Letsgo2 will be joining us for the day.
- USAirtours – Campaign results show the following: Total room nights booked during the February 2014 campaign were 142. Total room nights booked 1 Jan – 31 March 2014 are 520.
- Stella Travel Services – A joint campaign with Stella Travel Services (Travel 2 & Travelbag) has been confirmed and will commence in May at the same time as their 2015 Summer Brochure Launch. Activity will include online elements (Homepage banner ad, landscape page banners on their flight, hotel search pages and holiday search pages on travel2.com, search pop up banner, online calendar) and inclusion in a Travel 2 newsletter to their travel agent database to 7,000 agents. Campaign e-shots in TravelMole and will also be promoted by their on the road sales team with press releases and Tweets on their Twitter page. All imagery and copy has been forwarded to the design team.
- Funway Holidays – We have now received the results from the (Phase 2) Funway Florida's Beaches campaign. The results are as follows:

Activity: 2 x Travel Bulletin full page ad

Reach: Magazine distribution of 6,500

Activity:

2 x Travel Bulletin solus email

Reach: Email distribution 11,000

Performance: Average open rate = 18.4% / Average click through rate = 7.1%

Activity: Travel Bulletin micro-site

Reach: Unique Visitors 15,215

Performance: Visits 27,025 / Page Impressions: 180,420 / Average Page Impressions Per Visit: 6

Activity: Funway Website Banner

Reach: Over 60,000 page views a month to the Funway4Agents homepage

Activity: 2 x Funway e-blasts

Reach: email distribution 6,500

Activity: Funway Poster campaign

Reach: sent to 500 agents

Funway Holidays room night stats as of 5th May 2014 total 562 which is 39% up YOY

- Trailfinders – Results from our recent campaign with Trailfinders have been received and are as follows: The latest offer page had 2300 hits over the 4 week period starting 15 Jan'14, peaking on 3/4 Feb'14 when the offer was included in our weekly e-newsletter. The page received 1000 clicks on these two days. Room nights booked: Jan/Feb'13 429, Jan/Feb'14 473, an increase of 10.25%
- Discover America – Provided our up to date contact details to the Nordic Discover America team.
- Funway Holidays/VSPC/Visit Tampa Fam – Finalised all details for the forthcoming fam trip due to take place at the end of April.
- Thomas Cook – A request for a bulk supply of brochures were sent to Thomas Cook in Leeds to utilise on a Florida Fun Day they will be hosting this month.
- Exsus – A meeting has been arranged with Patrick Smith, North America Sales & Product Manager at Exsus to discuss our area.
- British Airways Holidays – Provided Gemma Pascall, Destination Executive with details of the Clearwater Marine Aquarium as well as providing her with 2 x tickets for her to visit the facility on her forthcoming holiday to Florida. Gemma is keen to look at the facility with a view to adding them to their Florida online booking programme.
- Experience Holidays - A request was received from Yvonne Dann at Experience Holidays for general information on the St. Pete/Clearwater area. Brochures were duly sent.

ENQUIRIES:

Telephone/website enquiries for information and/or literature

55

MARKET INTELLIGENCE:

01 April 2014 – Source TTG Digital

Spending on holidays set to rise, says Deloitte

Consumer spending on holidays is expected to increase as confidence continues to return to the UK economy. Speaking at Abta's Travel Tax briefing, Alistair Pritchard, industry lead, travel and aviation, at Deloitte, said evidence suggested that people continued to value travel. "We have seen in previous quarters that things like groceries and transport have been reduced, even though they're essentials and consumers are deciding to spend that extra disposable income and trading up in others and actually holidays and short-breaks have seen some of that benefit," Pritchard said. "In Q4 of last year holiday expenditure saw only a small improvement compared to the year before but the quarters before... have demonstrated that consumers really value their holidays and are prepared to shift the expenditure around if they think that is the right thing to do. He added: "We do expect next quarter's figures to again demonstrate more spending on holidays and we've got things like the Easter break and the

bank holidays coming up and also I think consumers will feel a little bit more positive about the future given the recent budget and the expected real increase in incomes...”

