Emilia Romagna: UK media and market training 2016

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What will we be discussing today?

- **General UK overview**
  - Brexit and the UK economy
  - Brexit and travel
  - The UK travel industry
- **UK media update**
  - Traditional print media
  - Consumer magazines
  - Broadcast
  - Digital media
  - Social media
- **New media**
  - A new news platform?
  - The rise of live videos
- **Marketing and trade**

Overview of the UK landscape

Brexit and the UK economy

- After the immediate market reaction to BREXIT, the UK economy is performing and growing. The value of sterling is now lower which is helping UK businesses export and grow, albeit the purchasing power of foreign currency is less favourable for UK travellers going abroad
- The next two years will be telling for the UK and its relationship with Europe as the UK government looks to trigger article 50 of the Lisbon Treaty in March 2017 – this is essentially a resignation notice giving two years to negotiate a deal out of the EU in the most beneficial trading terms to all
- All parties are posturing for negotiations and it is hoped deals will be reached between the UK and the EU which will continue prosperity in all markets
- The outbound tourism market largely reflects GDP with healthy growth for 2015 and 2016
- The UK is still the fastest growing economy in Europe. In fact, it is growing at its fastest rate in six years. The Bank of England has forecast GDP at 2.1% for 2016, 1.4% for 2017 and 2.2% for 2018
- Unemployment is falling and now sits at 4.8% (to Sept 2016) with flexible working a growing aspect of the UK workforce
- Inflation currently sits at 0.9% (October 2016). Inflation is expected to increase next year and beyond due to relative value of currency externally and expected changes in fiscal and monetary policy. (Source: the Office of National Statistics and OBR Office of Budgetary Responsibility)

Brexit and travel

- The UK's decision to leave the European Union (commonly known as Brexit) and its impact on not only the British but the European and global travel industry, has been one of the most hotly discussed topics of the year
- The majority of Brits fear their holidays will cost more next year because of Brexit – and almost a third of travel firms expect to raise prices as a result of the vote to leave the European Union. Two thirds (65%) of British Holidaymakers expressed concerns about Brexit, mostly because of the plunging value of sterling and the impact on overall costs. However, a resilient 70% said the result of June's referendum will have no impact on their holiday choice next year
- The findings reflect trends seen in the market, with travel agents reporting a slowdown in foreign exchange sales, and the share prices of leading travel groups falling in the wake of sterling's slumps in June and October. John Strickland, Director at aviation consultancy JLS Consulting, said the fall in sterling generated immediate cost increases for UK airlines, as important expenditure items such as jet fuel and aircraft leases are denominated in dollars. He said the UK outbound market to Europe and the US is one of the largest, and Brexit uncertainties could see airlines trimming capacity to and from the UK (WTM Industry Report 2016)

The UK travel industry

- Overall, 86% of Britons said they took a holiday either at home or abroad in the 12 months to August 2016, which was a significant increase on the previous year (77%). This represents the largest proportion of Britons taking a holiday since 2011 (ABTA Holiday Habits Report 2016)
- The average number of foreign holidays per person grew notably in the previous year (from 1.2 to 1.5) and so it is perhaps unsurprising that this year we have seen this stabilise at 1.4 per person, with 56% of people taking a holiday abroad (compared to 54% in 2015). 25-34 year olds and 55-64 year olds are the age groups that take the most foreign holidays – 13% of both groups said they took more than four holidays abroad during the year
- Over a quarter of all holidaymakers (26%) say they are very likely to visit a country they've never been to before, compared to 18% who said this last year. 29% say they will go on holiday to a new resort or city (even if they've visited the country before), up from 23% last year

