

**UK OFFICE**  
**October 2015 REPORT**  
**Prepared by: Venessa Alexander**  
**UK Director**

**Tour Operators**

- **BA Holidays** - Met for dinner with Keri Mulqueen, the new Florida Destination Executive, whilst we were in St Pete/Clearwater. This was her first visit to the area in this new role. We discussed the destination performance including key hotels in their programme, as well as details of Opal Sands and Treasure Island Beach Resort. We will follow up at WTM.
- **Virgin Holidays** – We joined Visit Florida along with other destination partners and attractions for their annual Virgin appreciation dinner. There were 16 attendees from their Commercial and Marketing teams, as well as their Head of Retail and Head of the Sales call centre.

**Meetings/Training/Events**

- **TDC** – Presented at October TDC meeting. Presentation included 3 highlights from the fiscal year just ended as well as an overview of upcoming projects.
- **Media Agency Group** – Meeting to discuss forthcoming February campaign. MAG presented a number of ideas including TV, Out of Home and Digital. Campaign ideas have been finalised and will be presented at WTM.
- **Tampa Bay & Company** – We met with James Litston to discuss his marketing plans for 2016 and discussed possible joint co-op opportunities. James advised that their budget is due to be confirmed very shortly. Their key focus will be on cruise (which is performing well) and multi-centres. Partners for 2016 will include high end operators which are more likely to incorporate Tampa into holiday itineraries as well as Ocean Holidays, Tropical Sky, Audley Travel, Premier Holidays and TUI Specialist. They would consider partnering on FAM trips, trainings and evening events as we have done in the past.
- **St Pete/Clearwater trip** – Gemma had the opportunity to spend some time familiarising herself with the destination, including visits to Tarpon Springs, Safety Harbour, Dunedin, Caladesi and Honeymoon Islands, John's Pass, Gulfport, downtown area, Fort de Soto, Pass-a-grille, as well as the other beach communities. She had meetings and site inspections at Ram Sea and Emerald Isle, Holiday Inn Harborside, Alden Suites, Loews Don Cesar, Bilmar, Doubletree Reddington, and Holiday Inn Clearwater, which will be valuable experience for future training events.

Venessa and Gemma met with other key hoteliers whilst in resort including; Hyatt Regency Clearwater, Hilton Clearwater, Postcard Inn, Renaissance Vinoy, Sunset Vistas, and also a courtesy visit to the Dali museum. We had a hard hat tour of Opal Sands and Treasure Island Beach Resort, due to open in February 2016. During the trip, we also saw a selection of gulf front homes, whom Ocean Properties are currently working with. BeachTimeRentals currently have over 40 properties in their portfolio which is expanding daily. We will follow up with Ocean Properties at WTM for promotional opportunities.

During our visit, we met with all of the St Pete/Clearwater CVB staff, and presented to them some key projects we have been working on and future marketing initiatives. It provided the opportunity to ask questions to gain an understanding about the UK, Ireland and Scandinavian markets and how customers book their holidays, what appeals to them, and the challenges and opportunities for these markets.

We also had lunch with members of the Clearwater Chamber.

### **Trade Shows**

- **WTM** – We have finalised the schedule, which includes appointments with 26 key partners. Provided photography and video assets for the booth and sponsorship of the Visit Florida event being held on the Monday night of the show.