03 April 2014 – Source Travel Daily

‘Golden decade’ of travel on its way

The travel industry is poised for a ‘golden decade’ of sustained growth largely driven by outbound travel from China, according to a new report. New research from Oxford Economics commissioned by Amadeus has predicted 5.4% growth in global travel per year for the next decade. This will outpace the growth of GDP, which is predicted to grow 3.4% annually. International traffic is expected to grow faster than domestic with the former already up 20% between 2009 and 2012 compared to an increase of 5% in domestic traffic. China is expected to surpass the US as the world’s largest travel market although emerging markets including Russia, Brazil, India, Indonesia and Turkey will also play a part in the global growth. Markets like Europe will continue to see improvements but on a smaller scale. “Business travel spend in particular is expand but short-haul travel in the west has not fully recovered yet,” said Andrew Tessler, associate director at Oxford Economics and the author of the report. “European business travel is not expected to reach pre-recession levels until 2018 at the earliest.” Seamless travel and mobile to drive development A full-service door-to-door offering and mobile platforms will lead the development of travel bookings in the next decade, according to the report. Countries like India are already moving quickly in the mobile space but in Europe one in five travel bookings are expected to be made on a mobile by next year, with Amadeus urging companies to think about their mobile strategy for the years to come. “Personalisation and customisation will be the key to unlocking mobile’s potential,” said Tessler. “Mobile offerings will need to integrate with seamless travel to offer a more efficient service.” Tessler defined seamless travel as offering a complete door-to-door booking option for clients, from the planning stage to the airport to the hotel itself, throughout the holiday and back again. Carlson Wagonlit Travel’s William El Kaim said it had seen requests come through for bus tickets and ferry services, indicating that even business travellers are thinking differently about the way they travel and the services they want from agents. “We have pilots in place to offer a door to door experience to build a tool, but at the moment it is still a missing piece to link through the planning, during and sharing stages,” said El Kaim. The report highlighted Disney as a pioneer in seamless travel after the launch of its Magic+ wristbands.

08 April 2014 – Source Travel Daily

Istanbul ‘most popular destination’

The Turkish city of Istanbul is the world’s most popular destination, according to the latest TripAdvisor awards. The city was ranked top of the TripAdvisor Travellers’ Choice Destination awards announced today, with Rome in second place and our own London in third. Destinations in the line-up are based on millions of reviews and opinions that are posted on TripAdvisor, with winners chosen depending on the quantity and quality of ratings for hotels, attractions and restaurants in the locations. Europe and Asia dominated the world top 10, with Beijing in fourth followed by Prague, Marrakech, Paris, Hanoi, Siem Reap and Shanghai respectively. London was the top UK destination followed by Edinburgh, Torquay, Liverpool, Belfast, York, Bristol, Llandudno, Leeds and Birmingham. “London has had a blockbuster year, experiencing a surge in tourists not seen before by any other post-Olympic host city in the world. We’re delighted that London has again been recognised by millions as one of the best places on earth to come and visit,” said London & Partners chief executive Gordon Innes.

TripAdvisor’s Top 25 Destinations – World

1. Istanbul, Turkey
2. Rome, Italy
3. London, UK
4. Beijing, China
5. Prague, Czech Republic
6. Marrakech, Morocco
7. Paris, France
8. Hanoi, Vietnam
9. Siem Reap, Cambodia
10. Shanghai, China
11. Berlin, Germany
12. New York City, USA
13. Florence, Italy
14. Buenos Aires, Argentina
15. Barcelona, Spain
16. St Petersburg, Russia
17. Dubai, UAE
18. Chicago, USA
19. Cape Town, South Africa
20. Bangkok, Thailand
21. Budapest, Hungary
22. Sydney, Australia
23. Lisbon, Portugal
24. Chiang Mai, Thailand
25. San Francisco, USA

09 April 2014 – Source TTG Digital

New Thomson concept store planned for Newcastle

Tui UK and Ireland managing director Dave Burling said this would be the company's "flagship store", joining the portfolio of three including Bluewater, Bristol and Liverpool. The new store, featuring interactive maps and a video wall, will replace two existing travel agencies in the shopping centre. It is anticipated that staff from these stores will move across to the concept store. Burling said the current concept stores were "exceeding the business plan" and that Tui was "incredibly pleased" with them. He added: "There is a lot of tech in these stores and if we combine this with strong people we believe we can take on the competition and grow." With the existing stores already proving their success, Thomson plans to continue to look for other opportunities for new store locations.

