

CENTRAL EUROPEAN OFFICE

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MARKET INTELLIGENCE / TRENDS

USA: Good German Sales Despite Strong Dollar

German tour operators report favorable bookings for the USA generally this year despite the strong dollar and are aiming to keep prices stable for 2017. The dollar is having a noticeable effect on incoming travel to the USA this year, according to participants at the recent IPW trade fair in New Orleans which attracted some 6,000 trade visitors from 73 countries. “We're feeling the headwinds,” admitted Chris Thompson, head of Brand USA. But instead of responding with price cuts, the marketing organization is promoting better value for money, for example by highlighting options to combine major destinations with lesser-known regions.

German tour operators are taking a similar approach after a surprisingly good year for US bookings. TUI and FTI have a single-digit rise in U.S. sales, in revenue terms, while specialists such as Canusa and America Unlimited have double-digit growth, mostly due to higher prices. In contrast, Thomas Cook admits “somewhat muted demand” and Dertour, after a record 2015, has lower sales as a result of double-digit price increases.

To stimulate demand, tour operators are trying to offer more value for money, such as with hotel upgrades, as well as with dynamic pricing using renegotiated rates. Demand for advance bookings of excursions and restaurants are also good, according to TUI, as they enable good budget planning. Tour operators have also stepped up their marketing for U.S. destinations and offers. “We've put a lot of the budget into marketing together with the very active destination partners,” commented Canusa. America Unlimited is also focusing on millennials.

There are also big price differences across the USA. New York, for example, is now cheaper than any time in the last five years thanks to low flight prices and thousands of new hotel rooms, according to FTI. Dertour pointed to an end to extreme price increases in Miami and San Francisco.

Overall, the winter season was good for U.S. sales on the German market and last year's record number of 2.1 million German visitors could be achieved again this year, experts believe. Looking ahead, German tour operators are hopeful they can keep prices generally stable for 2017 after negotiating rates with suppliers at IPW. “People have become accustomed to the current price level,” FTI believes.

German Travel Agents Hope for Growth

Travel agents in Germany increased their combined turnover by 1.6% last year and are hoping to generate growth again in 2016 despite a turbulent year, according to the annual fvw dossier on the German travel agents market. The country's travel agents increased overall turnover by 1.6% to €23.5 billion in 2015, calculations by DRV and DER Touristik market research expert Werner Sülberg based on the fvw dossier figures showed. Tourism remained the main growth driver with a 2.8% rise to sales of €13.7 billion, while sales of flight tickets stagnated at €7.9 billion. In terms of customer segments, private travel sales increased by 1.8% to just over €6 billion, while business travel sales increased slightly to €7.4 billion, the dossier showed.

DER Touristik remained Germany's largest travel agency chain with a 3.6% rise to turnover of €4.5 billion last year, the dossier showed. TUI Germany consolidated second place with a 1.9% increase to sales of €3.6 billion while Lufthansa City Center remained third with stagnant turnover of €2.4 billion.

In terms of travel agency cooperation networks, whose members include diverse larger and medium-sized agency chains, the RTK Group (RTK, Alpha, TUI Travel Star) had stable sales of €3.6 billion ahead of the TSS Group, which increased sales by 4% to €2.8 billion. The other three large cooperations were Schmetterling, with sales of €2 billion, AER, with €1.3 billion, and Best-Reisen, with €900 million. In turn, there are two mega-alliances: QTA, comprising RTK and Schmetterling, consolidates turnover of €4.5 billion; TMCV, covering TSS and AER, represents turnover of just over €4 billion.

The outlook for this year, however, remains unclear after travel agency sales fell in recent months as consumers delayed bookings following terror attacks in several destinations. Sülberg commented: "In a normal year, about two thirds of (total annual) sales should be in the till by now." But sales are still about 7% behind last year as of end-April, according to market researchers GfK.

