

CENTRAL EUROPEAN OFFICE

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MARKET INTELLIGENCE / TRENDS

Thomas Cook Insolvency Proceedings Nearing Completion

The break-up of Thomas Cook is nearing completion. The former second-largest German tourism group officially closed down at the end of November, with the loss of about 1,000 jobs at the head office in Oberursel, near Frankfurt. The insolvent group's break-up in Germany is now effectively complete. There were no buyers for Thomas Cook Germany as a whole or for the brands Neckermann Reisen, Thomas Cook Signature and Air Marin.

The bulk of Cook's 1,200-strong travel agency network went to different buyers. Department store group Karstadt Kaufhof has acquired 106 of the company's 126 owned agencies, while leading travel agency network RTK has taken over the franchise network (Holiday Land) with 360 members. RT-Reisen (the RTK parent company) and Schauinsland-Reisen are the new joint owners of the Alpha Reisebüropartner cooperation network, which comprises more than 700 independent travel agencies.

In terms of Cook's hotel business, the international brands Casa Cook and Cook's Club were sold to former Chinese shareholder Fosun Group. In Germany, DER Touristik has now agreed terms to take over Sentido, the up-market franchise chain with 46 properties (which mostly attract German-speaking guests). The future of the other hotel brands, Sunprime (adults), Sunwing (families), Smartline (budget) and Sunconnect, remains unclear, although some Sunprime and Sunwing properties have been taken over by Ving Group (formerly Thomas Cook Nordics).

German Tour Operators Sell Fewer Holidays but Increase Revenues

Strong demand for holidays in Turkey, cruises and exotic destinations generated slightly higher overall revenues for German tour operators this year, even though they sold fewer holidays in total, according to new figures from the German Travel Association (DRV). Tour operators increased their revenues by 2% in the tourism year ending October 31, 2019, the DRV announced at its annual conference in Hamburg this month. This included a slight 1% rise in revenues for summer 2019. The figures are based on monthly surveys of travel agency and online sales of tour operator holidays, conducted by market researchers TDA Travel Intelligence. "With this growth, last year's extremely good 8% increase has been slightly improved, despite numerous challenges," DRV president Norbert Fiebig told conference delegates.

However, the number of holidays sold – measured as the number of customers – dropped by 3%, as the gap between revenue growth and customer volumes continued to broaden. The

higher average revenue per booking was mostly generated by increased sales of more expensive holidays (such as cruises and long-haul trips) through travel agencies. Fiebig stressed that German consumers had continued to travel this year despite the insolvencies of Thomas Cook and leisure airlines Germania and Air Berlin. “A lot of holidaymakers who were affected by the insolvency of the Thomas Cook Group in Germany booked their cancelled holidays anew in October,” he pointed out. This generated strong last-minute sales that month.

The three main growth drivers this year were cruises, long-haul holidays, with revenues up by 4%, and Turkey. Ocean cruises continued to grow strongly with a 9% rise in revenues, according to a DRV estimate. “Worldwide, 25 new ships have joined the fleet this year,” Fiebig explained. This growth means that ocean cruises now account for about 15% of the overall German tour operator market, DRV estimates show.

Strong Demand for Eastern Mediterranean Destinations

Among the main destinations for German travelers, **Turkey** made a strong comeback this year with a 24% rise in revenues, although it did not quite reach the record number of 5.6 million German visitors that was set back in 2015. **Greece** had another good year following strong growth in 2018, while **Egypt** generated a high single-digit rise in revenues and **Tunisia** also recovered well, according to the DRV figures. In contrast, **Spain** suffered a single-digit decline in revenue terms this summer, with a bigger drop for the Canaries than for the Balearics, Fiebig pointed out. **Bulgaria** was unable to maintain last year’s strong performance.

USA, Mexico and Africa Grow, but Asia and Caribbean Weaken

Two clear winners among long-haul destinations were the **USA** (+7%) and **Mexico** (+10%), which appears to have drawn German visitors from the **Caribbean**, where revenues fell compared to last year. Moreover, German tour operators generated lower revenues from sales of holidays in **Asia Pacific** (which is the biggest long-haul holiday region with 38% of revenues). They had a slight single-digit fall in revenues for the extensive region, including a double-digit slump in **Thailand** revenues for this summer. On the positive side, **Africa** is gaining popularity among German travelers. Growth winners this year included **Cape Verde** and **Kenya** with double-digit increases this summer.

Winter Sales Improve

Looking ahead, Fiebig said that winter 2019/20 sales are now nearly at last year’s levels after a slow start. Egypt is currently the top-selling destination ahead of the Canaries, although the Spanish islands are growing again after weaker bookings this summer, and Turkey is also becoming more popular as a winter sun destination. Long-haul holidays are continuing to sell well, with good demand for the Maldives, South Africa and Cape Verde. The DRV explained that it is too early in the booking cycle to make any reliable comments about current demand trends for next summer.

