

WEEKLY BRIEFING

8 March 2024



ECONOMIC, POLITICAL AND SOCIAL UPDATE

National Insurance cuts as General Election looms

The chancellor of the exchequer Jeremy Hunt has announced cuts to tax paid by workers from April, in a bid to revive Tory fortunes. The chancellor cut National Insurance by 2p in the last spring Budget before the next general election. The Budget also included increases to child benefit salary thresholds and a new vaping levy, while non-dom tax status was abolished. The 2p cut on National Insurance is the second by the chancellor this year. Mr Hunt argued that it would make the tax system fairer and help revive the economy. Hunt had been under pressure to cut personal taxes, with the Tories trailing Labour heavily in opinion polls ahead of the next general election, expected to take place later this year.

Ex-PM Theresa May to stand down at next election

Former prime minister Theresa May has said she will stand down as an MP at the next general election. She said it had been a "difficult decision" to vacate the Maidenhead seat in Berkshire after 27 years. Mrs May, Conservative prime minister from 2016 to 2019, said causes such as tackling modern slavery were taking an "increasing amount" of her time. She is now one of 64 Tory MPs who have announced their decision to leave the Commons at the next election.

Theresa May became prime minister in July 2016 after the resignation of David Cameron following the Brexit referendum, but following a snap election in 2017 the Conservatives lost their majority with many blaming her manifesto pledge. Eventually, opposition to her proposed Brexit deal led to Conservative MPs holding a confidence vote in her leadership, and although she survived her authority was diminished and she announced her resignation in a tearful speech five months later.

Government's pledge to support renewable energy means UK unlikely to achieve offshore wind target

Chancellor Jeremy Hunt quadrupled the amount available to help build offshore wind projects, but the sector warned the 2030 target was still in jeopardy as the UK is behind on the value of projects it needs and the £800m on extra cash will not pay for much. Plans to support renewable energy announced in yesterday's budget are unlikely to get the UK's offshore wind back on track, the industry has warned. Last year, the UK fell behind its target to build 50GW of offshore wind by 2030 when an auction round failed to attract a single bid.

TRADE UPDATE

'Dramatic Increase' in Irish holidaymakers' interest in the USA, with bookings up 35% on last year

The number of Irish holidaymakers booking to go to the US is already up 35% on last year, according to online travel agent Click&Go Holidays. The agency – which was recently named Travel Agency of the Year by the Irish Travel Agents Association (ITAA), said interest in visiting the US has “dramatically increased”. There are a large number of direct flights from Dublin with Aer Lingus, namely: New York, Orlando, Chicago, Boston, LA, San Francisco, Washington D.C, Seattle, Hartford, Cleveland, Philadelphia and Miami. New routes to Denver and the route to Minneapolis with Aer Lingus in 2024 opens up even more holiday possibilities for Irish travellers.

Travel industry praised for level of menopause support

The government's first menopause employment champion has praised the travel industry for its engagement and progress in support of menopausal women in the workplace. Helen Tomlinson made her comments at a Travel Weekly Inspiring Women lunch last week ahead of International Women's Day. A straw poll of the female leaders from 30 travel businesses at the event – covering cruise, tour operating, retail, homeworking, airlines, touring and adventure and destinations – found almost half have policies in place to support employees with menopausal symptoms.

Air Passenger Duty on business class flyers to rise

Business class and other premium air fares in the UK will rise through a one-off tax hike, the Chancellor confirmed this week in the Spring Budget, breaking a pledge to the airline industry. Jeremy Hunt said he would make a “one-off adjustment” to rates of Air Passenger Duty (APD) on “non-economy flights, only to account for high inflation in recent years.”

The decision breaks a prior commitment to airlines in September, when Rishi Sunak ruled out any new taxes on flying. APD is levied by airlines on passengers who start their journeys at UK airports. The duty is unique to Britain and raises around £3.8bn per year.