### **Trade Liaison**

- **SeaWorld Parks & Entertainment/St Pete/Clearwater Mega FAM** – UK office staff co-hosted the SWPE & VSPC Travel Agent Mega Fam trip (hosting 27 agents & tour operator reservations sales agents), which included 4 nights in Orlando, with trips to all of the SeaWorld Parks and 3 nights in St Pete/Clearwater. Agents were accommodated at the Sheraton Sand Key Resort and enjoyed seeing the destination including visits to; The Sirata Beach Resort, a cocktail party at the Palm Pavilion to meet key hoteliers, a visit to the Dali Museum and the Chihuly collection at the Morean Arts Centre as well as a trip on a StarLite Majesty Evening Cruise and visits to area neighbourhoods including Dunedin and the Dunedin Brewery. The trip was a resounding success and looks set to continue to be an annual event.
- **Florida's Beaches** – Finalised creative for booth displays and arranged printing. Registered for Reiselivsmessen, Oslo, FDM, Denmark and Swanson's Sweden.
- **Visit USA Stockholm** – Confirmed attendance at this event in January.
- **Tour America, Ireland** – We continued to offer support to Tour America for their upcoming fam trip to St Pete/Clearwater in November, including suggestions for the itinerary. We are waiting for more information from Tour America on dates, site inspections already confirmed etc. before helping to finalise their itinerary.
- **Bookabed** – We have agreed a joint marketing campaign in partnership with Bookabed in Ireland for the month of November and activity includes e-newsletters and a banner advert on their homepage of their website. We have provided the banner ad and the required amends have been made following the draft of the first e-newsletter.
- **Ocean Florida** – We have worked with the Ocean Florida marketing team to finalise and sign off their updated St Pete/Clearwater double page spread in the 2<sup>nd</sup> edition of their dedicated Florida Destination Guide brochure which they produce for their customers and potential new clients.
- **USAirtours/Travel Planners** – We have confirmed our participation in a UK consumer Brand Affinity campaign with the major UK Supermarket chain Sainsbury. The campaign will appear in the form of a page in the February edition of the Sainsbury Magazine and on the Sainsbury website, which will be in market at this time for a period of 4 weeks. We have approached USAirtours/TravelPlanners to support us by providing a holiday to include flights, accommodation and car hire. TravelPlanners and the Sirata Beach Resort Hotel will be featured alongside St Pete/Clearwater destination information. We are currently waiting on confirmation of the prize details before sign off which is due at the end of November.
- **Virgin Holidays** – Virgin Holidays included a twin centre message pushing a Chill and Thrill holiday in Orlando and St. Pete/Clearwater via a Travel Trade Gazette e-newsletter communication advertisement.

- **Gold Medal** – We continued to assist Ashley Pilkington, Product Executive at Gold Medal Travel with sign off of the St. Pete/Clearwater intro page in their Florida 2016 brochure by providing further images to complement the style/look of the rest of their brochure.
- **Visit USA Ireland** – We provided VUSA.IE with information on the Dali/Disney exhibition that will be at the Dali Museum, for inclusion in their monthly trade and consumer e-newsletter. The Visit USA Ireland team also advised that Ciara Foley, the current Chairperson would be stepping down at the end of her term this year. A new chairperson will be announced in the coming weeks.
- **America Dream Experience** - We received a request from the Kids Cancer Charity who were helping a family plan their Florida holiday for next year, and asked if Sheraton Sand Key would be able to assist with their hotel accommodation. The family were offered a special discounted rate as they were intending to travel during the Easter Holiday. We are waiting to hear if they wish to confirm the booking.
- **Scandinavian Sales Mission** – We have now confirmed prizes for the evening training events which include; Holiday Inn Harborside, Postcard Inn and Renaissance Vinoy, each offering a prize of a 3 night stay. The final itinerary is being worked on by Visit Orlando, however it will include meetings and training to key partners in Oslo, Stockholm and Copenhagen. We have ordered brochures to be sent to the relevant training sessions.

#### **ENQUIRIES:**

Telephone/website enquiries for information and/or literature

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#### **MARKET INTELLIGENCE:**

