

## UK Office December 2019 TDC Report

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### Tour Operators

- **Virgin Holidays** – We had a meeting with Emma Hook, Product Manager, Fiona Lewry, Product Executive and Amy Alfieri, Marketing Manager to discuss co-op for the current fiscal year. This was a follow up meeting to the meeting held at World Travel Market. Amy is new to the team and marketing generally is short staffed after the merger of the Virgin Atlantic and Virgin Holidays marketing teams. We discussed a number of options including participation in the May Visit Florida campaign and are currently awaiting a proposal which has been promised around the end of January 2020.
- **BA Holidays** – We had a meeting with Kate Bigger, Destination Manager and Kara Widdows, Product Executive regarding co-op marketing opportunities. We advised them after the very poor performance of their Visit Florida campaign we did not want to participate in this campaign in 2020 but wanted to look at some fresh ideas including a possible West Coast Florida marketing campaign. We have since had a follow up call and are awaiting a proposal.
- **American Holidays (Ireland)** – We had a meeting with Dee Burdock, Product Manager, who advised their Florida numbers are slightly down (about 10%) vs 2018. They had a slow January and haven't been able to claw back the difference where they lost ground at the start of the year. At the moment their 2020 numbers are on par with the same time in 2018. Dee attended the joint Kissimmee FAM in November and was therefore up to date with some of the new developments and changes. We provided a detailed update on the new hotel openings and St Pete Pier development.
- **Tour America (Ireland)** – We had a meeting Liz Wright, Product Manager who advised there is a big opportunity for their cruise division from 2021 because of the new Tampa departures with Celebrity and Holland America. We will be following up on this throughout 2020 with assistance on product and content. We provided detail on the latest Don CeSar renovations, new hotel openings in the area, the Museum of American Arts & Crafts Movement and St Pete Pier development.
- **Ocean Holidays** – A meeting and lunch were hosted with the marketing and product team at Ocean Holidays to discuss a joint co-op marketing proposal that is being worked on at the moment for spring/summer 2020. We also had the opportunity to drop off Christmas treats, literature and the most recent 'New & Now' newsletter to their sales staff and have conversations with the majority of the call centre staff whilst we were there.
- **Secret Escapes** - A meeting was requested by Paul Scott from Secret Escapes to discuss the possibility of working together in the future. Secret Escapes are a flash sale website with currently 9 million active members. They contract hotels directly to be able to get the best available rates and work on a commission and discount basis and ask for a 20-

70% discount from their hotel partners. They currently send 8,000 passengers to the USA with 5,000 of these travelling into New York.

### **Meetings/Training/Events**

- **Virgin Holidays Peak Launch** – As a sponsor we attended the very successful Virgin Holidays Peak Launch that took place at Centre Parks in Woburn, United Kingdom from 4<sup>th</sup> – 6<sup>th</sup> December 2019. We have received excellent feedback from everyone who thoroughly enjoyed our training sessions that incorporated our cornhole game and virtual reality headsets. We saw a total of 200 sales staff and had many opportunities to network with staff from their national retail agency network and as such have been asked by some stores if we would be able to visit them in the spring of 2020. We will revisit this in March 2020 to arrange specific trainings for these agencies.
- **American Holidays (Ireland)** – We conducted a training presentation to four members of sales staff based in the Exchequer Street office in Dublin. All of those present were provided with area maps and guides.
- **Tour America (Ireland)** – We completed a training presentation to 13 members of the sales staff based in the Dublin head office. The majority of the group have never travelled to the destination before and were interested in the variety of accommodation available and things to do, as well as dining and leisure options. All of those present were provided with area maps and guides.
- **Platinum Travel (Ireland)** – We completed a training presentation to three sales staff and included details from the latest ‘New & Now’ update on new hotels, Don CeSar renovations and the St Pete Pier development. All three were provided with area maps and guides.
- **Visit USA Ireland** – We attended the AGM on the 3<sup>rd</sup> December to provide an update on St Pete/Clearwater and listen to market updates from Irish operators as well as market information from other US suppliers. We thanked everyone for their support and business and provided details on new hotel openings/renovations, the St Pete Pier and the opening of the Museum of American Arts & Crafts Movement. The US supplier updates were: Hertz reported that bookings were down but revenue is up. They are keen to partner with Irish operators on FAM trips whenever possible; Air France/KLM/Delta provided detail on economy cabin enhancements and also said their direct service DUB-BOS will be increased over the Christmas period and again from March through October. There are also more connections available DUB-ATL and CRK-PAR (connecting Paris to US gateways); Brand USA confirmed the mega-fam will be taking place from 29-Apr to 07-May and the incentive for this is currently running on the USA Discovery programme. They also advised the Brand USA travel week will take place again in September 2020 in London. Irish operators will again be fully hosted. The Irish operator updates were: Click & Go, OTA based in Dublin, reported positive increase YoY for New York and Florida but Las Vegas was down. Cruise is pushing the positive position for the aforementioned destinations; Bookabed advised their US numbers are doing well and they are adding new DMCs and hotel chains onto their platform. 2020 forward numbers are good but there has been some drop-off in recent weeks. Additionally, Bookabed is now the GSA in Ireland Flexible Autos and their US hires are +20% YoY for 2020 already; Sunway Holidays are showing as flat for 2019 but +4% for forward 2020 bookings. They produce 3 brochures

and offer guided & escorted tours as well as cruise & stay which is doing well; Fly-Drive USA have had a very good 2019 and social media has helped to significantly drive their business; The Travel Department's US tours are selling well and it was interesting to note that 15% of their bookings were from UK regional departures. There was also a representative from the US Chamber of Commerce, who provided statistics on Irish resident arrivals to the US – passenger numbers were -6.9% in October '19 vs October '18. 2019 YTD passenger arrivals were -2.9% vs 2018. Ireland is ranked 20<sup>th</sup> for international visitors to the USA.

