

WEEKLY BRIEFING

19 April 2024



ECONOMIC, POLITICAL AND SOCIAL UPDATE

Israel strikes Iran

Israel has launched a strike against Iran in retaliation for Tehran's unprecedented missile-and-drone assault on the country at the weekend. Air defences were fired in several provinces, including from a major military airbase and nuclear facilities near the central city of Isfahan, where state media said three drones had been shot down. The UN's nuclear watchdog, the International Atomic Energy Agency, said there was no damage to nuclear facilities but said it was monitoring the situation "very closely" and called for "extreme restraint".

Chancellor Jeremy Hunt insists UK's economy has 'turned corner'

Chancellor Jeremy Hunt has said that "better times are ahead" but that the fundamentals of the UK economy are "very strong". Mr Hunt pointed to price rise data showing a drop in the rate of inflation as well as the latest jobs figures and IMF economic growth predictions. "I think the economy, we are seeing, has turned the corner, people are beginning to feel that." He added, "That will continue during the course of this year. But the fundamentals for the UK economy, yes, are very strong indeed."

Retail sales show zero growth despite 'fresh two-year high' for consumer confidence

There was a worse than expected performance for retail sales last month, defying predictions of a consumer-led pick up from recession for the UK economy. The Office for National Statistics (ONS) reported sales volumes were flat in March, following an upwardly revised figure of 0.1% for the previous month. While the performance will not damage the expected exit from recession during the first quarter of the year, it suggests that consumers are still carefully managing their spending.

100 MPs to stand down at the next general election

The number of MPs who have said they will leave Parliament at the next general election has reached 100. Conservative Tim Loughton, who has represented East Worthing and Shoreham since 1997, became the 100th MP to announce he was leaving the Commons. Most - 63 in all - are Tories, including former prime minister Theresa May. A total of 17 Labour MPs are also standing down, along with nine from the SNP, two from Sinn Fein, one from Plaid Cymru and one Green - the party's only MP, Caroline Lucas.

TRADE UPDATE

ABTA unveils manifesto as general election approaches

ABTA has unveiled a manifesto that sets out the industry's priorities for the next government as the general election nears. The association is calling for progress on sustainability, further support for careers in the sector and a better competitive environment for businesses. Travel agents and other Abta members are being encouraged to engage with MPs and parliamentary candidates to highlight the industry's value. Abta estimates the outbound sector is worth £49 billion to the UK economy annually and supports 843,000 jobs.

UK and Ireland cruise sector hit record passenger numbers last year

The number of UK and Irish cruise passengers has jumped to 2,280,992, a rise of 37% year-on-year, as the sector continues to bounce back strongly from the pandemic. Clia UK and Ireland managing director Andy Harmer shared the latest figures at an event in central London on 17 April. He noted how passenger numbers were 14.5% up against 2019 which has widely been viewed as the benchmark year to judge a travel sector's pandemic recovery. With 34 ships entering the industry before 2028, the sector's fleet capacity will increase by 16%, Harmer confirmed.

European tailor-made brand targets agents with UK market launch

An online B2B brand has launched in the UK, pledging to "make travel agents look like tour operators". Worldia, which has traded for 10 years in Europe and has just launched in the US, allows agents to package tailor-made trips together with extras and ancillaries. The Paris based brand, which has 200 staff including a Berlin call centre, already works with some 5,000 agents in mainland Europe. Its UK entry comes after it was granted an Atol, which will be a September renewal.

Trade reports consumer concern about travel following Iran attack

Tour operators and travel agents have reported a small number of calls from concerned clients following heightened tensions in the Middle East. The Foreign, Commonwealth and Development Office (FCDO) [updated travel information for almost 20 countries in the region](#), including Egypt, Jordan and the United Arab Emirates, with news of Iran's drone attack on Israel at the weekend, but did not change existing travel advice. Some in the trade blamed media misreporting on the updated FCDO advice for fuelling panic among holidaymakers due to travel to destinations including Egypt and Turkey.

AIRLINE UPDATE

IATA demands 'strong and urgent' support to raise SAF production

IATA has reiterated that the aviation sector calls for state support to raise production of sustainable aviation fuel (SAF) in order to meet 20250 net zero emissions targets. The aviation trade association has published a comparison of 14 net zero CO2 transition roadmaps for aviation covering options such as SAF, new aircraft technologies, zero-carbon fuels and operational improvements. The report suggests that SAF will be responsible for the greatest amount of CO2 reductions by 2050. However, the role of SAF varies from 24%-70%.

IATA sustainability senior vice president and chief economist Marie Owens Thomsen said: "The Aviation Net Zero CO2 Transition Pathways Comparative Review demonstrates that there are multiple levers that can be used in different combinations to achieve the objective of decarbonising aviation by 2050".

