

MONTHLY REPORT CENTRAL EUROPE JANUARY 2023



ST.PETE
CLEARWATER

KAUS
MEDIA
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Marketing
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Contents

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1. Current State of the Tourism Industry in Central Europe

Ten reasons why 2023 will be a good year.

At the beginning of a year, the travel industry looks ahead. Of course, 2023 holds a lot of uncertainty in view of war, inflation, high energy costs and rising travel prices. Nevertheless, the outlook is better than feared.

1. Experts do not expect any shortages in gas supplies or blackouts in electricity this winter. The economy is not suffering as much as feared. It could remain in a mini-recession, and the inflation rate is declining. The consumer climate has improved at a low level, and vacation travel is a high priority, according to market researcher GfK.
2. Companies have positioned themselves more crisis-proof in the pandemic. They have shed marginal businesses and cut costs. There have been no notable bankruptcies, and many have earned well this summer. Quite a few travel agency bosses admit off the record that, thanks to short-time working and lavish bridging aid, they got through the crisis just fine in terms of their earnings.
3. The main vacation trip is a must for Germans, as a look at earlier years such as the 2008 financial crisis shows. Savings tend to be made on other trips. However, short trips in the vicinity or city breaks are heavily bypassed by travel agencies and tour operators anyway.
4. Travel behavior has not changed dramatically as a result of Corona. People continue to book at very short notice, but the industry has adapted to this, for example with flex prices. Otherwise, people's urge to relax and discover new things on vacation has increased.
5. Travel will become more expensive again in 2023. After customers have treated themselves to a lot this summer, they will look more closely at cheaper offers, and some will go without. As long as sales are good and higher margins are achieved with customers who can cushion the economic situation, this is not a disaster.
6. The trend toward online travel booking continues. Nevertheless, travel agencies have their work cut out for them. After all, there have been quite a few silent closures during the pandemic, or owners are operating without a store. But Germany doesn't need 11,000 travel agencies like it did before the pandemic. It is better to have 7,000 good and healthy agencies whose service customers also reward financially than too many in the same place that chase away customers with discounts.
7. Forms of travel such as cruises or study and group trips, which suffered particularly under Corona, are making a strong comeback. Incidentally, these are vacations that are booked heavily through travel agencies.

8. Germany is one of the most important source markets in almost all destinations. Destinations will intensify their marketing and training efforts to maintain their position, intensified by the dwindling number of Russian guests.
9. Despite the crisis years, the companies and destinations have not diminished their efforts in terms of sustainability, but have even stepped up their efforts. They will continue to do so in 2023. The vacation experience can only benefit if hotels are not overbooked and hotspots do not suffer from over tourism.
10. In the pandemic, many workers have migrated, and demographic change is making it harder to attract skilled workers. But good entrepreneurs with smart ideas still manage to attract applicants. And the image of the travel industry will improve if travel becomes something normal again without Corona restrictions.

The industry is resilient. And most importantly, for the most part, tourism professionals have retained their confidence and love for their industry.

Source: fvw.de

2. Overview of Regional Activities

Germany

- In January, we continued the preparations for our planned promotion with the German tour operator Canusa Touristik. The campaign started in January and will be continued in February 2023 and it targets potential travelers to our destination.

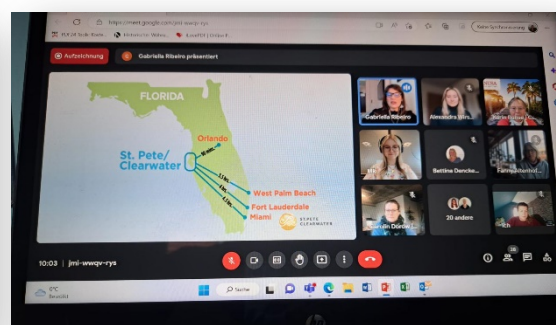
Canusa is one of Germany's largest tour operators for the U.S. and Canada. Operating since 1983, they have more than 135 employees and seven offices throughout Germany. Their main business comes from online sales.

