

MONTHLY REPORT CENTRAL EUROPE APRIL 2024



**ST.PETE
CLEARWATER**

**KAUS
MEDIA
SERVICES**



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

European International Travel Trends Update

New bookings in March below previous year

According to the travel agency review by back-office service provider Tats, March delivered total invoiced sales of minus 1.5 percent and incoming orders of minus 16 percent compared to March 2023. Even the tourism sales driver cruises is weakening in terms of new bookings.

Tourism sales including cruises show an increase of 14% compared to March 2023. Cruises are the main driver with growth of 17%. The flight sector is down 8% on March 2023, while the number of tickets is also down 9% on the previous year. Other sales are 5.5% below March 2023.

Incoming orders for tourism bookings are down 16% year-on-year. The cruise sub-segment in March was also down 11% on March 2023, while the order backlog for tourism bookings was up 11% on the previous year. The cruise sector is 21% above the level of 2023.

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

(Source: www.reisevor9.de)

Trips are being booked earlier again

According to a recent data analysis by metasearcher Skyscanner, customers in Europe are booking their trips for longer periods again. At the same time, the trend towards shorter travel durations is consolidating.

According to Skyscanner manager Zeynep Mutlu Bigalı, the analysis is based on forward-looking Travel Insight data that compares traveler behavior and search trends compared to the previous year. The proportion of bookings made between 60 and 89 days and more than 90 days before departure has increased, according to Mutlu Bigalı. 37% of European customers booked more than three months before departure, 13% between 60 and 89 days and 18% between 30 and 59 days before departure.

This confirms a return to traditional seasonal bookings at the beginning of the year from pre-pandemic times, she explains.

The result is largely in line with the latest DRV analyses. This association had also recently noted a return of customers to earlier bookings. The majority of Easter travelers had booked very early and thus benefited from the tour operators' early booking offers, the association recently found. Based on figures from the FUR travel analysis, the DRV calculated an average travel duration of 13.3 days.

According to the Skyscanner analysis, Spanish and Greek destinations were the most popular, while Bangkok, New York and Sydney dominated the long-distance destinations. The destinations with the largest increase in search volume compared to the previous year, however, appear to be more exotic: The metasearcher names Victoria in the Canadian province of British Columbia, Marmagao in the Indian state of Goa, Panama City, Bol on the Croatian island of Brač, Pristina in Kosovo and the Italian island of Lampedusa.

(Source: www.reisevor9.de)

These are the most popular travel destinations for Germans

Despite high inflation and global uncertainties, Germans enjoy traveling. Surveys show this. But what are their favorite vacation destinations? An overview.

Düsseldorf. Germans' desire to travel is back. People are traveling as much as they did before the coronavirus pandemic. More than 60 percent are already planning their next trip and are not deterred by the energy crisis or global uncertainties.

This is according to the 40th German Tourism Analysis, for which the Foundation for Future Studies surveyed 3,000 people between the ages of 18 and 74 about their travel behavior and travel intentions this year.

Handelsblatt has summarized the most important results. The survey also produced a ranking of the most popular vacation destinations in 2024:

Travel costs: How much did Germans spend on their vacation in 2023?

According to the German Tourism Analysis, Germans spent an average of 1,538 euros per person on their main vacation in 2023. This is a new record high. In 2019, the average was still 1208 euros. Vacations in their own country were on average around 200 euros cheaper than trips to other European countries.

The holidaymakers surveyed paid the most for vacations in Spain, Greece and Scandinavia. Daily costs also reached a new high of 129 euros in 2023. Last year, a day's vacation cost 19 percent more on average than in 2022.

How many days do Germans spend on vacation on average?

The Germans surveyed spent an average of just under twelve days on vacation in 2023. This means that they traveled one day less on average last year than in 2022. According to the Stiftung für Zukunftsfragen, the reasons for this are increased travel costs and the trend towards multiple, shorter trips. In the German Tourism Analysis survey, two out of five citizens stated that they travel several times a year. It can be observed that the number of trips increases with rising income.

Ranking 2024: The top travel destinations for Germans

9th place: Croatia

Croatia is the ninth most popular travel destination in 2024. 1.7 percent of holidaymakers surveyed are expected to travel to the eastern Adriatic coast this year.

With its variety of islands and cities, Croatia has been attracting many German tourists to the country for decades. From the medieval flair of Dubrovnik and the ancient Roman history of Split to the culture of Zagreb, Croatia's cities offer great diversity.

8th place: Austria

In 2024, 1.8 percent of those surveyed are planning a trip to Austria. The country ranks eighth among the most popular tourist destinations. Austria attracts visitors with activities such as skiing, hiking, camping, wellness holidays and city trips to Salzburg, Innsbruck and Vienna. Well-known sights are the castle of Empress Sissi, St. Stephen's Cathedral and the Charles Church.

Place 7: France

France ranks seventh among the top destinations for Germans in 2024. This is where 2.3 percent of the respondents in the tourism analysis plan to travel this year. In addition to the city trip to Paris, Brittany, Provence and the Côte d'Azur are the most attractive places to visit. The neighboring country is also easily accessible by car or train and offers both mountains and sea.

