

CENTRAL EUROPEAN OFFICE

A P R I L 2019

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MARKET INTELLIGENCE / TRENDS

Airline consolidation: Lufthansa Circles Condor as Eurowings Diversifies

Condor and Lufthansa executives are publicly speculating about a potential takeover of Thomas Cook Group's German airline, while Eurowings will soon start selling tickets on other airlines. Lufthansa was already widely tipped as a likely bidder for Condor as soon as Thomas Cook Group announced in February that it was reviewing the future of its airline business and might sell its carriers in Germany, the UK and Scandinavia as a whole or separately. According to experts, the German market leader, which owned Condor until 2009, could combine the leisure airline with its budget subsidiary Eurowings to create a leisure travel-focused business with a wide range of European city and beach destinations and long-haul tourist routes.

Condor's strong position at its home base of Frankfurt, its long-haul flights from Munich and overall route network from seven German airports make it an attractive takeover target. The airline returned to profit last year following a cost reduction program. Lufthansa CEO Carsten Spohr told journalists at the annual results press conference last month that with Eurowings, the German group already had a 'tool' to expand in the growing tourism market and was now looking at how Condor might be able to support the group. However, he admitted that competition authorities would have their say in any possible Condor deal. In response, long-serving Condor CEO Ralf Teckentrup told German media in interviews that he could imagine a takeover by Lufthansa. In fact, the sale process is already a step further and Lufthansa is looking at Condor's finances, according to industry sources. But Condor declined to comment on this information.

Independent of these moves, Condor is currently focusing on operating stable flights this summer. Sales director Paul Schweiger told *fvw*: "Tour operators need stability. That's what we offer, regardless of what finally comes out of Thomas Cook's plans." Condor will add flights from Leipzig to fill part of the gap left by the Germania insolvency. However, Condor could face new competition from Eurowings in Frankfurt where the budget airline plans to station four long-haul planes for winter 2019/20 and fly three times a week to Las Vegas, Barbados, Mauritius and Windhoek using 310-seat A330 jets.

Meanwhile, Eurowings sales chief Oliver Wagner is already looking further ahead with ambitious plans to sell seats on other airlines and transportation partners through the airline's website from mid-April onwards. "We will connect other airlines with Eurowings flights through virtual interlining and thus offer many transfer connections with other carriers," he told *fvw* in an interview.

International Expansion Drives DER Touristik Growth

Europe's third-largest tourism group, DER Touristik, increased revenues moderately in 2018 as international expansion compensated for a mixed performance in Germany. DER Touristik generated a 3.4% rise in invoiced revenue to €6.7 billion last year, parent company Rewe Group announced as part of its overall financial results. The German retail group does not disclose profits for the tourism business.

"This development was supported by the internationalization of DER Touristik," Rewe Group pointed out. For example, Exim Tours achieved revenue growth of 30.7% in Eastern Europe. With revenue growth of around 20%, the Destination Management Companies, which are responsible for guest services, excursions and hotel procurement, also proved to be particularly successful. No figures were provided for Kuoni UK or the sizeable Scandinavian business.

However, the picture was more mixed in Central Europe (Germany, Austria, Switzerland), where the group generates about two thirds of its revenues, but only one third of its profits, as CEO Sören Hartmann told fvw last autumn. On the positive side, the travel agency business increased invoiced revenues by 6% in the 2018 business year, according to Rewe.

In contrast, DER Touristik's tour operator revenues dropped again in its home market, according to fvw's recently-published German tour operator dossier. Revenues declined by 1.2% to €2.65 billion on an estimated 5.9% fall in customer numbers to 4.9 million. The market share fell to 7.4%, keeping DER Touristik in third place behind TUI and Thomas Cook. The German tour operator business is currently being restructured and ex-Thomas Cook manager Ingo Burmester is due to take over from René Herzog in May.

There was a similar performance in the three German-speaking markets (Germany, Austria, Switzerland) with a 1.2% fall in revenue to €3.4 billion on an estimated 4.8% drop to 6 million customers, according to the fvw dossier. DER Touristik is number two in Switzerland, where it trades through the Kuoni and Helvetic Tours brands, and is a major player in Austria.

Overall, the Rewe Group increased external revenues by 4.7% to €1.2 billion in 2018 and improved profits strongly. CEO Lionel Souque declared: "REWE Group is on a healthy growth trajectory, both nationally and internationally. In 2018, we once again profited from our huge investments made in previous years in the modernization and expansion of our stores and in strengthening our Travel and Tourism division, both in Germany and in other European countries."

