

UK Office April 2019 TDC Report

Prepared by: Venessa Alexander
UK Director

Tour Operators

- **Travelbag** – We met with Suzanne Harvey, Head of Product, to get an update on business. She advised that room nights are fairly small to our destination, but she is keen to improve this with various actions from their side. They currently have a huge product range available to their customers, so they will be reviewing this in the coming months to ensure they have the right product for their customers. Key hotels booked in our area include; Sandpearl, Holiday Inn Harbourside, Hilton Clearwater, Hyatt Regency Clearwater, Sirata Beach, Sunset Vistas, Don Cesar and Tradewinds. For 2019 Orlando is performing well, particularly for villas and Universal hotels, however all of the beach areas are down compared to last year. She believes that customers have just been booking single centre holidays to Orlando, but she's keen to provide dedicated training to the sales agents to help support the increase in multi-centres itineraries. Bookings in January were good, then February slowed down, but it picked up for March and April. Overall for 2019, they are seeing a demand for Africa, Maldives and Caribbean particularly with AI packages due to uncertainty with Brexit. Approx. 20% of their business is booked online, and this is predominantly flight only for Las Vegas and Dubai. This year marks their 40th anniversary, so there will be some activity to support this which will launch in July. They will also go through a brand refresh highlighting their tailor-made services and driving customers to contact the call centre agents. They are also working with Brand USA on a campaign for later in the year and will launch their new website at the end of the year. The team at Travelbag consists of Head of Product and 3 Executives, so she is hoping to increase the team with 2 new Destination Managers for Indian Ocean and Australasia. Suzanne and Sebastien will continue to focus on the USA. We provided Suzanne with a destination update and followed up after the meeting with copy and images for use on their website.
- **Virgin Holidays** – We met with Fiona Lewry, Assistant Product Manager, who advised that business was generally doing well for them. It had quietened down over the recent couple of weeks as expected as people are away for the Easter holidays. She was confident that sales would pick up at the end of the month, particularly with the launch of their 2020 USA brochure and the Florida campaign. Resort fees still continue to be an issue for them and they are asking partners in our area to cap the total amount due rather than per night. She feels that this is hindering the longer stays. She is also working on a sales agent fam trip to our area and possibly Sarasota in early July, so we have offered our assistance in planning their itinerary. She is currently working on securing hotel rooms for the group of approx. 12 agents.

Meetings/Training/Events

- **Virgin Holidays** – We visited their head office in Crawley to provide dedicated training to their sales agents. We met with 37 agents and provided a detailed overview of the

destination as well as what's new. We also distributed Easter eggs, brochures, maps and giveaways.

- **Shuffleboard Event** – We have finalised our attendee list and have sent invites to our key partners. We have been working with Mackenzie to finalise the giveaways and t-shirts for our event. Most items have now been shipped to the UK and will be placed in branded bags along with brochures. We are also working with Rooster on food and drink options, as well as branding at the venue.

TRADE LIAISON

- **Virgin Holidays** – Amy Alfieri contacted us to advise that they have pushed back the launch of the Visit Florida campaign to ensure maximum exposure for their customers. The new dates will be 13th May to 16th June. The standalone activity we had previously confirmed will be pushed back also so it still runs alongside the Florida campaign. We will now have retail plasma screens included in our plan instead of web page banner to drive more engagement with the consumer. We have received some of the creatives for the Florida campaign and provided amends. We are working with Fiona to confirm a staff incentive for the sales agents in the call centre and retail, to launch during the Florida campaign. We are also working with Fiona to assist them with their in-house Fam trip which is due to visit our area at the beginning of July.
- **Virgin Retail** – Discussions have moved forward between ourselves, Brand USA and Virgin Retail and we are currently aiming to sponsor the Braehead Virgin Retail store in Scotland. We are currently waiting on the contract to be signed and confirmed by Brand USA after some clarification was needed. We are in the process of collating and providing Virgin Retail with assets they need to start working on this initiative including imagery for use on our lightbox and specific video footage we would like to provide for the dedicated plasma screen.
- **Funway Holidays** – Creative for the Florida's Beaches campaign has started to be received and approved. The campaign launched on the 8th April and will continue until the end of June so further elements will continue to be received in the coming weeks. We also provided Malcolm Davies with a sample goody bag that we will be providing (x5) as prizes for the trade element of this campaign.
- **Gold Medal Travel** –The retail promotion in partnership with Gold Medal has now ended and results will be provided in the next 6-8 weeks to capture as many statistics as possible, including any further after sales.
- **Visit Florida Sailing Regatta** – We have started work on the approval process in regards to our branding at the forthcoming Sailing Regatta that is taking place in May in partnership with Visit Florida.
- **IPW** – We have assisted Rosemarie and requested appointments for IPW with our UK, Ireland and Scandinavian suppliers/trade partners. Discussions are also taking place with the Florida Beaches partners to meet during the show to discuss the coalition and future plans regarding the attendance of joint trade shows in Scandinavia. We have also confirmed our attendance at the annual Visit USA Brits/Irish party event.

