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**EMEA – 2017 Market Update – Q3**

**Leisure Travel**

Central Europe

* **TOP GERMAN TOUR OPERATOR (2017)**

1, TUI DEUTSCHLAND (inlcuding airtours for high end) -2,2% | 2. Thomas Cook -0,6% | 3. DER Touristik (including DERTOUR DELUXE and KUONI) -3,8% | 4. FTI Group +2,8% | 5. Schauinsland Reisen +/-0% | 6. Studiosus, Marco Polo +2% | 7. Gebeco, Dr. Tigges +0,9%

The loss of the bid 3 is resulted by the dramatic fall down of the Turkey bookings.

* **Top short-haul destinations**: Germany, Spain, Italy, Austria, France, Croatia, Greece, Netherlands
* **Most popular cities are (outside of Germany)**: London, Paris, Amsterdam, Vienna, Barcelona, Prague
* **Top long-haul destinations**:

North America (USA, Canada), Asia Far East, Latin America & Caribic, Asia-Mid East, Rest of Africa, Oceania, South America

* **Top Destinations 2017 outbound Central Europe**

1, Croatia | 2, Mallorca | 3, Turkey (still but with a huge loss) | 4, Greece | 5, Cuba | 6, Island | 7, Egypt (back in Top Ten again but will lose for rest of the year) | 8, Tenerife | 9, Maldives | 10, Crete

* **Most trendy & newcomer destinations 2017 outbound Central Europe:**

Canada | Columbia | Finland | Nepal | Bermuda | Mongolia | Oman | Myanmar | Ethiopia

* **Most trendy & newcomer cities 2017 outbound Central Europe:**

Bordeaux | Cape Town | Los Angeles | Pistoia | Seoul | Lisbon | Moscow | Portland

* **Cities with the highest growth (outside of Germany)**: Amsterdam, Madrid, Rom, Lisbon, Dublin
* **Target Groups Trends (clients with income of EUR 250,000 p.a. and more)**
* 28% of the clients are requesting their leisure trips through agencies
* 98% of the clients are looking for destinations with high activity levels
* 50% of the clients would like to get a direct access top executive lounges and additionally high end complimentary services (extra benefits such as discount or credit for Spa or F&B)
* 30% of the clients are looking for more typical regional styled hotels with regional atmosphere
* 19% of the clients are looking for Grandhotels

**Contact for this market all based in Munich, Germany**Stephan Brauer (Leisure | Corporate) SBrauer@preferredhotels.com

Eastern Europe

* **Overall political news influencing the travel trends in Russia, CIS, Ukraine and the Baltics: by the Preferred GSO in Ukraine in 2017-2018.** All non-immigrant USA visa operations in Russia were halted from Aug. 23 and were resumed “on a greatly reduced scale” from Sept. 1, with applicant interviews conducted solely in Moscow. Non-immigrant visa interviews at the U.S. consulates in St. Petersburg, Yekaterinburg and Vladivostok “are suspended until further notice,” according to the statement from the US government. That will pose a logistical challenge for many Russians, whose country is the world’s largest by territory. The United States has consulates in St. Petersburg, Vladivostok and Yekaterinburg. **This will negatively influence the volume of travel to the USA from Russia.** However once the VIP travel is concerned many travelers still possess US entry visas valid for one year or longer, as well as the US visa application can be easily processed within three days in Riga or Vilnius (capitals of the Baltic States, Latvia and Lithuania respectively), or in Tbilisi, Georgia. The applicant is notified of the refusal of a visa or residence permit within three days from the adoption of the relevant decision. Therefore many DMCs in these countries as well as hotels offer special 3 days “US visa packages” to these type of travelers to Georgia, Lithuania, Latvia.
* The travel agents and event organizers, as well as the end corporate clients planning an incentive events in Barcelona were scared of some scenes of violence shown on TV which took place during the day of the Catalan referendum on independence. At least 893 civilians and 431 police officers were injured during clashes on October 1, as it was announced, therefore some of the pending groups for Barcelona might be cancelled, and the destination can be changed for another one in 2017- first half of 2018.
* Due to the natural disasters in the Caribbean region the VIP Russian travelers change their vacation plans for the upcoming winter season and November school holidays and are considering Jamaica, Mauritius, Maldives, Seychelles, UAE, Vietnam, Latin America: Peru, Mexico as their top exotic destinations.
* **The travel agents continue to do rate shopping when it comes to hotel bookings, trying to make a trial booking via a few booking channels** at the same time, and choosing the best deal in the end. Very often they find the better rates via the online booking systems even as compared to direct bookings through the hotel websites, by phone etc. The agents also compare the rates available in different hotels, and usually make a choice among 5-6 hotels in the most popular cities and capitals such as London, Paris, Rome, Barcelona, Florence, New York etc.
* **More than 10 tour operators/travel agents have signed the Preferred Net Rate Agreement in Russia,** however the most important ones such as Sodis, a member of Virtuoso, are waiting for the program’s interface to be changed – these tour operators cannot pay by credit cards due to financial restrictions and legislation in Russia, they usually make the advance payments by bank transfers before the arrival of the clients. The tour operators are also looking forward to the extension of the Preferred hotel list participating in the program since some of the most popular ones mainly in Europe are not part of the Preferred Net Rate program yet. The tour operators, part of the Preferred Net rate Program also wonder about joint fam trips to the Preferred destinations for the managers of the tour operators and for the agencies they work with.
* **The travel agents in Russia & CIS are curious about the Preferred Platinum Program (such agents as Morgan Travel owned by former head of LHW Russia Svetlana Samaryanova, or Concept Voyage, Quest Travel, Peremena Travel etc).** One of the reasons they book BAR via GDS is that they are members of some loyalty programs of the leading luxury hotel groups such as Four Seasons, Mandarin Oriental, or associations such as The Leading Hotels of the World, and get the benefits for their clients.

