

## UK OFFICE

### February 2018 REPORT

Prepared by: **Venessa Alexander**  
UK Director

#### Tour Operators

- **Tour America** - We met with Kathleen Maher, Marketing Manager, who advised that their bookings to the USA were looking strong for 2018 travel. Generally, they didn't struggle for 2017, and they are pleased with the demand they are receiving for the US. Exchange rates continue to be at the front of consumer's minds, however they are seeing an increase in long haul travel as Europe is becoming more expensive and customers see America as a safe destination.

#### Meetings/Training/Events

- **Visit Florida** - We attended their meeting which was postponed from December. Generally, the consensus was that 2018 was performing a lot better than 2017 and the demand is returning. The budget is still being discussed but they hope this will be finalised by mid-March. This is due to the forthcoming elections, when they will want to start campaigning. They are currently looking for a venue for the WTM Visit Florida event. Huddle in January was a success with the most UK/Irish buyers attending compared to previous years. Gill is working on Q2 coops with Virgin, TUI, American Holidays, USAirtours, and Travelzoo so we should see proposals by the end of February. She is also planning various UK travel agent trainings in April/May, possibly Thomas Cook, Ocean Holidays, Travel Counsellors, Travel 2, and Funway Holidays. Gill will confirm details once these have been finalised. Stephen advised that there was no additional airlift for 2018.
- **Tour America** – We visited their office in Dublin to support the launch of our joint marketing campaign with Experience Kissimmee. We were able to meet with their agents and distribute brochure, maps and giveaways. We also participated in a live radio broadcast promoting the campaign, holiday competition and the destination. The campaign will be live for 3 weeks.
- **Ferie** – We attended their annual consumer travel show in Herning, as part of Florida Beaches. The event ran for 3 days over the weekend and attracted approx. 55,000 visitors. Our booth was positioned in the USA section, next to Icelandair so there was a constant flow of people. There were many people who had already booked their flights and were travelling in the next 2-4 months. These customers were looking for recommendations on things to do in Florida. We distributed most of the brochures for each of the destinations.
- **Icelandair** – We met with Sigga Sveindottir, Sales Manager and John Rassmussen, Sales Manager, who advised that Icelandair have increased capacity into Orlando and Tampa

for winter 2018. Orlando will increase to a daily service, whilst Tampa will increase to 4 flights per week. We discussed opportunities to support the additional capacity including activity with Thomas Cook.

## **TRADE LIAISON**

- **Thomas Cook, Scandinavia** – We have now received the final results for the campaign we ran in September across all 4 markets, Sweden, Norway, Denmark and Finland. The activity was in market from 15<sup>th</sup> September to 14 December.
  - Digital activity on their website – 721,253 total impressions, 3,599 clicks and 0.49% CTR. The Swedish market performed highest with; 239,035 impressions, 1891 clicks and 0.749% CTR
  - Email – 179,760 total recipients, 41.78% open rate, 19.63 CTR and 120 passengers booked. Again, the Swedish market performed strongly with; 65,986 recipients, 48% open rate, 32.5 CTR and 82 passengers booked.
  - Newsletter – 314,919 total recipients, 0.46% CTR and 6 passengers booked.
  - Social Media
    - Facebook – 1193 likes, 40 shares, 142 comments (overall)
    - Twitter – 342 likes, 12 shares, 19 comments (overall)
  - Room nights booked during the campaign – 1980 +14.8%
  - End of year 2017 room nights - 7587
- **Tour America** – We provided assets to Tour America so they can begin working on the creative for our campaign in partnership with Experience Kissimmee. We have also secured accommodation at Sirata Beach Resort which will be used for the prizes that will be promoted on the radio. Ahead of the launch of the campaign, we have sent brochures, maps and giveaways for their sales agents.
- **Boardmasters** – We have provided our assets to Yan Li, who will add our details to their website under the partner's section. This will direct traffic to our website who want to learn more about the destination. This is now live and also includes an image and some destination information. Further discussions with Rooster PR as to how they will support this activation from a PR and social standpoint.
- **Ocean Florida** – We have now received the co-op marketing proposal for activity in 2018. This activity will be in partnership with Brand USA and once the proposal has been agreed will be forwarded to them for their approval and agreement.
- **Visit Florida Winter Campaign** – We have received the media plan for the activity with British Airways Holidays as part of the Visit Florida Winter Campaign and we have already provided key selling points and all assets requested. Campaign creative is at present being worked on and some of the creative has already been signed off. We have also approved the advertorial, email and social media elements of the campaign for the Thomas Cook activity as well as approving the 2<sup>nd</sup> phase of activity with Ocean Florida including the homepage banner ad, Facebook posts, the dedicated blog and consumer email newsletter.

