



MONTHLY REPORT CENTRAL EUROPE MARCH 2022



**ST.PETE
CLEARWATER**

**KAUS
MEDIA
SERVICES**



Marketing
Communications
Consulting

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1. Overview of Regional Activities

Germany

- On March 08, we attended TravMedia's International Media Marketplace Germany 2022 (IMM) in Berlin and promoted St. Pete / Clearwater to top-tier media in the German speaking countries. In preparation of the event, we contacted a large number of attending media professionals and we had a chance to complete 21 media appointments during the media event. During these meetings, we pitched St. Pete/ Clearwater story ideas and discussed opportunities to press fam trips and media coverage about our destination. Please find details in section 3 of this report.
- On March 11, 2022, we promoted St. Pete / Clearwater at the Visit USA Committee Germany's virtual roadshow. The roadshow was exclusively available to Visit USA members and we had a presentation time of 20 minutes plus 5 minutes for questions and answers. 69 travel agents attended the presentation on March 11, 2022. We followed up on all travel trade professionals that attended the road show. Please find details in section 3 of this report.
- From March 14-18, 2022, we promoted Visit St. Pete / Clearwater at the *Eurowings Road Show* in Germany that made stops in Dusseldorf, Frankfurt, Baden-Baden, Nuremberg and Munich. A total of 345 travel agents were trained about our destination during the week. We followed up on all travel trade professionals that we met during the road show. Please find details in section 3 of this report.
- We continued making preparations for ipw 2022 that will be held in Orlando, FL from June 4-8, 2022. We started preparations for the show and supported the appointment scheduling with key tour operators from Central Europe. During the show, we will support VSPC with the coordination of meetings with travel trade professionals and media interviews as well as onsite representation.
- In coordination with the U.S. Travel Association, Brand USA und Visit Tampa Bay, we started preparations for a post IPW fam trip for selected international tour operators and wholesalers to Tampa and our destination.
- In coordination with VSPC's leisure sales department, we started coordinating several individual travel trade fam trips for product managers of Central European tour operators and wholesalers that are interested in visiting our destination.
- We started making preparations for a designated travel trade fam trip for product managers of key tour operators and wholesalers from Central Europe to St. Pete / Clearwater from July 12-14, 2022 in order to complete site inspections and introduce them to our destination. In this regard, we contacted a large number of targeted tour operators and extended personal invitations.

- KMS attended a conference call with Visit Florida's office in Germany as well as other Florida destination offices in order to discuss Visit Florida's co-op programs for 2022. We proposed activities to VSPC.
- KMS drafted texts for the promotion of our destination in a VSPC trade newsletter that was be distributed in March 2022.
- We maintained a strong communication with Eurowings Discover in order to support the airline with their flights from Frankfurt to Tampa. We discussed joint promotional opportunities such as travel trade and press fam trips among other activities.
- We received several proposals for joint marketing activities and forwarded them for evaluation and discussion to VSPC.
- KMS continued contacting a large number of tour operators offering the U.S. and Florida in Germany and we discussed potential co-op activities. In addition, we discussed potential group or individual fam trips to our destination pre or post ipw 2022 in Orlando, which will take place from June 4-8, 2022.
- KMS continued supporting the Visit USA Committee Germany with all destination texts and photos for our destination that will be presented on the Visit USA Committee Germany's new website.
- KMS completed a conference call with Visit Tampa's representative in Germany in order to discuss joint opportunities for non-competing promotional activities.
- KMS continued supporting the Visit USA Committee Germany with texts to promote our destination in a trade newsletter that was be distributed at the end of March 2022.
- In coordination with Visit Florida, we started making preparations for a travel trade trip of the German tour wholesaler FTI Touristik to Florida and the fam group will be in our destination from July 12-14, 2022. FTI Touristik is one of the largest tour operators for travels to the U.S. and to Florida. The fam trip will be attended by 18 top selling travel agents and two FTI escorts. VSPC will highlight our destination during the fam trip.
- After approval from VSPC, we pre-registered VSPC for The Brand USA's Travel Week Europe 2022 in September 2022. The show is designed to showcase the diverse range of travel experiences available throughout the U.S.