- **SeaWorld Parks & Entertainment** – A meeting was held with Simon Parry, Head of Sales UK and Ruth Roseweir Marketing Manager to discuss possible partnership opportunities in 2020. Discussions covered our annual joint VIP event and annual Mega Fam as well as the training mission in April. Discussions ongoing.
- **Virgin Holidays Store, Braehead** – We hosted the Virgin Retail Braehead store Christmas Party on the 15<sup>th</sup> December at the Crowne Plaza Hotel in Glasgow.
- **Funway Holidays** – We visited the Funway offices in Bromley to chat to the sales and after sales team and to drop off Christmas treats as a thank you for all their continued hard work for our destination. We also had a chance to have a brief catch up with Malcolm Davies and we have been advised our joint Florida Beaches proposal will be with us after Huddle in January 2020.

## **TRADE LIAISON**

- **UK Consumer Advertising Campaign** – All elements including social media elements have been finalised and signed off and the campaign was launched on 26<sup>th</sup> December.
- **Expedia** – All creative and landing page have now been signed off and the campaign launched on 26<sup>th</sup> December. Expedia will act as the call to action on our consumer advertising campaign.
- **Visit Florida Consumer Campaign** – All elements of this campaign have been signed off ready for launch on 6<sup>th</sup> January.
- **Bookabed, Ireland** – We have requested the final campaign report from Bookabed for the Destination of the Month Campaign that we had partnered on with them and that ran back in September and results received were as follows:
  - The newsletter sent to 4,000 travel agents on the 2<sup>nd</sup> September had a total of 398 openings and the CTR was 21.28%
  - The newsletter sent to 4,000 travel agents on the 16<sup>th</sup> September had a total of 346 openings and CTR was a total of 18.56%
  - 201 room nights were booked during the campaign period and on average the length of stay was a total of 3 nights

- **Thomas Cook, Sweden** – We have requested a final campaign analysis from Thomas Cook Sweden from our joint campaign and results are as follows:
  - The leaderboard banner on Ving Sweden had a total of 71,566 impressions with a total of 102 clicks (CTR 0.14%)
  - The social media Facebook post on the 25<sup>th</sup> August via Ving Sweden had a reach of 99,884 with 639 likes and 182 comments
  - The Instagram post on the 5<sup>th</sup> September via Ving Sweden reached 34,956 with a total of 1,141 likes and generated 30 comments
  - The Ving Sweden newsletter was sent to 5,000 customers on their database and generated an open rate of 45.89% (CTR 627)
  - The newsletter push was sent to a total of 234,158 consumers and had a CTR of 0.13%
  - Room nights generated from 01 Aug – 30 September were a total of 56 versus 55 in the same period last year so were flat YOY.
- **Tour America/Experience Kissimmee/Visit St. Pete/Clearwater** – A proposal was received from Tour America and once both ourselves and Experience Kissimmee were happy with the proposal, was duly forwarded to Brand USA for final sign off. The final sign off has been received and the campaign will run from 3<sup>rd</sup> February for a period of 4 weeks and will include 3 x Sunday World ½ page adverts, website takeover, a dedicated ezine, digital display adverts, retarget marketing, cinema advertising as well as a hosted event for trade and media partners, social media takeover, radio advertising on Classic Hits Radio and Dublin Bus Super sides. Work has already commenced on providing new imagery, copy etc. to the marketing team working on the campaign and creative will be received soon.
- **IPW** – The UK office have secured their flight and accommodation for IPW taking place in June 2020 in Las Vegas, Nevada.
- **VSPC/Experience Kissimmee/SeaWorld Parks & Visit Tampa** – Planning continues for our joint 2020 UK training mission. Dates have now been confirmed for the week of the 27<sup>th</sup> April. As previously mentioned the training mission will incorporate 4 days of trainings as well as a London event for key tour operator partners which has now been confirmed. The event will take place for approximately 20 - 25 of our top tour operator partners at Swingers West End which is a golf-based event venue.
- **USAirtours/TravelPlanners** – We have again chased the final campaign report for the joint campaign we ran with USAirtours/TravelPlanners. We will report results once received.

## **ENQUIRIES:**

Telephone/website enquiries for information and/or literature

27

## **MARKET INTELLIGENCE**

02 December 2019, source: TTG

### **Norwegian lands Heathrow Airport slots**

Despite bidding for 14, the Airport Coordination Limited (ACL) gave the low-cost airline six slots between 29 March and 24 October 2020. This was confirmed in the ACL's summer 2020 report published on 1 December. "We have a strong track record of disrupting incumbent carriers and alliances by offering low fares and award-winning service on specific routes and destinations that were previously operated as monopolies," said a spokesperson from Norwegian. "Our strategy benefits both consumers and businesses and boosts local economies and employment. We continuously adjust our network in response to demand and we will announce any further changes as and when it is appropriate to do so." In October, Norwegian announced it will increase flights from Gatwick to San Francisco, Tampa, Austin and Denver for summer 2020. It also said there will be service reductions on some long-haul routes, including to Buenos Aires, Miami and Orlando.

03 December 2019, source: TTG

### **Richard Branson opts to retain control of Virgin Atlantic**

In a blog posted on his website after it was circulated to Virgin Atlantic and Virgin Holidays staff, Branson said he viewed the airline – founded 35 years ago – as "one of his children". After authorities green lighted the British Airways-American Airlines partnership, Branson said Virgin needed to form a "strong alliance of our own". Remarkably, the most impressive of the large airlines, Delta, was there to form an alliance with us," said Branson. "And they have been the best partners we could have wished for. That still left our family in control and owning the airline. But with BA's clout in Europe we needed further partners to provide feed for the Virgin Atlantic network, and discussions started with Air France-KLM. Agreement in principle was reached in May 2017. To get the deal done, we initially thought our family would need to reduce its shareholding in Virgin Atlantic. I was willing to do so, reluctantly, to guarantee the long-term success of Virgin Atlantic." Branson went on to confirm the tie-up has now been approved by various competition authorities, the last of these being the US Department of Transport, who, Branson said, gave antitrust immunity to the new joint venture on 21 November. "Importantly following this news, we have agreed (subject to contract) with our new joint venture partners, that our family will continue to hold the 51% of Virgin Atlantic shares we own. We'll also continue to work extremely closely with our partners investing together in a thriving airline and holiday company." He added: "Just like in 2008, we're at a point in time where we need to stand up for fair competition for the benefit of British customers and businesses. So we'll continue to be vocal throughout 2020 with our Two Flag Carriers campaign, urging ministers to grasp the once-in-a-generation opportunity to shake up the status quo at Heathrow. Because Britain deserves better."

