

## UK OFFICE

### December 2016 REPORT

Prepared by: Venessa Alexander  
UK Director

#### Meetings/Training/Events

- **Visit Florida Partners Meeting and Christmas Lunch** – We attended the annual meeting and Christmas Lunch which focussed on future events and opportunities for 2017. Sue Marshall advised that for 2016, the UK and Ireland passengers were +3-4%, however 2017 was a concern, particularly summer as there is an increase in capacity of 4-5%, including the British Airways flight from Gatwick to Fort Lauderdale and Aer Lingus from Dublin to Miami and Orlando. Visit Florida are currently planning a Trade sale mission w/c 15<sup>th</sup> May, which will include Belfast, Cork and Dublin, and the Goodwood event at the end of June. She confirmed that they wouldn't be sponsoring/taking tables at the Visit USA Ball in 2017. They will be working with selected tour operators this year on co-op marketing initiatives, including BA Holidays (January and later in the year), Virgin Holidays (May onwards), USAirtours (launching on 26<sup>th</sup> December), Tour America (January), American Holidays (spring), and Funway (Florida Beaches campaign up weighted in May). They currently have 700 users registered to their Equator online training programme, and there are opportunities to support this with staff incentives, merchandise/giveaways and fam trip places. Dru Bryan provided an overview of the Florida January campaign, which includes influencers, London Waterloo Station activity, digital adverts, Heart radio, with Expedia as the CTA. The lunch was attended by key contacts from; Ocean Holidays, Travelopia, Norwegian, and British Airways amongst others.
- **SeaWorld Parks & Entertainment** – A meeting was held with Simon Parry and Ruth Roseweir to discuss the 2017 Travel Agent Mega FAM, the annual joint VIP event as well as the possibility of hosting a mini training sales mission in partnership with Experience Kissimmee and Visit Tampa Bay. The VIP event was discussed and suggested dates mentioned were either May or September, the joint Mega FAM is likely to take place in October and the mini training sales mission is scheduled for April 2017.
- **Visit Florida/Virgin Holidays** – Due to the limited staff members available, the scheduled training day was cancelled and will be rearranged for early next year.

#### TRADE LIAISON -

- **UK Ad Campaign** – Campaign elements have been finalised and will include TV, Cinema, Digital and a Facebook campaign. The CTA will be youneedsun.com which will lead to the St Pete/Clearwater page on the Virgin Holidays website. One lucky winner per day will receive £1000 off their holiday to St Pete/Clearwater. In addition Virgin

Holidays have provided 4 family holidays to use as sweepstake prizes. The campaign will launch on 20<sup>th</sup> February.

- **Elegant Resorts** – We were contacted by Caroline Beckett, Senior Product Manager at Elegant Resorts to advise that she is looking to add The Sandpearl and The Opal Sands Resorts to their programme following their visit in September. We have reached out to Nancy Cimney to ask her to liaise directly with Caroline to help implement this.
- **Bookabed** – We received the artwork for both the banner and e-newsletter, which forms part of the January campaign. These have now been signed off.
- **Norwegian** – We provided Havard Sveen, Leisure Sales Executive, with our online brochure which he will distribute to his leisure agents in Norway.
- **Icelandair, Norway**– We have started discussing with Bjorn Larsen, Sales Manager, about producing flyers to hand out at Reiselivsmessen, to promote the Tampa route from Reykjavik and St. Pete/Clearwater. We have contacted Nordmanns Reiser to see if they would like to be the CTA with a price for a holiday to our area.
- **Stockholm, January** - We have confirmed training at Ving for their sales agents, during our visit as we will be attending the Discover America Sweden workshop. We are in the process of confirming other trainings and meetings during our stay in Stockholm.
- **Visit USA Ireland** – We have received the artwork for the newsletter which promotes the Facebook competition, as well as the landing page article. We have sent our amends to Clodagh Oxley and we have received the final proof which has been approved. This will launch in December and run for 2 weeks over Christmas and New Year, offering the chance to win 4 nights at Postcard Inn on the Beach. The competition was also be promoted on the Visit USA Ireland website.
- **Barrhead Travel** – Jade Semple provided us with the artwork for the social media competition, which has now been approved. This will be launched to the trade and will run from 31<sup>st</sup> December for 5 days, giving agents the opportunity to win a luxury goody bag.
- **Icelandair, Sweden 2017 Fam trip** – Following on from our meeting last month, we have confirmed with Johan Alfvag, Account Manager, that we would like to support their Fam trip in October, in partnership with Orlando, Universal Resort and SeaWorld Parks & Entertainment. We will begin sourcing accommodation for the group next month.
- **Ocean Florida** – We spoke with Lisa Barrington, Head of Commercial, who advised that room nights to our destination were flat, which she is happy with given they have had challenges this year with exchange rates following Brexit. St. Pete/Clearwater still remains their top beach destination in Florida, although they have seen that generally the lead time has reduced to 10 months. She mentioned that their new website is now live and they will be working on a dedicated promotion page for St. Pete/Clearwater which will be used in the future as the landing page for all marketing activity. The existing separate pages for Clearwater and St. Pete will remain live as these pages are used for SEO purposes, but they will monitor the visits to each page. Our destination is also included on