**Contact for this market based in Moscow, Russia**Elvira Tarasenko etarasenko@preferredhotels.com

France

* Bookings (YTD):
	+ Medium-Haul destinations: the number of bookings has increased by 11% vs. last year in terms of number of passengers and the revenue by 12%. The average spend remains stable (+1%)
	+ Long-Haul destinations: the number of bookings has increased by 12% vs last year in terms of number of passengers and the revenue by 8%. The average spend has decreased by 3%.
* Top destinations (YTD):
	+ Medium-Haul destinations: Spain (-4% passengers), Greece (+9%), Italy (+2%), Portugal (+6%), Tunisia (+194%), Morocco (+28%).
	+ Long-Haul-destinations: US (21% passengers), Dominican Republic (-1%), Thailand (+11%), Mauritius (+9%), Canada (+10%), Cuba (+12%), China (+6%), Mexico (+10%), Vitenam (+14%), Indonesia (+53%).
* Booking windows (bookings made more than 2 months in advance):
	+ Medium-Haul destinations: 50% for Spain, 57% for Greece, 55% for Italy, 56% for Portugal, 28% for Tunisia, 42% for Morocco
	+ Long-Haul destinations: 71% for the US, 56% for Dominican Republic, 65% for Thailand, 63% for Mauritius, 75% for Canada, 60% for Cuba, 42% for China, 61% for Mexico, 81% for Vietnam and 72% for Indonesia.
* Length of stay:
	+ Medium-Haul destinations: most the bookings are made for stays between 5 and 12 nights in Spain (76% of the bookings), Greece (88%), Italy (57%; 38% of the stays are made for 1 to 4 nights), Portugal (68%; 25% of the stays are made for 1 to 4 nights)), Tunisia (79%) and Morocco (67%). 82% of the bookings are made for short stays between 1 and 4 nights to the UK and 84% to Germany.
	+ Long-Haul destinations: bookings are mainly made for 5 to 12 nights in the US (56%), Dominican Republic (86%), Thailand (54%), Mauritius (77%), Canada (52%), Cuba (74%), Mexico (73%) and Indonesia (49%). 53% of the stays to China and Vietnam are made for 13 to 20 nights. 63% of the bookings to China and 58% of the bookings to Vietnam are made for more than 12 nights.

**Contact for this market is based Paris, France**

Stephane Marcet smarcet@preferredhotels.com

Iberian Peninsula

* The tourism consumption of Spanish households slows down considerably

within Spain, while maintaining its strength in its trips abroad.

* In line with the trend observed in other sectors of activity due to the lower increase in disposable income, summer has witnessed a slowdown in Spanish consumption, which has translated into a drop in demand for hotels in July and August (-1.6%) and a slowdown in other services.
* Nevertheless, the strength of the trips of the Spaniards to foreign destinations is maintained. The information on payments outside Spain of the month of July reflect a remarkable increase of + 9.7%, which is consistent with the information transmitted by the travel agencies, which declares a remarkable increase of the trips of the Spaniards during the third quarter to European cities, to North

America, the Caribbean and external destinations of the Mediterranean, in addition to a strong growth of the cruises.