Place 6: Greece

Many German holidaymakers are also enthusiastic about Greece. In 2024, almost three percent of those surveyed are planning a holiday on the Greek islands or the mainland. With the onset of spring, the temperature on the islands allows a bathing holiday. But the mainland also has a lot to offer, with the Acropolis in Athens and Olympus on the east coast.

Place 5: Turkey

Turkey shows similar popularity figures as Greece. In addition to many historical buildings such as the Hagia Sophia or the Blue Mosque in Istanbul, the country is also interesting for beach holidaymakers, especially for package holidays. 3.5 percent of respondents would like to take a holiday here this year. Turkey thus ranks fifth among the most popular destinations for Germans at the moment.

Place 4: Scandinavia

Scandinavia ranks fourth among the most popular holiday destinations in 2024. 3.8 percent of those surveyed are planning a trip to Northern Europe this year. In some areas, the northern lights can be seen in winter, which attract many people every year. The nature of Scandinavia with its forests, lakes and fjords is also popular among tourists.

Place 3: Italy

Italy remains a holiday classic. Whether it's relaxing on one of the many tourist beaches, wine tasting in Tuscany or sightseeing in Venice or Rome: around 6 out of 100 respondents are planning a trip to Italy this year. This makes the country one of the top three most popular destinations in 2024.

Place 2: Spain

The second most popular holiday destination for Germans in 2024 is Spain. Here you will find interesting cities such as Madrid, Barcelona or Seville and pleasant temperatures when it is still often wintery in Germany. Many travelers are also driven to the Canary or Balearic Islands and to Mallorca.

Place 1: Germany

Germany is the most popular holiday destination in the Tourism Analysis 2024. In addition to the North and Baltic Sea coasts, the low mountains and the foothills of the Alps, metropolises such as Berlin and Hamburg are ideal for travel. 28 percent of those surveyed said they would like to take a holiday here in 2024. That's the same number as last year.

Many holiday plans for 2024 remain vague. Almost 37 percent of respondents plan to travel within the EU this year. Around 16 out of 100 respondents also indicated that they would like to take a long-distance journey in 2024. On the other hand, just under 17 percent of respondents are still undecided whether they will go on holiday at all.

Ranking 2024: An overview of the most popular destinations

Place Destination Percentage of respondents

1. Germany 28.2 percent
2. Spain 8.4 percent

3. Italy 5.9 percent
4. Scandinavia 3.8 percent
5. Turkey 3.5 percent
6. Greece 2.8 percent
7. France 2.3 percent
8. Austria 1.8 percent
9. Croatia 1.7 percent

(source: 40th German Tourism Analysis 2024)

These were the most popular long distance travel destinations in 2023

Long-distance travel is also becoming increasingly popular. While in 2022 around 13 percent of those surveyed by the German Tourism Analysis were still on holiday outside the EU, last year the figure was 16 percent. Asia's Far East was particularly popular, followed by **North America** in second place and North Africa in third place.

(source: www.handelsblatt.com)

2. Overview of Regional Activities

Germany

- KMS received information with details about the concept and the registration from the Visit USA Committee in Germany regarding the travel trade training event "Bowling Roadshow", slated to occur in eight German cities from June 3-13, 2024. KMS promptly relayed this information to Visit St. Pete/Clearwater, asking for approval to participate in these events.

The Roadshow concept details:

- A workshop-style format with 8 partners per city.
- Travel agents will be divided into groups, attending 15-minute workshops with each partner.
- Presentations will be conducted using screens provided by Visit USA.
- Anticipated participation of 30-50 travel agents per city.
- Networking opportunities include an American buffet and bowling tournament after the workshops.
- Events are scheduled from 5.30-10.30 p.m.
- Eight members can participate per city.

KMS registered Visit St. Pete/Clearwater for four events after approval from VSPC. There was a draw to determine the participating members, because the number of the interesting partners were larger than the capacity of these events. KMS informed Visit St. Pete/Clearwater about the result of this raffle and cities where we will train the travel trade about our destination.

- The Visit USA Committee Germany (VUSA) distributed a newsletter in April 2024. We supported VUSA with content and photos of St. Pete/Clearwater (theme: *The Best (Secret) Tips For A Vacation In St. Pete/Clearwater*). The newsletter was distributed to more than 23,000 travel agents and media professionals.
- We distributed promotional materials and photos of Visit St. Pete/Clearwater to interested travel agencies and tour operators in Germany. Inquiries have also been received via the website of the Visit USA Committee Germany.
- We also uploaded a story about the Pride festival, which will take place in June 2024 again. The story was published on the Visit St. Pete/Clearwater section of the Visit USA Committee Germany's website.
- We also signed up for a marketing cooperation with Visit Florida and the *AMERICA Journal*. Both partners plan a dedicated Florida magazine supplement designed to build awareness and inspire travel planning, which will be placed in the June issue of *AMERICA Journal*. We submitted all required information for the promotion in time.
- We drafted the newsletter *The Best (Secret) Tips For A Vacation In St. Pete/Clearwater* and submitted it to VSPC for approval. After we received approval, we distributed it to more than 3,700 travel agencies and tour operators in Germany.