their multi-centre landing page, with Orlando hotels. We are in the process of finalising our marketing plans for 2017 and will also confirm training for early in the New Year.

- **Travel Bulletin North America Travel Agent Showcase** – We have confirmed our participation in the travel agent training day that is due to be held in Bristol in March. Approximately 60 travel agents will be joining the event that will showcase North America destinations, attractions and travel companies.
- **USAirtours/TravelPlanners/Visit Florida** – The website banners as part of the January campaign have been approved. All elements of the campaign have now been signed off and the campaign is due to launch on the 26<sup>th</sup> December.
- **Trailfinders** – Discussions are taking place with Trailfinders with regards to co-op marketing opportunities in 2017. A proposal has been received and is currently being reviewed.
- **DNATA** – An update meeting has been secured with Tom Dale, Senior Purchasing Manager, Americas & the Caribbean and will take place in January 2017.
- **Tesco Brand Affinity Campaign** – Work has commenced on the Tesco brand affinity campaign and the approval of the Tesco Magazine page. The campaign is due to launch in March 2017.
- **Virgin Retail** – Discussions are on-going with regards to the possibility of sponsoring a Virgin Retail Store. We are in the process of looking at which stores would be best suited to our destination and the Florida family and couples market in particular.
- **Holiday World/Florida's Beaches Consortia** – The Florida's Beaches Consortia will be attending the Holiday World Show in Dublin and a team member from the UK VSPC and UK Miami office will be in attendance. The trade and consumer show will run from the 27<sup>th</sup> – 29<sup>th</sup> January 2017.
- **Ireland Sales Calls** – Meetings have been scheduled in Ireland in advance of the Holiday World Trade & Consumer show with Tour America, American Holidays, United Airlines, Bookabed and Sunway Holidays.
- **Visit USA, Ireland** – We have received the November monthly report regarding traffic to their website during November 2016 compared to November 2015;
  - 974 website sessions +104%
  - 974 new visitors +104%
  - 188 organic visitors -5%
  - 726 direct visitors +377%
  - 2269 page views +60%
  - Ave time on page 1m07s versus 47s last year.
- **Ocean Florida** – We have received the final proof for the St. Pete/Clearwater brochure page, which has now been approved. Following on from their recent Florida Fam trip, which was an incentive for their top sellers, we have received positive feedback from

their visit to St. Pete/Clearwater. The group were able to enjoy one night at Postcard Inn on the Beach, followed by one night at Hilton Clearwater, and had time to visit Guy Harvey Outpost, Marriott Suites Clearwater, and Holiday Inn Harbourside. They were also able to spend some time exploring both St. Pete Beach and Clearwater Beach during their stay.

