



TCG Cyprus Development Update 2018

Joe Seip, Regional Head of Hotel Contracting

**CUSTOMER
AT OUR
HEART**

Thomas Cook at a glance

One of the world's leading leisure travel companies,
innovating in travel for nearly 177 years

Listed on the London Stock Exchange
and member of the FTSE 250

Strong brand presence in our major
markets



Strong strategic partnership all around
the world



 **£9bn**
annual sales

 **17**
Source Markets

 **20m**
customers

 **22,000**
employees

1st OR 2nd
(by revenue) in core UK,
Germany, Northern
Europe markets

 **93 aircraft** (incl. 25 long haul)
11th largest airline in Europe by fleet size

 **190 own branded hotels**

Our strategy for profitable growth...



THE RESULT

Increasing customer loyalty and attracting new customers



OUR VISION

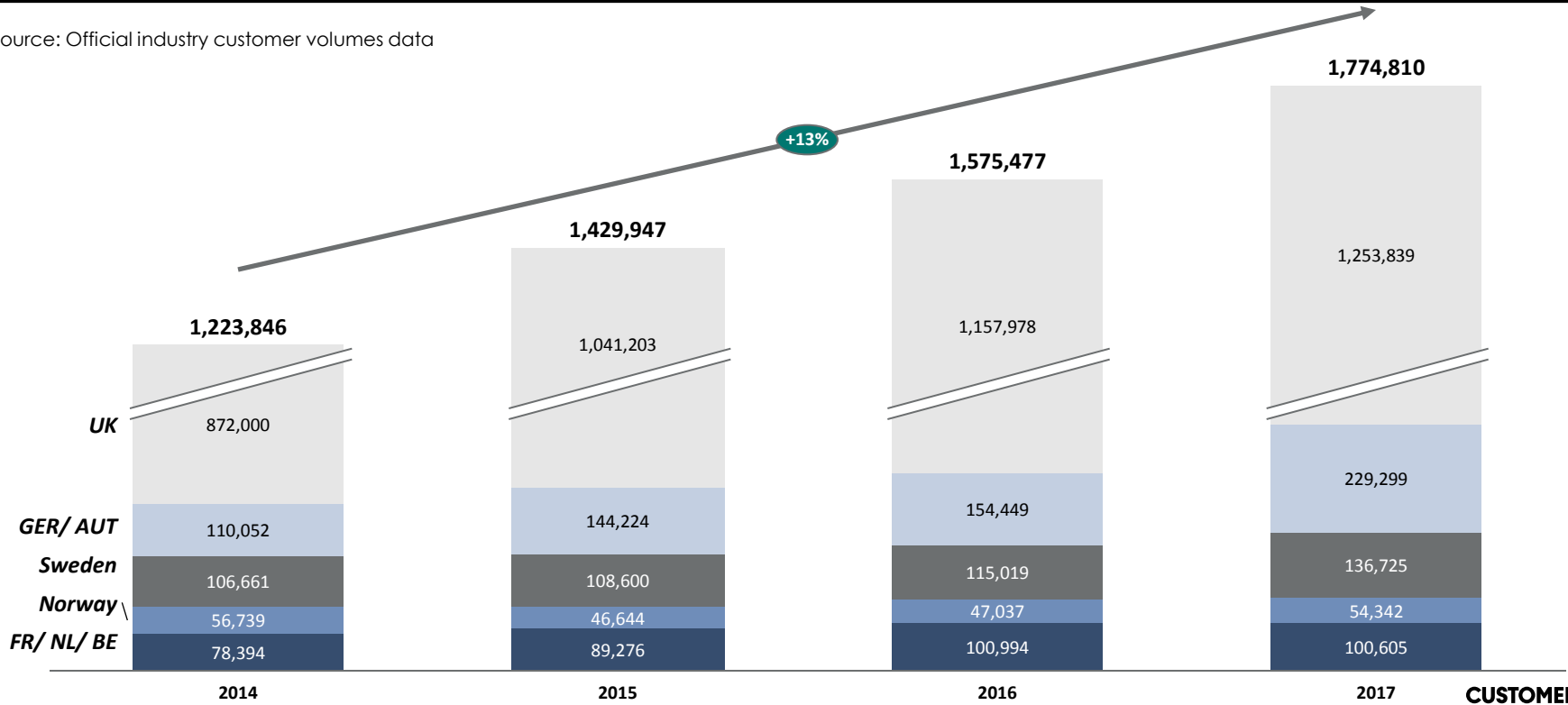
To be the most loved holiday company

Cyprus Tourism

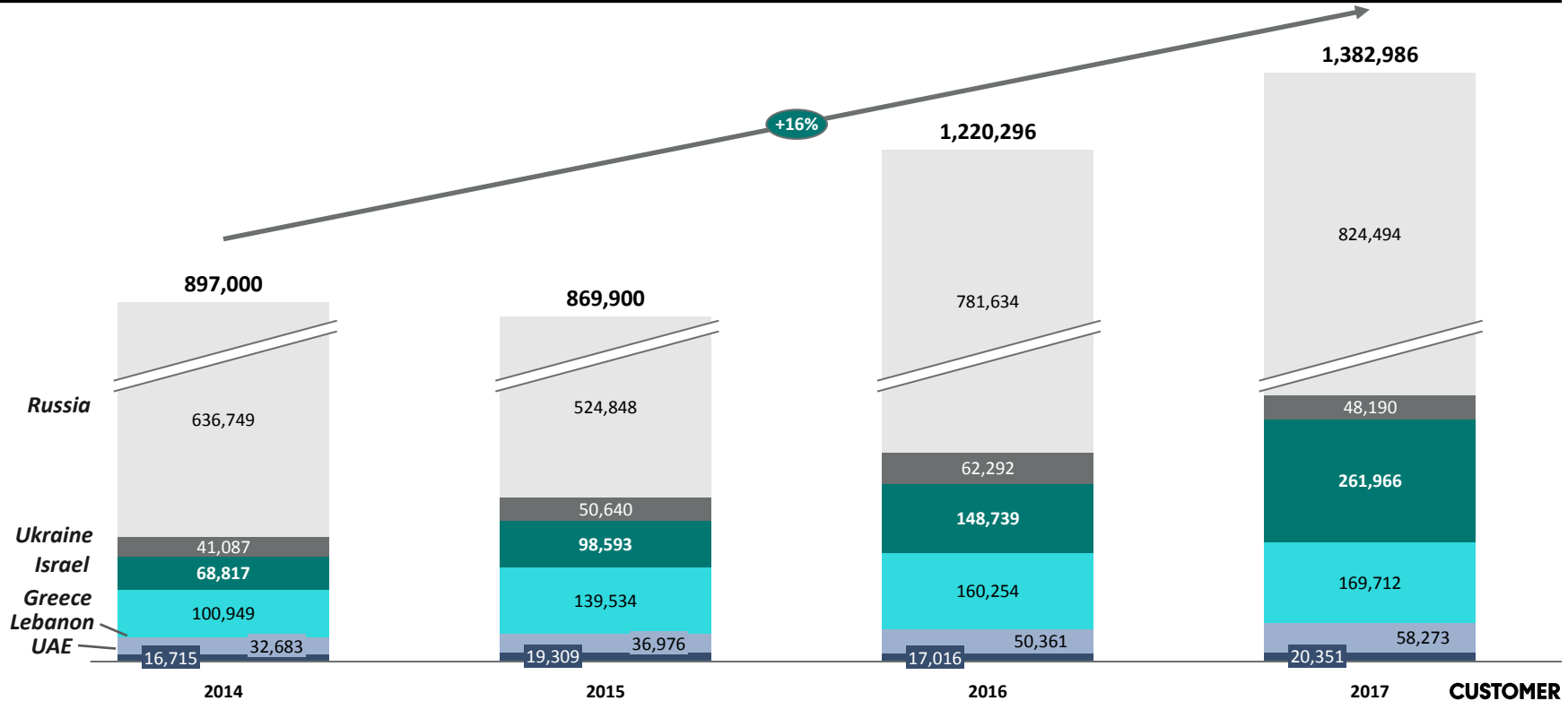
International arrivals from Source Markets where TC operates are continuously increasing



