

MONTHLY REPORT CENTRAL EUROPE JULY 2024



**ST.PETE
CLEARWATER**

**KAUS
MEDIA
SERVICES**



Marketing
Communications
Consulting

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1. Current State of the Tourism Industry in Central Europe

European International Travel Trends Update

Foreign Travel Reaches Pre-Corona Levels in 2023

Germans went on more vacations abroad last year than before the COVID-19 pandemic. According to the Federal Statistical Office, 102 million trips abroad were booked in 2023, an 18 percent increase from 2022 and 3 percent more than in 2019. The number of domestic trips remains below pre-Corona levels.

Austria is the Most Popular Foreign Destination for Germans

The most popular destinations abroad were Austria, Italy, Spain, the Netherlands, and France. The number of domestic trips increased by 10 percent to 149 million in 2023, but this figure is still 8 percent below pre-crisis levels. Overall, travelers from Germany undertook 251 million private and business trips, 13 percent more than the previous year but 4 percent fewer than in 2019.

Germans travel most frequently for private reasons: in 2023, there were 216 million private trips, 13 percent more than in 2022 and only 1 percent less than in 2019. The number of business trips increased by 14 percent to 34 million compared to the previous year, but this figure is 16 percent lower than in 2019. This indicates that many business meetings continue to take place virtually even after the pandemic, resulting in a decrease in business travel.

Germans continue to use cars most frequently for their vacation travels, accounting for 58 percent. Air travel nearly reached pre-Corona levels, rising to 16 percent. Train travel, at 19 percent, was above the 2019 level in 2023.

(Source: Reisevor9.de)

Slight Cooling in Sales Climate

The tourism sales climate index from the consulting firm Dr. Fried & Partner shows a slight cooling compared to the previous month. Overall, the values remain largely stable, but there is a noticeable deterioration in the expectation of future demand for travel services compared to the previous year.

Some travel agencies anticipate a decline in business

The current sales situation is predominantly viewed positively by the travel agencies surveyed. 50 percent of respondents rate the current situation as good, which is a slight increase compared to the previous month (47.7%). The proportion of those who find the situation satisfactory has decreased to 38.3 percent, down from 43.6 percent in June. At the same time, the proportion of respondents who rate the situation as bad has risen from 8.7 percent to 11.7 percent.

Looking back at the sales development of the last two to three months compared to the previous year shows a mixed picture. 28.6 percent of respondents report rising sales figures (previous month 30.3%). 45 percent of travel agencies state that these have remained unchanged (previous month 41.4%). 26.5 percent report a decline in sales figures (previous month 28.3%).

"Cautiously optimistic"

According to Dr. Fried & Partner, expectations are marked by "cautious optimism." 22.2 percent of respondents expect increasing demand in the next six months, which represents a significant decline compared to the previous month (29.1%). 58.7 percent believe that demand will remain unchanged, which is nearly four percent more than in June. The proportion of those expecting a decline in demand has risen from 16.1 percent to 19 percent.

The forecasts for the earnings situation in the next six months also show mixed sentiments. 26.3 percent of respondents expect an improvement – almost as many as in June. 50 percent believe that the earnings situation will not change; this is 2.3 percent more than in the previous month. 23.7 percent expect a deterioration in the earnings situation; about two percent more than the previous month.

In July, 189 travel agencies participated in the survey.

(Source: reisevor9.de)

Business Travel Becomes Less Frequent and Longer

According to the latest business travel analysis by the German Travel Management Association (VDR), 9.9 million business travelers undertook a total of 116.7 million business trips in 2023. This represents significant growth compared to 2022.

However, a trend towards fewer but longer trips is stabilizing. The duration of business trips has increased. The 116.7 million trips represent a 55 percent increase over the previous year. Companies are still planning business trips more cautiously than before the COVID-19 crisis, as the number of trips was 40 percent below the 2019 level. The number of travelers was 23 percent below the pre-crisis level.

The fact that company expenditures at 46.2 billion euros were only 17 percent below the 2019 value and the average cost per business trip at 409 euros was 31 percent above it indicates that prices have risen since then. It also reflects a trend towards longer business trips. In 2023, the average duration of business trips increased to 2.6 days. Particularly in medium-sized companies, trips became longer – by one day compared to 2019.

Longer Trips, More Overnight Stays

"The trend is still moving away from day trips towards multi-day trips," emphasizes Datev manager and VDR board member Inge Pirner. Travel occasions are now more consolidated. Additionally, the proportion of international trips has risen from 17 percent in 2019 to 28 percent.

The number of overnight stays grew from 47.6 million in 2022 to 82.3 million, a 73 percent increase. This also exceeded the 2019 value (74.3 million). According to VDR, this development was particularly driven by larger companies with over 500 employees (81% more overnight stays) and business travelers from the public sector (91% more overnight stays). There were 56.7 million overnight stays domestically and 25.6 million abroad.

