# Hills Balfour WEEKLY BRIEFING



# ECONOMIC, SOCIAL AND POLITICAL UPDATE

## The UK economy grows as GDP rises for the second month in a row

Official figures show the UK economy grew by 0.1%, boosted by production and manufacturing in areas such as the car industry. The Office for National Statistics said that construction was however dampened by wet weather. Whilst this an early estimate, the finding signals how the UK, which entered recession at the end of 2023, is faring. If the economy grows for three months, the UK will be officially declared out of recession.

# Royal Mail accuses Border Force of failing to stop fake stamps from China

Royal Mail has accused Border Force of failing to prevent counterfeit stamps flooding Britain from China. A senior executive at the postal service suggested the Government was not doing enough to stop the import of forgeries that are resulting in customers being hit with £5 penalties. A diplomatic row also erupted on Thursday as senior MPs called for Chinese government officials to face ministers while the Communist nation dismissed the claims as "baseless" – and said Royal Mail should investigate its own supply chains. On Wednesday, an investigation by The Telegraph revealed that four major Chinese suppliers were offering to print up to one million counterfeit Royal Mail stamps a week for as little as 4p each – and deliver them to Britain within days.

# Labour to raise new EU links in a reset of British foreign policy

Ties with Europe remain a top priority, says shadow foreign secretary David Lammy, as he calls for Britain to play a lead role in world affairs. David Lammy has proposed regular meetings between UK and <u>European Union</u> ministers, as part of a major reset of British foreign policy under a Labour government. Lammy, who was attending a gathering of centre-left leaders in Montreal, Canada, with the Labour leader <u>Keir Starmer</u>, commented it was high time the UK took up its place again, after Brexit, as a lead player in world affairs. "A UK that is isolated and missing is felt across the world. It is definitely the case that the international community want Britain back," he said.

# TRADE UPDATE

#### March sees continued growth in consumer card spending with travel agents

Consumer card spending with travel agents continued to show growth in March, surpassing other non-travel sectors, according to new data. Barclays' analysis revealed a 7.1% increase in spending last month, slightly lower than February's 10.1% and January's 8%. Despite this, total transactions rose by 12.6% in March, only slightly down from the previous month's 15.3% increase. Spending on airlines saw a month-on-month increase of 9.7%, with transactions growing by 13.4%. Overall, spending growth remained steady in March, similar to February's rise of 1.9%, as reported by Barclays.

#### Gatwick Airport expands connectivity with three new routes to Central Asia

Gatwick Airport has expanded its connectivity with three new routes to Central Asia. Azerbaijan Airlines, Turkmenistan Airlines, and Uzbekistan Airways have recently launched flights from the airport, increasing the total number of destinations across Asia and the Middle East served from Gatwick to 12. These new routes include China, India, Qatar, Saudi Arabia, and the UAE, with additional flights to China and Singapore scheduled for this summer.

## **AIRLINE UPDATE**

**Aer Lingus** - From December 18, 2024, to January 8, 2025, the Irish flag carrier, will increase its Manchester-Orlando service from three times a week to four times a week, with a special Christmas Day flight included. Susanne Carberry, Chief Customer Officer, stated that the additional flights to Orlando will complement the airline's existing transatlantic service, which has been popular with customers in the north of England. Additionally, Aer Lingus will operate flights to Barbados and New York from Manchester this winter, along with services to Belfast and Dublin. All transatlantic flights will be operated by two-cabin Airbus A330 aircraft, offering economy and business seats.

**United Airlines** - United Airlines reaffirms its dedication to UK trade partners while celebrating an increase in transatlantic seat availability. Karolien De Hertogh, UK and Ireland sales director, notes a 7% rise in seats from the UK to the US compared to 2019. De Hertogh emphasises United's strong commitment to the UK market and underscores the crucial role of travel agents in aiding the carrier's expansion. United plans to operate up to 20 daily flights between Heathrow and the US this summer, with up to four departures from Edinburgh.

**Wizz Air** - Firefly Green Fuels, a UK biofuels company supported by Wizz Air, has unveiled plans to transform human waste into sustainable aviation fuel (SAF). The company intends to establish a pilot production facility in Harwich, Essex, by 2027, followed by a full-scale commercial site by 2029, after securing partnerships with various stakeholders. This initiative will result in the creation of a ground-breaking commercial refinery, spanning multiple locations across the UK, strategically located near airports, pipeline terminals, and wastewater treatment facilities. Firefly Green Fuels aims to commence commercial production of SAF in the UK before 2030.