The mood among the leading travel agencies is mixed as good sales for Spain, long-haul holidays and cruise contrast with poor demand for Turkey, Egypt and Tunisia. "As long as there are no negative special effects, then we expect a slight rise this year," said AER director Pedro Turbany. Lufthansa City Center chief Hasso von Düring also predicts a "positive" business trend for the chain this year.

Thomas Cook: Restructuring the Tour Operator Model

Thomas Cook CEO Peter Fankhauser plans "dramatic" changes in Germany, but hopes to avoid large-scale redundancies under the forthcoming restructuring. Europe's second-largest tourism group has started to integrate tour operating activities in Germany, Belgium and the Netherlands under its 'one tour operator' model. The company plans to integrate back-office functions such as finances and IT and also production of some holiday offers for the German, Dutch and Belgian markets. Other Continental Europe markets are due to follow at later dates. The overall long-term aim of the 'one tour operator' model is to create one single operation with integrated back-office functions as well as production, leaving individual markets responsible for sales and marketing.

Peter Fankhauser told fvw in an interview that the new efficiency program for Germany, the Netherlands and Belgium “is not about costs” but about “working efficiently and increasing revenues”. He cited the examples of better utilization rates for the group’s 190 concept hotels and higher revenues from airline in-flight sales.

The group already operates cross-border in areas such as airline operations, hotel contracting and production of city trips and self-drive holidays. Fankhauser added: “There are also other areas, such as website development, customer loyalty systems and destination management, where we already work together.” But he emphasized: “What’s important for me is that we don’t centralize, but rather integrate. That means, for example, that the working processes are the same even if, for example, the IT systems are different. That results in better customer service that we can offer across the entire group . One example is our new 24-hour satisfaction promise, which has been very positively accepted.”

On speculation that Condor might become a Eurowings partner or even be sold back to Lufthansa, Fankhauser commented that Condor “is apparently an attractive airline that people see as a lucrative partner”. But he stressed that flights “are an integral part of our business model” and he is “very satisfied” with the airline.

Schauinsland-Reisen: Early Launch for Winter 2016/17 Catalogs

Schauinsland-Reisen is expanding its winter holidays program with more hotels and new cruise offers, and is keeping prices generally stable. The German tour operator aims to make a fast start to winter 2016/17 sales by completing production earlier than usual after rapid negotiations with hoteliers and airlines, and distributed its winter catalogs to travel agents the beginning of this month, ahead of other leading tour operators.

For the coming winter season, Schauinsland-Reisen (SLR) has added 150 new hotels, including 90 in long-haul destinations, and has increased the number of properties that it offers exclusively or partially exclusively. The company again expects strong bookings for the Canary Islands as well as for long-haul destinations. Other new offers include combined cruise/beach holiday offers in cooperation with Aida Cruises in the Caribbean and the Gulf, and combined Ras Al Khaimah/Dubai holidays in the UAE.

SLR aims to win early bookings in the next few months by offering discounts of up to 35% for bookings made by August 31. Prices are generally stable across most destinations, while Egypt is up to 20% cheaper. Andreas Rüttgers, head of air-inclusive packages, said: “With the early start to the winter season we want to give customers, and above all our regular customers, the chance to secure strongly booked hotels in popular holiday destinations, such as the Canaries, in good time and at an especially attractive prices.”

Between their summer 2016 catalog and the new winter 2016/17 catalog, the tour operator has doubled its St. Pete/Clearwater accommodations portfolio to a total of 10 properties!

FTI: German Tour Operator Offers ‘Sustainable Holidays’

FTI is targeting environmentally-conscious German consumers with a new product line offering ‘sustainable holidays’ next winter. The new *Vitality* holidays will be launched in the winter 2016/17 season with a total of six ‘hideaway’ hotels: two each in Spain and Portugal as well as one in Tunisia and one on Zanzibar. The hotels are ecologically managed, feature sustainable architectural construction with local building materials, are close to nature and have good access to diverse activities. All the hotels will be promoted with a green leaf symbol in holiday brochures.

