

MONTHLY REPORT CENTRAL EUROPE OCTOBER 2024



**ST.PETE
CLEARWATER**

**KAUS
MEDIA
SERVICES**



Marketing
Communications
Consulting

Contents

1.	Current State of the Tourism.....	3
2.	Overview of Regional Activities.....	6
3.	Status of Sales Activities and Promotions in 2024	19
4.	Public Relations Activities.....	23
5.	Market Updates	24

1. Current State of the Tourism Industry in Central Europe

European International Travel Trends Update

Strong Summer Results 2024 for Tour Operators

According to the DRV, the results for summer 2024 are positive for the German travel industry. Compared to the previous year, the revenue from package or modular trips increased by ten percent compared to summer 2023, and the number of travelers rose by four percent. The outlook is also optimistic. The travel industry is set to conclude the main holiday season of the year with growth in participants and revenue," reported DRV President Norbert Fiebig at the DRV Capital Congress. Figures as of the end of August 2024 show that Germans have not given up their holiday travel despite climate discussions, geopolitical uncertainties, and poor economic conditions. Families, in particular, contributed to the increased demand, as determined by the DRV. All-inclusive offers have also seen a marked increase in bookings.

Nevertheless, despite revenue growth, the number of people traveling organized has not yet returned to pre-pandemic levels: "But a trend is noticeable: we are gradually approaching the pre-Corona level in terms of the number of travelers," said Fiebig. Summer 2024 was characterized by a very strong last-minute business. On the one hand, a high number of FTI customers booked new trips with other providers, and on the other hand, many consumers waited to see the outcome of the UEFA European Championship before booking a trip.

Cruise Segment with the Highest Growth in Summer 2024

In summer 2024, Turkey, Spain, Greece, Egypt, and Italy were among the most popular travel destinations for package flights. There were different revenue developments across various regions and types of travel: countries in the eastern Mediterranean, such as Turkey and Greece, recorded an eleven percent increase in revenue, while western medium-haul destinations, including Spain, saw an increase of eight percent. Long-haul trips also grew by eight percent. In contrast, travel conducted by car or train only increased by one percent. The cruise segment showed the strongest growth, achieving a 14 percent increase, the highest growth rate for summer 2024.

There is also high demand for the fall holidays in October, especially among families wanting to extend their summer at sunny destinations. Turkey, particularly the Turkish Riviera, is the preferred travel destination, significantly contributing to an 18 percent increase in revenue from organized trips in October compared to the previous year. The most booked destination airports in October are Antalya, Mallorca, Hurghada, Crete, and Fuerteventura.

Bookings for Winter Season 2024/25 Starting Strong

The tourism year 2023/24, which ends with the conclusion of the summer season on October 31, already shows positive results before the final evaluation of September and October. By the end of August, eight percent more guests traveled with tour operators than the previous year, and revenue increased by twelve percent. However, the number of travelers remains nine percent below pre-pandemic levels. The evaluations come from Travel Data + Analytics (TDA), which analyzed the booking data from travel agencies and online travel portals distributing tour operator products for the DRV.

For the winter season 2024/25, which begins on November 1, strong demand is also emerging. Already, 17 percent more people have booked an organized trip compared to the same time last year. The Canary Islands and Egypt are particularly in demand, as well as long-haul destinations such as Thailand and the USA. Overall, a quarter of the current revenue comes from long-haul travel, which includes the Maldives, the Dominican Republic, the Emirates, Mexico, and Mauritius. As in summer, the cruise segment is showing the strongest increase, with a current revenue increase of 28 percent compared to winter 2023/24. Additionally, bookings for the Easter holidays in April 2025 already show a significant revenue increase.

(Source: Reisevor9.de)

2. Overview of Regional Activities

Germany

- From October 7-11, 2024, we participated in a week-long roadshow organized by Visit Florida and Discover Airlines, a subsidiary of Germany's national carrier Lufthansa, to promote Visit St. Pete-Clearwater and to raise awareness of the airline's expanded global routes among travel agencies and tour operators in German-speaking countries. The roadshow made stops in the following German cities: Würzburg (10/7), Munich (10/8), Konstanz (10/9), Heilbronn (10/10), and Heidelberg (10/11). All cities are known for above-the-average household income.

