

MONTHLY REPORT CENTRAL EUROPE DECEMBER 2023



**ST.PETE
CLEARWATER**

**KAUS
MEDIA
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Marketing
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1. Current State of the Tourism Industry in Central Europe

European International Travel Trends Update

Travel industry expects moderate sales growth in 2024

The German Travel Association is expecting more turnover this year, but with fewer customers. This is due to the high prices.

For the 2023/24 tourism year, which began in November, the German Travel Association (DRV) expects sales in the market for vacation and private trips of one night or more to increase by four percent compared to 2023. At the same time, a slight decline in the number of travelers is expected, the DRV announced on Thursday.

In 2023, 15 percent fewer people were already traveling with tour operators than before the coronavirus pandemic. The decline is no longer expected to be as sharp as in the previous year, the DRV explained. "Obviously, many German citizens were no longer able to afford a vacation trip in 2023 due to increased costs," said DRV President Norbert Fiebig. It is not yet possible to predict how an increase in the air traffic tax planned by the German government will affect prices and demand. Fiebig warned that the government must not make travel even more expensive.

Package tours are 17 percent more expensive than in 2020

The reason for the reluctance is price increases. According to the Federal Statistical Office, package holidays cost 5.3 percent more in November than in the same month last year and around 17 percent more than in 2020. The DRV expects a "moderate" price increase in 2024. In addition, more expensive fuel, heating and food shopping due to inflation are also putting a strain on many household budgets. According to the DRV, experts generally assume that people are traveling less per person and household or saving on the length of their stay.

The booking data suggests that vacation and leisure travel will be reduced more in the current winter season, but that demand is expected to be high in the summer. "However, the experts are certain that the majority of the population will not give up travel," emphasized the DRV.

For package tours, destinations in Turkey and Greece remain one of the growth drivers. The DRV expects eleven percent more holidaymakers and 18 percent more sales for long-haul trips in the summer travel half-year. "Many long-haul destinations such as the USA, Australia, Thailand and Indonesia have only gradually recovered after the coronavirus pandemic," said Fiebig. Tourism companies are looking to the new travel year with confidence, as demand is expected to be particularly high in the summer months.

(Source: www.sueddeutsche.de)

Travel agencies get off to a good start in the new tourism year

The invoiced values of the travel agencies recorded in the travel agency index of the back office service provider Tats fell slightly in November and are now nine percent higher than in the previous year. The cumulative figures from January to November are 27 percent higher than in 2022.

The monthly value of tourism turnover has risen and is now up 14% in November and cumulatively up 17% compared to the previous year. The same can be seen in the cruise sector, where the monthly figure is up 24% in November and 39% cumulatively. Sales in the flight sector fell slightly in November, but are still up 6% year-on-year and cumulatively up 36% compared to 2022.

Better figures than 2019

Compared to November 2019, the total turnover of travel agencies also increased by 17% in November 2023. Cumulative invoiced sales also show an increase of 18%.

Compared to November 2019, tourism turnover in November 2023 was up by 8% and cumulative turnover by 9%. The cruise sector recorded a month-on-month increase of 17% compared to 2019, as did the cumulative turnover figure. There was a slight increase in the flight sector compared to November 2019, with a monthly increase of 13% and a cumulative increase of 23%.

Order backlog continues to grow

The tourism order backlog for tours from November 1, 2023 to October 31, 2024 shows a year-on-year increase of 29%. Monthly turnover in the Cruises sub-division recorded growth of 21% in November 2023 compared to November 2022. The tourism order backlog in the cruise sector for trips from November 1 shows an increase of 34% in the first month of the tourism year.

Tats is a back-office service provider to the tourism industry. The booking and accounting data from around 2,500 affiliated travel agencies is recorded for the monthly travel agency review.

Better figures than 2019

Compared to November 2019, the total turnover of travel agencies also increased by 17% in November 2023. Cumulative invoiced sales also show an increase of 18%. Compared to November 2019, tourism turnover in November 2023 was up by 8% and cumulative turnover by 9%. The cruise sector recorded a month-on-month increase of 17% compared to 2019, as did the cumulative turnover figure. There was a slight increase in the flight sector compared to November 2019, with a monthly increase of 13% and a cumulative increase of 23%.

(Source: www.reisevor9.de)