There are two sub-product lines, *Vitality Spirit* for socially and environmentally focused travelers, and *Vitality Gourmet* for nutrition-conscious people. The new product lines are “targeted at customers who, for example, buy biological and natural products and are ready to accept a higher price level for quality and sustainability”, explained Sven Schikarsky, Managing Director Tour Operating Package. FTI plans to gradually expand the ‘sustainable holidays’ offering. Greece, Germany and Austria will be added in summer 2017. Expansion will continue into the future to include long-haul destinations.

Online Travel Agents: Portals Gain Market Share

Specialist portals such as Booking.com and HRS are winning a greater share of the German online travel sales market where overall growth is slowing and demand for more individual offers is rising, according to the annual fvw dossier on the German travel agents market.

While there are still no reliable overall figures for the size of the German online travel sales market, market researchers GfK estimate that online sales accounted for 43% of the overall €57.4 billion generated by leisure travel sales in Germany last year. This would represent a market size of nearly €25 billion, making the sector larger than the traditional travel agency market which reached €23.5 billion last year. However, the online travel market, which regularly grew at double-digit rates over the last decade, including 13% in 2014, has now slowed to single-digit growth, according to GfK. It puts growth at just 7% for 2015. Moreover, none of the leading players release revenue figures for Germany. The figures in the Online Travel Agents (OTA) ranking are therefore mostly fvw estimates, based on a diverse range of sources including company reports, market studies and expert opinions.

Unister, which operates portals such as Ab-In-Den-Urlaub.de and Fluege.de, is still the largest German travel e-retailer, but its revenues dropped to an estimated €1.9 billion last year from €2 billion in 2014, according to the fvw dossier. Booking.com is ranked for the first time with Germany revenues of €1.6 billion that put it in second place. Third is Expedia, whose Germany revenues are estimated to have increased to €1.3 billion last year from €1.1 billion the previous year. Another new entry in fourth place is accommodations specialist HRS, with revenues of €1.2 billion.

Seven Travel’s revenue is estimated to have grown to €850 million last year, ahead of Holidaycheck with €805 million and the highest ranked traditional travel agent, Schmetterling Reisen, with online sales of nearly €710 million. Other leading OTAs and portals include Odigeo Edreams, Check 24 and TUI Germany. Also ranked for the first time is Airbnb with estimated Germany revenues of €400 million.

One market trend, according to managers and experts, appears to be the move away from ‘generalists’, offering travel packages, towards ‘specialists’, or so-called ‘product portals’, especially accommodation providers. Unister chief Thomas Wagner said this trend showed that customers want more individual offers. “Customers are increasingly willing and able to combine their travel components separately and individually on the internet,” he commented.

Dirk Föste, TUI’s Chief Digital Officer, said that tour operator and travel agency portals combined saw slightly lower growth last year. TUI Germany is estimated to have increased online sales to €20 million from €40 million last year. In response to the ‘individualization’ trend, Germany’s largest tour operator is now planning to make its ‘tui.com’ portal “more intelligent” to reflect customer preferences more closely.

One big winner is Check24, an all-round ‘product comparison portal’ covering sectors ranging from insurance and home financing to electronics and household goods. The company has invested massively in TV advertising to win customers and saw its tourism revenues more than double to an estimated €44 million last year from €28 million in 2014. Its next step will be to launch ‘individualized packages’ through its own dynamic tour operator Aurum Tours.

Looming on the horizon, however, are technology giants such as Google, Facebook, Apple and Amazon. Google, for example, is already adding more travel products and services, from Google Flights and Hotelfinder to the new ‘Book on Google’ and the ‘Google Trips’ mobile app. Facebook and Apple have a massive international customer base, while e-commerce giant Amazon would be well-positioned to launch a ‘travel marketplace’. Even communication channels such as Whatsapp and Snapchat could be used for travel sales in future, experts believe.