## **ENQUIRIES:**

Telephone/website enquiries for information and/or literature

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## **MARKET INTELLIGENCE:**

5 December 2016, Source Travel Weekly

### **Consumers ready for 2017 holiday prices to rise**

UK consumers are ready to spend more on overseas holidays in 2017 according to exclusive research for Travel Weekly. The Kantar TNS study suggests almost half (47%) of UK adults intend to take an overseas holiday in the next 12 months, with a further one in five (18%) undecided. Two out of five (41%) expect to spend more on their holiday – 11 percentage points up on the same time a year ago. More than half (55%) of adults with children intend to take a holiday abroad – nine points up on a year ago – with an increase of 17 points year on year in the proportion of those with children intending to spend more on their main holiday (47%). The research among more than 1,200 UK consumers was undertaken in October for the 2016 Travel Weekly Insight Report. The finding that prospective holidaymakers anticipate spending more next year comes amid concerns about the impact of increased prices, with the average cost of summer 2017 holidays expected to rise by 5%-6% because of the fall in the value of the pound – or by about half the decline in the exchange rate. The study suggests a shift away from holidays during the summer peak, with just 14% of those planning an overseas holiday in 2017 expecting to travel in July or August – an 11-point fall on the proportion intending to travel in peak summer a year ago, with a 23-point fall among adults with children. A significant proportion of adults appear undecided on the timing of their main holiday next year – 15% of those planning a trip said they don't know when they would go, eight points up on a year ago. There was a six-point rise to 22% in those planning a holiday abroad in May or June. Durations appear likely to shorten – although the research suggests a sharp divergence by age with a majority of 16-44-year-olds looking at holidays of seven nights or less and most of those aged 45 and over looking at eight nights or more. The research also identifies a shift in demand away from beach holidays, with a 10-point fall to 36% in those expecting to take a beach break abroad. Almost one in five (19%) of respondents were undecided about what sort of holiday to take, mirroring the uncertainty about when to go.

5 December 2016, Source Travel Weekly

### **Norwegian to increase Gatwick transatlantic network by 55%**

Norwegian is to expand its low-fare transatlantic network from Gatwick by 55% next summer. The low-cost long-haul network will see the number of flights rise from 22 to 34 flights a week. The airline will raise frequency to New York to a double daily service from August 10, with flights to Los Angeles increasing to a daily service from April. Flights to Oakland-San Francisco will climb to five departures a week while Orlando will be served by three flights a week and Fort Lauderdale by two flights a week. The airline's chief commercial officer Thomas Ramdahl said: "Our US flights are more popular than ever and customer demand shows low-cost long-haul flights are here to stay. "By expanding the number of transatlantic flights from Gatwick, we are giving tourists and business passengers more flexibility, attractive fares and convenient schedules. "With nine more 787 Dreamliners entering our fleet next year, this will be just the beginning of our UK expansion. "Norwegian will continue to grow the number of great value flights to the US and drive down fares to become the UK's number one airline of choice." Gatwick chief executive Stewart Wingate added: "Norwegian's low-cost long-haul services to the US just go from strength to strength because they keep giving passengers what they want - affordable prices, great service and frequent flights to top destinations. "These new flights compliment Gatwick's 50-plus strong long-haul route network and offer UK passengers yet more opportunities for both leisure and business."

7 December 2016, TravelMole

### **Thomson to sell multi-centre packages online**

Thomson is predicting the rise of the 'microadventurer' next year, when it believes holidaymakers will want to pack more experiences into their week-long break. In its latest travel trends report, it says customers will want to visit more than one destination and 'try something new'. To meet such anticipated demand, Thomson is launching multi-centre holidays for next winter via its website. To begin with, it will offer six long-haul destinations as multi-centre options. These are Costa Rica, Cuba, Thailand, Sri Lanka, Goa and, new this year, Vietnam. It claims it will have the first website in the UK where customers can design and book their own holiday visiting multiple resorts. In the coming months, they will be able to book over 40 different multi-centre combinations with more than 1,500 options including tour and stay combinations. Thomson believes key destinations for multi-centres will be USA, Cuba, Italy, Croatia, Sri Lanka, Vietnam and Thailand. The operator is also expecting growth in city breaks and it anticipates more than half its city break customers will book New York, Las Vegas or Miami. As 77% of its customers are happy to travel more than nine hours, it believes Vietnam, Cuba's Cayo Santa Maria and St Lucia will be the 'hot' long-haul destinations next year while, closer to home, the Balearics, mainland Greece and the islands of Corfu and Rhodes are tipped to do well. Overall, Thomson expects its top five destinations to be Vietnam, Cuba, New York, Singapore and Sardinia.