- **Experience Kissimmee/Visit Tampa Bay/SeaWorld Parks & Entertainment** – Work continues on finalising the joint training mission that will be taking place from the 16<sup>th</sup> – 19<sup>th</sup> April.
- **Virgin Holidays** – We have now received the final proposal from Virgin Holidays, which will include; inclusion in the Florida campaign, full page in their inflight magazine VERA which will be available in all cabins on all routes for one month, Florida brochure launch email, homepage banner and plasma screens for one week in their stores across the UK. We have confirmed our participation, provided assets and advised Brand USA of the campaign details.
- **Norwegian/VSPC/Visit Florida/SeaWorld/Universal Swedish Fam trip** – Rukhsana Timmis, Visit Orlando, contacted us to advise that they are working on a fam trip in partnership with Norwegian airlines and would be interested in supporting. This trip would be for Swedish agents and would include support from Visit Orlando, SeaWorld and Universal. Unfortunately, we have advised that we can't support this trip due to other commitments in resort during this time.
- **If Only** – Rachel McAnaney USA Product Manager, contacted us to advise that she will be in Florida in February and will be visiting our area. We have offered our assistance and also made some restaurant recommendations as requested. We have also put her in touch with the Hilton and Opal Sands so she can arrange to meet with our partners.
- **American Holidays** – Ahead of her trip this month, we have arranged tickets for Dee Burdock, Product Manager, to visit the Dali Museum and Chihuly Collection.
- **Hayes and Jarvis** – Isla King, Destination Executive advised that they have seen a strong start to 2018 with a 25% increase year to date and is confident that they will continue to see growth for Hayes & Jarvis in Florida throughout 2018. They are looking to launch a new Hayes & Jarvis Florida destination guide in April which include a luxury element with a key focus on the coastal regions.
- **THG Holidays** – We have received the proof for their email, which forms part of our marketing agreement. This has been approved and will be distributed to their database this month.
- **Ocean Florida** - Ahead of our training day next month we have arranged for brochures, maps and giveaways to be sent to their office.
- **American Express, Stockholm** – Christina Fjader, Travel Consultant, contacted us to advise that she is planning on staying in St. Pete/Clearwater in September after winning in the prize draw during our sales mission to Scandinavia in November. We have offered her some recommendations of things to do during her stay.
- **Visit USA, UK and Ireland** – We have updated both websites to include details of the Trip Advisor awards for Clearwater Beach and St. Pete Beach as best beaches in the US.

- **Discover America, Scandinavia** – We have provided each market with our latest ‘New and Now’, for the destination to be included on their website and in their newsletters.
- **Kenwood Travel** – A meeting has been scheduled with Nicola Hollihead, the new Product Manager at Kenwood Travel next month.
- **Visit USA Ireland** – We have received feedback from Tony Lane of the Visit USA Association in Ireland after we had purchased one of the video slots at the Holiday World show in Dublin to advise us that there was huge demand for information on Florida and in particular for St. Pete/Clearwater and that they had handed out all of the brochures and area maps we had sent them for the stand at this annual consumer show.
- **TripAdvisor** – An email was sent to our tour operator and airline partner’s regarding the recent TripAdvisor accolade for both Clearwater Beach and St. Pete Beach. We were advised by many of our partners that they have utilised this information on their social media platforms and will also be relaying this information in their consumer email newsletters and on their blogs wherever possible.

### **ENQUIRIES:**

Telephone/website enquiries for information and/or literature

44

### **MARKET INTELLIGENCE:**

1 February 2018, Source Irish Travel Trade News

#### **Visit Orlando Appoints Lee Travel Consulting for UK and Ireland**

Visit Orlando has appointed Lee Travel Consulting to represent Visit Orlando to the travel industry throughout the UK and Ireland. “LTC focuses on the long-haul sector within the travel industry, delivering outstanding service that results in exceptional customer experiences,” said Elaine Blazys, Vice President – Travel Industry Sales, Visit Orlando. “Managing Director Chris Lee, along with his team of travel trade professionals, will be an extension of the Orlando-based team to specifically provide the Irish travel industry with an even more personalised service and education.” Chris Lee said: “We are delighted to be representing Visit Orlando in the UK and Ireland. All our staff have worked in the travel trade for many years with backgrounds in the tourist board, tour operator, airline and hotel sectors. We are passionate about travel and intend to bring this passion to promoting Orlando.” LTC’s duties will include implementing sales strategies and activities, supporting the trade with training, presentations and tools, and ensuring that the trade is kept up-to-date on the destination’s performance. These actions will complement Visit Orlando’s efforts to drive Irish visitors to Orlando through consumer marketing, public relations and social media campaigns. Visit Orlando is the official tourism association for the most visited destination in the USA, with representation in more than a dozen countries around the world. Visit Orlando, together with its 1,200 member organisations, represents the area’s leading industry.