SALES ACTIVITIES

IPW (June 18th – 22nd, 2016):

Preparations were completed this month for our attendance at this year’s IPW held in New Orleans. We continued to liaise closely with HQ in reviewing invitation lists and providing further input for our “Twice the Party” event to be held in cooperation with The Beaches of Fort Myers & Sanibel.

The online appointment scheduling closed last month and a final appointment schedule was made accessible. With a total 200 appointments having been scheduled across several markets, our office took on development, maintenance and finalization of the master appointment schedule for our delegation. In conjunction with this, we kept abreast of last-minute appointment shifts, additions and changes, communicating applicable scheduling updates to HQ and our colleagues on a consistent basis.

All told, over 30 appointments were conducted with tour operators, airline, industry associations and media partners for the Central European markets. Several tour operators reported increases in bookings to our area over the past several months, while others reported the status of bookings being flat. The fewest reported a downturn in bookings to VSPC. Outlook projections for 2016/17 varied, with concerns expressed over accommodations pricing and availability becoming more challenging, the continued volatility of the USD/EUR exchange rate and the potential effect of the upcoming U.S. Presidential election, i.e. a decline in visitation to the U.S. is projected should Donald Trump become President.

At the same time, with VSPC's growing product offering, many tour operators are increasing their portfolios to include new VSPC accommodations products for the coming winter 2016/17 and summer 2017 seasons and are projecting stability as well as growth to Florida's west coast (our area in particular) over the coming year. Tour operators also reported an increased trend toward demand for activities related to eco-tourism / sustainable tourism offerings.

Visit USA Road Show Switzerland (September 19th – 21st, 2016):

Scheduled to be held in St. Gallen, Zurich, Luzern and Bern, the road show is expected to attract over 200 travel agents. Both morning and evening training sessions are being scheduled during which we will have the opportunity to present our area the more intimate roundtable format. By virtue of conducting trainings in four Swiss cities in short order, we will cover a broad catchment area just ahead of the upcoming important booking season. Space was limited for these training events allowing for only 10 suppliers; thus, we are pleased to have secured this excellent exposure opportunity by means of our early registration.

This month the organizer distributed an information brief which included details as to selected venues, presentation schedules in each city, shipping instructions, content required for development of travel agent knowledge tests, etc. We supplied requested elements accordingly.

Oktoberfest Client Event (September 20th, 2016):

For the 2nd year, Visit Florida will develop a signature event utilizing the traditional celebration of Oktoberfest as a platform to build key relationships. We will participate as co-hosts for a select group of German, Swiss and Austrian tour operators and airline representatives.

The event will commence at 3:00 p.m. with a Meet-and-Greet Reception in the Anna Hotel in downtown Munich followed by an evening at Munich's "Wiesn", the Oktoberfest grounds, in the classy atmosphere of the Marstall Oktoberfest tent with warm service and typically Bavarian hospitality. The event will conclude the next morning with a traditional Bavarian breakfast (Weißwurstfrühstück = White Sausage Breakfast). Registration documentation is expected early next month.

Schauinsland Reisen North America Training Seminar (September 22nd, 2016):

Since the beginning of 2016, this German tour operator has become increasingly active in placing and promoting Florida product and inasmuch, plans to stage an exclusive Florida travel agent training workshop for up to 70 top selling agents at their Schauinsland "Loft" facility in Duisburg. We are very pleased to have secured one of the coveted training slots, which will be held in cooperation with Florida partners Visit Orlando and SeaWorld Parks & Entertainment.

Currently, 5 VSPC properties are featured in the tour operator's program with the tour operator aiming to double VSPC product placement for the 2017 season!

Additional Activity:

- We coordinated the **Tech Ambience fulfillment requests** with our mailing house.
- We assisted Ms. Nunheim of **Ambiente-Reiseservice** in **Liederbach** providing comprehensive destination information, tips and material for purposes of planning her own trip to our area.
- We supplied tour operator **CANUSA Touristik** with a larger quantity of our maps, which the tour operator will include in customer travel documentation.