- **British Airways Summer Beach Event** – We had a call with Chris Perry, BA Media, to discuss the specifications for all of the creatives and the formats needed. They have offered us additional branding space within the lounge which was given as complimentary. We will now be producing the artwork, so we have provided the information to the US office so that BVK can begin working on the mock ups. We are working with Keri Mulqueen, BA Holidays to finalise the details of the holiday prize which includes flights, car hire and 7 nights' accommodation at The Sirata Beach Resort. We have provided Amelia with details of the competition so she can start work on the landing page which will contain the prize details and terms and conditions. We have also begun looking into sourcing some giveaways and other branded items for the lounge.
- **USAirtours/TravelPlanners** – Work continues on approving creative for the current campaign in partnership with USAirtours/TravelPlanners. The USAirtours Destination of the Month campaign that took place during March as well as the staff incentive that ran at the same time has now finished but results will not be received until all activity for both brands has been completed. The TravelPlanners section of the campaign will commence on the 1st May and run for 1 month.
- **Thomas Cook** – We have sent the Florida sales team some Easter goodies to show our appreciation for all of the business they book to St. Pete/Clearwater. This is ahead of the Florida Beaches campaign which launches this month, and were greatly appreciated. We have now received the creatives for our joint campaign, which were approved and launched this month. We have also started conversations with Ella to run a staff incentive and which will be launched during the campaign period to drive further bookings to our destination.
- **Ocean Florida** – The first period of the joint campaign with Ocean Florida that took place this month has now ended. We are currently waiting on creative to be sent for the July section of the marketing campaign and work continues to finalise all of the plans relating to this activity. Results for the full campaign will be reported at the end of August.
- **VSPC/SeaWorld Mega Fam** – We have been working with Michelle to provide the necessary information to secure accommodation for the group, who will be visiting in October. The flights have now been confirmed with Virgin Atlantic, flying from Gatwick into Orlando. We have scheduled a meeting with Simon Parry next month to discuss participants and proposed itinerary.
- **BA Holidays** – Keri Mulqueen advised that she will be visiting St. Pete/Clearwater next month to meet with key partners. We have provided her with contact details of the Wyndham Grand Clearwater and offered our assistance with her trip.
- **Funway Holidays** – We have confirmed a meeting with Melissa Tilling in June to discuss the performance of our destination.
- **Discover America, Sweden** – We have confirmed our participation in their travel agent event in Malmo, which takes place in September.

- **American Sky** – St. Pete/Clearwater was featured in their newsletter as part of a multi-centre trip with other Florida destinations. This was offered as complimentary.
- **Elegant Resorts** – Caroline Beckett advised that she is now on maternity leave so our main contacts going forward will be Tara Taylor who will be assisted by Toni Price. We have introduced ourselves and offered our assistance in the future.
- **Travel Counsellors** – Andrea Lovatt, Travel Counsellor, contacted us to advise that her customers are travelling to St. Pete/Clearwater this month. We have sent her a brochure, map and some giveaways to provide to her clients.
- **TradeWinds Resorts** – We provided The TradeWinds Resorts with a final statistics report from our recent campaign in partnership with Tour America in Ireland.
- **American Holidays** – We have been advised that they have now relocated their office in Dublin. It is a larger premise, still located in the city centre. We were also advised that John Devereux has stepped down as MD and that Ray Scully has been appointed General Manager of American Holidays and Hayes & Jarvis in Ireland and will lead the team from 1st May.
- **Discover America Scandinavia** - Karin Gert Nielsen provided an update of visitors to the USA for the period of January – October 2018 compared to the same period in 2017;
 - Denmark – 291.6k -0.3%
 - Sweden – 420.6 -1.7%
 - Norway – 242k -3%

From January 1st to October 31st 2018, a total of 1,191,301 Nordic travelers crossed the Atlantic Ocean, and even though this is still a slight decrease of -1.2% compared to the same period last year, it is a clear indication that the USA remains one of the top destinations on the Nordic market. As the 4th largest European market for traveling to USA, following UK (1st), Germany (2nd) and France (3rd), the Nordics are without a doubt an important part of the USA tourism.

- **Visit USA, UK** – We have provided two images for consideration for the front cover of the 2020 Visit USA Travel Planner magazine.
- **Visit USA, Ireland** – We have provided details of the rebrand and renovations at RumFish Resort for consideration in their next newsletter.
- **American Holidays** – We provided Dee Burdock, Product Manager with new image links for their future use.
- **Platinum Travel** – We provided Ciara Foley, Managing Director links to image files, video footage and general copy for them to utilise on their website and in any future Florida promotions they will be running.

ENQUIRIES:

MARKET INTELLIGENCE:

