



For Immediate Release  
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## **WEAK DOLLAR EXPECTED TO AFFECT EUROPE, UK BOOKINGS FOR 2008**

### **USTOA Member Survey reveals slight price increases**

In a recent informal member survey conducted by the U.S. Tour Operators Association more than 50% of companies serving Europe and Great Britain said their bookings to these areas have dropped, some by as much as 20% in the past year. And nearly the same percent expected 2008 bookings to be equally affected.

Additionally 60% of respondents say they expect the weak dollar to be reflected in 2008 prices, which would generally increase by 5–15%.

“Many of our members expect the trend toward a declining dollar to favor inclusive products that bundle more features into a single price. River cruising, which has been on the rise in Europe, will become even more appealing because the price includes meals and sightseeing,” says Bob Whitley, USTOA president. “At the same time, some of our members feel that the climate will favor US based tours and vacation packages,” he adds.

“Between the US dollar, fuel charges, and European tariffs, it is a real challenge,” states one USTOA member, adding that purchasing hotel space in Euros and Pounds pushes up the price that tour operators have to charge in dollars.

#### Outlook for 2008 bookings

Opinions were mixed as to the expected overall effect of the weak dollar. While some USTOA members said it is too early to gauge the dollar’s effect on 2008 bookings to Europe and the UK, others felt that higher prices will not impact bookings. Several tour operators predicted that the low dollar will enhance bookings to other parts of the world, while others said that Americans may choose to travel domestically or not at all.

“What is almost certain is that travelers will be more careful in comparing the number of meals and excursions included upfront. As people become more value driven, 2008 may well be the year of the escorted tour and the all-inclusive vacation package,” concludes Whitley.

The USTOA survey is based on responses from 33 top member tour operators and wholesalers selling vacation packages and tours to Europe and the UK.

For more information on USTOA and a list of member companies offering tours and packages to Europe and the UK, visit [www.USTOA.com](http://www.USTOA.com) or [www.USTOA.travel](http://www.USTOA.travel). Or phone 1- 800-GO-USTOA (468-7862). USTOA members have met the industry's highest requirements, including participation in the USTOA Travelers Assistance Program, which among other things, requires each USTOA corporate member to set aside \$1 million to protect consumer payments in the case of bankruptcy or insolvency.

### **SURVEY HIGHLIGHTS**

#### **1. Has the low dollar versus the Euro and British Pound affected travel bookings over the past year?**

<b>Response %</b>	
<b>Yes</b>	<b>57.6%</b>
<b>No</b>	<b>42.4%</b>

#### **2. Do you expect 2008 bookings to be affected?**

<b>Response %</b>	
<b>Yes</b>	<b>54.5%</b>
<b>No</b>	<b>45.5%</b>

#### **3. If your 2008 product prices have increased in general over 2007, please give an overall percent.**

Nearly 60% said prices would increase by up to 15%. Of these:

- 35% said prices would increase by 10 –15%
- 23% said prices would increase by less than 10%

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