

CENTRAL EUROPEAN OFFICE

N O V E M B E R 2020

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MARKET INTELLIGENCE / TRENDS

HOTEL STAYS BANNED: DOMESTIC TRAVEL HEAVILY AFFECTED BY PARTIAL SHUTDOWN

01 NOV: German Chancellor Angela Merkel and the country's state premiers announced a new partial lockdown as of 02 November. The new step fighting the corona pandemic is a serious setback for the domestic German travel industry.

The so-called "lockdown light" is a less intense version of the nationwide shutdown that brought German society and economic activity to a standstill in March. However, travel suppliers, recreational facilities and cultural institutions are facing another existence-threatening challenge with going out of business for at least four weeks.

What 'lockdown light' means

The German government's decision includes the following measures:

- Restaurants and bars are closed except for take-away food.
- Large cultural events are canceled.
- Unnecessary travel is strongly discouraged.
- Overnight stays in hotels and holiday homes for tourist purposes is banned.
- Entertainment facilities and recreation centers are closed.
- Working from home is strongly encouraged.
- Meetings in public are restricted to just two households of up to ten people total.
- Professional sports events are only allowed without spectators ('ghost games')

Contrary to the restrictions imposed in March, schools and kindergartens will remain open as will shops with capacity restrictions (one customer allowed per ten square meters).

Businesses to receive financial support

"We are in a very serious situation," said Chancellor Angela Merkel in a press conference. "We must act to avoid an acute national health emergency". Merkel announced that businesses hit by the new lockdown would receive economic support. Companies with up to 50 employees will receive 75% of their income in support. According to media reports, a total of €10 billion will be provided by the government.

LOCKDOWN "LIGHT": AGENCY CLOSURE CONFUSION

04 NOV: Germany's 11,000 travel agencies are facing confusion over whether they have to close down as part of this month's lockdown 'light' restrictions in the latest blow to holiday bookings amid the corona pandemic.

Consumer demand has already crashed to minimal levels due to government travel warnings for many destinations, wide-ranging mobility restrictions and quarantine rules. But the travel industry had hoped that demand could recover during the autumn as consumers start to plan winter holidays or foreign trips next summer. Any large-scale closure of travel agencies during November is likely to further reduce bookings and thus impact the overall demand for flights, hotel accommodation and destination activities.

Closure rules vary by region

Instead of a clear nationwide rule, each of Germany's 16 federal states is responsible for deciding whether this month's corona pandemic restrictions apply to travel agencies or not. This is important as only businesses ordered to close are eligible to receive financial support of up to 75% of their November 2019 turnover. For example, hotels, restaurants, cafes, gyms and some retail outlets such as cosmetics studios have been forced to close this month. But many shops, including hairdressers, are still open along with retail businesses, schools and other places of education. The German Travel Industry Association (DRV) said that, according to the federal economics ministry, each regional corona regulation has to list the types of businesses that have to shut down during November. Agencies should contact regional authorities to clarify the rules in each federal state, it recommended.

Owners take own decisions

Many German travel agents have taken to social media, chat groups and other online media to discuss the pros and cons of opening and closing during the current second wave of the Covid-19 pandemic. Some travel agency owners have apparently taken their own decision to close their doors for the next four weeks, although some are switching instead to advising clients by appointment. In contrast, other agencies want to remain open if they can. "I find it really important that customers can see there's a light on. It's very important to show your presence now," commented Claudia Fahrentrapp, a travel agency owner in Cologne.

LUFTHANSA EXPECTS WEAK BUSINESS IN WINTER

05 NOV: The corona crisis continuously puts pressure on Lufthansa Group's earnings development in the third quarter of 2020. The outlook for winter season remains gloomy, but CEO Carsten Spohr sees "a great desire to travel again soon".

At least Lufthansa sees an effect of "substantial cost savings and an expansion of the flight schedule in the summer months of July and August": Compared to the second quarter, losses were reduced. But in comparison to the third quarter in 2019 the financial situation remains critical: Adjusted earnings amounted to a €1.3 billion loss (previous year: +€1.3 billion).