1 April 2019, Source Travelbiz

Wow Air collapse leaves thousands of Irish consumers' travel plans in disarray

Budget airline ceases operations and cancels all flights with immediate effect. Thousands of Irish consumers' travel plans in the months ahead have been thrown into disarray after Iceland's Wow Air ceased operations and cancelled all flights with immediate effect. A flight from Dublin to Keflavik which was due to depart at 10.45am and an inbound flight from Iceland which was due in Dublin at 9.30am were both casualties of the airline's collapse. The first signs of significant trouble came early on Thursday morning when the airline announced that it was postponing all flights and entering the final stages of an equity raising with a group of investors. Hours later it issued the statement passengers were dreading: "Wow Air has ceased operation. All Wow Air flights have been cancelled. Passengers are advised to check available flights with other airlines. Some airlines may offer flights at a reduced rate, so-called rescue fares, in light of the circumstances," the statement said. It suggested that passengers with travel insurance could claim compensation and assistance and ultimately will be able to claim for compensation in line with European regulation on air passenger rights. However, if the airline goes bankrupt then claims have to be filed to the administrator or liquidator and passengers become unsecured creditors and take their place at the end of a very long line of creditors. Aer Lingus said it would offer so-called "rescue fares", or discounted tickets, until April 11th to passengers who are due to fly on routes the Irish airline covers, if available. The arrangement falls under an international aviation agreement. The budget airline, which was founded in 2011, began flying from Ireland to Iceland in 2015, later adding destinations in the US and Canada to its Dublin schedule. It carried 3.5 million passengers last year. For months it has been fighting for survival and has been in talks with several potential rescuers, including larger rival Icelandair but all attempts at rescue have failed. The airline's collapse has triggered a cabinet meeting in Iceland although the government has already said it will not use taxpayer money in a rescue. "Passengers will quite rightly be appalled that Wow Air, was still selling tickets right up to the moment it collapsed knowing full well that any tickets sold would likely not be worth the paper they are printed on," said Rory Boland, the editor of British consumer group Which? He said passengers would first need to check if they had booked flights as part of a package and if they had they would have automatic protections. "If not, you may still be able to claim through your travel insurance or card issuer but it will depend on your circumstances," he said.

2 April 2019, Source TravelMole

TUI is upbeat about sales for summer 2020

A decision to launch its summer 2020 programme five months earlier than usual has paid off, says TUI, with over 100,000 Brits already booked up. It says families in particular are booking early, taking advantage of initiatives such as free kids, low deposits and a recently launched direct debit scheme. TUI launched its summer 2020 programme in November and on April 25 will add a further 2,000 hotels. It said more than 60% of bookings have been for mid haul destinations such as Cyprus and Canaries while the Greek islands, including

Rhodes, Kos and Zakynthos, are also performing strongly. Florida has been a popular long-haul family option and more than 15,000 passengers have already booked 5T platinum hotels. Commercial director Richard Sofer said: "We have seen a really positive response since launching our programme even earlier than usual and we are pleased to be adding further hotels to our 2020 summer offering." But the grounding of the 737 MAX aircraft continues to disrupt TUI's business this year. Last week it warned that it will take a hit of around €200 million and expects a 17% drop in full-year profits year on year. It predicted a further impact of €100 million if Boeing doesn't find a satisfactory fix and the aircraft stays grounded until the end of September, resulting in a drop in profit of 26% compared to last year. TUI has 15 737 MAX aircraft and had another eight due to delivery by the end of May.

3 April 2019, Source Travel Weekly

'Massive discounts' fuel fears for summer pricing

Fears are rising of a summer price war as the trade reports high levels of premature discounting and unusually competitive offers in the European beach market. Some agents and operators reported unprecedented discounts, offers and low deposits for the time of year, with one retailer pleading with suppliers to hold their nerve on price as the impact of Brexit uncertainty continued to hit holidaymakers' choices. Traditionally, discounting increases in the June lates market as suppliers look to sell off unsold stock at cheaper prices. Mark Godden, Cruise Circle product development manager, said: "The level of discounting is among the highest I've seen. There is a lot of distraction out there and trying to get people to focus back on their holiday is challenging." Jeanne Lally, joint managing director of Travel Bureau, agreed, saying: "There is some premature discounting going on and the market is flat at best. Brexit has definitely dampened demand. 2020 is selling well. But for 2019, people are sitting tight. Suppliers need to do what they need to do." Rachel Brinkley, Fred Olsen Travel cruise development manager, said discounting had worsened in recent weeks. She said: "I have noticed massive discounting. This has caused our homeworkers to struggle a bit. Our 13 shops are finding that suppliers have really dropped their pricing. It is more competitive and we're price matching with OTAs." Examples of discounts or unseasonably low offers include up to 40% off Hayes & Jarvis breaks; up to 50% off Saga river cruises; and low deposits, including £49 per person on Travelsphere's European and worldwide bookings made until April 25. Mercury Holidays has extended its spring sale with savings of £50 on package breaks. Baldwins Travel joint managing director Nick Marks said: "Our message to suppliers is 'please don't panic, and don't discount'." Some in the trade downplayed fears of a price war but said suppliers were throwing in extras. Simon Morgan, chief executive of Welsh miniple Tailor Made Travel, said: "Overall there are reductions in wholesale prices due to the uncertainty caused by Brexit." Karen Allen, manager of Aspen Travel, said: "[Suppliers] are not discounting but a lot are offering Brexit guarantees, low deposits and value-adds like free pickups." Saga Holidays managing director Maria Whiteman said there was more discounting than she had ever seen at this time of year, but stressed operators had no choice. "Anyone with commitments is heavily discounting because they have to pay for that flight or bed, so we can't hold our nerve." Some agents and operators have reported a high number of discounts, offers and low deposits for this time of year due to a flat market triggered by uncertainty around Brexit.

4 April 2019, Source Travel Mole

American Airlines boosts its London-Miami service

American Airlines will increase its weekly Heathrow-Miami service this winter to twice a week. The move means there will be one flight a day operating Monday to Friday from October-March from Heathrow to Miami International Airport, with codeshare partner British Airways which flies three times a week. Rhett Workman, managing director of London Heathrow for American Airlines, said: "This will be American's biggest year yet at Heathrow with an additional flight to Miami and new year-round service to Phoenix. "We're not only giving customers in the UK increased access to the warm winter sun destinations they want, but also working with our partner British Airways to better meet the demand for premium seats in important markets and connecting hubs like Philadelphia."