8 December 2016, Source TTG

### **Tui to 'open new shops in the UK'**

Tui Group intends to open more stores in the UK, its chief executive has revealed. Speaking after the Germany-based firm announced its improved full-year financial results this morning, chief executive Fritz Joussem said that the business was “in the tendency of opening shops in the UK”. Asked whether there would be any new-openings next year, he said: “I think we are gaining market share in the UK – we are a very direct business there. “We sell 65% online and 92% direct overall. “Yes we will be opening more retail in the UK, in a selective process, which actually comes as a little bit of a surprise given how strong online is.” The admission comes despite Tui’s ambition of transforming its model from that of a “tour operator and distributor” to a “designer, developer and operator of holiday concepts, hotels and cruise vessels”. Thomson stores will be rebranded to Tui next year.

8 December 2016, Source TTG

### **Sale of Tui's specialist division Travelopia expected in coming months**

Tui Group’s boss expects the sale of specialist division Travelopia to close in the first half of its financial year. Travelopia is the new name for the umbrella group of 50 specialist brands, including Hayes & Jarvis, Exodus, Travelmood, Citalia and Jetsave. Tui put Travelopia, which employs around 4,000 people, on the market in September with the intention of selling the business as a single entity. The deal is potentially worth €500-600 million. Chief executive Fritz Joussem told reporters today that Travelopia was attracting a lot of interest. "We now have indicative offers in, and in the first-half of the financial year we will be hopefully closing the transaction," he said. Tui’s first half runs until the end of March. The renamed division is run by chief executive Will Waggott, with Martin Froggatt and Mathew Prior as managing directors.

13 December 2016, Travelbiz

### **Pound to dollar exchange rate: Sterling SURGES after financial concern in the US**

POUND STERLING has shot higher against USD after concerns about the US Federal Reserve. The pound to dollar exchange rate is currently \$1.27. The pound to dollar exchange rate has surged upward with the beginning of a new week. Sterling has bounced back to \$1.27 as the US awaits its mid-week Reserve Meeting. America’s central bank is expected to hike short-term interest rates, which has sent a ripple of doubt through the nation’s currency market. Britain is reaping the benefits, as the pound sits at levels which last week brought it to two-month highs. America’s dollar is the most commonly converted currency in the world and is held by nearly every central bank on the planet. It is currently struggling against a range of major currencies amidst the uncertainty of the interest rate decision. Meanwhile the UK has a key event of its own looming ahead this week - set to influence the volatility of the pound. Thursday’s Bank of England rate meeting could see sterling go either way, depending on the outcomes of each. But the pound could climb higher in 2017 with upcoming elections in France and Germany. The pound-to-euro exchange rate has showed signs of recovery this month after a tumultuous year. Sterling has well and truly made a comeback from its post-Brexit lows. Last week the pound soared to its highest levels since July after the Italian referendum. It climbed to €1.20 and this week holds at €1.19. There have been fears the

volatile GBP could reach parity with the euro in 2017, but elections in both Germany and France stand to combat this. The shockwave sparked by Brexit caused the pound to dip, but the same shock factor could swing sterling in the opposite direction after the European elections.

