

Discover New England Summit, Portland, ME**April 27 – 29, 2015****Prepared by Michele Cota, Marketing Manager**

NH Division of Travel & Tourism Development (DTTD) attended the Discover New England Summit from April 26 – 29, 2015 in Portland, ME to conduct prescheduled one-on-one meetings, participate in networking events, to manage a booth for the duration of the event, and to sponsor a luncheon display. DTTD attended with over 25 New Hampshire delegates representing different destination marketing organizations, lodging properties, attractions, and tour companies throughout the state.

DTTD participated in a total of 61 one-on-one appointments. Of which 15 were from the UK, 8 from either Netherlands/Belgium/Switzerland, 7 from Italy, 5 from Japan, 5 from France, 1 from Germany, 10 were from a mixture of other countries (including the USA), and 10 were USA-based receptives. The following are appointment observations:

- Though all of the operators report positive bookings, 44% anticipate strong growth in business to New England and are expanding their programs in 2016 as a result.
- Many operators have voiced concern over a strengthening USD over the Euro and Pound and are concerned that this will negatively impact their outbound business in 2016.
- 22 tour companies that DTTD met with have group tour programs in addition to FIT.
- Almost all of the operators work with receptives, 61% use receptive programs exclusively.
- Many operators are trying to shift consumer demand to spring and summer because they struggle with hotel availability and rates during the foliage season.
- Several tour companies are either eliminating their print catalogs altogether or are downsizing or reducing to a single annual catalog.
- The activities that generated the most interest during each conversation include:
 - Educational culinary programs: tapping for maple syrup, private cooking class with a chef and local product, chocolate tasting, unique beer or wine tours, rail dining cars.
 - Educational cultural experiences: contra-dancing, Star Island stay, living museums.
 - Outdoor adventure: hut-to-hut hiking, guided hiking to waterfalls, rafting, biking, skiing, adventure courses, dog-sledding.

The following are appointment highlights:

- Sunshine Travel, a Boston-based Chinese receptive operator, is anticipating a 20% increase in business to New England on top of an already impressive volume of travelers served due to the addition of another direct flight into BOS and because of the extended 10 year travel visa term.
- Funway Holidays launched a direct-to-consumer brand called My American Holiday a year ago that has more than doubled their total business. As a result, Funway/My America has since created sections on their website for each New England state and is contracting more directly with suppliers. New England suppliers are invited to be guest writers on their blog.
- Viator, a very large North American receptive based in San Francisco, was just acquired by Trip Advisor and is adding ski product to its portfolio.
- Thomas Cook Airlines out of the UK plans to add two flights per week to BOS starting February 2016.

DTTD sponsored the luncheon centerpieces in partnership with the New Hampshire Wine Association. The displays were well received and so were the wines. Two New Hampshire stickers were placed at each table and whoever was sitting at the place setting with the sticker was able to take a full, unopened bottle of wine with them as a prize.



DTTD attended a market overview seminar led by DNE contractors. The following are notes from that seminar:

Germany, Switzerland, and Austrian Markets:

The United States is a top destination for international travel from these markets. Outlook is positive due to the growing economies, increasing demand for outbound ski vacations, and because of a new direct flight to Providence starting June 2015. Most consumers book through any of the 10,000 plus travel agencies and with a six month average lead time. Trending media subjects include slow food and outside art murals. The largest companies with representation at DNE2015 include Argus, Thomas Cook, and FTI.

Japan Market:

The average HHI is equivalent to a USD \$80,000 with an improving unemployment rate. There are on average 2 million travelers to the lower US 48 states and of which well more 71,000 come to New England. Most travelers to New England are very active seniors who enjoy cooking, quilting, painting, photography, whale watching, and wildlife spotting. Numbers to New England continue to grow even though it is 20% more expensive for the Japanese traveler now than a year ago. Japan Air is the only nonstop to New England from Japan that has a 95% average load factor throughout the year and 70% in January and February, New England's slowest time for inbound. Travelers to New England do not want to relax and are not attracted to beaches and spas. Hotel rooms must have two beds and a bathtub and restaurants should serve deliberately small servings. When entering the Japanese markets, suppliers must first build rapport with Boston based receptives, once that is established then build relationships with New York City and California based receptives, and only once these first two steps are satisfied should the

supplier consider working directly with Japan based buyers. JTB is New England's largest receptive.

UK Market:

Traffic to New England is up to 4 million which is a pre-9/11 level. 53% of consumers take vacations overseas each year and New England is a top destination for them. Young explorers and families with adolescent children have been identified as growth demographic markets. British and Irish travelers demand value and are motivated by video marketing. They demand culinary experiences. The luxury market is flourishing (though value is still demanded). This year, a new federal regulation went into effect where retirees can opt to receive their entire pension value in one lump sum if they choose. Also, the flight duty rate for children to the USA was dramatically reduced making it more affordable for families.

Attending and sponsoring the next Discover New England Summit in Newport, Rhode Island in 2016 is recommended. In summary, the Discover New England Summit was a successful show due to the strong demand for New England and growth potential in specific international markets.