

MONTHLY REPORT CENTRAL EUROPE OCTOBER 2023



**ST.PETE
CLEARWATER**

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

European International Travel Trends Update

Touristic Bookings Continue to Rise

Record Turnover, More Early Bookings, Endless Product Variety - Winter 2023/24 Appears to Be Encouraging. But is it really the case?

There is a semblance of normality in the tourism industry. Summer 2023 went well, and the upcoming winter season is already ahead of pre-pandemic levels in some segments. External factors that affected or hampered business during the pandemic have been temporarily forgotten, except for the recent Israel-Gaza conflict. But what is normal, anyway? Even as revenues surge, the business has transformed. With rising energy costs, travel has significantly become more expensive. This is noticeable not only across all travel segments but also in customer behavior. What does this mean specifically?

Booking Situation: Super!!! The booking restraint that characterized fall 2022 due to inflation and heating cost discussions is a thing of the past. The winter 2023/24 season is underway and is even slightly surpassing pre-pandemic levels. According to Travel Data & Analytics (TDA), sales have seen a six percent increase compared to 2018/19. This is a 57 percent increase from the previous year. However, there remains a significant discrepancy between traditional travel agencies and online platforms.

Online Over Offline: This trend persists even after the COVID-19 crisis. According to Mtiix data from Midoco, traditional offices are generating revenue at approximately the level of the winter season in 2018/19. However, there is about a 30 percent gap in the number of bookings. The reason behind this disparity is that the average order value has increased by around 40 percent. On the other hand, travel portals significantly surpass pre-crisis levels both in revenue and the number of bookings. The revenue spikes in March can be attributed to the early Easter holidays in 2023.

The Travel Index from Midoco reveals that travel agencies are still one percent short in revenue compared to the 2018/19 season, while online platforms are performing 63 percent better. Tour operators are benefiting from both distribution channels. "The booking situation is very good," summarizes Alltours CEO Willi Verhuven. "All segments of travel are running, including individual vacations."

Booking Behavior: Decrease in Last-Minute Bookings The trend of extreme short-term bookings, prominent during the past winter and the current summer season, is diminishing. "At the beginning of the year, we noticed that many of our guests were booking considerably further in advance for the summer," says Detlef Schroer, Sales Director at Schauinsland. "This trend continues into the winter." Nonetheless, customers are still booking more last-minute than before. According to TDA, only 27 percent of the August bookings accounted for the winter season, about six percentage points less than in August 2019. The majority of bookings were for the travel month of August, along with the autumn months of September and October.

Price Development: Stability with Upward Trend It's evident that vacations have become more expensive, in some cases significantly. This increase is noticeable, especially in long-haul flights, but not limited to that area. The revenue growth in recent months is primarily due to increased travel prices and is expected to continue in the upcoming winter season. Alltours anticipates a five to ten percent rise in prices, while TUI expects a four percent increase in all major source markets. "Not all households in Germany can afford an organized tour this year," according to TDA market researchers. Tour operators have reacted to this: "Through tough and consistent renegotiations with our partners, the increases have been kept at an overall bearable level," says Schauinsland, for example.

Inflation: More Revenue than Passengers The increased prices are driving revenue growth. In other words, significantly fewer guests are spending considerably more money on their vacations. According to TDA, this summer is missing 14 percent in bookings, and the winter 2023/24 is short by 17 percent compared to the corresponding period in the previous year.

Steffen Faradi, CEO of Midoco and creator of the analysis tool Mtix, sees a striking difference between traditional distribution and online portals. The number of bookings for winter in travel agencies is 30 percent below the pre-pandemic level, with revenue one percent below. In contrast, online sales generate 63 percent more revenue with 23 percent more customers. "The value of a booking in a travel agency is, on average, twice as high as in online sales," Faradi explains. Simply put: more people book online at lower prices.

However, the figures also show that the gap between the value and the number of bookings is narrowing. For instance, the difference between revenue and guest number growth at Alltours in winter is now only five percentage points. However, for owner Verhuvén, this isn't an indication that prices are decreasing. "Customers are shortening their length of stay," he explains. This trend is the main cause of the shrinking difference. However, no trend is without exception: in the cruise industry, both passenger and revenue growth are developing at almost the same level.

Flight Capacities: Nearly Normal Levels For many consumers, flying was not an option during the pandemic. Now, the demand is immense, and airlines are increasing their capacities again. According to the German Air Transport Association (BDL), during the summer months of 2023, the available seat capacity in Germany reached up to 88 percent of the 2019 level. In the rest of Europe, the current offering is already at 103 percent.

In Germany, holiday airlines such as TUIfly and Eurowings, in particular, have all their jets back in the air, flying to destinations in the Canary Islands, Egypt, and Mexico. On long-haul routes, destinations like the Dominican Republic, other Caribbean locations, and the Indian Ocean are favored, according to Condor and Discover Airlines. Discover CEO Helmut Wölfel also highlights Florida and the new addition of Calgary as popular routes for the winter.

Even Discover's parent company, Lufthansa, aims to have all its long-haul destinations from pre-pandemic times available again in the winter. With Bangalore in India, they're even offering something entirely new from Munich. "We could sell more tickets than we're offering today," as officially stated by Lufthansa.