04 December 2019, source: TTG

### **Barrhead names next five locations**

The stores – all in new locations for Barrhead – are anticipated to open in January. The announcement takes the total of new shops for the agency to 12, following plans to move into premises in Liverpool's Allerton Road, Widnes, Wallasey, Burnley, the Isle of Wight,

Northwich and Warrington. All 12 teams have now completed their induction training and some are already booking holidays through social media channels and online enquiries, while premises are in the final stage of preparation. Burnley will be the first store to open with a soft-launch planned for around the 7-8 December. The team comprises former Thomas Cook employees. Barrhead revealed intentions to open up to 100 new shops across the UK back in October in the weeks following the collapse of Cook. Former Cook chiefs Chris Mottershead, Kathryn Darbandi and Nicki Tempest-Mitchell were soon appointed soon after to lead the expansion project for Barrhead parent Travel Leaders Group. Barrhead president Jacqueline Dobson said a number of the stores were “very close” to completion – with an estimated 20 due to be open by quarter one.

09 December 2019, source: TTG

### **Agents ‘cross fingers’ for peaks as general election looms**

Just over half (54%) of respondents to the poll said they believed that the 12 December vote was harming travel sales, and the view from the high street was similarly mixed. Steve Cartwright, owner of Cardiff-based Cartwright Travel, said his shop was thriving. “We are full-on,” he added. “Peaks are 12 months a year now, there is no let-up for us at the moment.” He added 2019 has seen sales increase 220% on 2018, with November up 30% on the same month last year. By contrast, Frances Peake, joint owner of Peakes Travel Elite in Shrewsbury, said December had been “quiet”. “People are still booking, though,” said Peake. “We are keeping our fingers crossed for peaks, but we’re not worried. I think it all depends on the results of the election,” she added. “If the Conservative government gets a clear majority, people may hold off booking to see what happens with Brexit.” Lee Hunt, owner of Woodbridge’s Deben Travel, was less optimistic. “It’s been tougher than last year,” said Hunt. “Not only are we contending with Brexit, we’re contending with a general election and the aftermath of Thomas Cook – it feels like so much has happened at the same time.” Hunt added that although Deben Travel has performed well throughout 2019 as a whole, he is hoping peaks will make up for a drop in trade during November. “One of the issues is our older customer demographic,” said Hunt. “They’re typically into politics, they’re readers of *The Guardian* and *The Telegraph* and take these things seriously.” As of Monday morning (9 December), a TTG poll on whether the uncertainty generated by the forthcoming election was narrowly split 52% in favour of there having been effect with 48% less concerned. Abta, meanwhile, is aiming to support its members and the wider travel sector in the run-up to peaks with the launch of its annual Travel with Confidence campaign. Starting 16 December, the adverts will urge consumers to look out for the Abta logo and reassure them ahead of the Tories’ 31 January Brexit deadline.

09 December 2019, source: TravelMole

### **CAA fails to meet deadline for Thomas Cook refunds**

The Civil Aviation Authority has admitted it has not been able to process all of the claims from Thomas Cook customers by the deadline it originally set. It says despite ‘working tirelessly’ to process payments, only two thirds of claims it received on the first day will be paid by this weekend, within the target 60-day deadline. The rest of the Thomas Cook customers have been contacted to obtain additional information ahead of payment. “This has been a challenging operation, due to the potential threat of fraudulent claims and the poor quality and complexity of the data we received from multiple booking systems used across

the Thomas Cook Group," it said in an update on Thursday. "While we would like to process refunds as soon as possible, we are unable to make some payments without verifying all aspects of a submitted claim, and therefore the 60-day claims period is paused while we await the required information. "This process is in place to make sure the right payments are being made to the right people. We do not expect the requests for further details to cause significant delays to payment once we have received the requested data. "We also encourage consumers that applied for refunds on 7 October 2019 to check their junk and spam email folders if they have not received contact from us by this weekend." After reviewing Thomas Cook booking data, the CAA expects the refunds programme will cover around 300,000 cancelled holiday bookings in total. It has already received around 215,000 valid claims, with the remaining 85,000 rejected as either duplicate claims or invalid claims. In addition, it has already fully refunded 45,000 customers who paid for Thomas Cook holidays solely by direct debit in October. This means around 40,000 bookings have not yet been claimed for. Although the claims system will be open until September 2020, the CAA urged these customers to put in a claim as soon as possible. CAA chief executive Richard Moriarty thanked consumers for their ongoing patience. "I appreciate that this is a concerning time for Thomas Cook customers who are waiting for their refunds, particularly at this time of the year," he said. "Where we have had to request further information, we encourage those consumers to respond at the earliest opportunity so that we can finalise these payments. I would like to reassure consumers that all valid ATOL protected payments will be refunded." But some of those affected have taken to social media to complain of problems getting through to the CAA by telephone and not getting replies to emails.

10 December 2019, source: TTG

### **CAA 'sorry' for Cook refunds hold-up**

After the operator collapsed on 23 September, the CAA has received some 215,000 valid refunds claims and paid £160 million to customers who lost out in the company's failure. Paul Smith, CAA's director of consumers and markets group, was interviewed on BBC's Radio 4 *Today* programme on 10 December. "There's still quite a lot to pay, and as I say we are sorry we haven't and particularly at this time of year we want to get the money back to people as quickly as possible, but there are some complexities to some of the bookings," said Smith. "We want to get the right money to the right people." He confirmed there are more than 50,000 bookings still to repay, insisting they have been working "tirelessly" on the applications. This refund programme has been the UK travel industry's largest ever of its kind. In order to process the remaining claims from day one of the applications on 7 October, the CAA says it needs more information. It has also encouraged everyone who applied for a refund to check their email junk folders.