The UK travel industry

- It is most common for people to go on holiday with their partner (51%) or their immediate family (39%). Last year also saw one in five people (20%) holidaying with extended family (family members from outside the household) and this figure remains static in 2016. More than eight in ten (82%) people who went on an extended family holiday said they did so to spend quality time together
- City breaks continue to maintain their leading position as the nation's favourite holiday type, with over half of all respondents having taken one in the past 12 months and almost as many planning to take one in the next 12 months. There has been a fall in the popularity of the beach holiday from 50% to 38%, although it remains the second most popular holiday type and 44% of respondents say they plan to take one next year. Countryside breaks are the third most popular holiday type (ABTA Holiday Habits Report 2016)

Perceptions of Emilia Romagna in the UK

- Emilia Romagna is starting to get a bit of recognition amongst UK consumers. We have been working on growing its profile, but although most British people are unable to place it on a map, they are starting to recognise the name and identify the region
- Emilia Romagna is the region of Italy with the fastest growing profile as we noticed a certain appetite in UK media for alternative, less talked-about regions of Italy
- The arts cities are more famous than the overall region – particularly Bologna, Parma and Rimini
- The destination is starting to be seen as a great area for more healthy, active holiday – such as cycling holidays (Wellness Valley)

Perceptions of Emilia Romagna in the UK

- The food products that come from Emilia Romagna are extremely strong selling points in the UK market (which loves gourmet travel): balsamic vinegar, parma ham, parmigiano reggiano, tortellini in particular
- The motorvalley is a strong brand proposition in the UK – Ferrari, Lamborghini, Maserati and Ducati are very exciting names
- When explained to them, Emilia Romagna is attractive to UK consumers as it contains the important elements of Italy (food, culture, heritage, landscapes, cars) but without tourist numbers seen in neighbouring regions

UK media update

The UK media landscape – traditional print

- UK national newspaper market is falling at a rate of more than 8% per year, with the Sunday market declining slightly faster, at more than 9%
- Circulation figures for Sunday national newspapers have fallen by 47% over the past 10 years
- National newspapers remain the UK's largest market, but consolidation of the regional newspaper market has meant the remaining titles are very strong
- Decline is likely to continue as some 46% of those under 24 do not generally read any newspapers or magazines at all
- In March 2016 The Independent and The Independent on Sunday became available in digital-only formats
- In 2016 The Sunday Times has published a new travel site outside the paywall
- This year the Telegraph has relaunched its website offering more integrated and trackable campaign options and Telegraph Luxury Magazine and social channels have become well established
- In December 2016 The Times re-introduced its luxury supplement LUXX

The UK media landscape – consumer magazines

- Consumer magazines are in decline, but not to the same extent as newspapers. Monthly magazine circulations have remained static but women's weekly magazines are down by around 20 – 30% year on year
- Growth of free magazines continues e.g. Shortlist, Stylist, Escapism and Foodism continue to make the consumer magazine market more competitive and some of these titles are becoming 'brands' in themselves – launching consumer shows e.g. Stylist Live – which launched its second show in October 2016