- We drafted the proposed marketing, sales and public relations plan for Central Europe for fiscal year 2022/23.
- We attended the bi-weekly coordination calls with VSPC in March 2022 in order to synchronize our activities and to discuss upcoming promotions.
- We coordinated the warehouse that we have subcontracted on behalf of VSPC, proofread their inventory report for March 2022 and forwarded it to VSPC.

Switzerland

- KMS made comprehensive preparations for St. Pete / Clearwater's promotion at the "Visit USA Road Show" in Switzerland from April 5-7, 2022. The road show will be organized by the Visit USA Committee Switzerland and it will stop in six of the largest Swiss cities: St. Gallen, Zurich, Lucerne, Basel, Bern and Lausanne. We will receive 15 minutes long destination presentations in small groups in each city. Approximately 300 travel agents will be trained in total.
- KMS contacted a large number of targeted tour operators in Switzerland to invite them to our Central European Travel Trade Fam from June 12-14, 2022. We were able to receive a confirmation from Kuoni, one of the leading tour wholesalers in Switzerland.
- We also contacted all targeted Swiss tour operators and wholesalers that will attend ipw 2022 in Orlando from June 4-8, 2022 in order to ask them to pre-schedule an appointment with us through the online appointment scheduling tool provided by the ipw show organizers.
- On March 02, 2022, the Swiss airline Edelweiss' resumed its air service from Zurich to Tampa Bay. Together with the airline, TPA Airport and Visit Tampa Bay VSPC hosted an arrival event. Edelweiss' service is planned twice a week (on Wednesdays and Fridays) as a year-round service. KMS was in contact with Edelweiss in order to discuss future co-op marketing activities.

Austria

- We personally contacted all targeted Austrian tour operators and wholesalers that will attend ipw 2022 in Orlando from June 4-8, 2022 in order to ask them to pre-schedule an appointment with at the show.
- KMS also contacted selected tour operators in Austria to invite them to our Central European Travel Trade Fam from June 12-14, 2022. We were able to receive a confirmation from Eurotours, a special tour wholesalers in Austria.

The Netherlands

- KMS contacted targeted tour operators in the Netherland to invite them to our Central European Travel Trade Fam from June 12-14, 2022. Unfortunately, no Dutch tour operator will be able to join the fam trip.
- We also contacted all targeted Dutch tour operators and wholesalers that will attend ipw 2022 in Orlando from June 4-8, 2022 in order to ask them to pre-schedule an appointment with us through the online appointment scheduling tool provided by the ipw show organizers.
- KMS received and evaluated a proposal from the Visit USA Committee in the Netherlands for a travel trade event in May 2022.

Czech Republic

- We started making preparations for St. Pete / Clearwater's promotion at the "USA Destination Showcase Bruch" in Prague on April 27, 2022 that will be organized by the U.S. Commercial Service in the Czech Republic. Approximately 150-250 media and travel trade professionals as well as corporate clients are expected for the event.
- We contacted targeted Czech tour operators and wholesalers that will attend ipw 2022 in Orlando from June 4-8, 2022 in order to ask them to pre-schedule an appointment with at the show.

- KMS contacted targeted tour operators in the Czech Republic to invite them to our Central European Travel Trade Fam from June 12-14, 2022. Several potential participations are pending.

