

WEEKLY BRIEFING

2 June 2023



ECONOMIC, POLITICAL AND SOCIAL UPDATE

Housing market headwinds set to strengthen in near term

Across the UK, house prices fell by 0.1% month on month and by 3.4% annually in May, according to Nationwide Building Society. Robert Gardner, Nationwide's chief economist, said: "Average prices remain 4% below their August 2022 peak", and added that "Headwinds to the housing market look set to strengthen in the near term. While consumer price inflation did slow in April, it was a much smaller decline than most analysts had expected". Gardener maintains that while activity is likely to remain subdued in the near term, healthy rates of nominal income growth, along with modestly lower house prices, should help improve housing affordability over time.

Around 3 in 10 workers think their job is at least partly "green"

According to ONS' Opinions and Lifestyle Survey conducted in May, 29% of working adults in Britain said that they would describe any part of their job as "green", based on the definition of "a job that helps to protect or contribute towards the environment, such as helping to combat climate change or improve the natural environment". Around 1 in 25 working adults (4%) reported all or most of their job related to "green" activities.

Leisure sector takes the biggest hit from rail strikes

Friday marks the 29th day of rail strikes since the current set of disputes began. Members of the rail unions have been regularly bringing much of the network to a halt for nearly a year. According to the BBC, the leisure sector is taking the biggest hit from lost sales, as people cancel trips and holidays, or avoid city centre shops, pubs and restaurants. But with the majority of rail commuters able to work from home, the impact of strikes is relatively limited. Only one in 10 people actually travel to work by train, according to a different ONS survey, and of those who do travel by train, 70% said they could work from home

Boris Johnson to give unredacted WhatsApp messages to Covid inquiry

Former prime minister Boris Johnson has said he is giving his unredacted WhatsApp messages directly to the Covid inquiry. His decision is in contrast with the government's, and has launched a legal challenge to the inquiry's demand that it hand over messages from the former PM and other officials. Mr Johnson said he understood why the government was taking legal action, but added that this was not his decision. He said he has given his messages to the Cabinet Office and would be "more than happy" for them to be passed to the inquiry unredacted.

TRADE UPDATE

Kerry Golds departs Abercrombie & Kent

Abercrombie & Kent global chief tour operating officer Kerry Golds is set to step down after a decade, the luxury operator confirmed today. Golds originally joined the company as its UK managing director in 2013. Her role evolved over the past 10 years, with her most recently having responsibility for the commercial success of the offices in the UK, Australia and the US. A&K founder and chairman emeritus Geoffrey Kent said: "Kerry Golds' departure from A&K marks the culmination of over a decade of unwavering commitment and exceptional contributions. Her tireless dedication to our guests and inspiring leadership has left an indelible impact on our company. We are profoundly grateful for Kerry's invaluable service and extend our heartfelt wishes for her continued success in future endeavours."

Attraction World Group partners with Norse Atlantic Airways

Attraction World Group (AWG) has announced a partnership with Norse Atlantic Airways which it sees as a "significant milestone" for future collaboration between attraction specialists and airlines. It follows the recent introduction of AWG's new brand Theme Park Connector, which offers real-time availability and dynamic pricing to allow airlines, online travel agents and tour operators to book theme parks globally through one API connection. Theme parks include Disney, Universal, Warner Bros, Merlin Entertainments, Six Flags, Park Astrix, Sea World, and Loro Park. Norse Atlantic Airways' route network to popular holiday destinations aligns with the experiences and theme parks offered by AWG, said AWG's head of client success Eloise Myrie.

MSC cruises takes delivery of second LNG-powered ship the Euribia

MSC Cruises has taken delivery of its second liquefied natural gas-powered ship, Euribia, which it said represented "the final evolution" of its Meraviglia-class vessels. Euribia was handed over to MSC during a ceremony at France's Chantiers de l'Atlantique shipyard in Saint-Nazaire on Wednesday (31 May) marking another "significant step", said MSC, in its cruise division's journey to decarbonisation.