As a part of the promotion, we participated in an online schooling in cooperation with the tour operator. Schoolings are an important part of their employees knowledge building and they are obligated to participate either during the actual presentation or afterwards, on their own.

During the actual presentation, VSPC was able to present first with approximately 50 employees on the call. We were allowed to present our destination with a designated power point presentation for 12 minutes.

The two other partners of the joint promotion included Disney and Sarasota and they promoted their services after us. The webinar duration was 45 minutes and the participants had a chance to ask questions during and after each presentation.

As a positive feedback, we were told that the U.S. is producing solid numbers and Florida is one of their most popular destinations for Canusa. Therefore, the webinar was extremely important for the tour operator and well received among the attendees. We sent our presentation to Canusa's main office so that those sales managers still had a chance to see it at a later date that did not have a chance to attend the webinar.



- We followed up on all 16 top-tier travel agents that visited our destination during a travel trade fam trip that we organized in cooperation with the German tour wholesaler DER Touristik from December 02-05, 2022. In this context, we sent detailed information to all travel agents and offered them our assistance with any inquiries and their future clients that are interested in visiting our destination in the future.

Visit St. Pete / Clearwater

- We followed up on all 100 top-selling DER Touristik travel agents that we trained about our destination during DER Touristik's annual Campus LIVE Event at Walt Disney World in Orlando, Florida in December 2022. We continued promoting St. Pete / Clearwater and our destination's tourism offers and attractions.
- In January 2023, we continued our joint promotion with Visit Florida in cooperation with the German tour operator America Unlimited. The tour operator sent us various text and visuals of our destination for a landing page and a flyer to be proofread. We made comprehensive efforts to correct the deliverables and supported the tour operator with further texts. The promotion started in January 2023 and will promote our destination to potential travelers to our destination.
- We drafted the travel trade newsletter „Pure romance on the Gulf of Mexico“ and distributed it to approximately 3,550 U.S. selling tour operators and travel agencies in Germany as well as to a very large number of consumers.
- We assisted several travel agents with information about St. Pete/Clearwater. They contacted us after we distributed our newsletter.
- The Visit USA Committee Germany will distribute a newsletter in February 2023, in which U.S. travel news and highlights will be presented. We supported the Visit USA Committee with content and photos of St. Pete/Clearwater. The newsletter will be sent to more than 23,000 travel agents and media professionals.
- KMS continued completing individual follow-ups with all contacts that we had during the Brand USA Travel Week in 2022. We provide all participants with the requested high-resolution photos, content and destination information. We also asked selected travel trade partners for potential cooperation possibilities.
- We coordinated the warehouse that we have subcontracted on behalf of VSPC, proofread their inventory report for January 2023 and forwarded it to VSPC. Upon our request, VSPC sent us the latest destination guide for our upcoming promotional events. We supported with the warehouse with the customs declaration and to receive the materials to their facilities.
- KMS completed several conference calls with Visit Tampa's representative in Germany in order to discuss joint opportunities for non-competing promotional activities.
- In cooperation with VSPC, we created a promotional flyer to be used for the promotion of our destination at trade shows and consumer events.
- We attended the bi-weekly coordination calls with VSPC in January in order to synchronize our activities and to discuss upcoming promotions.
- We attended the monthly conference call with Brand USA in January in order to discuss upcoming promotions and promotional opportunities.

- We were in contact with target tour operators and other industry partners to promote our destination and to request marketing proposals for potential marketing co-ops with them.
- In cooperation with VSPC, we discussed promotional opportunities for the trade show ipw 2023 that will take place in San Antonio, Texas in May 2023.

Austria

- We distributed the travel trade newsletter „Pure romance on the Gulf of Mexico“ to approximately 800 travel agencies in Austria after approval from VSPC.
- We continued following up on all travel agents that we met at the Visit USA Austria travel agent training in Graz, Austria in November 2022 as well as all Austrian travel trade professionals that we met during the Brand USA Travel Week in September, provided the requested information and supported co-op opportunities whenever possible.
- We were in contact with the Visit USA Committee Austria as well as several target tour operators and other industry partners in Austria to promote our destination and to request marketing proposals for potential marketing co-ops with them.