5 April 2019, Source TravelMole

Visa-free travel to EU guaranteed, deal or no deal

Confirmation from the European Parliament that UK citizens won't need a visa to travel to Europe regardless of whether Britain leaves the EU with or without a deal will boost confidence about travel post-Brexit, says ABTA. The ruling means that UK citizens can travel to the EU visa-free for stays of up to 90 days within a 180-day period, deal or no deal. ABTA chief executive Mark Tanzer said: "It follows on from the confirmation a few weeks ago that flights will continue to operate, even in a no deal. This means that two of the most important concerns for UK tourists and business travellers visiting the EU have been addressed and will provide a further boost to confidence about travel to the EU after Brexit." However, he said it was still important for the travel industry for the government to secure a deal from the European Union. "While it is encouraging that these issues have been addressed, securing a deal is very much the preferred outcome, and we encourage parliamentarians to explore all options to avoid a no-deal," he said. "With the ongoing uncertainty about how and when the UK will leave the EU, it is difficult for travel businesses to predict what will happen, so it is important members continue to plan and prepare for any eventuality."

5 April 2019, Source Travelbiz

One in five parents have cancelled or delayed a holiday to give their children more time to revise, study finds

21 per cent of parents have sacrificed at least part of a holiday to help their child to concentrate on revision, online educator MyTutor claim. Another 63 per cent said they have considered it but not followed through. Research comes as GCSE and A-level exams are looming as well as the Easter holidays. Parents always want their children to excel in exams but now it seems they are prepared to go one step further to help. One in five has opted to cancel or delay a holiday to give their offspring more time to revise, according to a study. Looming GCSEs and A-levels have prompted 84 per cent to consider making such a sacrifice but 21 per cent actually did so. The findings by online education company MyTutor mark a cultural change from previous decades when parents would carry on with their lives as normal, irrespective of their children's schooling. In the survey of 2,000 parents in the UK, more than three-quarters of families feared that going on holiday ahead of exams would harm their children's results. A similar proportion said they would be too stressed to enjoy a break during the Easter holidays when pupils are usually busy revising for their crucial GCSEs and A-levels. Bertie Hubbard, chief executive officer of MyTutor, said: 'We know that exams are a stressful time for students, and it's important that they are given the space to revise in the run-up.' However, he warned against putting too much stress on pupils. 'Just as important during this high-intensity time is student well-being, which is why it's worrying this research

shows that holiday work makes the Easter holidays a period of unnecessary stress for families,' added Mr Hubbard.

8 April 2019, Source Skift

Visit Florida's Future Is Up in the Air (Again)

Destination marketing money is again a political football in Florida, a state that 126 million people visited last year. As governments around the country examine their stance on publicly funded self-promotion, will the Sunshine State stay the course? The Sunshine State's official tourism marketing body is finding itself — once again — with clouds on the horizon. Visit Florida is stuck in the middle of a budget battle between the state's legislative bodies, a familiar position. But there's a new twist this year: The organization's very existence is at risk, with authorization scheduled to expire on Oct. 1 of this year. "It makes our job a little harder," said Dana Young, who became the organization's president and CEO in January. "Because rather than just dealing with the budget, we actually need to affirmatively pass a piece of legislation." Executives and board members of Visit Florida say they are optimistic that there will be a solution before the state's legislative session ends on May 3, and they and industry stakeholders have been pleading their case to lawmakers. The number of visitors reached a record in 2018, increasing 6 percent to 126.1 million. Visit Florida says that out-of-state visitors spent almost \$112 billion in 2016, and argues that every dollar invested in the organization yields a return of \$2.15. But as they wait for that message to get traction, those who work in travel and tourism — a major economic driver in the state — are watching and worrying. "My members are just petrified that something could happen," said Carol Dover, president and CEO of the Florida Restaurant and Lodging Association and the chair of public affairs for Visit Florida's board. For Virginia Haley, president of Visit Sarasota County and vice chair of the Visit Florida board, the uncertainty has been a distraction. "I would call it very disruptive," she said. Haley is finalizing the first draft of her organization's fiscal 2020 business plan and budget, counting on Visit Florida to still be in operation, while communicating with the industry players and urging them to get in touch with elected officials. "It takes a lot of time and effort," she said. "In a year when we were dealing as a state with red tide and hurricanes, it's an additional level of stress." Visit Florida last found itself under serious threat in early 2017, when lawmakers came to an initial agreement to slash the budget to \$25 million from the previous year's \$76 million. Ultimately — after several months and a special legislative session — they agreed to approve full funding, with several caveats tied to transparency and spending controls. That followed outcries over celebrity contracts with personalities such as Miami rapper Pitbull and chef Emeril Lagasse. In the Pitbull case, the performer tweeted his contract in December 2016 after Visit Florida first declined to release it, citing trade secrets. That decision prompted a lawsuit from then-House Speaker Richard Corcoran. The debacle forced the departure of Visit Florida's CEO, chief financial officer, and chief marketing officer at the end of 2016. Its next CEO, Ken Lawson, was tasked with steering the organization in a more fiscally responsible direction — and fighting for funding — after he was named to the position in January 2017. "There were a lot of self-inflicted wounds that Visit Florida had to deal with two years ago," Haley said. "I think the difference is Visit Florida has been able to prove that it is a highly effective organization with the transparency rules, with the closer scrutiny". This year, newly elected Gov. Ron DeSantis chose Lawson to head the state's department of economic opportunity. He named Young, a former state legislator, to head Visit Florida in January. DeSantis asked for legislators to grant Visit Florida \$76 million in his budget proposal, a request that was well-received among the travel industry. That's the same level of funding the organization received for the current fiscal year. "We have a new governor who is pro-tourism," Mark