10 December 2019, source: Travel Weekly

### **Travel industry sets out demands ahead of election**

With Thursday's general election fast approaching, some of travel's leading organisations have laid down their priorities for the new government and parliament. While travel did not feature prominently across the major parties' manifestos, **outlined in last week's TTG**, this hasn't stopped some of the industry's top leaders from laying out what the new government needs to do to help outbound travel thrive over the next five years. Some organisations, such as Abta and the Business Travel Association (BTA), **have even produced their own**

**manifestos** setting out what they would like the next government to do – regardless of who (if anybody) wins on 12 December. Meanwhile Aito and the Advantage Travel Partnership are among those calling for a dedicated tourism minister. This election was supposed to be all about Brexit but the subject has not figured as prominently in the campaign as might have been expected when parliament finally agreed to go to the polls on 29 October. A sense of exhaustion and frustration seems to have settled over the country when it comes to leaving the EU, with the overall sentiment of the travel industry being a desire for a “speedy” resolution to the impasse – while avoiding any sort of hard Brexit – to help boost consumer confidence. Gary Lewis, chief executive of The Travel Network Group (TTNG), is among those calling for “a speedy execution” of Brexit. “This is vital for the economy and consumer confidence,” says Lewis. “We need to move clearly and quickly through the final divorce details and bring certainty and clarity to the country.” Alistair Rowland, chief retail officer – specialist business at the Midcounties Co-operative, adds: “On travel, we want Brexit concluded and a clear position on full protection against a no-deal Brexit.” Meanwhile Clive Wratten, chief executive of the BTA (formerly the GTMC), says: “The government has been paralysed by Brexit over the past three years, which has prevented serious discussions about the future needs of the business travel sector.” Travel organisations have also called for other practical issues to be resolved, such as agreeing reciprocal rights to allow UK staff to continue being employed in the EU to look after British travellers, plus reciprocal health arrangements, not increasing mobile roaming charges, and ensuring visa-free travel to the EU continues.

10 December 2019, source: TTG

### **Manchester Airport reports growth despite Cook collapse**

In its Interim Financial Report, which covers the six months until 30 September 2019 and compares the figures to the six months before 30 September 2018, it has been revealed the Manchester airport group saw 7.3% of revenue growth to £540.6m. Manchester Airport Group Investments Limited (MAGIL), which includes Stansted and East Midlands airports, also reported its operating profits before significant items increased by 18.5% to £199.6m. Passengers at Manchester specifically totalled 17.4m in the period, up 4.8%, and MAGIL put this down to backfilling of Monarch slots after the airline failed in 2017. Passenger numbers across the whole group increased by 2% to £36.4m. The growth also comes despite the collapse of Cook on 23 September, with Thomas Cook Airlines based out of Manchester airport. “The collapse of Thomas Cook in September 2019 has had limited impact upon the trading results of MAGIL in the six months ended 30 September 2019,” said MAGIL’s report. “Active management of the financial position means that MAGIL recovered all its outstanding receivables. MAGIL is actively working to mitigate the impact of the collapse on the performance in the second half of the year.” It stressed Jet2.com, Tui and Virgin Atlantic have all committed to extend their operations at Manchester and add more flights at Stansted and East Midlands. MAGIL’s routes expansion is ongoing, including a new service from Manchester to Los Angeles. Other new long-haul routes announced from the group’s airports include Istanbul, Gothenburg, Stuttgart, Marseille, Nantes, Lille, Corvera (Mercia), Milan, Calvi, Verona and Skiathos.

10 December 2019, source: TTG

### **Advantage members reveal importance of LGBT+ market**

That was the headline finding of a new study, in which 89% of Advantage members said the LGBT+ traveller was already important to their business, although nearly 55% said they do not currently “actively” promote themselves as an LGBT+ -friendly travel agent. Of the 11% of Advantage agents who said LGBT+ holidaymakers were not currently important for their business, the majority (86%) believed this could change in the future. The LGBT+ leisure travel agency survey was carried out by Advantage and the Malta Tourism Authority. David Forder, head of marketing at The Advantage Travel Partnership, said: “We are encouraged by the level of response, and how important our members believe the LGBT+ traveller already is to their businesses. It is important we continually look for ways we can support members in growing their business, and the survey has helped us do exactly that.” Of those agents not currently promoting their services to this market, 90% said they would now consider marketing themselves as being LGBT+ friendly, as they “know the value of the market”. Advantage members said they wanted marketing support to target LGBT+ consumers, including specific content for destinations (64%). Nearly 80% of agents also said they wanted to see increased awareness of LGBT+ destinations plus lists of festivals and events (73%), while more than 50% asked for information on LGBT+ laws in destinations. Despite seeking more detailed information, most agents (89%) said they were already “comfortable” recommending destinations to LGBT+ clients. “We are now looking forward to seeing how we can further develop our LGBT+ strategy to directly support members in this area,” added Forder. Malta also won strong backing as an LGBT+ destination from Advantage members with 86% ranking it highly for being LGBT+-friendly, including 42% who said the island was “very friendly”.

11 December 2019, source: TTG

### **Attraction Tickets Direct relaunches as AttractionTickets.com**

Founder and chief executive Oliver Brendon said the time had come to drop “direct” from its name amid the vast growth in online sales and mobile ticketing technology in lieu of “direct” physical ticketing. The company, founded in 2002, currently sells more than one million attraction tickets a year. “When I started the business, our key message was that we delivered hard-copy attraction tickets ‘direct’ to the customer, avoiding queues in-resort or having to redeem vouchers at the gate,” said Brendon. “It also meant people could book independently of their tour operator package, which was rare at that time. Some of the major theme parks and attractions, such as Walt Disney World Resort in Florida, still provide branded, tangible, gate-ready tickets, which our customers love to receive in the post. But, as technology has evolved, we have invested in more innovative and sustainable ways to satisfy our customers’ needs, providing instantly available, mobile friendly and gate-ready e-tickets. Behind-the-scenes work on areas such as live calendar and pricing integrations with suppliers and mobile technology means we’ve expanded to become the go-to website for everything from Broadway show tickets to multi-attraction sightseeing passes in London, Paris or Rome. While theme park tickets remain a core part of what we do, we felt the time was right to drop the ‘direct’ from our name and move forward with our new-look branding.” It comes after the company in 2017 expanded to offer Orlando theme park hotel and ticket packages, complete with early park entry, free dining and express queuing, becoming a fully bonded Abta member in the process to guarantee financial security. The relaunch coincides with an expansion into selling hotel and ticket packages at Disneyland Paris, moving the business a step closer to becoming “the leading provider” of theme park packages in the UK.