1 October 2015 Source Travel Newsgram

#### **VISIT FLORIDA PARTNERS PITBULL**

Tallahassee: Visit Florida has entered into a new partnership with global music superstar Pitbull. The partnership is designed to help Florida integrate its travel brand into the international music scene on a huge scale through this ambassador program. A few of the partnership highlights include: With more than 100 million social followers, Pitbull will use and feature Visit Florida's #LoveFL hashtag on all his video screens at concerts around the world, as well as on his live New Year's Eve special from Miami on Fox. Visit Florida will be doing a week-long takeover on Elvis Duran and the Morning Show/iHeart Radio featuring daily prize packages to Miami and VIP passes for Pitbull's New Year's Eve event; and Florida's beaches will be the exclusive backdrop of Pitbull's upcoming video for the single "Sexy Beaches" - his videos have over 6 billion views, his worldwide music sales exceed 60 million singles and he has No. 1 hits in more than 15 countries. "Pitbull is certainly 'Mr. Worldwide', but he's also a native Floridian with a true passion for the Sunshine State," said Paul Phipps, Chief Marketing Officer for Visit Florida. "Aligning our two brands not only allows us to have a Florida ambassador who can help tell the authentic story of the state's diverse travel experiences, but provides us a platform to reach a new generation of travellers through his global fan base." Other elements of Visit Florida's partnership with Pitbull include promotional appearances, concert' meet and greets', social media calls to action driving to Visit Florida's facebook page and the inclusion of Florida locales in future music videos. "Florida is home, and I'm excited to be working with Visit Florida to share what I love about the Sunshine State with my fans around the world," Pitbull said.

3 October 2015 Travel Weekly

### **Brits choosing winter sun destinations based on safety concerns**

Half of Brits are avoiding traditionally popular winter sun hotspots in favour of ‘safer’ destinations as a result of terror attacks and the migrant crisis, according to a Travelzoo survey. More than half of 2,000 adults surveyed blamed recent terrorist attacks (54%) and the migrant crisis (51%) for reducing their willingness to travel abroad. The poll suggested that Tunisia, Morocco, Egypt, Greece and Thailand – all traditionally popular winter sun destinations – are now the places that UK consumers are most afraid to visit. It found Britons felt most secure travelling to the Canary Islands (pictured), the Caribbean and Australia for a winter sun holiday this year. Over the next 12 months they felt most confident about booking Italy, Spain, France, Portugal and the US. Travelzoo managing director, Richard Singer, said the survey showed that personal safety was now a key factor in holiday choice. “It was all about price; now safety is right up there,” he said. The survey of 2,000 UK adults was conducted by Censuswide on behalf of Travelzoo in September.

7 October 2015 TTG

### **Axing of Cosmos name is a 'natural move'**

The Cosmos Holidays name is set to disappear from the travel industry as parent company Monarch embarks on a major rebrand. The transition to the new overarching Monarch brand started on Wednesday with the Avro and Somewhere2Stay brands also being replaced. The decision comes almost a year after the company’s well-publicised financial struggles and its eventual acquisition by Greybull Capital. The Cosmos trademark is held by Monarch’s former owners, the Mantegazza family, who still operate the now-separate Cosmos Tours brand. As part of the move, Monarch will focus exclusively on destinations covered by its own scheduled airline and will move away from using third-party carriers. More hotels will also be added to its tour-operating programme. Monarch’s chief executive Andrew Swaffield told TTG the decision to unify the company’s various businesses under one name was made at the beginning of the year after receiving feedback from brand consultants. “We had a view that a single brand would be more powerful than multiple brands; that was our starting position and they [brand consultants Lippincott] validated that assumption,” he said. “We haven’t really had people lobbying for the Cosmos name. It almost feels like it was time for it to happen. It feels like a very natural change. “Cosmos was a very strong brand in the 70s and 80s,” he added. “I think it’s probably fair to say now that Monarch is a much stronger brand than Cosmos.” Over the past 18 months Swaffield has made a number of changes at the group, including the elimination of charter and long-haul flights. He said: “For us this is part of the continuation of that simplification of the business.” Swaffield added that he was not envisaging any job losses as a result of the rebrand. In June, Monarch published results for the first half of its financial year, which showed it was making some progress on its turnaround, with pre-tax losses being reduced by 37% to £70 million. However, the scale of the group’s financial problems over the past couple of years were revealed in its 2014 statutory accounts, which were filed at Companies House also in June, showing that the business made a £57 million pre-tax loss last year. Swaffield insisted the good progress made by the company had continued over the summer and he still expects a return to profit this financial year.

