

CENTRAL EUROPEAN OFFICE

F E B R U A R Y 2019

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MARKET INTELLIGENCE / TRENDS

Germania Collapse Hits Passengers, Tour Operators and Airports

The insolvency and grounding of Berlin-based leisure airline Germania has left thousands of seat-only passengers with worthless tickets, forced tour operators to quickly find alternative flights, and sparked renewed demands for airline insolvency insurance legislation.

Despite recent claims that it had filled a €15 million liquidity gap, the privately-owned German airline was forced to file for insolvency this month and stopped flight operations as of 2/12. The move leaves some 1,700 employees, who reportedly have not been paid for January, facing the loss of their jobs. Germania, with a fleet of 37 planes, flew more than four million passengers a year from regional German airports to 60 destinations in Europe, North Africa and the Middle East.

Just like with the insolvency of Air Berlin in 2017 and of niche charter carrier Small Planet Airlines last year, passengers impacted by Germania's insolvency fall into two classes: **package holiday customers** who are legally entitled to alternative flights that their tour operator has to organize and **passengers who booked directly** with the airline and have no legal right to compensation.

The German Travel Industry Association (*DRV*) said that "tens of thousands" of passengers would be affected over the coming weeks. Tour operators responded quickly to organize alternative flights for customers booked on Germania flights. "Holidaymakers who booked a tour operator package in a travel agency are well-protected," said Ralf Hieke, *DRV* vice-president for medium-sized travel agents. But, referring to the lack of protection for seat-only passengers, he added: "We finally need competitively-neutral insolvency insurance for airlines. This is the only way to give travelers more security."

Lufthansa Eyes Condor

Lufthansa is showing interest in Thomas Cook Airlines, but TUI is staying on the sidelines amidst tough trading conditions for Europe's top tourism groups.

The decision of Thomas Cook Group to launch a 'strategic review' of its airline business has quickly prompted speculation about potential buyers, and whether the airlines might be sold as a whole or individually. Another factor is the uncertainty surrounding EU flying rights for British-owned airlines after Brexit on March 29, 2019. Thomas Cook Group Airlines consists

of Germany's Condor and the 'Thomas Cook'-branded airlines in the UK, Scandinavia and Balearics.

Analysts quickly pointed to Lufthansa, which owned Condor until 2009, as an obvious potential buyer. A takeover of the German leisure airline would give Europe's largest aviation group a strong network of routes to holiday destinations in the Mediterranean and overseas, in addition to Eurowings' budget flights to business and leisure destinations. Lufthansa board member Harry Hohmeister told business newspaper Handelsblatt: "With Eurowings we have proven that we can grow well in this segment, so we will look carefully at which options there may be here."

TUI Cuts Profit Forecast

Slow bookings and lower margins for summer 2019 holidays, notably in the UK, have forced TUI to scale back its profit outlook for this year. Europe's biggest tourism group announced that it now expects full-year profits (underlying EBITA) to be "broadly stable" at about last year's record level of €1,177 million and was thus "not reiterating" its previous guidance of at least a 10% improvement in 2019 and 2020.

TUI explained that with 34% of its summer 2019 program booked to date, "bookings are broadly in line with prior year, however, margins are not." There are three main trading headwinds at present, including "a continuing negative impact from the extraordinary hot weather in 2018", resulting in later bookings and weaker margins for its markets (tour operators) & airlines business. In addition, "there is a shift in demand from the Western to Eastern Mediterranean, which has created overcapacities in certain destinations such as the Canaries, resulting in lower margins for markets & airlines". Thirdly, the continued weakness of the Pound Sterling is "making it difficult to improve margins on holidays sold to UK customers".

In response, the German-based group said that it is taking "specific measures", including harmonization under one leadership to drive cost savings and efficiencies; reducing distribution costs by shifting to more direct, more online, more mobile sales; and increasing upselling of activities & excursions to drive revenue and margin benefits.

TUI also pointed out: "We also expect that the continued sector headwinds may trigger market consolidation, and that TUI could be a beneficiary of this." This implies that the group believes it would gain business if rival tour operators or airlines go out of business. Despite the current business trends, TUI underlined that overall leisure travel demand is continuing to grow in its core markets, and the group is transforming itself into "an integrated provider of holiday experiences", based on its portfolio of hotels, cruises and destination activities & excursions portfolio which generated 70% of group profits last year. It also plans to enter into new markets generating €1 billion of revenue from 1 million customers by 2022.

Summer Bookings Lag

German holiday bookings dropped in January and are now behind last year, according to the latest monthly sales analysis by market researchers GfK. The figures compare sales by 2,000 representative travel agencies, OTAs and tour operator websites last month with January 2018, which was a very strong booking month.