Trends: Germans Stay Happy with Package Holidays

Germans are generally very satisfied with package holidays and the image of the tourism industry has not suffered because of the Thomas Cook insolvency, according to a representative survey for the German Travel Association (DRV). Nearly half (44%) of the 1,005 survey participants (who had been on holiday at least once in the last three years) had booked a package holiday, and a very high 94% of them were satisfied with their holiday, the

survey by market researchers Forsa in mid-November found. The three most important factors for package holiday customers were good value for money (97%); reliable help and crisis management from the tour operator (96%); and financial protection for unforeseen incidents or cancellations (94%), according to the results.

In contrast, environmental issues played only a minor role for German holidaymakers when making their booking decision. A mere 15% said that climate or environmental topics were a very important factor, and only one in five (21%) had actively informed themselves about how they could make their holiday as environmentally-neutral as possible. Younger people (between 18 and 29) were somewhat more interested (27%) in this topic than older people.

Travel agents continue to command solid respect among German consumers, the survey also showed. More than half (57%) of the respondents were convinced that advice in a travel agency went beyond what they could research and book for themselves on the internet. This view is strongest amongst customers aged over 45, but even 50% of young people (18 – 29) shared this opinion. The survey findings were highlighted by DRV president Norbert Fiebig at the association's annual conference last week as he reviewed the impact of the Thomas Cook insolvency on the tourism industry.

“The insolvency of the founder of package holidays is a hard blow and leaves the industry facing serious challenges,” he admitted to delegates. But he declared: “Thomas Cook may be bankrupt, but package holidays are not.” Customers still wanted to go on holiday and wanted someone to organize this professionally for them, he emphasized. Package holidays offered advantages that individual holidays could not provide, including tour operator representatives in the destination and crisis management.

Aviation: Green Deal is an Opportunity

It was her first official act as head of the EU Commission and was intended to send a clear signal in the run-up to the climate protection conference in Madrid. With the presentation of the "European Green Deal", Ursula von der Leyen has set much more ambitious goals than the German government with its climate package: A halving of CO2 emissions by 2030 and CO2 neutrality by 2050 are targets for which many areas of life will have to undergo fundamental change.

Even though general declarations of intent have been published to date and industries such as agriculture and energy contribute significantly more emissions, the aviation industry will become the focal point of a mobility culture that is changing throughout Europe. Inevitably, politicians and scientists will focus their attention on transport, which is one of the fastest growing emitters in Europe. This focus will continue however often the aviation industry points out that it contributes only a fraction to emissions and that any further tax burden will affect European competitiveness.

Emissions per aircraft have, of course, fallen, and yes, aircraft used to be much louder. However, a defensive attitude on the part of aviation players will not prevent climate taxes, more expensive emissions trading or stricter regulations. Not as long as they are seen in Brussels and Berlin as necessary for climate protection.

The time for defensive attitudes and avoidance strategies is over. A constructive role by the aviation industry in discussions with the EU on the Green Deal promises more benefits than

burdens. Of course, higher costs will have an impact on prices or margins. This will particularly affect the few financially weak and independent airlines that remain following industry consolidation. In addition, low-cost airlines in Europe with their price and cost-focused business model will come under more pressure than large airline groups. On the benefit side, the EU climate initiative presents considerable opportunities. In addition to the hope of uniform EU rules for airlines instead of standalone national regulations, the implementation of the European Single Sky will be a litmus test of the EU's willingness to pursue a consistent climate policy.

German Consumers Remain in Spending Mood

Findings of the GfK Consumer Climate Study for December 2019

German consumer sentiment suffered another setback in December. Both economic and income expectations suffered losses while propensity to buy, already at a high level, gained slightly. As a result, GfK has forecast a figure of 9.6 points for January 2020, 0.1 points lower than December's level (9.7 points).

With the German economy facing a headwind and, more importantly, a drop in income expectations, consumer climate has seen a slight decline. By contrast, propensity to buy has resisted this trend, gaining slightly. "In an increasingly turbulent economic environment, propensity to buy has shown itself solid as a rock, right through to the end of 2019. Consumers have not yet let anything spoil their mood for purchases," explains Rolf Bürkl, consumer expert at GfK. "Propensity to buy has been bolstered by the European Central Bank's monetary policy. The threat of having to pay penalties on investments has resulted in propensity to save falling to an all-time low and has made saving less attractive. This is certainly good news for retailers at the end of the year."

Economic outlook declines: Following a marked recovery in the previous month, economic outlook declined in December. The indicator lost 6.1 points, about a third of its November gains. It currently stands at -4.4 points, slightly below its long-term average of zero points. It is likely this downward trend will continue. It is evident that recently the impression among consumers that the German economy will weaken significantly has been reinforced. This is also reflected in the growth forecast for this year and the next. The German economy is expected to grow by around 0.5% in 2019, with just under 1% growth forecast for 2020. The trade conflicts between the U.S. and China, on the one hand, and the U.S. and the EU, on the other, continue to smolder, hanging like a sword of Damocles over Germany, a nation highly dependent on exports. In addition, global growth continues to slow. As a result, we are likely to see an increase in concerns over job losses in export-based industries as well as among their suppliers.