MARKETING INITIATIVES

Our efforts continued this month in developing and completing marketing initiatives and advertising programs, which included:

Airlines:

- British Airways (Germany)
 - **B2B Speedbird Club Promotion** – June 1-July 4, 2016
Together with British Airways, Germany we have developed a unique travel agent promotion for their “Speedbird Club” communications channel. Designed as an informative online platform specifically for the travel trade, British Airways’ *Speedbird Club Germany* currently boasts 8,700 travel agent members. Members are kept up-to-date on the latest developments and promotions by means of regular eNews blasts.
Messaging on VSPC (including content, imagery and logo) will be combined with twin-center destination Visit Orlando and will include a sweepstakes element. Again, we are most grateful to our industry for the generous accommodations sponsorship. The initiative launched on June 1st.
- Lufthansa German Airlines (Germany)
 - **B2B2C Direct Mail Promotion** – June 2016
Ms. Heike Schmitt, Key Account Manager of Deutsche Lufthansa North Rhine-Westphalia, whom we met at the Lufthansa training sessions last year, is planning a special promotion in cooperation with several regional Lufthansa City Center travel agencies to push Lufthansa’s service to Tampa Bay. These agencies will identify 2,500 top leisure customers to be targeted with a direct mail piece, which will include VSPC content highlights along with a small VSPC giveaway. VSPC will be featured as an exclusive destination partner on a free-of-charge basis! This month respective giveaways were selected and ordered for this promotion.

Tour Operators:

- America Unlimited (Germany)
 - **B2C Multi-Channel Ambient Campaign** – December 2015-August 2016
This exciting campaign will target customers aged 30-55 (couples, families and affluent clientele). Using various channels the campaign is focused on raising awareness and boosting sales on several platforms such as out-of-home, print (flyers), online (eNewsletters) and social media inclusion.
 - a) **Inner Tubing Promotion** – March/April & July/August
Big tubing events will be launched in both winter and summer months to engage and motivate thousands of beach hungry customers to embark on an emotional journey to VSPC. For these events 10,000 large, colorful inner tubes will be produced depicting VSPC logo and image to be presented to consumers for exciting slides down the slopes (winter) and refreshing splashes in lakes (summer).
Winter locations: Southern German, Austrian and Swiss Alps (Achensee, Saalbach-Hinterglemm, Serfaus, Davos, Engelberg)
Examples of summer locations: North Sea and several lakes surrounding Berlin, Hamburg, Hannover and Frankfurt

b) Point-of-Sale Special Offers Flyer – March/April & July/August

Supporting the tubing promotion, 10,000 flyers depicting VSPC logo and special travel offers will be produced and distributed in our VSPC snappy orange eco tote bags during the tubing events.

c) Facebook Integration

To increase awareness to the tubing promotion as well as the special offers flyer the initiative will be promoted on tour operator's Facebook page (currently over 60,000 followers) by means of ...

FB Theme: branding of FB cover image and inclusion of VSPC imagery,

FB Ads: outreach and promotion via targeted adverts and inclusion of posts, imagery and video. The tour operator's FB platform enjoys a high interaction rate of likes, comments and shares per post.

d) eNewsletter Blast

Supporting A, B & C above, an eNews blast will be deployed to the tour operator's database of 140,000 subscribers with above-average income, academic backgrounds and high interest in travel. The eNews will feature VSPC content, logo, imagery and special travel offers linking to booking engine.

Co-op Partners: SeaWorld Parks & Entertainment and Visit Florida

The winter tubing event ran March 26th –April 1st. Results: 5,000 inner tubes and flyers were produced and actively distributed among curious customers along with our eco-friendly sunscreen presented in our bright orange eco-tote bags – all of which motivated considerable engagement. The Facebook promotion of this initiative on the tour operators' page (currently 62,000 fans) generated 338,480 views, 6,309 likes, 342 shares and 253 comments. Inclusion of the initiative in an eNews blast produced an opening rate of 13.2% and 21,830 clicks on the VSPC travel offer.