* Bookings into 4 and 5\* properties grows by 5.5%.
* The increase in air connections in large cities and the strength of foreign demand allows urban hotels to register a generalized and notable improvement in results in the period July-September 2017. 69.2% improves its results, thanks to an average REVPAR increase of + 11.5% driven by a recovery in rates of + 9.8%, according to the INE. Is about in particular Madrid, (+ 20.1% in REVPAR in the period from June to August), Barcelona (+ 13.6%) up to the terrorist attack of 17-A and instability generated by 1-O (Catalan Referendum) and coastal cities like Malaga (+ 18.0% in REVPAR).
* Barcelona after de 17A:

A short-term impact in Barcelona and a rapid and generalized recovery in two weeks of the attacks:

 • 47.4% of the companies were affected their sales after

the attack,

 • 76.9% of an intensity below 5%.

• In September, 74.1% of the companies concerned already had returned to normal, with a very low level of cancellations. From these results it is derived, that closed the month of September, the sequels of 17-A were limited to 12.3% of tourist companies located in Barcelona.

**Contact for this market based in Barcelona**Eva OllerEoller@preferredhotels.com

Italy

* The recent international events have influenced the habits of travels of the Italians .
* The sentiment of Italians can be represented with this picture: the 48% fears terrorist attacks, the 44% is worried about climatic events, while the 35% is still worried to get the Zika infection.
* Saying this, Italians preferences are towards destinations considered “more safe” and closed to Italy.
	+ Italy remains very strong, the booming is towards sea destinations as well mountains ones.
	+ On short haul, Greece has maintained its primacy, Red experienced a pick up in reservations. Spain, due to the increase of price, is still not very popular .
	+ On long haul, the leisure trend is towards Maldives and Japan towards which the interest is continuously growing. Dubai, New York and South America are always very requested.

**Contact for this market is based out of Milan, Italy**

Silvia Lavazza slavazza@preferredhotels.com

Middle East

* 23 JUL 2017 - UAE's Etihad adds capacity on Abu Dhabi-Beirut route. Airline introduces Dreamliner aircraft to add 125 extra seats per flight to Lebanese capital.

Etihad Airways has introduced the Boeing 787-9 on its scheduled daily service from Abu Dhabi to Beirut, Lebanon. The new 787 Dreamliner service replaces the Airbus A321 aircraft and is configured with 299 seats, adding 125 extra seats per flight, the airline said in a statement. Mohammad Al Bulooki, Etihad Airways executive vice president commercial, said: Beirut was the first international destination served by Etihad Airways in 2003 and it is fitting that we introduce the state-of-the-art 787 Dreamliner to this key market today. The new two-class 787-9 provides an increase of 125 seats per flight, with 4,186 weekly seats now offered in both directions. This reflects the strong demand to Lebanon from Abu Dhabi and the entire UAE, where a large Lebanese expatriate community resides. The Boeing 787 is the backbone of Etihad Airways’ fleet of aircraft and includes a Flying Nanny service in Economy Class for families with young children.