AttractionTickets.com now sells all six Disneyland Paris properties plus Disney's Davy Crockett Ranch and Les Villages Nature nature resorts.

13 December 2019, source: TTG

### **Travel urges new government not to overlook vital sector**

Boris Johnson's Conservatives cruised to a decisive general election victory on Thursday (12 December), with the Tory party gaining almost 50 seats and a majority of at least 76 – the largest since 1987. Labour, by comparison, shed nearly 60 seats, including some of its safest constituencies, while the pro-remain Liberal Democrats lost one seat, that of leader Jo Swinson. Abta has said it will work with the new government to further build confidence in the travel sector, and has called on ministers to ensure the structures required to allow the travel sector to prosper are protected. Aito chairman Derek Moore told *TTG* the result left him with "some trepidation, garnished with a touch of positivity". "Much depends on how Boris reacts to his tremendous gain in power," said Moore. "Whether or not he remembers the referendum saw about half the country vote to remain, and softens his tone on Europe; and whether or not he will listen to the concerns and issues expressed by our industry, or just go his own way with his own agenda. Such absolute power does not always bode well when a party feels it can concentrate on what seem to them to be the big issues. There is a danger that if he attempts to enact even half the legislation he has talked about – help for the NHS, putting more police on the streets, money for this, money for that – then our [outbound travel's] concerns might get overlooked." UKInbound chief executive Joss Croft sounded a more cautiously positive tone, calling for additional time to allow British businesses to prepare for Brexit. "We welcome the new government and look forward to continuing our dialogue and working with them on the key priorities for the inbound tourism industry during the Brexit transition period and beyond," said Croft. "The industry contributed £23 billion to the UK economy last year but in order to keep growing and flourishing, we need to have continued access to employees from all over the world, frictionless borders for our visitors post-Brexit, and continued strong promotion of the UK as a welcoming destination. We also urge the government to consider extending the Brexit transition period beyond December 2020 if needed so that businesses have enough time to prepare." Elsewhere, Sunvil founder Noel Josephides added that as a Remain supporter, he was disappointed by the result and the potential implications for UK-EU relations. "I hope the prime minister sheds his hard-line stance towards Europe and remembers half the country voted to remain three years ago, and that millions of people now look to him to become a true statesman and to adopt a sensible and co-operative stance towards our European friends."

16 December 2019, source: TTG

### **Thomas Cook collapsed owing creditors £9 billion**

Cook's total liabilities extend to £8.99 billion, with £885 million owed to trade creditors alone. This includes £393 million from Cook's tour operator and £448 million from its airline. Customers are owed £585 million and employees a further £45 million. The bulk of the liabilities, though, rest in £5.7 billion debts arising from other group companies. An additional £1.775 billion is owed to banks and other lenders. The figure eclipses the £176 million to £244 million that could be clawed back from the sale of Cook's assets. These include Cook's high street retail estate, which Hays Travel picked up for £6 million; the operator's slots at various UK airports, understood to have raised in the region of £36 million

to date; and Cook's intellectual property rights and brand, sold to Chinese travel giant Fosun for a reported £11 million. Other potential saleable assets include Cook's call centre, Peterborough HQ and aspects of its operations in Scandinavia and central Europe. Cook's special managers have also disposed of various subsidiary and joint venture businesses and collected cash and currency from the firm's retail stores. They are continuing to pursue the sale of other assets including aircraft and engineering stock. The £585 million owed to customers, the report stresses, does not include the Civil Aviation Authority's claim. David Chapman, official receiver and liquidator, said any payments to creditors were dependent on the sale of assets and cost of proceedings relating to the disposal of Cook's estate. Chapman said Cook's directors attributed the group's collapse to: reduced holiday demand due to "a change in customer holiday patterns"; customer uncertainty arising from Brexit, including the initial 29 March departure date which "led to UK customers delaying booking holidays in Europe"; the summer 2018 heatwave "which caused potential customers to holiday at home"; and increased challenges from lower-cost online competitors. The report highlights the affairs of 26 Thomas Cook Group companies and subsidiaries wound up on 23 September. Additional reports on a further 27 Cook companies and subsidiaries will follow in due course, the official receiver has said.

16 December 2019, source: TTG

### **Airlines face huge bill as 737 MAX return delayed again**

Tui could face a total bill of €500 million if the aircraft's return to service is further delayed. Tui said at the start of December that the grounding of the aircraft in March, following crashes involving Indonesia's Lion Air and Ethiopian Airlines, killing 346 people, had already cost it €293 million. The operator warned any delay to the return of the aircraft to service would hit it heavily again. It said if the ban was not lifted by end of April 2020, four weeks after summer season flights begin, "the group assumes a further cost of between approximately €220 million to €270 million". US officials have now said approval is unlikely before February and could be delayed until March. Following this, Boeing said it will cut or even halt production of the aircraft after the latest talks with the US Federal Aviation Administration. Boeing added the company "will continue to assess production decisions based on the timing and conditions of return to service". American Airlines has, meanwhile, cancelled all Max flights until 6 April. Other carriers also face big disruption and financial costs, which Boeing will eventually have to cover. Ryanair, which operates more than 420 737-800s, which are a different design to the Max, has 135 Max aircraft on order and has had to put next year's expansion plans on hold. Ryanair was due to have 58 Maxs by summer 2020 but has now cut planned expansion from 7% to 3%. Norwegian has 15 grounded Max's and 88 on order, while Turkish Airlines has 12 grounded and 63 on order. In addition to the disruption, airlines' fuel costs will also be higher as the Max is 10-15% more fuel-efficient than other 737 types.