Discover Airlines operates key routes connecting Frankfurt (FRA) with the Tampa Bay International Airport (TPA), the Orlando International Airport (MCO), and the Fort Myers International Airport (RSW), offering more than 21 flights per week during high seasons. The participating Florida partners included Visit St. Pete-Clearwater, Bradenton Gulf Islands, Visit Tampa, Fort Myers, Universal Studios, Florida's Space Coast, Visit Lauderdale, and Visit Orlando.

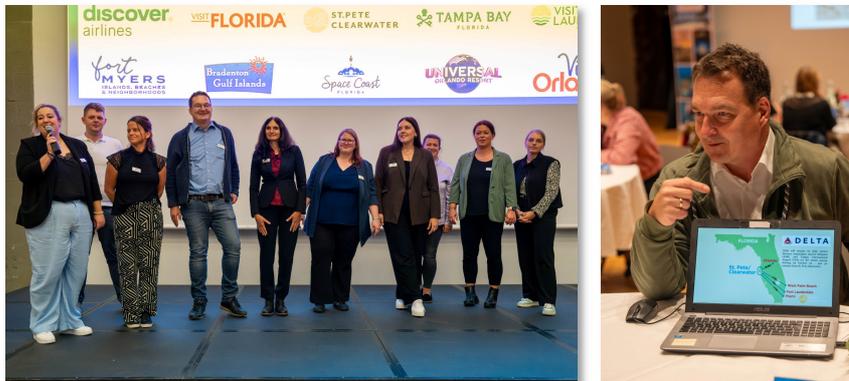
Each of the travel trade training events featured a 45-minute travel marketplace, allowing professionals to explore the offerings of various partners. We noticed a significant interest from the trade participants seeking detailed information about our destination as well as hotels, sustainability offers, and bike rentals, arts and culture, culinary experiences, water sports and other attractions. Many travel advisors had existing experience with our destination, and they were enthusiastic about recommending St. Pete-Clearwater to potential travelers as part of a Florida round trip.

Following the presentations of Visit Florida and Discover Airlines, each partner had the opportunity to give ten-minute presentations to small groups, showcasing their destination or services. St. Pete-Clearwater presented the destination with a dedicated presentation and videos at all five events and to all attending trade professionals. In addition, a raffle was held before the conclusion of the event, with beach towels and sunglasses given away as St. Pete-Clearwater prizes.



Impressions from the Visit Florida-Roadshow 2024

Visit St. Pete – Clearwater



Impressions from the Visit Florida-Roadshow 2024

After the event, we prepared a follow-up note with the VSPC website and our contact details and submitted it to Visit Florida for a group follow up of all participants of the roadshow. In addition, we will thoroughly follow up on all travel trade advisors in the following weeks.

In conclusion, the Visit Florida roadshow gave us valuable opportunities to train approximately 230 travel advisors about St. Pete-Clearwater and to promote our destination and its tourism offers to top-selling travel agents, who are in a position to increase the number of visitors, hotel bookings, and tax revenue for St. Pete-Clearwater.

- In cooperation with Delta Airlines, we hosted two promotional dinner events for top-selling travel trade professionals in Germany to promote St. Pete-Clearwater as well as Delta Air Lines' new flight connection from Amsterdam Schiphol (AMS) to Tampa Bay International Airport (TPA). The events took place in Dusseldorf, Germany on October 15, 2024 and in Munich Germany on October 22, 2024. Delta Air Lines selected and invited ten top-tier travel advisors in each city, with whom they already had a close collaboration. The event in Dusseldorf took place at the NH Dusseldorf City Nord hotel, while the event in Munich was held at the NH Collection Munich Bavaria, near Munich Central Station.

In Dusseldorf, we had the opportunity to promote St. Pete-Clearwater with its attractions during a 25-minute destination presentation, which was followed by an introduction about the new flight connection from Amsterdam. After the presentations, we had the opportunity to network with the travel advisors, give recommendations for their clients and to answer specific questions. During an exclusive three-course seated dinner, we were also able to provide information about the local situation following Hurricanes Helene and Milton, closely adhering to the information received from St. Pete-Clearwater.

In Munich, the event followed the same agenda, and it took place at a rooftop bar at the NH Hotel. After a detailed presentation, we were able to give more detailed information to the guests and answer all their questions.

Before the events, we customized the Visit St. Pete-Clearwater presentation and sent it to Delta Airlines along with giveaways and brochures that we had shipped to the event locations through the German warehouse.

After our promotional networking events, we started following up with all guests and received very positive feedback about the evening events.