However, things are not as lavish in the pure holiday flight sector: even though passengers are increasingly demanding premium seats, leading to attractive revenues per ticket, Wölfel and his colleagues wish for longer lead booking times. Nevertheless, "booking intake remains constant," as confirmed by Condor.

Cruise: Returning to Former Strength Cruise lines and distribution report double-digit growth rates compared to the previous year, with demand usually higher than in 2019. For example, the Carnival Corporation closed the third quarter of 2023 with a revenue record of almost seven billion US dollars. Summarizing the German market for the winter season, Tim Krätke, CMO of the E-Hoi portal, notes: "Strong passenger and revenue growth, with an average travel price per booking increasing by double digits." The Caribbean stands out in the winter as the market leader with by far the largest cruise offerings. But the Canary Islands also thrive due to the strong presence of Aida and TUI Cruises, deploying their largest ships Aida Cosma and Mein Schiff 1 there.

North and Western Europe as a cruising region is also experiencing significant success, which was not traditionally popular in the winter due to its unpredictable climate. But now, the season with departures from German ports is getting longer, and large ships such as Aida Nova or the new MSC Euribia remain in the north throughout the entire winter season. The Mediterranean offerings are dominated by Costa and MSC. They attract German guests with the option of traveling by car to Genoa and competitive prices.

Conclusion: The travel industry is on its way to leaving the COVID-19 crisis behind. However, it cannot completely forget it. Even though tour operators are experiencing booming revenues, which in turn means higher commissions for travel agencies, fewer people are still going on vacation than before the pandemic. Winning back these travelers remains one of the future challenges.

(Source: fvw)

2. Overview of Regional Activities

Germany

- Discover Airlines, a subsidiary of Germany's national carrier Lufthansa, operates key routes connecting Frankfurt (FRA) to Tampa Bay Airport (TPA), Orlando International (MCO), and Fort Myers International (RSW), totaling over 21 weekly flights during peak seasons. The airline plays a pivotal role in catering to the German-speaking market, with the Tampa Bay route ranking among the top three ports of entry. Notably, Discover is the exclusive airline providing non-stop service from Germany to Tampa Bay.

To enhance awareness of their extended global routes to travel agents and tour wholesalers in German-speaking countries, Visit Florida collaborated with TUI Germany to organize a four-day road show from October 16-19, 2023, visiting select cities in Germany—Hamburg (10/16), Bremen (10/17), Bielefeld (10/18), and Düsseldorf (10/19).

Participating in this road show, Visit St. Pete / Clearwater, along with eight other Florida partners, engaged in promoting the region and the flight connections. The participating partners included Visit St. Pete / Clearwater, Visit Florida, Naples, Marco Island & Everglades, Punta Gorda & Englewood Beach, Visit Lauderdale, Visit Orlando, Visit Sarasota, and Florida's Space Coast.

Each evening, following the workday, an event was organized for travel trade professionals. These events featured a short travel market allowing professionals to explore various partners' offerings. At our table, representing St. Pete / Clearwater, we observed significant interest from attendees seeking detailed information about our destination, including aspects like hotels, sustainability offers, and bike rentals. It was evident that many had previous experiences and were enthusiastic about recommending St. Pete / Clearwater to potential travelers.

The evening events included a 45-minute marketplace session followed by a seated dinner. During dinner, each partner presented a ten-minute overview of their destination or services to small groups. St. Pete / Clearwater showcased the destination through a dedicated presentation and destination videos across all four events. Additionally, a prize draw was conducted post-dinner where luxury beach bags, including JBL portable speakers, were among the prizes given away.

Before the event, we commissioned our warehouse to send packages containing brochures and giveaways to the venues. The brochures and giveaways were distributed to the participants during the events. Additionally, we shipped four luxury beach bags to each event venue, each containing high-quality giveaways. These bags were raffled off among the guests in these evenings.

After the event, we prepared a follow-up and provided it to Visit Florida. In a consolidated email, all participants of this roadshow received a message along with VSPC's website and our contact information.

In total, the road show successfully engaged approximately 230 travel agents and it was a very valuable opportunity for us to promote our destination and its endless tourism opportunities to top selling travel agents that are in the position to increase the number of visitors, hotel bookings and tax dollars to St. Pete / Clearwater.



Impressions from the St. Pete / Clearwater Promotion at the Visit Florida Roadshow 2023

- On October 17, 2023, we promoted our destination at the Visit Florida Media Networking Event in Hamburg. The media event was planned as a networking session in the morning (9 – 11 am). VSPC received an own table that was used for discussions with the attending journalists and digital influencers. We were able to promote our destination to all 18 media professionals and digital influencers that attended the media event. After the event, started following up on all participants and added all interested professionals so they will receive our VSPC newsletter in the future.