(Source: reisevor9.de)

2. Overview of Regional Activities

Germany

- To promote St. Pete - Clearwater among a large number of specialized travel agents for travels to the U.S. and to increase bookings to our destination, we promoted our destination during the *Experts Event Workshop* organized by the Visit USA Committee in the city of Dusseldorf, Germany on July 3, 2024. The workshop took place in the afternoon from 1 pm to 11 pm at the location "Classic Remise Dusseldorf," where historic cars are exhibited. The attending 20 exhibitors represented DMOs and service providers from all parts of the U.S. and from Canada. It was the inaugural edition of this annual training event series.

About 60 travel agents with advanced U.S. knowledge participated. We were able to give several 15-minutes long presentations with in-depth information about St. Pete - Clearwater. Our presentation was held simultaneously with another exhibitor's presentation in separate seminar rooms. Each participant chose their preferred presentations and booked their slot on a first-come, first-served basis. The VUSA team ensured that there would be an equal number of attendees in both presentations.

Extensive travel market sessions between presentations provided opportunities to network with all participants. The day was completed by an evening event with live music, premium street market food, and special activities.

In preparation for St. Pete - Clearwater's participation in the Visit USA Experts Event, we prepared for the event, revised our presentation to an expert level, made all travel arrangements for the event and shipped materials to the location. After the event, KMS sent a follow-up email to all attendees highlighting all attractions, activities and different types of accommodation found in St. Pete - Clearwater.



- In collaboration with Brand USA, we conducted a promotion with *Blu Media*, and the tour operator *Die Reisebotschafter* targeting the LGBTQ+ audience for Visit St. Pete-Clearwater. The campaign included a one-page advertisement and a one-page advertorial in the August issue of *Spartacus Traveler* magazine and the *Stadtmagazin*. The advertorial promoted tailored, LGBTQ+-friendly travel packages to St. Pete-Clearwater, bookable through *Die Reisebotschafter* as a call-to-action measure.

For the promotion, we supported Blu Media with photos and texts for the campaign, selected an LGBTQ+-friendly ad from VSPC's portfolio and translated the ad copy into German, after which VSPC created the new German-language ad.

In addition, we developed an LGBTQ+-friendly travel program for *Die Reisebotschafter*, which was published on their website. We also generated a QR code for the travel package on the *Die Reisebotschafter* website and provided it to VSPC to include in the German-language ad. KMS also forwarded the Brand USA logo to Blu Media, ensuring it appeared in both the ad and the advertorial.

After we received approval for the ad from Brand USA, we forwarded the purchase number from Brand USA to Blu Media for their billing of the campaign.

- After receiving approval from VSPC, we continued working on consumer campaign with Brand USA and TUI Germany.

For the campaign, we selected a large number of suitable photos and added the photo titles, file names and locations to a contribution list. We also uploaded the content brief, logos, the name of the website, social media handles, and hashtags to Brand USA's cloud.

All materials were sent to VSPC for approval. This also included a promotional video for the campaign that will be required from VSPC's marketing department.

- For an ongoing promotion with *Visit Florida* and the travel consumer magazine *America Journal*, we corrected and approved all visuals and texts that will be used in the "Florida Stars Volume 2" insert of the magazine's summer issue. This issue has a circulation of 40,000 copies and was published at the end of June 2024. In addition, we also corrected and approved visuals and texts for the magazine's B2C newsletter that will be distributed in early August 2024.

- After receiving an online marketing proposal from DERTOURISTIK in June, we requested a comprehensive overview of all the marketing activities available from DERTOURISTIK. From this overview, we selected options that we wanted to recommend to VSPC.
- For an ongoing promotion with *Visit Florida* and the travel consumer magazine *America Journal*, we corrected and approved all visuals and texts that will be used in the "Florida Stars Volume 2" insert of the magazine's summer issue. This issue has a circulation of 40,000 copies and was published at the end of June 2024. In addition, we also corrected and approved visuals and texts for the magazine's B2C newsletter that will be distributed in early August 2024.
- KMS received a proposal from the Radio Group and has thoroughly reviewed it. The proposal includes an exclusive radio show on Sunday morning, teased by several program announcements. Additionally, weather reports should be promoted by St. Pete-Clearwater. The advantages for a radio promotion are that The Radio Group has a high reach with 635,000 daily listeners, and the integration of radio and social media presence allows for a multimedia approach to the target audience, increasing attention.

Since the promotion would be completed in co-operation with Brand USA, we submitted the proposal to Brand USA for evaluation and approval.