14 December 2016, TravelMole

### **Holiday prices set to rise by 'up to 20%' next year**

Package holiday prices are likely to rise by at least 10% next year and almost a fifth of operators believe the increase could be as high as 15% to 20%. Travel deals publisher Travelzoo said an online survey of 15 companies in the last few days revealed that four out of five expected average holiday prices to rise in 2017. The survey included nine tour operators and firms that carry a combined total of more than a million passengers. Travelzoo said continued uncertainty over Brexit, sterling's slide against other currencies, the rising cost of oil and ongoing geopolitical events would be to blame for price rises. Travelzoo UK MD Joel Brandon-Bravo said: "The impact of sterling's fall in particular has not really been felt in holiday pricing to date, however all the signs are pointing in the direction of price hikes for many popular holiday destinations in 2017. "Until now British travel companies have been absorbing some price increases on costs such as hotel rates set in euros and many have been selling holidays at prices set before the June referendum. "Businesses cannot do this indefinitely however and we expect pricing for next year's holidays to increase by at least 10%. For almost one fifth (17%) of those we spoke to the increase could be as high as 15-20%." However, Travelzoo pointed out that the current economic woes have not prevented Brits from travelling. Referring to ABTA's 2016 Holiday Habits Report, it said this year the largest proportion of Britons (86%) has travelled since 2011. Brandon-Bravo added: "For those looking to minimise the impact of these imminent price hikes we would advise consumers to consider the following: book early for peak holiday periods such as summer 2017, consider destinations that have more favourable exchange rates and be open-minded about which country you visit. "If destinations such as Sharm el-Sheikh and Tunisia remain closed to the UK this will continue to put pressure on pricing to ultra-popular Western Mediterranean destinations. The world is a large place - perhaps 2017 is the year to break out of predictable holiday destinations and try somewhere new."Travelzoo predicts 'good value for money destinations' South Africa, Slovenia, Montenegro, Oman and Sri Lanka are likely to see a rise in UK tourists in 2017.

20 December 2016, Source Travelbiz

### **Customers are taking longer to decide their holiday destination**

More people are taking longer to decide where to go on holiday, and fewer trust online review sites than six months ago, according to a survey by Travel Counsellors. The agency group reveals 92% of holidaymakers would trust the recommendation of a real-life person above an online review site. This figure has increased by 11% since the same survey was commissioned in May. Just 16% of people in May said they would usually take several months to decide where to book, but this increased to 31% for those surveyed in November.

Despite the current popularity of online review sites, only 2% of people said they would trust these sources the most when deciding where to book, in comparison to 15% of people who took the same survey six months ago. In both surveys, 30% of people said they prefer to put their faith in a recommendation from a friend or family member, while 62% of those polled in November said that they would trust the word of their travel agent or adviser above anyone else. Just over half of people (54%) claimed that they usually take three or four separate recommendations before opting for a particular destination, in comparison to 31% of people surveyed in May, whilst 21% of those surveyed said they prefer to seek suggestions from five or more different sources before booking. This has increased by 16% over the past six months. The survey also found that earlier this year, 37% of people said they would consider their holiday choices for several days before booking, whereas this has now dropped to just 19%. Travel Counsellors UK managing director Kirsten Hughes said: "People will always go on holiday, but in the current climate of certain financial and political uncertainty they need to know they are seeking advice and booking with someone they can trust. "The advice of a nameless online reviewer is no longer enough; people need to know that their holiday is safe, that it is right for them and that they will get true value - so their decision-making is becoming more rigorous as a result. "Customer feedback shows that first-hand knowledge and reviews are invaluable during the booking process and these figures clearly support this."

21 December 2016, Travolution

### **Expedia and TripAdvisor agree Instant Booking deal**

TripAdvisor shares jumped as much as 7.1 % – the biggest one-day rise since March – after a new partnership with Expedia was unveiled yesterday. The agreement will see Expedia join the online travel review and planning site's "instant booking" programme. This will allow TripAdvisor users to book selected hotels through TripAdvisor's desktop website. The transaction and customer service will be managed by Expedia. Expedia global marketing senior vice president Aaron Price said: "With this new agreement, we are interested to see how we can drive additional customer acquisition given the product and customer experience enhancements instant booking has made." A TripAdvisor spokesman declined to comment on how many of Expedia's hotels the deal would initially include. TripAdvisor was spun off from Expedia in 2011. TripAdvisor introduced out its instant booking feature in 2014 in order to monetise traffic from its travel sites without needing to redirect visitors to an external website and avoid going into head-to-head competition with these online travel agencies, which are among its best customers, the Financial Times reported. Current partners include Best Western International and Hyatt Hotels as well as booking site Priceline.