Switzerland

- We continued our preparations for our promotion of St. Pete / Clearwater at the travel trade event „Island Hopping“ organized by the Visit USA Committee Switzerland. We registered our destination at an online tool that allowed us to preschedule appointments with target travel trade professionals.
- On January 19, 2023, we promoted our destination at the one-day long “Island Hopping” event to approximately 250 travel agents. The event is considered to be the largest B2B education event for the U.S. in Switzerland where travel agents from all over Switzerland meet destination representative from the U.S.

In order to promote St. Pete / Clearwater we asked to participate with a booth near other Florida destinations. Throughout the day, agents moved from stand to stand for 30 minutes long presentations per region. Each region consisted of three partners, individually presenting their destination or services for ten minutes. VSPC was grouped with Iceland Air and Visit Tampa Bay.

During the rotations we met participants in small groups of 15-20 agents and each attendee received detailed information on our destination and the tourism opportunities found in St. Pete / Clearwater. It was obvious that many of them had a chance to visit our destination in the past and were keen to recommend St. Pete / Clearwater to interested travelers in the future. A few of them had specific questions – including but not limited to hotels and activities.

The interest in the U.S., especially for the Swiss market continues to remain high. Many of the attending travel trade are very interested in working with us to maximize interest in our area as a premier destination for leisure travel in Florida and in the U.S. We are currently busy with sending further information on St. Pete / Clearwater and the very diverse tourism opportunities found in our destination.

The interest in the USA, especially for the Swiss market continues to remain high. Many of the attending travel trade are very interested in working with us to maximize interest in our area as a premier destination for leisure travel in Florida and in the U.S. We are currently busy with sending further information on St. Pete / Clearwater and the very diverse tourism opportunities found in our destination.



- We drafted and distributed the travel trade newsletter „Pure romance on the Gulf of Mexico” to approximately 400 travel agencies in Switzerland after approval from VSPC.
- KMS continued completing individual follow-ups with all contacts that we had during the Brand USA Travel Week in 2022. We provide all participants with the requested high-resolution photos, content and destination information.
- We continued supporting the Swiss tour operator Knecht Reisen regarding our joint marketing campaign to promote our destination to consumers in the lucrative Swiss travel market. In this context, we sent Knecht Reisen a link to our photo database drafted a catalog text for a five days long sample program as well as another text for consumer newsletter. Knecht Reisen is one of the largest tour operators in Switzerland and organized the annual event "Reisewelten".
- We continued following up on all travel trade professionals that we met at the "Reisewelten" promotion organized by Knecht Reisen in November 2022 as part of our joint marketing promotion in 2023.
- We were in contact with the Visit USA Committee Switzerland as well as several target tour operators and other industry partners in Switzerland to promote our destination and to request marketing proposals for potential marketing co-ops with them.

The Netherlands

- We continued preparations for our promotion for St. Pete / Clearwater at the Dutch travel show Vakantiebeurs in Utrecht, The Netherlands in January 2023. We also arranged a time slot for a complimentary presentation of our destination to all travel trade participants.

Vakantiebeurs is the largest leisure and tourism trade show in the Dutch market. It takes place at the Jaarbeurs fairground in Utrecht every year. The show targets experts from the travel and tourism industry and – as a consumer show – also interested consumers. The show is held annually in January.

On January 11, 2023, the show started with a trade only day for exhibitors to meet with travel agents and tour operators. The VUSA area was designed to include various partners from the U.S. as well as host a theater for partners to present their destination in a more in-depth way. We gave a 30 minutes long presentation about our destination in order to train the travel professionals about St. Pete / Clearwater.

We were able to speak with the attendees after the presentation as we were given 15 minutes between each presentation slot.

In addition, we also met with several of our key tour operator partners and had travel agents indicate that they had sold clients to the destination. Several agents asked about the recent events on hurricane Ian. We were able to clarify that VSPC sustained no damage from the storm and that we continue to welcome guests.