2. Overview of Regional Activities

Germany

- After approval from VSPC, KMS registered Visit St. Pete/Clearwater for a campaign of Visit Florida in partnership with TUI Germany. The campaign includes services such as a TUI.com Weekly Newsletter Integration, Out-of-Home Info Screens, a paid Social Media Campaign, TUI B2B Facebook Posts, and Instore TV Communication. For this campaign, KMS drafted texts, selected high resolution photos, and forwarded all material to TUI Germany.
- We received a collaboration offer from the Naples, FL tourism representation in Ger regarding the online portal Urlaubstracker. However, KMS declined the proposal due to Urlaubstracker's focus on highly price-sensitive customers, conflicting with Visit St. Pete/Clearwater's strategy.
- The tour operator America Unlimited considers participating in the consumer show Urlaub Freizeit Reisen in Friedrichshafen at the beginning of 2024. The event focuses on travel and it attracts companies showcasing related products and services. America Unlimited requested our potential joint participation, and if they should secure enough partners, they plan to register for the show, offering a partnership fee of approximately 900 Euros.
- In collaboration with America Unlimited, we will attend the travel consumer show ABF Hannover in January 2024. With an expected audience of more than 100,000 consumers, ABF Hannover covers leisure travel, camping, sports, and outdoor activities. In order to start our preparations for the promotion of Visit St. Pete / Clearwater at the show, we submitted high-resolution photos and destination texts of St. Pete/Clearwater to the show organizers. We also requested the timely shipment of VSPC promotional materials from the warehouse to the show.
- We distributed promotional materials and photos of Visit St. Pete/Clearwater to interested travel agencies and tour operators in Germany, Austria, and Switzerland.
- We received a proposal from the German tour operator Fairflight and started reviewing it before forwarding it to Visit St. Pete/Clearwater for a final decision.
- Continually engaging various tour operators in Germany offering U.S. and Florida travel, we explored potential co-op activities, including those specializing in cultural travels to promote our destination's arts and cultural offers.
- In January 2024, the Visit USA Committee Germany will circulate a newsletter covering travel news topics of U.S. destinations. We supported the Committee with destination content and photos of our destination. This newsletter targets more than 23,000 travel agents and media professionals. In addition, we will upload the content to Visit St. Pete/Clearwater's section on the Visit USA Committee's website.
- We were in continuous contact with the Visit USA Committee regarding the required input for the travel consumer show f.re.e 2024, where we will promote Visit St. Pete/Clearwater from February 14th to 18th, 2024.

- We drafted the newsletter *Fascinating Festivals and Unique Music Events in St. Petersburg/Clearwater* and forwarded it to Visit St. Pete/Clearwater for approval. Once we receive approval, we will distribute this newsletter to approximately 3,600 travel agencies in Germany.
- After we promoted St. Pete / Clearwater at the *North America Days* event hosted by the German tour operator CRD Touristik in Hamburg, Germany on November 10-11, 2023, we followed up on all travel trade contacts and provided additional information about our destination.
- After the Swiss airline Edelweiss announced an increased seat capacity from Zurich to the Tampa Bay Airport (TPA) starting in 2024, we participated in a conference call with VSPC, Edelweiss, Visit Tampa and the TPA Airport to discuss potential co-op marketing opportunities promoting the flight. We started evaluating Edelweiss' proposal after we received it.
- In coordination with Brand USA, we started preparing materials for the promotion of St. Pete / Clearwater and the German tour operator Canusa Touristik.
- We received the requested co-op proposal from Blu Media, the leading media company for the GLBTQ+ market in the German-speaking countries, and requested opportunities for incorporating a tour operator in the overall promotion for a measurable call to action and return on investment.
- We sent promotional materials from Visit St. Pete/Clearwater to travel agents interested in further information. Inquiries have also been received via the website of the Visit USA Committee Germany.
- Following our program with Brand USA supported promotions, we reached out to the Radio Group, the second largest group of radio stations in the German-speaking countries, and requested a marketing proposal.
- We continued contacting many tour operators offering the U.S. and Florida in Germany and we discussed potential co-op activities. These included tour operators specialized in cultural travels to promote the arts in our destination.
- We attended a monthly Brand USA conference call to discuss opportunities for co-op programs for FY 2024.
- We coordinated the warehouse that we have subcontracted on behalf of VSPC, proofread their inventory report for November 2023 and forwarded it to VSPC.
- We drafted and submitted our activity report for November 2023.

Austria

- After we promoted St. Pete / Clearwater to approximately 80 travel agents through individual training sessions and a marketplace at a workshop organized by the Visit USA Committee Austria in November 2023, we thoroughly followed up on all agents to ensure that they are able to sell our destination to potential travelers.
- We drafted the newsletter *Fascinating Festivals and Unique Music Events in St. Petersburg/Clearwater* and forwarded it to Visit St. Pete/Clearwater for approval. Once we receive approval, we will distribute newsletter to approximately 900 travel agencies and tour operators in Austria.
- We distributed promotional materials and photos of Visit St. Pete/Clearwater to interested travel agencies and tour operators in Germany, Austria, and Switzerland.
- KMS continued contacting many tour operators offering the U.S. and Florida in Austria and we discussed potential co-op activities. These included tour operators specialized in cultural travels to promote the arts in our destination.

Switzerland

- For our booth at the travel trade event *Island Hopping* organized by the Visit USA Committee Switzerland, we will create a new backdrop design that will be corresponding to VSPC's new corporate design. We also supported the Visit USA Committee with high-resolution photos and destination content for the promotion of our destination. *Island Hopping* is a one-day event taking place in Zurich, Switzerland on January 31, 2023. It is expected to be attended by approximately 250 travel agents. This event is the largest B2B education event for the U.S. in Switzerland, gathering travel agents from across the country to meet destination representatives from the U.S.
- We drafted the newsletter *Fascinating Festivals and Unique Music Events in St. Petersburg/Clearwater* and forwarded it to Visit St. Pete/Clearwater for approval. Once we receive approval, we will distribute the newsletter to approximately 500 travel agencies and tour operators in Switzerland.
- After we promoted St. Pete / Clearwater at the three days long B2B and B2C event *Reisewelten* in Windisch, Switzerland in November 2023, we thoroughly followed up on all agents to ensure that they are able to sell our destination to potential travelers. The event was organized by the Swiss tour operator Knecht Reisen.