1 February 2018, Source TravelMole

## **Barrhead pushes further south**

Barrhead Travel has confirmed plans to open an 'experiential' store in Southampton, investing £2.1 million over five years. The new store, it's third in England, will create approximately 12 new jobs in the local area and the travel agency is looking for experienced travel specialists to apply. Glasgow-based Barrhead currently has a network of over 70 retail outlets across the UK. There will be separate cruise and long-haul areas in the new Southampton store, but the agency in Above Bar Street will provide all types of holidays. Barrhead Travel revealed another new store in Fort Kinnaird Retail Park in the Edinburgh area earlier last week, with an investment of £3.5 million over five years. The travel agent is investing millions of pounds in new store launches across the UK in 2018 covering shop fit outs, staffing, technology, training, IT and support. The most recent opening was in Victoria Square Shopping Centre, Belfast, in December 2017. Barrhead said the expansion was needed as the number of customers booking holidays in its stores continues to rise. Chairman Bill Munro added: "We are absolutely thrilled to announce the new store opening in Southampton, the first on England's south coast. We really look forward to welcoming new customers to our fantastic store. "Customers book with Barrhead Travel because they want the expertise of our specialists.~ Holidays are an emotional purchase and customers want to feel they are getting the best possible value for money, sound advice from genuine specialists and to know that their holidays are fully financially protected." In 2015 Barrhead Travel expanded into the England for the first time with a store in Eldon Square, Newcastle, then in Highcross Shopping Centre in Leicester. It currently employs over 1000 people and is recruiting for Southampton and throughout the UK for experienced sales consultants, team leaders and managers.

2 February 2018, Source Travel Weekly

## **Barrhead Travel to be acquired by Travel Leaders Group**

Barrhead Travel is to be acquired by US travel giant Travel Leaders Group for an undisclosed sum. Chairman Bill Munro and chief executive Sharon Munro will remain in their roles in the company. No major changes in operations are anticipated, Barrhead said. Terms of the agreement have not been disclosed but the takeover will be completed by March this year. Travel Leaders is the largest travel agency business in the US with more than 7,000 owned, franchised or affiliated travel agencies. The business revealed last year it was on the acquisition trail in the UK, and bought Colletts Travel – a luxury agency in Hendon, north London, at the start of 2017. It also owns corporate travel agency Tzell UK, which operates from central London headquarters. In 2016, Barrhead Travel appointed accountancy firm BDO to help it seek new investment for future growth after Travel Weekly revealed it was looking for outside investment. At the time, it had said the company was not for sale but was looking for financial backing to expand in England and globally. In 2016 Barrhead reported a turnover of £279 million and an operating profit of £2.9 million. The agency began in Scotland in 1975 by chairman Bill Munro and now has a network of more than 70 travel agencies employing 900 staff. Travel Leaders Group CEO Ninan Chacko, said: "Barrhead is a great addition to our family of brands. It's an innovative, award-winning travel business that is on a trajectory for continued growth. "From its high-touch retail travel superstores to its online presence, Barrhead offers personalised attention, technology tools, highly-trained travel specialists and a wide range of travel products and services. "Bill and Sharon Munro have devoted their careers to building this extraordinary business. We're pleased that the Munro family is entrusting the future of Barrhead, its employees, agents and customers to our organisation. We're excited about this chance to expand our presence in Scotland and the UK overall and the opportunities this affords both companies." Sharon Munro said: "Joining with

Travel Leaders Group will give us the resources to expand into additional markets, access to new technology and the ability to innovate. This agreement creates exciting new prospects for both our enterprises.” Bill Munro added: “This is great news for our staff, our customers and our suppliers.” Barrhead also runs Brilliant Travel, its division that oversees Barrhead’s managed service branches and homeworkers. The division expanded in 2017, from 29 managed service travel partners at the start of the year to more than 40 at the end of 2017. It also brought on at least ten new homeworkers last year, by the time of its annual conference in November, and planned to have 27 homeworkers on its books by the start of 2018.

3 February 2018, Source Travel Weekly

### **Virgin Atlantic unveils three new seating styles in A330’s Upper Class**

Three new seating styles are being introduced in Upper Class on four Airbus A330s being drafted into the Virgin Atlantic fleet. The aircraft are being leased from collapsed carrier Air Berlin due to a shortage of Rolls Royce engines for the UK airline’s fleet of Boeing 787 Dreamliners. The 19 seats in Upper Class includes ‘love suites’ located in the centre of the cabin for couples or pairs of passengers travelling and looking to dine and watch films together. The configuration also includes solo freedom suites where passengers can stretch out with direct aisle access. Solo window corner suites also aisle access. Passengers paying extra to travel in Upper Class will have wi-fi access with free messaging. Each of the Airbus widebody aircraft will carry 46 economy extra legroom seats and 222 economy seats. The A330-200s will be fitted with the airline’s premium economy cabin towards the end of 2018, featuring the signature Wonder Wall. The 287-seat aircraft will initially run flights from Manchester to New York, Boston, San Francisco and Barbados from March. The airline’s operations executive vice president Phil Maher said: “We’re thrilled to be welcoming four A330-200s to the Virgin Atlantic fleet this March. “These aircraft will add resilience to our flying programme in light of an industry wide shortage of Trent 1000 engines used on our Boeing 787 aircraft. “Featuring our iconic Virgin Atlantic livery and crewed by our world class pilots and cabin crew, these aircraft will offer our award winning food, drink and in-flight entertainment. “The Upper Class cabin introduces three new styles of seating for customers to choose from, as well as extra touches such as a barista style coffee menu and free wi-fi messaging. “The economy cabin offers 222 seats, and we’re investing in a premium economy cabin for each aircraft, to be fitted towards the end of the year.”