* 30 Aug 2017 - Scandinavian low cost carrier Norwegian Air will operate the new Boeing 737-Max on flights from Stockholm to Dubai from the first week of October.The airline has ordered 100 of the upgraded version of Boeing’s narrow body aircraft and is due to take delivery of the first six this year, a Norwegian Air spokesperson told Arabian Business. The spokesperson said for the first few months the airline would operate a combined service on the Stockholm to Dubai route, using the older B737-800 model as well. It currently offers flights from Stockholm Alrlanda to Dubai International Airport for as little as $270. The spokesperson added that the airline was exploring new routes across the rest of the Gulf as part of its broader international expansion strategy but that no firm decisions had been made. Norwegian Air has already shaken up its home market by offering flights from European cities to the US East coast for as little as $65 one way. It has come under attack from US carriers Delta, United and American Airlines for placing their own routes under threat, in the same way the three largest Gulf carriers have also been criticised.
* 02 Sep 2017 – Etihad Airways has introduced the Boeing 787-9 aircraft on its daily service from Abu Dhabi to Amsterdam. The airline previously operated the 787 Dreamliner on the Amsterdam service in the summer of 2016 but this move heralds the start of a year-round service to the Netherlands. The 787 Dreamliner features Etihad Airways’ next generation Business and Economy Class cabins, configured with 299 seats - 28 Business Studios and 271 Economy Smart Seats. Peter Baumgartner, Etihad Airways CEO, said: “The decision to upgrade our daily Amsterdam service to the 787 Dreamliner aircraft reflects the importance of the Netherlands market. We received great customer feedback when we first flew the ‎aircraft to the Dutch capital last summer, and I’m very pleased that more travellers will now be able to enjoy the superior levels of comfort and technology it offers, year-round.‎ Etihad Airways currently operates a fleet of 16 Boeing 787-9s from its home base, Abu Dhabi, to 14 destinations - Amman, Beijing, Beirut, Brisbane, Dusseldorf, Johannesburg, Perth, Riyadh, Shanghai, Singapore, Tokyo, Washington DC and Zurich
* 07 Sep 2017 - Gulf Air has increased its Moscow service from four weekly to daily flights from the end of October. The non-stop service, service to/from Domodedovo International Airport in the Russian capital, is further supported by a special prorate agreement (SPA) agreement between the airline and Russian carrier S7 Airlines, which allows passengers to purchase one ticket to cover both carriers. Customers from Bahrain can book onward journeys to various Russian cities, including St Petersburg, Kazan, Samara, Volgograd, Rostov, Nizhny Novgorod, Perm, Ufa, Ekaterinburg, Novosibirsk and Krasnoyarsk. The combined fare is offered at a more competitive rate for the entire journey, instead of separate tickets for each individual carrier. By adding frequencies and enhancing our product offering we are making Moscow more accessible than ever for our customers travelling from across the region, providing them with greater flight selections for both direct and transit travel to and from the Russian capital,” said Ahmed Janahi, Gulf Air chief commercial officer. We believe this positive development will boost our competitive edge in the market and anticipate positive passenger response and heightened demand as a result on our popular Moscow route.
* 19 Sep 2017 - flydubai to double Russian operations for winter season. Dubai low-cost carrier says it will operate 40 flights to 10 cities from end of October. Dubai-based flydubai will double its operations to Russia for the winter season in response to growing passenger demand. The airline presented its seasonal offering at the Leisure 2017 Exhibition that opened on Tuesday in Moscow where it is participating for the third time in partnership with Dubai’s Department of Tourism and Commerce Marketing (DTCM). From the end of October, flydubai said it will operate 40 weekly flights to 10 points in Russia. This year the airline will add Makhachkala, Voronezh and Ufa to its existing network in the country that includes Kazan, Krasnodar, Mineralnye Vody, Moscow, Rostov-on-Don, Samara and Yekaterinburg. Jeyhun Efendi, senior vice president commercial (UAE, EU, ME, CIS) at flydubai, said: “We are pleased to increase our services to Russia as Dubai increases in popularity among Russian travellers. Since 2010, flydubai has been committed to connecting previously underserved points in Russia with Dubai. With three more routes and our additional flights, we look forward to offering tourists from Russia more choice and flexibility when travelling to Dubai. This year, the UAE has seen a growing demand from Russia after changes to visa requirements enabled passengers to get a free 30-day Visa on arrival to the country. flydubai operates flights to 97 destinations in 44 countries.
* 20 September 17 - Gulf Air, ahrain’s national carrier, has announced it will introduce a permanent increase to its Istanbul service with daily flights on the route from early November. The airline said in a statement that the increase is in direct response to passenger demand. Last year Gulf Air celebrated the 30th anniversary of its direct, nonstop service to and from the city of Istanbul in Turkey. Gulf Air’s deputy CEO, Captain Waleed Abdul Hameed Al Alawi, said: “Gulf Air’s Istanbul route performance to date has been promising with consistently strong passenger demand throughout the year. Offering our valued passengers a daily service to and from Istanbul meets their travel needs, further reinforcing the strong historic ties between Bahrain and Turkey and our airline’s key role in encouraging two-way travel, trade, tourism and investment opportunities. Gulf Air’s network currently serves 42 cities in 25 countries spanning three continents. The airline also operates double daily flights or more to 10 regional cities.

**Contact for this market based in Middle East**Nabil Hassanieh **nhassanieh@preferredhotels.com**

United Kingdom

* The market was as vibrant as ever in Q3. Top requested destinations: Italy, UK, USA (particularly California and New York) . It was noticed that Paris is also slowly coming back and in buyers’ and end consumers’ radar, particularly for special occasions.