Income expectations drop: The economic headwinds will also begin to affect the income expectations of consumers this month. The indicator dropped by 10.5 points to 35.0. The last time a lower value was recorded was more than six years ago in October 2013, when it fell to 30.8 points. While the mood regarding income is maintaining its high level, the excitement has passed. The high level can primarily be attributed to the positive employment situation in Germany. However, the dynamic labor market that prevailed for many years has slowed considerably. Reports of lay-offs in some industrial sectors, such as the automotive industry and their suppliers, mean that income optimism is fading.

Propensity to buy remains robust despite economic headwind: Consumer confidence among German consumers remains unaffected in the face of a weaker economic outlook and

income expectations. Propensity to buy gained 2.2 points in December to reach 52.2. This puts the indicator at the same level as last year. Consumer confidence is thus defying the economic headwind that is currently prevailing as a result of the marked drop in income expectations. By contrast, the European Central Bank's low interest-rate policy, which resulted in the propensity to save, hitting an all-time low, has provided a tailwind for propensity to buy. Saving as an alternative to spending is currently not an attractive option, particularly since private investors are now facing the increasing threat of having to pay penalties for investments held with banks.

SALES ACTIVITIES

Visit Florida Road Show (December 2nd – 5th, 2019):

We participated in the Visit Florida Road Show in two Swiss and two German cities this year: Zurich, Basel, Heidelberg and Frankfurt. German tour operator FTI Touristik was our coop partner. Comprehensive travel advisor training sessions were held in the more intimate roundtable format engaging over 150 advisors cumulatively. In Switzerland, we also conducted in-house travel advisor trainings for close to 20 advisors at Hotelplan Suisse and DERTour Suisse (formerly known as Kuoni) during the morning hours.

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

Participating Florida partners were: Crystal River, Florida Keys, Kennedy Space Center, Naples, Sarasota, SeaWorld Parks & Entertainment and Universal Orlando Resort.

SunRecords Concert Tour (January 6th – February 21st, 2020):

The Visit USA Netherlands will sponsor the "SunRecords Story Theater Tour" for 6 weeks at the onset of 2020. Celebrating the legendary record label that brought Rock 'n' Roll / Country greats such as Elvis Presley, Johnny Cash, Roy Orbison, Carl Perkins, Rufus Thomas and scores more 'rocking pioneers' to life, the tour will be presented as a 'live on stage' concert series in 36 theaters throughout the Netherlands. Focused on promoting the Deep South and the USA in general as a holiday destination, Florida's Gulf coast, i.e. air service to Tampa will be included as a spin-off and gateway to the Deep South, since airfares from Amsterdam to Tampa are cheaper than to Atlanta or Nashville, for example.

Several destination co-sponsor packages are offered, whereby we will benefit from our excellent relationship with the Visit USA Committee in being granted a full package co-sponsorship at half price, which is comprised of logo on pop-up booths in every theater and inclusion of our Gulf to Bay magazine in goody bags presented to all visitors. Estimated reach is 10,000-15,000 USA-hungry customers. Logistics and shipping arrangements were completed this month.

TUI North America Roadshow (January 20th – 23rd, 2020):

With TUI being one of Germany's most influential tour operators, we are very pleased to have secured one of the coveted presentation spots for their special "North America Road Show". From January 20th – 23rd we'll present St. Pete/Clearwater in Stuttgart, Saarbrücken and Pforzheim, training 45 agents per city.

TUI accepted only 4 partners for these comprehensive training sessions. Inasmuch, due to our well-established and excellent partnership with TUI, we were awarded one of the coveted 4 partner slots in this personal & intensive training opportunity. Following a short introduction

on big screens (VSPC featured with destination video!), attendees will receive comprehensive destination product information in roundtable format of 20 minutes each.

Consumer Shows (January & February 2020):

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 897,300 consumers cumulatively:

• CMT Stuttgart (DE)	January 11-19, 2020	260,000 visitors
• Vakantiebeurs (NL)	January 15-19, 2020	103,300 visitors
• Vakanz (LU)	January 17-19, 2020	29,000 visitors
• ABF Hannover (DE)	January 29-February 2, 2020	90,000 visitors
• Reisen Hamburg (DE)	February 5-9, 2020	80,000 visitors
• Brussels Holiday Fair (BE)	February 6-9, 2020	100,000 visitors
• f.r.e.e Munich (DE)	February 19-23, 2020	140,000 visitors
• R & C Essen (DE)	February 26-March 1, 2020	95,000 visitors

Shipping arrangements for shows taking place in January have been expedited.

- In addition, we supplied assets (content, imagery, logo) for a special sales flyer being produced by See America in the Netherlands for distribution at the Vakantiebeurs 'Best of Florida' stand.
- The U.S. will receive enhanced exposure during Reisen Hamburg next year. Messe Hamburg will draw particular attention to the destination by announcing a sweepstakes promo via their B2C online channels and newsletters. VSPC will sponsor giveaways for the sweepstakes prizes.