Impressions from St. Pete-Clearwater and Delta events in Dusseldorf and Munich, Germany

- We drafted five texts and selected corresponding photos for a St. Pete-Clearwater promotion on CounterVor9, a leading travel trade newsletter in Germany, to highlight the new Delta Airlines flight connection from Amsterdam Schiphol (AMS) to the Tampa Bay International Airport (TPA). The promotion took place during the week of the inaugural flight from October 21-25, 2024.

CounterVor9 is a German daily newsletter that delivers essential updates on global tourism, specifically targeting professionals in the travel industry, such as travel agents and tour operators. The newsletter is distributed before 9 a.m. each day, offering a comprehensive overview of the most relevant news and trends in tourism. It has become a vital resource for industry insiders, delivering timely and independent content that combines news, background information, and industry-specific insights. The service is free and highly regarded among travel professionals in Germany.

- We invited travel media and tour operators to meet with Visit St. Pete-Clearwater during the Brand USA Travel Week in London, as well as to our VSPC's own event – "Electric Evening" -, which took place as an evening event during Brand USA Travel Week. For all meetings, we provided detailed company and media profiles to Rooster PR, Visit St. Pete-Clearwater's representation agency in the UK.
- We agreed with Visit Tampa Bay and Canusa Touristik that the joint webinar, which was planned for October 23, 2024, will be postponed to January 14, 2025 due to the situation following the two recent hurricanes. The webinar was originally arranged to coincide with the launch of the new Delta Airlines flight from Amsterdam to Tampa Bay. In the meantime, KMS had already sent three beach bags containing a beach towel and other items from the warehouse stock to Canusa, which were to be raffled off at the rescheduled event.

- We have negotiated a free promotion for St. Pete-Clearwater with McDonald's in Germany. Visit St. Pete-Clearwater will be able to broadcast a VSPC video in approximately 700 selected McDonald's restaurants for a one-month promotion. The video will be shown multiple times per hour on all TVs in these restaurants, reaching about 35 million consumer contacts with a media value of around 2.65 million dollars.
- We drafted the newsletters "*Let's Shine*": *St. Pete-Clearwater still shines* and "*Pink Floyd: The Dark Side of the Moon*" on display at the Dalí Museum starting in November. We researched suitable topics and high-resolution photos and submitted it to VSPC for approval. After it was approved, we have distributed it to more than 3,500 travel agents in Germany and also uploaded the content to the VUSA Committee Germany website.
- For the joint promotion with Brand USA and TUI Germany, we reviewed the planned landing page, as well as a content teaser and hero teaser, for correct spelling and image selection. We sent the correction requests to Brand USA.
- We agreed with the Radio Group that the joint radio promotion will be postponed due to the impact of the two hurricanes. Originally, the launch had been planned for October 2024.
- We participated in a meeting with VSPC, where the impact and further actions following hurricanes Helene and Milton were discussed.
- We followed up our online call with the German tour operator DERTOUR regarding a joint marketing cooperation and kindly reminded that we still require to receive a proposal for a joint collaboration.
- We requested a quote from America Journal for an advertisement campaign in 2025.
- We were in continuous contact with Discover Airlines for a collaboration in 2025 and arranged a conference call for early November 2025.
- We provided information to tour operators and travel advisors on request regarding the situation in St. Pete-Clearwater following Hurricanes Helene and Milton, adhering to the information we had previously received from VSPC.
- We discussed the planned Pre-Florida Huddle FAM trip with Visit St. Pete-Clearwater to see if there is already a list of participants for Florida Huddle and whether travel journalists are also welcome on this trip. The FAM is exclusively intended for travel trade professionals.
- On request of a product manager of the tour operator Argus Reisen, we asked Visit St. Pete-Clearwater if there are discounted tickets for the Dalí Museum and the new Pink Floyd show at the Dalí Museum. KMS informed the product manager after receiving a response from Visit St. Pete-Clearwater.