- We distributed promotional materials and photos of Visit St. Pete/Clearwater to interested travel agencies and tour operators in Switzerland.
- We continued contacting many tour operators offering the U.S. and Florida in Switzerland and we discussed potential co-op activities. These included tour operators specialized in cultural travels to promote the arts in our destination.

The Netherlands

- We continued preparing our promotion for St. Pete / Clearwater at the Dutch travel show Vakantiebeurs in Utrecht, The Netherlands in January 2023. We have commissioned the dispatch of materials and confirmed appointments for a presentation.

Vakantiebeurs is the largest show to take place in the Dutch market, drawing in visitors from both the Netherlands and Belgium. One of the days consists of travel trade only, offering us a chance to meet with the country's major tour operators and larger agency chains to discuss future plans. We will also work to develop end consumer offers and point of sales (POS) informational flyers to be distributed throughout the show with inspiration on both the region of VSPC and its tourism industry.

- We drafted the newsletter *Fascinating Festivals and Unique Music Events in St. Petersburg/Clearwater* and forwarded it to Visit St. Pete/Clearwater for approval. Once we receive approval, we will distribute the newsletter to approximately 900 travel agencies and tour operators in the Netherlands.
- We distributed promotional materials and photos of Visit St. Pete/Clearwater to interested travel agencies and tour operators in the Netherlands.
- We continued contacting many tour operators offering the U.S. and Florida in the Netherlands and we discussed potential co-op activities. These included tour operators specialized in cultural travels to promote the arts in our destination.
- After we promoted St. Pete / Clearwater at the B2B event "USA – Canada Experience" in Zeist, The Netherlands in November 2023, we thoroughly followed up on all agents to ensure that they are able to sell our destination to potential travelers.

Belgium

- We continued contacting many tour operators offering the U.S. and Florida in Belgium and we discussed potential co-op activities. These included tour operators specialized in cultural travels to promote the arts in our destination.

- We will promote St. Pete / Clearwater at the Brussels Holiday Fair in collaboration with the Visit USA Committee Belgium. We supported the Visit USA Committee Belgium with Visit St. Pete/Clearwater promotional materials and high-resolution photos to be used for enhancing the visibility of St. Pete/Clearwater during this event. The show will take place from February 1-4, 2024.
- We drafted the newsletter *Fascinating Festivals and Unique Music Events in St. Petersburg/Clearwater* and forwarded it to Visit St. Pete/Clearwater for approval. Once we receive approval, we will distribute the newsletter to approximately 500 travel agencies and tour operators in Belgium and Luxembourg.

Poland

- We drafted the newsletter *Fascinating Festivals and Unique Music Events in St. Petersburg/Clearwater* and forwarded it to Visit St. Pete/Clearwater for approval. Once we receive approval, we will distribute the newsletter to approximately 500 travel agencies and tour operators in Poland.
- We continued the communication with the Visit USA Committee in Poland regarding promotional activities. Since they had not sent us the intended marketing proposals, we kindly reminded them about our interest in a potential collaboration.

Czech Republic

- We drafted the newsletter *Fascinating Festivals and Unique Music Events in St. Petersburg/Clearwater* and forwarded it to Visit St. Pete/Clearwater for approval. Once we receive approval, we will distribute the newsletter to a large number of travel agencies and tour operators in the Czech Republic.

Hungary

- We drafted the newsletter *Fascinating Festivals and Unique Music Events in St. Petersburg/Clearwater* and forwarded it to Visit St. Pete/Clearwater for approval. Once we receive approval, we will distribute the newsletter to a large number of travel agencies and tour operators in Hungary.

3. Status of Sales Activities and Promotions

Consumer Promotion with Visit Florida and TUI Germany (starting in January 2024)

- In co-operation with Visit Florida and the German tour operator TUI we will carry out a consumer promotion.

Consumer Promotion with Canusa Touristik (starting in January 2024)

- In co-operation with the German tour operator Canusa Touristik and Brand USA, we will carry out a planned promotion targeting potential travelers to our destination.

Vakantiebeurs, The Netherlands (January 11-14, 2024)

- We will promote our destination at the Netherlands' largest consumer shows for tourism and leisure. At Vakantiebeurs, visitors can explore a wide range of travel destinations, tour operators, travel agencies, accommodation providers and other travel related services. The event offers an opportunity for travelers to gather information, seek inspiration and book their vacations.

Island Hopping, Zurich, Switzerland (January 31, 2024)

- *Island Hopping* is a travel trade training event organized by the Visit USA Committee Switzerland. We will promote St. Pete / Clearwater at the one-day event taking place in Zurich, Switzerland on January 31, 2023. It is expected to be attended by approximately 250 travel agents. The event is the largest B2B education event for the U.S. in Switzerland, gathering travel agents from across the country to meet destination representatives from the U.S.