Winter holiday sales dropped by 6% year-on-year last month, leaving cumulative sales for the current winter season 4% ahead of the same time last year. More importantly for the German travel industry, summer sales slumped by 9% in January, which is traditionally one of the strongest booking months. As a result, summer 2019 is now 2% behind the same time last year on a cumulative basis. The main travel months of July and August are between 1% and 3% lower than last year.

The major factor behind the headline figures was that online sales also dropped into negative territory last month, with a 1% decline. Travel agents had already seen lower sales in November and December, meaning that in January they had negative growth rates for the third month in a row.

GfK pointed out that the “weak holiday demand” is partly explained by the very strong double-digit growth rates recorded in January 2018, but weaker demand has now affected both travel agents and online sales outlets. The latest figures mean tour operators and travel agents will be hoping that consumers are simply delaying their summer holiday bookings rather than switching, for example, to self-organized self-drive holidays in Germany or in easily accessible destinations such as Austria and Italy.

Tour Operators Dossier

German market leader TUI outgrew most of its major competitors last year amid ups and downs for the likes of Thomas Cook, DER Touristik and FTI, according to the latest fvw dossier.

TUI increased revenues (including TUIfly seat-only sales) in Germany by 7.4% to about €5.05 billion and in the three German-speaking markets by 8.5% to €5.75 billion, according to fvw estimates. These growth rates left TUI with a market-leading 14% share both in Germany and the ‘DACH’ region (which refers to the three countries’ international codes D-Germany, A-Austria, CH-Switzerland). TUI Germany increased revenues faster than customer numbers, which were up by 7% to 6.5 million in Germany and by 7.8% to 7.3 million in the three markets on an estimated basis, due to higher selling prices. If the separate subsidiary TUI Cruises (see below) is included, then TUI Group’s market share in Germany rose to 18.1% last year, according to the market research study.

Thomas Cook (including Condor seat-only sales) underperformed the overall market last year with a moderate 4.7% rise to turnover of €4 billion in the DACH region despite a 7.4% increase in customer numbers to 7.3 million. The group had the same growth rates in Germany, according to fvw estimates, with turnover of €3.8 billion and 6.9 million customers. This left the group with a 10.6% market share in Germany and 9.7% of the regional market.

DER Touristik’s tour operator revenues dropped for the third year in a row as it failed to profit from the recovery of destinations such as Turkey and Egypt. The group’s turnover in Germany, where the tour operator business is currently being restructured, dropped by 1.2% to €2.65 billion on an estimated 5.9% fall in customer numbers to 4.9 million. Turnover in the three German-speaking markets declined by 1.2% to €3.4 billion on an estimated 4.8% drop to 6 million customers. The group’s market share fell to 7.4% in Germany and to 8.3% in the DACH region (including Kuoni and Helvetic Tours in Switzerland). These figures exclude travel agency revenues.

The biggest winner last year was once again the **FTI Group** with strong double-digit growth. The Munich-based group increased tour operator turnover in Germany, Austria and Switzerland by 13.7% to €2.9 billion as customer numbers soared by 11.8% to 4.75 million. Its regional market share rose to 7%. FTI did not provide any breakdown for Germany, but fvw estimates its market share has increased to 7.2%, bringing it close to DER Touristik.

Number eight in the top ten ranking is **TUI Cruises**, whose revenues surged by 18.4% to €1.25 billion as customer numbers increased by nearly 14%. Switzerland's **Hotelplan Group** remained in ninth place with a 7% increase in turnover to €533 million (CHF 601 million), generated purely in Switzerland.

SALES ACTIVITIES

Consumer Shows (January & February 2019):

Our area will be presented at several important consumer shows in Germany, the Netherlands and Belgium in cooperation with the Visit USA Committees as well as a selection of tour operator partners. Registrations have been completed for the following tourism fairs attracting 911,800 consumers cumulatively:

• Vakantiebeurs (NL)	January 9-13, 2019	103,300 visitors
• CMT Stuttgart (DE)	January 12-20, 2019	260,000 visitors
• Boot! (DE)	January 19-27, 2019	250,000 visitors
• Reisemarkt Dresden (DE)	January 25-27, 2019	33,500 visitors
• ABF Hannover (DE)	January 30-February 3, 2019	90,000 visitors
• Brussels Holiday Fair (BE)	February 7-11, 2019	35,000 visitors
• f.r.e.e Munich (DE)	February 20-24, 2019	140,000 visitors

We supplied all necessary collateral for consumer shows taking place this month.

ITB (March 6th – 10th, 2019):

Known as the “world’s largest tourism fair” held annually in Berlin, Germany, we will again exhibit within the Visit Florida Pavilion. Appointment scheduling commenced last month; over 18 appointments have been scheduled to date. We’re finding that most clients intend to attend the trade-only segment of the show for only two days rather than three. Further strategic planning and logistics management tasks are being finalized – graphic and video assets for the stand, badges, shipping and travel arrangements, etc.