With only 8.7 million passengers transported (20% of previous year), the average monthly operating cash drain was €200 million in the third quarter. Sales fell to €2.7 billion (previous year: €10.1 billion). Operating expenses were cut by 43% in the third quarter compared to the previous year, partly as a result of significantly lower fuel costs, fees and other costs that vary based on the extent of flight operations. A reduction of fixed costs by more than a third was achieved.

Revenues fell by 60% in first nine months

In the first nine months of 2020, Lufthansa Group airlines carried a total of 32.2 million passengers, 29% of last year's period. Revenues decreased to €11 billion (previous year: €28 billion). At the end of September, the Lufthansa Group reports €10.1 billion of cash at its

disposal. This figure includes not yet utilized stabilization measures in Germany, Switzerland, Austria and Belgium totaling €6.3 billion.

Focus on health and safety standards

"People around the world have a great desire to travel again soon", says Carsten Spohr, CEO of Deutsche Lufthansa. "Together with our partners, we are ready and will do everything we can to fulfill this desire as quickly as possible and with the highest health and safety standards." According to Spohr, "the important thing now is to ensure health protection and freedom of travel, for example by means of widespread rapid tests."

In the upcoming winter months, Lufthansa expects demand for air travel to remain low due to the global increase of infection rates and the corresponding travel restrictions. The airlines of the Lufthansa Group will therefore be adjusting their original planning and will offer a maximum of 25% of last year's capacity from October to December.

Hard and challenging winter season

125 fewer aircraft will be operating than originally planned. "We are now at the beginning of a winter that will be hard and challenging for our industry," says Spohr. But the airline group is "determined to use the inevitable restructuring to further expand our relative competitive advantage". Lufthansa Group aspires "to remain the leading European airline group following the end of the crisis."

Both the FRA-TPA and FRA-MCO routes have been omitted from the winter 20/21 season flight schedule. FRA-MIA is in place, however. Lufthansa anticipates these omitted winter season routes will resume for the summer 2021 season flight schedule commencing March 2021.

FINANCIAL SUPPORT PACKAGE: FTI GROUP GETS €235 MILLION IN STATE AID

05 NOV: Germany's third-largest tour operator FTI Group has gained €235 million in state financial support with the backing of majority shareholder Samih Sawiris. The government loan is part of a package of financial and other measures that the group has implemented.

The Munich-based group confirmed to fvw that it had applied for and received the loan from the federal government's 'economic stabilization fund'. CEO Dietmar Gunz said this approval had also been enabled "through the great engagement of our investor Samih Sawiris". The Egyptian hotelier acquired a 75% majority stake in the German company in April, thus increasing its equity capital. This move enabled FTI to secure a financial package from the Unicredit Bank, backed by state guarantees. Gunz explained: "Sawiris' decision in favor of the group with the appropriate financial support was again a vital factor for the successful application to the fund."

Strong late sales push expected

FTI managing director Ralph Schiller commented: "With the backing of the new loan and the package of measures we can now fully concentrate on the next few months." He emphasized: "We already have some encouraging early booking volumes for package and self-drive holidays in traditional destinations, and in addition we expect a strong late sales push in the first half of 2021."

Booking incentives extended

Meanwhile, FTI has extended diverse early booking offers and free cancellation options until the end of November in a move to boost sales for winter 2020/21 and summer 2021. The marketing campaign offers free cancellation of holidays through October 2021 up to 14 days before departure for bookings made by the end of this month.

UPDATED LIST OF HIGH-RISK AREAS IN EUROPE

10 NOV: Germany has again updated its list of high-risk areas: Now there are also travel warnings for almost the whole of Denmark, Italy, Portugal and Sweden. Thus, there is not a single European country left without a travel warning.