The UK media landscape – broadcast

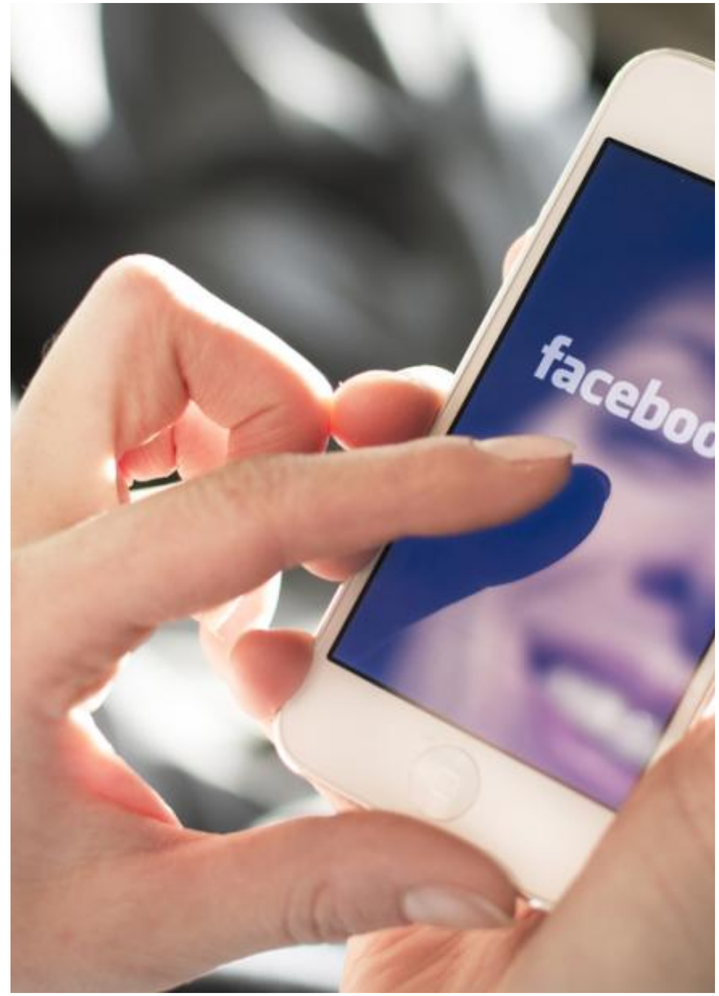
- Linear TV consumption has fallen dramatically, and the rate of decline is accelerating (now 6% down year on year).
- This is particularly true of younger audiences who are moving to consume content online The number of 5 to 15s who say they use a TV set almost every day has decreased since 2015 (80% vs. 87%) Source Ofcom Report November 2016
- However, general broadcast consumption overall is up – consumers are looking more to on-demand content and short form internet viewing
- Socially curated, smart-phone based short-form video and music form the basis of entertainment for younger audiences
- 45% of television watchers aged 35-45 will do so with children, with more than half of them letting the kids choose what they watch Our existing interests and habits still largely determine the media content that we watch. Time spent watching TV may be decreasing but live or on-demand content on TV is a valued family activity. The family viewing experience is reflected in the most popular programmes among children in 2015, with family shows like Britain's Got Talent, The Great British Bake Off, The Voice and Strictly Come Dancing all in the top 10

The UK media landscape – digital media

- On average, mobile adds a further 94% audience reach to individual news brand footprints (NRS)
- Despite falling print circulations, the online versions of newspapers are one of the most commonly used platforms for people looking for headlines thanks to their up-to date content
- However, only 14% of online newspaper readers believed they offer content that they could not get elsewhere, compared to 28% of those getting their news from Twitter
- Over half of the UK's population now owns a tablet, so publishers have had to create interactive digital platforms

The UK media landscape – social media

- 13% of online bookers use social media in their travel research process and a third of those look at video and pictures when they first start searching for holiday ideas (Source Expedia)
- The most popular reason for UK consumers to use social media is to find out what friends are doing
- Facebook continues to develop and is the most mainstream social media product in the UK. It is the most important social media channel for older British consumers, 39% of those over 55 with accounts use it regularly.
- UK platform reach includes
    - Facebook 31 million UK users
    - Twitter 15 million UK users (80% access via mobile),
    - Instagram UK 14 million UK users (90% under 35 years old)
    - There are a billion YouTube users worldwide – half are over 35 years old
- Younger audiences are being described as the Visual Generation, focusing more on images and video (Instagram, Snapchat etc) than longer form social engagement. Gen Z (born after 1999) are described as digital Culture Creators. More than 25% post original video weekly