Bonn, a professor and director of resort and vacation management at Florida State University's Dedman School of Hospitality, said in an email. "I'm not worried a bit about what will happen with funding this year or for the next three years, for that matter. ... I really see no reason to expect the legislature not to fund the budget at 100 percent request or even more than at the 100 percent requested level." But the Florida Senate has proposed \$50 million for Visit Florida for the coming year, while the House of Representatives allocated \$19 million in funding — enough to support it at current levels through the end of September, when authorization runs out. Both passed their own budgets last week, and now must negotiate to find common ground. The bill that would strike the expiration date, a not-unusual condition for an organization like Visit Florida, has not moved forward. Several tourism insiders said, however, that some in authority have a philosophical objection to spending taxpayer money on tourism promotion — especially in a place like Florida. "Some people have the belief that you have the resources, the beaches, the sunshine, and the theme parks ... you don't have to do anything to promote and market your product," said Youcheng Wang, dean of the University of Central Florida's Rosen College of Hospitality Management. "This is a typical concept of 'If you build it, they will come.' As a matter of fact, it has been proven case by case that is not going to happen." Experts pointed to the case of Colorado, which ceased funding its tourism board in 1993, as an example of a fate Florida wants to avoid. An oft-cited report by Longwoods International says the state initially lost \$1.4 billion a year in tourism revenue, a figure that grew to \$2 billion annually. "I think it would be foolhardy to make rash decisions on tourism marketing funding that could leave us in a place that Colorado has shown is a pretty lonely place to be," Young said. Local destination marketing executives said Visit Florida has been a crucial partner in a difficult year. Hurricane Michael hit the Florida Panhandle, where Panama City Beach is located, in October. While the storm slammed parts of the county, Panama City Beach itself bounced back quickly. Visit Panama City Beach increased its marketing efforts to ramp up for spring, and got a \$250,000 grant from Visit Florida to boost its program. Haley said "We've seen some slight improvements coming back in our tourism numbers; that just would not have happened without the financial support," she said. Even without a crisis, Haley said Visit Florida makes it possible to reach an international audience through sales missions, trade shows, or cooperative advertising programs. And in the meantime, the organization is planning as if it will still exist in October. "We have campaigns that need to be launched and we have things that need to be done," Young said. "We are not going to miss a beat. We're going to go full steam ahead until such time as that is not possible."

10 April 2019, Source TTG

Virgin Holidays concessions trading normally despite Debenhams crisis

Virgin Holidays has said it is "working closely" with Debenhams following the announcement that the department store had been taken over by its lenders. Virgin Holidays has 36 concession stores among the 166 Debenhams branches. As part of a "pre-pack" administration process, 50 of the department store's branches will be closed in the future, although details of where these will be have not been disclosed. A Virgin Holidays spokesperson said: "Our 36 concession stores are currently trading as usual. "We'd like to reassure customers who have booked through a Debenhams store that it will have absolutely no impact on their holiday, and that future customers can continue to book with confidence." Debt-laden Debenhams is now in the hands of banks, including Barclays and Bank of Ireland, plus a bunch of US investment firms.

1 April 2019, Source Travelbiz

Virgin Atlantic books another loss as consumer uncertainty rises

Virgin Atlantic has posted its second consecutive year in the red as the airline was hit by the Brexit-hit pound, economic uncertainty and engine woes. The carrier - founded by Sir Richard Branson - posted a statutory loss of £38.9m (€45m) in the year to December 31, which compares to £65.5m (€76m) in 2017. Stripping out exceptional items, the firm posted a £26.1m (€30m) loss. Its performance was dragged down by "softer consumer demand" linked to economic uncertainty and the weakness of the pound versus the dollar following the Brexit vote, which has knocked demand from UK travellers. As well as sterling woes, the group was impacted further by faults with Rolls-Royce Trent 1000 engine parts, which led to some of its Boeing 787 Dreamliners being grounded. The issue has impacted upon a raft of airlines, including British Airways. Chief executive Shai Weiss said: "While a loss is disappointing, our performance has improved in 2018 despite challenging economic conditions and put us on a trajectory for growth and return to profitability. "And, the acquisition of Flybe will secure the future of Europe's largest regional airline, extending the Virgin Atlantic experience and delivering more choice for customers connecting from the UK and Europe on to our long haul network." As part of the Connect Airways consortium, Virgin recently bought Flybe. Total revenue at Virgin increased by 5.8% to £2.8bn (€3.2bn) in the period, which included Virgin's first positive passenger unit growth since 2014 at 1.7%. The firm booked a 4.8% growth in passenger numbers to 5.4 million. Virgin Atlantic is 49% owned by Delta, 20% by Sir Richard's Virgin Group with Air France-KLM holding 30%.