09 April 2014 – Source TTG Digital

New York to smash 55m visitor milestone

New president and chief executive of NYC & Company Fred Dixon said the city has seen "amazing growth – much of it from the international market, which has grown 70% in the last decade." Dixon attended US trade show International Pow Wow <<http://www.ttgdigital.com/news-from-international-pow-wow-2014/4691056.article>> in Chicago this week, his first IPW after stepping into George Fertitta's shoes. Preliminary results show international arrivals for New York in 2013 were 11.4 million, which is an all-time record. The UK market grew slightly, from 1,033,000 in 2012 to 1,041,000 in 2013. This is still some way behind the record of 1,328,000 UK arrivals in 2008, when the pound was at an unprecedented high against the dollar. Dixon added: "The UK market is stable, and steady is good in the current climate." This year New York is also set to achieve another

milestone – 100,000 hotel rooms – driven by openings such as a Park Hyatt and a Knickerbocker Hotel. “The great thing about the planned new inventory is that it stretches across all neighbourhoods and price points,” said Dixon. He also talked about several “demand generators”, which would attract additional visitors to the city and help fill the new hotels. The High Line is being extended for a third and final time in late 2014, with a new section stretching half a mile beyond the current northern end of the urban park, which occupies the site of a disused elevated railway. “This is becoming iconic and famous in its own right,” he said. “People are coming to New York in order to see it.” The 9/11 Memorial Museum opens on May 21, Staten Island is gaining a new observation wheel and outlet shopping centre, and the One World Observatory in the new One World Trade Centre will open to the public next spring. The Whitney Museum, the largest collection of American art in the world, is relocating from Upper East Side to a new, bigger facility in the Meatpacking district. Dixon said that NYC & Company would continue to tap into the demand for experiential travel: “We need to speak to new audiences, using new technologies. People come to New York for an authentic experience – and our marketing, across all five boroughs, will reflect that.”

10 April 2014 – Source TTG Digital

Analyst pits IPW against Superbowl – and finds a surprise winner

US trade show IPW is more beneficial for a host city’s economy than hosting than the Superbowl, according to research carried out by Rockport Analytics. The annual US trade show took place in Chicago this week <<http://www.ttgdigital.com/news-from-international-pow-wow-2014/4691056.article>> , attracting 6,200 attendees from around the world, who participated in more than 95,000 pre-scheduled appointments. The study compared the economic impact of last year’s IPW in Las Vegas with the 2012 Superbowl in Indianapolis. It concluded that while the Superbowl attracted more attendees, the measurable impact of IPW was longer, because it lasted three years as opposed to mere days. For the host city, IPW produced more than four times as many direct expenditures as the Superbowl. Roger Dow, president and chief executive of the US Travel Association, said: “When it’s the Superbowl, upwards of 70,000 visitors come in, spend a lot of money over a four-day period and go home. There’s no residual benefit. This research was a big surprise to us, and makes it a lot more interesting for cities who want to host future IPWs.” He added: “The study was based on Las Vegas, but a city like Chicago will see an even greater effect. Las Vegas and Orlando are well-known but emerging markets know less about Chicago and [2018 host city] Denver, for example.”

Future IPW host cities have been confirmed as far ahead as 2020:

- Orlando in 2015
- Miami in 2016
- Washington D.C in 2017
- Denver in 2018
- Anaheim in 2019
- Las Vegas in 2020

Choose Chicago president and chief executive Don Welsh said hosting IPW was a major part of the destination’s growth strategy, and he was backing a more regular rotation: “We last hosted IPW 16 years ago in 1998. I don’t want it to be more than seven or eight years before we host another.” He added: “We are still in catch-up mode so if we can achieve just half the \$1.6bn increase in tourism spending quoted for Vegas in the next three to five years, we’d be very happy with the result.”