16 December 2019, source: TTG

### **Brexit risks a generation of talent as entry roles slashed**

Seasonal Businesses in Travel (SBIT), a coalition of 200 outbound British businesses, says in excess of 1,700 jobs have been cut by the 65 firms it surveyed in November, since the

referendum. And if the rate of job losses was applied to SBIT's total membership, even on a conservative basis, more than 3,000 seasonal roles are likely to have been lost since 2016. SBIT's *A Crisis Upon Us* report reveals a "significant acceleration" in job losses compared with those set out in its equivalent 2018 report. Moreover, the cuts disproportionately affect highly sought-after rep and chalet host roles, typically occupied by 18 to 34-year-olds. Skiworld sales and marketing director and SBIT spokesperson Diane Palumbo told *TTG* that leaving the EU risked squandering a generation of talent. She added Brexit would likely fall at a time when applications for these roles significantly outstripped availability, demonstrating the extant demand for posted work.

17 December 2019, source: Travel Mole

### **Airlines accused of dragging their feet over compensation claims**

Airlines are being accused of dragging their feet over compensation and forcing more cases to go all the way to court. Figures provided by law firm Bott and Co showed a 126% rise in the last two years of court proceedings issued against airlines, with figures for this year looking as bad. In 2018, Bott and Co had to issue court proceedings on 15,212 occasions compared to just over 12,000 in 2017. The figure has more than doubled since 2016, when the firm needed court intervention on just 6,710 cases. With just over a month to go the figure for 2019 currently stands at over 13,715. EasyJet was the airline which Bott and Co had to issue the most court proceedings against last year, followed closely by TUI, which was also the airline with the majority of sheriff enforcements. Coby Benson, flight delay compensation solicitor at Bott and Co, said: "Tens of thousands of passengers are kept waiting every year for compensation they're entitled to because airlines refuse to pay. If adhered to, the regulation could dispel the need for solicitor intervention but airline behaviours are forcing passengers to seek legal help. "The latest figures show that even when solicitors are involved it's not plane sailing and that there is the need for proceedings to be issued and in some instances, bailiff involvement." The law firm had to instruct bailiffs on over 771 cases within 12 months, a sharp rise from the 159 enforcements in 2017. The findings come after the Bott and Co airline passenger rights survey, released in October, revealed the various ways airlines are fobbing off passengers. Of the 1,949 people who took part, 80% said they had to contact the airline more than once before giving up and instructing solicitors to intervene. "We often see airlines defending claims where other passengers on the same flight have already been paid out," said Benson. The survey revealed that 38% of airlines didn't respond to passengers within a month of hearing from them when they are legally obliged to do so. Bott & Co said nearly 60% of people were told they couldn't claim due to extraordinary circumstances, when in fact they could. The most popular excuse given by airlines to not pay compensation was bad weather conditions (40%), followed by technical problems (23%). Other excuses given were crew/staff sickness, delay on a previous flight and crew out of allocated working hours.

17 December 2019, source: TTG

### **Strong peaks predicted as UK's political uncertainty ends**

Boris Johnson's considerable Conservative victory was met by an immediate bounce in the pound which broke the \$1.35 mark, a peak last seen in May, on the Friday before settling at \$1.33. Closer to home, the pound closed at €1.20 the day following the election after global markets reacted to the result that should break the recent stalemate over Brexit, resulting in

the UK's departure from the EU on 31 January. Travelzoo general manager UK James Clarke argues this will kick-start the forthcoming peaks period following a poor first quarter in 2019 when Brexit uncertainty impacted holiday bookings. He said: "The peaks market will go back, if not to 2018 levels, then beyond it as there's a lot of pent-up demand." Clarke added the resorts should also see more money from holidaymakers as they turn their backs on all-inclusive properties to stay in hotels with various board options or self-catering accommodation as their money goes further. He also argued the UK domestic market should receive a boost as Brits spend more generally on trips while he believed many Europeans stayed away from the country due to the endless Brexit arguments. Furthermore, Clarke said the Thomas Cook collapse has led to less capacity, even with rivals including Tui, Jet2.com and easyJet filling some of the holes as well as returning to destinations like Tunisia and Sharm el Sheikh as they reopen to the UK. He added: "EasyJet must be very confident it will get the numbers back, it wouldn't go back into Tunisia if they weren't sure the numbers are there." Clarke said the additional capacity could also drive discounting in countries like Spain and Portugal, which have capitalised on the recent reduced Mediterranean capacity. "If someone's putting in a load more capacity into Sharm and you have all-inclusive five-star at £399, the others will have to come back."

17 December 2019, source: TTG

### **Travelzoo's 2020 vision for increased trade relations**

General manager UK James Clarke said a new campaign was set to be unveiled in the first three months of next year. While he remained tight-lipped about the details of the campaign, he admitted Travelzoo would have more presence at events as it sought to work more with the trade. Clarke said: "For us in the UK, we will engage with a slightly wider B2C marketing strategy that will involve our [trade] partners which we will unveil in Q1 next year." He admitted Travelzoo would start attending more trade events as it sought to "treble" its focus on agents. Clarke said: "The fundamentals of the business will remain the same, and we have a very loyal membership. We have a vertical supporting hotels and domestic travel that we are excited about growing. We're going to spend a lot more effort working with the trade next year."