Netherlands Sales Calls & Training (March 18th - 20th, 2019):

We will be touring The Netherlands to meet with the product management teams of several key tour operator partners and conduct comprehensive in-house reservations agent trainings. Focus is conveying VSPC’s USPs, what’s new and highlighting Delta Air Lines’ new service from Amsterdam to Tampa starting May 24th, 2019. Clients on the agenda include: American Vacation, De Jong Intra Vakanties, Jan Doets America Tours, Travelclub, Tenzing Travel, Tioga Tours and Travel Trend.

This month saw us producing applicable PowerPoint presentations, securing final appointment confirmations and finalizing all travel and shipping arrangements.

VISIT FLORIDA Road Show (April 1st - 5th, 2019):

For the seventh consecutive year, we will participate in the Visit Florida Road Show which is being co-sponsored by German tour operator FTI Touristik. Four German cities are targeted (Berlin, Leipzig, Mainz and Düsseldorf), where we expect to train up to 200 agents

cumulatively. Training sessions and workshops will be held ensuring an active and engaging dialog with all agents. These will culminate in evening events in each city which will include a prize raffle.

A training tool 'workshop booklet' will be produced, for which we provided applicable material (content, imagery, logo) this month. We provided necessary elements for inclusion in an innovative digital knowledge test (test questions, answers, imagery, logo). An industry opportunity was deployed soliciting donations to the prize raffle in each city. We are most grateful to our industry partners for their generous contributions!

The following Florida partners will also participate: Crystal River, Florida Keys, Fort Myers, Kennedy Space Center, Naples, SeaWorld Parks & Entertainment and Universal Orlando Resort.

Visit USA Germany Webinar (April 25th, 2019):

We will join forces with Visit Orlando for a Visit USA Germany webinar. During a 45-minute product presentation we will provide comprehensive destination information, highlights and insider tips. The Webinar will be recorded and placed online in the travel agents' platform of www.vusa.travel.

The Webinar will be promoted on various channels including the VUSA website and eNews blasts. We supplied an applicable teaser text for inclusion in aforementioned platforms this month.

Germany/Switzerland Sales Mission (May 13th - 17th, 2019):

Visit St. Pete/Clearwater and Visit Orlando will be joining forces to organize and expedite a Sales Mission to Germany and Switzerland in the following cities: Hanover, Oberursel, Frankfurt and Zurich. The program will comprise holding both product management meetings as well as comprehensive in-house reservations agent training sessions at top German and Swiss tour operator offices, for example: America Unlimited, TUI Germany, Thomas Cook, DER Touristik, FTI Touristik, Hotelplan Suisse and Knecht Reisen. In addition, product directors and managers will be invited to appreciation meals in each city.

This month saw us steering initial logistics arrangements such as securing hotel room blocks in each city, contacting all tour operators regarding training timing setups and shipping details, identification of venues for appreciation meals and deployment of a VSPC industry opportunity soliciting participation interest among industry members.

Visit USA Germany Bowling Workshops (May 14th & 16th, 2019):

The Visit USA Committee and Brand USA will join forces in staging an educational and interactive forum for travel agents in Stuttgart and Cologne. Up to 80 travel agents can participate in the evening events and will be divided into 8 groups of up to 10 agents upon registration. Each partner will hold a 10-minute workshop for each of the 8 travel agent groups followed by an interactive 60-minute bowling tournament along with American buffet. With only 8 presenting partner slots, we promptly submitted our registration this month.

Additional Activity:

- We provided our very active tour operator partner **CANUSA Touristik** with 750 area maps for distribution to their clients.
- **Bike the Best Europe** – a special small tour operator asked us for assistance with a group coming to our area. Respective info material was sent.
- **Reisebüro Stiefvater** will establish a new office in Weil am Rhein with high-tech video walls. They have been provided with a link to our VSPC YouTube videos, a selection of which run in their new facility free of charge.

MARKETING INITIATIVES

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

German National Consumer Campaign:

- **YOUR NEW HOTSPOT! DIGITAL & CROSS MEDIA CAMPAIGNS** (March-May)

This is a brand new and exciting campaign strategy custom-designed for VSPC!

In today's digital environment, consumers continuously seek hotspot connectivity to facilitate communication. This was the impetus to develop a campaign designed to capture our target group in their workaday lives and drive them to our destination, i.e. by promoting our destination as "Your New HOTSPOT" ... in German "Dein neuer Hotspot".