11 April 2014 – Source TTG Digital

The complex story behind Cook/Co-op joint venture's £6m profit

The retail business is in the black, yet since the 2010 merger hundreds of shops have been closed with operating losses reaching the millions. Thomas Cook's retail joint venture with The Co-operative Group has turned a profit of £6m - despite its travel agency business posting a multi-million pound operating loss. Although as a listed company Cook is required to report quarterly figures for the group, the finer details are to be found in separate subsidiary accounts filed at Companies House. When the deal was announced back in 2010 many in the industry questioned the strategic value, and it now receives little publicity, with many of the original architects having departed the company. This could partly be down to the fact that the high street constitutes a small part of the business (4% of group revenues) but also because of its poor performance. A document dated March 2013 seen by TTG revealed that only 56% of retail stores open at the time were profitable. Yet there are still hundreds of branches in town centres across the UK, which employ 5,700 retail staff. At the time of the merger, TCCT Holdings UK Ltd was incorporated as the joint venture vehicle with Thomas Cook taking a 66.5% stake, The Co-op taking a 30% stake and the third member, Midlands Co-operative, taking 3.5%. According to accounts seen by TTG, this company made a profit of £6m for the year ending September 30, 2013. Most of this was attributed to finance income as a result of intra-group interest. The accounts also contain information on the company investments, which outline the network of subsidiaries established following the landmark merger. A number of dormant subsidiaries are noted: TCCT Holdings Ltd, and Co-op Travel 2 Holdings Ltd. A third, Close Number 29 Ltd (formerly Midlands Co-op Travel Ltd), is in members' voluntary liquidation.

14 April 2014 – Source TTG Digital

Six travel companies on fastest-growing profits list

Travel Counsellors and On the Beach were among the travel companies to make it into the list of the UK's 100 private companies with the fastest growth in profits in the last three years. The annual Sunday Times BDO Profit Track 100 report ranks UK-based companies by their annual growth in profits over the last three years of available accounts. JAC Travel, which wholesales online hotel bookings and inbound tourism services, was the highest placed travel firm at 26th in the list. The company has seen profits rise by an average annual rate of 70.1% to £8.1 million in the last three years. GM Communications, which runs tour operator Miki Travel, came 37th with profits increasing by 61.8% to £14.2 million. The company specialises in selling European holidays to Japanese tourists. Manchester-based OTA On the Beach was placed 63rd after recording annual profits growth of 51.3%, with latest profits rising to £8.5 million. Train trips operator Great Rail Journeys came 86th with profits up by 46.8% on average to record earnings of £8.9 million in 2013, helped by a 28% rise in passengers to 64,000 last year. Homeworking specialist Travel Counsellors was in 92nd position with profits rising by an average of 45% in the last three years to £5.4 million. The Bolton-based company came 13th in the corresponding list in 2013. Finally in 100th place came attraction cards operator Leisure Pass Group, which has seen profits rise by 41.4% to £10.4 million. Profit Track 100 is compiled by Oxford-based research firm Fast Track. The profits used in the report are operating profit plus directors pay.

14 April 2014 – Source TTG Digital

Mood of the moment is 'distinctly upbeat' – and rightly so

Crucially for our industry, consumer confidence is on the rise again, says Barclays head of travel Chris Lee So, there goes the first quarter of the year. The clocks have gone forward