- We also received and reviewed further proposal from other companies offering further traditional and non-traditional co-op marketing opportunities. After discussion with VSPC, we politely declined most of the offers whenever they were not corresponding with our strategies for the Central European markets.
- For a planned promotion in conjunction with Delta Airlines' new direct flight from Amsterdam to Tampa Bay, we have proposed a series of promotional activities in Germany. These included but were not limited to B2C and B2B campaigns.
- For a planned promotion in conjunction with Delta Airlines' new direct flight from Amsterdam to Tampa Bay, we also have proposed a series of promotional activities in Germany. For the promotional campaign, we conducted an initial online call with Delta Airlines and subsequently presented our marketing proposals in a call with VSPC.
- After we promoted our destination at ipw 2024 in Los Angeles, CA in May 2024, we continued following up on all key tour operator and media meetings with travel trade professionals from Central Europe as well as other global markets.
- During at a meeting at the IPW, Canusa Touristik recommended that we conduct a webinar together with Visit Tampa Bay.

Canusa Touristik is a German tour operator specializing in trips to North America. The company offers tailor-made vacation packages to the USA and Canada.

KMS requested detailed information from Canusa about the offered webinar and learned that it typically lasts one hour, usually in the evening. There will be a brief introduction by Canusa, the main portion will be evenly divided between St. Pete-Clearwater and Tampa, and the webinar will conclude with a raffle, often featuring a CANUSA travel voucher. All the mentioned target audiences can participate, with a focus on B2C. Depending on the topic, Canusa expects around 100 participants, with a tendency for slightly more participants for Florida-related topics.

- KMS has also requested a proposal from the B2B magazine FVW International to promote the new flight connection from Amsterdam to Tampa Bay. KMS reviewed this proposal before forwarding it to Visit St. Pete-Clearwater.

FVW International is a renowned trade magazine and information platform for the tourism and travel industry. It offers comprehensive reporting and analysis on the latest developments and trends in the international travel and tourism sector. The publication is aimed at industry professionals, including tour operators, travel agencies, airlines, hotels, and other service providers.

FVW has offered us an e-learning program that will be online for six months. It includes 500 words, three course photos, one top photo, the VSPC logo, one video, five quiz questions, a link to the VSPC website, and the contact information.

- We coordinated the regular coordination of the warehouse that we have subcontracted on behalf of VSPC, proofread their inventory report for June 2024 and forwarded it to VSPC.
- 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.
- Meine Reise is a German travel magazine specializing in various travel destinations and vacation themes. It offers its readers comprehensive information, travel reports, tips, and inspiration for holiday trips. A proposal from the B2C magazine "Meine Reise" includes a recommended half-hour US podcast as well as an advertisement. KMS reviewed this proposal and forwarded it to VSPC.
- We attended the bi-weekly coordination calls with VSPC in June 2024 to synchronize our activities and to discuss upcoming promotions.
- KMS attended a monthly Brand USA conference call to discuss opportunities for co-op programs for 2024.

- Reisevor9 has offered us a proposal for articles about St. Pete-Clearwater, which would be sent daily (Monday through Friday) for one week in newsletters to 26,000 decision-makers and 20,000 travel agencies.

Reise vor 9 is a well-known news format for the tourism industry in Germany. It is a daily newsletter that presents current information, trends, and developments from the travel and tourism world.

- Following the joint promotion with Visit Florida and America Journal, KMS received a list from the magazine with the names and contact details of readers interested in further information about the region. KMS sent each of these readers a Gulf-To-Bay magazine.
- KMS evaluated a proposal from the German tour operator America Unlimited, which was initially sent directly to Visit St. Pete-Clearwater. This proposal included advertisements on Amazon Prime, a Google Ads SEA performance campaign, social media advertising, and a newsletter. We sent our recommendations to VSPC.
- For a promotion with the tour operator Faszination Fernweh, we gave the final approval for the publication. The posters promote luxury vacations in Florida, and in addition to an photo and logo of St. Pete-Clearwater, they also feature photos and logos of other destinations in the state.
- We received and reviewed a proposal from the online travel agency Urlaubspiraten (www.urlaubspiraten.de). We politely declined the offer since it was not targeting our targeted audiences.
- We drafted the newsletter The Five Most Beautiful Villages in the St. Pete-Clearwater Region. We researched suitable topics and high-resolution photos and submitted it to VSPC for approval. After approved, we have distributed it to more than 3.800 travel agents in Germany.
- We supported the Visit USA Committee with content and published our newsletter The Five Most Beautiful Villages in the St. Pete-Clearwater Region on their website, too.
- 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 Germany. Inquiries have also been received via the website of the Visit USA Committee Germany.

- We continued contacting many tour operators offering the U.S. and Florida in Germany and we discussed potential co-op activities. These included tour operators specialized in cultural travels to promote the arts in our destination. We submitted all suitable proposals for joint marketing activities to VSPC for evaluation and discussion.
- We drafted and submitted our activity report for June 2024.

