

# WEEKLY BRIEFING

7 July 2023



## ECONOMIC, POLITICAL AND SOCIAL UPDATE

### **UK travellers unsure on travel plans due to social unrest in France**

Protests in France dominated headlines this week as UK travellers remained cautious regarding going on holiday to the destination. Riots began following the shooting of 17 year-old Nahel Merzouk by police in the Parisian suburb of Nanterre. Nahel's death heightened pre-existing public resentment towards the police due to previous violence against minorities. The incident resulted in three nights of protests which saw vandalism and destructive behaviour across the city. A number of French government officials, including Economy Minister Bruno Le Maire, said this will not impact the tourism season in France and tourists should not be put off to visit despite some of what has been published in the international media.

### **Sadiq Khan's plans to expand the ULEZ in London challenged**

From 29 August, London Mayor Sadiq Khan hopes to expand the London Ultra Low Emission Zone (ULEZ) to triple its size, in order to include Greater London covering an area three times the size of the current zone. Under the plans, the Mayor proposes that drivers of the most polluting cars, motorcycles and vans will have to pay £12.50 a day to enter the zone or face a fine of up to £160. Mr Khan has said widening the scheme will improve London's air quality. Outer London councils Bromley, Bexley, Hillingdon and Harrow, as well as Surrey County Council, are trying to block the expansion plans at the High Court. At a court hearing on Wednesday, their barrister Craig Howell Williams KC alleged that Mr Khan's approach would "bypass legal safeguards" - a claim contested by the mayor's legal team.

## **Sports takes the spotlight as The Ashes continues and Wimbledon Tennis Tournament kicks off**

The Ashes continued this week with England taking on Australia at Headingley. After making several changes to the team sheet including bringing in Mark Wood, Chris Woakes and Moeen Ali to the attack, England Captain Ben Stokes remained their MVP, achieving 155 in an effort to chase Australia's score. In the tennis world, Wimbledon kicked off this week with Novak Djokovic beating Pedro Cachin in straight sets moving easily through to the second round. Just Oil Protesters have attempted to make appearances on the courts, halting play twice over the course of the week. The Home Secretary, Suella Braverman condemned the protest saying, "We will be uncompromisingly tough on the selfish protesters intent on spoiling our world-class sporting occasions this summer."

## **TRADE UPDATE**

### **Air traffic controllers threaten to disrupt millions of journeys this summer**

Tens of thousands of European flights are at risk of being delayed or cancelled this summer with air traffic controllers threatening to walk out in a dispute over pay, rosters and staffing. Controllers at the European air traffic management body, Eurocontrol, announced that industrial action could take place over a six-month period. The first strike dates are reportedly set to be announced on 10th July, and could lead to delays or cancellations of up to 12,600 flights across Europe every day, according to The Times.

### **Gatwick unveils plans to increase capacity by 60%**

Gatwick has submitted a long-awaited application to the Planning Inspectorate (PINS) to bring the airport's existing northern standby runway into routine use alongside its main runway. If approved, Gatwick said the additional runway will create around 14,000 new jobs and inject £1 billion into the region's economy every year. It could also increase traffic at the airport from a 46.6 million annual passenger peak in 1029 to around 75 million, a potential increase of in excess of 60%.

### **Trade reports US slowdown amid mounting cost pressures**

The trade has reported a slowdown in US bookings but says it remains a top-selling long-haul destination, with extra capacity and more-stable exchange rate tipped to boost future sales. Agents and operators attributed the sales dip over the past six or seven weeks to high prices in destination, hotel and flight costs, and capacity issues. Many operators are pushing multi centre and escorted tours as a way for clients to help manage costs, but are still optimistic about travel to the US in 2024.

**IntelTravel has revealed plans to launch its own tour operation**

IntelTravel has unveiled plans to launch its own tour operation after "negotiating the acquisition of a UK tour operator". Prescient and chief executive James Ferrara said that the company wants to "do something that gives our agents more margin in the sale and not leave them beholden to the 10%-15% commission they get selling other operators' products," Ferrara said IntelTravel's own tour operation would not replace the agency's relationships with tour operator partners but would rather "add to the portfolio".

**AIRLINE UPDATE**

**EasyJet** - EasyJet has added eight new routes to its winter schedule from eight UK airports. New flights include Luton and Edinburgh to Rovaniemi which will launch on 9 and 3 December respectively and will both operate twice a week throughout winter. The new routes join existing services from Gatwick, Bristol and Manchester. Additional winter city routes from Liverpool to Lyon and Southend to Geneva have also gone on sale.

**Emirates** - Emirates is embarking on a "mammoth" recruitment drive to "lay the groundwork for its next big growth phase". The group is looking to fill posts across nearly 200 "unique roles" spanning cabin crew, flight deck, engineering, IT and customer service. These roles cover both Emirates and its ground handling, air service and tour operations division data.