Other destinations of interest are: Iceland, Scandinavia, Ireland, Russia, Japan, Vietnam, Cambodia and Burma

* Amex FHR’s Management restructure continues with the unexpected redundancy of Farida Raju, hotels’ main point of contact there for many years. As of now, in October, her position has not been replaced. John Tovey is appointed as Head of Relationship Management, looking after all agents in the Brighton and London office. No activities are currently being confirmed for 2018, until new structure is in place (likely towards the end of November)
* EFR Travel (long standing member of Virtuoso in the UK) acquires CSR Travel, based in Manchester, looking after leisure and entertainment travel
* Colletts Travel, another founding member agency of Virtuoso in the UK, is awarded for the second consecutive year as EMEA’s top producing Virtuoso agency at this year’s Virtuoso Travel Week in Las Vegas
* Scott Dunn, one of UK’s top luxury Tour Operator opens its third office in Singapore. That follows the acquisition of an office in San Diego almost two years ago and their headquarters in London. The Singapore office, at present, focuses mostly on inbound travel into Asia
* Ten Group (Private and Corporate Concierge Company, member of Virtuoso, with 17 offices worldwide and headquartered in London) wins the Mastercard Luxury Program account, which once used to be handled by CWT

**Contacts for this market are based in London, England**
Isabella Moroni imoroni@preferredhotels.com

**Corporate/Business Travel**

Central Europe

* **Top Corporate Destinations outbound Germany** (starting with the highest travel volume):

United States, China, United Kingdom, France, Austria, Switzerland, Italy, Spain, Netherlands, and Poland

Top Cities: Berlin, Munich, Cologne, Hamburg, London, Düsseldorf, Vienna, Shanghai, Paris, Moscow, New York, Beijing, Dubai

* Most preferred booking channels (Source: VDR business analysis 2017)
* OTA: **27%** (= such as booking.com, expedia, HRS, etc. directly | **-5 to LY**)
* Online Booking Tool **27%** (=corporate travel intranet with NEG rates and linked to an OTA | **+2% to LY**)
* Combination of different sources: **17%** | **-3% to LY**
* TMC / Consortia: **12%** | **+4%to LY**
* Direct bookings: **12%** | **-1% to LY**
* Open Booking: **5%** | **+3% to LY**
	+ - * **Expectations / Trends for 2018 RFP process**:
* Still very high consolidation and focusing on top volume hotels (50% consolidation compared to LY)
* Destination shopping up from 1,000 Room Nights
* Stronger outsourcing of Hotel RFP management and Volume Analyzing. Top Supplier for 2018: HRS Sourcing, Advito (BCD), HRG Consulting, CWT Consulting, American Express, Ratefinding (DER)
* TOP RFP Tools 2016: LANYON, RATEFINDING (compatible to Lanyon) and HRS eRFP (compatible to Lanyon and has character of an online auction bid)
* Rate stagnation or lower rates expected, because of high consolidation
* More Value for Money (tailor made benefits)
* 65% of Travel Managers in central Europe are interested in including local counter signed agreements into the global hotel program
	+ **Corporate Online Booking Engine | HRS CHALLENGE**

Since many years HRS leading this segment. They are offering an online booking engine to corporate accounts, which is linked at the corporate intranet travel site. Travelers are booking the hotel reservations on their own. HRS are loading the negotiated rates directly into the extranet, but for this way, each hotel has to make a direct agreement with them.

The better option is to **reject the direct agreement with HRS** and to load the rates in SynXis, which will be mapped through Amadeus to HRS

* **Meta Search Engines**

Travel Managers are offering their travelers tools to shop the best rate in partner hotels from different areas:

Siemens: Siemens Travel Net (STN) is giving a travel agent or traveler directly the best rate through GDS, OTA’s and Tour Operators

Daimler: Trip Source by BCD, which is a tool for agents and travelers to get the best rate through GDS and selected OTA’s

**Contact for this market all based in Munich, Germany**Stephan Brauer (Leisure | Corporate) SBrauer@preferredhotels.com

Eastern Europe

* There is an increased demand for luxury residences and serviced apartments for the business trips and long stay travelers, staying more than 2 weeks. The agents are asking to get more information about Preferred Residences in order to promote it better to their highly-demanding clients.
* The big MICE players in the market such as Continent Express, Aeroclub BCD, ZCTS etc would like to get some rewards for placing big groups at the hotel, they always try to recommend the hotel group with the loyalty program in place certainly depending on the destination and requirements of the corporate clients.