- We distributed promotional materials from Visit St. Pete/Clearwater to travel agents who are interested in further information. Inquiries have also reached us via the website of the Visit USA Committee Germany.
- KMS continued requesting proposals for joint promotional activities from several targeted tour operators in all three German speaking countries. Based on the most qualified proposals, we recommended a number of marketing activities to Visit St. Pete/Clearwater.
- We received and discussed a promotional offer from the German tour operator Der-tour. We will share our recommendations with VSPC after our final evaluations.
- We continued our support for Visit St. Pete / Clearwater's participation in campaign with TUI and Visit Florida.
- We continued supporting the campaign with Visit Florida and FTI, which will promote St. Pete / Clearwater through digital info screens in subway and local transport stations in Cologne and Frankfurt, single teasers, double teasers, a Visit Florida landing page, and display ads on www.fti.de, off-page advertising including display advertising, SEA and social media and B2B2C Digital Signage in more than 200 travel agencies for a duration of four weeks.
- We coordinated the regular coordination of the warehouse that we have subcontracted on behalf of VSPC, proofread their inventory report for March 2024 and forwarded it to VSPC.

In addition, we placed another material order for destination magazines and promotional items through Simpleview to have sufficient materials available for upcoming promotions.

- For our joint promotion with Brand USA and the German tour operator Canusa we assisted Brand USA with more proofreading of various posts and ads. Since some of the materials required significant correction, we provided additional high-resolution photos and texts for St. Pete / Clearwater. We also approved all promotional materials after their corrections.
- We were in contact with the German tour operator *Die Reisebotschafter* (formerly known as *Cruising Reise*) for a potential collaboration with our planned promotion with Blu Media, the leading media company for the GLBTQ+ market in the German-speaking countries. We would like to incorporate the tour operator in the overall promotion for a measurable call to action and return on investment for our destination.
- We comprehensively prepared our promotion and meetings with Central European tour operators and travel trade professionals as well as media professionals at ipw 2024 in Los Angeles. We will discuss business development and promotional activities with almost 40 Central European key contacts that arranged meetings with us at the show (from a total of 42 available meetings).

In addition, we made all travel arrangements for our travels to Los Angeles.

- We researched further travel trade opportunities as well as virtual or in-person events to promote St. Pete / Clearwater in the German market in the future.
- We attended the bi-weekly coordination calls with VSPC in April 2024 in order to synchronize our activities and to discuss upcoming promotions.
- KMS attended a monthly Brand USA conference call in order to discuss opportunities for co-op programs for 2024.
- We received several proposals for joint marketing activities and forwarded them for evaluation and discussion to VSPC.
- KMS completed several conference calls with Visit Tampa's new representation office in Germany in order to discuss joint opportunities for non-competing promotional activities.
- After we were invited to the U.S. General Consulate's 4th of July celebration in Frankfurt, we confirmed our attendance after approval from VSPC. We will schedule trade and media meetings during this time.
- We drafted and submitted our activity report for April 2024.

Austria

- We drafted the newsletter *The Best (Secret) Tips For A Vacation In St. Pete/Clearwater*. We researched suitable topics and high-resolution photos and submitted it to VSPC for approval. After we received approval, we distributed it to more than 800 travel agencies and tour operators in Austria.
- We distributed promotional materials and photos of Visit St. Pete/Clearwater to interested travel agencies and tour operators in Austria.

Switzerland

- Since the Swiss airline Edelweiss announced an increased seat capacity from Zurich to the Tampa Bay Airport (TPA) starting in 2024, VSPC and Visit Tampa Bay agreed on a joined promotion. We continued our comprehensive efforts for the co-op campaign with the Swiss airline Edelweiss, Visit Tampa Bay and Knecht Reisen. Related activities included but were not limited to:

- Discussions about the campaign development with Edelweiss, Visit Tampa Bay and participating partners. We also discussed our participation for a co-funded travel trade event organized by Edelweiss in Zurich on June 05, 2024.
- For an OTA promotion, we selected the proposal from Expedia. The promotion will be funded by the TPA Airport. In coordination with VSPC, we started compiling all required texts and visuals for the campaign.
- We informed the Swiss tour operator Knecht Reisen that their proposal was accepted. We are awaiting Knecht Reisen's timeline for the individual promotional tactics.
- We requested advertising offers from Prestige Travel, one of the leading consumer travel magazines in the Swiss market. We forwarded the offer to all participation partners for evaluation and we are awaiting their feedback.
- We completed several conference calls with Visit Tampa Bay's representation office in order coordinate and synchronize our efforts.
- In coordination with the Swiss tour operator Knecht Reisen we continued organizing a travel trade trip to Florida and the fam group will be in our destination from August 25-27, 2024. Knecht Reisen is one of the leading Swiss 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 Knecht Reisen escorts. VSPC will highlight our destination during the fam trip.
- We have received a proposal from the Swiss tour operator *Knecht Reisen* for participation with a standard package at the B2B/B2C trade fair *Reisewelten*, which will take place again in November 2024. Last year, Visit St. Pete/Clearwater learned at *Reisewelten* that there is also a supplementary package available with the opportunity to train travel agency staff. We requested and received a proposal for the supplementary package. KMS will evaluate whether to recommend Visit St. Pete/Clearwater's participation in the *Reisewelten* again.
- We received an evaluated an advertising offer from the Swiss publication *Discover Switzerland*. After careful evaluation with VSPC, we politely declined the offer.
- We drafted the newsletter *The Best (Secret) Tips For A Vacation In St. Pete/Clearwater* and submitted it to VSPC for review. After we received approval, we distributed it to approximately 400 travel agencies and tour operators in Switzerland.
- We distributed promotional materials and photos of Visit St. Pete/Clearwater to interested travel agencies and tour operators in Switzerland.
- 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.