Having laid the groundwork for the summer tube campaign last month, conferring with the tour operator on ideal locations, ordering additional promotional material and discussing further logistical details, we delivered promotional material to the tour operator this month and finalized the venue locations and tour schedule.

- Explorer Fernreisen (Germany)

- **B2C Florida Online Campaign – June 2016**

- Together with Visit Florida, VSPC will be part of a comprehensive B2C online campaign with Explorer Fernreisen to be launched in June to push fall season 2016/17 business.

- The campaign will comprise:

- a) Dedicated **landing page** and **rotating banner** on explorer.de

- b) 1 slot in the Explorer Fernreisen **B2C newsletter** deployed to over 30,000 consumer addresses as well as placement in a **B2B newsletter**.

- c) Placement of three **Facebook ads** within the campaign period linked to special travel package/product

- d) A rotating **image banner** on the tour operator's homepage will link to a dedicated Florida landing page (www.explorer.de/kampagnen/florida.html) promoting participating partner's products and specially developed travel package teasers

- e) Placement of **wallpaper banners** on various other travel-oriented platforms such as LonelyPlanet.de, DumontReisen.de, MarcoPolo.de and Baedeker.de

- Layouts for items a-d were received and approved with the campaign launching this month.

- Co-op Florida Partners: Bradenton, Florida Keys, Ft. Myers, Naples and Tampa

- Faszination Fernweh (Germany)
 - **B2C eNews Blast** – June 2016

VSPC will be featured in an exclusive eNewsletter with imagery, logo, destination content and travel offers, which will be sent to the tour operator’s database of more than 67,000 customers. All necessary assets were provided, layout was received and approved. The blast was deployed this month.

- FTI Touristik (Germany)
 - **B2C & B2B Multi-Channel, Cross Marketing Campaign** – February-May 2016

Together with FTI, we will develop and launch a non-traditional, cross marketing campaign in cooperation with Crumpler, a very popular bag/luggage brand known initially for the creation of the ‘messenger bag’. Crumpler strives to offer the perfect bag for every type of urban species - from street photographer to traveler to tech-savvy commuter. Focused on raising awareness, generating buzz and boosting bookings to St. Pete/Clearwater, the campaign will run for several months with a major sweepstakes promotion at its core (10-day trip to VSPC for 2). Campaign elements include multi-channel platforms such as print, online, social media and out-of-home / in-store initiatives.

 - a) **Print** – February - May

Over 10,000 flyers plus posters and displays will be printed featuring the joint sweepstakes. Distribution via Crumpler stores, at fairs and in FTI retail travel agencies.
 - b) **B2C FTI Landing Page** – February - May

VSPC dedicated landing page on FTI’s website platform including comprehensive destination content, logo, the ‘live amplified’ video, special travel offers as well as a link to the Crumpler sweepstakes.
 - c) **B2C FTI Newsletter** - February & March

The sweepstakes banner was positioned within FTI’s eNewsletter to 140,000 clients. It included a link to the VSPC landing page with jump to the sweepstakes.
 - d) **B2B FTI Newsletter** - February

The sweepstakes banner was also be placed in FTI’s eNewsletter to 14,000 agents. It included a link to the VSPC landing page with jump to the sweepstakes.
 - e) **B2C FTI Facebook Posts** - February - May

The sweepstakes will be posted several times on the tour operator’s Facebook site.
 - f) **B2C Crumpler Homepage Banner** – February - May

Crumpler created a special intro on their homepage reaching a minimum of 80,000 impressions per month to feature our joint sweepstakes with links to dedicated landing pages.
 - g) **B2C Crumpler Landing Page** – February - May