*B2B relationship with travel and corporate partners.*

* Along with Moscow, St. Petersburg, Almaty (Kazakhstan) and Baku (Azerbaijan) the new destinations have been added to the Preferred calendar of events in Russia & CIS such as road shows in the Baltic States (including the dinner with AmEX MTS Latvia), as well as in Vladivostok-Khabarovsk (Far East of Russia, on the border of China and Japan), and in a few cities of Ukraine to meet the increasing demand towards the increase of outbound travel out of these destinations.

**Contact for this market based in Moscow, Russia**Elvira Tarasenko etarasenko@preferredhotels.com

France

* Economic Growth in France will have reached 1.8% in 2017 (vs. an initial forecast of 1.6%), after 3 years in a row at 1%. This will be the highest level since 2011.
* CWT Nantes BTC closure has been confirmed and will be effective on October 31st, 2017. This will have resulted in the abolishment of 100 jobs (30 travel agents are currently based on this BTC).
* American Express: HomeWorkers in France represent 45% of all the travel agents.
* HRS tends to handle more and more RFPs in France, mainly from accounts which needed help in setting a new travel policy up (ie: Havas Bolloré, Auchan, Atos, Richemont, AXA)
* 2018 RFP Trends:
	+ 2 years programs: Airbus (2017-2018), Credit Agricole (2017-2018), Kering (2017-2018), L’Oreal (2018-2019), LVMH (2018-2019), Nestlé (2018-2019), Orange (2017-2018), Société Générale (2018-2019), Total (2017-2018), Vodafone (2017-2018).
	+ Those companies which launched a 2 years program last year tend to launch a small 1 year RFP for 2018 in order to add some hotels on destinations where their needs have increased (ie: Kering, Total…). This is mainly for secondary cities.
	+ Main criteria to consider properties in their solicitation lists are still the productions properties have already registered, the distances from their local offices and the rates. But more and more Global Travel Management Teams rely on the Local Travel Managers recommendations.
	+ Most of the RFPs are managed by 1/3rd parties: CWT Hotel Solutions (36%), American Express GBC (21%), HRS (12%), Advito (10%), Egencia (7%), HRG (4%).
	+ Expectations: LRA; flat rates / no increase (more and more companies have set city caps); rates including taxes and wifi; breakfast included or discount to be offered on breakfast; F&B discount; 6:00pm cancellation policy; additional amenities.

**Contact for this market is based Paris, France**

Stephane Marcet smarcet@preferredhotels.com

Iberian Peninsula

* Corporate Travel from Spain continues stable and growing by 3.3% first half, slows down during July and August as usual due to pick of holiday season.
* We highlight the main travel destinations of Spanish companies, which demonstrate the evolution of the Spanish commercial presence abroad, especially in terms of market diversification, including Asia and North America, as well as the main markets in Latin America, with growth of more than 10%. In this sense, London is in first position, followed by Mexico City, Paris, Lisbon, Sao Paulo, New York, Munich, Santiago de Chile, Frankfurt and Buenos Aires.
* RFP Season starts strong in September, earlier than previous years.

**Contact for this market based in Barcelona**Eva OllerEoller@preferredhotels.com

Italy

* The forecast for the Italian economy for 2017 and 2018 continue to have a positive trend: with a + 1.3 % in value. The data of the unemployment seems to getting better. In the Country, the number of people with a job is growing month by month has reached the same value of 2008.
	+ Uvet Amex head office registered a growing interest of their clients towards residences properties both for long and short stays. One of them is Intesa San Paolo Bank which specifically required a 2018 program of residences properties.
	+ Carlson Wagon Lit Travel is moving the reservations from the call centers based in Italy to the one in Poland. It is for cost saving.
	+ Q3 confirms New York as the most important out bound destination for the Italian Market still followed by Dubai which is an important hub towards Asian Countries.
	+ In Europe the main destination remains Paris. London is picking up again. The two cities that are growing are Brussels (+0,3) and Madrid (+ 0,2). Stable Munich.
* News from the Air Connections
	+ American Airlines will open new flights Venice / Chicago from 4 May to 27 October 2018
	+ Easyjet will fly two time per week from Venice to Liverpool and three time per week from Venice to Tel Aviv. From Naples there will be new flights to Tel Aviv.

