

# WEEKLY BRIEFING

13 September 2024



## ECONOMIC, SOCIAL AND POLITICAL UPDATE

### **Junk food adverts to be banned from 9pm**

Sir Keir Starmer has warned the NHS must "reform or die", as the government publishes an independent investigation into the state of the health service. Labour said the watershed on junk food advertising would be enforced alongside a total ban on paid-for online adverts, both aimed at tackling childhood obesity. The Conservatives had previously committed to the ban in 2021, however it was pushed back to give the industry more time to prepare. Health minister Andrew Gwynne commented that confirming the scope of restrictions and the date they would be implemented provided clarity for business. Among Starmer's plans is a transition to a digital NHS, moving more care from hospitals to communities and a focus on sickness prevention to alleviate pressure.

### **Annual energy bills will rise by £149 in October under the new price cap**

People using an average amount of gas and electricity will pay £1,717 a year, a 10% rise compared with last winter. The cap, set by the energy regulator Ofgem, affects the price paid for each unit of gas and electricity used in 27 million homes in England, Wales and Scotland. Although prices are still lower than last winter, the rise in bills comes as some support for bills has been withdrawn, and the new government has announced it will halt winter fuel payments for 10 million pensioners in England and Wales. The rise in the price cap is the result of higher prices on the international energy market, Ofgem said, owing to increasing geopolitical tensions and extreme weather driving competition and demand for gas, which determines the price of wholesale electricity.

### **Chancellor warns hard decisions ahead in budget**

Next month's Budget will involve 'difficult decisions' on tax, spending and welfare, the chancellor Rachel Reeves has said. The new chancellor has faced mounting criticism after cutting winter fuel payments for all but the poorest pensioners, however has commented it was "the right decision" with further tough decisions to come. The chancellor's warning comes as new figures show the UK economy failed

to grow in July, after flatlining in June. The July figure is a knock-back for the new government, which has named boosting the economy as one of its key priorities.

### **UK Government to ban smoking in outdoor spaces**

The UK Government has said it is considering banning smoking in pub gardens and other outdoor areas. Prime minister Sir Keir Starmer [confirmed the proposal](#) is in the works on Thursday, and notes the measures are aimed at reducing the 80,000 preventable deaths from smoking in the UK each year. The proposal aligns with plans to create a 'smoke-free generation' by banning the sale of cigarettes in the future to anyone aged 14 or under.

## **TRADE UPDATE**

### **Travel sector defies high street trends with significant growth and new openings**

The travel sector is standing out as a success story in retail, with significant expansion and new store openings throughout 2024. Major players such as Hays Travel, Tui, and Barrhead Travel have been actively investing in new high street locations, reflecting strong consumer demand for in-person booking services. This trend is complemented by the growth of smaller agencies like Seaside Travel, which recently opened its 10th store, and new entrants such as Club Voyages and Revells Travel. The sector's expansion is in stark contrast to the broader retail environment, which has been struggling with closures and a shift towards online shopping.

Despite these challenges, the travel industry continues to thrive, with Tui opening nine new stores in the past year, bringing its total to 331 branches, and Hays Travel expanding to 498 locations. Industry leaders, including Jacqueline Dobson of Barrhead Travel and Stephen Bracegirdle of Tui, highlight the enduring value of face-to-face interactions in the holiday booking process, noting positive customer responses. The Travel Network Group's Stephanie Slark also pointed out that while some agencies are relocating or expanding their physical presence, others are adopting appointment-only models. Overall, the sector's robust growth underscores the lasting appeal of personalised service amidst a shifting retail landscape.

### **Manchester airport hits record-breaking passenger numbers**

Manchester Airport achieved its busiest month ever in August 2024, surpassing the previous record with 3.31 million passengers. The summer period saw a total of 6.56 million travellers, surpassing the 2019 record of 6.48 million. The airport also set a new single-day record on August 23, with 113,000 passengers. Popular destinations included Palma de Mallorca, Antalya, Dalaman, Dubai, and Dublin. The ongoing transformation program, set for completion in 2025, will see over 70% of passengers using the new Terminal 2. Chris Woodroffe, Manchester Airport's managing director, stated, "We are really proud to connect the people of the North to the world, offering

them an unrivalled range of destinations and high levels of customer service," noting that 98% of passengers waited less than 15 minutes at security.

### **Just Go! Holidays unveils expanded summer 2025 river cruise program**

Just Go! Holidays has launched its summer 2025 river cruise program, significantly expanding its offerings with more departures and enhanced features. The new program will cover four key rivers: the Douro, Rhone, Danube, and Rhine. For the first time, each river cruise will be accompanied by a dedicated cruise escort throughout the journey. The operator is increasing its departures substantially, with five sailings for the "Great Capitals of the Danube" (three more than last year), double the sailings for the Rhone's "Journey Through Beautiful Provence" and the "Romantic Rhine," and an additional date for the "Discover the Douro," bringing its total to six. Additionally, each cruise package will now include excursions and will be fully escorted by Just Go! staff, with coaches following the ship to host dedicated excursions. Claire Dutton, trade sales manager, emphasised the focus on popular itineraries and enhanced service, aimed at meeting growing demand and providing an enriched travel experience.