Source: Official industry customer volumes data



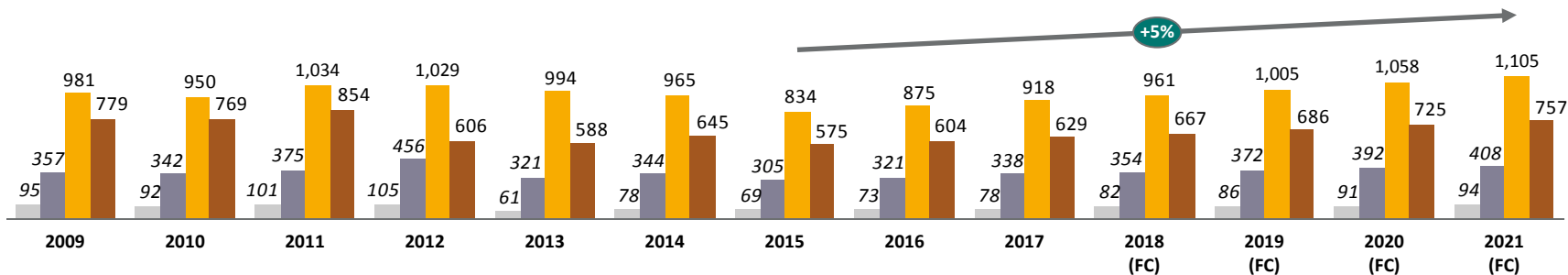
Increasing arrival volumes also from other Source Markets like Israel and Lebanon



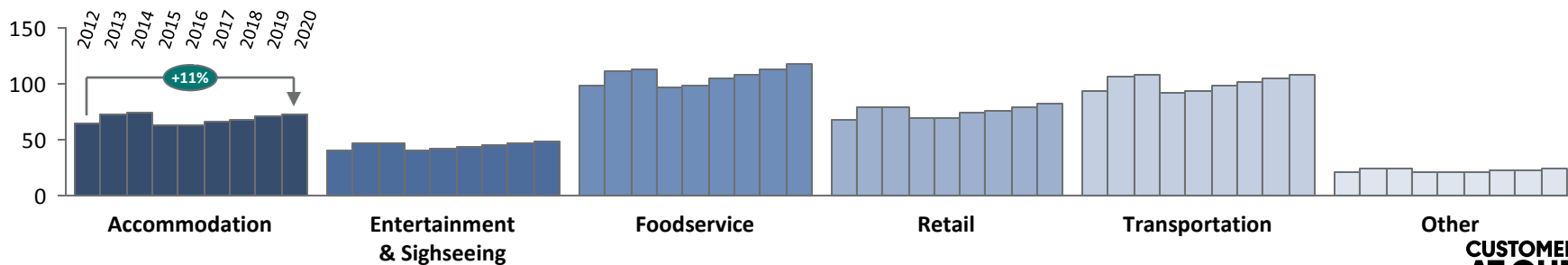
Strong market demand for upscale and luxury hotels underlines need for further investment

› Total leisure travel revenue by hotel category (USD millions)

Legend: Budget (light grey), Midscale (dark grey), Upscale (yellow), Luxury (brown)