The corona pandemic continues to take its toll: Now there are four more countries on the list of high-risk areas for German travelers. There used to be travel warning for certain regions of Denmark, Italy, Portugal and Sweden, but now the entire countries have been added to the list with a few exceptions: There is no travel warning for the Swedish province of Västernorrland, for the Danish areas of Greenland and Faroe Islands and for the Portuguese archipelagos of Madeira and Azores.

Online registration and self-isolation

As of 08 November, all travelers to Germany have to register online prior to their entry on the website [einreiseanmeldung.de](https://www.einreiseanmeldung.de), if they have stayed in a risk area within the last ten days prior to their entry to Germany. They must be able to present proof of this registration when entering Germany. Travelers are then required to proceed directly to their destination following entry into Germany and self-isolate/quarantine at home for ten days. Depending on different regulations imposed by each of the 16 German states individually, the quarantine may end after five days if a coronavirus test on the fifth day after entry to Germany or later is negative.

TUI DELAYS HOTEL PAYMENTS AND SEEKS MORE STATE AID

18 NOV: TUI Group wants to delay paying some Greek hotel bills until next year to protect its cash-flow as it negotiates another big state aid deal with German authorities.

Europe's largest tourism group has proposed to hotels in Greece that it pay the bulk of its summer 2020 invoices next year under amended contracts. It has suggested paying 25% of the owed sum 15 days after agreeing the contract change, then 37.5% next March and the remaining 37.5% next April. TUI already delayed hotel payments by 60 days after the guest's departure this summer in a move that was criticized by hoteliers in several destinations.

Businesses at risk

The plan has proven controversial in Greece where politicians are claiming that the delayed payments could put hundreds of businesses at risk, according to a Financial Times report. Several hoteliers claimed that TUI owes them several hundred thousand Euros and they would have to take out bank loans to survive, if the German tourism giant did not pay them this month. Greek tourism minister Haris Theocharis said the government is "monitoring the situation closely". Athens aims to gain additional EU financial support for the country's vital tourism industry after a big slump in visitor numbers this year.

Outstanding advance payments to hoteliers

A TUI spokesperson told fvw that "we are talking with the hotels and jointly trying to find a solution". So far, more than half of the Greek hoteliers who work with TUI have agreed to the amended contract with new payment conditions, he said. TUI Group, which is Europe's biggest tour operator to Greece, already made "a substantial contribution of €252 million" in advance payments to Greek hoteliers for summer 2020, a TUI spokesperson emphasized. About two thirds of this sum remains outstanding, either because hotels did not open or it exceeded the total cost for the low visitor numbers in the short summer season. The delayed payments sum was less than half of the outstanding advance payments sum, the TUI spokesperson pointed out. Moreover, the German group is not asking for these outstanding advance payments to be paid back now, but is carrying them forward into next year, he explained. "We are reviewing how we can organize our cash management in a more disciplined way in the coming months until it is clear what the volume for summer 2021 looks like," he commented.

State aid negotiations

The hotel payments dispute comes as TUI Group is in the midst of intense talks with German authorities over a potential second round of financial support. TUI Group is now negotiating over a further sum of €1.5-€1.8 billion, according to a Reuters report. Financial daily *Handelsblatt* put the figure lower at €1 billion. The German government might even be prepared to take a financial stake in the tourism group if necessary, the *Frankfurter Allgemeine Zeitung* reported. However, there are apparently different views in the economics ministry and the finance ministry over this option. The state has already taken a stake in Lufthansa to support the airline through the worst of the corona crisis. TUI Group already received a total of €3 billion through loans and guarantees earlier this year. These included a €1.8 billion loan from the state-owned KfW bank and a €1.05 billion credit facility. The *Financial Times* wrote that Barclays analysts estimate that TUI "has burned through €3 billion in the past eight months."

SAFE TRAVEL: TOUR OPERATORS AND TRAVEL AGENCIES OFFER CORONA TESTS

19 NOV: Tour operators and travel agents in Germany are offering COVID-19 tests for holidaymakers to offer 'safe travel' and try to boost demand amid the continuing corona pandemic.