For the consumer portion of the trade show, we booked a distribution of our destination promotional brochures to increase interest in St. Pete / Clearwater and to generate bookings from the Dutch market.

- We supported the Visit USA Committee in the Netherlands with a drafted text to promote St. Pete / Clearwater on the website of the Visit USA Committee.
- We reviewed the media kit of the Visit USA Committee in the Netherlands for future promotional opportunities in the Dutch travel market in 2023. It includes newsletter promotions, social media activities, webinars among other promotions. We shared the media kit with VSPC.

- We drafted and distributed the travel trade newsletter „Pure romance on the Gulf of Mexico” to approximately 750 travel agencies in the Netherlands after approval from VSPC.
- We continued following up on all travel trade professionals that we met during the USA & Canada Experience in the Netherlands in November 2022 as well as the Brand USA Travel Week in 2022.
- We were in contact with several target tour operators and other industry partners in the Netherlands to promote our destination and to request marketing proposals for potential marketing co-ops with them.

Belgium

- We drafted and distributed the travel trade newsletter „Pure Romance on the Gulf of Mexico” to approximately 440 travel agencies in the Belgium after approval from VSPC.
- We were in contact with the Visit USA Committee Belgium as well as several target Belgian tour operators and other industry partners to promote our destination and to request marketing proposals for potential marketing co-ops with them.

Czech Republic

- We drafted and distributed the travel trade newsletter „Pure Romance on the Gulf of Mexico” to approximately 520 travel agencies in the Czech Republic after approval from VSPC.

Hungary

- We drafted and distributed the travel trade newsletter „Pure Romance on the Gulf of Mexico” to a large number of travel agencies in Hungary after approval from VSPC.

Poland

- We distributed the travel trade newsletter „Pure Romance on the Gulf of Mexico” to approximately 440 travel agencies in Poland after approval from VSPC.
- 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.

3. Status of Sales Activities and Promotions

Consumer Promotion with Visit Florida and America Unlimited (January 2023)

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

Consumer Promotion with Canusa Touristik (January 2023)

- In co-operation with the German tour operator Canusa Touristik, Visit Sarasota and Walt Disney World we will carry out a planned promotion targeting potential travelers to our destination.

Consumer Promotion with Knecht Reisen (until September 2023)

- In co-operation with the Swiss tour operator Knecht Reisen we will continue carrying out a planned multi-channel promotion targeting potential travelers to our destination. Knecht Reisen is one of the largest tour operators in Switzerland.

Free Munich (February 22-26, 2023)

- We will promote our destination at one of the most visited consumer shows for tourism and leisure. In 2020, approximately 130,000 visitors attended the show.
- 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) 2023, Berlin, Germany (March 06, 2023)

- 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.

ITB Berlin 2023, Berlin, Germany (March 07-09, 2023)

- Due to the Covid-19 pandemic, it will be the first ITB Berlin since 2019. For this year's event, we decided not to book an own stand but we will meet travel trade and media professionals in networking areas.

IPW San Antonio, TX (May 20-24, 2023)

- Support of VSPC during IPW 2023 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 key tour operators 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 January 2023.

5. Market Updates

The spread in travel spending is increasing

The number of Germans who want to spend more money on their vacation this year than before is growing. But the number of those who want or need to spend less is also growing, the travel analysis has found. For the travel industry, this is an ambivalent message.

In the latest survey by the Holiday and Travel Research Association (FUR), 17 percent of respondents said they wanted to spend less money on vacations than they have in the past. Twenty-three percent said they were willing to spend more. In January 2022, five percent of survey respondents had said they planned to spend less money on vacations, while 15 percent said they were willing to spend more.

Obviously, plans for austerity affect lower-income households more than higher earners. For example, only five percent of those earning a monthly household income of more than EUR 4,000 want to forgo vacations in 2023, compared with a good quarter of households earning less than EUR 2,000. This is basically not much different than before the Corona and inflation crises, says market researcher Bente Grimm.