The Netherlands

- After we learned that the Delta Airlines will start offering daily non-stop service from Amsterdam's Schiphol Airport (AMS) to Tampa Bay (TPA) from October 2024, we began developing concepts for campaigns in the Dutch market to support the flight as well as additional visitation to our destination.
- For a planned newsletter with the title "*Spring is in the Air*" that will be distributed by the Visit USA Committee The Netherlands, we drafted a destination text and supported the Committee with corresponding photos introducing our destination's stunning beaches, world-class tourism offers and vibrant arts and culture.
- We drafted the newsletter *The Best (Secret) Tips For A Vacation In St. Pete/Clearwater* and submitted it to VSPC for review. After we received approval, we distributed it to approximately 800 travel agencies and tour operators in the Netherlands.
- We followed up with the Visit USA Committee in the Netherlands to inquire whether they will host a roadshow this year.
- We distributed promotional materials and photos of Visit St. Pete/Clearwater to interested travel agencies and tour operators in the Netherlands.

Belgium

- For a planned Social Media Post by the Visit USA Committee Belgium, we have created a suitable text and accompanying images introducing beaches, diverse natural landscapes and vibrant culture.
- We drafted the newsletter *The Best (Secret) Tips For A Vacation In St. Pete/Clearwater* and submitted it to VSPC for review. After we received approval, we distributed it to approximately 500 travel agencies and tour operators in the Belgium.
- KMS evaluated a proposal of the Belgium tour operator Joker Reisbeurs USA & Canada, which will take place on October 20, 2024 in Mechelen. It the biggest B2C-travel event in Belgium (1,700 visitors in 2023). The participation for visitors is free but they have to register in advance. Joker Reisbeurs reach over 750,000 consumers with the promotion of the event on Social Media, Google & through other (media) partnerships.

Exhibitors have the opportunity to book an own booth at the show. They also have the opportunity to present their destinations.

Poland

- We drafted the newsletter *The Best (Secret) Tips For A Vacation In St. Pete/Clearwater* and submitted it to VSPC for review. After we received approval, we distributed it to approximately 500 travel agencies and tour operators in Poland.
- We researched further travel trade training opportunities – either as a virtual or in-person events in the future.

Czech Republic

- We drafted the newsletter *The Best (Secret) Tips For A Vacation In St. Pete/Clearwater* and submitted it to VSPC for review. After we received approval, we distributed it to approximately 500 travel agencies and tour operators in the Czech Republic.
- 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.
- We distributed promotional materials and photos of Visit St. Pete/Clearwater to interested travel agencies and tour operators in the Czech Republic.

Hungary

- We drafted the newsletter *The Best (Secret) Tips For A Vacation In St. Pete/Clearwater* and submitted it to VSPC for review. After we received approval, we distributed it to a large number of travel agencies and tour operators in Hungary.

3. Status of Sales Activities and Promotions

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

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

Consumer Promotion with Canusa Touristik (starting in January 2024)

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

Advertising Promotion with America Journal (until October 2024)

- In cooperation with VSPC and Brand USA, we continued a multiple months long advertising campaign with the travel consumer magazine America Journal. The promotion includes media coverage provided by the magazine, as well as advertorials and digital marketing opportunities. It started in fall 2023 and will be concluded in fall 2024. Brand USA will support the promotion.

Consumer Promotion with Visit Florida and FTI Touristik (April / May 2024)

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

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

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

Advertising Promotion with Visit Florida and America Journal (June 2024)

- In co-operation with Visit Florida and the German travel consumer magazine America Journal we will carry out an advertising promotion. Both partners plan a dedicated Florida magazine supplement designed to build awareness and inspire travel planning.

Visit USA "Bowling" Roadshow, Germany (June 6, 11-13, 2024)

- We will promote Visit St. Pete / Clearwater at the German Visit USA Committee's roadshow that will make stops in the cities of Stuttgart, Friedrichshafen, Hannover, Berlin and Hamburg. During the events, we will be able to train a large number of travel agents about our destination.

Edelweiss Event, Zurich / Switzerland (June 05, 2024)

- On June 05, 2024, Edelweiss will be hosting a major networking event for the tourism industry. It will be designed as a special networking format.