ABF in Hannover, Germany (January 31-February 04, 2024)

- In cooperation with the tour operator *America Unlimited* we will attend the travel consumer show *ABF Hannover 2024*. More than 100,000 consumers will be expected to visit the show. *ABF Hannover* is a show for leisure travel, camping, caravanning, sports, outdoor activities and other travel related activities.

The show attracts both trade visitors and consumers, providing a platform for exchanging information, discovering new products, and planning leisure activities and travels. America Unlimited offered us a booth participation to promote St. Pete / Clearwater.

Brussels Holiday Show (February 1-4, 2024)

- We will promote St. Pete / Clearwater at the Brussels Holiday Fair in collaboration with the Visit USA Committee Belgium. The show is the leading travel consumer event in Belgium. It will take place from February 1-4, 2024.

Free Munich (February 14-18, 2024)

We will promote our destination at one of the most visited consumer shows for tourism and leisure. The free is a significant industry fair with over 160,000 visitors and approximately 900 exhibitors from over 60 countries. It provides numerous networking opportunities, business deals, and direct sales. Covering all aspects of leisure and travel market, the f.re.e offers exhibitors an excellent opportunity to showcase their offerings to a broad audience.

- The target group consists of consumers with a high demographic profile as Munich is an excellent economic location, home to companies such as Siemens and BMW and the largest German insurance companies, such as Allianz.

TravMedia's International Media Marketplace Germany (IMM) 2024, Berlin, Germany (March 04, 2024)

- We will promote our destination at IMM Germany, the leading travel media event in the German speaking countries. During the day-long event, approximately 120 leading travel brands meet with 200 top-tier media and influencers in Germany, Austria and Switzerland. We will be able to meet leading media outlets in up to 24 pre-scheduled meetings as well as networking functions. The event takes place in Berlin, Germany on the day before ITB Berlin will start.

IPW Los Angeles, CA (May 03-07, 2024)

- Support of VSPC during IPW 2024 with pre-scheduling and coordinating meetings with travel trade professionals and media interviews as well as onsite representation.
- We started preparations for the show and supported the appointment scheduling with media from Central Europe.

Further sales activities and promotions will be added after approval.

4. Public Relations Activities

Please see our separate PR Activity Plan for an overview of all our public relations and media relations activities in December 2023.

5. Market Updates

Travel and Economic News

A look back: These were the destinations Germans most enjoyed traveling to in 2023

The end of the year is often used to look back on the year: What did you experience? What did you achieve? Where did you go? The online portal "Skyscanner" also asked itself the latter and rummaged through its own data. Here we reveal the results and where Germans preferred to travel by plane in 2023.

Where did Germans travel to?

The Germans' favorite travel destination is hardly surprising: the Balearic island of Mallorca, or Palma to be precise, is in first place. The beaches and the mountainous interior continue to inspire. In second and third place is Turkey with Istanbul and Antalya, before Bangkok takes fourth place. Here is an overview of the top ten:

- | | |
|--------------|------------------|
| 1. Palma | 6. London |
| 2. Istanbul | 7. New York City |
| 3. Antalya | 8. Izmir |
| 4. Bangkok | 9. Málaga |
| 5. Barcelona | 10. Lisbon |

Where were the cheapest flights?

According to "Skyscanner", more and more Germans opted for alternative and inexpensive destinations in Europe in 2023 instead of taking long-haul trips. According to the data analysis, the cheapest flight destination was Pescara in Italy. Return flights from Germany cost an average of 71 euros per person. If we look at the prices in the individual months, the cheapest flight went somewhere else:

- January: Edinburgh (Scotland) for 48 euros
- February: Milan (Italy) for 96 euros
- March: Sofia (Bulgaria) for 118 euros
- April and May: Gdansk (Poland) for 92 and 98 euros respectively
- June: Zadar (Croatia) for 109 euros
- July and August: Katowice (Poland) for 95 and 74 euros respectively
- September: Gdansk (Poland) for 85 euros
- October: Zadar (Croatia) for 80 euros
- November: Agadir (Morocco) for 72 euros
- December: Budapest (Hungary) for 118 euros

Where was the cheapest rental car?

If you wanted to explore your destination on your own by car, you could save the most money in Romania. According to the data analysis, rental cars in Bucharest were the cheapest at 13 euros per day. With its enchanted villages, famous castles and mighty mountains, Romania is the perfect destination for an exciting road trip.

How will things look next year?

Travel expert Friederike Burge suspects that Germans will be heading off on long-distance trips again next year: "Krabi in Thailand, for example, has seen an increase of more than 400% in search queries, making it a trend destination." The Spanish city of Seville could also attract Germans, as prices for flights here have fallen by 22 per cent.

(Source: www.reisereporter.de)

Austrians' desire to travel remains high

As Statistics Austria announced today, around 9.31 million vacation trips were taken between July and September, 2.5% more than in the previous year.

Inflation did not curb Austrians' desire to travel in the third quarter of 2023 either.

Statistics Austria recorded a total of 9.31 million vacation trips from July to September - 2.5% more than in the same period last year. More than half of these trips were spent abroad. The most popular foreign destinations were Italy (22.2% of all trips), Croatia (17.9%) and Germany (12.8%).