Austria

- After approval from VSPV, we registered Visit St. Pete-Clearwater for the Visit USA Workshop, which will be held on November 11, 2024, in the Courtyard by Marriott Hotel in Linz, Austria. 80-100 travel agents from Upper Austria, Salzburg and Lower Austria are expected. The program consists of training sessions, a marketplace, interviews, a dinner and a raffle.
- We distributed promotional materials and photos of Visit St. Pete/Clearwater to interested travel agencies and tour operators in Austria.
- We were in contact with target tour operators in Austria and other industry partners to promote our destination and to request marketing proposals for potential marketing co-op marketing opportunities with them.
- We distributed the newsletter The five most beautiful villages in the St. Pete-Clearwater region to 800 travel agents in Austria after we have received approval from VSPC.
- We maintained a close communication with several Austrian tour operators through conference calls.

Switzerland

- In collaboration with Brand USA, we continued organizing a promotion with the Swiss tour operator Go2Travel to promote Visit St. Pete-Clearwater in the Swiss market. The campaign consists of an SSB Railboard package, which includes 150 railboards displays for one month in the Greater Zurich Area. This will reach three million people who use the public transportation daily. a second part involves an online and social media campaign focused on insider tips of the operator.

- We started preparations for the promotion of St. Pete – Clearwater at the VUSA Roadshow Switzerland, which will take place in six different Swiss cities from September 17-19, 2024. We are tailoring our presentation to meet the Swiss needs and will also promote the Edelweiss flight connection from Zurich to Tampa Bay.

Six cities are covered in three days with either a morning or late afternoon event each of approx 4 hours duration. The program consists of workshops at tables in groups of 6-10 allowing a close contact. A breakfast is offered in the morning, while the late afternoon event concludes with a apéro riche. Transportation between the cities can be booked optionally. The 3 days USA Roadshow is very popular among partners and guests.

The events will take place in following cities: St. Gallen (September 17, afternoon), Lucerne (September 18, morning), Basel (September 18, afternoon), Bern (September 19, morning), Lausanne (September 19, afternoon).

The roadshow allows personal contact with approximately 300 travel agents in 15-minute product presentations in small groups. The goal is higher product awareness and improved know-how of the participants. There is time for individual discussions with travel agency staff during the events.

- We continued monitoring a joint promotion between Visit St. Pete-Clearwater and Visit Tampa Bay with the online travel provider Expedia, in conjunction with the increased flight connections between Zurich and Tampa Bay operated by Edelweiss, prior to the promotion's launch.
- 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.
- We distributed the newsletter The five most beautiful villages in the St. Pete-Clearwater region to 400 travel agents in Switzerland after we have received approval from VSPC.
- 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 continued following up with all Swiss tour operators that we met at ipw 2024 in Los Angeles, CA. We supported the professionals with the requested information and discussed tourism development as well as media opportunities to promote our destination in the Swiss market.

The Netherlands

- For a planned promotion of Delta Airlines' new non-stop flight from Amsterdam to Tampa Bay, we proposed VSPC promotional activities in the Netherlands. For the promotional campaign, we conducted an initial conference call with Delta Airlines and subsequently presented our marketing proposals in a call with VSPC.
- We recommended participating in the Visit USA Committee Netherlands Roadshow, which will take place on September 25 – 26, 2024 in two different cities in the central and southern parts of the country. This is a great opportunity to highlight the new flight connection that will commence about a month later. Approximately 100 travel agents are expected on both days. The format includes speed dating sessions, each lasting around 10 minutes, allowing you to speak with all participants.
- We reviewed a proposal from the Dutch tour operator Doetz Reizen that offers customized trips to the USA and Canada.

Doetz Reizen recommends a newsletter fully dedicated to the St. Pete-Clearwater region for all subscribers (22,000 unique email addresses) to announce and promote the direct flight.

Additionally, Doetz Reizen recommends a one-month social media campaign (Instagram/Facebook) fully dedicated to the St. Pete/Clearwater, Florida, region. This campaign is inspirational, includes the USPs of the region, mentions the direct flight, and promotes the discount voucher to drive conversions (online booking/appointment setting).

- We reviewed a proposal from the Dutch specialist tour operator US Travel and politely declined.
- We contacted TUI Netherlands for a potential partnership due to their extensive market reach.
- KMS reviewed a proposal from the Dutch magazine America Magazine and recommended a collaboration to Visit St. Pete-Clearwater. The America Magazine in the Netherlands is a leading publication that informs about travel, culture, and lifestyle in the U.S. It targets Dutch readers and promotes the U.S. as a travel destination.