Overall, despite a pessimistic assessment of the coming development of the economic situation, there is still scope for higher spending on travel in many households, says Grimm. Lower income groups are facing particular challenges. However, this is more of a social problem than a tourism problem.

(Source: www.reisevor9.de)

Rental car business remains short-term

The rental car market, like the travel market as a whole, continues to function predominantly through short-term bookings, broker Sunny Cars has analyzed for December. The price level continues to show an upward trend.

According to Sunny Cars Managing Director Thorsten Lehmann, there was a very strong demand in December, mainly for reservations for January, but also for December itself.

The booking figures for the summer months were also good, Lehmann said. In December, Sunny Cars received around 41,000 car rental bookings in the source markets of Germany, Austria, Switzerland, Belgium, the Netherlands and France. This is almost at the same level as in 2018 and significantly higher than in the same month of 2019, he added.

The average price rose again compared to the previous month, Lehmann said - from 540 to 583 euros. For comparison: in December 2019, the average price was 369 euros, according to the broker boss.

(Source: www.reisevor9.de)

Germany – Economic news

Confidence in the economy grows

Sentiment in the boardrooms of German companies brightened for the fourth month in succession at the start of the year. While expectations were better, companies were more dissatisfied with current business.

Sentiment in the German economy improved at the turn of the year for the fourth month in succession. The ifo business climate rose to 90.2 points in January from 88.6 points in the previous month, the Munich-based institute reported today. Bank economists and economists had on average expected an increase of this magnitude. "The German economy is starting the new year more confidently," said Ifo President Clemens Fuest. While companies assessed their future prospects significantly better, they assessed their current situation somewhat worse.

German government also more optimistic

"The ifo business climate has recovered significantly because the easing on the gas market has further diminished companies' fears of a severe recession," commented Jörg Krämer, chief economist at Commerzbank. However, he said, it was still at a level at which there had regularly been an economic downturn in the past. In addition, central banks in many countries have had to massively raise their key interest rates due to high inflation, he added. A mild recession therefore still remains "the more likely scenario," according to Krämer.

"The fourth index increase in a row strengthens the prospect that a trend reversal has taken place," Alexander Krüger of Bankhaus Hauck Aufhäuser Lampe also believes. Economically, things appear to be far less dire than feared. "The risk of a recession is becoming smaller and smaller." Other leading indicators and economic data have also shown this recently. Recently, for example, the S&P Global Purchasing Managers Index in this country rose for the third month in a row. According to preliminary findings, gross domestic product (GDP) stagnated from October to December 2022 compared with the previous quarter. In its new annual economic report, the German government now also no longer expects a recession. Accordingly, it now expects mini-growth of 0.2 percent in 2023, after a minus of 0.4 percent had been estimated in October. Federal Economics Minister Robert Habeck will present the report in Berlin this afternoon.

Economy could shrink in first quarter According to the ifo survey, business sentiment improved in all sectors surveyed - manufacturing, services, trade and also construction. Last year, the business climate had mostly clouded over until late summer. This was triggered by the Russian war of aggression against Ukraine and the sharp rise in energy prices.

Nevertheless, pessimism continues to prevail among the companies surveyed in the current situation, warns economist Krüger. Energy costs and material bottlenecks, for example, are still a challenge. Jens-Oliver Niklasch of Landesbank Baden-Württemberg also points to this: "One should not become too optimistic too quickly now." Apparently, one or the other company is having growing difficulties with the triad of high energy prices, disrupted supply chains and rising interest rates. Added to this is the thinning order cushion in German industry.

Regardless of the significantly brightened economic expectations, the German economy will also shrink in the first quarter of the new year, according to the ifo Institute's forecast. "Gross domestic product is likely to fall slightly," said Klaus Wohlrabe, head of ifo surveys. "This is mainly due to private consumption." This is likely to be lower from January to March than at the end of 2022 - also because of so-called pull-forward effects. For example, a very large number of electric cars were sold in December, he said, as buyers still wanted to benefit from the government bonus. "This demand is now missing," Wohlrabe said. In addition, many consumers will have to pay significantly more for electricity and gas from the start of the year. "The money is missing for other expenses."