- 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 monitored the *USA Experts program* of the leading German travel trade magazine FVW- Travel Talk that we have booked for a duration of six months to increase the visibility of our destination and to train travel advisors in the German speaking countries.
- After Delta Air Lines offered complimentary tickets for a group media fam to our destination on their inaugural flight on October 26, 2024, we asked the airline to postpone the fam trip due to the effects of the hurricanes Helene and Milton.
- We coordinated the warehouse that we have subcontracted on behalf of VSPC, proofread their inventory report for September 2024 and forwarded it to VSPC.
- We attended the bi-weekly coordination calls with VSPC in October 2024 to synchronize our activities and to discuss upcoming promotions.
- For an upcoming promotion with *TUI Deutschland*, we received additional banners and a landing page from the tour operator. We submitted the corrections to Brand USA. The promotion consists of the following elements: B2C online with two newsletters, an exclusive landing page, and two teasers; B2B print and online with a full-page ad in the TUI News; and B2B online with a Facebook post that includes a raffle. The promotion was planned to start in October 2024, but we agreed with Brand USA to postpone the promotion due to the effects of hurricane Helene.
- We were in contact with target tour operators and other industry partners to promote our destination and to request marketing proposals for potential marketing co-ops with them.
- In coordination with of Visit St. Pete-Clearwater, we decided to maintain the Lufthansa eXperts fam trip fam trip that is planned for November 21-22, 2024.
- After we had registered Visit St. Pete-Clearwater for the Visit USA Committee's Media Event in Munich on December 11, 2024, we were drawn from the list of 33 interested U.S. suppliers. The media event will take place at the Private Residence of the General Consul of the U.S. in Munich, Dr. James Miller.
- KMS attended a monthly Brand USA conference call to discuss opportunities for co-op programs for 2024.
- We drafted and submitted our activity report for September 2024.

Austria

- We continued our preparations for the VUSA Workshop in Linz, which takes place on November 11, 2024, updated presentations, shipped flyers and giveaways from the office and instructed the German warehouse to send the Gulf-To-Bay magazines to the event location.
- On request of travel advisors, we provided information about the situation in St. Pete-Clearwater following the two hurricanes Helene and Milton, adhering to the information we previously received from VSPC.
- We drafted the newsletters "*Let's Shine*": *St. Pete-Clearwater still shines* and "*Pink Floyd: The Dark Side of the Moon*" on display at the Dalí Museum starting in November. We researched suitable topics and high-resolution photos and submitted it to VSPC for approval. After it was approved, we distributed it to more than 800 travel agents in Austria.
- 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

Switzerland

- After approval from VSPC and Brand USA, we booked the offer of the *Swiss Prestige Magazine* that offered us the cover story for the December 2024 issue, which will also be distributed in a higher circulation at Fespo in January 2025. Fespo is the largest travel show in Switzerland. According to the offer, Visit St. Pete-Clearwater will receive the cover page, 10 pages of editorial content, as well as a free banner on the website for six months, and the article will be published both in the print magazine and online. In coordination with Visit St. Pete-Clearwater we provided content for the 10 editorial pages as well as a selection of high-resolution photos compiled by VSPC.
- We continued preparing St. Pete-Clearwater's participation in the *Reisewelten* event hosted by Knecht Reisen in Zurich from 20-23 November 2024. We sent our presentation, a VSPC logo and an photo for the creation of a counter image to the organizer. Visit St. Pete-Clearwater will attend the promotion as a premium partner. On the first day, we will train travel advisors at designated workshops in the morning and in the afternoon, we will be able to answer all of the travel agents' questions at an own counter at a marketplace. On the second and third day, *Reisewelten* will be open for consumers so that we have a chance to promote our destination to potential travelers from the valuable Swiss marketplace.

- We drafted the newsletters "*Let's Shine*": *St. Pete-Clearwater still shines* and "*Pink Floyd: The Dark Side of the Moon*" on display at the Dalí Museum starting in November. We researched suitable topics and high-resolution photos and submitted it to VSPC for approval. After it was approved, we distributed it to more than 400 travel agents in Switzerland.
- On request of tour operators and travel advisors, we provided information about the situation in St. Pete-Clearwater following the two hurricanes Helene and Milton, adhering to the information we previously received from VSPC.
- On request of Visit St. Pete-Clearwater, we postponed the Travelhouse Switzerland Fam trip due to the effects of hurricane Helene. The fam was planned for October 13-14, 2024.
- After we promoted Visit St. Pete-Clearwater at the Visit USA Roadshow Switzerland from September 17-19, 2024, we thoroughly followed up on the approximately 250 travel agents that we trained during the roadshow. We provided additional information about our destination to enable the travel advisors to pro-actively offer our destination to their clients.
- We facilitated the remaining requirements from Brand USA for our concluded promotion with the Swiss tour operator *Go To Travel* so that the operator was able to submit its final invoice. The campaign consists of a social media campaign as well as an SSB rail board package, which includes 150 rail boards displays for one month in the Greater Zurich Area reaching four million consumers.
- We distributed promotional materials and photos of Visit St. Pete-Clearwater to interested travel agencies and tour operators in Switzerland.