**Norwegian** - Norwegian is preparing for a busy summer after it carried more than 2 million passengers in June, equalling its highest number of customers since July 2022. Geir Karlsen, chief executive of the airline, said the company is now preparing to welcome an even larger number of passengers in July, with booking numbers for August and September remaining positive.

**Norse Atlantic** - New transatlantic carrier Norse Atlantic Airways has flown two inaugural services on 30 June and 1 July respectively to Los Angeles and San Francisco from London. "With the addition of these two destinations, Norse Atlantic is now the largest long haul operator to the US from London Gatwick", said Bjorn Tore Larsen, chief executive of Norse Atlantic Airways.

**Qatar Airways** - Qatar Airways has resumed services from Birmingham for the first time in three years. The Gulf carrier announced on Thursday (6 July) that, throughout the summer, it will operate daily flights to and from Birmingham-Doha.

## TOUR OPERATORS, TRAVEL AGENCIES, OTA UPDATE

**Lastminute.com** - Lastminute.com has left Abta to join rival bond provider Abtot – the Association of Bonded Travel Organisers Trust. The departure of the ninth-largest Atol holder, as of the end of June, means half the top-10 Atol holders operate outside Abta.

**Love to Travel** - Love to Travel has reported a slowdown in US bookings but says it remains a top-selling long-haul destination, with extra capacity and its more-stable exchange rate tipped to boost future sales. Agents and operators attributed the sales dip over the past six or seven weeks to high prices in destination, hotel and flight costs, and capacity issues.

**Luxtripper** - Luxtripper has been placed 19th in The Sunday Times 100, the annual ranking of Britain's fastest-growing private companies. With sales of £27.9m in the year to March 2023 and annual sales growth of 144.87% over the last three years, the luxury tour operator is the only travel company to be included in the top 50.

**Thomas Cook** - Thomas Cook has strengthened its animal welfare policy by ending the sale of any attraction with captive cetaceans, such as dolphins, orcas or whales. Prior to its 2019 collapse, the previous 178-year-old incarnation of Cook took all attractions with captive orcas off sale. Now, the brand – reborn in 2020 as an OTA – is extending this stance to facilities where other cetaceans such as dolphins and whales are held in captivity.

**Travel Counsellors** - Travel Counsellors has rebranded as it looks ahead to its 30th anniversary next year. The homeworking giant said it had carried out "extensive" market research, claiming the refresh would help enable its agents to "better connect" with their clients. A new cherry-coloured logo has been chosen "as a symbol of new beginnings... and reflects the wider Travel Counsellor ethos", the company said.

## SOCIAL UPDATE

### **Meta Launches Threads**

Meta's new app 'Threads' is now active in more than 100 countries and has had a staggering 50 million sign-ups since its launch. The new platform which allows users to share text, links, photos and videos, offers a very familiar experience to Twitter and users of the app are already questioning if this will replace it. There's reply and repost buttons, as well as an option to repost a Thread to other social platforms including Twitter - something starkly lacking on other social platforms. Also available is a full suite of safety features including being able to block specific words, unfollow, block and restrict profiles. Twitter currently has around 250 million daily active users, while Instagram has over a billion showing that there's a lot of non-Twitter users who could be lured across to this new app.

### **Meta publishes new guide on how to create standout reels content**

A new, 7 page 'Reels Creative Mini-Manual' outlines a range of tips on how to improve Reels and tap into key usage trends and behaviours. Meta describes the 'language of Reels' as 'a style that's entertaining, digestible and relatable all at once'. They outline that the three main strategies to enhance Reels creative are: create videos that are 9:16 to make them full screen and more immersive; leave the bottom 35% of your video free of any text or branding so that it isn't obscured by users' interfaces; and use sound to enhance the content. Social apps are becoming more about content discovery, with people then sharing what they find with friends via messaging apps instead. As a result, Reels are getting more and more attention, and as such, are an important form of content to maximise brand awareness.

## MICE UPDATE

### **Supply chain pressures have eased, according to mia research**

Two-thirds of organisations are no longer experiencing issues with their supply chain, according to the Meetings Industry Association's (mia) latest research. The June 2023 edition of 'mia Insights' found that the previously well-documented supply chain issues have eased in the last three months for more than half (58%) of the 112 event venues and suppliers surveyed. This shift follows a "turbulent recovery period" for the business meetings and events sector with half (51%) of organisations having changed their approach to working with suppliers since the pandemic to be more diligent and flexible with terms.

Contrast to these developments, recruitment challenges remain high on the agenda as three quarters (76%) of organisations currently look to fulfil vacancies. Half (51%) reveal that this is due to current staff shortages, while a similar proportion (47%) highlight a skills shortage within their organisation. The report, which also explores event enquiries and organisational costs, also highlights the ongoing threat industrial action presents to the sector, with five days of rail strikes in May and June forecasted to have cost the sector £179,665,500 in cancelled business.

## LIGHTER NOTE

### **Lighter Note**

A 95-year-old RAF veteran was the first on the dancefloor when a nightclub reopened after more than a decade. See more [here](#).