5 February 2018, Source Travel Weekly

### **Travel Counsellors reports record January trading**

Travel Counsellors broke sales records in the peak holiday booking month of January with global revenues of £77.4 million. This represented 15% year-on-year growth for the independent group, which has more than 1,700 self-employed franchisees running their own travel businesses across seven countries. Travel Counsellors’ UK sales also beat previous records, with the £56.8 million secured last month – up 18%. This includes the highest sales figure achieved in a single day, with £4.4 million achieved on January 31. This was the first time that Travel Counsellors has surpassed the £4 million mark for a day in its history. Seven of the firm’s top ten largest sales days were achieved last month with Fridays proving to be the most active day of the week for holiday bookings. The final three Fridays the month saw accumulated sales of £11.5 million. Record levels of bookings on the final day of the month

came via in-house technology platform, Phenix, with £2 million in sales on January 31. The company's own TC Packages made up £1.4 million of this total, enabling Travel Counsellors to act as the tour operator, tailor-making bespoke packages. As a result, 340 of Travel Counsellors' business owners marked their best ever sales month in January. The Maldives saw the biggest year-on-year growth in bookings, followed by Canada, Hawaii, Croatia, Turkey and Japan. Spain remained the most booked destination, with the US, Greece, Italy and Dubai also seeing strong levels of demand. Cruise packages rose by 14% on January last year. Global sales director Jim Eastwood said: "We have been focused on supporting our 1,700 Travel Counsellors globally throughout the busy booking period, so they are able to focus on providing the very best service and levels of care to their customers. "It's this care and trust that is becoming central to the booking process over anything else. This is where our Travel Counsellors excel, enabling them to build their businesses through customer loyalty and referrals. "This is reflected in the fact that in January two thirds of our sales came from existing clients, and the remaining third through new business acquired primarily through referrals. It's clear people are looking to travel but also want a positive booking experience that starts long before the actual booking itself, and a trusted advisor who is available long after the holiday or trip." Travel Counsellors has seen consistent levels of growth for the last 11 years, with turnover reaching £188 million in the 12 months to October 2016, according to latest figures.

7 February 2018, Source Travolution

### **Top 10 performing UK travel ads of 2017 revealed by YouTube**

YouTube has revealed the best performing travel adverts on the video sharing platform in 2017. The ranking takes account of views but does not use this indicator alone. The top 10 is calculated using an algorithm that factored in organic and paid views, watch time and audience retention. Stephany van Willigenburg, senior industry head of travel, at YouTube parent Google, said: "There's no golden secret to creating ads that perform well – you just need to engage your audience. "Within the top travel ads of 2017, we can see a wide range of styles and narratives to achieve this. The best advertisers don't rely on just one key ad or creative – rotating between at least three ads to reach your desired audience will give you the best results. The top trends we see cropping up in the more successful ads include: "Know your audience: Understanding who you are speaking to is essential crucial for any ad campaign. YouTube's viewers are engaged and pay attention to what they're watching – so it's important to get the message right. A practical approach worked for TfL, and a immersive demonstration of the luxury available on Qatar Airways spoke well to its key audience. TUI took a fun-based approach using a reworked version of a popular song to target potential holiday-makers. This is ultimately the key for any brand campaign on YouTube – know your audience, understand what they like to watch, and base your creative strategy on these insights. "Making the old seem new: whether using tech to fly around the best features of Norwich Cathedral or reminding viewers of the 176 year history of Thomas Cook, traditional brands show how they can leverage their history in new and exciting ways without losing the heritage at the heart of what they do. Playing to a brand's strengths is key – and often this can be history and familiarity just as much as exciting new technologies. "Tell a visual story: Center Parcs brings a child's tale to life in vivid visual detail, while Booking.com shows us the varied stories we could encounter on our travels. Focusing on our love of great stories has always been a key for good advertising – and the best ads embrace the brand narrative in a way that pulls in the viewer and demonstrates to them the kind of memories they could make on their own holiday."