Co-op Media Event with Visit Tampa Bay, Zurich / Switzerland (tbs)

- As part of our promotional support of Edelweiss increased flight frequency from Zurich to Tampa Bay (TPA), we will organize a media event in June or July 2024 (date and place to be decided).

Travel Trade and Consumer Promotion with Edelweiss (until the end of 2024)

- In co-operation with the Swiss Airline Edelweiss, a Swiss tour operator, an international OTS, the TPA Airport and Visit Tampa Bay, we will coordinate a concentrated multichannel promotion in the Swiss market to increase the visibility of our destination and the increased flights offered by Edelweiss as well as to increase the number of bookings in St. Pete / Clearwater from the Swiss market.

Knecht Reisen Trade Fam Trip (August 25-27, 2024)

- In coordination with the Swiss tour operator Knecht Reisen we will support a travel trade trip to Florida and the fam group will be in our destination from August 25-27, 2024. Knecht Reisen is one of the leading Swiss 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 Knecht Reisen escorts. VSPC will highlight our destination during the fam trip.

Reisewelten (November 21-23, 2024)

- 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 21-22, 2024) and travel trade professionals (November 23, 2024).

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.

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 April 2024.

5. Market Updates

Germany – Economic news

More people are working in Germany than ever before

Never before has so much work been done in Germany as last year, according to a study by the German Institute for Economic Research (DIW Berlin). While dependent employees worked around 52 billion hours in 1991, 55 billion hours were counted last year. The average weekly working hours have decreased in recent years.

"The total volume of work has increased primarily because more and more women are in employment," says study author Mattis Beckmannshagen from DIW Berlin. However, almost half of women in Germany work part-time, although some would like to work more. "Their potential for the labor market therefore remains partially untapped," says Beckmannshagen.

The average working week is 36.5 hours

According to the DIW, female labor force participation rose by 16 percentage points to 73% between 1991 and 2022. This reflects the change in society from a one-earner household to a two-earner household. Women currently work an average of around 33 hours, while men work 40 hours. This results in an average working week of 36.5 hours.

(source: www.reisevor9.de)

IMF on growth in Germany – Bottom of the G7

While the rest of the world is on the up, the German economy will only grow by 0.2% - according to the forecast of the International Monetary Fund. There are two major challenges for the country.

It is a further damper on economic development in Germany: the International Monetary Fund is only forecasting growth of 0.2 percent. In January, the IMF had forecast 0.5 percent growth for the German economy.

0.2 percent - the weakest growth forecast within the group of seven leading western industrialized nations (G7). The IMF cites continued weak consumer sentiment in Germany as one of the main reasons for this. The IMF emphasizes the ageing population as a long-term problem. Nevertheless, the IMF is forecasting growth of 1.3% for Germany again in 2025.

Good prospects for the global economy

The outlook for the global economy as a whole looks better. "The global economy is showing remarkable resilience, with continued stable growth and falling inflation," says Pierre-Olivier Gourinchas, chief economist at the IMF, which is forecasting global growth of 3.2 percent this year, citing the robust development in the US and some emerging markets as one of the reasons. The IMF has therefore raised its global growth forecast slightly compared to January.

Inflation and lack of climate protection are worrying

The world has been spared a recession in spite of some gloomy predictions to the contrary, stresses the chief economist of the Monetary Fund, but also speaks of persistent problems. "Inflationary trends are encouraging, but we are not there yet," said Gourinchas.

A key objective must remain to bring down inflation on a permanent basis. Another is to improve international cooperation, for example on climate protection: "Reducing CO2 emissions is compatible with growth," emphasizes Gourinchas. "But pollutant emissions are still rising. More needs to be done - and quickly."

An ageing population as a problem

The problem of an ageing population in most industrialized countries was also highlighted by IMF chief Kristalina Georgieva in her speech at the opening of the spring meeting. In order to keep the proportion of the working population high and a robust economy, immigration is needed, among other things, according to the head of the IMF.

The Bulgarian will remain head of the IMF for another five years. Although the former EU Commissioner has occasionally been criticized, in addition to France and Germany, the US has also spoken out in favor of a second term for the 70-year-old. The top job at the Monetary Fund is traditionally filled from Europe, the top position at the World Bank is traditionally filled from the USA.

IMF reform as a topic

Finance Minister Christian Lindner and Development Minister Svenja Schulze will also take part in the spring meeting in Washington this week.

Two of many other issues: How can the two often cumbersome institutions, the IMF and the World Bank, be reformed? And how do we prevent the world's poorest countries from becoming ever more dependent? Reflecting on the recent Covid pandemic and the wars in Ukraine and the Middle East, IMF chief Georgieva said: "We continue to live in a world where we have to expect the unexpected."

(source: www.tagesschau.de)

Travel News

Tourism could reach record levels worldwide

The World Travel & Tourism Council (WTTC) is forecasting a record-breaking year for the travel and tourism industry in 2024, with the sector's global economic contribution reaching an all-time high of USD 11.1 trillion.

According to the World Tourism Organization's "Economic Impact" study, the travel sector is expected to contribute an additional 770 billion dollars over the previous record, underpinning its power as a global economic powerhouse that generates one in every ten dollars worldwide.