Destinations & means of transportation

According to the statisticians, around a third of the Austrian resident population aged 15 and over spent at least one summer vacation trip in Austria.

However, the number of domestic vacation trips fell by 1.8% compared to the third quarter of 2022 to 3.95 million. The most popular vacation destinations within Austria were Styria (20.3% of all domestic holiday trips), Lower Austria (16.1%) and Carinthia (15.7%).

Austrian holidaymakers most frequently traveled by car. They used this mode of transport for more than three quarters of all domestic trips and for more than half of all trips abroad. Air travel increased slightly for destinations outside Austria. It was used for almost a third of trips, according to the authority's preliminary data.

(Source: www.tip-online.at)

Sunny Cars: November analysis of the car rental market

Many travelers are drawn to warm destinations at the end of the year. This is confirmed by the monthly analysis of the quality car rental company Sunny Cars. The most popular countries include Spain, Portugal, Italy and Greece. The USA leads the way in long-distance travel. In contrast to previous years, the strong number of incoming bookings is particularly striking. With almost 60,000 reservations, the company recorded more bookings than ever before in November.

Trend towards short-term bookings

"The car rental business remains a very short-term business even in winter," says Thorsten Lehmann, Managing Director of Sunny Cars. "The majority of all bookings in November were for the current month and December 2023." Only one sixth of the reservations received relate to summer 2024. While over 37,000 bookings were received in November 2022, the figure this year is significantly higher at over 59,000 reservations. This strong start to the new financial year (beginning November 1, 2023) will go down in Sunny Cars' history, as never before has the starting month been so high.

Prices on the rise again

Car rental prices are rising again. After prices fell significantly in the fall, the price level has been rising steadily since October 2023. The average price in November was EUR 464 - the last time Sunny Cars recorded prices at this level was in July 2023. Compared to the same month last year, however, the overall price level has fallen. In November 2022, prices were still around EUR 514.

Top destinations & booking channels

When it comes to destinations, it is striking: Greece scored highly in November. With almost 5% of all bookings, the country on the Aegean moved further up in the top ten. However, the three frontrunners remain unchanged: Spain is at the top of the scale, followed by Portugal and the USA.

(Source: www.tip-online.at)

Turnaround in Swiss luxury travel

At the ILTM Cannes luxury trade fair last week, there was talk of a paradigm shift. The new luxury is much more about storytelling and the desire for experiences.

Luxury travel providers and specialists meet once a year at ILTM Cannes. Last week, 2,100 buyers from travel specialists met with just as many exhibitors. The side events and forums at ILTM also provide excitement. Which travel trends are in demand? Where is luxury travel moving?

Insights into the possible future of luxury travel were provided by Aaron Lau, founder and CEO of technology and brand owner Gusto Collective. According to Lau, the future of luxury travel will depend primarily on a seismic shift in consumer demographics.

He cited recent data from a YouGov Global whitepaper, which shows that younger people - particularly 18 to 34-year-olds - see travel as something that has become more important since the pandemic.

However, as younger consumers are less tied to traditional notions of luxury related only to brand or ownership of physical goods, travel companies need to adapt to what Lau calls a "paradigm shift in luxury".

"The new luxury defined by Generation Z consumers is about meaning and expression," Lau is quoted as saying on "Travel Weekly". "It's about social capital, but it's also about storytelling. They're looking for experiences, and there's no better way to have those experiences than luxury travel."

Turning to the experiential character

Experiential travel was also the focus of another speaker: James Wallman, CEO of the World Experience Organization. Wallman announced the start of an "experience revolution" and described the current shift away from materialism and towards the experiential character as a "major socio-cultural turning point".

"The consumer revolution based on materialism has changed our standard of living over the last hundred years," says Wallman. "And I believe that the experience revolution will change the quality of life. Just as our forefathers and foremothers, our ancestors, created this amazing idea with materialism and the consumer revolution that has made us so prosperous, it's our chance - your chance - to create experientialism."

(Source: www.travelnews.ch)

How Gen Z goes on vacation

How do digital natives travel? A representative study by Holiday Check shows that the young generation is primarily looking for authentic experiences on their travels and prefers to be inspired by their social environment when researching.

Generation Z (Gen Z for short) generally comprises those born roughly between the mid-1990s and mid-2010s. It follows the Millennial demographic and is the first generation to grow up in a fully digitalized world.

Post-millennials are therefore used to having access to a seemingly endless reservoir of knowledge. When planning their own trips, however, the 16 to 27-year-olds surveyed prefer to rely on inspiration from their social environment. Around half of the participants rely on tips from family and friends, as a recent study by Holiday Check shows.

Online travel platforms, like social media, are a source of inspiration for around 44% of respondents. In contrast, only around a fifth consider travel influencers to be inspirational. More than half of those surveyed doubt the credibility of social media, while the social environment, followed by online travel platforms and travel agencies, are among the most credible sources for travel planning.