9 February 2018, Source Skift

### **International Visitor Spending in U.S. Dropped for Second Consecutive Year**

While each visitor market is unique, many international travelers in the U.S. last year probably weren't shopping until they dropped because of a stronger U.S. dollar. Many international travelers who visited the United States were probably feeling sticker shock during their trips as new data show spending was down more than 3 percent last year, the second straight year of a spending slump. International arrivals to the U.S. were also down nearly 4 percent through July 2017, the most recent month for which data is available, which contributed to the spending decline. The U.S. Department of Commerce reported that international visitors spent \$149 billion in the U.S. last year, down from \$154 billion in 2016, and that international visitor spending dropped 5.8 percent from 2015 to 2017. Data show spend was down from January to October but began to rise in November and December (\$12.4 and \$12.5 billion, respectively). But spending was down year-over-year for each month of 2017. The numbers considered travelers' spending on food, lodging, souvenirs, entertainment, and transportation during their trips. The spending drops in 2016 and 2017 marked the first time since 2002 and 2003 that international visitor spending in the U.S. fell for two consecutive years, according to the U.S. Travel Association. The U.S. wasn't as affordable last year as it has been in recent years for top visitor markets in Europe, Brazil, and Japan as the U.S. dollar continues to improve. The U.S. Travel Association, in a statement, said that the international visitor spending slump is a stark contrast to 2010 to 2015 when such spending grew by 48 percent—more than twice as fast as the 21 percent increase in other exports of U.S. goods and services. Meanwhile, Europe's tourism had a major resurgence last year and is outshining the U.S. on many measures. "Around the globe, more people are traveling than ever before, and we cannot allow the U.S. to fall behind other nations in attracting international travelers," said Amos Snead, a spokesperson for the coalition, in a statement. "President Trump has made it a priority to shrink our trade deficit and growing inbound travel can play a big part in achieving that success." Higher hotel rates, for instance, are often a big reason why many destinations post record high visitor spending totals, and destinations like Los Angeles and Miami have announced record international visitor spending for 2017. It's unclear if higher hotel rates are causing many travelers to spend less in other areas, but unfavorable exchange rates for many visitor markets is also a likely reason for the overall drop. Organization's such as U.S. Travel have been saying that the U.S. has been losing its market share in global international arrivals for the past three years, and it's becoming more apparent that American destinations are losing out on billions of dollars in the process.

10 February 2018, Source Travel Weekly

### **Barrhead Travel sets sights on growth after sale to Travel Leaders Group**

Barrhead Travel plans to treble the number of homeworkers, managed travel agents and large retail stores it operates following its sale to US giant Travel Leaders Group. The Scotland-based group also plans to expand into Europe following the deal, which saw chairman Bill Munro and chief executive Sharon Munro sell the entire share capital of Barrhead for an undisclosed sum. Bill Munro said: "It's very much a growth story – in England, Wales, Ireland and Scotland. We are close to being finished in Scotland but there is more opportunity. "We have about 40-50 homeworkers and managed agencies. We are a bit behind other [organisations], but we will treble the number in the next 18 months. "Our technology and support systems are better than anyone's. Homeworkers see what we take and what they

make, so quite a few are jumping ship and joining us.” Barrhead has about 40 large agencies and is looking to increase this to 120 in locations with high footfall over the next three years. Munro said Barrhead had become “known and liked” by major UK shopping centres and retail parks, and received approaches “all the time”. “They [shopping centre operators] have realised we’re a ‘destination shop’. We bring events, entertainment and customers, so we get the best positions. Being 50 yards in the wrong direction can make a huge difference, but we get our pick,” said Munro. He said Barrhead was close to opening its first shop in Wales this year, and was looking for a site in Dublin, following the opening of a first store in Belfast last year. Munro said: “Travel Leaders want to use Barrhead as a platform for growth in Europe. We have a different route to market than many and there is no reason why our model wouldn’t work. “There’s a lot going on with the new Package Travel Directive, so we are waiting on some politics and legislation but hope to make some moves this year. As long as it’s travel – corporate and leisure – we will consider it.” Munro revealed he had been looking for an investor for about 18 months and chose Travel Leaders because it is a “people-centric organisation”. “There were a number of companies that contacted us but we wanted a trade sale to make sure all the jobs were safe,” he said. “If you sell out to private equity, they want to come in, change things and sell the business on.” Munro confirmed no earn-out clause had been agreed as part of the deal, which is expected to complete in the first quarter. “It is business as usual,” Munro said. “Travel Leaders have met the senior team and were impressed. They liked everything about us.” Munro is contracted to work six months a year, while Sharon Munro and the rest of the management team will continue in their roles.