Relatively few destinations are fully open for German travelers at present due to a combination of travel warnings for risk areas and corona pandemic restrictions in many countries, including various quarantine rules. Numerous major leisure travel destinations, including Greece and Spain for example, currently require a negative PCR test result for arrivals from Germany.

Focus on Canary Islands

In response, the German tourism industry has started to offer COVID-19 tests in cooperation with specialist healthcare laboratories in order to stimulate demand and encourage consumers to travel to these destinations. They are initially focusing on the Canary Islands in particular, which in contrast to the rest of Spain, are not classified as a risk area. Travel to the islands is permitted without any quarantine requirement as long as German holidaymakers can prove they have a negative corona test result that is older than 72 hours at the time of arrival. A negative 'rapid test' result is sufficient for arrivals until 22 November. Thereafter a full PCR test result is required.

Antigen rapid test at home or upon arrival

Market leader **TUI** is offering customers antigen 'rapid tests' at home. Customers can order the test kits via the tour operator 7-10 days before departure and then have a short video call with medical staff before conducting the test at home. They receive the test result by e-mail. The test costs about €55.

FTI Group is taking a different approach and is offering 'rapid tests' upon arrival in the Canary Islands in cooperation with local doctors. Arriving passengers are transferred directly to a test center, where the result is available after 30 minutes, and are then transferred to their hotel. This test costs €16. Passengers also have the option of a PCR test in Germany before departure.

Full PCR tests provide certainty"

In contrast, **DER Touristik** is offering a full PCR test that customers can carry out at home in cooperation with the Kneissler Laboratory. Travelers pay either €129 for a single test or €199 for a test for two people. "We are giving our customers certainty with the PCR tests," explained DER Touristik Central Europe chief Ingo Burmester. "The biggest worry for travelers with travel planning now is whether they are healthy and might have to go into quarantine while on their trip. In addition, many destinations demand a negative PCR test result upon arrival." Burmester warned that a 'rapid test' upon arrival in the destination runs the risk of holidaymakers having to go into a 14-day quarantine if the test result is positive. Moreover, not all destinations accept negative antigen test results, he pointed out. DER Touristik therefore strongly recommends a full PCR test before departure "to protect travelers and locals in the holiday destinations".

DER agencies sell PCR tests

As part of this strategy, the group's travel agency chain, DER Reisebüro, has started to sell PCR tests to the public, not just to their own customers through its 500 stores across Germany. This follows a successful brief pilot phase in three agencies.

TOURISM SALES INDEX: CAUTIOUS OPTIMISM FOR FUTURE BUSINESS IN NOVEMBER

25 NOV: While the new "lockdown light" and numerous destinations declared as risk areas are depressing the mood in travel sales in November 2020, the progress in the development of a vaccine, the persistent German desire to travel as well as the testing of new test concepts are raising hope. Thus, the Tourism Sales Climate Index continues to stabilize at a very low level.

The sentiment in German travel sales continues to be depressed – especially in regard to the current business situation. It is being assessed more negatively than in the previous month and is once again at a relatively low level similar to the first lockdown in the spring of 2020. Since April of this year, none of the participating travel agencies has judged the current situation as good. This sentiment continues into the month of November 2020.

Likewise, travel services sales in the last two to three months, compared to the previous year, are estimated more negatively than in the previous month. While in October 96.1% of the travel agencies surveyed stated that travel sales had decreased in comparison to a year ago, 98.5% indicated this in November. And whereas 1.5% (previous month: 3.1%) assessed the sales of travel services stable on a year-on-year basis, none of the agencies indicated that sales have increased. After the assessment saw a minimal upward trend in summer, both the colder season and high corona figures are once again implying a more critical valuation of the current situation.