The Netherlands

- In coordination with Delta Air Lines and Visit St. Pete-Clearwater, we organized an evening event for selected travel trade professionals as well as media professionals from the Netherlands to celebrate Delta Air Lines' inaugural flight from Amsterdam to Tampa Bay on October 25, 2024. We supported Delta Air Lines with a list of qualified tour operators and media professionals to be invited and in coordination with the airline, we invited the Dutch media to the event.

The event took place at the renowned Conservatorium Hotel in the Center of Amsterdam. Pinellas County Commissioner Peters and Brian Lowack, President and CEO of Visit St. Pete-Clearwater were joined by Clare Black, General Manager UK, France and Benelux of Delta Air Lines as well as hand selected members of the Dutch travel trade and media. All guests received a Visit St. Pete-Clearwater gift back at the end of the event.



Impressions from the St. Pete-Clearwater and Delta inaugural flight event in Amsterdam, Netherlands

- On October 26, 2024, we supported St. Pete-Clearwater and Delta Air Lines with the gate event for the inaugural flight from Amsterdam Schiphol Airport (AMS) to the Tampa Bay International Airport (TPA). We coordinated the access of the VSPC delegation to the Schengen Area with Schiphol Airport.





Impressions from Delta Air Lines' inaugural flight from Amsterdam to Tampa Bay

- On the occasion of Delta Air Lines' flight from Amsterdam to Tampa Bay and in coordination with VSPC, we arranged a digital billboard at the Amsterdam Schiphol airport (Lounge 1 Transfer Lightbox) for a Visit St. Pete-Clearwater promotion. The promotion is supported by Brand USA.



St. Pete-Clearwater advertisement at the Amsterdam Schiphol Airport

- On request of Visit St. Pete-Clearwater, we postponed the Travel Trends Netherlands Fam trip due to the effects of hurricane Helene. The fam was planned for October 13-14, 2024.
- On request of tour operators and travel advisors, we provided information about the situation in St. Pete-Clearwater following the two hurricanes Helene and Milton, adhering to the information we previously received from VSPC.
- We continued our preparations for the promotion of Visit St. Pete-Clearwater at the B2B event *USA Canada Experience* as well as the consumer show *Reisebeurs*, which will take place from October 31-November 3, 2024.

The *USA Canada Experience* is a two-day 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.

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.

- We participated in the General Assembly of the VUSA Committee Netherlands on October 29, 2024.
- We distributed promotional materials and photos of Visit St. Pete – Clearwater to interested travel agencies and tour operators in the Netherlands.
- After we attended the Visit USA Committee Netherlands Roadshow on September 25-26, 2024, we thoroughly followed up on the approximately 200 travel agents that we trained during the roadshow. We provided additional information about our destination to enable the travel advisors to pro-actively offer our destination to their clients.
- We drafted the newsletters "*Let's Shine*": *St. Pete-Clearwater still shines* and "*Pink Floyd: The Dark Side of the Moon*" on display at the Dalí Museum starting in November. We researched suitable topics and high-resolution photos and submitted it to VSPC for approval. After it was approved, we distributed it to more than 800 travel agents in the Netherlands.

Belgium

- We promoted Visit St. Pete-Clearwater at the Visit USA Belgium's *American Workshop* in the Brussels area on October 17, 2024. *American Workshop* is the leading Belgian event to present U.S. destinations, tour operators, and airlines with connections to the U.S. to interested travel trade professionals. The workshop took place at the Waerboom Country Hotel located outside the city.

To promote Visit St. Pete-Clearwater in the Belgian market and to train a large number of travel advisors, we highlighted our destination and its attractions. In addition, the event was a very good opportunity to promote Delta Air Lines' inaugural flight from Amsterdam to Tampa Bay since the Amsterdam Airport is also used by a large number of Belgian travelers.

A total of 25 destination marketing organizations, Belgian tour operators, and international airlines showcased their offers at the workshop. Approximately 130 travel professionals attended the event.

The workshop took place after the business day for travel professionals and included a travel market where the attending tour operators and travel advisors could visit the exhibitors' tables. We had the opportunity to present St. Pete-Clearwater in a front presentation to the entire audience and answer all the attendees' questions after the presentation.