11 April 2019, Source TravelMole

Brexit delay is 'good news' for the industry

ABTA chief executive Mark Tanzer believes a Brexit delay is good news for the industry. The European Union has granted the UK a six-month extension to October 31. Tanzer said: "This is good news, and it should give people total confidence to book their holidays or business travel plans, knowing that nothing will change in the short-term. "It also gives travel businesses some respite from immediate no-deal planning, but with no-deal still possible in the autumn, uncertainty remains about the future. "It is essential that government and MPs use this additional time to find a solution, and one that avoids a no-deal exit. During this time, ABTA will continue to provide advice and support to members to help them with their Brexit preparations, lobby the government on the priorities for the travel industry and work to support consumer confidence."

12 April 2019, Source Travelbiz

Airline and travel shares soar on Brexit extension; markets see UK still in EU still by end of year

Shares in airlines, including Ryanair and Aer-Lingus-owner IAG, as well as travel giant TUI soared, as the threat of any disruption from Brexit was put off beyond the industry's most profitable summer season. The extension granted by EU leaders to the end of October for the UK to sort out its Brexit political crisis lifted the looming threat of major profit hit any shorter extension to the end of June may have entailed for the travel industry. EasyJet shares soared 9% and travel giant TUI rose steeply by 8%, while shares in Ryanair and IAG, which also owns British Airways and Iberia, climbed by over 5.5%. Airline shares have been under pressure in recent months from rising fuel costs but the Brexit extension at least removes one immediate threat to earnings for the time being. Chris Beauchamp, chief market analyst at online broker IG, said investors appear to be relieved that tourists won't face lengthy passport

delays this summer. Against the euro, sterling, which has long been a reliable measure of the threats of a hard Brexit or Britain crashing out of the EU, was little changed, at 86.17 pence. Markets economist Oliver Jones at Capital Economics in London said sterling and betting markets indicated that the currency is “set for a period of uneasy calm, as things are not likely to become much clearer until the new Halloween deadline is looming”.

12 April 2019, Source TravelMole

TUI slashes prices to kick-start sales after Brexit delay

TUI is offering Brits £100 off two-week European holidays in a bid to kick-start bookings after the Brexit deadline was extended until October 31. It hopes to incentivise customers who have been waiting to book their summer holiday 'to take a well-deserved break from Brexit'. Discounts are available on TUI and First Choice holidays to over 40 beach and city destinations. "We have seen that people have been waiting to decide and now there's no reason not too; we think Brits really deserve a break from Brexit," said managing director, Andrew Flintham. All offers are available online and in shops until Monday April 15 at 23.59. The Brexit delay, confirmed yesterday, helped boost TUI's shares by 7%. EasyJet shares were also lifted by more than 8%, Ryanair's by 5% and British Airways' parent IAG also saw a 5% jump. Yesterday, ABTA said the further delay would give travel companies some respite and would give customers the confidence to book. Chief executive Mark Tanzer said: "The Brexit extension provides certainty for people's travel plans going into the summer, meaning they can continue to book and travel without the uncertainties that come with a no-deal Brexit."

15 April 2019, Source Travel Weekly

Virgin Atlantic plots ‘dramatic’ Heathrow growth

Virgin Atlantic plans “dramatic expansion” at Heathrow and intends to take on British Airways as “a second UK flag carrier” when a third runway opens. Shai Weiss, Virgin Atlantic chief executive, believes the airline’s joint acquisition of Flybe in February will radically strengthen his argument to obtain more slots at Heathrow. Weiss told Travel Weekly: “You have to see the acquisition of Flybe in the context of the third runway.” Flybe was “minutes away from liquidation” in January when Virgin Atlantic stepped in with US private equity partner Cyrus Capital and Southend Airport owner Stobart Group to buy the regional carrier. The deal was completed when the consortium, christened Connect Airways, bought out Flybe group shareholders in March. The takeover is awaiting final regulatory clearance. Weiss said: “We saved over 2,000 jobs and 1,400 pensions at Flybe. It’s a great opportunity to feed passengers into Manchester and Heathrow.” Flybe operates 12 take-off and landing slots at Heathrow and 340 at Manchester. However, Weiss said: “Our aim is to expand dramatically at Heathrow once a third runway is in place. To do that, we need to change the way slots are allocated at Heathrow.” He argued: “British Airways continues to have a dominant position [at Heathrow]. Politicians understand the need for more competition. Britain needs a second flag carrier from Heathrow [and for that] we need significant slots at Heathrow.” British Airways and parent company IAG currently hold about 55% of slots at Heathrow. Weiss said: “We need to change the slot regime at Heathrow. I’m sure it will change [and] we are the only credible carrier [to take advantage]. “The decision [on a third runway] will be taken in the next 12-24 months. We bought Flybe to demonstrate we are serious about feeder traffic. This is a step towards a third runway at Heathrow.”

16 April 2019, Source TravelMole

Brits take advantage of back-to-back bank holidays

Over 3 million people will take advantage of the back-to-back bank holidays in the next few weeks to take a long holiday, according to ABTA. Its research found 23% of Brits plan to take a holiday over the Easter period and 26% of these are either taking annual leave themselves between this Friday (April 19) and the May bank holiday (May 6) or are travelling with someone who is. The timing of the holidays mean savvy Brits can take just nine days off work in order to enjoy a two and a half week break. "Not only do people have the opportunity for a longer break, with Easter being so much later this year many destinations that are closer to home will appeal as the weather is likely to be warmer than Easter 2018," said ABTA chief executive Mark Tanzer. ABTA said its members are reporting that Florida, New York, Vietnam, Israel, the Maldives, Japan, Mexico and Dubai among some of the most favoured destinations over the Bank Holiday period, alongside Majorca, Turkey, mainland Spain, Egypt, Tunisia, Cyprus, Malta, Madeira and the Canary Islands. ABTA is also hoping many Brits will use the Easter weekend to plan their summer holiday, particularly in light of the Brexit extension. "The Brexit extension should give people total confidence to book their summer holidays and travel arrangements, knowing that nothing will change regarding travel arrangements to the EU throughout the summer," added Tanzer.