(Source: www.tagesschau.de)

Travel News

Rule extended: U.S. holds on to proof of vaccination

The corona-related entry restriction for USA tourists was in effect until January 8, 2023. The Transportation Security Administration (TSA) has now extended this for another three months until April 10, 2023. Since the United States opened its borders to international visitors in November 2021, the rule has required them to show proof of full vaccination against the Corona virus. Previously, the borders had been closed for 20 months.

But while most countries around the world that had also adopted such a restriction have long since abolished it, the U.S. is extending it for an initial three months. The reason for this is probably concern that new dangerous virus variants could enter the country via China.

This means that travelers to the USA will still have to provide proof that they have received at least two doses of one of the approved Covid vaccines. For Johnson & Johnson, one dose is also sufficient. Three doses are not required. Originally, this requirement was scheduled to expire on Jan. 8, 2023. Foreign airlines are required to verify that travelers have the vaccine protection before they depart for the United States. If not, they are not allowed to let them on board.

The extension of the entry rule is likely related to the rampant Corona wave in China and the regime there's radical departure from its zero-covid policy. Since January 8, the country can again be traveled with a negative test result, initially by business travelers. As reported, numerous European countries, as well as destinations such as Japan, India and Korea, have introduced the requirement of a negative Corona test for those entering the country from China.

(Source: www.fvw.de)

Tour Operator News

Travel agency sales in 2022 still below pre-Corona level

The travel business continues to pick up strongly - but the pre-Corona level has not yet been fully regained: cumulatively for the year 2022, the total invoiced travel agency sales of the travel agencies participating in the travel agency mirror of ta.ts Travel Agency Technologies & Services GmbH are a clear plus 144.3 percent compared to the annual result in 2021, while compared to the "pre-Corona year" 2019 they are still minus 29.7 percent.

In its travel agency mirror, back-office provider Tats put the key figures for 2019, 2021 and 2022 into perspective. According to the report, despite a strong increase in bookings in recent months, companies have not yet recovered the revenue declines caused by the Corona pandemic. On a segment basis, annual revenues are between about one-fifth to nearly one-half lower than in the "pre-Corona year" of 2019. The largest cumulative year-on-year revenue growth was recorded by the cruise sub-segment with a cumulative 181.6 percent (compared to 2019: - 33.6%). This is followed by air travel (airline revenue development) with plus 175.7 percent (compared to 2019: - 31.4 %). Billed tourism sales, including cruises, show growth of 125.1 percent (compared to 2019: - 30.7 %).

Also reporting triple-digit year-over-year growth are tickets sold, up 112.4 percent (vs. 2019: - 46.8 %), and other revenue, up 105.4 percent (vs. 2019: - 18.3 %). In December 2022, travel agencies participating in ta.ts Travel Agency Technologies & Services GmbH's travel agency mirror recorded a plus of 71.8 percent in total invoiced sales compared to the values for the month of December 2021. However, when compared to December 2019, there is a 20.8 percent decrease. Air travel leads the way (+ 137.1%; compared to 12/2019: - 13.6%), ahead of the number of tickets with plus 95.1 percent (12/2019: - 36.4%), the tourism subdivision cruises with plus 61.6 percent (compared to 12/2019: - 22.3%), billed tourism sales including cruises at plus 38.2% (compared to December 2019: - 30.5%), and other sales (+ 20.8%; compared to 12/ 2019: - 18.3%).