Our promotional attendance was very well received by the Belgian travel trade and they showed strong interest in learning more about our destination and the tourism offers found in St. Pete-Clearwater. While some participants had previously visited the destination, the majority expressed a strong interest in visiting the destination in the future. During the promotion, we were able to answer specific questions, including those about hotels, possible accommodations, and activities for luxury travelers. The workshop lasted about three hours. The event concluded with a dinner and a raffle in which Visit St. Pete-Clearwater gave away a luxury beach bag filled with branded give-aways.

In conclusion, the *Visit USA American Workshop* in Belgium was very important and successful for Visit St. Pete-Clearwater to promote its area as a leading tourism destination for Belgian travelers. In addition, it helped strengthening our close relationship with the Belgian travel industry, position the destination ahead of its competition from other U.S. destinations, and to help increasing the number of visitors from the Benelux countries to St. Pete-Clearwater in the future.



Impressions from the Visit St. Pete-Clearwater promotion at the Visit USA's American Workshop

- On request of tour operators and travel advisors, we provided information about the situation in St. Pete-Clearwater following the two hurricanes Helene and Milton, adhering to the information we previously received from VSPC.
- We distributed promotional materials and photos of Visit St. Pete – Clearwater to interested travel agencies and tour operators in the Netherlands.
- We drafted the newsletters "*Let's Shine*": *St. Pete-Clearwater still shines* and "*Pink Floyd: The Dark Side of the Moon*" on display at the Dalí Museum starting in November. We researched suitable topics and high-resolution photos and submitted it to VSPC for approval. After it was approved, we distributed it to more than 600 travel agents in Belgium.

Poland – Czech Republic – Hungary

- We drafted the newsletters "*Let's Shine*": *St. Pete-Clearwater still shines* and "*Pink Floyd: The Dark Side of the Moon*" on display at the Dalí Museum starting in November. The newsletter was sent to approximately 500 travel agents in Poland, 550 travel agencies in the Czech Republic and about 300 travel agencies in Hungary after approval from VSPC.

3. Status of Sales Activities and Promotions in 2024

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 January 2025)

- 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 January 2025. Brand USA supports the promotion.

Travel Trade and Consumer Promotion with TUI (November until January 2025)

- In collaboration with *Brand USA*, we will complete a multi-channel B2B and B2C promotion with *TUI Deutschland*. The promotion was slightly postponed due to the effects of hurricane Helene.

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.

Visit St. Pete-Clearwater USA Expert Promotion, Germany (October 2024-March 2025, 2024)

- Promotion of Visit St. Pete-Clearwater in the *USA Experts program* of the leading German travel trade magazine FVW-Travel Talk for a duration of six months. *USA Experts program* is a travel advisors' training program. FVW International-Travel Talk is the leading German travel trade magazine for the travel industry, offering comprehensive reports, analyses, and news. It targets travel professionals and decision-makers in the travel industry.

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.

Visit USA Committee's Media Event (December 11, 2024)

- The media event will be hosted by the Visit USA Committee Germany and it will take place at the Private Residence of the General Consul of the U.S. in Munich, Dr. James Miller.

VSPC webinar hosted by Canusa Touristik, Germany (January 14, 2025)

- A B2C and B2B webinar hosted by the tour operator Canusa in collaboration with Visit Tampa Bay. Approximately 100 of Canusa's top clients as well as their sales staff are expected to attend the webinar promoting Visit St. Pete-Clearwater.

Island Hopping, Zurich, Switzerland (January 29, 2025)

- *Island Hopping* is a travel trade training event organized by the Visit USA Committee Switzerland. We will promote St. Pete / Clearwater at the one-day event taking place in Zurich, Switzerland on January 29, 2025. It is expected to be attended by approximately 250-300 travel agents. The event is the largest B2B education event for the U.S. in Switzerland, gathering travel agents from across the country to meet destination representatives from the U.S.

TravMedia's International Media Marketplace Germany (IMM) 2025, Berlin, Germany (March 03, 2025)

- We will promote our destination at IMM Germany, the leading travel media event in the German speaking countries. During the day-long event, approximately 125 leading travel brands meet with 200 top-tier media and influencers in Germany, Austria and Switzerland. We will be able to meet leading media outlets in up to 24 pre-scheduled meetings as well as networking functions. The event takes place in Berlin, Germany on the day before ITB Berlin will start.