Visit USA Seminar Switzerland (February 4th – 5th, 2020):

This program is Switzerland's premier travel agent training seminar held annually in Zurich. The seminar platform provides the local travel trade with insider knowledge as well as the needed contacts and sources of information. An estimated 350 travel advisors are expected to attend this important Swiss event. Registration has been completed. We provided our input for the annually published program booklet, which will be distributed to all participating travel advisors during the show. Further preparatory tasks are underway.

VIP Client Event in Amsterdam (February 12th, 2020):

In cooperation with Tampa International Airport and Visit Tampa Bay, we plan to host an event for selected Dutch travel trade, media, airline and airport clients in February. Focused on pushing Delta Air Lines' seasonal air service from AMS->TPA in conjunction with highlighting our destinations, a product presentation with ensuing dinner will comprise the evening schedule. We liaised closely with Visit Tampa Bay this month to establish an event date and venue. Further preparatory tasks will be undertaken in the coming months.

ITB (March 4th – 8th, 2020):

Known as the "world's largest tourism fair" held annually in Berlin, Germany, we will exhibit within the Visit Florida Pavilion. Registration has been completed. Strategic planning and logistics management are underway, including sourcing/securing hotel room block, identifying clients for appointment requests, preparing assets required for stand creatives, etc. Updates to be forthcoming.

Additional Activity:

- **We love to Travel**, a USA specialized tour operator in Luxemburg with 20 own travel agencies was provided with comprehensive destination information, insider tips and collateral material for distribution to their staff and clients.
- Per HQ's directive, we sourced several vendors to produce a **VSPC branded beach towel** for distribution during our upcoming out-of-home consumer campaign with German tour operator America Unlimited in February, as well as for use in other campaigns throughout the fiscal year.
- **Website Requests for Destination Magazines:**
24 requests received via the crm@simpleviewinc.com platform this month.

MARKETING INITIATIVES

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

Brand USA 'Affinity' Co-Ops:

- **EXPEDIA AFFINITY PROGRAM** (January 15th - March 31st, 2020)
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, budget allocation will be as follows: Germany 75% (placing 85% on Expedia / 15% on Hotels.com; Switzerland 15% (with 100% placement on Hotels.com), The Netherlands 15% (with 100% placement on Expedia).
All creative assets required for development of banners and landing page have been delivered in concert with HQ's directives.

Brand USA 'Originals' Co-Ops:

- **SPRING GERMAN MULTI-CHANNEL CAMPAIGN** (April/May)
After a very successful fall campaign last year, we will continue our cooperation with Brand USA and Expedia in 2020. Germany is one of the top volume markets to the U.S. and Brand USA continues to provide partners with innovative international marketing opportunities. This multi-channel campaign is designed to reach consumers at the right time, with the right message and in the right place. The new digital media channels provide an integrated marketing approach to engage consumers and ultimately drive activation.
 - **Mobile Takeover Unit:** 200,000 est. impressions / hero image & click-through to destination content
 - **GoogleDisplayNetwork Traffic Gen:** 4,000 clicks
 - **Facebook Carousel Ad Unit:** Added value, Tile 3 or 4 position in one unit
 - **Expedia Activation Partner Marketing:**
 - Dedicated hotel results page (one page per co-op)
 - 415,000 co-branded display ads driving to a hotel search results page

- Inclusion on “Visit The USA” landing page linking to our hotel search results page
We liaised closely this month with HQ and Miles Partnership in providing all elements required for the campaign’s creative development.

VISIT FLORIDA Co-Ops:

- **CANUSA TOURISTIK** (November 2019/June 2020)
We are pleased to have the opportunity to cooperate with Visit Florida on marketing initiatives with CANUSA Touristik this fiscal year.
Additional Florida partners are: Florida Keys, Fort Lauderdale and Sarasota.
 - **B2C CANUSA Magazine** – November 2019
All partners were featured in CANUSA’s print magazine with image, logo and content. The magazine was deployed to 30,000 consumers.
 - **B2C CANUSA eNewsletter** – December 2019
This eNewsletter with VSPC placement of image, logo and content was deployed to 50,000 consumers.
 - **B2C Ad Placement in GEO Saison Magazine** – January 2020
VSPC will be featured with a ½ page ad placement including logo, image and content in the January issue of GEO Saison magazine, a high-end travel publication.
Pub frequency: monthly / circ. of 60,333.
 - **B2C Out-of-Home Bus Wrap**– February-June, 2020
VSPC will be featured with imagery and logo on a bus wrap within the Hamburg transit system for 5 months. Estimated impressions: over 1M
All creative assets have been delivered. eNews and GEO Saison layouts were received and approved this month.
- **WEG.DE** (October-December 2019)
Another opportunity with Visit Florida is a three-month campaign with OTA weg.de. Participation limited to three Florida partners only, so we are very pleased to have secured one of the spots. Additional Florida partners are: Crystal River and Fort Lauderdale
 - **B2C Landing Page**– October-December, 2019
A dedicated Florida landing page featuring comprehensive content and incorporating a booking tool with travel teasers was further comprised of a general Florida overview as well as information about each partner’s destination.
 - **B2C Social Media Campaign** – October-December, 2019
Weg.de launched a promotional post tailored to visibility on social media including YouTube. The post linked the dedicated landing page. Image/video provided by Visit Florida. Campaign partners featured with imagery and logo within the VF video.
 - **B2C Video Banner** – October-December, 2019
A video banner was played on 3rd party media sites which are the right fit for relevant target groups. Campaign partners featured with several visuals and logo within the Visit Florida video.