9 October 2015, Source Travel Weekly

### **Tui-owned SHG unveils trade-only brand for third-party agents**

Tui-owned Specialist Holidays Group is launching a dedicated trade-only long-haul brand following feedback from agents. The brand, Travelmood, will work solely with third party agents and will not be bookable by Thomson agents. Tui first bought the Travelmood brand

back in 2008 but stopped using the name soon after because sister brand Austravel grew to become the stronger company of the two. Lesley Rollo, managing director of Travelmood, admitted that some agents had been fearful of booking with sister brands such as Hayes and Jarvis because it could sell directly to customers. "We will have a website for agents and the technology we are using is fantastic," Rollo said. "It will be easy for agents to work with us because service will be extremely important. "This has all been developed following feedback from the trade, agents told us they wanted a brand which only sold through them. She said Travelmood would offer competitive commission to independent agents. Travelmood will have a webpage which can be viewed by the public, however it will not have a booking function and customers will be directed to book through an agent. Currently the brand will focus on long-haul destinations but Rollo isn't ruling out looking at short-haul in the future. The brand will share the existing Specialist Holidays Group sales team which has eight people out on the road. The team was recently expanded with the addition of a new business development manager, who will look after independent agents. Travelmood officially launches on October 29 and the sales team is preparing to hit the road to meet agents. During November and December the trade team plans to visit up to 40 independent agents every day to showcase the benefits of the new brand. Travelmood will also be incentivising agents and has become the first tour operator to partner with My Bookings Rewards. The incentive programme will be up and running by the end of the year.

12 October 2015, Source Travel Weekly

#### **Barrhead Travel reveals location of first branded store in England**

Barrhead Travel has revealed its first English store will open in Newcastle. The Scottish agency chain is investing £1m in the store in the intu Eldon Square Shopping Centre in Newcastle. The 'superstore', which will be 1,500 sq ft, will employ 20 people. Barrhead said the flagship store would be located at the busiest entrance of the shopping centre which has a footfall of around 37 million people a year. Barrhead Travel currently supports franchise branches trading independently in the northeast but the Newcastle store will be the first distinct branded store in the area. The new store is part of the company's ambitious plans for expansion across the UK, which were unveiled at the start of the year.

13 October 2015, Source TTG Media

#### **Abta 2015: Which holidays are people using travel agents for?**

The number of holidays being taken by Brits has increased, but people using a high street travel agent to book these breaks has fallen slightly, new research by Abta has revealed. In the association's annual travel trends report, which surveys 2,003 people, Abta found that 17% of those questioned had used a high street travel agent to book an overseas holiday. This compared with 20% in 2014, and 19% in 2013, while some 13% said they used a high street agent to book a UK break this year. Meanwhile the number of people using an online travel agent to book a holiday abroad has increased notably to 32% this year, up from 25% in 2014 and 23% in 2013. The majority of people said they booked directly with service providers for breaks abroad, with 54% stating that they used this method. However of the six different categories of holiday identified by Abta, travel agents - either high street and online – were named as the most popular booking method. This includes honeymoons, booking a trip to a new destination, a last minute break, and a holiday lasting seven-nights or more. Only city breaks and domestic holidays were categories which consumers said they would look to book directly with the service providers themselves. Meanwhile the research also revealed that almost a quarter of those surveyed – 23% - said they were expecting to spend more on their holidays next year – up from 20% who said the same last year. Early indications suggest that

the number of overseas holidays book to date are 12% up year-on-year, while bookings for winter breaks are up 5%.