➤ **Digital / Social Media Campaign**

Target Group:

- ✓ Consumers, male/female, age 35-60, couples, families, mid/high income, located in bigger cities (1 M pop.), interested in traveling, USA

Social Channels:

- ✓ Facebook and Instagram

Planned Formats:

- ✓ Carousel Ad, Video Ad, Instagram Story Ad
- ✓ Link Ad each in Instagram and Facebook
- ✓ Google Search Engine Ads

General Execution - Phase 1:

- ✓ 2 x Videos (2 on each social channel for A/B testing) - Facebook and Instagram

General Execution - Phase 2:

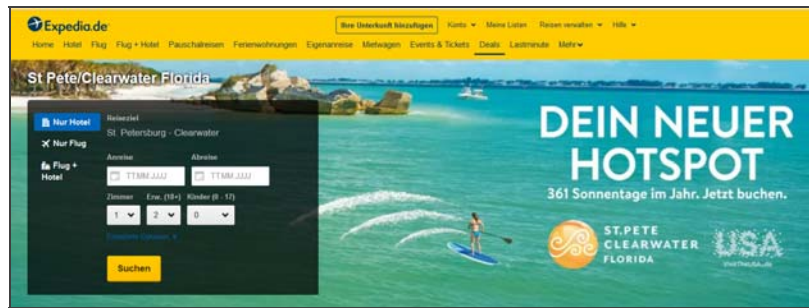
- ✓ Retarget all video watches based on Phase 1 with Carousel Ad, Link Ad (FB/Insta) and Story Ad

Estimated reach is 6.4 million over the campaign period.

- Hotspot creatives have been developed and approved:



The Hotspot ads link to a dedicated microsite on Expedia, our activation partner:



➤ **Cross Media Campaign (In-Store, Print & Digital)**

To expand our scope, we will integrate a cross media promotion with a partner that has a widespread network: Expert electronics stores. Founded in 1962, Expert is a cooperation of retailers for consumer electronics, information technology, telecommunications, home entertainment and electrical appliances. Known as a leading German brand in the consumer electronics industry, Expert's scope comprises 210 independent retailers with 443 sites belonging to the powerful Expert group.

The initiatives with Expert will include in-store, print and digital elements:

- **In-Store**

A St. Pete/Clearwater "Beach Box" will be produced containing cool gadgets such as a power bank, stereo earphones, selfie-stick, mobile device waterproof case, travel adapter and mobile device holder. 5,000 limited edition beach boxes showing our imagery, logo, the gadgets and a sweepstakes element will be retailed in all Expert stores.

Furthermore, point-of-sale promotion includes display on in-store TV screens, i.e. Ø 100 TVs in each store with 50 rotations every day per store.

Estimated reach is 14 million contacts each month in each store.

Of note:

The beach box sweepstakes element for a chance to win a trip to St. Pete/Clearwater will include an 'enter-to-win' vanity URL (expert.de/strandoase). Accessing the site will lead to a dedicated Expert microsite, which will include a link to America Unlimited, our activation partner. America Unlimited's link will lead to a dedicated St. Pete/Clearwater microsite with destination information and travel offers.

- **Print - Newspaper Inserts**

Print inserts featuring the beach box and sweepstakes element will be included four times in several newspapers with a cumulative circulation of 77.2 million.

- **Digital Channels**

In addition, Expert will promote our beach box (including the sweepstakes) through their own online channels:

- Expert Website: 1.5 million unique visitors per month
- Expert Newsletter: 200,000 subscribers
- facebook: 170,000 active users
- KaufDa: 2.5 million readers

Estimated reach for the cross media promotion is 10.2 million.

Brand USA 'Affinity' Co-Ops:

- **EXPEDIA AFFINITY PROGRAM** (January 15th - March 31st, 2019)
Expedia's network of sites attracts a monthly audience of tens of millions of unique visitors. With Expedia being our activation partner for this campaign, we will focus on an integrated marketing approach to engage consumers with the right messaging at the right time with a view toward driving activation.
The campaign comprised of **banner placements** linking to a **dedicated landing page** (containing destination content, video and travel offers) will run in three countries across the Expedia Brands Portfolio. Based on market intelligence related to booking behavior, portal placements will be allocated as follows: Germany - 75% Expedia / 25% on Hotels.com, Switzerland - 100% on Hotels.com, The Netherlands - 100% on Expedia.
Liaising closely with Linda Zimmerman and Lan Luu of Expedia, all assets required for creative development of banners and landing page have been delivered, proofed and approved. The campaign launched last month. Results to be forthcoming.

Brand USA 'Originals' Co-Ops:

- **DIGITAL TOUR OPERATOR CAMPAIGN** (Q1 2019)
The objective of this campaign is to inspire travel to VSPC and drive sales through a key tour operator partner. A content hub in lightbox digital format featuring rich text and imagery will serve to drive engagement, capture customer data and direct traffic to the call-to-action tour operator partner, who will deliver bookable itineraries and attractive travel offers focused on driving customers to turn inspiration into direct bookings.
German tour operator FTI Touristik has been selected as the call-to-action tour operator partner for this program.
We have provided Miles Partnership with the requested content brief covering topics such as beaches, culture, urban adventures and events & festivals. Layouts for the FTI call-to-action landing page and lightbox tiles with content were received, both of which required several corrections. These were conveyed accordingly this month.