German Bookings for Top Medium-Haul Destination Airports Slump by 17% in March

March was a month to write off as offline and online booked revenues for the ten most important holiday destination airports through the travel IT company's reservation systems slumped by 17% year-on-year. Seven of the top ten airports showed heavy double-digit drops, while only two generated positive growth, bookings data showed. The biggest destination airport, Antalya, was down by 18% year-on-year after months of strong growth for the Turkish Riviera gateway. Similarly, Hurghada and Marsa Alam, the two major destination airports in Egypt, showed declines of 28% and 19% respectively, also following many months of high increases.

However, both Turkey and Egypt generated very high growth throughout most of 2018, so these figures are not quite as dramatic as they might appear. In contrast, Spain remains a pain point for the German organized travel industry this year after weak demand in 2018. An 11% fall in bookings for Palma last month indicates that demand for Majorca remains below traditionally high levels. There was even worse news for the Canaries with high double-digit falls for Las Palmas (-25%), Fuerteventura (-36%) and Tenerife South (-21%). Greece generated the most optimism last month, with a 7% rise for Heraklion, the main Crete gateway, and 8% for Kos, although Rhodes dropped by a slight 1%.

Travel Insights: German Summer Holiday Bookings Improve in March

Bookings of summer holidays in travel agencies and online grew by 2% last month compared to the level of March 2018, the market researchers' analysis of sales by 2,000 representative travel agencies, OTAs and tour operator websites showed. On the positive side, this was the second consecutive month of low growth after a 1% rise in February and may mark a turnaround in demand for summer holidays after lower sales in November, December and January (which showed a sharp 9% drop).

Overall, however, there is still a 1% cumulative decline for all bookings of summer 2019 holidays since last November. But this figure is compared to very high booking levels early last year, with summer holiday sales up by 15% as of the end of March 2018. Many experts believe the current slow bookings are due to consumers waiting to see whether 2019 will again be a hot summer in Germany, like last year. As a result, the German organized travel industry is now pinning its hopes on strong late sales to generate growth this year.

In terms of detailed figures for summer 2019, demand is down for spring-break holidays, with a 14% fall for May and a 10% rise for June (when many German states have one-week school holidays for Pentecost). Bookings are also slightly lower for July, August and September. Only October (when many regions have half-term school holidays) is currently above last year's levels, with a 7% rise.

Meanwhile, winter 2018/19 looks likely to close with a 4% rise in revenues, even after a 10% increase in the previous winter. Winter bookings in March were 1% lower than last year, but this did not change the overall growth figure. With this year's late Easter holiday, bookings for March are down by 14%, while April is showing a very strong 31% increase in sales revenues.

Ocean Cruises: Germans Continue Sailing the High Seas

More Germans and other Europeans are going on ocean cruises than ever before as new vessels continue to drive demand, according to new figures from industry association CLIA. Worldwide, some 28.5 million passengers went on a cruise holiday last year, a 7% rise on 2017, the Cruise Lines International Association (CLIA) said yesterday. This was faster growth than global tourism as a whole, indicating that cruises have again won market share compared to beach holidays and other forms of organized travel.

The dominant North American market grew by 9% to 14.2 million passengers, and thus represented nearly half of the global market. In Europe, ocean cruise passenger numbers grew by 3.3% to 7.2 million, which represented faster growth than in 2017 when numbers

increased by 2%. In terms of destinations, more Europeans headed for the Eastern Mediterranean, up 8.5% to 746,000 passengers, reflecting greater consumer confidence in the region. The central and western Mediterranean region remained the biggest destination for European cruise passengers, up by 1.2% to 2.3 million passengers. Northern Europe grew by 4.8% to 1.4 million passengers.

Germany remained the largest cruise market in Europe, growing by 3% to 2.2 million passengers, according to CLIA's annual review. In contrast to the wider regional market, Northern Europe is the top destination for German cruise holidaymakers (28%), followed by the western Mediterranean (23%) and the Baltic Sea (8.4%). Significantly, the average age of German cruise passengers continued to fall last year, from 50 to 49, while the average cruise length increased slightly to 9.1 days.

Moreover, experts believe the German cruise market revenues are likely to have grown at a faster rate last year due to higher average prices. For example, fvw's annual tour operator dossier, published in February, found that the ten largest cruise operators increased their combined revenues by 11% to nearly €4.7 billion on a 7% rise in customer numbers in 2018. Stronger growth is expected this year as new ships such as the Aida Nova, Mein Schiff 2, Costa Smeralda and the MSC ships Bellissima and Grandiosa go into operation. The UK and Ireland remained in second place among European markets last year, with a 2% rise to just over two million passengers, the CLIA figures showed.