Future expectations show slight upward trend

However, initial successes in the development of vaccines are obviously nurturing hopes of a normalization. Cautious optimism is emerging with regard to future demand and profitability in travel distribution. Travel agencies are generally more positive than in the previous month about expectations for the next six months: For example, 4.5% – more than in October (1.6%) – expect the demand to rise in the next six months. 3.8% anticipate the demand to remain unchanged. Regarding the future profit situation in travel sales, 2.3% (previous month: 2.4%) expect to see an improvement in the coming six months. The ratio of those who assume that the profit situation will deteriorate sank from 91.3% in October to 87.1% in November.

SUMMER 2021: DER TOURISTIK CUTS PRICES AND EXPANDS INDIVIDUAL OFFERS

26 NOV: DER Touristik aims to recover from this year's pandemic-driven business decline with lower prices, more overland packages and more individual offers in summer 2021 amid an uncertain outlook.

This year Germany's second-largest tour operator group is heading for a heavy financial deficit after losing half of its revenues due to the corona crisis, according to the CEO of parent company REWE. The German market generates the bulk of the travel group's revenues. For 2021, the outlook is still very unclear with travel warnings for many destinations, changing regulations about corona tests and quarantines as well as general consumer concerns depressing demand severely.

Flexible travel arrangements

In response, DER Touristik has presented a package of measures designed to reassure German customers and stimulate demand, with a holiday program adapted to changing customer needs. The tour operator is offering very flexible booking conditions. Whoever books a holiday for next summer (up to October 2021) by December 31st can generally cancel it or switch the booking free of charge up to 14 days before departure.

In addition, there are a wide range of early booking discounts combined with overall price reductions. "Our early booking prices for 2021 are lower than ever before," declared Ingo Burmester, CEO DER Touristik Central Europe. "The low demand enables reduced hotel (operating) costs, and we are passing on these reductions fully to our customers," he added. There are price reductions of more than 25% for destinations such as Turkey, Bulgaria, Greece, Egypt, the Balearics, Cuba and the Dominican Republic.

Small group tours in Southern Europe

In Southern Europe, DER Touristik has added 94 new hotels and expanded its program of small group tours and camping holidays in response to rising demand. "Interest in 'experience trips' in small groups was already clearly increasing before Covid-19," explained Burmester. "For 2021 we have therefore focused specially on the segment of small group trips." The tour operator already expanded such offers for long-haul destinations in its 2021 program that came out for the winter season. These include more private trips for couples or single travelers.

REWE supermarkets compensate for tourism losses

Meanwhile, German supermarket and retail group REWE (owner of DER Touristik) has reaffirmed its support for its tourism subsidiary despite the financial impact of the corona pandemic this year. REWE Group CEO Lionel Souque told German publication *Manager Magazin* that the DER Touristik Group will lose €3-€4 billion in revenues this year. But with

REWE's supermarkets performing well this year, he made clear: "For the whole group, it will end up that we can fully compensate for the negative impact suffered in the tourism business."

A brief COVID-19 update from around the globe ...

EUROPE ...

Amsterdam

- The European Medicines Agency, which is evaluating requests for conditional marketing authorization for coronavirus vaccines, says it has been targeted in a cyberattack.
- The Amsterdam-based agency says it quickly launched a full investigation, in close co-operation with law enforcement and other entities.
- The EMA declined to provide more details of the attack while the investigation was continuing. It wouldn't be the first time an entity linked with coronavirus vaccines has been targeted by cybercriminals.
- Last month, Microsoft said it had detected attempts by state-backed Russian and North Korean hackers to steal valuable data from leading pharmaceutical companies and vaccine researchers.
- Microsoft said most of the targets – located in Canada, France, India, South Korea and the United States – were “directly involved in researching vaccines and treatments for COVID-19.” It didn't name the targets but said most had vaccine candidates in various stages of clinical trials.

Canary Islands

- Canaries clear the way for rapid antigen tests.
- As an alternative to a PCR test, travelers can also enter the country with an antigen test. This makes entry for tourists much easier.
- A negative antigen test is sufficient for entry starting 10 December.
- Outside the autonomous community of the Canary Islands, the compulsory PCR test continues to apply when entering Spain from risk areas.