YouTube, Tiktok and Instagram are very popular

Instagram, Tiktok, YouTube, Snapchat & Co. - the young generation is represented on all popular platforms these days. However, most of them are mainly inspired by Instagram, YouTube and Tikok when planning their trip. In contrast, the inspiration platform Pinterest is not even relevant for ten percent of respondents in this area.

Post-millennials are quite critical of what they see. Opinions are divided on travel influencers, for example: while half of 16 to 27-year-olds consider them trustworthy, around 70% have doubts about their independence.

Producing suitable content for social media plays an important role for digital natives during the vacations. Around half of Gen Z share pictures and videos from their travels on social platforms. For the young generation, it's not just about being able to post travel content at all. Rather, they plan in advance exactly where good content can be produced.

Because sharing travel content plays a major role for Gen Z, 40 percent sometimes feel under pressure to post something - young men on average more than women. For almost half, social media also causes them to feel pressure to travel as much of the world as possible.

Environmental protection: Gen Z is divided

Traveling has long been a part of Gen Z's life. Almost two thirds prefer destinations away from mass tourism and around three quarters want authentic and unique experiences when traveling. In addition, post-millennials do not usually explore the world alone, but in company.

In the last twelve months, 64 percent of those surveyed had a budget of at least 1000 euros at their disposal, although price is not the sole criterion for more than two thirds of participants when deciding to travel.

Gen Z, on the other hand, is not unanimous when it comes to environmental protection: around half attach importance to this when planning their trip, while for the other half it does not play a major role.

(Source: www.travelnews.ch)

Travel agency chains and cooperations: The current membership figures

It happens that independent travel agencies change their chain or cooperation. However, in the recently completed tourism year 2022/2023, the number of those willing to switch increased immensely. touristik aktuell asked and unfortunately did not receive an answer from every sales organization. Here is the current membership status according to the respective company.

- ADAC Reisevertrieb: A good 170 travel agencies, including 22 newly acquired agencies this year
- AER: 532 travel agencies
- Alltours Reisecenter: 82 own branches and 90 franchise partners. Three new branches and two new franchise partners were added this year
- Best-Reisen: 694 travel agencies, including 35 new partners
- Derpart: 290 travel agencies. One new office was added to the network in 2023. At least two more are set to follow at the start of 2024
- DTPU: just under 130 partners. Eight new partners were added this year
- Holiday Land: 218 franchisees
- Lufthansa City Center: 280 offices, 13 added this year, 19 new offices in 2022
- Protours: Around 450 travel agencies, including 21 new partners
- Reiseland: 200 branches and 110 franchise offices
- RTK Group (incl. Reiseland): Around 3,100 travel agencies
- Schauinsland-Reisen-Partner: 591 partners and teams
- Schmetterling: 2,043 sales partners in Germany. 95 new partners were added this year

- Tourcontact: Around 100 partners in the network. There were two new additions in the current year
- TSS: 2,385 travel agencies as cooperation partners
- TUI Franchise: A good 400 affiliated franchise offices in the three sales brands TUI Reise Center, First Reisebüro and Hapag-Lloyd Reisebüro
- TVG: 224 travel agencies. The main brand is Sonnenklar TV Reisebüro

(Source: www.touristik-aktuell.de)

TUI increases turnover to over 20 billion euros

In the 2023 financial year, TUI generated turnover of 20.7 billion euros with around 19 million guests. The operating result amounted to 977 million euros and consolidated profit to 455 million euros. According to CEO Sebastian Ebel (photo), the Group was able to reduce its debt by around a third to 2.1 billion euros.

Turnover increased by 25 percent compared to the previous year and, according to Ebel, broke through the 20 billion euro mark for the first time. All segments contributed to the improvement in earnings with positive operating developments, says the TUI boss. The Group had "significantly strengthened" its core business. Hotels and cruises are growth areas and "highly profitable", while the tour operator business is still "undergoing a transformation", which will improve profitability.

"Our goal remains to become more profitable, more efficient and stronger with TUI in all segments," said Ebel. The current winter bookings and the first indications for next summer suggest a further improvement in 2024. TUI expects to increase underlying EBIT by at least 25 percent, while turnover is expected to rise by at least ten percent. The TUI share jumped by around nine percent to 6.50 euros on Wednesday morning.

(Source: www.reisevor9.de)

TUI Group: Record sales and profits at pre-corona level

The German travel group TUI announced today that it achieved record sales and more than doubled its operating profit in the past financial year thanks to a strong summer season.

As announced, TUI Group ended the past financial year with a significant increase in operating earnings. Adjusted operating profit (EBIT) amounted to EUR 977 million in the financial year 2022/23, which ended in September, with the seasonally most important final quarter in the summer alone generating EUR 1.2 billion.

Ambitious outlook

Before the coronavirus pandemic in 2019, the Group had generated an operating profit of more than EUR 1 billion per year - a level that TUI is aiming for in 2024. Sales increased by 25% to a record high of EUR 20.7 billion. "Good stage success, but the work continues: our goal remains to make TUI more profitable, more efficient and stronger in all segments," said TUI CEO Sebastian Ebel on Wednesday.

Overall, the world's largest provider of package holidays counted around 19 million customers, compared to 16.7 million holidaymakers in the previous year - the best figure was 21 million in 2019. The Hanover-based company is confident for the coming year: turnover is expected to increase by at least 10% and EBIT by at least 25%.