Impressions from the St. Pete / Clearwater Media Promotion at the Visit Florida Media Event

- We registered Visit St. Pete/Clearwater for the North America Days event of the German tour operator CRD, which will take place on November 10, 2023, in Hamburg. Eight years ago, CRD International hosted its inaugural and highly successful trade show, drawing over 6,000 visitors over a single weekend. The expansive in-house trade show spans the entire office building, and it welcomes partners, clients, travel agencies, and press representatives during these Open House Days. Notable attractions encompass a diverse range of presentations and workshops, captivating show cooking demonstrations, gourmet culinary experiences, networking prospects, entertaining activities, an exciting raffle that extends throughout the entire building, and a host of other engaging features.

As part of the preparation for the event, we sent CRD a logo from Visit St. Pete/Clearwater, a brief text about St. Pete/Clearwater in the German language, an EPS-format file, and high-resolution images. Additionally, we booked the travel and hotel accommodation for our delegate.

- We drafted the newsletter announcing that Clearwater Beach was named the best beach in the southern United States and submitted it to VSPC for approval. After receiving approval, we will distribute it to more than 3,700 travel agencies and tour operators in Germany.

- We distributed the newsletter *Shuffleboard - a nostalgic sport experiences its renaissance in St. Pete/Clearwater* to more than 3,600 travel agencies and tour operators in Germany after receiving approval from VSPC.
- In November 2023, the Visit USA Committee Germany will distribute a newsletter covering various topics. We supported the Committee by providing content and photos of St. Pete/Clearwater. This newsletter will be distributed to more than 23,000 travel agents and media professionals. Additionally, we will upload the same content to the Visit St. Pete/Clearwater section of the Visit USA Committee Germany's website.
- 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. Specifically, we received an inquiry from a travel agent who participated in the TUI Roadshow with Visit Florida and was interested in the video *Let's Shine in St. Pete/Clearwater!*. The travel agent would like to share the video on his Instagram channel. We sent the video to him.
- The winner of the Tampa Bay Buccaneers Bay Promotion from November 2022 has reached out to us. He had begun his Florida journey and will be in St. Pete/Clearwater from November 7th to 10th. While he has received the winner's voucher for his accommodation, he is yet to receive tickets for the Clearwater Marine Aquarium and the Dali Museum. KMS has contacted VSPC to check if the tickets can be delivered via email voucher or arranged for hotel pickup.
- KMS has scheduled appointments with key contacts from the German tour operators TUI, Canusa Touristik, Fairflight, Explorer World of Travel and the Swiss Airline Edelweiss for World Travel Market (WTM), which takes place in London on November 6-8, 2023. KMS sent an additional reminder confirmation with the booth number to all trade partners from the German-speaking countries.
- We registered Visit St. Pete/Clearwater as a cooperation partner of the Visit USA Committee Germany for the two consumer fairs, Free and CMT. The CMT will take place from January 13th to 21st, 2024, in Stuttgart, and the Free will be held from February 14th to 18th, 2024, in Munich.

CMT 2023 was attended by 265,000 visitors and continues its successful journey. At the first and largest public trade fair for tourism and leisure in the year, the entire travel industry comes together for the international season kickoff. A travel-hungry audience from all over Germany, Switzerland, and Austria gathers here to learn about new destinations, caravans, motorhomes, vans, and accessories.

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.

However, we have since learned from the Visit USA Committee that they have canceled their participation in CMT 2024 due to too few partner exhibitors registering.

- KMS continued contacting a large number of 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 in order to promote the arts in our destination.
- We attended a monthly Brand USA conference call in order 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 October 2023 and forwarded it to VSPC.
- In cooperation with VSPC and Brand USA, we concluded a multiple months long advertising campaign with the travel consumer magazine Connoisseur Circle. In April, we forwarded the first invoice from the publishing house to Brand USA and requested additional information and back-up documents from the publishing house for Brand USA. The promotion included media coverage provided by the magazine, as well as advertorials and digital marketing opportunities. It includes multi-level promotions and will run until fall 2023. Brand USA will support the promotion.
- KMS continued contacting a large number of 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 in order to promote the arts in our destination.
- In coordination with VSPC, KMS drafted a presentation about our tourism successes in Central Europe in the past fiscal year, planned activities in the current fiscal year and a market overview with a trends and opportunities for promoting St. Pete / Clearwater. After approval from VSPC, the presentation for the Tourism Development Council (TDC) will be given by Axel Kaus, KMS's Managing Director in Clearwater, Florida on November 15, 2023.
- We drafted and submitted our activity report for September 2023.

Austria

- We drafted the newsletter announcing that Clearwater Beach was named the best beach in the southern United States and submitted it to VSPC for approval. After receiving approval, we will distribute it to more than 900 travel agencies and tour operators in Austria.