Dertour Campus Lounge 2025, Germany (March 24-28 or March 31-April 04, 2025, dates tbd by the tour operator)

- The Campus Lounge is a series of three consecutive evenings organized by Dertour North America to present the product highlights of the leading tour operator for travels to North America in the German speaking countries. We will be able to promote St. Pete-Clearwater to approximately 80-90 travel advisors per city. The evening events will take place in Hamburg, Essen and the Rhein-Main Area in Germany.

Further sales activities and promotions will be added after approval.

4. Public Relations Activities

Please see our separate PR Activity Plan for an overview of all our public relations and media relations activities in October 2024.

5. Market Updates

Inflation Drops to Lowest Level Since 2021

The large wave of price increases is over, with cheaper oil driving many prices down—though not all.

Inflation in Germany is at its lowest in three and a half years. In September, consumer prices were only 1.6% higher than the same month the previous year, according to a preliminary estimate by the Federal Statistical Office. The last time the inflation rate was lower was in February 2021.

This continues a trend that has been ongoing for several months. In August, the inflation rate was 1.9%, and in July, it was 2.3%. "This suggests that inflationary pressures have eased," says Christoph Swonke from DZ Bank. However, lower inflation does not necessarily mean life is becoming cheaper. Although consumers paid significantly less for energy in September compared to August (down 7.6%), driven largely by falling oil prices, the prices for food (up 1.6%) and services increased. As a result, the overall price level remained unchanged compared to August. Economists expect the trend of declining inflation rates to continue. In their recently published autumn report, leading economic research institutes predict a rise in consumer prices of 2.2% for the current year—down from 5.9% in 2023. Next year, inflation is expected to settle at 2.0%.

According to a recent survey by the Ifo Institute, fewer and fewer companies in Germany plan to raise their prices. Price expectations fell in September to their lowest level since February 2021. The decreasing inflation could give the European Central Bank (ECB) more room to further lower interest rates in the eurozone. The ECB already announced its first rate cut since the inflation surge in June, and in the third week of September, it reduced the deposit rate by another 0.25 percentage points to 3.5%.

It is unclear whether the ECB will continue with another rate cut in its October decision. However, many observers expect at least one more cut by the end of the year. So far, the decline in inflation has not boosted consumer confidence. According to the latest GfK Consumer Climate Index, consumer sentiment in September remained at a very low level—despite rising wages. Many people are choosing to save their money rather than spend it on buying homes or consumer goods, according to the economists in their autumn report.

(Source: Hannoversche Allgemeine Zeitung)

The Government No Longer Expects Growth

Economics Minister to significantly lower forecast for this year – Habeck calls for swift implementation of the growth initiative.

Following the economic research institutes, the German government has apparently also abandoned its hopes for growth this year. In his autumn forecast, Economics Minister Robert Habeck (Green Party) is expected to predict a decline in gross domestic product (GDP) of 0.2%, reports the "Süddeutsche Zeitung." Last year, the economy had already shrunk by 0.3%. "There is still significant need for action," Habeck told the newspaper. "The first necessary step is the government's growth initiative."

2024 was supposed to be a year of recovery. Initially, major economic institutes predicted more than 1% growth, but by March they had revised their forecast to stagnation. Recently, they slightly adjusted their estimate to a decline of 0.1%. Habeck's revision is more drastic: while in the spring he predicted 0.3% growth, he now expects a 0.2% contraction. For 2025, he expects 1.1% growth—slightly more than the institutes predict.

The biggest drag on the economy is the uncertainty among businesses and citizens, for example, regarding energy policy and other transformation issues. Investments remain below projections, as do private consumption expenditures. High interest rates are also dampening investment, while companies are cautious due to the volatile economic and geopolitical environment, and the savings rate of private households remains unusually high.

Both the government and research institutes expect the situation to gradually improve next year, with the German economy returning to growth. Habeck places great hope in the government's growth initiative: In the summer, the coalition government agreed on a package of 49 initiatives, which are expected to boost growth by half a percentage point next year.

(Source: Hannoversche Allgemeine Zeitung)

Is Flying Becoming a Luxury?

Some airlines are avoiding Germany – their argument: costs are higher than in neighboring European countries.