VISIT FLORIDA Co-Ops:

- **ABENTEUER & REISEN** (Germany) – circ. 78,850
➤ **10 page, 4c Insert** in March 2019 Issue – In-market on January 29th
Focus of this insert is to promote outdoor and adventure experiences in Florida. VSPC will be featured on a double page.
“abenteuer und reisen” is among Germany's most renowned, long shelf-life travel magazines and focuses specifically on long-haul travel, city breaks, lifestyle and outdoor adventures. The magazine is published ten times a year and contains travel reports from all over the world. Readership: 470,000.
All required assets have been delivered, layouts received, proofed and approved.
- **FTI TOURISTIK: STEIFF CROSS PROMOTION** (November-February)
VSPC will participate in an exciting integrated marketing promotion based on the theme of adventure and nature in the German market. The idea of this campaign is to use a non-traditional media partner in the travel space to stand out from the clutter. The marketing promotion is in partnership with Steiff, a leading German brand in the toy industry with a loyal following, and FTI one of the top tour operators in Germany. The campaign will

physically highlight the natural side of Florida as Steiff will be creating 2,000 limited edition Florida manatee stuffed animals plus one life-size toy manatee. With this opportunity being open to a maximum of 4 Florida partners, we were quick to secure our participation!

Together with the 3 other Florida destination partners, VSPC will be featured as follows:

- **B2B Landing Page (November)**
- **B2B eNewsletter Teaser (November)**
- **B2C Standalone Florida eNewsletter (January)**
- **B2C Landing Page (January-February)**
- **Skyscraper Teaser (January-February)**
- **FTI POS Campaign Folder (January – June)**

All required assets have been delivered, layouts received, proofed and approved.

- **GREAT OUTDOOR ADVENTURES & BEACHES** (April/May)

This is Brand USA's Florida-focused multi-channel co-op program for Germany. It consists of content thematically built around the many fabulous outdoor experiences available to travelers in Florida with rich storytelling and a targeted distribution strategy.

- **Multi-Channel Program**

Consisting of digital and print insert, Google Display Network (5,750 guaranteed clicks), Facebook carousel ad unit (1 dedicated tile), Expedia activation (highlighted in custom Florida Expedia campaign).

- **Content Creation & Distribution**

Consisting of video content (2-minute video), media iQ (195,000 video teaser views), dedicated destination experience page (in German) on visittheusa.com, outbrain (4,000 guaranteed clicks to experience page). On site video shoot completed this month. Music options for the video were presented by Miles Partnership. We made recommendations as to what would work best in the marketplace.

- **Digital Magazine**

Inclusion in dedicated Visit Florida edition with content featured across all modules (itinerary, travel spotlight, what's new).

- **Expedia Media Engagement**

Estimated 9 million impressions driving to Florida content and booking opportunities across Expedia passport ads, banners and travel emails.

All assets have been delivered. Layouts for the multi-channel program and the Expedia landing page were received, corrected and approved this month.

- **SECRET ESCAPES** (March/April)

After a very successful campaign with Visit Florida and Secret Escapes last year, we will once again be part of a special Florida's Gulf Coast program.

Secret Escapes is Europe's leading website for luxury travel offering unique deals with discounts of up to 70%. 54 million members in 21 countries. In Germany Secret Escapes generates 15 million page impressions per month with almost 4 million visits.

- **Microsite** – March 11th - April 21st, 2019

VSPC will get its own subpage on the Florida's Gulf Coast microsite depicting the destination as multifaceted including emotional copy, imagery and videos. For the duration of the campaign, tactical travel offers to VSPC are included.

- **Newsletter** – March 15th, 26th & April 9th, 2019

VSPC will be featured in three standalone Visit Florida newsletters with content, imagery and link to the booking page. Deployment to 500,000 subscribers.

- **Banners** – March 11th - April 21st, 2019

Prominent placement of 2 banners in different sizes on the website with eye-catching images and text.

Assets have been delivered, layouts received, corrected and approved. All elements will go live next month.

- **TUI GERMANY** (March/April)

We are pleased to have the opportunity to cooperate with Visit Florida on *their* marketing initiatives with TUI Germany, which launch on the heels of our own dedicated campaign with this important tour operator (ref. *Tour Operator Co-ops* below). Additional Florida partners are: The Florida Keys and Visit Sarasota.