- Back in April 2023, we registered Visit St. Pete Clearwater for a B2B workshop organized by the Visit USA Committee Austria, which will take place on November 8, 2023, in Vienna. Participation includes training sessions with travel agents, 90-minute marketplace with the Austrian travel trade and a networking dinner with typical American food. Before the event, we instructed our warehouse to send packages containing brochures and giveaways to the venue. The brochures and giveaways will be distributed to the participants during the event. Additionally, we shipped a luxury beach bag with high-quality giveaways to the venue. These bags will be raffled off among the guests during the event. We provided the committee with a contest question that they will use during the raffle. Furthermore, we have booked travel and hotel accommodation for our delegate.
- We continued contacting targeted Austrian tour operators that all reported that the market is selling strong through the German wholesalers that cross-sell into the Austrian market (with liaison offices in the market, such as DER Touristik, TUI and FTI).
- After evaluating the proposals from Austrian travel industry partners, we included selected activities in our proposed budget plan for fiscal year 2023/2024 and submitted it to VSPC for review.
- We distributed the newsletter *Shuffleboard - a nostalgic sport experiences its renaissance in St. Pete/Clearwater* to more than 900 travel agencies and tour operators in Austria after receiving approval from VSPC.
- The Austrian market was diligently nurtured through various conference and virtual meetings. Similar to the German market, we've observed a resurgence in travel planning among Austrian travelers, especially towards Western destinations. With an increased number of vacation flights heading to the USA, Austrian travelers have also reoriented their travel preferences. Discussions with numerous travel industry partners indicate a promising outlook for 2023/24. Unlike the German traveler, there are fewer direct flights departing from Wien, and the majority of Austrians opt for layovers when heading to Florida or the USA in general. Nevertheless, ongoing industry reports reveal an upward trajectory in bookings, signifying an encouraging trend.

Switzerland

- We drafted the newsletter announcing that Clearwater Beach was named the best beach in the southern United States and submitted it to VSPC for approval. After receiving approval, we will distribute it to more than 500 travel agencies and tour operators in Switzerland.

- We distributed the newsletter *Shuffleboard - a nostalgic sport experiences its renaissance in St. Pete/Clearwater* to more than 500 travel agencies and tour operators in Switzerland after receiving approval from VSPC.
- In order to present St.Pete/Clearwater and promote the destination, we will participate at the B2B and B2C event *Reisewelten* of Knechtreisen in Windisch in Switzerland between November 2-4, 2023. Knechtreisen is one of the largest tour operators in Switzerland and organizes the annual event, which consists of a B2B and a B2C part. Before the event, we instructed our warehouse to send packages containing brochures and giveaways to the venue. The brochures and giveaways will be distributed to the participants during the event. Additionally, we shipped a luxury beach bag with high-quality giveaways to the venue. These bags will be raffled off among the guests during the event. Furthermore, we have booked travel and hotel accommodation for our delegate.
- We maintained a strong communication with the Swiss airline Edelweiss in order to support the airline with their flights from Zurich to Tampa. We discussed joint promotional opportunities such as travel trade and press fam trips among other activities.
- In order to maintain contact with the Swiss travel market, we held several conference / zoom calls with various larger travel agent offices and tour operators. We discussed current booking and travel trends. In the past year, there was an increase in bookings; however, most travel companies in Switzerland tend to compare their figures primarily with the 2018/19 pre-Covid-19 period. Many tour operators are optimistic about growth and express confidence in their businesses. Bookings exhibited strength from Christmas through the end of February, with turnover nearing pre-Covid levels. There's an observed trend where holidaymakers are tending to shorten their trip durations, possibly influenced by economic factors.

The Netherlands

- The maintenance of the Belgium and Dutch market was meticulously upheld through a series of professional conferences and virtual meetings. Analogous to observations in the German market, we are observing a shift in travel planning among Belgian and Dutch travelers, particularly directing their focus towards Western destinations. The increase in vacation flights to the USA has influenced the travel trajectory of BENELUX travelers. Following conversations with various travel industry partners, the prevailing trends suggest a promising outlook for 2023/24, indicating the likelihood of yet another successful year in travel
- After receiving approval from VSPC, we distributed the newsletter *Shuffleboard - a nostalgic sport experiences its renaissance in St. Pete/Clearwater* to a large number of travel agencies and tour operators in the Netherlands.

- We drafted the newsletter announcing that Clearwater Beach was named the best beach in the southern United States and submitted it to VSPC for approval. After receiving approval, we will distribute it to 900 of travel agencies and tour operators in the Netherlands.
- In preparation for the Dutch B2B show *USA Canada Experience* in Zeist, Netherlands on November 3-4, 2023 and the B2C show *Reisbeurs* in the same city on November 5-6, 2023 we have continued to make arrangements for VSPC's promotions at both events. We have instructed our warehouse to send packages containing brochures and giveaways to the venue. These materials will be distributed to the participants during the events. Additionally, we have shipped luxury beach bags with high-quality giveaways to the venue, which will be raffled off among guests. Furthermore, we have booked travel and hotel accommodations for our delegate. Four travel journalists will also be attending the B2B event. We have decided that we will provide them with this one press kit in the follow-up.
- The Visit USA Committee Netherlands sends out social media-posts twice a year for its members. For this purpose, we have provided a 60-word input along with a suitable image.
- To showcase St.Pete / Clearwater and promote the destination on the Dutch market, we will participate B2C fair, *Vakantiebeurs*, in cooperation with the Visit USA committee Netherlands. *Vakantiebeurs* will take place between January 11-14, 2024, and is the largest leisure and tourism fair in the Netherlands, held at the *Jaarbeurs* exhibition grounds in Utrecht. Various regions will present themselves, equipment suppliers and tourism providers will provide information. The fair caters to experts in the travel and tourism industry as well as interested consumers. For an illustrated booth at the trade fair, we have sent VSPC two images of the beaches and the St. Pete Marina, requesting them to create graphics at the required size with a bleed allowance. Additionally, we have created a 500-character text for a guide and forwarded a title to the Visit USA Team Netherlands for an upcoming presentation. We have forwarded both the edited graphics and the text to *Vakantiebeurs*.
- We received a proposal with social media activities from the Dutch website verkeerbureaus.info. They want to feature St. Pete/Clearwater on their website for a fee. We have decided against a cooperation because consumers can access all the information from this website on the Visit USA Committee Netherlands website.