Final campaign report to be forthcoming in Q1 2020.

German National Consumer Campaign:

- **CAPRI SUN: CROSS-MARKETING CAMPAIGN** (January-May)

Background ...

In 1969, Capri Sun is born in Germany under its former name Capri Sonne! For the very first time, a beverage in a stand-up pouch is sold. The first flavors are lemon and orange. 10 years later, the legendary TV spots with the “King of Boxing” - Muhammad Ali - are the cornerstone of Capri Sun’s new international success and in 1982, Capri Sun is acclaimed for the best new product launch in the United States with the drink pouch being awarded the coveted U.S. medal for Packaging of the Year. 10 years thereafter, Capri-Sun becomes the European market leader and by 1994, Capri Sun even becomes the market leader in the USA with its flexible packaging and delicious fruity flavors. 2004 saw record-breaking sales of over five billion drink pouches sold worldwide and in 2010, the European Space Agency (ESA) develops the Capri Sun pouch further for use by astronauts on the International Space Station (ISS).

With its inventive ideas its name containing the word *Sun*, Capri Sun is the ideal partner for a special cross-marketing consumer campaign with VSPC.

➤ **Cross-Marketing Campaign (In-Store & Digital)**

During the months of January and February Capri Sun will be distributed in ‘pack shots’, i.e. cartons containing 10 pouches. VSPC will be featured on the pack shots with destination name, image and logo and will be promoted in a sweepstakes to win a one-week trip to St. Pete/Clearwater.

- **In-Store**

The campaign will be launched with pack shot cartons and banner displays in over 10,000 supermarkets Germany-wide. Estimated impacts: 12 million

Of note:

The Capri Sun sweepstakes for a chance to win a trip to St. Pete/Clearwater will include an ‘enter-to-win’ vanity URL. Accessing the site will lead to a dedicated Capri Sun 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.

- **Digital Channels**

In addition, Capri Sun will promote the sweepstakes through their own online channels:

Capri Sun Website: 10 million online impressions

Social media: 10 million impressions

All assets have been delivered. In-store displays, pack shot cartons and the sweepstakes landing page were produced this month.

Tour Operator Co-Ops:

- **CANUSA TOURISTIK PROMOTION PACKAGE** (January 2020-open ended)

We have joined forces with Canusa Touristik on an innovative digital campaign focused on attracting new customers and raising awareness for VSPC on several platforms:

➤ **You Tube Video Creation** – January 2020-open ended

A professionally produced YouTube video will tell a relevant and appealing destination story. CANUSA will create two versions of an exclusive video: 60-180 second master YouTube video and a 20-30 second teaser video for Facebook and Instagram promotions.

➤ **Social Media Promotion Premium** – January 2020

The goal is to reach regular CANUSA fans and followers with editorial posts as well as new customers with social media ads. Existing content on the CANUSA website will be combined with attractive, representative travel packages in individual recommendation ads.

75,000+ fans on Facebook plus 5,900+ followers on Instagram plus relevant hashtag reach. Approx. 150,000 ad impressions on Facebook and Instagram are targeted.

All required assets have been delivered.

- **FTI TOURISTIK ACADEMY** (April-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. Upon completion of the eLearning modules, travel advisors receive a certificate confirming their expertise. The FTI Academy is one of the most prominent and among the largest tourism eLearning vehicles in the German and Austrian markets. The educational program is promoted via several channels such as newsletters, press releases and raffles. Furthermore, it will be accessible 24/7 for 9 months!
Results: 2,476 travel advisors participated of which 1,795 completed the eLearning modules earning a certificate.
- **FTI TOURISTIK MULTI-CHANNEL CAMPAIGN** (November 2019-February 2020)
In cooperation with FTI – among Germany's top tour operators – and Brand USA, we are launching a campaign for deployment on several platforms:
 - **FTI B2B ONLINE PACKAGE** – November 2019
 - **Teaser in B2B FTI Newsletter:** Teaser with image and logo in the B2B newsletter linking to a dedicated VSPC landing page. Deployment to approx. 9,600 FTI agencies.
 - **Banner on FTI Service Page:** 4-week run of banner with image and logo on FTI's homepage linking to the dedicated VSPC landing page.
 - **Landing Page:** Dedicated landing page on www.fti.de with content, imagery, logo, video and 6 attractive travel offers (linked to internet booking engine).
 - **EXTENDED SOCIAL MEDIA PACKAGE PREMIUM** – November-December 2019
Placement on FTI's Social Media channels (owned & paid media) as well as display advertising:
 - **2 x Facebook Posts:** including logo integration. 68,800 Facebook fans.
 - **Instagram Post:** including special hashtag. 13,000 Instagram followers.
 - **Instagram Story:** including logo & special hashtag. In addition, the story will be featured in the FTI channel highlights for one week.
 - **"THE TRAVEL SHOW" RADIO** – February 2020
VSPC will be featured with 6 x 3:30 minutes (21 minutes) airtime in pure interview format, 2 x 3:30 minutes (7 minutes) for introduction and farewell (partner is mentioned here and greets listeners).
The Travel Show Radio broadcasts on the following radio stations on weekends:
Radio 700 - Aachen , Antenne Frankfurt, Antenne Kaiserslautern, Antenne Bad Kreuznach, Antenne Idar-Oberstein, Antenne, Landau, Antenne Pfalz, Radio Saarbrücken , Radio Homburg, Radio Neunkirchen with a total reach of approx. 7.8M listeners.
Assets for all initiatives have been delivered, layouts proofed and approved. Timing for radio show interview recording discussed. Preliminary date is February 11th.