Consumer Climate Remains Stable

Consumer mood is displaying an overall uniform image in April 2019. Income expectations and propensity to buy are increasing from an already high level, while economic expectations have to cede a significant portion of the gains made in the previous month. For May, GfK's Consumer Climate Study is predicting a consumer climate value of 10.4 points.

The consumer climate has managed to stabilize again following two decreases in a row. The propensity to buy can benefit from the optimistic income mood in April and make up for its losses in the previous month. While income expectation is increasing, economic expectation is continuing its downward trend. The gap between economic and income expectations therefore continues to widen.

Economic expectations continue to fall: The downward trend in consumer economic outlook that has persisted for over a year continues in April – following a brief intermission in the previous month. The economic expectation indicator loses 5.1 points, falling to 6.1 points. As a result, the economic mood has lost more than 31 points over the last twelve months. Uncertainty is again increasing slightly among consumers with respect to future economic developments in Germany. A global weakening of economic activity, the endless back and forth over Brexit, and the persistent trade conflict with the USA have recently prompted the risk of recession to increase again slightly. It is trade restrictions, such as higher customs duties, above all that pose a constant threat to the export nation of Germany. The German government also recently reduced its growth prediction for Germany from one to 0.5% for the year. However, the government is assuming that this weak phase will be temporary only and economic growth should return to 1.5% in the coming year.

Income expectations continue to defy weak economic activity: Income prospects continue to fight against a weakening economy. The income expectation indicator gains 2.5 point,

increasing to 58.4 points. It is thereby compensating for a significant portion of the 4.1 points lost in the previous month. In fact, it is 4.9 points higher than at the same time last year. The gap between economic and income expectations therefore continues to widen. Since developments on the labor market should remain stable despite a weak economic period, consumers clearly do not yet see any reason to abandon their income optimism. Above all, the consistently positive development of wages and salaries resulting from a flourishing labor market is a crucial pillar here. This year, pensioners too can benefit in particular from good salary developments.

Income expectations propping up propensity to buy: Propensity to buy is also able to benefit from the strengthening income forecasts in April. This indicator increases to 54.8 points, following an increase of 4.6 points. The losses of the previous month, of 3.4 points, are therefore more than compensated for. The mood among consumers continues to remain intact during the start of 2019 despite a weak economy. This can only continue in future if employees are not faced with any uncertainty on the labor market. If indications that companies are reconsidering their recruitment plan because of the trade conflict or Brexit increase, this will certainly place a strain on the consumer mood.

Consumer climate regains stable position: Compared to the previous month, the consumer climate registers an unchanged value of 10.4 points and is able to regain its stable position following two drops in a row. Despite the economic headwinds, GfK still assumes that private consumer spending will increase by around 1.5 % this year. However, this assumes that the uncertainty among employees surrounding the dark clouds over the global economy, the trade conflict, and Brexit do not increase further. Were this to happen, it would certainly also affect consumer economic activity and most likely render the current prediction invalid.

SALES ACTIVITIES

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

For the seventh consecutive year, we participated in the Visit Florida Road Show was co-sponsored by German tour operator FTI Touristik. Four German cities were targeted (Berlin, Leipzig, Mainz and Düsseldorf), where we educated 200 agents cumulatively. Comprehensive round-table training sessions and workshops were held ensuring an active and engaging dialog with all agents. These culminated in evening events in each city which included a prize raffle.

A training tool ‘workshop booklet’ was produced, for which we provided applicable material (content, imagery, logo). In addition, an interactive digital knowledge test was staged immersing agents in yet more destination detail.

The following Florida partners also participated: 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 joined forces with Visit Orlando for a Visit USA Germany webinar. During a 45-minute product presentation, we provided comprehensive destination information, highlights and insider tips. During a live chat, participants could submit questions and/or comments. Our area received very positive comments! In addition the Webinar was recorded and placed online in the travel agents’ platform of www.vusa.travel.

We had 174 registrations for the webinar (second highest number after Hawaii) and an average of 117 active/live participants. Following the webinar we deployed an email blast to all participants and received enthusiastic feedback. Over 20 agencies requested further information whereby in excess of 230 destination magazines were mailed.

We have already applied for the next VUSA webinar session to be held the first quarter of 2020.

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 participate in further business development sessions.

Planning logistics continued this month including confirming hotel room blocks in each city, corresponding with tour operators regarding training timing setups and shipping details, reservations at various venues for group meals, travel itinerary logistics, etc.