14 February 2018, Source TravelMole

### **Norwegian outlines 'full commitment' to British market**

Low-cost long-haul carrier Norwegian has promised new routes, more frequency and newest Dreamliners for UK, which it says is one of its most important markets. Norwegian CEO Bjorn Kjos was speaking in London ahead of the launch of Norwegian's Gatwick-Buenos Aires service, which starts on February 14. After that, the airline will launch new direct services to Chicago and Austin in March. Norwegian will continue to pursue further route expansion from London to South America and Asia. Further Asia expansion will build upon the successful launch of the world's longest low-cost route to Singapore with destinations such as Tokyo, Shanghai and Beijing planned if the airline receives access to the Siberian corridor. In addition, eight brand-new Airbus A321neo LR will land in Norwegian's fleet in 2019 and will serve the UK from 2020. Cities such as Detroit, Philadelphia and Minneapolis are being considered on these new aircraft. Routes to the Middle East are also another option. In addition, 10-brand new Dreamliners due to enter the fleet in 2018, will feature the new expanded 56-seat Premium cabin, which will replace the current Gatwick-based Dreamliner fleet, giving UK passengers more premium seats and brand-new aircraft. Long-haul wi-fi will be rolled out from the end of this year and there will be a bigger focus on business passengers with increased long-haul frequencies. Kjos said: "The UK will be at the heart of our continued global expansion and we remain fully committed to the market. "We are launching long-haul routes exclusively from Gatwick, introducing our newest Dreamliners to Gatwick and increasing frequency on popular routes which reflects the growing importance of the UK to the future of our business. "UK passengers will be the first to benefit from our newest routes and upgraded long-haul passenger experience. "With plans to rollout inflight wi-fi on our long-haul flights, Norwegian will be in a better position to increasingly target business passengers as we also have plans for more exciting routes and flights to the USA, South America and Asia. "With huge global ambitions, we're confident that the UK can offer

Norwegian a springboard to further expansion as we aim to become the long-haul airline of choice for passengers seeking a high-quality service at great value."

15 February 2018, Source TravelMole

### **Norwegian announces heavy loss**

Rapidly expanding Norwegian today blamed higher fuel prices and other 'significant costs', including 'passenger care', for its £27.4 million net loss last year. However, the airline insisted it was in a 'far better position' this year, with stronger bookings and a better staffing situation. "We are not at all satisfied with the 2017 results. However, the year was also characterized by global expansion driven by new routes, high load factors and continued fleet renewal," said CEO Bjorn Kjos. "Through our global strategy, we contribute to local economic boost and increased employment at our destinations, as well as ensuring that more people can afford to fly - not least between the continents. "In 2017, we received several major international customer awards, which would never have been possible without our dedicated colleagues at Norwegian. "Norwegian is far better positioned for 2018, with stronger bookings, a growing network of intercontinental routes complementing our vast European network and not least, a better staffing situation. Our major global expansion reaches its peak in the second half of 2018, when 32 of our 42 Dreamliners on order will have been put into service." Norwegian yesterday launched a new service from London to Buenos Aires. Its total revenue was £2.8 billion in 2017, up 19% on 2016. It carried more than 33 million passengers throughout the year, up 13% on 2016.

16 February 2018, Source TravelMole

### **Abolish APD and IAG might launch cheap long-haul flights from regional airports, says Walsh**

British Airways' owner IAG has told MPs that UK holidaymakers are missing out on cheap long-haul flights because of air passenger duty. In an open letter, chief executive Willie Walsh said IAG was looking to expand the operations of its budget airline LEVEL and abolishing APD would make it more likely it could operate from Birmingham, Cardiff, Edinburgh and Manchester. "British consumers are losing out because of APD. In Spain and France, LEVEL can offer lower fares than it can in the UK - and that goes for other long-haul low cost airlines too," said Walsh. LEVEL launched flights from Barcelona to the US and Latin America last year and will fly from Paris to the Caribbean and North America in July. However, Walsh said it's not financially viable to launch flights from UK regional airports when LEVEL's fares start around £88 one-way and long-haul economy APD is £78. "MPs need to know that APD undermines our ability to introduce new low cost flights that would benefit their constituents. If APD was axed, IAG could open new routes and operate LEVEL from regional airports," said Walsh. He described it as 'foolhardy' for a trading nation reliant on developing international connections post Brexit to tax aviation so harshly, pointing out that premium economy and business class passengers pay £156, rising to £172 next year. "By hiking APD in the last Budget, it's clear the Chancellor doesn't understand that Britain is losing out to countries that don't have draconian aviation taxes," he added.

16 February 2018, Source Travel Newsgram

### **HOW TO CONVERT TRAVEL DREAMERS INTO BOOKERS**

Before they are triggered to book a holiday, dreamers need an emotional connection to a destination, says travel trends specialist MyTravelResearch.com. At this time of year,