AIRLINE UPDATE

British Airways - After a four year hiatus, British Airways is bringing back two popular routes to the Far East – Bangkok and Kuala Lumpur. Both operated pre-covid and will return for the 2024 Winter season, which begins at the end of October. The announcement was made at a special 'BA Showcase' event held in London this week. Additionally, British Airways announced a transformation programme that will see an investment of £7bn over the next two years to revolutionise the business. This programme will include new aircraft, introduce new cabins, elevate customer care, focus on operational performance and addressing their environmental impact by reducing emissions and creating a culture of sustainability.

Norse Atlantic - Norse Atlantic has claimed a record month for average bookings per day in February as it upgraded its website. The low cost long-haul carrier, which reported a loss of \$168.6 million for 2023, achieved an improved load factor last month as it expanded charter flights during the winter low season. A total of 50,694 passengers were flown across 225 flights, including 30 charters.

Virgin Atlantic - Virgin Atlantic is targeting significant growth from agents and operators specialising in cruise, touring and adventure and experiential travel. Leisure sales director Nicola Goldsmith said the airline was looking to become known as the most cruise-friendly transatlantic carrier, adding: "We believe there is a gap we can fill. With cruise, we know customers expect an end-to-end experience, a seamless customer journey, with a flight that is consistent in quality with the fantastic ships they are going to be getting on".

TOUR OPERATORS, TRAVEL AGENCIES, OTA UPDATE

Dnata - Dnata Travel Group UK's four B2B brands said they "surpassed all expectations" for the peak selling season with strong growth reported. Gold Medal, Pure Luxury, Cruise Plus and Incredible Journeys launched dedicated campaigns at the start of January, which ran until February 29. The flagship brand, Gold Medal, said that its most popular destinations – Dubai, Florida, and Las Vegas – showed year-on-year growth. The "standout" performance came from Thailand, with bookings up 25% year on year. The brand also saw a 24% increase in multi-centre bookings and "significant" increases in family and solo traveller bookings.

If Only - Tour operator If Only is creating an app so customers can have travel documentation readily accessible on their smartphone. Printed documents will still be offered to those wishing them, but agents will be able to let customers know about the digital alternative. If Only general manager Gordon McCreadie said: "We're trying to give agents as many tools as we can to make the engagement with their customers as seamless as possible. From our point of view, it's about helping agents to add value."

Travel Counsellors - The homeworking firm has named Dave Gash its first-ever knowledge manager, as part of its concerted investment in growing its in-house knowledge base. Gash brings specific experience in developing digital learning platforms and knowledge management from roles in higher education and telecoms. He said his aim would be to support Travel Counsellors in capitalising on the "vast vault of travel and business knowledge" inherent in its community.

SOCIAL UPDATE

TikTok launches new monthly 'Trends Digest' series

The video-based social media platform has launched a new Trends Digest series which will help people understand the latest trends on the app and how to utilise them for their own content. TikTok says they have taken steps to ensure the trends included in the series have gained good momentum and lots of attention, rather than including passing 'fads'. The Trends Digest will allow social media marketers to create content inline with users engagement behaviours.

Threads testing two highly requested features

Meta has begun testing the two 'most requested' features in Threads, an in-app camera and drafts. Users who are in the testing pool can save up to one draft post without uploading it and also access an in-app camera which makes it quicker for posting photos to Threads. Earlier this month, Meta also tested cross-posting to Facebook and introduced a trending topics section.

MICE UPDATE

Lime Venue Portfolio predicts rising popularity of roadshows

New data from Lime Venue Portfolio (LVP) has shown that roadshows are driving meetings and events performance across its properties. Enquiries for roadshows, a type of marketing activity that involves travelling to multiple locations to promote a product, service, or brand, at LVP properties have doubled in the first quarter of 2024, amounting to 16 percent of total enquiries. In its recent Meeting of the Future research, Lime Venue Portfolio identified a trend of decentralising traditional meeting formats, in favour of reaching audiences through multiple events in different locations. The trend also speaks to the wider habit of organisers looking to add 'locality' into their events and choosing venues with a natural affinity to the area.

LIGHTER NOTE

Dog gets a new lease of life after being fitted with prosthetic legs. Learn more [HERE](#).