signalling the start of British Summer Time, Easter is just around the corner and people's thought are already turning to the football World Cup in sunny Brazil. With so much happening so quickly it's an opportune time to examine the environment in which the travel industry is operating. The good news is that the economy continues to grow. Recent figures from the Office for National Statistics (ONS) showed that the UK economy grew by 0.7% in the final quarter of 2013, recording its strongest growth since 2007. Macro conditions still remain broadly supportive with historically low interest rates, inflation hitting its target level and positive news on employment. Crucially for our industry, consumer confidence is on the rise again. The most recent ONS Travel and Tourism figures, released in March, estimate that the number of visits abroad by UK residents in January 2014 was 3.6 million, which is a rise of 4% compared with the number of visits abroad in January 2013. During the period November 2013 to January 2014, the number of UK residents' visits abroad increased by 3% compared with the corresponding period a year earlier. What these figures indicate is that UK holidaymakers are refinding their confidence and committing themselves to more discretionary spend, which is reflected in the optimistic outlook I am picking up from tour operators and travel agents. Beyond the economic picture, there continues to be much interest in the sector from the venture capital and private equity communities, as well as overseas buyers. With a number of our travel customer base looking out for acquisition opportunities, everything points towards further consolidation in due course. The feelgood factor is most welcome, albeit there was a bit of a jolt with the recent failure of On Holiday Group Accommodation <<http://www.ttgdigital.com/news/on-holiday-group-accommodation-ceases-trading/4690688.article>> . It will be interesting to see how the latest decision in the long-running Med Hotels case washes through over the coming months. The effect of the surprise changes in Air Passenger Duty <<http://www.ttgdigital.com/news/osborne-announces-surprise-apd-change/4690844.article>> from 2015 will also be interesting to follow, particularly around the balance between long/mid/short-haul trips and their duration, where 10 to 11-night trips have risen from a very low base to represent close to 20% of trips taken, according to some statistics. Overall, the travel industry can feel more optimistic on the back of improving growth numbers and a more confident consumer, and in the sense of balance that is slowly returning to the UK economy. There is a distinctly upbeat feeling coming through, reflected both in the ONS figures and broader economic data, but also from among our clients. There is still some way to go, with consumers feeling the effects of higher prices as inflation continues to outstrip wages, and this will continue to impact on spending, but I am confident that the travel industry will step up as we move further into 2014.

22 April 2014 – Source TTG Digital

Virgin Holidays names new managing director

Virgin Holidays has promoted current customer and sales director Mark Anderson to become the company's new managing director. Anderson, who has been at Virgin Holidays since 2005, will formally take up the new role on May 16 when Amanda Wills leaves <<http://www.ttgdigital.com/news/wills-quits-after-13-years-at-virgin-holidays/4690687.article>> to pursue new commercial and charitable opportunities. "I'm very happy to have the opportunity to build on that further and lead the business in to an exciting future. In my previous roles here, I'm fortunate enough to have had first-hand experience of the brilliant, passionate and skilful people we have working for us. It will be an absolute pleasure to be their MD and help them fulfil their – and Virgin Holidays' – potential," said Anderson. Prior to taking up his new role, Anderson helped to spearhead the expansion of the Virgin Holidays retail channel, growing it from 20 to more than 100 outlets in three years. He also helped to develop the "v-rooms" at both Gatwick and Manchester Airports, and introduce the in-resort concierge services and lounges overseas. Virgin Atlantic's chief

executive, Craig Kreeger, said: “Mark is a true commercial customer champion – someone who is able to simultaneously focus on what makes Virgin Holidays a truly great brand, and a successful business. “He’s also a proven leader who has demonstrated repeatedly at Virgin Holidays that he knows how to get the best out of the people around him. I am delighted to make this appointment and I speak on behalf of the entire leadership team when I say we’re looking forward to working closely with him.”

24 April 2014 – Source TTG Digital

Virgin Atlantic makes ‘good progress’ after having losses

The boss of Virgin Atlantic is halfway to making good on his promise to return the airline to profitability after it announced a 50% cut in losses. Chief executive Craig Kreeger, who joined the carrier last year, said “good progress” had been made on the pledge. Pre-tax losses for the year ended December 31, 2013 fell to £51 million, from £102 million in the previous period, with group turnover up by 4.9%. Just under 6.2 million passengers flew on the airline in 2013, helping revenue from this segment grow by £153 million. “The group has made good progress in 2013 towards our target of a return to profitability by the end of this year. We have implemented a programme of measures which put in place firm foundations for future success and our results to this point show that we are delivering against our plan,” said Kreeger. “Our strategy has been to focus on network, alliances and managing our cost base in a way which has not impacted on the customer. For example, use of a new fuel-management system delivered savings of £8 million in a single year.”