Belgium

- We distributed the newsletter *Shuffleboard - a nostalgic sport experiences its renaissance in St. Pete/Clearwater* to a large number of travel agencies and tour operators in Belgium after receiving approval from VSPC.

- In order to present St.Pete/Clearwater and promote the destination on the Belgian market, we registered for the Brussels Holiday Fair in cooperation with the Visit USA Committee Belgium. The Brussels Holiday Fair takes place in February 1-4, 2024 and connects the tourism industry with the travelers. The combination of online and face to face contact possibilities offers a huge potential for welcoming travelers.
- We drafted the newsletter announcing that Clearwater Beach was named the best beach in the southern United States and submitted it to VSPC for approval. After receiving approval, we will distribute it to a large number of travel agencies and tour operators in Belgium.

Poland

- We drafted the newsletter announcing that Clearwater Beach was named the best beach in the southern United States and submitted it to VSPC for approval. After receiving approval, we will distribute it to a large number of travel agencies and tour operators in Poland.
- We distributed the newsletter *Shuffleboard - a nostalgic sport experiences its renaissance in St. Pete/Clearwater* to a large number of travel agencies and tour operators in Poland after receiving approval from VSPC.

Czech Republic

- We drafted the newsletter announcing that Clearwater Beach was named the best beach in the southern United States and submitted it to VSPC for approval. After receiving approval, we will distribute it to a large number of travel agencies and tour operators in the Czech Republic.
- We distributed the newsletter *Shuffleboard - a nostalgic sport experiences its renaissance in St. Pete/Clearwater* to a large number of travel agencies and tour operators in the Czech Republic after receiving approval from VSPC.

Hungary

- We drafted the newsletter announcing that Clearwater Beach was named the best beach in the southern United States and submitted it to VSPC for approval. After receiving approval, we will distribute it to a large number of travel agencies and tour operators in Hungary.

- We distributed the newsletter *Shuffleboard - a nostalgic sport experiences its renaissance in St. Pete/Clearwater* to a large number of travel agencies and tour operators in Hungary after receiving approval from VSPC.

3. Status of Sales Activities and Promotions

Advertising Promotion with Connoisseur Circle (until October 2023)

- In cooperation with VSPC and Brand USA, we started a multiple months long advertising campaign with the travel consumer magazine Connoisseur Circle. The promotion includes media coverage provided by the magazine, as well as advertorials and digital marketing opportunities. It started in January 2023 and will be concluded in fall 2023. Brand USA will support the promotion.

USA-Canada Experience, The Netherlands (November 02-03, 2023)

- A B2B event is a combined two days long workshop for media, tour operators and travel agents. During the two days there will be a marketplace where the American and Canadian suppliers meet the Dutch tour operators, media, travel agents and reservation staff operating in the Dutch market.
- Planned to occur immediately prior to World Travel Market in London, this program provides American and Canadian PMO's, DMO's, Airline partners and supplier partners with an opportunity to inform and educate the Dutch travel trade as well as meeting directly with product managers and media.

USA & Canada Reisbeurs, The Netherlands (November 04-05, 2023)

- For the 11th time this largest North America travel fair will be organized for consumers as a dedicated travel show for North American suppliers.
- Location the USA & Canada travel show will take place at a central location in the middle of the country to allow easy accessible by car and train.
- Detailed information can be found at www.usacanadareisbeurs.nl.
- There will be product presentations of 20 minutes so that we can present our destination to potential travelers in the Netherlands.

Reisewelten (November 02-04, 2023)

- As part of our multi-channel co-operation with the Swiss tour operator Knecht Reisen, we will participate in the tour operators day-long shows designated to consumers (November 02-03, 2023) and travel trade professionals (November 04, 2023).

The tour operator welcomes over 50 partners and specialists from all over the world to its travel center in Windisch, Switzerland. In over 35 travel presentations on a wide variety of destinations, interested parties will learn news about the exhibiting destinations.

Visit USA Event in Vienna, Austria (November 08, 2023)

- We will promote St. Pete / Clearwater to approximately 100-120 travel agents through individual training sessions, a marketplace as well as a networking dinner will help Austrian travel agents to sell our destination to potential travelers.

World Travel Market, London / UK (November 06-07, 2023)

- KMS scheduled appointments with key contacts from the German tour operators TUI, Canusa Touristik, Fairflight, Explorer World of Travel and the Swiss Airline Edelweiss for World Travel Market (WTM), which takes place in London on November 6-8, 2023.