millions of people all over the world start dreaming about their next holiday as they return to work after the December-January break. The travel industry needs to inspire those dreamers via an emotional connection then trigger them into making a booking, says MyTravelResearch.com, which shows travel destinations how to convert travel trend insights into actions that grow visitation and yield. "Many tourism businesses don't enjoy marketing," says Carolyn Childs, co-founder and strategist for the company. "They prefer to focus on delivering the experience. But to the potential customer, the first touch point is part of the experience. If a travel brand is not there at the dreaming stage, they will likely miss out altogether." MyTravelResearch.com defines the 'path to purchase' as dreaming, planning, booking, anticipating, en route, at destination, and post-holiday sharing. It's not often as linear as that, but travel destinations need to make their presence felt at each step. At the dreaming stage Childs says of destination marketing organisations, "Your job is to inspire the customer either to take the trip, or to choose you. The more emotional and engaging your content the more it will prove 'sticky' and get them to move from dreaming to planning and booking." Childs shows that ideas and actions on the path to purchase can loop back. For example, there are three ways people enjoy a holiday: anticipating, experiencing and remembering. The remembering part drives future behaviour (such as return visits) or inspires dreaming about travel among friends and colleagues. In the early dreaming stage marketing visuals and storytelling are critical. Travel promotion needs to evoke a positive emotion. Research shows that enticing colour in marketing images often acts as a trigger to book. Research by Xerox shows that coloured visuals increase a person's willingness to read content by 80%. Colour boosts recall by 82%. The link between videos and dreaming is clear. A Google/ICT Ipsos study shows that 51% of leisure travellers are inspired by online travel videos, 69% of business travellers, and 55% of affluent travellers. A Corona Extra beer advert filmed around surfing on the west coast of Mexico has over one million views on YouTube. "Imagine being Mexico's tourism promotion board and having that fall in your lap!" says Childs. So almost any type of video can be a catalyst: those made by destinations, hotels, tour operators, travel experts, travel channels or ordinary travellers who have made and posted a video. A great video doesn't necessarily have to be expensive to produce a dreaming effect. "You don't need huge budgets," says Google UK sales director, Dr Bernd Fauser. "It's more about the content people engage with...you just need a good idea." The time frame between dreaming and booking varies. For major trips it can be months. For short breaks the dreaming to booking phase may take place the same day. Sometimes a booking can be triggered by a hot deal, but the person has to have been dreaming about the destination to some extent beforehand. Childs therefore argues that even though people are still in the dreaming stage, there should be a strong call to action visible to move them beyond dreaming and planning onto booking. The goal from the destination marketing organisation's point of view is to drive conversion, increase yield and build loyalty, she says.

17 February 2018, Source Travelbiz

### **Icelandair to stop Belfast to Reykjavik flights from May**

The airline is to start operating a new service from Dublin instead. Icelandair is suspending its Belfast to Reykjavik flights from May for commercial reasons. Services began operating three times a week last summer from George Best Belfast City airport to the Icelandic capital. The airline will launch new flights from Dublin next May. The Belfast route was intended to offer convenient connections to the US and Canada and was hailed as a major boost for Northern Ireland's global connectivity. A statement from Icelandair said: "Icelandair regrets to announce that the airline's direct flight service to Reykjavik from Belfast will be suspended from 15 May 2018 due to commercial reasons." The flights were a co-operation

between Icelandair and domestic carrier Air Iceland Connect and operated by a 72-seat Bombardier Q400 aircraft. The final services between Belfast and Reykjavik will be on May 15. The statement added: "We are sorry for any inconvenience caused with these changes. "Icelandair continues to operate frequent services to London Heathrow, London Gatwick, Manchester and Glasgow in the UK, and has a direct scheduled flight to Dublin, Ireland, starting from 8 May 2018 and operating six times a week, year round. "Customers due to travel after 15 May have the options of travelling to Reykjavik from Dublin, changing the date of travel or receiving a full refund." Dublin airport does not charge Air Passenger Duty (APD) and the authorities in the Republic have said passenger numbers from Northern Ireland have soared. As part of the Democratic Unionists' £1 billion deal to prop up the Conservative-led Government, the Government agreed to commission a report into the impact of VAT and APD on tourism in Northern Ireland and to recommend how best to build upon the growing success of that sector. Extra cash could be earmarked to allow Belfast airports to waive the duty on some flights. Belfast has seen a series of ups and downs in its airline fortunes. Flybe pulled out of its London Gatwick service in 2014. United Airlines stopped its New York flights but budget carrier Norwegian Air unveiled low-cost connections to cheaper airfields on the east coast.

19 February 2018, Source Travelbiz

### **Long-haul flights from UK now cheaper than going to Ibiza**

Weak dollar and rising prices in Spain mean it can be worth going the extra mile to get good value. Flying long haul would barely enter the thinking of many families planning their annual holiday, with the perceived cost ruling out many destinations before the search had even begun. However, this year a series of colliding events, including a weak dollar, greedy Spanish hoteliers and competition for tourists in the Middle East, means it can be cheaper to go to Florida, Dubai or Thailand than to spend a traditional two weeks on the Costa del Sol. Research from price comparison site TravelSupermarket has shown that some long-haul destinations cost significantly less to fly to and stay in than Spain, where British tourists make up the largest number of foreign visitors every year. The site found that during the half-term holidays in May, flying and staying in a four-star hotel in Abu Dhabi cost £308 per person. A similar holiday in Menorca was £551 per person while Tenerife came in at £420. Flying and staying in Dubai costs £310 while Florida is £371, both with flights from Gatwick. The quotes are based on a family of four staying for seven nights starting the last weekend in May. Far-flung destinations also come in cheaper during the summer holidays. Pattaya in Thailand and Bali are up to a fifth cheaper than Ibiza or Menorca, according to Emma Coulthurst from TravelSupermarket. "People may think their holiday budget can only stretch to short haul and that they can't afford long haul, so they don't even consider it. "But the reality is, long-haul destinations can offer incredible value this summer," she says. "It is really worth doing your research and comparing both to see what else you can get for your money. "But, be realistic on weather. Florida, for example, is also coming up cheaper this July and August and offering some incredible deals – but the weather at that time of year is incredibly hot and humid." Several factors have come into play to make the more exotic destinations cheaper. Firstly, the "Trump slump" with interest in travel to the US falling off since the presidential election. The drop in the value of sterling against the dollar after the Brexit referendum also sparked a fall in visitor numbers. In an attempt to entice British holidaymakers back, US holiday operators have cut prices by as much as 35% this year compared with last year, according to Coulthurst. However, it should be noted that while savings can be made in getting to the long-haul destinations, there are differences in the cost of living when there, which have to be factored in when budgeting. In Malaga, a three-course