London Stansted posts passenger traffic record

London Stansted had a record-breaking March which resulted in its busiest ever 12-month period. The early Easter helped boost monthly numbers to record levels. More than 2.18 million passengers passed through the terminal, beating the previous high, set in 2019 by almost 80,000. The 12-month total to the end of March was 28.5 million passengers, an increase of 11.8% on the previous year. It marked the busiest ever 12-month period in the airport's history. Despite the numbers, operational performance remained very strong, with 100% of departing passengers passing through security in 15 minutes or less, it says.

Direct flights from UK to Cuba to launch next month

Two direct flights to Cuba from two UK airports will launch in May. The flights will connect London Gatwick with Cayo Coco, an island just north of mainland Cuba and Manchester with Holguín, a city to the east of the country. The Gatwick-Cayo Coco flight is scheduled to begin operating on 5 May 2024, while the Manchester-Holguín route is due to start on 10 May 2024. A spokesperson for the Cuba tourist office said the new services will "make it easier for travellers to enjoy Cuba's vibrant culture, beautiful beaches and rich history".

TOUR OPERATORS, TRAVEL AGENCIES, OTA UPDATE

Audley Travel launches new agent marketing assets

Tailor-made tour operator [Audley Travel](#) has launched new marketing materials for travel agents, as well as updating its 'The World Your Way' global brochure. Agents can utilise assets including window posters and social media adverts showcasing experiences in some of Audley's key destinations. Destination themed videos for Thailand, Japan, South Africa and the US are also available, which can be shared on travel agents' own social channels. All of the new marketing assets have been created with a travel agent call to action. The full range of new assets can be found in Audley's agent marketing suite at www.audleytravel.com/agents.

Gold Medal extends opening hours to support Disney demand

B2B operator Gold Medal has extended its opening hours and added special offers to cater for expected high demand for a new Disney offer. Walt Disney World Resort Florida's 'Free Dining & Drinks' offer went live on 18 April. New incentives from Gold Medal mean that agents who book by 30 April will earn £75 Instant Farebank Rewards and receive a \$100 Disney Gift Card on Gold Medal, Pure Luxury and Cruise Plus package bookings. Additionally, Gold Medal, Pure Luxury and Cruise Plus are offering savings of up to £300 per package booking. These offers are valid on package bookings of seven nights or more, including park tickets.

Association of Independent Tour Operators has announced two additions to its team at its annual general meeting.

Christina Brazier has taken up the new role of head of industry affairs at the Association of Independent Tour Operators (AITO) while Emma Taylor has joined as head of membership. Brazier's experience spans more than 20 years in the travel industry, having started as a graduate trainee with the CAA. Taylor meanwhile has worked in the travel industry for more than 26 years, starting straight from college, where she studied leisure and tourism.

SOCIAL UPDATE**LinkedIn testing 'premium subscription' option for business pages**

LinkedIn is testing a new subscription option, "LinkedIn Premium Company Pages". With this subscription, brands will have access to exclusive features including a custom call-to-action button, access to see who has visited their business profile, a customer testimonial section on the business page, AI-powered writing assistance and lastly, a checkmark to indicate that it's a premium subscribing page. The starting price is currently \$99 a month, but this could change depending on its popularity and market.

TikTok developing 'virtual influencer' feature to sell products

The platform is reportedly working on a new option that could enable brands to use virtual influencers to sell products on their behalf via videos and live streams. Although this potential update is to drive spending within the app, this feature isn't new. The Chinese version of the app, Douyin, already uses AI-generated hosts to sell products and is extremely popular with the Chinese market. This feature will generate a script for the video ad based on a prompt submitted by the advertiser, such as, company name and price of the product being sold. The brand then has to review the script and AI host performing, then it's ready to be published on the app. This new technique of in-app selling allows a cost-effective option without using up valuable manpower, and could also be cheaper than using real life influencers. With the option to live stream for long hours in the day, it could also enable brands to reach a wider audience.

MICE UPDATE**Less than 5 per cent of delegates find CSR activities engaging**

Less than 5 per cent of delegates find taking part in CSR activities among the most engaging parts of a conference, according to a new survey from Conference Leeds. When asked what event types they would find most engaging, just 4.8 per cent cited CSR activities such as charity fundraising, team building activities and pledging. Live polling (6 per cent), speed networking (8 per cent), debates (10 per cent) and live event illustration (11 per cent) are among the least engaging activities at conferences, according to the survey of 1,000 people, whereas seeing a well-known industry expert (39 per cent), short, time-focused presentations (33 per cent) and an 'ask the expert' session (31 per cent) are among the most engaging.

Conference Leeds carried out the research to discover what today's delegates are looking for from their conference experience, and what organisers should consider when planning their programmes.

LIGHTER NOTE

Stevenage cat burglar Tofu on a tidy-up mission, says his owner. Learn more [HERE](#).