This specially designed microsite contains not only sweepstakes description with enter-to-win option, but also prominently showcases VSPC with our ‘live amplified’ video as well as eye-catching imagery for 8 destination highlights each linking to the applicable VSPC webpages.
 - h) **B2C Crumpler Newsletter** - February - May

The sweepstakes promotion will be announced in Crumpler’s own eNewsletter to their client base of subscribers (8,000 +) several times during the campaign.
 - i) **B2C Crumpler Social Media Posts** - February - May

The sweepstakes will be posted several times on Crumpler’s various social media platforms such as: Facebook, Twitter, Google+, Instagram, Pinterest, Vimeo and YouTube with a reach of an estimated 50,000 consumers.

- The Crumpler campaign concluded on May 15th. A final evaluation report included the following bookings results for St. Pete/Clearwater: April + 39%, May + 56% and June +11%!
- **B2B2C Direct Mailing** – August 2016

A 6-page direct mail piece will be produced containing VSPC logo, imagery, destination content and special travel offers to push fall business. 10,000 pieces will be distributed to top travel agencies for use in their own distribution channels to their customers. All creative elements have been provided. The piece was designed, corrected and approved this month.
 - Hotelplan (Switzerland)
 - **B2C Online Newsletter Teaser** – August 2016

VSPC will be featured with a teaser including logo, image, text and travel tip in Hotelplan's August B2C eNewsletter. The teaser will link to the respective VSPC landing pages on hotelplan.ch. The newsletter will be distributed in both German and French to the tour operator's database of 110,000 customer addresses.
 - **B2B Newsletter and Infonet Placement** – August 2016

In addition to the above, VSPC will be featured in the B2B eNewsletter to all Hotelplan travel agents, the content of which will be placed their Infonet (Hoogle) platform for one month as well. In addition to logo and content placement, enticing imagery and our Live Amplified video will be integrated.
All necessary elements for both placements were sent to the tour operator this month.
 - Jan Doets America Tours (Netherlands)
 - **B2C Glossy Magazine** – August 2016

Rather than producing a catalog, Jan Doets has taken to producing a high-end travel magazine containing enticing imagery and snippets of content related to the U.S. destinations the tour operator is strong in selling. It is distributed to consumers via direct mail and at fairs. Annual circ. is 15,000.
We were offered free placement of meaningful VSPC imagery for the next issue on a free-of-charge basis. A selection of appealing images has been supplied.
 - Kuoni (Switzerland)
 - **B2B2C Exclusive Destination Storefront Illuminated Display** – June/July 2016

Kuoni Switzerland highlights a different destination every month in 120 dedicated travel agency illuminated storefront window displays. We are exceedingly pleased to have secured an exclusive placement for VSPC in June to push fall business. VSPC will be featured together with Edelweiss Air with logo, key visual and content snapshot. Having provided all necessary assets, corrections and approvals, the illuminated displays went live this month.
 - Meier's Weltreisen (Germany)
 - **B2C Meier's Welt Magazin** – July 2016

Published twice a year in conjunction with the launch of new winter and summer season catalogues, MEIER'S WELT is a 40-paged magazine exclusively for VIP customers. The magazine's content focuses on highlighting the next catalog's new products and special offers. Distribution to 8,500 VIP clients.
For the upcoming July issue (7/15/2016) two advertorial pages will feature VSPC within the North America section.

- **B2B2C Lufthansa City Center Travel Agency Promotion – June-July 2016**
 - a) **Storefront “TV” Spot:** 215 Lufthansa City Center travel agencies will feature VSPC with a 25-second destination portrayal and 20-second special travel offer teasers 80x/day between 9am & 10pm for 4 weeks (mid-June thru mid-July) on storefront ‘TV’ monitors.
 - b) **B2B2C Promotional Folder:** A 6-page print piece featuring VSPC content, logo, imagery and travel teasers will be distributed to aforementioned LCC travel agencies for use in point-of-sale. Print run of 21,000 pieces.
 - c) **B2B Newsletter** will be deployed to the LCC agencies alerting them to VSPC being the 4-week featured destination along with details on the VSPC dedicated travel offers.
 - d) **B2C Newsletter** will be deployed by the LCC agencies to their customer databases promoting the destination and specially developed travel offers (mirroring the promotional folder content).