## **AIRLINE UPDATE**

**British Airways** - British Airways is poised to set a new record for the number of flights to North America in summer of 2025, with over 400 direct flights per week from London to North America. The airline will introduce a twice-daily service to Miami, increase flights to Austin to 13 per week, and add three additional flights per week to Las Vegas. Pittsburgh will receive daily flights for the first time, and Washington DC and Vancouver will each see up to seven extra flights per week. Additionally, British Airways will enhance its global network with a third daily flight to Delhi, new daily flights from Gatwick to Cancun, and a second daily flight from Heathrow to Florence. New services to Kuala Lumpur and Jeddah will start in November 2024 and continue into summer 2025. For winter 2024, the Gatwick-Bangkok route will resume on October 28 with three weekly flights, increasing to up to five per week from January 2025.

**Air Canada** - Air Canada is preparing for a potential near-total shutdown of its operations starting September 15, 2024, due to an ongoing dispute with pilots represented by the Air Line Pilots Association (ALPA). The airline is finalising plans to suspend most of its flights, though Air Canada Express services, operated by third-party carriers, will continue, covering only about 20% of daily passengers. Negotiations have been ongoing for 15 months but remain stalled, primarily over wage demands. If no agreement is reached, a 72-hour strike or lockout notice could trigger a three-day wind-down, with full operations resuming within seven to 10 days.

after a settlement. Air Canada is taking steps to mitigate the impact on travellers, including offering flexible travel options and notifying the Canadian government of potential disruptions.

**Wizz Air** - Wizz Air will launch daily flights from London Gatwick to Jeddah, Saudi Arabia, starting March 31, 2025, using its first long-range Airbus A321XLR. One-way fares will start at £134.99. This new service highlights Wizz Air's focus on expanding access to distant destinations at lower costs. Additionally, a second A321XLR will operate from Milan Malpensa to Abu Dhabi beginning June 2, 2025. Wizz Air, which established a base at Gatwick in 2020, has grown to operate flights to 26 destinations and employs 259 staff at the airport. Gatwick's CEO, Stewart Wingate, welcomed the new route, noting it will enhance the airport's intercontinental network and offer more travel options.

## TOUR OPERATORS, TRAVEL AGENCIES & OTA UPDATE

**TUI** - Tui Group has unveiled an ambitious plan to expand its global hotel portfolio to 600 properties, focusing on growth in Asia. The company has recently launched Tui Blue hotels in China and Malaysia, with upcoming additions in Thailand and Vietnam. The brand's entry into China includes three new hotels, while Malaysia will see its first Tui Blue property. Future plans include new hotels in Bangkok and Bali. Artur Gerber, Managing Director of Tui Blue Hotels & Resorts, highlighted the significant demand for Tui Blue in rapidly growing travel markets in Asia. The expansion aims to enhance the brand's presence in the region by offering unique leisure accommodations and locally-inspired experiences.

**Intrepid** - Intrepid Travel has introduced its annual "Not Hot List" to encourage travellers to explore less-visited destinations and reduce the impact of overtourism. The 2024 list highlights unique regions such as Gilgit-Baltistan in Pakistan, Disko Island in Greenland, and the Anti-Atlas Mountains in Morocco. It also features emerging destinations including Cape York in Australia and Sainshand in Mongolia. Compiled by Intrepid's global team and Globetrender, the list aims to direct tourism to areas that can benefit from increased visitor numbers. Intrepid supports this initiative by offering new tours to these locations, including a Greenland Expedition and a Cape York & Torres Strait Explorer journey. The company emphasises small group travel, local leadership, and community-focused tourism to combat over tourism effectively.

**G Adventures** - G Adventures is restructuring its UK sales team, leading to the departure of global purpose specialist Katie Bunting. The company plans to recruit for a new role with a revised regional focus to better serve travel agents.

Bunting expressed her disappointment at the redundancy of her role, highlighting her positive experiences with the company. G Adventures' Managing Director for EMEA, Brian Young, acknowledged Bunting's contributions and extended well-wishes for her future endeavours.

## SOCIAL UPDATE

### **New engagement features added to Instagram DMs**

Instagram has introduced new DM engagement features, including a Notes bubble that highlights a user's birthday. They have also expanded the availability of stickers and drawing tools to DMs, giving users more ways to customise their message. Cut-out options have also been made available, allowing users to select a specific part of a photo to create a sticker. These new features will be made available to users globally.

### **X launches X-TV**

A beta version of the X TV app is now available in some app stores. X have also announced an upcoming Video Tab feature. With these new features, X is aiming to move towards becoming a video-first platform, creating new avenues for advertisers, creators and partners.

## MICE UPDATE

### **Pulse survey to shed light on planner pain points**

From sustainability to AI, price inflation to DEI, the biggest challenges facing meeting and event planners will be revealed in a new survey, which opened this week. The Northstar/Cvent Pulse Survey has been providing planners with an accurate portrait of the meetings and events market since its launch during the Covid-19 pandemic. The survey will compare responses from around the world to give a truly international perspective. The aim of the survey is to help event planners negotiate contracts and carry out their day-to-day activities while having a clear view of the latest market trends. Typically, more than a third of the respondents are from associations and professional conference organisers, with the balance made up of corporates and independent planners. Those who complete the survey will be the first to receive the report in early October.

## LIGHTER NOTE

A woman who has become well known for taking her pet tortoise on therapy walks along the beach has said she “doesn’t know where I’d be” without her unusual companion. Find out more [here](#).