- **HOTELPLAN SUISSE** (Switzerland)

Together with Hotelplan – one of Switzerland’s top tour operators – and Brand USA, we will launch both B2C and B2B2C focused initiatives:

 - **SONNTAGSZEITUNG** – January 12th, 2020

The SonntagsZeitung is Switzerland’s largest Sunday newspaper featuring relevant news, entertainment, attention-getting topics from the fields of politics, sports, culture, business, science, trends and travel. Print run: 152,566 / Readership: 518,000.

VSPC will be featured with 2 snappy travel offers and logo on this 95x440 mm format.
 - **STOREFRONT DIGITAL SCREENS IN RETAIL SHOPS** – January 6th-19th, 2020

VSPC will be featured with an attractive travel offer, imagery, logo and short destination video on 71 digital storefront screens throughout Switzerland in three languages (German, French and Italian). Run rotation is 3 times per hour during retail agency store hours.

All assets have been delivered, layouts received and approved this month.

- **KNECHT REISEN** (Switzerland)
 - **Jelmoli Campaign** – January – July 2020

VSPC will be the travel partner in the new Miss Jelmoli contest. In March 2018, «Miss Switzerland» was elected for the last time. In 2019, the rights of the organization were acquired by the fashion company JELMOLI, one of the leading and most successful players in the Swiss fashion market with a new «Miss Jelmoli» having been elected. In 2020, the contest will be held anew – with a new focus on travel – with VSPC having been selected as the preferred destination partner in cooperation with Edelweiss Air and Knecht Reisen.

The campaign will include several phases with following timeline:

 - January-July 2020: Total campaign runtime
 - January-March 2020: Motivation phase with contest teaser
 - April 2020: Voting phase and selection of «Miss Jelmoli 2020» winner
 - May 2020: Winner trip to St. Pete/Clearwater

January-March:

 - **Online Store Photo Drawing:** VSPC will be featured with key visual and logo on Jelmoli’s online store www.jelmoli-versand.ch during this photo drawing motivation phase. Average of 140,000 visitors per week.
 - **Standalone Newsletters:** 2 standalone newsletters, one in January/one in March, promoting the contest with its coop partners will be deployed to 150,000-200,000 subscribers per newsletter. Average opening rate: 27%.

March-July:

 - **Online:** Presentation of Miss Jelmoli winner in Jelmoli-Versand’s online store “Miss Jelmoli-Versand 2020” (www.jelmoli-versand.ch) including VSPC key visual and logo.

January&May:

 - **Print Catalog:** Direct mailing containing the Miss Jelmoli contest with imagery and logos. First direct mailing with ad size of 210x240mm will go out to ‘best customer’ target group (print run: 80,000)
 - Second direct mailing with ad size of 183x218mm within a beach fashion theme will go out to new potential customers (print run of 1,000,000).

January-July:

 - **eNewsletters:** The Miss Jelmoli contest will be featured in five newsletters including coop partners’ imagery and logos. Average opening rate 25%.

- **YouTube Trailer:** New trailer for the contest will be featured on Jelmoli-Versand's YouTube channel for Miss JelmoliVersand 2020 including our imagery and logo. Estimated reach: over 1M views.
 - **Facebook Posts:** Minimum of 5 posts including our logo and imagery placed on www.facebook.com/jelmoliversand with several topics/stages such as motivation for photo drawing, winner presentation and winner trip. 22,800 followers.
 - **Instagram Posts:** Minimum of 5 Instagram posts with our logo and imagery will be featured on new Miss Jelmoli-Versand Instagram channel with same topics as on Facebook: motivation for photo drawing, winner presentation and winner trip.
- All creative assets have been delivered.