Belgium

- We started making preparations for St. Pete / Clearwater's promotion at the "USA Relaunch Workshop" in Antwerp, Belgium on April 21, 2022 that will be organized by the Visit USA Committee Belgium. The event is planned in a "speed dating" format for three hours followed by a networking dinner. The invitation for the event will be distributed to 2,000 travel trade professionals. In addition to the event, the VUSA Committee offers a dedicated newsletter to all exhibitors that will be distributed to their travel trade and media contacts as an added value.
- We personally contacted all targeted Belgian tour operators and wholesalers that will attend ipw 2022 in Orlando from June 4-8, 2022 in order to ask them to pre-schedule an appointment with at the show.
- KMS also contacted selected tour operators in Belgium to invite them to our Central European Travel Trade Fam from June 12-14, 2022.

Hungary

- We personally contacted Hungarian tour operators and wholesalers that will attend ipw 2022 in Orlando from June 4-8, 2022 in order to ask them to pre-schedule an appointment with at the show.
- KMS also contacted selected tour operators in Hungary to invite them to our Central European Travel Trade Fam from June 12-14, 2022.

2. Status of Sales Activities and Promotions

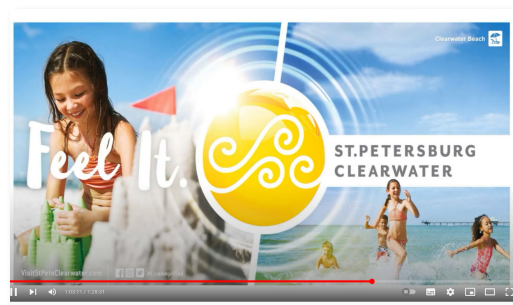
TravMedia's International Media Marketplace Germany (March 08, 2022)

- We promoted St. Pete / Clearwater at the day-long "International Media Marketplace Germany 2022". The event is Germany's leading media event and it took place at the prestigious Ritz-Carlton in Berlin on March 08, 2022. VPSC was promoted at its own table and was represented through its PR manager in Central Europe. During 21 pre-scheduled media appointments we discussed media projects with top-tier media for our destination.



Visit USA Virtual Road Show (March 07-11, 2022)

- On March 11, 2022, we promoted St. Pete / Clearwater at the Visit USA Committee Germany's virtual roadshow. The roadshow was exclusively available to Visit USA members and we had a presentation time of 20 minutes plus 5 minutes for questions and answers. 69 travel agents attended the presentation on March 11, 2022. The road show consisted of one webinar per day starting at 10:00 a.m. over a period of five days. Each webinar block had three to four U.S. partners. A total of 234 travel agents attended the week-long road show.



Eurowings Discover Road Show (March 14-18, 2022)

- From March 14-18, 2022, we attended the *Eurowings Road Show* in Germany that made stops in Dusseldorf, Frankfurt, Baden-Baden, Nuremberg and Munich. A total of 345 travel agents were trained about our destination during the week.
- Each event was organized as an evening event for the travel trade guests after their work. It consisted of a travel market where travel trade professionals could visit the various partners' tables. During these marketplaces, we were able to promote our destination and answer all the attendees' questions in one-on-one meetings.
- In all five cities, our table was highly frequented and most of the travel trade professionals were very interested in receiving further information on our destination and 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. Some of them had specific questions – including but not limited to hotels, sustainability offers and e-mobility.
- The marketplace took place for about 1.5 to two hours and was followed by a seated dinner during which some of the partners had the opportunity to give a ten minutes long stage presentation about their destinations and / or services.
- We were able to promote St. Pete / Clearwater to the travel trade professionals with a designated presentation and a destination video at each of the five events.
- It is obvious that this road show was one of the first physical events for the travel trade in these cities after the Covid-19 pandemic and the interest in our destination was very high. Many of the attending tour wholesalers 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. Most of the contacts are also interested in receiving further information on St. Pete / Clearwater and the very diverse tourism opportunities found in our destination.



Visit St. Pete / Clearwater

Visit USA Road Show Switzerland (April 5-7, 2022)

- We continued planning the promotion of St. Pete / Clearwater at the "Visit USA Road Show" in Switzerland from April 5-7, 2022. The road show will be organized by the Visit USA Committee Switzerland and it will stop in six of the largest Swiss cities: St. Gallen, Zurich, Lucerne, Basel, Bern and Lausanne. We will receive 15 minutes long destination presentations in small groups in each city. Approximately 300 travel agents will be trained in total.