17 April 2019, Source Travel Weekly

Brexit delay: Trade hopes for sales lift

The trade is predicting a much-needed bookings bounce with the decision to delay Brexit tipped to release pent-up demand for this summer. The Brexit delay until October 31, announced last Thursday, is expected to give consumers more confidence to book summer holidays. Operators and agents reported an immediate sales uplift and called the announcement a "short-term boost", giving a "breather". The news follows fears of a price war after months of Brexit uncertainty. Summer bookings were flat year on year up to April 13 following weeks of trading below last year's levels. Abta led the buoyant response as it anticipated three million holidaymakers would go away this Easter and May Day, and predicted many would use the breaks to book summer trips. Chief executive Mark Tanzer said the delay "should give people total confidence to book their holidays knowing nothing will change in the short term". He added: "It also gives travel businesses some respite from immediate no-deal planning, but with no-deal still possible in the autumn, uncertainty remains." Aito director Noel Josephides said: "The end of October sees the end of the main summer season for travel bookings and, if we exit the EU then, it will be an easier time to do so from the industry's perspective." But he warned: "The pressure will simply transfer to winter season bookings." Tui slashed £100 off "hundreds of thousands" of packages booked in the five days after the delay announcement. Independent operators and agents were upbeat. Paul Waters, director of 18-branch agency Premier Travel, said: "Sales have improved – our branches have been much busier following the announcement." Miles Morgan, owner of Miles Morgan Travel, said: "I'm confident of a post-Easter boost in bookings."

17 April 2019, Source TTG

Gold Medal and Travel 2 sales 'resisting market uncertainties'

Gold Medal and Travel 2's "keep your nerve" approach to an uncertain trading climate seems to be paying dividends, with the latter seeing 8% sales growth year-on-year. While Gold Medal's sales have remained "flat" in recent weeks, managing director of the sister brands Lisa McAuley is confident both are trading "ahead of the market". "There is so much uncertainty, it can paralyse you," she told TTG. "But we went really strong into peaks and it

seems to be paying off. It's about keeping your nerve." Specialist areas have proven prosperous for Travel 2, with cruise up 63%, and touring 10%. Growth areas for Gold Medal include the Maldives, up 19% year-on-year, and Japan, up 45%. Florida is proving "challenging" though. Passenger numbers for Pure Luxury and Simply Luxury have grown, but they have seen selling prices dip year-on-year. McAuley reported forward bookings for 2020 as "very strong", but admitted sales for this summer were "more of a challenge". However, the operators benefit from long lead-in times, she stressed. "My gut instinct is we are outperforming the market. It is tough, though." She added she was confident demand for holidays would flood back this summer.

17 April 2019, Source Travolution

Easter triggers rise in online bookings

A rise in online bookings for airlines and travel agents in the UK in the build-up to this year's Easter holiday is predicted. Analysis of spending in the three weeks leading up to 2018's Easter Sunday found that online travel bookings rose by more than a third (35%) to the previous year, according to data from payments giant Worldpay. UK travellers are booking with airlines around three weeks in advance, the analysis revealed. Booking volumes slow by 6% in the week leading up to the Easter bank holiday weekend when compared to the previous two weeks, indicating travellers' preference for planning rather than trying their luck with last-minute bargains. The level of airline bookings increased by 40% last year, as budget conscious travellers made the most of increased competition by creating their own DIY Easter trips, with the average booking cost falling by 12% year-on-year. Online travel agents also saw similar increases ahead of the Easter period with booking volumes rising by 37%, and the average value of bookings jumping by a quarter over 2017. This could indicate a growing trend for travellers turning to OTAs to book complete packages over designing their own trips, according to the company. Thomas Helldorff, vice president for airlines and travel, global enterprise e-commerce at Worldpay, said: "The travel industry has seen a real shift in how holidaymakers research and book their holidays. "Mobile is the fastest growing commerce channel in the UK as travellers use smartphones to browse prices, book holidays and ancillaries throughout their trip. "If travel operators want to stay ahead of the curve, they must optimise the booking experience, embedding seamless and secure payments across all major channels – making it even easier for their customers to book and pay wherever they are."

18 April 2019, Source TravelMole

More Brits plan to increase holiday spend in next 12 months

More Brits plan to increase their holiday spend over the next year, according to research by Mintel. The Mintel study reveals 27% of British holidaymakers expect to spend more on holidays over the next year - up from 22% in 2017. But 43% say that Brexit uncertainties have made them more cautious. The survey of 2,000 holidaymakers found 28% expect to take more holidays of a minimum of four nights in the next 12 months, compared to 23% in 2017. A third (30%) said they are more likely to book an all-inclusive holiday in 2019. Mintel travel analyst Marloes De Vries said more travellers are likely to consider staycations or lower-cost destinations such as Turkey and Tunisia, but added the Brexit delay could boost summer holiday bookings as 'consumers will be more reluctant to commit to trips later in the year'.