On top, our tour operator partner **Knecht Reisen** will support the campaign with additional online activities on their platforms:

- **Newsletters:** Knecht Reisen will include the Miss Jelmoli contest with all coop partners including logos and imagery in two of their newsletters during the campaign period of Jan-Jul. 55,000 subscribers. Opening rate of 30%.
- **Facebook Posts:** 3 posts including our logo and imagery will be placed on Knecht Reisen's Facebook page. 3,000 followers.
- **Instagram Posts:** Knecht Reisen will also publish 3 posts with our logo and imagery. Over 700 followers.

- **TENZING TRAVEL** (Netherlands)

With Tenzing Travel – one of Netherland's top tour operators – and Brand USA, we will continue to promote our area on several platforms:

- **TENZING TRAVEL B2B MEDIA** –December/January 2019/2020
 - **2x Facebook Posts** (2,048 followers, 90% reach in target audience)
 - **1x Teaser in eNewsletter** (7,000 subscribers) with link to dedicated landing page
- **TENZING TRAVEL B2C MEDIA** – January/February 2020
 - **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)
- **THE TRAVEL CLUB B2B & B2C MEDIA** – January-March and May 2020
 - **Inclusion in eNewsletter** (to 90,000 subscribers) with link to dedicated landing page
 - **Homepage Integration for 1 month** (est. 20,000 ad impressions)
 - **3x Social Media Posts** (150,000 reach)

All creative assets have been delivered, several layouts received and approved this month.

- **TRAVELHOUSE** (Switzerland)

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

- **ANNABELLE MAGAZINE** – Jan. 19th-Feb. 1st, 2020
Annabelle is Switzerland's most prominent magazine for women reaching a readership of urban, well-educated women with high income and great interest in fashion, cosmetics, design, culture and travel.
 - **Online Advertorial** including destination content, imagery and logo as well as link to Travelhouse website. Reach: 202,000 unique users/month.
 - **Newsletter Teaser:** VSPC will be integrated in an Annabelle eNewsletter with travel teaser. 27,500 subscribers.

- **Facebook Post:** VSPC will get a post on their Facebook page with 16,568 fans. All required assets have been delivered.
 - **TRAVELHOUSE PLATFORMS** – January to February, 2020
Within the Travelhouse online structure, VSPC will be featured on several platforms:
 - **Social Media (January-February 2020):** Facebook ads with VSPC offers in German and French linked to a dedicated landing page. Fans: 14,000. Average monthly reach: 46,000. Average interacting fans: 3,500.
 - **Online Banner (February 2020):** An eye-catching banner will be placed on different websites including image, logos and link to a dedicated product landing page. 250,000 impressions expected.
 All creative assets have been delivered, layouts received and approved.

- **TUI GERMANY** (January - May)
We are pleased to have again worked out great marketing initiatives with TUI Germany:
 - **B2B Instagram Story & Raffle** – January
VSPC images and videos as well as short content bursts and logos. Link to the TUI Newsnet article will be mentioned in the text. To make it more enticing, a raffle will be included to win TUI travel coupons. Users: approx. 1,787 travel advisors.
 - **B2B TUI Newsletter Teaser** – January
VSPC will be one of the current topics in the TUI newsletter directed to 17,000 TUI travel advisors. Teaser will be linked to the TUI Newsnet article.
 - **B2C TUI.com Weekly Integration** – February + May
The TUI.com Newsletter is deployed on Fridays to all subscribers and travel agencies with a newsletter subscription. It informs about news, offers, specific destinations, etc. VSPC will be featured with 2-3 offers, logo and link to a dedicated landing page on the TUI site. Reach: 600,000 subscribers. Average opening rate of 22,4 %.
 - **B2C TUI.com Hero Teaser** – February
VSPC will be featured prominently with hero teaser on TUI.com/USA landing page including image, logo and link to TUI.com booking engine to convert bookings directly or link to VSPC landing page. TUI.com has approx. 20 million page views per month.
 - **B2B2C Instore TV Communication** – January
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 in length will be repeated 10 x per hour. Approx. 1 million impressions are expected during the 3 week run time.
All creative assets have been delivered, applicable layouts received and approved.

- **USA REISEN** (December)
Together with a very engaged German tour operator with a vested focus on the USA, we developed a special VSPC marketing package for placement on several platforms:
 - **Landing Page** – December 2019
Dedicated landing page on www.usareisen.de/hotels with comprehensive destination content, imagery, logo and attractive travel offers, such as creation of new packaged tour (e.g. hub and spoke package, family beach vacation package – St. Pete/Clearwater exclusively).

- **B2C Destination Standalone eNewsletter** – December 2019
This exclusive eNewsletter will be set up like a travel guide accompanied by matching offers such as the new packages and hotel deals. It will include logos and contain a minimum of eight info boxes linked to the VSPC landing page.
Reach: approx. 60,000 subscribers and customers with specific interest in traveling to the U.S. Average opening rate is 31%.
- **B2C Homepage Banner** – December 2019
The homepage banner will highlight one of the VSPC packages labeled as “Mitarbeiter-Tipp” (personal recommendation by an employee). Online for 3 weeks. Estimated impressions: 25,000.
- **B2C Digital Promo** – December 2019
Supporting the launch of the new landing page, USA Reisen will run a Google AdWords campaign and launch three Facebook posts (currently more than 14,100 fans; almost as many subscribers).
All required creative assets have been delivered. Layouts for the landing page, eNewsletter and homepage banner received and approved this month.