USA Relaunch Workshop, Antwerp/Belgium (April 21, 2022)

- We made preparations for the promotion of St. Pete / Clearwater at the "USA Relaunch Workshop" in Antwerp, Belgium on April 21, 2022 that will be organized by the Visit USA Committee Belgium. The event is planned in a "speed dating" format for three hours followed by a networking dinner. The invitation for the event will be distributed to 2,000 travel trade professionals. In addition to the event, the VUSA Committee offers a dedicated newsletter to all exhibitors that will be distributed to their travel trade and media contacts as an added value.

USA Destination Brunch, Prague/Czech Republic (April 27, 2022)

- We continued planning the promotion of St. Pete / Clearwater at the "USA Destination Showcase Bruch" in Prague on April 27, 2022 that will be organized by the U.S. Commercial Service in the Czech Republic. Approximately 150-250 media and travel trade professionals as well as corporate clients are expected for the event.

IPW Orlando, FL (June 04-08, 2022)

- Support of VSPC during IPW 2022 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.
- In coordination with the U.S. Travel Association, Brand USA und Visit Tampa Bay, we supported a post IPW fam trip for selected international tour operators and wholesalers to Tampa and our destination.

Pre and Post IPW Fams (June 2022)

- In coordination with VSPC's leisure sales department, we coordinate several individual travel trade fam trips for product managers of Central European tour operators and wholesalers that are interested in visiting our destination.

Central European Travel Trade Fam Trip (July 09-12, 2022)

- We started making preparations for a designated travel trade fam trip for product managers of key tour operators and wholesalers from Central Europe to St. Pete / Clearwater in order to complete site inspections and introduce them to our destination.
- We extended personal invitations for the fam trips and received five confirmations from leading tour wholesalers in Germany, Austria and Switzerland already.

Visit Florida / FTI Touristik Trade Fam Trip (July 12-14, 2022)

- In coordination with Visit Florida, we will support a travel trade trip of the German tour wholesaler FTI Touristik to Florida and the fam group will be in our destination from July 12-14, 2022. FTI Touristik is one of the largest tour operators for travels to the U.S. and to Florida. The fam trip will be attended by 18 top selling travel agents and two FTI escorts. VSPC will highlight our destination during the fam trip.

Brand USA Travel Week Europe (September 26-29, 2022)

- The Brand USA Travel Week Europe 2022 is designed to showcase the diverse range of travel experiences available throughout the U.S.. Registration is open to all tourism industry entities operating export-ready tourism services in the U.S. After approval from VSPC, we informed Brand USA about our interest to attend the event.

Further sales activities and promotions will be added after approval.

3. Public Relations Activities

Please see our separate PR Activity Plan for an overview of all our public relations and media relations activities in February 2022.

4. Market Updates

Ukraine war influences choice of destination

A clear majority of the participants in a Counter-vor9 survey said that customers are currently avoiding destinations in the wider area of the conflict. Opinions differ as to whether there is already a trend towards a shift in travel flows to the western Mediterranean.

A good 72 per cent of the 500 or so travel sellers who took part in the survey at the beginning of the week have recorded weaker bookings for destinations closer to Ukraine or Russia since the start of the Ukraine war. In addition to the Baltic states, this affects Bulgaria in particular, several survey participants report.

It is unclear how much the war is affecting bookings to Turkey, for example. While some commentators note that besides Bulgaria, the Turkish business is also affected, others report continued strong bookings for Turkish holiday regions.

Trend towards the West?

Some of the travel professionals interviewed already report a trend towards bookings for destinations in the western Mediterranean, such as Spain. Just under one-fifth of the respondents observed that more holidays are being booked in Germany and neighbouring countries. Slightly higher, at 21 per cent, is the proportion of those who do not notice any shift in demand among the destinations.