"Our strategic initiatives to increase value and the current trend in bookings lead us to expect a further improvement in 2024," said Ebel. "Tourism is growing." For the first time since the coronavirus crisis, TUI is venturing an ambitious outlook early in the year.

"Robust demand"

TUI also announced that inflation has not deterred its customers from traveling - the travel group has its focus on the high-priced offer, where demand is robust. "The market has become more difficult in the lower market segment," said Ebel. After a sharp rise, prices normalized again. Average prices in the winter season are 5% higher than in the previous year and bookings are already 11% higher. The outbreak of the war in Israel against the radical Islamic group Hamas in October had dampened bookings for neighboring Egypt, a popular winter destination, for around six weeks. The dip in demand is currently being ironed out.

The company also announced that only a small part of the summer program had been sold. "Initial signs point to a strong season," explained TUI in the press release. Bookings were up 13% on the previous year with prices 4% higher. TUI is expecting growth from a standardized booking platform that links the offer of travel and tickets for excursions or events. Consumers are to be courted more strongly via the TUI app.

Debt settlement more important than profit jubilation

On balance, the listed company earned EUR 456 million. Last year, TUI had made a loss of EUR 213 million, as corona travel restrictions had still burdened the business until early summer.

Thanks to the strong growth, TUI was able to reduce its net debt from EUR 3.4 billion to EUR 2.1 billion. The company still has some way to go here, said Ebel. For the time being, this is more important than celebrating record operating results.

(Source: www.tip-online.at)

Airtours becomes even more luxurious

The TUI brand Airtours increasingly stands for high-end hotels and services. TUI Suisse CEO Philipp von Czapiewski expects growth in the upper luxury segment.

TUI's luxury brand Airtours wants to attract more guests in the upper luxury segment in future by positioning itself more strongly. "The luxury travel market offers a lot of potential and is showing increasing demand, which we want to serve in an even more focused way in the future. Accordingly, we are positioning our luxury brand Airtours more clearly in the market with specially selected travel offers and products," says Philipp von Czapiewski, Managing Director TUI Suisse. To this end, Airtours is sharpening its profile and will in future focus its product portfolio on hotel partners and accommodation in the upper luxury segment. Hotels in the premium segment can still be booked via the TUI brand.

The higher positioning of the Airtours brand is accompanied by a variety of improved services and new benefits. In addition to the digital contact options, personal Airtours guest support is available to customers by telephone around the clock.

Package tours include 1st class rail travel to the departure airport in Germany from the border as well as private transfers at the destination and lounge use at Zurich Airport. A luggage collection service and a chauffeur service for an even more comfortable journey to and from the departure airport in Switzerland are new in the test. Other popular Airtours services include hotel privileges such as free room upgrades, resort credits, dinner invitations and spa treatments.

Travel agency partners benefit from attractive advantages such as an extensive range of seminars offered by the airtours & friends luxury academy as well as exceptional seminar trips and events. For airtours private travel bookings, there is an additional commission of two percent from now until the end of the financial year.

(Source: www.travelnews.ch)

Ifo Business Climate Index down

The business climate index in the manufacturing industry has fallen noticeably. Companies assessed their current business situation as significantly worse. Pessimism also increased again with regard to expectations.

Energy-intensive sectors in particular are struggling. The order backlog continues to decline overall.

The business climate in the service sector has improved slightly. Service providers were more satisfied with current business. They also reported less skepticism about the outlook for the coming six months. The business situation in the hospitality industry has improved. However, expectations have fallen.

In retail, the business climate has suffered a setback. Companies assessed the current situation as noticeably worse. Their expectations also deteriorated. Christmas business in the retail sector is disappointing.

In the construction industry, the business climate indicator has fallen to its lowest level since September 2005. Companies assessed their current situation as worse. In addition, around every second company expects business to deteriorate further in the coming months.

(Source: www.ifo.de)

Sentiment in sales deteriorates slightly

The Tourism Sales Climate Index published by management consultants Dr. Fried & Partner for December shows a slight deterioration in sentiment compared to the previous month. However, there is a more optimistic outlook for future demand.

The assessment of the current situation in the distribution of travel services has deteriorated slightly. The proportion of positive respondents fell from 56% to 52%, while 38% stated that distribution was satisfactory (previous month: 39%). A larger proportion than in the previous month rated the situation as poor (9%, previous month: 6%).

A comparison of sales of travel services in the last two to three months with the previous year shows a mixed trend. The proportion of respondents reporting an increase in sales figures remains relatively stable at 46% compared to November (45%).

However, there has been an increase in the proportion of those reporting a decline (November: 14%, December: 22%). An unchanged situation compared to the previous year is reported by 32% of respondents. In November, the figure was 41%.

Slightly more optimistic forecast

The forecast for demand for travel services in the next six months shows a slight improvement compared to the previous month. 30% of respondents expect an increase (November: 24%), while 16% forecast a decline (previous month: 21%). A stable majority of 54% expect demand to remain at the current level (November: 55%).