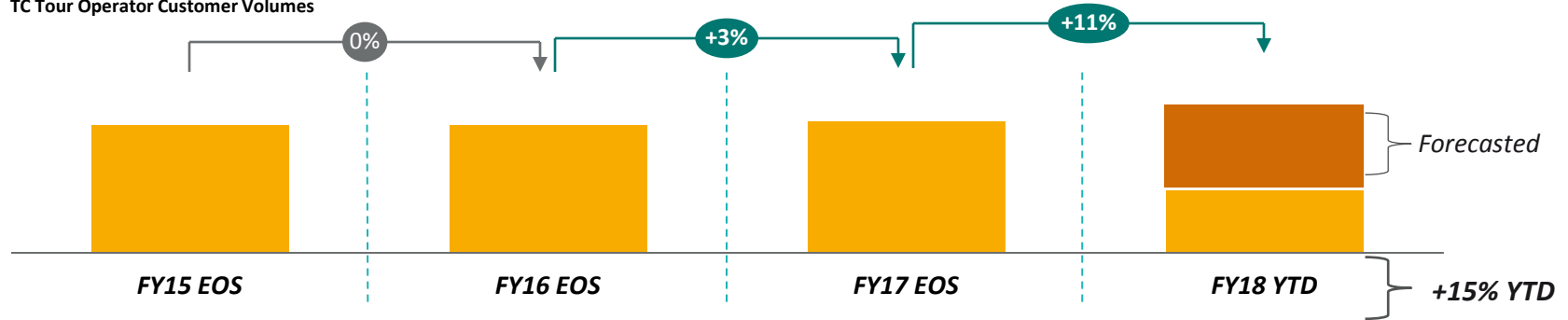


› Inbound tourist expenditures to Cyprus expected to increase over coming years (USD millions):



TC Group with ambitious growth targets supported by expansion plans for Own Brand portfolio

TC Tour Operator Customer Volumes



› **Cyprus is currently among top 10 destinations in UK and NE TC Source Markets (based on customers FY18 YTD)**

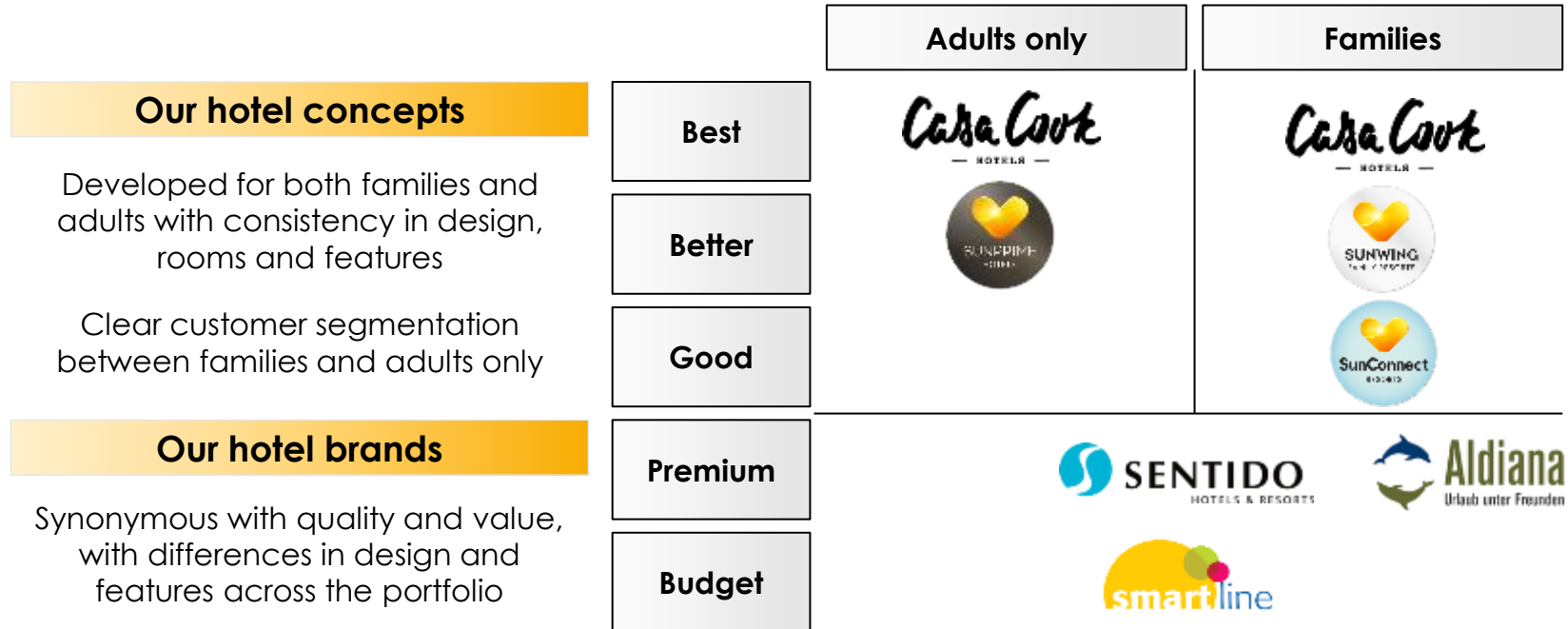
TC UK	TC GER	TC NE	TC FR/BE/NL
1. Canaries	1. Balearics	1. Canaries	1. Canaries
2. Greece	2. Greece	2. Greece	2. Greece
3. Turkey	3. Canaries	3. Thailand	3. Balearics
4. Balearics	4. Turkey	4. Cyprus	4. Turkey
5. USA	5. Spain-ML	5. Turkey	5. Egypt
6. Spain-ML	6. Bulgaria	6. Kap Verde	6. Tunisia
7. Cyprus	7. Egypt	7. Egypt	7. Spain-ML
8. Cuba	8. Dom Rep	8. Portugal	8. Morocco
9. Mexico	9. Thailand	9. Croatia	9. Portugal
10. Egypt	...	10. Bulgaria	...
	16. Cyprus		22. Cyprus