dinner in a mid-range restaurant costs on average £13.06 while it comes in at £17.13 in Dubai, according to TravelSupermarket. Car hire is also substantially more expensive in Florida, Abu Dhabi and Dubai, although the cost of petrol is significantly cheaper than in Spain.

20 February 2018, Source TravelMole

### **US bookings bounce back for Kuoni**

Kuoni is reporting a double figure rise in bookings to the US, going against fears of a Trump Slump. Its latest trends report, released this week, shows that following a dip last year the US is making a swift comeback with bookings up 19% for 2018 departures. The operator said there has been a spike in interest for fly-drives, particularly San Francisco to Los Angeles and Las Vegas to San Francisco via Death Valley and Yosemite National Park. The US remains in number five position in Kuoni's top selling 25 destinations list with the Maldives taking the number one spot for the 15th consecutive year.

28 February 2018, Source TravelMole

### **Norwegian confirms launch of more budget flights to US this summer**

Low-cost airline Norwegian is continuing its rapid long-haul growth at London Gatwick with the addition of over 150,000 extra seats on some of its most popular US routes this summer. From March 25, it will offer 10 extra weekly flights to Los Angeles, Orlando, Fort Lauderdale, Oakland and Boston. The airline said it was utilising additional slots made available last year from Small Planet Airlines and not as a result of any cuts to its shorthaul network. Norwegian, which made a £27.4 million net loss last year, said it had not yet confirmed its entire short-haul programme for this summer as it was struggling to find enough slots. Today it confirmed that the additional long-haul frequencies will mean that this summer it will offer 11 flights a week to Los Angeles, daily flights to Boston, six flights a week to Oakland in San Francisco, three flights a week to Fort Lauderdale and four a week to Orlando. Prices start from £155 to £185 one-way. Chief commercial officer Thomas Ramdahl said: "With our US flights proving to be incredibly popular we have chosen to increase frequency to the States, with over 150,000 additional seats going on sale for this summer. "We are giving both leisure and business travellers more choice and flexibility when travelling from London Gatwick along with attractive fares, all on board our fleet of brand new Dreamliner aircraft. "The UK continues to be the centre of our long-haul growth and this year will be our busiest yet at London Gatwick with increased frequency and new routes to the US launching just next month, as we continue to grow the number of great value flights to the States." Gatwick CEO Stewart Wingate added: "Gatwick passengers appreciate Norwegian's affordable airfares and great service and it's due to popular demand that the airline is adding 10 more weekly low cost long haul flights to the USA. These new services will be flown by Norwegian's brand new Dreamliner fleet and will make it even more convenient for both holiday-makers and business travellers to pop over the pond, particularly with very frequent services now on offer to LA, Oakland and Boston. "These new services bolster Gatwick's long-haul network yet further and we now offer our passengers a choice of over 60 long haul destinations across Asia, Africa, North and South America." Norwegian, which is Europe's third largest low-cost airline, is also launching two new direct routes from Gatwick to the US next month, with the addition of a daily service to Chicago starting on March 25 and a four-weekly service to Austin commencing March 27.

28 February 2018, Source TravelMole

### **Thomas Cook introduces zero deposits**

Thomas Cook has launched a £0 deposit buy now pay later payment plan for customers booking holidays departing between November 1 2018 and the end of October, 2019. The offer, available from March 1, will help customers budget and spread the cost of their holidays, said the operator. There is no upfront payment and holidaymakers pay the balance off in monthly direct debit instalments. Thomas Cook said the new service, which is available online and in store, was the first of its kind to be offered by a tour operator and follows on from the direct debit payment plan which it introduced in January 2016. The announcement coincides with the launch of Thomas Cook's summer 2019 holiday programme which goes on sale on Thursday. Buy now, pay later is available on holidays booked 14 weeks or more before departure. Thomas Cook UK MD Chris Mottershead said: "We're always looking for ways to make it easier for our customers to enjoy their well-earned break away. "Our new zero deposit buy now pay later offer means that they can get the holiday in the diary now, and then spread the cost over the coming months. Our existing direct debit payment plan is very popular with families and we expect this new offer to appeal to them too."