16 October 2015, Source Travel Weekly

### **Virgin Holidays to become direct-sell only**

Virgin Holidays is to become a purely direct-sell tour operator after 30 years of selling through the trade. The long-haul specialist said it has made the decision because it can no longer add the value and the consistency of service it wants if it doesn't "own the customer". Virgin Holidays managing director Mark Anderson confirmed that all existing bookings would be honoured and all its terms and conditions for any changes to bookings would remain in place for bookings already made by agents. But he said there would be a cut-off point for any new bookings to be made, depending on different commercial contracts, that would average out at about 30 days' time. Anderson said trade sales had gradually been representing a smaller proportion of total sales as it has experienced consistent growth through its three direct booking channels of its call centre, its website and its retail shops – both concessions and high street stores. "Agent sales represented about 10% of Virgin Holidays' business last year and it's less than 10% this year. But it used to be a lot higher than that of course, and we know that this news will affect a lot of agents," he said. Asked if the move to sell purely direct to the consumer was in any way related to cost-cutting through not having to pay commissions, Anderson confirmed: "It's genuinely all about customer retention for us. Where we're going as a business, in terms of offering the very best service, not just in travel, but against other companies and other sectors, just wouldn't be achievable without owning the customer data, through the booking and whole pre-departure experience. Virgin Holidays recently launched a new type of retail store that has been designed to inspire customers through immersive experiences. The first two new stores, located at the Bluewater shopping centre in Kent and at the Metro Centre in Gateshead, have been designed to create a "landscape of interaction allowing customers to explore new destinations, discover new experiences and shop for holidays in a relaxing environment". Virgin Holidays also celebrated its 30th Birthday this month with the launch of a new range of premium holidays called 'Wonderlist', dedicated to customers who are looking for "fun and affordable luxury".

22 October 2015, Source Travelbiz

### **Aer Lingus unveils three routes to US**

Aer Lingus plans to add more transatlantic services in 2017 after unveiling three new routes to the United States that will begin next year. The airline, which was bought by British Airways owner IAG this year, is relaunching its services between Dublin and Los Angeles, and Newark in New Jersey. Aer Lingus cancelled its Dublin-LA service in 2008 as the downturn hit, and its Dublin-Newark route in 2001 following the 9-11 terror attacks. It will also launch a new service from Dublin to Hartford, Connecticut, with the help of a rumoured multi-million dollar support package provided by the US state. Aer Lingus will add 200 jobs as a result of the expansion. Aer Lingus will fly between Dublin and Los Angeles from May next year, operating five times a week between the cities. It will fly to Newark, which is a New York gateway airport, daily from September next year. The Dublin-Hartford route will also be a daily service and will begin next September. The new routes mark the single biggest ever expansion of long-haul services at Aer Lingus and mean it will now be flying to 12 destinations in North America next year. IAG chief executive Willie Walsh and Aer Lingus chief executive Stephen Kavanagh both indicated that further expansion of Aer Lingus services would follow. It is also anticipated that Aer Lingus could introduce routes to cities such as Miami, Dallas and Philadelphia in the future.

22 October 2015, Source TravelMole

### **A third of families feel benefit of APD changes**

A third of families believe flying is more affordable following the abolition of child Air Passenger Duty, but most have not noticed a difference. As the October half term approaches, ABTA has released the findings of a study which found 34% of people with children under five and 31% of people with children over five said they feel it's made holidays more affordable. But 10% of people with children under five said they disagreed that holidays were now more affordable, and 56% were neutral. For families with children over five, 9% said they disagreed and 51% were neutral. A spokeswoman for ABTA said some families may not yet have seen the impact of the changes, which came into force in May this year. APD was cut on economy flights for children under 12 on May 1 and in March 2016 this will be extended to children under 16. In April, APD reform saw the abolition of the more expensive long haul APD Bands C and D, which made it cheaper to fly to destinations such as the Caribbean, India and China. The research was conducted among 2003 consumers by Arkenford, which specialises in tourism and leisure market research.

25 October 2015, Source, Travel Extra

Aer Lingus may have to reduce their service to 2w from 3w to Orlando in summer 2016 to meet fleet requirements for their new Los Angeles service.