The WTTC predicts that 142 of the 185 countries surveyed will surpass previous national records. Tourism is also expected to provide almost 348 million jobs. According to the organization, this corresponds to an increase of a good 13.6 million jobs compared to the peak in 2019.

(Source: www.reisevor9.de)

New EU rules have an impact on business travel

The EU guidelines on sustainability reporting and cyber security also have an impact on business travel, according to the DRV. In order to meet the requirements, companies must, for example, correctly record their CO2 emissions and take protective measures for mobile working or remote access to company servers.

The implementation of the guidelines presents companies with a number of challenges, but also offers advantages, according to the association. These include improving their reputation in the area of sustainability and reducing costs and risks from cyber attacks.

The "Corporate Sustainability Reporting Directive" (CSRD) on sustainability reporting is a directive adopted by the EU in 2022 to improve sustainability reporting. It obliges companies to disclose standardized information about their activities in the areas of environmental, social and corporate governance. They must also report on the impact of their business activities on the environment, economy and society. Failure to do so may result in sanctions, such as fines. Implementation will take place in stages, starting with companies with 500 employees or more from January 1, 2024. From January 1, 2025, the regulation will be extended to all large companies not previously covered and from January 1, 2026, all listed SMEs will also have to meet the requirements.

According to the association, a key component of CSRD reporting is the so-called Scope 3 emissions, which also include emissions from business trips or commuting to work in a company car. Recording all relevant data from a business trip is a challenge for companies, says Alexander Albert, Chairman of the Business Travel Committee at the German Travel Association (DRV). However, intelligent digital tools from business travel agencies could make it easier to transfer booking data to companies' systems.

Cybersecurity directive applies from October

The EU Directive NIS-2 aims to protect critical infrastructures within the EU from cyber threats through a uniform level of protection. EU member states have until October 17 to transpose the NIS-2 Directive into national law. It is estimated that between 25,000 and 40,000 companies in Germany are affected by NIS-2. These include companies with more than 50 employees and an annual turnover of more than ten million euros.

Irrespective of this, companies are affected if there are systemic risks in the event of a failure. In addition to the expansion of the facilities affected, the NIS 2 directive also leads to higher requirements for companies, according to the DRV. These include more protective measures, including risk analyses, supply chain security and multi-factor authentication. In addition, there are stricter reporting obligations and more intensive monitoring, presumably by the Federal Office for Information Security (BSI). Mandatory training for management is also planned.

According to the DRV, companies must expect indirect effects on business travel and revise their travel guidelines if necessary. This may be necessary to ensure that mobile devices and remote access to company networks also comply with the guidelines, according to the association. This includes measures such as the encryption of data on mobile devices and the use of virtual private networks (VPN) to access company servers.

(Source: www.reisevor9.de)

Luxury vacations are being booked more and more often

Money no longer seems to play a major role: luxury vacations are booming, but the general understanding of this travel segment has changed. Wealth is no longer defined solely by glittering worlds and opulent opulence.

Instead, immaterial luxury is replacing status thinking and values such as self-discovery, personal experiences, authenticity and time are coming to the fore.

In the last ten years, the proportion of high earners who can afford a luxury vacation has tripled. As determined by the Stiftung für Zukunftsfragen (Foundation for Future Studies) based on the Tourism Analysis 2024, more than one in seven Germans with a high net household income currently spends more than 5,000 euros per person on their main vacation. In comparison, spending on main vacations for the population as a whole averages 1,500 euros per person.

What are the reasons for a luxury vacation?

The trend towards luxury vacations among high earners is based on numerous individual reasons. For some, social status symbols play a central role. Luxury vacations make it possible to underline one's own social status and offer the opportunity to show off in exclusive surroundings.

Others are looking for retreats in an increasingly hectic world to escape the stress of everyday life. Luxury travel often offers this opportunity and the prospect of undisturbed relaxation in select environments attracts many high earners accordingly.

The desire for unique and unforgettable experiences is also driving the trend towards luxury travel. Experienced travelers in particular are looking for unforgettable moments in exotic locations. The constantly growing range of offers for luxury travelers also plays a major role.

More and more hotels, resorts and tour operators are gearing their offerings specifically to the needs and demands of high earners. From exclusive accommodation and tailor-made travel packages to first-class service - the range of options for luxury travelers is constantly improving and expanding.

The future of luxury travel looks bright

For high earners, luxury vacations are increasingly becoming an attractive way to escape, disconnect and rejuvenate. This group of travelers will continue to be willing to spend considerable sums on exclusive vacation experiences. This development will lead to a further division in travel.

In addition to the current division into travelers and non-travelers, there will be a three-way split in the future. Firstly, there will be those at home who cannot afford to travel for financial reasons.

Secondly, the normal travelers who continue to go on vacation once a year, save up for it and would rather cut back on their everyday life or shorten the duration of their trip than not travel.

And thirdly, luxury vacationers, for whom money is no object when travelling and who are prepared to pay for exclusive experiences and first-class service. This three-way split will shape the travel industry in the future and make luxury tourism an even more important market segment.