The magazine has a circulation of 15,000 copies and is published quarterly. Additionally, St. Pete-Clearwater can be featured in a newsletter sent to 25,000 subscribers.

- We also reviewed a proposal from the Dutch magazine America Only, which is popular and focuses on travel, culture, and lifestyle in the USA. As part of a collaboration, St. Pete-Clearwater can be featured in newsletters sent to 9,500 recipients.

- We reviewed a proposal from TravMagazine (B2B), which is published in the Benelux countries. The print edition is published 23 times a year and has a circulation of 6,300 copies. The website has 150,000 page views per month. In addition, TravMagazine distributes a daily newsletter to 8,700 travel agents.
- KMS has requested 5-7 seats with Delta Airlines on the inaugural flight from Amsterdam to Tampa Bay. These seats are to be used for a media FAM trip.
- We drafted the newsletter *The five most beautiful villages in the St. Pete-Clearwater region*. We researched suitable topics and high-resolution photos and submitted it to VSPC for approval. One approved, we will distribute it to more than 800 travel agents in the Netherlands.
- We distributed promotional materials and photos of Visit St. Pete – Clearwater to interested travel agencies and tour operators in the Netherlands.
- We continued following up with all Dutch tour operators that we met at ipw 2024 in Los Angeles, CA. We supported the professionals with the requested information and discussed tourism development as well as media opportunities to promote our destination in the Dutch market.
- For a training trip of the Dutch tour operator *NBBS Reizen*, KMS requested accommodations and a proposed itinerary in St. Pete-Clearwater. The visit is planned from October 13-14, 2024.

Belgium

- For a planned promotion of Delta Airlines' new non-stop flight from Amsterdam to Tampa Bay, we proposed VSPC promotional activities in Belgium. For the promotional campaign, we conducted an initial conference call with Delta Airlines and subsequently presented our marketing proposals in a call with VSPC.
- KMS recommended participating in the consumer travel show *Reisbeurs* on October 20, 2024. The largest North America travel fair in Belgium attracted 1,700 visitors in 2023, with 1,500 visitors each in 2022 and 2019. They reach over 750,000 people through promotion of the event via social media, Google, and other media partnerships, including advertorials and online advertising.
- KMS recommended to participate in the American Workshop (B2B), which will take place on October 17th in the Brussels area. Around 100 travel agency agents are expected and can be met in face-to-face appointments.
- We distributed promotional materials and photos of Visit St. Pete – Clearwater to interested travel agencies and tour operators in Belgium.

- We drafted the newsletter *The five most beautiful villages in the St. Pete-Clearwater region*. We researched suitable topics and high-resolution photos and submitted it to VSPC for approval. Once approved, we will distribute it to more than 500 travel agents in Belgium.

Poland

- We distributed the newsletter *The five most beautiful villages in the St. Pete-Clearwater region* to 500 travel agents in Poland after we have received approval from VSPC.
- We continued following up with all Polish tour operators that we met at ipw 2024 in Los Angeles, CA. We supported the professionals with the requested information and discussed tourism development as well as media opportunities to promote our destination in the Polish market.

Czech Republic

- We distributed the newsletter *The five most beautiful villages in the St. Pete-Clearwater region* to 500 travel agents in the Czech Republic after we have received approval from VSPC.

Hungary

- We distributed the newsletter *The five most beautiful villages in the St. Pete-Clearwater region* to a large number of travel agents in Hungary after we have received approval from VSPC.

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.

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.

Advertising Promotion with Visit Florida and America Journal (until August 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.

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.

Visit USA Switzerland Roadshow, Switzerland (September 17-19, 2024)

- We will promote St. Pete – Clearwater at the roadshow of the Visit USA Committee Switzerland that will make stops in the German-speaking part of Switzerland (including the cities of St. Gallen, Zurich, Lucerne and Basel) and in the French-speaking part of Switzerland (Lausanne). Each day two cities will be visited. The participation in the roadshow enables Visit St. Pete – Clearwater to train approximately 300 travel agents in the valuable Swiss tourism market.

USA-Canada Experience, The Netherlands (Oct. 31 – Nov. 01, 2024)

- A B2B event is a combined two days long workshop for media, tour operators and travel agents. During the two days there will be a marketplace where the American and Canadian suppliers meet the Dutch tour operators, media, travel agents and reservation staff operating in the Dutch market.

USA & Canada Reisbeurs, The Netherlands (November 02-03, 2024)

- The Reisbeurs is a consumer event for potential travelers to the USA. For the 12th time this largest North America travel fair will be organized for consumers as a dedicated travel show for North American suppliers.
- There will be product presentations of 20 minutes so that we can present our destination to potential travelers in the Netherlands. Approximately 1,200 visitors are expected at the Reisbeurs during one weekend.