**Contact for this market is based out of Milan, Italy**

Silvia Lavazza slavazza@preferredhotels.com

Middle East

* 27 APR 2017 - Qantas and Emirates will apply to extend their partnership for another five years, making changes to reflect customer demand, new aircraft technology and each airline’s respective network strengths. These changes will deliver additional benefits to the eight million passengers who have travelled more than 65 billion kilometres on the combined network since 2013, increasing customer choice as well as frequent flyer earn and redeem opportunities, the airlines said in a joint statement. They added that the adjustments will also deliver financial upside to both airlines, with Qantas annualised net benefit estimated at more than AU$80 million from 2019 onwards. Meeting in Sydney, Australia, to finalise the extension, both airlines agreed the first five years of the partnership had lived up to the promise of serving their customers better, together. The key change will see the airlines better leveraging each other’s networks, by providing three options to Australia from Europe – via Dubai and Singapore, and direct to Perth. Qantas will re-route its daily London - Sydney A380 service via Singapore rather than Dubai and upgrade its existing daily Singapore-Melbourne flight from an A330 to an A380.  As previously announced, Qantas’ existing London-Dubai-Melbourne service will be replaced with its direct Dreamliner service flying London-Perth-Melbourne. Customer demand for flights from Dubai to Australia with Emirates will remain well-served. Emirates will continue to operate 77 weekly services from Dubai to five cities – Adelaide, Brisbane, Melbourne, Perth, and Sydney – including seven daily A380 flights. Qantas Group CEO Alan Joyce said the changes represented an evolution of the partnership to deliver additional benefits for customers, including the millions of frequent flyer members of both airlines. The first five years of the Qantas-Emirates alliance has been a great success. Emirates has given Qantas customers an unbeatable network into Europe that is still growing. We want to keep leveraging this strength and offer additional travel options on Qantas, particularly through Asia. Our partnership has evolved to a point where Qantas no longer needs to fly its own aircraft through Dubai, and that means we can redirect some of our A380 flying into Singapore and meet the strong demand we’re seeing in Asia. Improvements in aircraft technology means the Qantas network will eventually feature a handful of direct routes between Europe and Australia, but this will never overtake the sheer number of destinations served by Emirates and that’s why Dubai will remain an important hub for our customers.” Sir Tim Clark, president Emirates Airline, added: “The Emirates-Qantas partnership has been, and continues to be, a success story. Together we deliver choice and value to consumers, mutual benefit to both businesses, and expanded tourism and trade opportunities for the markets served by both airlines. We remain committed to the partnership. Emirates has worked with Qantas on these network changes. We see an opportunity to offer customers an even stronger product proposition for travel to Dubai, and onward connectivity to our extensive network in Europe, Middle East and Africa. We will announce updates in the coming weeks. Customers of both airlines will continue to benefit from the power of our joint network, from our respective products, and reciprocal frequent flyer benefits. The airlines said they will shortly seek re-authorisation from relevant regulators, including the Australian Competition and Consumer Commission, to continue coordination of pricing, schedules, sales and tourism marketing, under an expanded partnership. Tickets for Qantas’ new services will be available from Friday. Customers with existing bookings impacted by the changes will be re-accommodated onto the airlines’ new services or will be given the option to change their flights.
* 18 Jul 2017 - Abu Dhabi is reportedly close to finalising the purchase of a 49 percent stake in one of India’s busiest airports. The sovereign wealth fund Abu Dhabi Investment Authority is competing against Paris Aeroport to acquire the minority shareholding in Hyderabad International Airport, India’s The Economic Times reported. ADIA’s talks were more advanced than those of the Paris airport authority, the newspaper said. ADIA declined to comment when contacted by Arabian Business, however it has previously said it was interested in greater investment in emerging markets. One of the biggest sovereign wealth funds in the world, ADIA already has direct and indirect investments in India and shares in airports globally, including Gatwick in the UK and Rome. The highly indebted Bengaluru-based infrastructure developer GMR Group is selling the stake in the airport to help rebalance its books, The Economic Times said. With a population for more than 1 billion, India’s aviation sector is far from reaching its potential, analysts say. Abu Dhabi’s airline, Etihad, also has a 24 percent in Jet Airways.
* 02 October 17 - Emirates has announced the expansion of its network to 29 flydubai destinations across three continents after the two Dubai-based airline companies sealed an extensive partnership deal. This is an exciting first step in unlocking the benefits of the partnership for passengers who will have the opportunity to enjoy the unique advantages each airline offers as well as greater choice and flexibility when connecting via Dubai,” HH Sheikh Ahmed bin Saeed Al Maktoum, chairman and chief executive of Emirates Group and chair of flydubai, said in a statement on Monday. This is just the start and as we expand the partner network in the coming months we will open up more opportunities for our passengers to explore the world,” he added. According to Emirates, the new partner network through its codeshare will “offer greater frequency and easier access to more global destinations with the advantage of connecting baggage to the final destination. Emirates said its passengers can book starting on Tuesday either through its website, Emirates.com, the Emirates Contact Centers or travel agents network with trips commencing from October 29.