- **B2B TUI Newsnet Article** – March 18th - May 5th, 2019
An exclusive microsite will be featured for 8 weeks with relevant information on each destination, accommodations, excursion products and travel offers. The Newsnet is accessible to all TUI travel agencies, sales branches and employees. Over 60,000 users.
- **B2B Post Facebook TUImile2gether Group** – week of March 18th, 2019
All four partners will be featured with text, image and logo to more than 5,600 followers (travel agents). The post will be linked to the TUI Newsnet Article.
- **B2B TUImile2gether Instagram Post plus Raffle** – April 15th, 2019
All four partners will receive a story, incl. raffle for travel agents to win 500 Euros. (1,244 users so far since inception in Oct. 2018)
- **B2C Out of Home Campaign** – March 25th - 30th, 2019
Each partner will be featured with image and logo on info screens placed at 16 subway stations in Hamburg and Frankfurt. During the 6 days, an average of 4,277,942 impressions are expected.
- **B2C Exclusive TUI.com Landing Page** – April 08th - open end, 2019
The landing page will be dedicated to the 4 partners with integration of all relevant information about the destinations, images, logo, special offers and link to booking engine. Video integration is also possible via Youtube link. This landing page will not be de-activated and remains accessible via search engines.
- **B2B2C Instore TV Communication** – March 18th - April 07th, 2019
With this regionalized offer and image advertising on 280 flat screens in shop windows of selected TUI travel agencies, we will be featured in prime locations in Germany. The daily rotation (ø 10 hours) will display destination information, images, videos, sales offers and flash animations. The transmission loop of max. 6 minutes length will be repeated 10 x per hour. During the 3 weeks approx. 1 million impressions are expected.

All assets for creative development were delivered this month.

Tour Operator Co-Ops:

- **AMERICA UNLIMITED** (January-February)

Focused on generating excitement and awareness, our innovative tour operator partner America Unlimited staged a one-of-a-kind out-of-home activation initiative, which was complimented by additional promotional channels (social media, eNews blasts and sweepstakes).

- **Sunshine Photo Booth** – January 26th, 2019
Placed right in front of Hanover's main train station (a highly frequented pedestrian spot), customers were invited to enter the spectacular photo booth to "take a 3-minute holiday" to VSPC. The photo booth – displaying enticing VSPC imagery and logos

(incl. Brand USA's) – contained a green screen for staging 'vacation' shots. Several spectacular VSPC images served as photo backgrounds bringing customers directly to our beaches. Memorable 'vacation' photos could then either be printed out on the spot, emailed to customers and/or shared on social channels. A promoter team was on hand to engage customers, pass out an orange juice 'vitamin boost', distribute dedicated tactical travel offer flyers and beach bags to 'complete' the '3-minute holiday' experience. The event was also announced on social media channels ahead of time to motivate engagement and generate buzz.



- **Facebook Event Page** – January 2019
America Unlimited created a Facebook Event Page to announce the VSPC Sunshine Photo Booth event, which hit thousands of FB users via Facebook's calendar connection.
- **Social Media Sweepstakes** – January 2019
A massive sweepstakes competition was created on Facebook with an opt-in to win a 5-night stay to our area. The promo was also launched on Instagram.
- **E-Newsletter** – February 6th, 2019
VSPC imagery and travel teaser was included an eNews blast to over 140,000 recipients.

On that cold and rainy January day in Hanover, the Sunshine Photo Booth was a great success!! The booth was open from 10am to 6pm during which 500,000 pedestrians passed by, 3,000 photos were taken, 3,000 tactical offer flyers were distributed and 1,000 beach bags were passed out!

Digital channels produced the following results:

Facebook: Reach of 45,000 with 2,100 comments and 778 Likes

Instagram: Reach of 15,000 with 227 comments and 2,078 Likes

eNews Blast: Opening rate of 12,8 %!

Overall the promotion generated a 30% increase in bookings and room nights over the campaign period!

- **CANUSA TOURISTIK PROMOTION PACKAGE** (January-April)
We have joined forces with Canusa Touristik on an innovative digital promotion focused on raising awareness, attracting new customers and generating bookings for VSPC on several platforms:

- **Content Package 96h in St. Pete/Clearwater** – January 15th, 2019 - open ended

A 3-day/96-hour itinerary has been developed giving potential customers an inspiration for their next trip to VSCP. The package will include maps, destination content, daily suggestions highlighting exciting area attractions, insider tips, special offers, images and videos. Canusa.de boasts 1.3 million unique website visitors yearly.

All required assets have been delivered, layouts received, proofed and approved.
- **Promotion Package Content** – January 16th - March 16th, 2019

The goal of this element is to reach new customers with an enticing content campaign. Existing content on the CANUSA website will be combined with attractive, representative travel packages in individual recommendation ads. Approx. 1.5 million ad impressions on premium websites.