First Ryanair, then Eurowings, and finally Condor – three airlines have announced plans to cut flights in Germany or stop servicing certain airports altogether. The Irish budget airline Ryanair will completely withdraw from the airports in Leipzig, Dresden, and Dortmund by summer 2025. Hamburg is also feeling the effects, with Ryanair, Eurowings (a Lufthansa subsidiary), and Condor significantly reducing their flight schedules there. Ryanair alone is canceling over 1,000 flights in the Hanseatic city. The reason cited by all the airlines is the same: location costs in Germany are too high compared to other European countries.

At the center of criticism is the air travel or ticket tax, which has been in effect since May this year. According to the Federal Ministry of the Interior, more than 80% of passengers face an additional charge of €3.05 per flight due to this tax. On top of that, Germany imposes charges for air traffic control services, passenger and luggage security checks, and airport fees.

The German Aviation Association (BDL) calculates that for a flight departing from Germany to a European destination, around €30 in state taxes and fees apply per passenger. Airlines like Ryanair, Eurowings, or Easyjet, which typically earn between €66 and €110 per ticket, increasingly feel that "it's not economically viable to fly to and from Germany." In Spain, for instance, government location costs are just around €4 per passenger.

The tourism industry also criticizes the high location costs: "Other countries are becoming more attractive to both companies and guests, and Germany is losing competitiveness," warns Sören Hartmann, president of the Federal Association of the German Tourism Industry. The German Airports Association (ADV) is calling for a review and reduction of the current fees and taxes.

The question remains whether the federal government even wants to lower these costs. Air travel is considered the biggest environmental offender in the transportation sector—at least when looking at CO2 emissions per kilometer traveled and per passenger. Those flying produce eight to ten times more greenhouse gases than rail passengers. In the Green Party's platform for the last federal election, there was a goal to make short-haul flights unnecessary by 2030 through rail expansion and to reduce the number of medium- and long-haul flights. The coalition agreement also mentions reducing short-haul flights.

However, Germany's rail system is not yet robust enough to encourage people to switch from air to rail. Is the current government now trying to achieve its goals by making flights so economically unattractive that they no longer happen? The opposition suspects so.

However, Ryanair is not going to leave the field to Lufthansa. Through increasing taxes and fees, the government is becoming "the undertaker of an entire industry," criticizes Thomas Bareiß (CDU), the transport policy spokesman of the CDU/CSU parliamentary group. Location costs must be reduced, and significantly so.

The Federal Ministry of Transport rejects the criticism. "We see that costs have risen in almost all European locations due to external factors such as inflation, staff shortages, and consequently higher wages and salaries. Germany is no exception," says a spokesperson for Minister Volker Wissing (FDP). However, the ministry is currently reviewing how to cushion the scheduled increase in air traffic control fees for 2025 and is in discussions with the industry on how to improve the competitiveness of German airlines on both national and European levels.

There are plenty of ideas, but aviation experts believe both the government and airlines, along with airport operators, need to step up. "Germany is a high-cost location and ranks at the top in Europe," admits Gerald Wissel from the consulting firm Airborne. But this is true for many industries. "We need to become more productive, embrace digitization and automation. Other countries are further along," says Wissel.

Wissel also advises closer cooperation between airports and airlines. "Currently, many airports are making a lot of money from non-aviation revenues like parking, restaurants, and advertising spaces. This money is currently going to the owners. In Hamburg, for example, that's the city of Hamburg. They could contribute to the increased fees by reducing non-governmental airport charges. Right now, everything is being passed on entirely to the airlines."

Munich has already established such cooperation: Terminal 2 is a joint venture between Lufthansa and Munich Airport. Lufthansa receives a share of the non-aviation revenues. "Such cooperative relationships between airports and airlines would be beneficial—for both parties," says Wissel.

Regarding the ticket tax, Wissel sees various possibilities, including reversing or reducing it. However, both options may be difficult since the government introduced the tax mainly to fill budget gaps. "If it's retained, the revenue should be ensured to benefit aviation, such as by supporting the development of synthetic fuels," Wissel suggests.

When it comes to budget airlines, Wissel remains optimistic: there is currently a shortage not only of personnel but also of aircraft. "When Ryanair receives the aircraft it has ordered, it will return to Germany," he's confident. Germany remains the largest travel market in Europe, making it highly attractive. Additionally, Wissel believes there is one more reason for Ryanair's eventual comeback: "They certainly won't leave the field to Lufthansa."

(Source: Hannoversche Allgemeine Zeitung)

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