The line said the technologies underpinning Euribia's sustainability credentials represented a "leap forward" from previous vessels of the same class. Besides being powered by liquefied natural gas (LNG), MSC said it had made improvements to its onboard wastewater treatment systems and waste management handling, adding Euribia had been designed to take advantage of carbon-neutral synthetic and other alternative fuels "as soon as they are available at scale".

Paul Ludlow appointed as president of Carnival UK

Paul Ludlow has been appointed as president of Carnival UK in addition to his role as president of P&O Cruises. As part of the leadership change, Sture Myrmell will be leaving the business. In Ludlow's new position, which will begin on June 1, he will assume all commercial and operational responsibility for Carnival UK, which includes P&O Cruises and Cunard globally.

AIRLINE UPDATE

Norse to switch Gatwick-Florida route to Miami this winter

Norse Atlantic Airways will offer flights from Gatwick to Miami from mid-September instead of Fort Lauderdale as the carrier consolidates its Florida services. The airline's Fort Lauderdale route will end on 17 September and customers traveling beyond that date will be rebooked to Miami or offered a full refund. Miami flights will operate four times a week during the winter using a 787 Dreamliner from £450 return. Norse chief executive Bjorn Tore Larsen said: "We are pleased to be able to now offer the popular destination of Miami as part of our winter route network.

Virgin Atlantic announces return of Dubai flights

Virgin Atlantic is to return to Dubai after a gap of more than four years with flights from Heathrow starting on October 28. The four-times-a-week service will operate from October to March on the airline's Boeing 787-9 aircraft, with 31 Upper Class, 35 Premium and 192 Economy Delight, Classic and Light seats. Flights can be booked from June 7, with return fares from £505. The reinstated service will bring Virgin Atlantic into direct competition with British Airways and Emirates between the London hub and the Gulf state. The carrier stopped serving Dubai in March 2019 after 12 years following a review of its network in the previous year.

Qatar Airways in talks to restart Cardiff flights this year

The Gulf carrier, which started flying to the Welsh capital in 2018, shelved its Cardiff-Doha route more than three years ago during the onset of Covid-19. However, the BBC reports the link could be reinstated by the end of the year. It follows a meeting between Alun Cairns, MP for Wales's Vale of Glamorgan constituency, home to Cardiff airport, and Qatar Airways chief executive Akbar Al Baker.

In a Facebook post entitled Qatar Airways confirmed plans to return to Cardiff airport, Cairns said the carrier was planning to restart its Cardiff-Doha route for the first time since 2020. "I recently met with group chief executive HE Akbar Al Baker to discuss their future plans," said Cairns. "Qatar Airways flies to more than 160 destinations worldwide through their Doha hub and I am hoping that this will provide a big boost to our local airport that has suffered in recent times. I am grateful to his excellency for his commitment to restarting flights between Cardiff and Doha."

Singapore Airlines Passengers Will Soon Get Unlimited Free Wi-Fi

Singapore Airlines will become one of the first major international airlines worldwide to offer free, unlimited WiFi to all passengers in all classes from July 1st. The offering is open to anyone who is or becomes a member of the airline's frequent flyer loyalty program. From July 1st, 2023, Singapore Airlines will become one of the first major airlines worldwide to offer free-of-charge, unlimited WiFi to all passengers in all travel classes. According to the airline, the new enhanced WiFi offering will be available across almost the carrier's entire aircraft fleet and almost the whole global route network.

TOUR OPERATORS, TRAVEL AGENCIES, OTA UPDATE

Solos specialist Just You inks new river cruise partnership with Nicko cruises

Just You has agreed a new two-year deal with Nicko Cruises, which will see Nicko become the solo holidays specialist's exclusive river cruise supplier. The operator will offer 22 European river cruise departures through its partnership with Nicko, which is represented in the UK by Light Blue Travel. Starting in 2024, these departures include sailings on the Douro, Danube, Rhone, Saone and Rhine. They will be operated variously by six of Nicko's ships – Rhein Symphonie, Bellejour, Bijou du Rhone, Seine Comtesse, Douro Queen and Maxima. Just You's trips will be fully escorted and come with the services of a dedicated guide, with sole occupancy cabins guaranteed on all sailings.