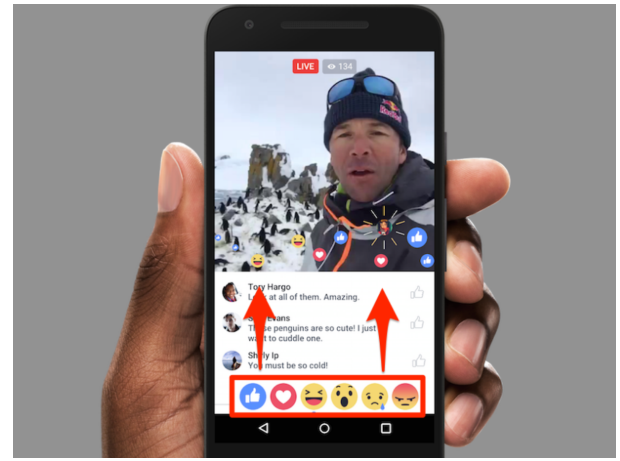
New media

New media – a new news platform?

- There is no doubt that Facebook is different to traditional mainstream media like the TV and press, but what makes it so unique is that it is almost like a living developing organism which has evolved from being a global friendship network into a news outlet and debating forum
- The mainstream media is brilliant at reporting major news stories such as a royal wedding or a terrorist attack. But when it comes to reporting the real world outside its self-contained bubble, it fails badly, unlike mediums like Facebook, which come into their own by providing a window on to a world that is beyond the understanding of the politically correct and sanitised media
- The mainstream media does not do complex micro-politics well. Social media such as Facebook went some way to winning the election for Trump as it gave a populist movement a political voice, when the vast majority of the American media were hopelessly biased against him and are now in denial.

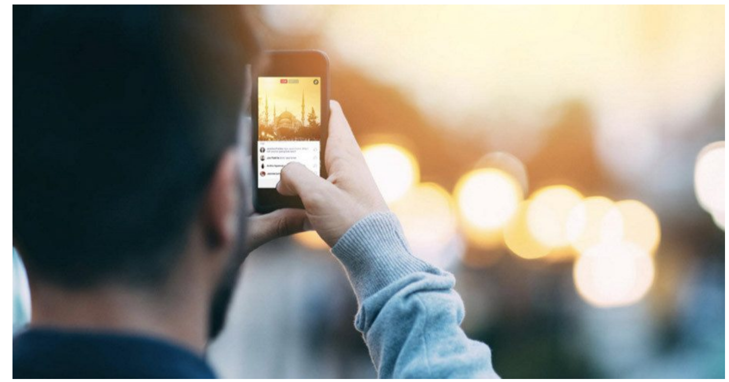
The rise of live video

- Live online video has shot unexpectedly to the top of the media industry's priorities this year
- Twitter's Periscope app is a perfect fit with its aspiration to be the best possible "live connection to culture" for users (and indeed for non-users)
- Twitter will no longer just be a place to discuss the live TV you're watching, it will be the place you go to watch that content in the first place.
- Facebook's own Live video launched last year (2015) for influencers
- The newsfeeds of 1.6 billion users provide a huge audience for live video to play out through, and the launch of a new Live API allows this functionality to be built out into a wide range of services or even devices.



The rise of live video

- Live online video takes many forms – it can be professional broadcasts from studios, it can be behind-the-scenes footage, it can be citizen journalists, and it can of course be people sharing relatively throwaway moments in their lives
- A growing problem for social platforms is not people's willingness to watch video, but their ability to produce it – newsfeeds are increasingly dominated by video posts but few of them come from friends. Setting up, recording and uploading a video is a much bigger undertaking than just snapping a picture, and for all but the most spontaneous of moments it's a process that requires more thought and effort that we're willing to give, not to mention the pressure to produce something as good as professional content that is being shared



Which platforms should you be targeting?

- **Video** – particularly through **YouTube and Facebook**. Over the past year, video has snuck into every social media channel very successfully – including Instagram and Facebook Live

- **Instagram** - has now overtaken Twitter as the second most used social media platform and images are a particularly evocative way to tell Emilia Romagna's story

- **Lifestyle blogs** – there has been a shift towards more generalist blogs rather than just travel as we look to expand message reach. Focus is put on the full experience 'see, touch and feel'

Working with social media influencers

- The key is to engage with a diverse number of influencers that will amplify different messages via their own channels, the key messages need to be covered across all communications
- Always look at whether there is an opportunity to create a long-term relationship with these influencers outside of the one-off engagement opportunity
- It is also worth considering opportunity to promote influencer engagement through paid tactical support
- Influencers should be given a crisp creative and distribution brief to guide their efforts and make sure we maximize investment
- People should want to engage because of their affinity and because they give them something interesting in these channels.