Travel Trade/Consumer Publications & Portals:

- **INFOX GERMANY** (December 2019 - May 2020) *Trade*
We negotiated a special deal to deploy three exclusive VSPC eNewsletter blasts via INFOX distribution service within the next 6 months to over 25,000 travel agency and travel advisor contacts.
The first eNews created with #Danke2019 (#Thanks2019) topic focused on a VSPC review of the year 2019 coupled with engaging travel advisors by inviting them to share what they were thankful for in 2019 on our social media channels. Best answers to receive a dolphin beanie as a thank you gift.
- **LuLu.FM RADIO** (Germany) – Listenership 55,000 daily
 - **LuLu.Reisen Program** – February
After a very successful cooperation with LuLu.FM Radio last year, we will again promote our area via this platform, this time February 2020.
80% of the population listens to the radio daily for 4 hours on average. LuLu.FM is known as the only 24/7 radio station targeting the affluent LGBTQ+ audience reaching listeners primarily in Berlin, Hamburg, Leipzig, the Rhine-Main and Rhine-Neckar areas with a cumulative population of 15 M.
LuLu.FM has established LuLu.Reisen, a fixed and recurring travel platform in its radio program which focuses on a specific destination for the period of 4 weeks. Instead of a classic radio commercial, LuLu.FM produces editorial content for the destination, which is broadcast in the form of a 90-second daily episode. Each episode is clasped at the beginning and end with a 5-10 second presenter or sponsor note and runs 4x daily during prime airtime hours (between 6-9, 10-12, 14-16 and 17-19). The listener thus receives new information about a destination every day for 360 seconds (6 min)/day. In addition, all episodes of the travel section on LuLu.Reisen will be available as a podcast.
Together with our partner DW&T an intro/outro for the 90-second daily episode announcing Visit St. Pete/Clearwater as Home of America’s Best Beaches was developed this month. The clasping also includes our activation partner FTI Touristik with a “HotDeals” teaser and applicable VSPC dedicated call-to-action microsite ...

fti.de/hotdeals. In addition, we provided comprehensive destination information for development of the 30-day program content.

➤ **Banner Placement** – July

On top: LuLu.FM will feature a VSPC/FTI banner on their website for the whole month of February with a link to the dedicated FTI HotDeals microsite.

Banner was created this month.

• **QUEER.DE** (Germany)

Consumer

Queer.de is Germany's leading LGBTQ+ news and information website. In fact, queer.de is one of the leading LGBTQ+ websites worldwide with 12,132,000 page views, 2,955,000 visits and 897,000 unique users monthly. We will again cooperate with our partner DW&T in a multi-channel campaign.

➤ **Banner Placement** – February

The banner used for LuLu.FM will also be placed on queer.de in the travel section for the whole month.

➤ **eNewsletter** – February

The banner utilized for the LuLu.FM initiative (including the link to the FTI 'HotDeals' microsite) will be placed in a queer.de eNews blast.

➤ **Advertorial** – February

VSPC will be featured with a comprehensive advertorial on the queer.de website in the travel section starting February 1st.

All creative assets have been delivered.

• **TRAVELUTION – The eTraining Company** (Netherlands)

Trade

➤ **Travelution exclusive VSCP eLearning** – February-December

The eTraining Company owned by Travelution will create and upload an exclusive eLearning program dedicated exclusively to St Pete/Clearwater to the Dutch travel advisor training platform www.etraveltraining.eu. This online eLearning platform targets independent travel advisors who advise travelers in a tailored way. They use their network, share destination knowledge and experience and are very motivated as they are all independent entrepreneurs. Comprised of 30 comprehensive destination training modules, VSPC will seize the opportunity to update, educate and inform these advisors in a very targeted and efficient way.

Reach: The Travel Club (approx. 275 agents in the system)

Travel Counsellors (approx. 230 agents in the system)

Personal Touch Travel (approx. 165 agents in the system)

TravelXL (approx. 215 agents in the system)

Our efforts continue every month in negotiating and fine-tuning marketing initiatives with our vendors of choice. With St. Pete/Clearwater being a long-haul travel destination for the Central European markets, it is to be kept in mind that the positive effect of launched campaigns continues beyond the actual placement timeframes due to the lead time between inspiration, consideration and effective booking by consumers.

Given we are strongly focused on optimizing our area's placement in the marketplace, considerable time and effort is spent on intensive communication and negotiation with our vendors with a view toward ensuring the best possible positioning for St. Pete/Clearwater in the marketplace. This effort is conducted in addition to our regular scope of work.

Public Relations:

Kaus Media Services - VSPC's German PR Agency

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

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

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