# TOUR OPERATORS, TRAVEL AGENCIES, OTA UPDATE

**Travel Counsellors** - Travel Counsellors for Business has unveiled its inaugural online booking tool, myTC Online, catering to clients seeking the convenience of arranging their own itineraries while benefiting from the expertise of a corporate travel agent. This self-booking digital platform allows users to seamlessly book hotels, rail, car hire, airfare, and ancillaries. Additionally, bookings requiring approval can be easily viewed and accepted through the system, as both agents and customers gain access to an online dashboard providing comprehensive details of the booking.

**TUI** - Tui Group has issued an assurance that the UK will remain a core market despite ending its dual listing on the London and Frankfurt stock exchanges. The decision to list in London a decade ago played a pivotal role in the takeover and integration of the former Tui Travel into Tui Group. However, changes in share custody and liquidity have prompted discussions on a shift to the dual listing, with the relocation from London to Frankfurt having no impact on Tui's operations in the UK market, which will continue to be a core market for the group. The future focus is on profitable growth, with plans to expand customer base, introduce new products, and explore new markets, while leveraging digitalization for additional opportunities. Dynamically packaged offerings and app sales are expected to drive growth.

**InteleTravel** - InteleTravel has launched a new rewards program, IntelePerks, aimed at its network of homeworkers, offering them incentives such as luxury goods, electronics, and vacations. With over 18,000 agents in the UK and Ireland, the loyalty scheme is designed to recognise and encourage loyalty while boosting sales. Agents can earn points for various activities including training completion, event attendance, surveys, and supporting preferred partners. The rewards catalogue boasts over 1,000 items ranging from jewellery and luggage to electronics and home decor. Additionally, travel rewards encompass all-inclusive resort stays, hotel nights, cruises, culinary tours, and spa retreats. IntelePerks aims to enhance sales and productivity by incentivizing agents to engage in activities that enhance their expertise and sales proficiency.

# SOCIAL UPDATE

## Meta introduces photo album updates to Facebook Messenger

Meta has announced new updates to Messenger including shared image albums, so accounts can collaborate in group chats on photo collections, use QR codes to connect, and share HD photos in-stream. Firstly, the shared photo albums will allow participants to create and share group photo collections within a chat in which any member can contribute to. Secondly, HD photos will refine the user's experience. This update allows higher resolution images to be sent, which will be ideal for those sharing important memories. Finally, Meta is pushing QR codes. Each user has their own individual code which can be accessed in settings, and scanning the code sends users directly to a private chat between themselves and the user whose QR code you scanned.

## TikTok shares research on the benefits of running multilingual ads

The video-based platform has released their latest research report which shows that businesses and content creators could be missing out on opportunities by failing to display their messages in multiple languages. The key message of the report is that the bilingual ad approach allows brands to boost their promotion across different languages. Some findings from the report include, 2 in 3 TikTok users say they feel closer to brands when seeing an advertisement in multiple languages. With the development of AI technology, TikTok will soon be able to replace the audio of a video with alternative language translations, making it easier for creators to reach more audiences.

# MICE UPDATE

#### BSI publishes updated ISO 20121 sustainability standard for events

An updated version of the event management sustainability framework, ISO 20121 has been published by the national standards body, BSI (British Standards Institution). ISO 20121: 2024 has an increased focus on climate change, supply chain measures and human rights. It includes an extended list of issues that should be identified and evaluated, along with new commitments such as reporting on achievements, lessons learnt and, where appropriate, legacy. The updated ISO 20121: 2024 reflects the evolving development and importance of key considerations, such as reducing carbon emissions, promoting fair labour practices, and ensuring ethical sourcing throughout the supply chain. The updated standard, which includes hybrid and virtual events, also aligns with global sustainability frameworks, goals and reporting standards such as the United Nations Sustainability Development Goals, Race to Zero and The Paris Agreement on Climate Change 2015.

# LIGHTER NOTE

## Gorillas use chest beating to prevent conflict, not provoke it, a new study finds.

Using acoustic monitoring equipment, primatologist Edward Wright has determined that the chest thumping of gorillas, traditionally thought to be an aggressive act, is in fact a method of conflict prevention. By beating their chests, air sacks underneath their larynx reverberate from the kinetic energy, producing a sound, and the bigger the male, the deeper the sound. This is believed to broadcast how big and dominant a male gorilla is as a means of keeping rival males away from their social group. Read more <u>here</u>