All required assets have been delivered, layouts received, proofed and approved.
- **Exclusive Newsletter**– April 16th, 2019

An exclusive VSPC newsletter will be deployed to 50k targeted readers and will include 3 newly created travel packages.
- **FTI TOURISTIK MULTI-CHANNEL CAMPAIGN** (December-March)

In cooperation with FTI (among Germany's top tour operators) and Brand USA, we have designed a campaign for deployment on several digital platforms:

 - **HOLIDAY CHECK** – Dec. 31- Jan. 14, 2018/2019

HolidayCheck AG in Munich is a leading German digital company for holidaymakers operating portals for hotel reviews/ratings and travel bookings. The platform enjoys a very active community: over 8.7 million valuations, 9 million user photos and videos of more than 700,000 hotels in their database and cooperates with over 100 tour operator partners and tourist attractions. Up to 2.3 million visitors/month.

Our promotion includes the following activation elements:

 - **Landing Page:** Comprised of dedicated destination content, imagery, videos and travel offer section linking to the FTI site booking engine for 4 weeks.
 - **Skyscraper:** The landing page will be promoted through a special skyscraper with image, logo and link to the landing page. Ad impressions: 200,000.
 - **AB-IN-DEN-URLAUB** – Jan. 14- 27, 2019

Ab-in-den-Urlaub is one of the largest German online travel agencies. This platform reaches up to 2.52 million unique users, 20 million page impressions and about 3.8 million visits per month.

Our promotion includes the following activation elements:

 - **Newsletter Banner:** An eye-catching banner will be integrated in their newsletter including short text, image and logos. It will be deployed to 200,000 subscribers and has an average opening rate of 18-20 %.
 - **Skyscraper:** A special skyscraper will be placed depicting image and logos. Ad impressions: 150,000.
 - **FTI ONLINE** – Feb. 10- Mar. 10, 2019

Directly with FTI Touristik we will place:

 - **WhatsApp Teaser:** Post of an offer in multi-topic FTI WhatsApp newsletter including image and text linking to a special VSPC landing page. Average users: 4,297 with 19% click rate.
 - **Landing Page:** Dedicated landing page on www.fti.de with detailed information, images, logos, video and 6 attractive travel offers (linked to internet booking engine).

All required assets have been delivered. Layouts have been received, proofed and approved.

- **JAN DOETS** (Netherlands)
 - **Pre-Roll Commercial Campaign** – February 25th - April 7th, 2019

We will join forces with this important Dutch tour operator on an innovative campaign focused on building brand awareness and generating sales. Pre-roll commercials are relatively new and therefore present an inventive outreach. Target audience: families and millennials. Approximately 300,000 pre-rolls will be shown on several platforms during the 6-week campaign period:

 - RTLXL – the biggest commercial television broadcaster in The Netherlands
 - NPO Gemist, a national Dutch broadcaster – online platform
 - YouTube

Video duration on RTLXL and NPO Gemist will be 10 sec. (unskippable) and on YouTube it will be 5 sec., also unskippable.

VSPC B-roll material has been provided for the development of pre-roll videos. Layouts were received and approved. Campaign launched.
 - **Additional Investments Complements of Jan Doets**
 - Several posts to 25,500 social media members on different channels (CWs 9, 11 & 13)
 - Dedicated VSPC landing page with tactical travel offers (CWs 8 thru 14, 2019 and CW 35, 2019 thru CW 34, 2020)
 - eNews blasts to 16,000 recipients (CWs 10 & 13, 2019)
 - Advertorial in high-end travel glossy publication (valid CW 35, 2019 thru CW 34, 2020)
- **KNECHT REISEN** (Switzerland)
 - **Out-of-Home Ski Resort Campaign** – December-April

Switzerland is a nation of enthusiastic skiers. As skiing is an expensive leisure activity, the Swiss ski resorts are frequented by holidaymakers with high buying power. Due to our excellent relationship with Knecht Reisen, we have developed an exciting out-of-home initiative in a renowned ski area of Switzerland.

On site:

In the popular high class ski resort Davos, we will play with the winter cold snow extremes versus the warmth of America’s award-winning beaches, telling the VSPC story on a series of posters affixed to the towers of the highly frequented Jakobshorn mountain Clavadeler chairlift for the entire winter ski season! A few stats: This chairlift ascends 487 meters at a speed of 5 meters/second, transit time of 6:50 minutes, transporting 2,800 skiers/hr, 775,000 skiers/season. Expected poster impacts = over 5 million.

 - 1) **10 Posters** have been affixed to chairlift towers progressively telling our VSPC story with several enticing images and logo inclusion. Furthermore, a sweepstakes has been integrated with commensurate call-to-action. Edelweiss Airlines is co-sponsoring the sweepstakes with a ZRH-TPA flight for two.
 - 2) **Chairlift Security Bars** depict VSPC imagery and logo calling attention to the sweepstakes. A vanity URL has been created for the sweepstakes enter-to-win: Sonnenhunrig.ch (“sunhungry.ch”) which links to a dedicated VSPC landing page including travel offers.
 - 3) A **“Selfie Point”** is being staged upon exiting the chairlift with a huge poster where skiers can gather to take snapshots and post on the enter-to-win sweepstakes site “Sonnenhunrig.ch”.
This “Selfie Point” initiative is an exclusive free-of-charge bonus provided by the tour operator due to our excellent relationship!