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 submitted our registration early to secure our participation. This month we developed our presentation, secured travel arrangements and handled all shipping logistics.

The Travel Club & Your Travel Workshop, Netherlands (May 24th, 2019):

In further pursuit of our sales efforts in the Dutch market – particularly with Delta's new TPA-AMS service starting May 23rd – we will participate in a special, high-quality travel agent training at the Travel Club & Your Travel Workshop in Ermelo, Netherlands.

The Travel Club is the largest and fastest growing independent franchise organization for independent travel consultants and business advisors in the Netherlands and Belgium. More than 360 travel agents are members producing an annual turnover of > €122 million (2018).

Twice a year The Travel Club organizes the well-known “Workshop Days” during which suppliers have the opportunity to present products and educate agents - 18 sessions of 20 minutes each. We are very pleased to have secured one of the coveted participation slots for VSPC for the May workshop forum!

IPW (June 1st - 6th, 2019):

U.S. Travel Association's IPW is the leading international inbound travel trade show driving \$4.7 billion in future travel to the United States. It is a national showcase of America, where U.S. travel exhibitors connect with travel buyers and media from more than 70 countries to promote their products, negotiate future business and build relationships. IPW secures America's position as a foremost global travel destination by increasing international visitation and showing the world the best of what the U.S. has to offer. This year's show will be held in Anaheim, California.

This month we finalized our entries for the online appointment scheduling in keeping with the April submission deadline. Final appointment schedules will be distributed to suppliers and buyers next month. Further planning logistics were coordinated with our Leisure Travel department.

Swiss VIP Client Business Development Event (July 9th, 2019):

We will again orchestrate an upscale business development event for Switzerland's most productive tour operators and travel trade media with 2019 marking our 7th consecutive year. We are pleased that Visit Tampa Bay will again be our co-host this year.

In past years, this event was held in March directly following ITB. Last year both CVB's agreed to shift the timing of this year's event to the summer. This new timing lends itself well to incorporating an interactive outdoor activity, the focus of which will be destination education.

A venue has been selected. We are working on the details for the interactive element of the program. Additional tasks ahead include guest list identification, invitation creative, dinner menu selection, set-up needs, hotel room block, reservations form development, hospitality gift selection, etc.

Additional Activity:

- We supplied travel agency **Reisebüro Stiefvater** in **Freiburg, Germany** with collateral material for distribution among their customers who are planning pre/post cruise visits to our area.
- We provided **Ms. Rieke Becker** of **Reisebüro Stingel** in **Wetter, Germany** with comprehensive information to plan her own trip to our area in June this year.
- The Visit USA Germany **B2B e-Newsletter**, which is deployed to 25,000 retail agent subscribers, regularly features a 'Top 20' list of highlights and news of its members. This month's focus was LGBT travel for which we provided comprehensive VSPC input which was included in the Top 20 list.

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 (April-June)

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.

Expedia is our activation partner on this campaign.

➤ **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 – May 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. Expedia suggested a portion of the campaign be extended to May 31st. Results to be forthcoming.

VISIT FLORIDA Co-Ops:

- **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. The destination experience page was received 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.
- ✓ The **Microsite** had 8,723 page views with an average time on page of 2:41 min.
 - ✓ The **Newsletter** was opened by 266,668 readers with a CTO Rate of 9,78 %.
 - ✓ The **Banners** were opened 306,000 times with a CTO Rate of 0,40 %.

- **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 TUIsmile2gether 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 TUIsmile2gether 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 have been delivered. The B2C exclusive TUI.com landing page as well as the Instagram post plus raffle went live this month.

Tour Operator Co-Ops:

- **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.

Wrap up ...

Total Reach 31,274 website visitors

1.5 million ad impressions

50,000 newsletter subscribers / opening rate of 30 % / click rate: 2.9 %

366 booking requests during the campaign period

- **FTI TOURISTIK ACADEMY** (March-December 2019)

We are excited to be part of FTI's very successful eLearning academy together with 3 additional Florida partners: Greater Fort Lauderdale, Naples, Marco Island & Everglades and Sarasota. Themed as "Florida's Best Beaches!", each destination partner is presented on 3 pages containing comprehensive content, imagery and video.

The FTI Academy is one of the most prominent tourism eLearning vehicles in the German and Austrian markets. With 14,000 registered users, the FTI Academy is also one of the largest eLearning providers. The educational program is promoted via several channels such as newsletters, press releases and raffles. Furthermore, it will be accessible 24/7 for 8 months!