A detailed commentary is devoted to the chain of negative factors that have gained further momentum under the influence of the Ukraine war. Prices for food, petrol, diesel, gas and electricity have also risen sharply. That is why many are waiting to see how the situation develops. "People are waiting to see what will happen," was the expeditor's assessment.

(Source: www.reisevor9.de)

EU: Tourism recovered in 2021

After a massive decline in 2020, tourism recovered in most EU countries in 2021, but overnight stays were still 37% behind 2019 across the EU.

Tourism is a very important economic sector in the EU. According to the UN World Tourism Organisation (UNWTO), four EU countries, namely France, Spain, Italy and Germany, are among the world's top ten tourist destinations. In the pre-Corona year 2019, Europe (EU countries and other European countries) accounted for just over half of the world's overnight stays.

The Covid19 crisis had a massive impact on the tourism industry in 2020. In 2021, tourism in the EU recovered after, among other things, travel restrictions were eased. According to Eurostat, the number of overnight stays in tourism establishments totalled 1.8 billion across the EU, an increase of 27% compared to 2020. However, across the EU, overnight stays were still 37% lower than in the pre-Covid19 year 2019. Overnight stays by residents were higher across the EU in the period from July to October 2021, i.e. in the summer season, than in 2019.

Looking at the individual countries, the picture for 2021 is very different. The strongest upturn was seen in Greece, where overnight stays increased by 89% compared to 2020, followed by Spain (79%), Croatia (72%), Malta (57%) and Bulgaria (47%). Italy saw an increase of 38%. In Austria, Slovakia and Latvia, the number of overnight stays was still lower than in 2020. In an international comparison, tourism in Europe has recovered much more strongly than was the case in the other regions of the world.

Since the outbreak of the Covid19 pandemic, the various restrictions led many people to spend their holidays at home instead of travelling abroad. As a result of more difficult entry regulations, but also because of a severely restricted flight offer, the share of foreign tourists has decreased considerably.

While the share of domestic tourists in overnight stays was 53% in 2019, it accounted for 71% in 2020 and fell to 68% in 2021. The share of tourists from other EU countries was 29% in 2019, fell to 21% in 2020 and rose again to 24% in 2021. Tourists from other European countries accounted for 10% in 2019, while they accounted for only 5% in 2020 and 2021. Overnight stays by tourists from non-European countries fell from 8% in 2019 to 3% in 2020 and 2021.

After a good start for tourism in early 2022, the Ukraine war has affected the outlook. Sanctions and flight bans to and from Russia have already had a negative impact on winter tourism in tourist areas where there are many Russian guests, such as Switzerland and some tourist regions in Austria.

Although it is too early to assess the impact of the Ukraine war, sanctions and flight bans on the 2022 summer season, there is likely to be a backlash. Russian and Ukrainian tourists will be absent from their favourite holiday destinations in EU countries. Statistically, however, the share of Russian and Ukrainian guests in EU-wide destinations is very small*.

As various tour operators report, there are fewer bookings especially, but not only, in city tourism. The "war in Europe" is discouraging tourists from the USA, South America, Canada, Asia and Australia from travelling to Europe. This is especially true for Ukraine's neighbouring countries. The unpredictable further development of the Covid19 pandemic in the coming autumn and winter brings further uncertainties for tourism.

Rising energy costs and high inflation have a negative impact on the overall economic situation. There are justified concerns that energy prices will remain at a high level for longer or even rise further as a result of the Ukraine war and that there will be a slowdown in economic growth or a recession. This would also affect the tourism industry, because people with low incomes in particular would then no longer be able to afford a holiday.

(Source: www.fvw.de)

No collective agreement for aviation security staff - further strikes threatened

The fifth round of negotiations has ended without an agreement. Although talks are to be held again at the beginning of April, there could be further strike action before then.