Nordamerikatage in Hamburg, Germany (November 10-11, 2023)

- We will promote St. Pete / Clearwater at consumer event "*Nordamerikatage*" in *Hamburg, Germany*. The event will be organized by the Hamburg based tour operator *CRD International* and it will be planned as a platform for DMOs and other travel related partners to promote their destinations and services to potential travelers to the U.S. and Canada, travel agencies and the media. For this year's event, CRD plans destination presentations and workshops, show cooking and culinary delights, networking opportunities and more. The operator expects about 8,000 visitors to attend the event.

German Trade Fam Trip (December 01-04, 2023)

- We will support a travel trade trip consisting of the product managers of several German tour wholesaler to St. Pete / Clearwater. The fam group will be in our destination from December 01-04, 2023. The German airline Discover will sponsor the flights for the group. VSPC will highlight our destination during the fam trip.

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.

Travel consumer show 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.

Free Munich (February 14-18, 2023)

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.

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 October 2023.

5. Market Updates

Travel and Economic News

40 percent of Germans want to save on travel

According to the Wealth Barometer 2023 of the German Savings Banks and Giro Association, 40 percent of Germans want to travel less to compensate for the increased cost of living. That is two percent more than last year.

Buying cheaper product alternatives (62%), shopping less (52%) and saving on energy costs are the most frequently cited means of countering inflation, according to the survey. Fifty percent want to eat out less and cook at home more often.

Overall, the current economic situation in Germany is putting pressure on people's financial satisfaction, according to the wealth barometer. Citizens in Germany are increasingly feeling the effects of inflation and geopolitical crises, it says. But there is also hope, it says: More people than last year expect their finances to improve in the near future, especially the younger generation.

(Source: www.reisevor9.de)

Swiss love of travel continues unabated

The Swiss are keen to travel. Many want to travel more in the next twelve months than in the previous year, a large proportion even more than before Covid. When it comes to travel, budget and booking behavior, differences are apparent depending on language region and age.

Over a third of the respondents of a representative study, which the tour operator Hotelplan Group published on Wednesday, want to travel more in the next twelve months than in the previous year. Even more than every fourth person also states that they want to travel more than before the pandemic. The desire to travel is particularly great among the Ticinese, it says.

Travel budgets full again

The travel budget has increased for every third respondent since the pandemic. However, there are also people who have less money available for travel since then. According to the press release, their share is highest in French-speaking Switzerland. French-speaking Swiss and Ticino residents also pay significantly more attention to price when choosing their travel provider than German-speaking Swiss.

According to the survey, most people who book a trip use online search engines (51 percent) or rely on recommendations from acquaintances (32 percent). 14 percent of respondents obtain information from travel agencies, the rest on social media.

According to the study, there are clear differences between the age groups when it comes to travel. Despite climate concerns, there does not seem to be any flight shame. 41 percent of respondents said they preferred to travel by plane on vacation. In addition, the younger the respondents, the more likely they are to fly to their dream destination, while older generations tend to travel by car.

(Source: www.nau.ch)

Germany – Economic news

ifo Business Climate Index up (October 2023)

Sentiment in the German economy has improved. The ifo Business Climate Index rose to 86.9 points in October, up from 85.8 points (seasonally adjusted) in September. Companies were slightly more satisfied with current business. Managers were also less pessimistic about the coming months. The German economy sees a silver lining on the horizon. In the manufacturing sector, the business climate index rose slightly. This was due to less skeptical expectations on the part of companies. By contrast, they again gave a poorer assessment of the current situation. The order situation remains difficult. In the services sector, the business climate improved significantly. In particular, companies were more satisfied with current business. Expectations also increased, but continue to be characterized by doubts.

In the retail sector, the index fell. Traders revised their assessments of the current situation downward. They also took a more pessimistic view of the coming months. This development was mainly driven by the wholesale sector.

In the construction sector, the business climate indicator rose slightly. Companies assessed their current business situation as slightly worse. Although slightly improved, the outlook for the coming months remains pessimistic.

(Source: www.ifo.de)

Aviation News

Aviation recovery proceeding sluggishly

According to the German Airports Association (ADV), 149 million passengers were recorded at German airports from January to September 2023. This represents a 78 percent increase compared with January to September 2019.

Compared to the weak previous year, German airports recorded a 22 percent growth in demand in the first nine months. Despite the positive trend, Germany remains at the bottom of the major European aviation markets, the association complains. High ticket prices and high location costs prevented a better recovery.

Domestic German traffic is up 27 percent and 17 million passengers above the previous year's volume, but 51 percent below pre-crisis levels. European traffic is up 17 percent on the previous year and, with 103 million passengers, is the largest market segment in traffic development.

Nevertheless, Germany remains at the bottom of the major European air traffic markets with only 84 percent recovery, ADV said. According to the airport association, intercontinental traffic is growing by 36 percent to 28 million passengers compared to the previous year and is driving the recovery with the most dynamic development (86%) compared to pre-crisis levels.

Locational disadvantages prevent full recovery

Ralph Beisel, CEO of the ADV, says: "Germany as an airport location is becoming visibly unattractive for international airlines in the European and international competition for new routes." The recovery of air traffic is taking place "under the conditions of further intensified international competition." The high, national location costs are preventing a full recovery of the European market because European airlines are withdrawing from Germany.