Since May 2003, the ta.ts travel agency report has shown not only the invoiced values, but also the development of the tourism order backlog by travel date, including all advance bookings (booked sales) and the number of transactions (travelers) for the tourism fiscal year (November 2022 to October 2023). Tourism bookings for December 2022 are up 99.0 percent month-over-month compared to December 2021, and down 20.1 percent month-over-month compared to December 2019. For cruises, the month-over-month comparison with December 2021 shows a plus of 78.2 percent. Compared to December 2019, this still becomes a marginal increase of 2.6 percent. Tourism backlog (revenue) by travel date through October 2023 shows a year-over-year increase of 34.3 percent (backlog by travel date including advance bookings as of November 1, 2022), and a 33.2 percent decrease compared to 2019. For cruises, the tourism backlog is up 26.0 percent year-over-year and down 25.7 percent compared to 2019.

The travel agency mirror is based on the business development of approximately 2,500 travel agencies, online travel agencies and consolidators in Germany, whose sales are processed in the IBIZA system.

Since January 1, 2012, the presentation of the travel agency report has been adapted to the divisions of the German Travel Association (DRV) with the breakdown into tourism, flight and other. In September 2015, the cruises subsegment was restated separately for the first time. Service fees are no longer shown separately, but are allocated to the individual divisions.

(Source: www.ihk.de)

Sales climate soars

The mood at the counter is very good, shows the tourism sales climate index of Dr. Fried & Partner. Both the current situation and expectations for the future are assessed by German travel agencies in January 2023 as significantly more positive than in the previous month. Specifically, this means that 55 percent of the travel agencies surveyed rate the current situation in the sale of travel services as good. In the previous month, this figure was around 20 percent lower. The current situation in sales is currently rated as poor by only 8 percent, according to the tourism sales climate index of Dr. Fried & Partner in January; in the previous month, this was still the opinion of 20 percent.

Compared to last year, travel sales have increased in the last two to three months for 62 percent of respondents, an increase of 19 percentage points from the previous month. Sales were largely unchanged for 10 percent of survey respondents and down for 7 percent.

Majority believe business will be stable or better

Demand will increase in the next six months compared to last year, 41 percent of respondents believe (up from 27% last month). Some 45 percent of survey participants expect demand to remain the same (previous month 50%). A good 14 percent of respondents estimate that future demand will fall (previous month 23%).

The development of the earnings situation over the next six months is viewed positively by almost 47 percent of the travel agencies, compared with only half as many (23%) in December. In terms of future development, 38 percent of survey participants believe that the earnings situation will not change. Just under 12 percent expect a deterioration.

Good start to the new year

Despite some challenges in 2022, the mood in travel distribution at the start of the year is positive, according to the summary. The travel agencies are confident for 2023 and the current situation as well as the future situation are again evaluated strikingly positively. Thus, the tourism sales climate index starts the year 2023 with a new year-on-year high. In January 2023, 97 travel agencies took part in the survey on the tourism sales climate index.

(Source: www.reisevor9.de)

TUI sees all-inclusive bookings at record levels

All-inclusive vacations currently account for more than 50 percent of all current bookings, says Steffen Boehnke, head of TUI Product Management Sun & Beach. In the classic AI destinations, such as Turkey and Egypt, the share is still significantly higher, he adds.

Actually, one could declare the topic of all-inclusive one of the longest misunderstandings in tourism. After all, "all inclusive" from the customer's point of view means that they are buying in services from the outset, most of which they do not know whether they will use. In the case of flights, the ever more far-reaching labeling of meals, drinks and baggage as "additional services" is also explained to them in exactly the same way: the industry insists that this avoids customers being asked to pay for services they don't need.

The magic word with which the industry has long scored points is apparently celebrating new heights in times of high inflation and energy prices. "Budget security and full cost control on vacation" are the order of the day, says Boehnke. That's why TUI has further expanded its range for summer 2023 and is offering around 6,000 all-inclusive hotels, he added.

The fact that travel prices for the summer have risen is true, TUI Germany CEO Stefan Baumert told FAZ. However, the price increase is lower than the general inflation. There is also "no general surcharge". For Turkey, prices had risen slightly more, for Tunisia hardly, Spain and Greece were in the midfield. According to Baumert, the changes vary depending on the hotel. The picture on price changes is "as heterogeneous as rarely before".

(Source: www.reisevor9.de)

PLEASE CONTACT US.



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

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