At German airports, the beginning of the Easter travel wave is threatened by renewed warning strikes by private security staff. On Friday night, the fifth round of collective bargaining in Raunheim near Frankfurt ended without an agreement, as reported by employers and the trade union Verdi.

The union now wants to discuss the next steps in its bargaining commission. According to Wolfgang Pieper, the union's chief negotiator, the options could include renewed work stoppages. He did not give any concrete dates. Last Tuesday, Verdi had called on the screeners at nine German airports for a day-long work stoppage. According to the airport association ADV, 756 flights were cancelled and more than 100,000 passengers did not reach their destinations as planned.

In the afternoon, Verdi named 7 April as the date for the sixth round of negotiations. Renewed strike action could already affect the beginning of Easter travel. In Bremen, Lower Saxony and Schleswig-Holstein, the school holidays already start on Monday, 4 April, so that at least in the north, increased travel is to be expected from Friday, 1 April. Most of the other states will follow on the next weekend.

Verdi is demanding that the hourly wages of the 25,000 employees be increased by at least one euro for a period of twelve months. In addition, there should be nationwide adjustments at the highest regional level from Baden-Württemberg as well as standardised pay scales. According to the Federal Association of Aviation Security Companies (BDLS), this would mean up to 40 per cent more pay for individual employees. The employers have proposed increases in four steps with a longer term. According to them, there would be up to 25 per cent more money for individual groups.

(Source: www.handelsblatt.com)

Lufthansa and other airlines turn the price screw

Due to the rise in fuel prices, Lufthansa customers on long-haul flights must now pay between 20 and 200 euros more, depending on the route and booking class. For flights within Europe, the fares in Economy Class have been raised by a flat rate of ten euros and in Business Class by 30 euros.

In detail, for flights to Africa, the Middle East, North, Central and South America as well as on most Asia/Pacific routes, Lufthansa airlines are now charging 30 euros more in Economy Class for the return flight, and 50 euros more in Premium Economy. Business Class flights will be 100 euros more expensive, First Class travel 200 euros. The price increase does not apply to promotional fares and connections to tourist destinations in South America, they say.

Air France has also raised prices on long-haul routes. According to several media reports, the increases are seven to eight per cent. Emirates and Japan Airlines also announced price increases. Fares are also to be raised at the US airline Delta.

(Source: www.reisevor9.de)

Neckermann brand about to make a comeback

The former Thomas Cook tour operator brand, whose brand rights were bought by the Anex Group in 2019 following the group's bankruptcy, is to be relaunched soon. Offers for two destinations are already bookable on the Amadeus Bistro portal.

The German subsidiary of the Turkish tourism company explained to Reise vor9 that Neckermann Reisen offers to Crete and Rhodes had been activated as a test run. After the Corona crisis messed up the relaunch originally planned for 2020, the relaunch of the traditional brand is now to take place this year. Anex is still silent about the planned date.

Last summer, the head of Anex Tour Germany told Reise vor9 that everything was technically ready for the relaunch of Neckermann Reisen. This could take place "soon". Anex Tour did not comment on how much money had been spent on the acquisition of the brand rights after the Cook bankruptcy in autumn 2019. According to the Federal Gazette, Anex Tour paid 8.2 million euros for the purchase of the brand rights of the former Cook sister brands Öger Tours and Bucher Reisen.

For the revival of the Neckermann brand, which is virtually emblematic of the triumphant advance of all-inclusive air travel in the second half of the last century, Anex Tour is now relying on its charisma. As somewhat excited debates in social media groups of tourism sales show, Neckermann does indeed still move people's minds. However, this is as true on the positive side as it is on the negative. Many travel professionals have obviously not yet forgotten that the bankruptcy of the Cook group, which is closely linked to the Neckermann brand, cost them a lot of money two and a half years ago.

(Source: www.reisevor9.de)



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