Visit USA Workshop, Austria (November 11, 2024)

- We will promote Visit St. Pete-Clearwater at the Visit USA Workshop in Linz, Austria. 80-100 travel agents from Upper Austria, Salzburg and Lower Austria are expected. The program consists of training sessions, a marketplace, interviews, a dinner and a raffle.

Reisewelten (November 21-23, 2024)

- 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 July 2024.

5. Market Updates

Tourism Market Update - Germany

How Generation Z Travels

Generation Z, aged 18 to 25, exhibits different travel behaviors compared to older generations, according to a survey by the consulting firm Simon-Kucher. They travel for a shorter duration, averaging 6.5 days, compared to Millennials (7.7 days) or Baby Boomers (9.5 days), but they travel up to six times a year. They spend 14 percent less money, travel alone at least twice a year (24%), and value sustainability more (23%) than other age groups.

It is also interesting that Generation Z is three times more influenced by loyalty programs (24%) compared to Baby Boomers (7%). Additionally, the activities offered at the vacation destination are significantly more decisive for Generation Z (43%) than for other generations (23% to 33%).

(Source: Reisevor9.de)

Price Increases for Flights and Package Tours Slow Down

Following significant price hikes last year, prices for international flights fell by 3.1% in the first half of 2024 compared to the same period last year, according to the Federal Statistical Office. However, economy tickets for intra-European flights became 2.7% more expensive. Package tours also continued to become more expensive, albeit to a lesser extent than in 2023.

On long-haul routes, flight prices have recently declined, whereas this is not the case for flights to European destinations. In economy class, tickets to Central America saw the most significant price drop, with fares decreasing by 15.8% year over year. Tickets to Asia and Australia (-12.3%), North America (-7.4%), and South America (-3.8%) were also cheaper compared to the first half of 2023. Prices for domestic economy class tickets remained almost unchanged (+0.2%).

In contrast, there were price increases for economy tickets to Africa (+4.1%) and European destinations (+2.7%). Overall, international flight prices remain comparatively high since the end of travel restrictions due to COVID-19: International flights were 20.9% more expensive in the first half of 2024 compared to the first half of 2022.

Package Tours About Five Percent More Expensive

Package tours abroad were on average 5.2% more expensive in the first half of the year compared to the same period last year; compared to the first half of 2022, the price increase is 19%. There were comparatively high price increases for package tours to Turkey (+7.6%) and the Canary Islands (+6.7%). Package tours to the Balearic Islands (+6.3%) and Greece (+4.5%) also became more expensive. In contrast, trips to Egypt were 2% cheaper.

For package tours within Germany, prices rose by 1.1% compared to the same period last year. However, they were a substantial 15.7% higher compared to the first half of 2022.

(Source: Reisevor9)

Holiday Planning: Majority Gets Information Online

Beach chair on Rügen, cycling tour in Mallorca, or sightseeing in Athens – what will this year's vacation look like? For vacation planning, the majority of Germans look online: 64 percent of those who generally travel for holidays seek inspiration for their destinations on online travel and comparison portals, while 47 percent get information directly from service providers, such as hotel, tour operator, or airline websites. Friends and acquaintances also rank among the top three sources of inspiration, with 40 percent of travelers seeking ideas from them. These are the results of a survey commissioned by the digital association Bitkom, which interviewed 1,005 people in Germany aged 16 and over, including 954 people who generally travel for holidays.

Additionally, 16 percent turn to travel blogs for online planning. Social networks inspire 13 percent, while 3 percent each listen to podcasts or use AI tools like ChatGPT.

"In addition to general AI chatbots, there are already specialized AI travel tools that create daily travel plans with activities and restaurants based on destination, budget, and preferences. They are sometimes integrated with other platforms and can help make travel planning both personalized and time-efficient through intelligent information bundling," says Nastassja Hofmann, Digital Transformation Specialist at Bitkom.

One-third also seeks information at local travel agencies. However, it's not just online – one-third of travelers (34 percent) also visit local travel agencies to get inspiration for their trips. Twenty-two percent gather information from television, such as documentaries about the travel destination. Seventeen percent consult travel catalogs, and the same percentage (17 percent) call the respective service providers. Traditional travel guides are consulted by only 5 percent of travelers when planning their trips. Three percent do not seek information as they always visit the same place or places.

(Source: bitkom.org)

Europe Records Significantly More Flight Cancellations in June

The number of flight cancellations within Europe rose by 46 percent in June compared to the previous month, according to flight data analysis company Cirium. In June, 8,145 flights were canceled, whereas in May, there were 5,584 cancellations.