Great Britain

- British regulators warned that people with a history of serious allergic reactions shouldn't receive the new Pfizer-BioNTech vaccine while they investigate two adverse reactions on the first day of the country's mass vaccination program.
- The U.K.'s Medical and Healthcare Products Regulatory Agency is looking into whether the reactions were linked to the vaccine. The two people affected were staff members with the National Health Service who had a history of allergies, and both are recovering. Authorities have not specified their reactions.
- In the meantime, the regulator has issued the warning for anyone with a significant allergic reaction to a vaccine, medicine or food. That includes anyone who has been told to carry an adrenaline shot or others who have had potentially fatal allergic reactions.

Germany

- German Chancellor Angela Merkel has advocated tougher restrictions on public life as the country reports 590 deaths, its highest single-day coronavirus death toll.
- Germany is gradually moving toward a tighter lockdown, at least for a limited period after Christmas. Cases are increasing despite a partial shutdown on 02 November.
- Merkel has consistently advocated decisive action during the pandemic but has often had to move more slowly because Germany's 16 state governments are responsible for imposing and lifting restrictions.
- Merkel noted a national academy of scientists and academics on Tuesday recommended Germans reduce their social contacts starting next week and put in place a "hard lockdown" from 24 December to 10 January.
- "We would do well to really take seriously what scientists tell us," she says. Also, Germany announced it will distribute high-quality masks for the elderly and high-risk patients before Christmas.
- Germany registered 20,815 new cases on 25 November compared with 17,270 a week earlier. The country of 83 million people has recorded 1.22 million cases and 20,000 confirmed deaths.

Sweden

- A medical official in Stockholm warned the intensive care units are almost at full capacity and need more staff. Bjorn Eriksson, health director in Stockholm Region, says the number of patients with coronavirus admitted to intensive care had increased in the past days.
- "Patients with COVID-19 are so ill that they need intensive care," Eriksson said. Eriksson says he requested Sweden's National Board of Health and Welfare to send more health care staff to the capital.
- Bjorn Persson of Stockholm's Karolinska Institute hospital told the Dagens Nyheter daily that 99% of Stockholm's 169 intensive care units are in use – not all with COVID-19 patients.

ELSEWHERE ...

Hong Kong

- Hong Kong is re-imposing a ban on in-restaurant dining after 6 p.m. and closing gyms, beauty parlors and other businesses and public venues.
- Restaurants may provide only takeout between 6 p.m. and 5 a.m. and while open, must limit numbers of patrons at 50% of capacity with diners restricted to two per table. Enforcement of the new measures will begin Thursday and remain in effect for two weeks.
- Hong Kong has already limited public gatherings to just two people and closed bars and other entertainment venues. The new orders further reduce the number of shopping, dining and leisure options available to residents of the crowded city of 7.5 million. Swimming pools, night clubs, karaoke halls and mahjong parlors are also among the establishments ordered closed.
- Hong Kong on Wednesday reported an additional 100 cases, bringing its two-week total to 1,274. Most are cases of local transmission and the origins of 303 remain unknown, according to the government's Center for Health Protection. Hong Kong has reported a total of 7,075 confirmed cases since the start of the pandemic, and 112 confirmed deaths.

South Korea

- South Korea has reported 686 new cases of the coronavirus, tying its second-highest daily increase since the emergence of the pandemic.
- The Korea Disease Control and Prevention Agency says 536 of the new cases were reported from the Seoul metropolitan area, where new clusters of infections have been popping up in restaurants, markets, saunas, hospitals, long-term care facilities and army units.
- The country's caseload is 39,432 and 556 confirmed deaths. The agency says 149 among 8,699 active patients were in serious or critical condition, a group that is being closely monitored amid concerns about a possible shortage in intensive-care beds.
- South Korea had also reported 686 cases on March 2 during a major outbreak in its southeastern region, which health workers managed to contain by April with an aggressive test-and-quarantine campaign.
- While South Korea had been seen as a success story, critics say the country let its guard down by easing social distancing restrictions to the lowest tier in October, even as experts warned of a surge during cold weather months when people spend longer hours indoors.