All required assets have been delivered, layouts received, proofed and approved.

➤ **Digital Integration in Conjunction with Out-of-Home Initiative** – December-April
A comprehensive package of online initiatives will run throughout the campaign period including:

- 1) Dedicated Landing Page (www.sonnenhungrig.ch) with specialist tips, video-content, image gallery, introduction text, highlight tip boxes and the sweepstakes drawing in connection with the chairlift tower campaign.
- 2) Recommendation Teaser Boxes on homepage www.knecht-reisen.ch (2 weeks 01/07-20), on their USA page www.knecht-reisen.ch/usa (4 weeks 01/07-02/03) and all winter season 18/19 (thru 04/28/19) on their Florida main page www.knecht-reisen.ch/usa/florida.
- 3) Social Media Placements: 3 sponsored Facebook posts
- 4) Banners on two eNews Blasts to 45,000 subscribers

All required assets have been delivered, layouts received, proofed and approved.

- **TRAVELHOUSE** (Switzerland)

Together with Travelhouse – one of Switzerland’s top tour operators – and Brand USA, we have developed a trade press and social media campaign:

➤ **TRAVELNEWS.CH WEBSITE** – Jan. 14th – 28th, 2019

Travelnews is one of the leading Swiss news portals for travel and tourism. Average visits amount to 167,000 per month.

- **Advertorial for two weeks on the travelnews.ch website** (incl. teaser text in the daily newsletter for the 1st week including text, images and logos as well as links to internal landing pages. Subscribers newsletter: 3'800

➤ **TRAVELHOUSE PLATFORMS** – January to February, 2019

Within the Travelhouse online structure VSPC will be featured on several platforms:

- **Email Signature (January 2019):** VSPC call-to-action text and a link to a dedicated landing page will be included in the signature lines of every eMail deployed by branch. 14 Travelhouse branch offices are located throughout German, French and Italian-speaking regions of Switzerland generating deployment of approx. 500 eMails per day.
- **Social Media Campaign (January 11th – February 10th, 2019):** Facebook ad campaign with 3 VSPC offers in German and French linked to a dedicated landing page and a Facebook header movie on the homepage. Fans: 14,000. Average monthly reach: 46,000. Average interacting fans: 3,500.
- **Newsletter Banner (February 9th, 2019):** An eye-catching banner will be integrated in an eNews blast deployed to 56,000 subscribers including short text, image, logos and link to a dedicated product landing page. Enews blasts are deployed every three weeks in German and French.

All required assets have been delivered, layouts received, proofed and approved.

- **TUI** (Germany)

We are partnering with TUI Deutschland – one of our top tour operator producers – on several B2B and B2C initiatives.

➤ **B2B “Smile2Gether” Facebook Sweepstakes** – January 14th, 2019

Our destination is featured in various Facebook posts with the chance to win a 500€ travel voucher. Approx. 5,828 retail agent followers.

➤ **B2B TUI Newsnet Homepage Teaser** – February 4th - 24th, 2019

This initiative is a brand new marketing activity on TUI Newsnet, which is the intranet for travel agencies that sell TUI products. The exclusive teaser will feature our logo, imagery and claim and will link to a dedicated TUI Newsnet article.

- **B2B TUI Newsnet Article** – February 4th - March 31st, 2019
For 8 weeks VSPC will be featured on an exclusive microsite with comprehensive content including destination information and imagery, accommodations products and offers. The article is accessed by travel agency proprietors, office managers, counter agents, trainees, sales branches and TUI employees. 60,000 estimated impressions.
 - **B2C Instagram Posts** – February 4th, 2019
On its newly established Instagram platform, TUI will feature our area with various posts comprised of our imagery and call-to-action. Link to a dedicated VSPC landing page.
 - **B2C Skyscraper & Landing Page** – February 18th - March 10th, 2019
TUI travel agencies will integrate a teaser in their own bi-weekly eNews blasts to consumers (90,000 subscribers). In addition, the agency homepages will contain a skyscraper linking to a dedicated VSPC landing page/booking site comprised of comprehensive destination content, imagery and various travel offers. TUI's travel agency brands: TUI Reisebüro, First Reisebüro, TUI Reisecenter, Hapag Lloyd Reisebüro.
- All required assets have been delivered, layouts received, proofed and approved.

Public Relations:

Kaus Media Services - VSPC's German PR Agency

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

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

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