30 October 2015, Travelbiz

### **'Dollar to reach parity with euro by year-end'**

Goldman Sachs Group sees its longstanding call for the dollar to reach parity with the euro coming true as soon as December, as the Federal Reserve and the ECB move toward divergent monetary-policy actions. The US central bank said on Wednesday night that it will consider raising interest rates on December 16, a week after the ECB hinted that there may be additional stimulus as soon as its December 3 policy meeting. That's bringing euro-dollar parity back into focus, after the dollar's ascent stalled at a 12-year high in March. "After the painful period since March, it will take time for markets to trust this message once again," Robin Brooks, Goldman Sachs's New York-based chief currency strategist, wrote in a report. "But we think they will, which should take euro-dollar down to \$1.05 ahead of December 3, and we picture ending the year at parity." The dollar slipped 0.4% to \$1.0968 yesterday, in New York trade, after rallying to 1.2% on Wednesday. It rallied to \$1.0458 on March 16, after beginning the year at \$1.2109. Goldman Sachs's official three-month dollar projection is \$1.02 per euro, the most bullish when compared with year-end currency forecasts. But in a sign that the bullish consensus is fading, no other bank is now calling for the dollar to rally to parity with the euro by year-end, compared with 14 at the start of the quarter. While Goldman Sachs stuck with bullish calls it first made in January, Morgan Stanley, Bank of America and Citigroup are among banks that have lowered their dollar forecasts, against the euro, during the past two months. Fed policymakers said on Wednesday that the US economy was still expanding at a "moderate" pace, giving themselves the option to tighten policy at their next meeting in December. Futures prices showed an increased probability of a December rate rise.

30 October 2015, Source TravelMole

### **Holidaymakers cautious about 2016 bookings**

Holidaymakers are being cautious about booking for 2016, with research suggesting challenging times ahead for the travel industry. The Winter 2015 Holiday Confidence Index (HCI) produced by First Rate Exchange Services found that almost one-in-five of the 5,319 people surveyed have not made up their minds whether to travel abroad on holiday in the next

year, a 3% rise since the summer. The most resilient age group are the 25-34 year olds with 62% intent on travelling abroad. Doubts about the economy and their own finances seem to be accounting for consumer caution. Compared with the summer, fewer people expect the economy to recover and their finances to improve. Alistair Rennie, First Rate Exchange Services head of strategy & innovation said: "The real challenge for the travel industry in the months ahead will be to convince the growing numbers of people who are unsure whether or not to holiday abroad to make those bookings.... Commitment-free 25-34 year-olds are the encouraging exception to the rule and must be a big target."

30 October 2015, Source TravelMole

### **Term-time holiday fines are damaging UK tourist industry, say MPs**

MPs are calling for a review of the Government's ban on term-time holidays after producing evidence that it is damaging the UK tourist industry. A parliamentary debate held yesterday also heard that the policy, introduced by Michael Gove in 2013, undermines parents and intrudes on families. So far, 120,000 people have signed a petition opposing the new fines for parents who ignore the ban on term-time holidays. Leading yesterday's debate, Steve Double, MP for St Austell and Newquay in Cornwall, which has lost £87,000 in tourism revenue every year due to an 8% drop in visitors since the fines were introduced said: "Whilst I support the aim of getting children to attend school regularly, I fundamentally disagree that telling parents when they can and cannot take their children on holiday is a job for the state. "This policy effectively says to people who cannot take a holiday during school holiday times that they cannot have a family holiday - this to me seems completely unfair." Before the rules were introduced, headteachers had discretion to grant up to two weeks' leave during term-time. Since 2013, heads can only grant leave in 'exceptional circumstances' and parents who take their children out of school risk a £60 fine by the local authority. Headteachers have been given new powers to set their school holidays outside peak periods to enable parents to take advantage of lower prices, but a YouGov survey of nearly 500 schools found that only 4% plan to do so. Over half of teachers and heads surveyed as part of a Parent Trap study by holiday deals website Travelzoo weren't even aware of the changes, which were due to come into effect in September, and nearly two-thirds said they opposed the idea. TravelZoo is pushing for holidays to be set per region, not per school. European MD Richard Singer said: "Most of the travel companies we've spoken to agree staggering should be investigated further, as it could lead to more affordable holidays for state-school parents. "However, we believe it would only work if holidays were set per region, and not per school. It's obvious that not enough is been done to help schools understand how best to use it, and that's been backed up by our meetings with head teachers and from our research.... Some of the major airlines have also told us that prices would drop if UK school holidays were staggered regionally, in the same way they are in France and Germany. We urge the government to help the education bodies and schools implement staggering in this way before we miss out on the biggest opportunity we have to fight the Parent Trap."