18 December 2019, source: TTG

### **Ex-Thomas Cook team launch Barrhead's new Liverpool store**

The team from Cook's former Allerton Road store have all flown through Barrhead's training academy and are now back selling holidays on the very same street they were just four months ago when Cook collapsed. After throwing open the doors at the weekend, the team held an official opening on Tuesday (17 December) where they were joined by local *Hollyoaks* star Alex Fletcher. They were also joined by representatives from the store's charity partner, local hospice Claire House. Barrhead's Allerton Road store is the Scottish agency giant's 85th and is the latest to open following its commitment to more than double its high street retail footprint with 100 new openings. The store will be managed by Chris Cooper and will offer cruise, long-haul, touring, city breaks, honeymoons and beach escapes. Together, the team have more than 120 years' travel sector experience. "Having the opportunity to open a brand-new store with a leading travel company is very exciting," said Cooper. "Plus, being able to have my original team beside me on this journey makes me incredibly proud and honoured to be working for Barrhead Travel. "We are looking forward

to seeing and welcoming not only our loyal customers back in store but new customers also in the area as well as connecting with local businesses. “This is an exciting time for us all.” Barrhead president Jacqueline Dobson added: “I am thrilled to welcome Chris, Angela, Elaine, Natalie and Hayley to the Barrhead Travel family as our first store in the Liverpool area. “The opening of the store reflects our unwavering commitment to the high street travel agency; investment in bricks and mortar has been at the heart of our strategy since we opened our first store in 1975, and we will continue to place focus on the physical customer journey by combining experiential technology and genuine expertise from our local teams. “We firmly believe that the demand for an experienced and knowledgeable travel agent is still on the rise as holidaymakers seek first-hand sound advice and guaranteed financial protection for their well-earned getaways.”

19 December 2019, source: TTG

### **BA owner urges review of Heathrow expansion costs**

IAG chief executive Willie Walsh wants an independent study commissioned to ensure any expansion at Heathrow is “cost effective” and consumers are not “taken for a ride”. The airline group, which currently holds around 55% of Heathrow’s slots, is especially concerned about “hundreds of millions of pounds of airline customers’ money” being spent on early construction costs before full planning permission is granted. The CAA is due to announce this week how much Heathrow can spend on these planning and early construction costs. IAG said estimates of these costs have increased from £650 million in April 2018 to £2.8 billion. “We need a fresh look at the environmental viability and total cost of expanding Heathrow,” said Walsh. “The airport has a history of spending recklessly to gold-plate projects and paying guaranteed dividends to shareholders while minimising the environmental significance of expansion. Boris Johnson wants to make Britain more competitive. Allowing an expanded airport that is considerably more expensive than our European neighbours would be an own goal as we need to compete on the world stage. An independent study would ensure Heathrow expansion is cost-effective and stop the CAA, as regulator, allowing consumers to be taken for a ride. To ask customers to stump up vast sums in advance for a runway that may not get built, based only on Heathrow’s cost proposals, is unacceptable.” Johnson was a vehement opponent of Heathrow’s third runway when he was London mayor and vowed to “lie down in front of bulldozers” to prevent expansion. The Conservative general election manifesto called for the airport to put forward a “realistic business case” for a third runway. The project was approved by MPs in the previous parliament in June 2018.

19 December 2019, source: TTG

### **Airbus hoping to roll out hybrid ‘regional’ aircraft by 2030s**

Chief commercial officer Christian Scherer set out the manufacturer’s ambitions during a financial call on Wednesday (18 December). His comments came as Airbus unveiled its E-Fan X hybrid aircraft, building on its 2015 wholly battery-powered E-Fan 1.0. Airbus says the breakthrough marks a “giant leap forward” for zero-emission flight. It hopes to fly the E-Fan X, which is co-developed with Rolls Royce, in 2021. Scherer added Airbus’s first electric or hybrid aircraft could arrive in the 2030s, starting with a maximum 100-seat “regional aircraft”. Airbus’s own zero-emission roadmap states: “Our goal is to make the technology available to fly a 100-passenger aircraft based on electric and hybrid-electric technology within the 2030s timeframe.” By 2050, Airbus is targeting a 50% reduction in

emissions. Meanwhile, Air France-KLM on Wednesday firmed up its order for 60 Airbus A220-300 aircraft, while Airbus confirmed it has received orders for more than 450 A321XLR aircraft since its launch in June.

20 December 2019, source: TTG

### **Heathrow blames the CAA for third runway delay**

Heathrow says the CAA's consultation on pre-expansion "early Category C costs" would delay its expansion timetable "by at least 12 months". The airport had hoped to have the new runway operational by 2026, but now expects to complete the work "between early 2028 and late 2029". It comes after the CAA rejected Heathrow's call to nearly quadruple spending on the project from £650 million to upwards of £2.4 billion before it has even gained planning permission for expansion. The regulator's concern is that its costs soar and Heathrow is subsequently denied permission to pursue expansion, passengers could end up footing the bill. Heathrow has said it will seek to "unlock" an initial £1.5 billion to £2 billion private investment to progress its plans. "The CAA's announcement is an important milestone in expanding Heathrow and connecting all of Britain to global growth," said Heathrow. "It increases certainty for our local communities and for the job creation, increased trade and lower airfares that expansion delivers. We will now review the detail to ensure it will unlock the initial £1.5-£2 billion private investment over the next two years at no cost to the taxpayer. "While this is a step forward, the CAA has delayed the project timetable by at least 12 months. We now expect to complete the third runway between early 2028 and late 2029." Paul Smith, CAA group director consumers and markets, said while the CAA was broadly supportive of expansion at Heathrow, passengers could not be expected to "bear the risk of Heathrow Airport Limited spending too much in the early phases of development, should planning permission not be granted". Airport expansion was a notable absence from Thursday's Queen's speech. Prime Minister Boris Johnson has long been opposed to expansion at Heathrow, him being MP for neighbouring Uxbridge and South Ruislip. He missed last year's key vote on whether the government should back expansion at Heathrow or Gatwick, choosing instead to visit Afghanistan as part of his then ministerial duties.