Wendy Wu to ramp up China focus for trade as direct outsells agents

Wendy Wu Tours is urging agents to work more closely with the specialist to maximise sales opportunities for China after revealing the trade is losing out on business to direct customers as China emerges from the Covid pandemic. The operator's head of trade sales, Gary King, said Wendy Wu would shortly be launching a China focus week for the trade and rolling out more tools to agents to help them capture a bigger slice of the market after China reopened its borders earlier this year. "We're noticing the trade hasn't been very forthcoming and it's slightly behind direct numbers," said King.

“What we really want to see is effort from agents to share the fantastic content that we’ve got.” Plans include fairs to some of China’s further-flung regions and natural attractions, as well as an aim to address some of the bad press the country has suffered in recent months.

Red Sea Holidays relaunches Luxor Nile cruise packages

Egypt specialist Red Sea Holidays has relaunched Luxor Nile cruise packages. Managing director Andrew Grant said the operator was “delighted to bring Luxor and its ancient wonders to our customers once again”, predicting high demand from September through to April. “These departures have always sold out quickly and, coupled with the current strength of sterling against the Egyptian pound, there’s never been a better time to set sail,” said Grant. Red Sea’s Nile cruise and stay packages lead in from £1,241pp, based on 11 nights departing Gatwick on 23 June and combining a seven-night, full-board cruise with four nights’ all-inclusive in Hurghada. Departing Luxor each Monday, packages include return Egyptair flights and cabins onboard Iberotel’s Jaz Cruises fleet.

TUI bets on Turkey with 40% capacity hike for this summer and next

Tui predicts it will carry 40% more clients to Turkey this year than it did in 2019, and has set out plans to expand its programme to meet demand. The operator will send more than 2.2 million guests from all its European markets to the Antalya, Dalaman, Izmir and Bodrum regions this summer and predicts another 20% increase on this figure in 2024. Tui, which has just updated more than 500 Turkish hoteliers in Dalaman and Antalya, has struck an exclusive three-year deal with Antalya-based Rixos Hotel Group covering 10 properties from summer 2024. These will be added to its portfolio of more than 1,500 properties in Turkey. Tui met hoteliers as the Turkish lira reached a record low against sterling following elections in the country. Tourism to Turkey has been driven by the country’s economic woes, which has made it a bargain destination.

SOCIAL UPDATE

Visual cues added to Snapchats ‘My AI’ Chatbot

The ‘My AI’ chatbot experience in Snapchat is now able to reply to visual cues. For example, if a user snaps My AI with an image of their food shopping, it could reply with a recommended recipe. The My AI function was previously only available to Snapchat+ subscribers, however the platform gave all users access to it in April. AI will be part of Snapchat’s ‘Dreams’ feature which is currently in development and will allow users to create AI dreamscapes.

Search ads placement added to Instagram's marketing API

Instagram's marketing API will now include ads in Instagram search results, allowing brands to position their ads using keywords from search queries. This new feature will allow third-party social management platforms to assist with the creation of Instagram search ads. Furthermore, it will also allow for ad analytics, enabling these third-party platforms to provide analysis.

MICE UPDATE**ICCA re-launches City and Country Rankings after two year hiatus**

In response to collected data indicating that approximately 85% of all meetings were held in-person in 2022, the International Congress and Convention Association (ICCA) has relaunched its annual city and country rankings after two years hiatus due to the pandemic forcing most meetings to convert to virtual. According to statistics, Vienna hosted more international association meetings than any other city last year. The Austrian capital staged 162 meetings to take the top spot ahead of Lisbon (144) in second place and Paris in third (134). The USA once again topped the country rankings with 690 meetings, followed by Spain (528), Italy (522) and Germany (484). The rankings were based on 10,500 internationally rotating meetings held in 2022.

LIGHTER NOTE

Thousands of people attended Gloucestershire's world-famous annual cheese rolling event this week. Watch the video [here](#).