In 2015, Amadeus published the Future Traveler Tribes 2030 study, which identified six travel types based on consumer behavior and found that purchasing behavior changes with the circumstances of each trip.

"Shaping the Future of Luxury Travel" uses a similar methodology and identifies six luxury travel types to help travel suppliers better target the luxury travel market.

The six types are: Always Luxury ("Luxury as Everyday"), Special Occasion ("Luxury as Special"), Bluxury ("Business + Luxury"), Cash-rich, Time-poor ("Wealthy with limited time"), Strictly Opulent ("Visible Opulence") and Independent & Affluent ("Independent & Affluent").

"Luxury means different things to different people, especially today. While emerging middle classes are looking for material travel luxury, more mature markets are demanding a new, evolved form of luxury," said Rob Sinclair-Barnes, Strategic Marketing Director, Amadeus IT Group.

(Source: www.travelbusiness.at)

TRAVEL INSIDE survey: How Swiss travel professionals travel

Near or far? Long-term or last-minute? The TI survey provides an insight into the travel behavior of the industry.

The travel industry is currently experiencing a remarkable upswing and the Swiss people's desire to travel is unbroken. But what are Swiss travel professionals booking for themselves?

The online survey by TRAVEL INSIDE shows that the desire to travel is also high among Swiss travel professionals. 43% of survey participants are visiting a short or medium-haul destination this year and a further 43% are traveling further afield.

10% will travel to a neighboring country and 3% will spend their vacations in Switzerland in 2024. Only 1% will not be traveling this year.

When it comes to choosing a means of transportation, air travel is very popular with Swiss travel professionals in 2024: 81% of survey participants will reach their destination by air this year.

The car is the second most popular mode of transport with 12% and 4% of travel professionals will travel by train in 2024. The ship is chosen by 2% and 1% will travel on vacation by bus or car.

Swiss travel professionals book their vacations well in advance: 75% of respondents book at least 3 months before their trip, of which 39% book more than 180 days before departure and 36% book 90-180 days before departure.

11% of travel professionals book their vacations less than 90 days before departure and 12% book less than 45 days in advance. Only 2% of survey participants book last-minute.

(Source: www.abouttravel.ch)

Tour Operator News

Dertour Group grew strongly in 2023

The Rewe Group's tourism division increased its turnover by 24.6% in 2023, taking invoiced turnover to 7.2 billion euros. This also exceeded the turnover from the pre-corona year 2019, which amounted to 6.5 billion euros. The Dertour Group is in an "excellent position", says CEO Lionel Souque.

The summer was characterized by a great desire to travel across all source markets, explained Souque, who is responsible for the tourism division on the Rewe Management Board. Many people had made the decision to treat themselves to a vacation and save money elsewhere if necessary. The Dertour Group was "excellently positioned for the strong increase in interest in package tours and the Europe-wide trend towards higher quality travel", said Souque, explaining the sales development. In addition to the expansion of the specialty travel segment, the tourism division "also continued to develop in its strategic growth area of hotel business with the opening of further hotels and investments in property" in 2023.

Tourism improves the overall balance sheet

REWE Group's total external turnover rose by almost nine percent from 84.8 billion euros to 92.3 billion euros in the past business year. In Germany, turnover increased by 7.8 percent to 63.2 billion euros. International business grew by 11.3 percent to 29.1 billion euros. The number of employees rose by 1.3% to 389,270 in the past financial year, of which 284,758 were in Germany and 104,512 abroad.

The operating result (EBITA) rose by 25.6 percent from 1.45 billion euros in 2022 to 1.83 billion euros, while the consolidated net profit for the year increased by 46.2 percent from 503.5 million euros to 736.2 million euros. According to Souque, this will bring it back to the 2021 level "primarily due to the positive development of tourism". At that time, however, the successful retail sector had kept tourism, which was suffering from the coronavirus pandemic, afloat.

Homework done?

The Dertour Group's strong sales growth indicates that the company got a better grip on its technical problems last year, which caused a lot of criticism from the sales department in 2022. The fact that Souque explicitly mentions the specialist business and the hotel division in connection with growth indicates that he expects further progress from Ingo Burmester, Karl Pojer & Co. in these segments in particular.

(Source: www.reisevor9.de)

Investor Certares takes over FTI and brings fresh capital

The hanging game over the future of the third-largest tour operator in Europe has come to an end. A consortium led by the US financial investor Certares has concluded a corresponding investment agreement with FTI and purchased the company for the symbolic price of one euro.

Certares, a US investment company specializing in the travel and tourism sector, is leading the consortium, with other investors also on board. As part of the agreement, FTI will receive fresh capital of 125 million euros for "the next growth phase and the financing of the digital transformation", according to a statement from Munich.

The current shareholder, the family office of the Egyptian Sawiris family, has also agreed to provide financial support and further investments. The transaction is still subject to the usual official approvals and conditions that are required for processes of this kind.

For the time being, there is great relief at FTI. Karl Markgraf, CEO of FTI Group, said: "With the support of Certares and its extensive experience, as well as the capital provided by the consortium, FTI is uniquely positioned for future growth and profitability that will benefit all stakeholders - including our customers, business partners and employees. We are determined to embark on our next chapter of success and further consolidate our position as a leading player in the German and European tourism sector."