23 December 2019, source: TTG

### **Barrhead Travel announces further three locations**

Stores will open their doors in Oldham, Plymouth and Halifax, following Barrhead's announcement it will open up to 100 new stores across the UK. Stores in Liverpool Allerton Road, Burnley, Widnes, Isle of Wight and Newcastle-under-Lyme have recently opened. Plymouth will be one of the agency's most southern branches, while Halifax and Oldham will bolster Barrhead's presence in the North West and Yorkshire. A nationwide recruitment campaign has been underway since the collapse of Thomas Cook, with the majority of new roles being filled by former employees. So far, more than 100 former Cook staff have been appointed across the country. Jacqueline Dobson, president of Barrhead, said: "Our new locations are very much reflective of finding strong teams who are really passionate about launching the Barrhead Travel brand in their local area. "Training and development will be a priority in the first instance, while we introduce the teams to the brand and our systems. The communities where we have opened so far during our expansion project have been very receptive to Barrhead Travel; many of the teams are well known in their local area and have

extensive experience in the travel industry – it’s a winning combination.” She added: “Our branch in Plymouth will be a springboard for growth in the south west of the country. “Halifax and Oldham will complement our cluster of northern stores due to open and help the development of brand awareness in that region.” The three new locations will take the total number of newly-announced stores to 15, with a further five to be announced in the New Year.

24 December 2019, source: TTG

### **Brexit cost increases ‘unfeasible’ for many companies**

A survey of 65 independent operators in November found they had cut capacity by an average 19%, or 3,800 beds per week, meaning 66,000 fewer holidays on sale compared with 2016. The research, *A Crisis is Upon Us*, carried out by pressure group Seasonal Businesses in Travel (SBIT), said: “This represents a loss of economies of scale for many companies which has filtered through to higher prices for consumers – despite the best efforts of most companies to keep prices down.” The report found large firms were best placed to absorb cost increases, with an average £61 or 6% rise, with medium-sized firms raising prices by 14% or £98 and small firms by the same percentage, equating to an average £103 rise. Skiworld sales and marketing director and SBIT spokesperson Diane Palumbo told *TTG* the £97 average increase applied to both summer and winter operators. “I’m astounded it’s not more,” she said, adding the industry had kept costs down after “three terms of no-deal planning” since 2016 to “restructure, reorder and renegotiate” with suppliers to help offset the Brexit burden. SBIT said the operators surveyed had cut an average 30% of staff and estimated there had been more than 1,700 jobs lost since the 2016 referendum, with a “significant acceleration” since the pressure group last highlighted the issue in August 2018. The report said: “With most of these cuts affecting jobs seconded to the EU to run holiday operations being filled by 18 to 34-year-olds, it is this age group bearing the brunt of these job losses.” Palumbo added that as well as the short-term impact, **opportunities to progress into management would be “lost to the next generation”**. Operators, particularly those in the winter sports market, fear they will not be able to employ staff in-resort on UK terms, paying instead into more expensive foreign state social insurance schemes rather than UK tax and national insurance. Most have already cut back on recruitment as they plan 12-18 months in advance and there have already been two false Brexit dates. “For many companies, cost increases of this scale will just not be feasible and they are not set up to be able to employ EU nationals,” said SBIT, adding some would not be able to reinvent their business models. SBIT fears any points-based immigration system introduced by the new UK government will be mirrored by the EU “and at worst curtail them to such a degree that many UK companies’ business models will be rendered completely unsustainable”. Palumbo said after leaving the EU, UK overseas staff would need to apply for right of stay and a work permit, and then have their passport stamped at the foreign country’s embassy unless a deal was agreed during next year’s transition period. While SBIT estimates holidays to Europe in 2016 contributed £1 billion to the UK government, Palumbo added: “One of the things I’m astounded about is when we engage with government departments, they don’t seem to know or recognise the contribution the outbound market makes to the UK economy.”

31 December 2019, source: TTG

### **Unite calls for fresh Thomas Cook enquiry**

ITV has reported that the trade union representing Cook's airline staff has asked prime minister Boris Johnson's government to start a new investigation into why the long-standing tour operator failed. It says only 20% of former Cook employees it represented have managed to find a new job elsewhere and many have been forced to take a pay cut. Unite says there should be an inquiry into how the Department for Transport handled the crisis. "A profitable airline was allowed to collapse into liquidation and then the workers who have paid taxes all their working lives have had to deal with the complex procedures to get what they are owed and have even been blocked from claiming the benefits they are entitled to," said Diana Holland, Unite's assistant general secretary. "Even the minority of workers who have secured permanent full-time work are being paid far less than previously and working hours that don't fit as well with their family lives." A government spokesman told ITV: "An analysis of Thomas Cook's financial position, coupled with the government's belief it should not prop up private airlines or tour operators, resulted in a carefully considered decision being taken to not intervene in the company. We know that losing a job is a distressing time for people and we were ready on day one to help those affected. Our dedicated staff have helped thousands, including fast-tracking applications so people are supported to find new work or training as soon as possible." The previous government's Business, Energy and Industrial Strategy committee conducted an investigation in November, which involved questioning the auditors, former bosses, and union workers about what led to the collapse. However, its findings were cut short when the 2019 December general election was called.

31 December 2019, source: TTG

### **Not Just Travel enjoys bumper pre-peaks bookings**

The homeworking company and its recruitment arm, The Travel Franchise, say bookings were up 60% on Boxing Day 2019 compared to the 26 December 2018. It was also one of the busiest days for traffic to The Travel Franchise website. This all contributed to a 30% rise in the company's profits compared to the same period last year. Top destinations included New York, Canada, Las Vegas, Tenerife, Turkey, Mexico, Fuerteventura, Lanzarote and the UK. Not Just Travel has credited this boom to various reasons, such as well-trained consultants and increased recognition of holiday protection. "We are a truly customer-led company, and everything is designed to make their lives as easy as possible," said Steve Witt, co-founder of Not Just Travel. "As a result, we even take holiday bookings on Christmas Day. The travel industry runs 365 days of the year and so do we." Consultants for the company, including Christmas Day recruit Paul Harrison, receive book-and-earn commission rather than fly-and-earn, a 56-page personalised magazine, a one-minute video for social media, and a new CRM platform and quoting tool to help with the busy peak period. Dave Pope, head of sales and training, said: "2019 shows that the homeworking market is booming. Both customers and travel consultants are benefitting from the shift in the way people book their holidays – not through high street branches or losing hours booking it themselves online, but through dedicated experts who offer 24/7 concierge style service. We are shaking up the travel industry and it's proving successful." The company is also predicting a 40% increase in 2020 January sales.