Top UK media relation tips

How to pitch to the press

- ***Keep your pitch simple*** – if the journalist doesn't understand the story in three seconds (or in the first five lines), it goes straight to the bin
- ***Make sure your pitch is useful*** – be confident when pitching. Know that you've got something useful for the journalists. They need PR as much as PR need them
- ***Know when to pitch*** – although most traditional media still have print deadlines, news deadlines in the traditional sense are almost defunct
- ***Don't neglect the human element*** – a story always has to be told 'through people', because 'people relate to people'
- ***Make your pitch stand out*** – stories with added value always spark interest
- ***Demand for video content is growing*** – video is an important format but has to be used tactically
- ***Bring value through access*** – journalists rely on PR to let them know about exciting new things but also to provide access (to senior people / CEO / etc.)
- ***Media brands are increasingly open to branded content***

Distributing news

- **Direct media sell-ins**
  - Now more useful than press releases as media want to feel like they are getting an exclusive story
  - Tailored information, amended for the different audiences
  - Can be via phone, email, but also Twitter
- **Press releases**
  - Short, snappy – no more than one page of A4
  - Concise but full of information
  - No marketing or brochure language!
  - Include a call to action
- **Newsletters**
  - Summary of latest news
  - Media tend to keep on file for use in round-ups etc

Press trips – UK media expectations

- **Group trips**
  - 4/5 media
  - Everything should be paid for: all food, drink, attractions etc
  - No partners
  - Top national newspaper media are unlikely to join group trips – want their own story
- **Individual**
  - B&B accommodation and travel
  - Activities that are important to the story should be included – let the journalist decide how busy they want to be
  - Include a couple of meals – more if it is a food story
  - Can bring a partner or friend (paying for own flights and meals)

Press trips – UK media expectations

- Do not cram too much into an itinerary. Include free time.
- A journalist should experience the destination as a member of a public. Readers must be able to book the experience in question.
- Invitations should preferably be sent out two months beforehand, one month at the very least.
- The final itinerary should be ready at least one week before departure
- Make sure trips are fun – journalists have to take the time as holiday, so it should be relaxed
- Trips should also always fall over a weekend and be only one or two days out of the office
- If flights are earlier than 9am, you may need to provide overnight accommodation / taxi
- Ensure good quality accommodation – it doesn't have to be a 'luxury' accommodation, but it needs to feel special or boutique

Events – when to have them and what to expect

- UK media are invited to events constantly, but are increasingly stuck behind their desks and unlikely to attend. For the best possible turnout, remember:
- There should be a reason for the event – a big announcement etc
- Check that no other events are taking place the same day
- Tuesday is the best day for media attendance
- Any speeches should be kept to 5 minutes maximum and should be in English
- Serve drinks immediately upon arrival to keep guests happy

You should expect a drop out rate of around 25%

PR trends for 2017

- The **search for meaning** in all the madness (fuelled by the Brexit fall out and a the US elections), **continued tech** and **real world convergence**
- 'Consumers' interest in purpose-driven brands could lead to more **brand-led movement making** – people coming together around big issues to drive social change on a local, national and even international scale. This means brands have to think even more carefully about creating campaigns that **connect deeply with people's humanity** rather than just their functional needs
- Technology – not just VR and AR, but the development of AI is very exciting.
- While media, news and reputation will always be at the core, the ability to **drive behaviour change** through connecting communities
- **Digital natives** are increasingly bypassing traditional outlets altogether, accessing their news and information through social media with bloggers, vloggers and online personalities influencing their purchasing decision

What's next?