United Arab Emirates

- The United Arab Emirates says a Chinese coronavirus vaccine tested in the federation of sheikhdoms is 86% effective, though it released few details.
- The UAE, home to Dubai and Abu Dhabi, conducted a trial starting in September of the vaccine by Chinese state-owned pharmaceutical giant Sinopharm. Volunteers between 18 and 60 years old received two doses of the vaccine over 28 days.
- The UAE's Health and Prevention Ministry announced the results in a statement on the state-run WAM news agency, saying "the analysis shows no serious safety concerns."
- The Sinopharm vaccine has been approved for emergency use in a few countries and the company is still conducting late-stage clinical trials in 10 countries.
- The shot relies on a tested technology, using a killed virus to deliver the vaccine, similar to immunizations for polio.

Ukraine

- Ukraine officials have announced tighter lockdown restrictions in January in a bid to curb the spread of the coronavirus. On Wednesday, Ukraine registered 12,585 new cases and 276 deaths — the highest daily death toll in the pandemic.
- Ukraine's Prime Minister Denys Shmyhal says restaurants, bars, malls, gyms, theatres, cinemas and other non-essential businesses will be closed between Jan. 8-24.
- Mass public events will be banned, and schools and other educational facilities, except day care centers, will be on vacation. Only grocery shops, pharmacies, banks, post offices, hotels and public transportation will operate.
- Ukraine's health officials have reported a total of 845,343 confirmed cases and more than 14,000 confirmed deaths.

SALES ACTIVITIES

VISIT FLORIDA/Visit USA Germany Virtual Road Show (October 2020):

The Visit USA Committee Germany has developed a new travel advisor training concept focused on presenting a series of training sessions dedicated to one U.S. State or region at a time. The first execution of this new ‘virtual road show’ concept took place this month with VISIT FLORIDA making the debut. With spots limited to eight VF partners, we registered immediately thereby securing our VSPC participation! The road show comprised a series of four 60-minute virtual training seminars held each Thursday, whereby two VF partners were paired up to present during each session.

To break away from ‘traditional’ virtual formats, new twists were incorporated:

- For example, each session had a specific theme. St. Pete/Clearwater was the opening destination on **Oct. 8th** together with The Beaches of Ft. Myers and Sanibel presenting an “Insider Tips” theme.
- Creativity and interaction are key to our standing out and bringing our destination front & center in an extraordinary way. To this end, ‘personalized’ videos shot on location in the destination by Rosemarie Payne and her team featuring hot insider tips were included in our presentation. An official big Thank You to Rosemarie and team for the exemplary support in developing four fabulous video clips bringing our destination to life!
- Furthermore, we developed a thrillingly interactive ‘Treasure Hunt’ with ensuing live quiz to ensure attentiveness and ramp up the excitement during our innovative presentation.

220 trade contacts eager to educate themselves in preparation for meeting pent-up demand once borders between Europe and the U.S. open registered for this event. Our comprehensive PowerPoint presentation including Rosemarie’s video clips and our innovative treasure hunt garnered tremendous praise for its notable creativity and interactive highlights by the agents, VISIT FLORIDA and VUSA Germany!

This month we conducted our follow-up with all participants providing links to various informative destination website platforms along with pointing to order details for our Gulf to Bay destination magazine and eNewsletter subscription.

USA/Canada Experience, Netherlands (October 30th, 2020):

Original plan: The “USA-Canada Experience” is a two-day travel trade event giving supplier partners an exceptional opportunity to inform and educate the Dutch travel trade and conduct one-on-one sales meetings directly with product managers and tourism managers. A full-day workshop will see us holding comprehensive training sessions for over 120 agents from all over The Netherlands. The event will culminate in an exciting contest and travel prize raffle.