23 April 2019, Source TravelMole

Thomas Cook circled by potential bidders

Chinese firm Fosun International is being tipped as a front runner for control of tour operator and airline group Thomas Cook. Fosun operates a Chinese joint venture with UK based Thomas Cook and raised its stake in the business earlier this year to just over 17%. Fosun is now the largest single shareholder. Thomas Cook has reportedly received approaches from suitors for the business but no formal offers have been made yet. The world's oldest tour operator put its airline business up for sale earlier this year and recently announced it will close 21 travel agency stores across the UK. Thomas Cook has an annual turnover of more than £9 billion but issued a second profit warning last year due to weak demand for overseas holidays. Its share price has plunged 80% in the past year. Thomas Cook has indicated all options are on the table as it pins its hopes on investments in owned hotels, which have generally been more profitable. Fosun also owns Club Med after paying more than \$1 billion for the French resort group in 2015.

24 April 2019, Source TTG

Cook shares soar nearly 20% amid sale speculation

Shares in Thomas Cook soared to their highest price in more than a month by close of play on Tuesday (23 April) amid speculation over potential new investment in the business, or a sale. The value of Cook's shares rose nearly 20% over the Easter weekend from £0.245 to £0.290 (up 18.3%) following reports of fresh interest from Chinese minority shareholder Fosun International. Fosun has steadily increased its stake since in the business to 17% after entering in September 2016 into a joint venture partnership with Cook to create Thomas Cook China. Other suitors, according to Sky News, include EQT, owner of Switzerland's Kuoni Group, and KKR, the London-based owner of Travelopia. Both firms have distanced themselves from the rumours. Its share prices remain a far cry, though, from the near £1.50 they commanded last May. Cook issued two profit warnings late last year, eventually posting a group-wide pre-tax loss of £163 million while net debt increased from £40 million to £389 million. The operator has placed its group airline up for sale and plans to shut a further 21 retail stores, placing 320 jobs at risk, amid a shift in focus towards its digital channels and own-brand hotel operation. Cook is due to reveal its full-year results 2018-19 next month.

24 April 2019, Source Travolution

Wowcher makes deals bookable online

Deals publisher Wowcher hopes to attract more trade partners after making its site bookable for the first time. Customers can now make a travel booking, including flights, in a few minutes on the site. Previously, they were required to contact the merchant, often a tour operator or travel agent, to redeem flights and confirm bookings – which could take up to 48 hours. Wowcher, which has about 18 million subscribers, said the new features would allow travel partners, which do not have the infrastructure to take high call volumes from its customers, to add deals to the site. It hopes this will attract more firms to promote deals via its platform. Jetline Holidays, Viva Holidays, Moresand Group and Worldwide Travel & Tours are among Wowcher's key travel partners. It is set to confirm Broadway Travel and another travel partner by the end of the month. Deals on the site include a three-night city break to New York with return flights for £499 – reduced from £2,111. Paul Constable, general manager for travel at Wowcher, claimed the new technology set it apart from its market rivals, which include deals publishers and price comparison sites such as Travelzoo and Icelolly.com. He added. "This is the first of many innovations we're launching in 2019 to make the experience even better for customers." The technology was developed over a six-

month period before its soft-launch last month. Steven Roberts, managing director of Jetline Travel, parent of Jetline Holidays, said the booking technology “makes the whole process easier” for customers. “Without the technology, the deal could be a week old by the time the customer calls us,” he said. “Now it is all about the quality of deal.”

25 April 2019, Source Travel Trade Outbound Scandinavia

Norwegian losses one billion Danish first quarter

The grounding of Boeing 737 MAX 8 aircraft is expected to cost budget carrier Norwegian up to £45 million. Announcing a net loss of £133.5 million for the first quarter of 2019, compared with £4 million during the same period last year, the airline said it was currently assessing the financial impact of the temporary worldwide ban on MAX 8 operations since the aircraft was involved in two fatal accidents just months apart. Norwegian has 18 of the 737 MAX 8 in its fleet and further deliveries of the model have been put on hold. In an update this morning, chief executive Bjorn Kjos said the negative effects from the grounding was up to NOK 500 million (£45m). He added: “We have had some productive meetings with Boeing where we have discussed how we can manoeuvre through the difficulties the MAX situation is causing Norwegian.”

26 April 2019, Source Travelbiz

Instagram replacing travel brochures as survey finds social media influencing half of holidaymakers' choices

Instagram has replaced the travel brochure with holidaymakers now choosing destinations based on social media rather than travel agents, a survey has found. Research for easyJet of 18 to 65-year-olds showed more than half (55 percent) had booked trips purely based on images they had seen on the social network. Almost a third (32 percent) of the more than 2,000 people surveyed also admitted their biggest motivation when picking a location was how nice the photos will look on their own Instagram feed. The research found holiday makers were now taking an average of 2,500 photos during a week’s holiday in a bid to find the perfect shot to post online. Daniel Young, Head of Digital Experience at easyJet, said: “As people’s attention turns to booking their summer holidays our research shows that they are not only turning to social media to showcase their travels but also to inspire their next adventure in the first place.” As more people glean holiday inspiration from social media, the study found destinations that provided scenic or visually-striking backdrops were growing in popularity.