- 2016 has taught us that we live in an unpredictable environment.
- There are some big challenges yet to arrive, but when it comes to the impact of Brexit, the imminent Trump presidency or rapidly advancing tech, the basic rules remain the same: keep calm, stay authentic and keep your message consistent

Marketing and trade

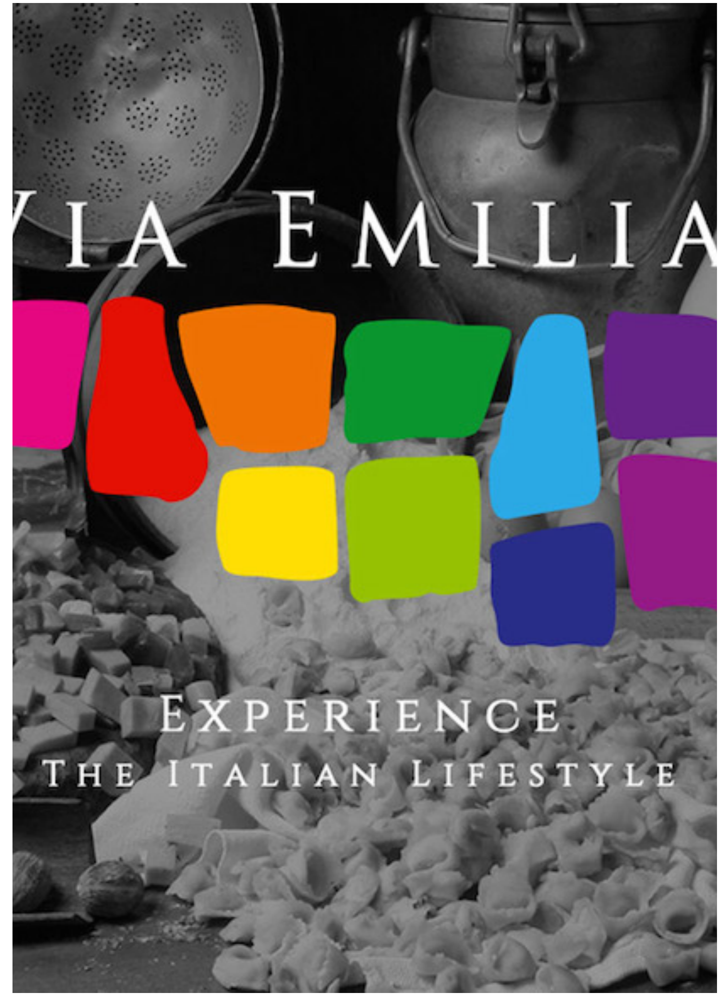
What the UK expects from tourist boards

- From a PR perspective, UK journalists expect tourist boards to provide them with the latest news and info, and be willing to help facilitate trips etc with a broad range of themes and destinations
- From a trade perspective, a tourist board is seen as the conduit to increase visitor numbers through the UK trade
- The tourist board should:

✓Have a clear vision/strategy in the UK

✓Build and maintain relations with the trade (this takes time and they must build trust) – sit between partners and operators for the benefit of both

✓Not force operators to engage when they don't want to, this results in no business for anyone



What the UK expects from tourist boards

- ✓Actively engage with operators at a destination level, to show them how they can improve their programmes at a tourist board/destination level. Partners should be brought in after this, you can't be pushy
- ✓Introduce the UK to relevant private sector when they need it - (UK trade does not want to meet with 10 DMC's) - reduce number of partners at events to assist with delivery
- ✓Create marketing opportunities for the UK trade to grow business to Emilia Romagna Show what you are doing to grow the market instead of forcing unwanted meetings on operators
- ✓Be honest with partners – some are not suited to the UK or the events chosen and, where they are, expectations must be realistic

Any questions?

THANK YOU!

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