Many questions about the new investor remain unanswered

Despite the initial communication by FTI, there are still a number of questions about the details of the takeover. However, FTI did not provide any answers.

Among other things, Reise vor9 wanted to know how the consortium is composed, whether the new owner will assume the existing obligations of the Economic Stabilization Fund, whether Certares founder Greg O'Hara will join the FTI Supervisory Board and whether there is an accompanying restructuring plan.

FTI's long history of suffering comes to an end

The company's financial situation had recently been the subject of some emotional debate in the industry after FTI published its balance sheet for the 2021/22 financial year. There were already rumors at the beginning of 2023 that an investor from the German travel market could possibly join FTI. Rewe, the parent company of the Dertour Group, was mentioned in the press.

Later, the name of the US investor Certares occasionally appeared. The Egyptian entrepreneurial Sawiris family, FTI's majority shareholder with 75.1 percent of the shares, had indicated for some time that it would not increase its stake any further and would not grant the company the urgently needed capital increase.

The new investor Certares already holds numerous tourism investments, including in Amex GBT, Ama Waterways, G Adventures, Hertz, several hotel groups and Latam Airlines. Its founder Greg O'Hara is also Chairman of the World Travel & Tourism Council.

(source: www.reisevor9.de)

Tourism committee meets on possible FTI debt haircut

At its meeting next Wednesday, the Tourism Committee of the Bundestag is to be informed as to whether a waiver of the repayment of aid from the state Economic Stabilization Fund (WSF) plays a role in the course of the takeover of FTI by Certares.

Like other tourism companies, FTI had received a total of 603 million euros from the WSF in three tranches in August and December 2020 and October 2021 for recapitalization in connection with the coronavirus pandemic.

In the course of the takeover of the travel company by the US investor Certares, which according to FTI wants to inject fresh capital of 125 million euros into the company for “the next growth phase and the financing of the digital transformation”, there is speculation that the Free State of Bavaria is prepared to make concessions. The federal government is now expected to comment on this. Unlike some others, Wednesday’s meeting of the Tourism Committee is not open to the public.

According to the Federal Ministry of Finance, the WSF stabilization measures are basically “temporary”. The companies must therefore repay the funds granted in full plus interest. According to the ministry, recapitalizations should “generally be terminated within six years, but at the latest after ten years” in accordance with the requirements of the EU Commission and the WSF Implementing Regulation. Major borrowers such as TUI and Lufthansa have already repaid the financial aid.

(source: www.reisevor9.de)

Fewer sun loungers on the beach: Greece wants to take action against overcrowded beaches

In the fight against mass tourism, Greece has passed a new law to protect beaches from overcrowding.

Greece is one of the most popular vacation destinations for Germans. This year, the Mediterranean country is expecting a record influx of holidaymakers. According to forecasts by the National Bank of Greece, around 35.4 million visitors are expected. This includes tourists who had to cancel their vacation due to the forest fires last summer. Greece even wants to give them a free vacation. The many Greek islands are a particularly popular destination. The picturesque beaches in particular attract many tourists - perhaps too many tourists?

Large parts of the beaches in Greece soon without sunbeds

With a new law passed at the end of February, the country wants to take action against overcrowded beaches. As the Travelbook portal reports, the measures are intended to protect the coastline and enhance the experience for visitors - both holidaymakers and locals. A key component of the new law is that part of the beach must remain free of sunbeds. According to the Greekreporter portal, 70 percent of the area is to remain free of sun loungers in future, and as much as 85 percent in nature-protected bathing areas.

To ensure better access to the water, a minimum distance of four meters is also to be maintained between sun loungers and the sea. In future, it will also be forbidden for more than half of the beach to be used by businesses. In this way, the sections of coastline are to remain accessible to the public. Locals have been protesting against this for some time, writes the travel reporter. Prime Minister Kyriakos Mitsotakis is accommodating them and restricting commercial use, as he himself announced on TikTok.

In addition, the new law will impose more obligations on the license to manage a beach area. In addition to cleanliness and hygiene, there will also be an obligation to provide access to the beach for people with disabilities and to hire a lifeguard. Lease allocations for concessions will soon be awarded via online auctions in order to make the process more transparent. According to Greekreporter, the law is to be enforced with inspections, fines and even closure if necessary.

While this law benefits the protection of the coast, another regulation has attracted criticism. At the beginning of March, the Greek government announced that there were plans to lift the minimum protection limit of 30 meters off the coast - and thus allow construction directly on the sea. A controversial plan, especially as other Mediterranean countries such as France and Spain are establishing protection zones of 100 to 250 meters off the coast, Greekreporter points out.

(source: www.merkur.de)

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

KAUS MEDIA SERVICES

SOPHIENSTRASSE 6
30159 HANNOVER
GERMANY

AXEL KAUS, M.A.
MANAGING DIRECTOR
E-MAIL: TEAMVSPC@KAUS.EU
PHONE: +49 511 899 89 00

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MEDIA
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