Emirates revealed that when booked together, as part of the codeshare, Emirates passengers would receive complimentary meals as well as Emirates checked baggage allowance on flights operated by flydubai in both business and economy classes. Connecting in Dubai’s aviation hub offers a smooth transfer experience and under the new partnership passengers will benefit from a reduced minimum connection time (MCT) between Emirates’ home in Terminal 3 and flydubai’s in Terminal 2 of 120 minutes,” Emirates noted. Emiates said that this announcement is just part of an initial phase of the massive partnership agreement as the companies “see the creation of additional city pair connections as the codeshare agreement is expanded and both airlines’ networks are optimized” in future phases.

**More benefits for frequent flyers**

Under the first phase of the partnership, Emirates Skywards members can earn Skywards miles and Skywards Tier Miles on codeshare flights as per the existing Skywards mileage program, the company said. In addition to the Emirates free checked baggage allowance, Skywards Premium members can also enjoy their extra checked baggage allowances of 20kg (Platinum members), 16kg (Gold members) and 12kg (Silver members) on codeshare flights operated by flydubai,” it said. Skywards Silver, Gold and Platinum members travelling on codeshare flights can access flydubai’s Business Check-in counters and receive priority tags,” the airline added

**Below is the chart enumerating the Emirates and flydubai partnership codeshare destinations:**

**Cities:** Asmara , Belgrade, Kiev Zhulyany, Juba, Krasnodar, Samara, Kazan, Mineralnye Vody, Odessa, Prague, Rostov-on-Don, Sarajevo, Skopje, Sofia, Tbilisi, Kuwait, Baku, Lucknow, Lucknow, Ahwaz, Bandar Abbas, Lucknow, Ahwaz, Bandar Abbas, Esfahan, Lar, Shiraz, Najaf, Bishkek, Muscat, Salalah, Yekaterinburg, Bucharest

**Contact for this market based in Middle East**Nabil Hassanieh **nhassanieh@preferredhotels.com**

United Kingdom

* 1 US Dollar equals 0.76 British Pound
* The UK's economy grew at its slowest annual pace since 2013 in the three months to June, according to revised official figures.
* London has seen around 8,000 rooms open with a high proportion of the new rooms being branded budgets, with a large domestic customer base. Business and leisure travel remain strong and are forecasted to continue doing so. The weak pound has seen a surge of International and especially high end US customers visit the UK .
* CWT launched a new business division wholly dedicated to hotel distribution – RoomIt by CWT.

“RoomIt by CWT is an intuitive hotel-booking tool, travel management services for companies of any size, has tools for tracking, reporting and payment and access to traveller loyalty programs.

* In July Reed& Mackay rebranded and continues to position itself as one of the top travel management companies in the UK and worldwide. Reed & Mackay is now boosting its presence overseas with wholly owned office in Germany, Dubai and USA and cementing its reputation as an international business.
* ATPi have signed an agreement with north-American based travel management company Direct Travel, to form a global organization for corporate travel. It will operate as Direct ATPi Global Travel and has been designed specifically for future mutual clients who require their service in North America and one or more locations in the rest of the world. There is no change to their businesses and this merger only relates to new clients. Direct ATPI Global Travel will now have 160+ offices worldwide in more than 50 countries, with approximately 4,500 employees.
* The AMEX GBT Canary Wharf office in London did suspend all supplier visits for the month of September, due to their large call volumes, having reported a pickup in bookings.
* HRG announced the closure of their Farnborough office (outside of London about 20 mins by train). As a result, all agents will now be home based with the exception of the emergency 24 hour team which will still be based in this location.
* Barclays are in the process of expanding their offices in Dublin, Ireland in preparation for Brexit with the Travel Manager forecasting an increase in Travel into the city in the near future.
* BCD Liverpool office has expanded to around 45 agents and look after some key accounts including Universal, Astra Zeneca, Universal VIPs, Sotheby’s.
* Entertainment market continues strong through autumn for autumn and winter touring -key destinations are Dublin, Copenhagen, Madrid, ,Paris, Oslo, Barcelona, Trieste currently working on

**Contacts for this market are based in London, England**
Wendie Esposito wesposito@preferredhotels.com
Niklas Hoff nhoff@@preferredhotels.com
Pia Ametsbichler pametsbichler@preferredhotels.com