At the same time, the industry fears the migration of long-haul passengers due to the carbon leakage effect. If it was cheaper for passengers traveling to Africa or Asia to change planes outside the EU - instead of in Frankfurt or Munich - they would "probably choose to do so and thus avoid the additional costs for European climate levies," Beisel said.

(Source: www.reisevor9.de)

Frankfurt almost returns to 2019 level in winter

Compared to the previous year, the number of weekly flights from FRA increases by 16 percent. With an average of 3,759 passenger flights per week, the number of flights in the winter flight schedule has returned to almost the same level as in winter 2019/2020. Flights with Greece's Sky Express and Iceland's Play are new.

On October 29, 2023, the new winter flight schedule will come into effect at Frankfurt Airport (FRA). In the coming winter, 82 airlines will offer passenger flights to 242 destinations in 94 countries worldwide, according to airport operator Fraport. Two new airlines are offering intra-European flights. The Greek airline Sky Express will fly six times a week from Frankfurt Airport to the Greek capital Athens.

This increases the number of weekly flights from FRA to Athens to an average of 40. Connections to Athens also continue to be offered by Aegean and Lufthansa.

Iceland's Play will also be taking off in December. Play will then connect Frankfurt with its base in Reykjavik several times a week, thus complementing the existing flights offered by Lufthansa and Icelandair. In total, the service will increase to an average of 13 weekly connections to Keflavik Airport.

Rio back on the flight schedule

Rio de Janeiro is returning to the intercontinental flight schedule. Lufthansa will initially bring passengers back to the Brazilian metropolis three times a week. In winter 2019/2020, LH served this route six times a week. In the Asian region, more destinations in India will be served in the coming winter.

The Indian airline Vistara will take off six times a week to Mumbai from November 15, supplementing Lufthansa's daily flights. The major Indian city of Hyderabad will again be served five times a week by Lufthansa from January 16. In continental traffic, Lufthansa is continuing all the new European connections launched last summer, according to Fraport.

2,765 connections to 126 destinations serve continental destinations, while 994 flights take passengers to 116 intercontinental destinations. According to the airport operator, the number of seats on offer is around 690,000 per week, 17 percent higher than the previous year's figure. In continental traffic, the number of seats on offer increased by 18 percent, and in intercontinental traffic by 16 percent.

(Source: www.reisevor9.de)

Travel News

First booking trends: winter vacation destinations: Canary Islands ahead of Thailand

The 2023/24 travel winter is already on sale and bookings are significantly higher than last year. The early-booking trend from the summer continues: A strikingly higher number of guests are booking earlier than last winter. The choice in the new travel winter is larger than ever before - whether sun or snow, local destination or long-haul, price-conscious segment or luxury travel. "The focus this winter is on Egypt, the Cape Verde Islands and the Canary Islands, here in particular Gran Canaria," says Gottfried Math, Managing Director TUI Austria.

"We continue to expect very strong growth in Egypt, but also a strong comeback from Thailand and consistently high numbers in the Maldives." But the Turkish Riviera has also become more and more established as a winter destination in recent years.

Great demand for long-distance travel

The long-distance destinations in the winter register a clearly increased demand. Thailand pushes itself with a high reservation plus on the first place, the Maldives are constantly strongly in demand. The United Arab Emirates are on the upswing, with Dubai in first place.

Qatar as a destination offers vacations between skyline and beach with around 100 hotels. Mexico has established itself as a popular destination with Austrians, offering a wide range of hotels, and is in fourth place in the ranking. The USA is also recording good growth and demand for Zanzibar continues to grow.

(Source: www.krone.at)

Business travel: Prices stabilizing only slowly

In a global report, the business travel management platform Travelperk examined the average fares for flights, trains and hotels booked by its customers in the first half of this year. According to the report, prices in Europe are stabilizing much more slowly than in the U.S. and Europe as a whole. This is particularly visible in rail fares, and business travelers also have to pay significantly more for flights and hotels.

Big differences in air and rail prices

For flights booked by customers at German airports, fares in the second quarter of this year were 58 percent higher than before Corona and 11 percent higher than in the same quarter last year, according to the report. This is in contrast to the United Kingdom: There, tickets for flights were about 36 percent higher than before the pandemic, but compared to the same quarter last year, inflation was only one percent, meaning that almost no "travel inflation" was perceived here.

Train tickets cost 17 percent more in Germany compared with the pre-Corona period. In the United Kingdom, they were 39 percent below pre-pandemic levels in the second quarter and about 12 percent higher than a year ago. In France, prices were a full 47 percent lower than before Covid and six percent below the rates in the same quarter a year ago.

Hotels: Moderate price changes

Overnight rates for hotels booked through the platform in the second quarter were 13 percentage points above pre-pandemic levels and nine percent above the year-ago quarter in Germany. In the United Kingdom, prices were moderately above pre-Corona levels, up only three percent. In France, hotel rates were six percent above pre-Corona average rates and four percent below 2022 levels.