With regard to expectations for the earnings situation over the next six months, there has been a slight deterioration. The proportion of respondents expecting an improvement falls by half a percentage point and remains at 25%, while the proportion of those forecasting a deterioration increases slightly from 18% to 20%. A majority (55%) expect no change (November: 57%).

(Source: www.reisevor9.de)

Austria: Economic development with weak momentum

The results of the WIFO Business Survey in November continue to show skeptical assessments of the economy by Austrian companies. At -6.9 points (seasonally adjusted), the WIFO economic climate index was up 0.8 points on the previous month (-7.7 points), but remained in pessimistic territory. Situation assessments remained almost unchanged compared to the previous month and were particularly negative in the manufacturing sector. Economic expectations improved slightly, but continue to signal a skeptical economic outlook.

Companies' demand for credit rose slightly in November. Nevertheless, the majority of companies consider the banks' willingness to lend to be restrictive.

(Source: www.wifo.at)

Inflation: Austria's inflation rate rose again at the end of the year

After a slight decline, inflation has risen again. According to a quick estimate by Statistics Austria, the inflation rate in December was 5.6 percent, compared to 5.3 percent in the previous month.

According to Statistics Austria Director General Tobias Thomas, electricity in particular, which had become cheaper in December a year ago due to the electricity price brake, no longer had a dampening effect on prices in a year-on-year comparison. Fuel prices are also having much less of a dampening effect on inflation than in previous months.

Inflation in Austria higher than in the rest of the eurozone

According to a calculation by the trade union-affiliated Momentum Institute based on Eurostat data, Austria had the highest inflation rate in the eurozone from August to November 2023. Austria is also above average in terms of inflation for 2023 as a whole.

According to Momentum chief economist Oliver Picek, Austria has relied too little and too late on price brakes and allowed excess profits in sectors that have massively increased prices. A price brake was lacking for gas and district heating in particular.

Wifo and IHS expect inflation rate to fall

According to the Wifo forecast, the inflation rate is expected to fall to 4% this year, or 3.9% (IHS forecast) - which would still be well above the eurozone average and the European Central Bank's 2% target.

(Source: www.tips.at)

Swiss industry is losing orders - fortunately, services are doing well

The economic outlook has clouded over. Nevertheless, the Swiss economy is expected to grow slightly in the coming year. This would be better than in Germany.

Fears of a recession have increased in recent weeks. The economy is struggling in many places around the world. Geopolitical tensions and wars are weighing on sentiment. The uncertainties for the coming year are great.

However, economic experts in Switzerland are now providing a positive counterpoint. They do not expect a recession in this country in the coming year. On the contrary: the Swiss economy is expected to grow slightly.

Slump and job cuts in industry

The State Secretariat for Economic Affairs (Seco) is forecasting real gross domestic product (GDP) growth of 1.1 percent for 2024, as the federal economists announced on Wednesday.

This would be a similar level of growth to the current year, which is expected to be 1.3 percent. The forecast by the KOF Swiss Economic Institute at ETH Zurich points in the same direction. The KOF experts expect real economic growth of 1.3 percent in 2024.

This is a continuation of the current economic situation. The Swiss economy is currently growing at a below-average rate in a long-term comparison, as has been shown in recent quarters. But it is still growing.

The economy presents a mixed picture. Swiss industry, which is heavily geared towards exports, is doing particularly badly. Many industrial companies have recently lost orders due to difficulties in important export markets such as Germany and China. In some cases, companies are also cutting jobs. According to KOF experts, it is likely to take until the second half of 2024 before the global economy picks up and the Swiss export industry recovers.

Private consumption supports the economy

By contrast, the service sector, which is geared towards the domestic market, is doing much better. The tertiary sector accounts for almost three quarters of Swiss economic output. Private consumption in particular is currently supporting the economy. According to forecasts, this will remain the case in the coming year.

The population is increasing its consumption because the situation on the labor market remains good - even if momentum is set to slow somewhat in the coming year and job growth is expected to slow. In addition, inflation is likely to stabilize at just under 2 percent in 2024. Immigration also plays a role: private consumption is growing simply because more people are living in the country.

Prolonging the recession in Germany?

If you want to look on the bright side, it can be said: The economic outlook in Switzerland is better than in other countries. This becomes clear in comparison with Germany. In the neighboring country, economic output has shrunk by 0.5 percent this year.

There is disagreement about the outlook for the coming year. Some economic research institutes, such as the IW Cologne, expect the recession in Germany to continue in 2024 and GDP to shrink again by 0.5%. Other observers such as the Kiel Institute for the World Economy, on the other hand, see a return to moderate growth of just under 1%. In addition to the problems of the export-oriented German industry, the budget dispute within the government has also recently caused uncertainty.

On the negative side, 2023 and 2024 are likely to be two transitional years for Switzerland in which the economy will only grow at a below-average rate. In addition, immigration is likely to remain high. Per capita economic output is therefore likely to stagnate in 2023 and 2024. This means that there will be no increase in prosperity for the average resident.

(Source: www.nzz.ch)

PLEASE CONTACT US.



IF YOU HAVE ANY QUESTIONS REGARDING THIS REPORT, PLEASE DO NOT HESITATE TO CONTACT US:

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