23 December 2016, Source TravelMole

### **Gatwick prepares for major terminal shake-up**

Gatwick Airport is advising passengers to check the terminal of their airline as three of its major airlines prepare to switch in January. British Airways will move to the South Terminal, Virgin Atlantic will move to the North Terminal, and easyJet, which currently operates out of both terminals, will consolidate its entire operation in the North Terminal. The move will be

the airport's biggest project to date and took two years to plan. The relocation will be staggered over three days with all three airlines operating a reduced flying programme designed to simplify the upheaval. Around 50,000 passengers will be travelling with the three airlines on the 277 flights that will be relocating across the 72 hours. From 24 January all easyJet flights will depart from the North Terminal, while from 25 January British Airways flights will depart from the South Terminal and Virgin Atlantic flights will depart from the North Terminal. Gatwick said the changes will improve passenger experience with state-of-the-art technology at check-in, security and immigration as well as new bag-drop zones. It will also bring new British Airways and Virgin Atlantic lounges. Chief operating officer Chris Woodroffe said: "We are ready to deliver this major step in Gatwick's strategic transformation programme. The moves have been meticulously planned for more than two years, with close attention given to ensuring that the airport operation and the experience of our passengers is not affected during the transition. "Relocating the airlines allows greater efficiency and positions all three carriers for growth, which in turn drives Gatwick's growth. For our passengers, investment at every step of their journey through the terminal will be hugely beneficial."

24 December 2016, Source Travel Weekly

### **Turn-of-year campaigns go back to holiday basics [Video]**

Travel companies' turn-of-year advertising campaigns have gone back to basics focusing on the magic moments that make holidays special. In previous years, operators have focused on characters such as Thomson's Miles the Bear and Simon the Ogre or concepts such as Virgin Holiday's 'Unleash Your Mojo' and Travel Republic's 'Republic of Travel'. But this year's campaigns – due to launch over Christmas ahead of the peaks – largely feature familiar holiday scenes of customers enjoying beaches, swimming in pools and dining in restaurants. Thomas Cook's 'You Want, We Do' TV ad features 24 clips in 30 seconds showing families enjoying meals and playing on the beach. A throwback to the company's motto 'customer at our heart', the ad is played to an upbeat cover of The Temptations' Get Ready. Marketing director Jamie Queen said: "We hope it makes people smile, laugh and consider what they want from their next holiday." Thomson's Moments campaign has taken a similar stance with its ad showing a young girl's journey from beach to pool. She walks past freeze-frame moments depicting classic holiday scenes before jumping into her father's arms. Jet2holidays' upbeat advert – to the tune of Jess Glynne's Hold Your Hand – follows a young boy who is holding on to his parent's hand. He carries luggage to the airport, snorkels in the sea, finds an all-you-can-eat buffet, jumps in a pool and tries on sunglasses. Virgin Holidays' ad shows dozens of holidaymakers running into a sea of inflatables, while Kuoni's ad follows a woman 'swimming' through the air past a European piazza, the plains of Africa and temples in Asia. Consortia, meanwhile, have designed material to remind consumers of the benefits of booking through agents. The Advantage Travel Partnership is sending a magazine to 35,000 households, which marketing manager Carolyn Hardy said would "position our members as their clients' personal holiday planners". The Travel Network Group is making its members the star of the show, with digital content they can feature in themselves.

28 December 2016, Source TravelMole

### **Travel industry positive but cautious about 2017**

ABTA is predicting a positive outlook for the travel industry in 2017 but tempered by caution and uncertainty. Releasing its latest Travel Trends Reports, the industry association said early bookings for overseas holidays appear strong for 2017, with GfK's latest figures showing bookings for next summer tracking 11% above last year. ABTA said its own research also reveals that almost a quarter of the population (24%) plan to spend more on holidays next year. But it said despite encouraging signs such as these, many uncertainties remain, including around the Government's Brexit negotiations. "As we reflect on a challenging but successful year for the travel industry and look at the prospects for 2017, there are encouraging signs pointing towards a positive outlook for next year," said Mark Tanzer, ABTA chief executive. "However, when there is so much volatility and uncertainty in our economy, it is difficult to predict what is going to happen to bookings next year, and Brexit negotiations will certainly impact the travel industry." ABTA has identified its 12 'Destinations to watch' for 2017, saying these are a mixture of destinations expected to capture the public's imagination next year for a variety of reasons. They are, in alphabetical order: Andalusia Spain, Azores Portugal, Bermuda, Chile, County Kerry Ireland, Croatia, Denmark, Kerala India, Sardinia Italy, South Africa, The Southern States USA, and Vietnam.