24 April 2014 – Source TTG Digital

Customers find face-to-face booking ‘more enjoyable’

Consumers still value the personal contact on the high street when booking a holiday, new research finds. Holidaymakers choose to book through travel agents because they find the experience more “enjoyable” and “exciting”, rather than being quicker or easier. This was one of the main findings of a new report examining how consumers research and book holidays for both domestic and overseas trips. It was compiled by research firm Incite Marketing Planning in collaboration with parent company St Ives Group. Incite surveyed 1,000 UK residents about how they choose a holiday, including their sources of influence and their experiences of planning and booking. Ben Markham, a researcher at Incite who co-authored the report, said: “People told us that it was the human element that was making the process more exciting, enjoyable and inspiring - these were the reasons that people were going to an agent - not because it was seen as quicker or trouble-free.” Another insight was that consumers wanted to use agencies for higher-priced and more complex itineraries or types of holidays. “When spending more than £1,000 on a trip, an agent is almost twice as likely to be used as when spending up to £500,” the report concluded. Those going on overseas trips were also more likely to use agents (50%) than people staying in the UK (31%). Consumers going abroad wanted to use agents primarily for resort or spa trips (62%) and beach holidays (55%) rather than city breaks (32%). Markham said agents were more popular for “activity and adventure” holidays, such as winter sports, cruise and multi-centre breaks. “We see that as the price of the holiday goes up then the more likely it is that people will use an agency,” he added. “Agents tend to know more about cruises and have access to better rates on some of the cabins.”

Printed sources

The report also suggested that “print is not dead” with consumers using brochures and guides for research - just under half (47%) of respondents said they used a brochure when planning trips. “Consumers seem to be using online for the more practical parts of the holiday such as transport and flights,” said Markham. “But they are relying on printed sources to read about

the destination and activities.” Holidaymakers taking “staycation” trips within the UK also tended to use extra sources of information than those going abroad - on average four sources are used for UK trips compared with just three sources for overseas holidays. The top sources of information for consumers were hotel websites, advice from friends, travel agency/supplier websites, hotel aggregator sites and brochures. TripAdvisor is the most influential online information source for overseas trips with 68% of the site’s users saying it fulfilled all research needs. Markham also noted that package holidays were not seen as being “less complicated or laborious” than booking components separately. He also advised agencies to do more work to combine their websites and high street agencies. “When I walk into an agency they should know which hotels I have viewed on their website and where I have previously taken holidays,” said Markham. “They can then offer recommendations based on these preferences.”

30 April 2014 – Source TTG Digital

Two new ships and floating hotels drive Norwegian Cruise Line results

The introduction of two new Breakaway-class ships and the use of ships as floating hotels has seen revenue grow by more than a quarter, Norwegian Cruise Lines has revealed. President and chief executive Kevin Sheehan said the increase in revenue to \$664 million for the quarter ending March 31 meant earnings per share (EPS) had increased from \$0.06 in 2013 to \$0.23. Adjusted EBITDA saw an increase of 39.6% to \$139.3 million while net revenue in the period increased by 27.8% to \$499.3 million which was driven by an increase in capacity days. The increase in capacity days was largely thanks to the addition of Norwegian Breakaway and Norwegian Getaway to the fleet in May 2013 and January 2014 respectively. Sheehan said: “Our strong results in the quarter include and almost four-fold increase in earnings on an adjusted basis. “With both Breakaway class ships now in our fleet, it is easy to appreciate the impact of their impressive earnings power, which includes commanding double-digit premiums over other Norwegian ships in the same itinerary.” Sheehan added two dockside charters during the first quarter period had also brought the cruise company valuable exposure, particularly among the new-to-cruise market. He said in January Norwegian Getaway hosted the Bud Light Hotel during Super Bowl 48 in New York and the event generated more than one billion impressions as the venue became a hub for activity. Then, in February, Norwegian Jade served as a dockside hotel for guests attending the Olympics in Sochi. Sheehan said: “The Bud Light Hotel and Sochi charters are just the latest examples of our strategy to develop new and innovative ways to show off our incredible ships and incomparable service to guests who may not have considered a cruise holiday.” Norwegian Cruise Lines also used the announcement of its Q1 results to announce a three-year £500 million share repurchase programme. The company said it would buy back shares as and when market conditions were deemed appropriate. Sheehan said: “Our focus at Norwegian is to drive shareholder value by strengthening our product proposition, honing our strategy of driving demand and increasing returns through our disciplined newbuild and fleet enhancement programs. This share repurchase program complements these initiatives by allowing us to be flexible and opportunistic to repurchase shares at attractive levels.”