According to Cirium, Icelandair was the most punctual airline in Europe last month, with an on-time performance rate of 84 percent. Iberia Express ranked second with a punctuality rate of nearly 83 percent, followed by Iberia in third place with nearly 78 percent of flights arriving on time. SAS and Finnair also made it into the top five in Europe, with punctuality rates of 77 and 76 percent, respectively.

Cirium defines an on-time flight as one that arrives at the destination airport within 15 minutes of the scheduled arrival time.

According to the data analysts, several factors contributed to this development, including the French air traffic control strike at the end of May, which Cirium says led to thousands of flight cancellations and diversions across Europe. Additionally, numerous airlines faced staff shortages, particularly among pilots and cabin crew, contributing to the high number of flight cancellations. The airlines struggled to fully staff their flights.

(Source: reisevor9.de)

EU Commission Approves – Italian Airline Considered Unviable Alone. Lufthansa is permitted to acquire a stake in the Italian state airline Ita.

After extensive review, the EU Commission has given the green light for the acquisition. However, the traditional company must first meet certain conditions. Brussels' competition authorities require, among other things, that the partners relinquish takeoff and landing rights at Milan-Linate Airport and provide startup support to new competitors on medium- and long-haul routes. Negotiations with competitors are also expected. The EU Commission notes that details of Lufthansa's concessions are confidential and only the airlines can comment on them. However, a spokeswoman for the EU Commission assured that remedial measures are in place for all routes where the competition authorities had concerns. For the affected short-haul routes, competitors must offer flights for at least three years. For long-haul routes, either a new provider must offer existing Ita flights between Italy and the USA and Canada, or there should be two indirect connections with only one short stop.

In the first step, the M-Dax company Lufthansa will acquire 41 percent of the former Alitalia for a capital investment of 325 million euros by the end of the year. Over the next few years, a complete takeover could follow. Lufthansa CEO Carsten Spohr announced a swift integration of Ita and the expansion of the Rome hub towards Africa and Latin America. "We will make Ita Airways a strong and successful part of our company and thus secure its future as an international airline and strong brand," said Spohr.

The acquisition provides Lufthansa with access to the Italian market, which is particularly lucrative due to its close ties to the USA. Italia Trasporto Aereo (Ita) emerged from the state airline Alitalia in 2020. According to recent figures, the company employs nearly 4,900 people. In comparison, the Lufthansa Group currently employs almost 99,000 people. Many experts believe that Ita could not survive on its own. In its home market, it has been pushed into the background by low-cost carriers such as Ryanair and EasyJet. On transatlantic routes, it struggles to compete with US providers.

(Source: Hannoversche Allgemeine)

Services Become More Expensive - Overall inflation falls to 2.2 percent, but higher prices in areas such as gastronomy worry economists.

The inflation rate is decreasing – at least a little. According to calculations by the Federal Statistical Office, consumer prices in June were only 2.2 percent higher than in the same month last year. The rate for May was still 2.4 percent. Energy prices fell significantly in the past month (down 2.1 percent), particularly due to cheaper natural gas prices. Food prices increased by an average of 1.1 percent, which is below average. However, there was another significant jump in the prices of services: 3.9 percent more than last year.

The data from the statisticians in Wiesbaden are based on preliminary calculations. However, many experts are convinced that the declining numbers describe a trend. A survey by the Munich-based Ifo Institute also found that many industrial companies and parts of the retail sector plan to raise prices only slightly in the near future. "Therefore, the inflation rate is likely to continue its decline slowly and fall below the two-percent mark in August for the first time since March 2021," said Ifo's head of economic forecasting, Timo Wollmershäuser.

Sebastian Dullien, director of the union-affiliated IMK Institute, similarly assesses the situation: "It is now confirmed that the rise in inflation in May was just an outlier. The downward trend in inflation is intact and reasserted itself in June."

The downward trend is also evident in the so-called core inflation – the rate excluding the particularly volatile prices for energy and food – which fell again. However, this value is still currently at 2.9 percent.

The anticipation of the holidays may be somewhat dampened due to the high prices of services. For Dullien, it is clear: "In the coming months, a further slight decline in inflation is to be expected." However, special factors in individual months could occasionally interrupt this development. The IMK head assumes that the average annual inflation rate for 2024 will be 2.4 percent, and in 2025 it will be only 2 percent.

From Michael Heise's perspective, chief economist at HQ Trust, the outlook is more mixed: "Behind the declining overall inflation in June are both positive and negative price trends in individual product groups." For instance, the absolute level of energy remains very high. While numerous products, including food, have only slightly increased in price, this does not apply to services. This is not good news for tourists who want to vacation domestically: "The anticipation of the summer holidays is likely to be somewhat dampened for some due to high service prices: there have been significant price increases particularly in restaurants and the hotel industry," says Heise.