Respective assets and inputs for the magazine as well as for the LCC Travel Agency Promotion have been provided. Layouts were received, corrected and approved this month.

- Schauinsland Reisen (Germany)
 - **B2C Catalog Page – Winter 2016/17**

After our very successful online campaign with Schauinsland Reisen earlier this year and the resulting growing appeal of VSPC among the tour operator’s customers, we were offered a very special deal by the Director of Product & Contracting USA: The winter 2016/17 catalog’s Gulf Coast introductory page will prominently highlight VSPC with enticing imagery and descriptive destination snapshot. What’s more, this placement comes to us free of charge! The page layout has been designed and approved.

- Thomas Cook AG (Germany)
 - Neckermann Reisen*
 - **B2B2C Florida POS Folder – June 2016**

VSPC will be featured on 2 pages of this 6-page piece with destination copy, logo and several travel offers. What’s more, our destination will be the key visual for the folder cover! All applicable material was provided, layout corrected and approved. A print run of 12,500 pieces was deployed to Neckermann Reisen travel agencies for use in point-of-sale this month.

- Coop Partners: SeaWorld Parks & Entertainment, Visit Tampa Bay and Lufthansa Thomas Cook & Neckermann Reisen*
- **B2C ‘Destination of the Week’ Facebook Posts – June & July 2016**

VSPC will be highlighted as ‘destination of the week’ on both the Thomas Cook and Neckermann Reisen Facebook pages (62,000 fans) in June and July with 3 posts each including imagery and brief destination text. The tour operator was provided with all necessary input, creatives received and approved with the first posts being launched this month.

Travel Trade/Consumer Publications & Portals:

- Schwulissimo Magazine (Germany) – circ. 122,000 *Trade*
 - **1/1 Page Pring Ad** – June 2016
Schwulissimo is the LGBT magazine with the highest circulation in Northwest Germany. VSPC was featured in the June issue with a full page ad on the prominent second page of this magazine.
 - **Standalone eNewsletter** – June 2016
As an augmentation to the above, VSPC was featured exclusively in a standalone eNewsletter distributed to 41,000 Schwulissimo readers.
 - **Website Banner** – June 2016
In addition, a VSPC flash banner ran for the entire month of June on schwulissimo.de (200,000 page impressions monthly).
 - **Online Editorial** – June 2016
The flash banner linked to an online editorial dedicated exclusively to VSPC.

- Touristik Aktuell (Germany) – circ. 30,854 *Trade*
 - **eLearning ‘expiPROFI’** – February 2016 - January 2017
Touristik Aktuell, one of Germany’s leading travel trade magazines, has launched a brand new eLearning program for the travel trade: expiPROFI (www.expi-profi.de) in cooperation with ‘meinpep.de’, founded by TUI4U GmbH in 2012 and focused on promoting attractive pricing exclusively to the travel trade.
Touristik Aktuell and meinpep.de reach the great majority of Germany’s 10,000+ agencies. The Touristik Aktuell web portal generates approx. 240,000 page impressions per month. meinpep.de currently generates 450,000 page impressions per month.
In this new eLearning program, VSPC is featured with a company portrait, 5 study pages and a test with 10 questions. Visit Florida announced plans to add a sweepstakes to the platform to win a spot on an exclusive Florida fam trip in 2017. To be eligible, agents must have completed all course elements related to Florida destinations and products. Update to be forthcoming.

Public Relations:

Kaus Media Services - VSPC’s German PR Agency

This month saw us assisting the agency with the following projects:

- **Press Release June:** Proofread and corrected.

All activities, projects and programs described herein have been duly completed as described.