"We looked at a number of markets to see how factors such as inflation, reduced supply in some cases and, not least, increased energy costs affect travel rates," said Eugen Triebelhorn, DACH head at Travelperk. "On the one hand, we have noticed that Europe is visibly lagging behind the U.S. in terms of stabilizing fares."

But what caught the eye almost more was the picture of price development in this country compared with other markets on the continent. "Within the categories examined - air, train and hotel - the difference in rail tickets booked was particularly surprising," Triebelhorn continues.

(Source: www.touristik-aktuell.de)

Tour Operator News

Fall vacations: Bookings up again

The fall vacations are starting in Austria. At ten days, they are particularly long this year. This is good news for the travel industry, as bookings have risen sharply again this year despite inflation and the war - the Viennese are traveling by plane or train.

City breaks are the trend in the fall, but this year many Viennese are also drawn to the south and the sea. "We feel a very strong desire to extend the summer even further and, above all, to go to vacation countries where you really still have summer temperatures and can swim - such as Egypt or Cyprus, but also Spain or the Canary Islands, which are perfect now for leisure activities such as hiking or cycling," says Markus Jurasek, Sales Manager of TUI Austria in the "Wien heute" interview.

Flights and hotels partly fully booked

In terms of bookings, the travel agency has recorded a significant increase compared to the previous year. Flights and hotels are very well booked, in some cases even fully booked. Travel by rail is also increasing, in the interests of sustainability. This is also noticeable at ÖBB. More passengers are already traveling, and a total of 17,000 additional long-distance seats will be offered over the holidays.

"The Viennese are of course traditionally very strong on two routes. On the one hand, on the southern route, where we are also expanding heavily for the holidays, and of course on the route towards Salzburg and Innsbruck. On the western route, however, we expect some difficulties, there is construction - for example, at the German Corner," says Bernhard Rieder, press spokesman for ÖBB.

Increasing passenger numbers at AUA

Therefore, passengers should inquire about seat reservations in good time. Austrian Airlines is also reporting a significant increase in passenger numbers for the fall vacations, and there are even additional flights on some routes. Inflation and the wars are apparently not being felt. "We feel very, very strongly that travel and vacation is a basic need for Austrians. That means I go to work all year for that. I want to treat myself to that. I also want to look at quality. And I'm also prepared to spend more money on that," says Jurasek.

If you look at the whole of Austria, most people still vacation in the country: according to a recent survey of a thousand people by the Austrian Hoteliers Association, 35 percent of those surveyed want to use their days off for vacation - 62 percent of them within the country. Styria, Vienna, Carinthia and Salzburg are particularly popular. After the fall vacations comes winter and the next summer - the booking situation is already very satisfactory, they say.

(Source: www.orf.at)

TUI Group's winter season off to a strong start

TUI Group's (responsible not only for the German speaking market, but has large outlets in the Netherlands as well as Easter Europe) summer bookings are up 5% year-on-year and almost at pre-Corona levels, with prices up. Germany is performing particularly well. The winter season is also off to a good start, with prices again slightly up.

Shortly before the end of TUI's financial year, which ends at the end of September, the Group confirms that earnings targets will be achieved and reports a strong booking trend. For the current summer season, bookings are 5% up on the previous year and, at 96%, almost reach the pre-pandemic level. September was again particularly well booked, with an increase of 8% over the same month last year.

Prices markedly higher than pre-pandemic level

Average prices for the 2023 summer program remain up 8% on the previous year and 27% higher than summer 2019, reflecting price increases mainly due to more expensive flights and hotel costs, and in part also changing customer habits, for example more all-inclusive bookings.

In Germany, CEO Sebastian Ebel said summer bookings are up 10% on last year and still 3% below 2019, while in the UK they are "in line with last year's already strong summer season" and 4% above pre-pandemic levels. "Had it not been for various events outside our control in recent months, not least the forest fires in Rhodes, our performance would have exceeded expectations," says Ebel.

Optimistic for the coming business year

He is very optimistic for the coming business year, he says. "The positive momentum continues for the 2023/24 winter season; the programme has been expanded and overall bookings are 15% above the 2022/23 winter," the trading update said. Prices for the winter were 4% higher than a year ago, it added.

Earnings before interest and taxes (Ebit), adjusted for special items, are expected to be significantly above the previous year, both in the fourth quarter and for the full year. The Hotels & Resorts segment will almost "match the already strong result of the previous year".

Significant improvement in earnings

Both the cruises and markets & airlines segments – where the tour operator, airline and distribution businesses are bundled – are expected to achieve a significant improvement in earnings. The destination business of TUI Leisure also expects a strong increase in earnings.

The Group has not yet released exact figures. The investment bank Morgan Stanley expects an operating profit (Ebit) of at least €1.2bn for the fourth quarter. In the third quarter of April and June, the group had achieved an operating profit of €169m adjusted for special effects. In contrast, the winter half-year was seasonally red.

"We are pursuing a clear strategy to accelerate profitable growth by developing new customer segments and more product sales," it added. The group is renewing its medium-term target for the period to 2025/26 to increase adjusted Ebit to well over €1.2bn, up from €893m in 2019, albeit weighed down by €293m from the Boeing B-737 Max problems.

PLEASE CONTACT US.



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

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