- **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)

Input for the social media posts and the eNews blasts were delivered and approved this month.

This campaign ended this month with the following results:

- ✓ The **Pre-Roll** reached generated a total of 305,393 impressions with 2,399 clicks (CTR 0.79 %)
- ✓ The **Landingpage** had 4,247 page views with an average time spent of 1:04 min.
- ✓ **Social Media Posts:** Facebook reach: 4,578 – Instagram reach: 979 – Twitter reach: 273.
- ✓ The **Newsletter** was opened by 3,473 with an opening rate of 22.4 %.

• **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: Sonnenhungry.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 “Sonnenhungry.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 51,000 subscribers

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

This month Knecht Reisen offered an additional placement in their eNews of 3/14 free of charge to give the campaign yet more exposure.

The campaign ended this month with the following results:

- ✓ Chairlift Tower Posters: 4.5 million impacts
- ✓ Chairlift Security Bars: 305,895 impacts
- ✓ Selfi Point: 1 million impacts
- ✓ Poster Campaign Davos Draw: 1,487 respondents
- ✓ Landing Page: 927 visits with average time spent of 2:54 mins.
- ✓ Teaser Box Homepage (3 weeks): 13,523 views, 230 clicks on post, 1.7% conversion
- ✓ Teaser Box USA Main Page: 5,973 views, 130 clicks on post, 1.9% conversion
- ✓ Teaser Box Florida Main Page: 2,005 views, 46 clicks on post, 2.3% conversion
- ✓ Social Media Posts: 8,886 views, 270 interactions
- ✓ eNews Banners: 9,927 views

What's more, we've been informed that the chairlift tower posters will remain mounted through October 2019! More impacts to come!

- **TENZING TRAVEL** (Netherlands)

With Tenzing Travel – one of Netherland's top tour operators – and Brand USA, we will promote our area in addition to creating awareness for Delta's new service from Amsterdam to Tampa on several platforms:

- **TENZING TRAVEL B2B MEDIA** –April/May 2019
- **2x Facebook Posts** (2,048 followers, 90% reach in target audience)
 - **1x Teaser in eNewsletter** (to 7,000 subscribers) with link to dedicated landing page (incl. logo placement)
 - **Placement of destination in “Tenzing Miles” eLearning program** (incl. logo placement)
- **THE TRAVEL CLUB B2C MEDIA** –April/May 2019
- **Inclusion in eNewsletter** (to 90,000 subscribers) with link to dedicated landing page (incl. logo placement)
 - **Homepage Integration for 1 month** (est. 20,000 ad impressions)
 - **3x Social Media Posts** (150,000 reach)

All elements have been created and have launched.

Travel Trade/Consumer Publications & Portals:

- **TRAVELUTION** (Netherlands) – circ. 7,500; readership 10,000 *Trade*
 - Travelution Media Circle – April - June
Two ‘Media Circle’ initiatives will be launched including the following elements:
 - **Dedicated eNews Blast** of VSPC offers to their retail trade database including all mobile travel agents at home and incentive organizers (7,500+). In addition, 475 media specialists at national and regional media will be target. Furthermore, the mailing will be deployed to 3,000 Dutch-speaking agents in Belgium.
 - Publication of a ‘**Spotlight**’ article in on www.travelution.nl (average 2018 = 7,568 unique visitors monthly, 37,846 monthly page views). The article will also be shared with Dutch LinkedIn connections.
 - Tweet on the Travelution **Twitter** account
 - Post on the Travelution **Facebook** account
 - Post on the Travelution **Instagram** account

Travelution is the Netherlands’ leading travel industry publication with a readership of 10,000. With a personalized cover letter, issues are mailed to all business and leisure travel agents. The magazine is also distributed to all tour operator product managers, buyers, sales managers and board members, incentive organizers, airlines and tourist boards – in short, Travelution reaches close to 100% of the Dutch travel industry. The publication enjoys a long shelf life and research shows travel professionals utilize it as a reference piece due to the accurate and high-quality information provided. In addition, Travelution has its own website giving a weekly overview of most important news items in the travel industry with cross links to complete press releases. The website boasts approximately 31,407 unique users, 370,684 page views and 1.2 million page impressions monthly.

Pub frequency: 1x/mth

Public Relations:

Kaus Media Services - VSPC’s German PR Agency

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

- **Newsletter April:** Proofread and corrected.
- **Press Release “Beer”:** Proofread and corrected.
With April 23rd being “German Beer Day”, a special press release was developed around that topic including how beer ties in with our area.

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