The critical question for economic development now is: What conclusions will the European Central Bank (ECB) draw from the data? Dullien is convinced that inflation across the eurozone is decreasing. "This also shows that the ECB's decision to initiate the turnaround in interest rates was correct." Given the ongoing economic slump and further declining inflationary pressure, the ECB should quickly follow up with further interest rate cuts. This view is shared by many observers. According to surveys, most economists expect two more rate cuts. According to ECB doctrine, price stability is achieved when inflation is close to 2 percent.

Interest rate cuts are always conditional on inflation expectations continuing to decline. Recently, there has been positive news in this regard: A survey of consumers in the eurozone countries found that a clear majority expects a decrease in price pressure. This shows, on the one hand, that consumers trust the ECB in its fight against price increases. At the same time, it eases pressure on upcoming wage negotiations.

(Source: Hannoversche Allgemeine Zeitung)

ifo Business Climate Index Falls

The mood among companies in Germany has significantly deteriorated. The ifo Business Climate Index fell to 87.0 points in July, down from 88.6 points in June. Companies were less satisfied with their current business situation. Looking ahead to the coming months, skepticism has notably increased. The German economy is mired in crisis.

In the manufacturing sector, the business climate has dropped markedly. In particular, assessments of the current situation have worsened significantly. Expectations have also dimmed. Order backlogs were once again declining. Capacity utilization has fallen to 77.5 percent, six percentage points below the long-term average.

In the services sector, the index has fallen again after recovering in recent months. This was mainly due to more pessimistic expectations. Service providers also rated their current situation somewhat less positively.

The business climate has also deteriorated in retail. Companies were less satisfied with their current business situation, especially in the retail sector. There were also greater doubts regarding future expectations.

In the construction sector, the index has decreased. Companies rated their business situation slightly worse. Expectations remained almost unchanged but were marked by significant pessimism.

(Source: ifo)

Consumer Climate on the Rise – Just a Brief Flicker?

Consumer sentiment in Germany has noticeably improved in July. Income expectations have risen significantly, and both economic expectations and willingness to make major purchases have increased moderately. However, the inclination to save remains nearly unchanged. Against this backdrop, the consumer climate can currently recover significantly: the indicator rises by 3.2 points to -18.4 points in the August forecast compared to the previous month (revised -21.6 points).

These are the latest results from the GfK Consumer Climate, powered by NIM. It has been published jointly by GfK and the Nürnberg Institute for Market Decisions (NIM), the founder of GfK, since October 2023.

This month, the Consumer Climate Index benefits mainly from a significant increase in income expectations and a slight rise in willingness to make purchases. In contrast, the inclination to save remains unchanged and does not contribute to the boost in the consumer climate.

“The improvement in the consumer climate in July is primarily due to the increased income expectations of Germans. However, it is also likely that the EM euphoria, triggered by the football European Championship in Germany, has played a role for many people,” explains Rolf Bürkl, consumer expert at NIM. “It remains to be seen whether this effect is sustainable or just a brief flicker. As quickly as this optimism has emerged, it can also disappear. If the latter is the case, the path out of the consumption downturn will be long and arduous. For a sustainable improvement in consumer sentiment, it is essential that, in addition to the current real income increases, planning security for consumers – especially for larger household purchases – is restored.”

Income Expectations Climb to Highest Level Since October 2021

After a minor setback last month, Germans have significantly improved their income expectations for the next 12 months: the indicator gains a total of 11.5 points, rising to 19.7 points. This is the highest value since October 2021, when 23.3 points were recorded. Compared to the same period last year, the increase is almost 25 points.

The slight decline in the inflation rate in Germany in June to 2.2 percent (from 2.4 percent in May), combined with noticeable wage and salary increases and substantial pension increases, has led to a resurgence in income optimism. A large portion of households in Germany are currently experiencing real income growth.

Willingness to Make Major Purchases Moderately Increases

Following the significantly improved income expectations, the willingness to make major purchases also increases in July. The indicator gains 4.6 points and now stands at -8.4 points.

A better value was last measured more than two years ago, in March 2022, at -2.1 points. Additionally, it can be assumed that the enthusiasm during the football European Championship has positively impacted the willingness to make purchases among Germans.

Despite the increase, the willingness to make major purchases remains below the levels observed during the two lockdowns in the spring of 2020 and late 2020/early 2021.

Economic Recovery Progresses Slowly

According to German citizens, the German economy is expected to recover very slowly over the next 12 months. Although the economic expectations indicator has increased by 7.3 points, it only compensates for the losses from the previous month. Currently, the economic sentiment indicator stands at 9.8 points, which exactly matches the value from May 2024.

Experts anticipate that economic recovery will only gain momentum in the coming year. For 2024, only a modest increase in gross domestic product (GDP) is expected.

(Source: gfk)

PLEASE CONTACT US.



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

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