Updated plan: Due to the continued dramatic spread of CV-19 resulting in mobility and physical gathering restrictions, we received notification that an in-person event will not be held as planned this fall. In lieu thereof, the organizers have developed a *live community interactive concept* during which we will have the opportunity to conduct comprehensive (virtual) product presentations followed by an interactive chat session with participating travel advisors. Program details include:

- Full-day virtual event
- Four presentation blocks of 60 minutes each, three supplier presentations per block
- Integration of intermittent polls and quiz questions to ensure maximum participation
- Prize raffle at conclusion of event (we sponsored VSPC beach towels)

The training sessions were recorded and made available on VUSA Netherlands’ website for travel advisors to review. This new format was a great success and we received lots of positive feedback as well as several orders for our Gulf to Bay magazine.

Follow-up has been executed with all participants pointing to informative destination website links and eNewsletter subscription. Prize raffle winners were sent our plush VSPC beach towels.

Tioga Tours Virtual In-House eTraining, Netherlands (November 10th, 2020):

Originally planned for October, we conducted a virtual in-house travel advisor training this month with one of the top Dutch tour operators for the U.S., i.e. Tioga Tours. Twelve in-house reservation agents participated in the one-hour presentation comprised of comprehensive destination information, hot news, insider tips and recommendations related to visiting our area safely and responsibly. We joined forces with two Florida destinations: The Florida Keys & Key West and Naples, Marco Island and the Everglades. This was particularly well-received by the agents, since the combination of our destinations is among the preferred routes traveled by Dutch consumers whilst in Florida.

Our follow-up with the tour operator was completed, providing links to various informative destination website platforms along with pointing to order details for our Gulf to Bay destination magazine and eNewsletter subscription.

Visit USA Belgium Travel Advisor Training (December 3rd, 2020):

Due to the impressive participation in several B2B eTrainings conducted by our Visit USA Committees to date, we continue to proactively source additional avenues for virtual travel advisor training with various industry partners. An eTraining opportunity with the Visit USA Belgium has been secured, which will be conducted in cooperation with The Florida Keys & Key West and Greater Miami CVB next month.

This month saw us developing our innovative destination presentation and coordinating interactive elements with our presenter partners (e.g. ‘treasure hunt’ interaction). The Committee launched the announcement of our training session promoting it via several channels including their eNewsletter and social media network this month.

Del-Tour Travel Advisor Training, Belgium (January 14th, 2021):

For the beginning of 2021, we have secured yet another an eTraining opportunity with our tour operator partner Del-Tour in Belgium. Del-Tour’s dedicated agencies will be invited to attend an intensive one-hour ‘Florida’ session to kick off the new year. In partnership with The Florida Keys & Key West and Greater Miami, we will portray new developments in our destinations and integrate information on recommendations related to visiting our area safely and responsibly during the pandemic.

Additional Activity:

- Continued to participate in innumerable conference calls, tourism organization webinars, virtual sales calls, ongoing communiqués with our partners regarding situation status.
- Continued deployment of updates to travel trade partners promoting VSPC developments, website resources and VSPC campaigns while offering our ongoing assistance and support.
- Generated updates to HQ on developments around the CV-19 pandemic in Europe, etc.
- **Website Requests for Destination Magazines:**
2 requests received via the crm@simpleviewinc.com platform this month.

MARKETING INITIATIVES

With the onset of our new FY 20/21, we are proactively engaging with clients regarding development of potential initiatives in preparation for re-entry and recovery. We are in ongoing communications with industry organizations such as Visit Florida and Brand USA as well as tour operator partners and Florida destinations to explore future co-ops.

Meanwhile, we have received word from HQ that international budgets will be discussed and needs determined during Q1 of 2021.

Public Relations Support:

Kaus Media Services - VSPC's German PR Agency

This month saw us assisting the agency with the following:

- **Press Release November:** Proofread and corrected

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