**Thomas Cook
Hotels & Resorts**



Our Own Brand hotel architecture



Some of our current projects



Package holidays and hotel rooms sold through umbrella site and new sites for each brand

Launching in December – roll-out in early-2018



Implement brand standards

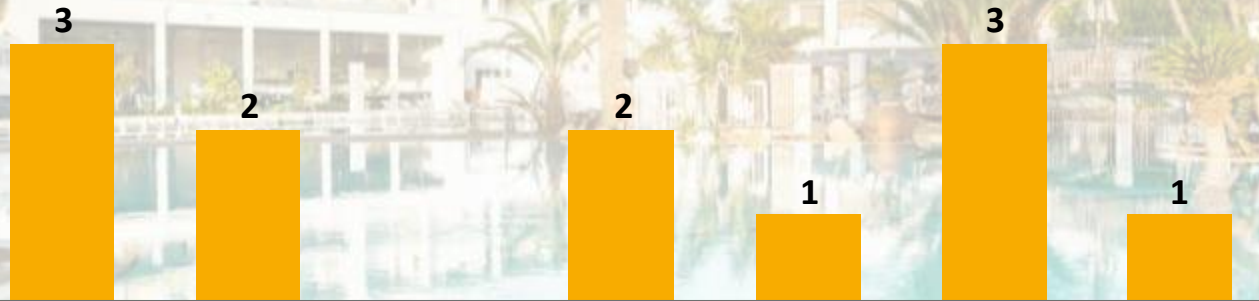
Launch first Casa Cook designed for families

Working with play and learning experts to create Casa Cook kids concept

Grow with >5 CC projects for 2019

Our portfolio of Own Brand hotels in 2018

We operate or franchise 190 hotels in 20 destinations including 12 in Cyprus:



Our other Own Brands are located in:

- › Austria
- › Bulgaria
- › Cape Verde
- › Croatia
- › Egypt
- › Gambia
- › Germany
- › Greece
- › Italy
- › Maldives
- › Morocco
- › Portugal
- › Spain
- › Thailand
- › Tunisia
- › Turkey
- › UAE



New Own Brand project: SunConnect Sofianna Resort



- Paphos, Cyprus
- 4* hotel
- 167 rooms
- TC allotment: 167 rooms



New Own Brand project: Sunprime Protaras



- Protaras, Cyprus
- 4* hotel
- 110 rooms
- TC allotment: 110 rooms (TC NE only)



Importance of customer

Customer at our Heart makes us who we are

In 2015, we launched pledge to put our customer back at the heart of all we do



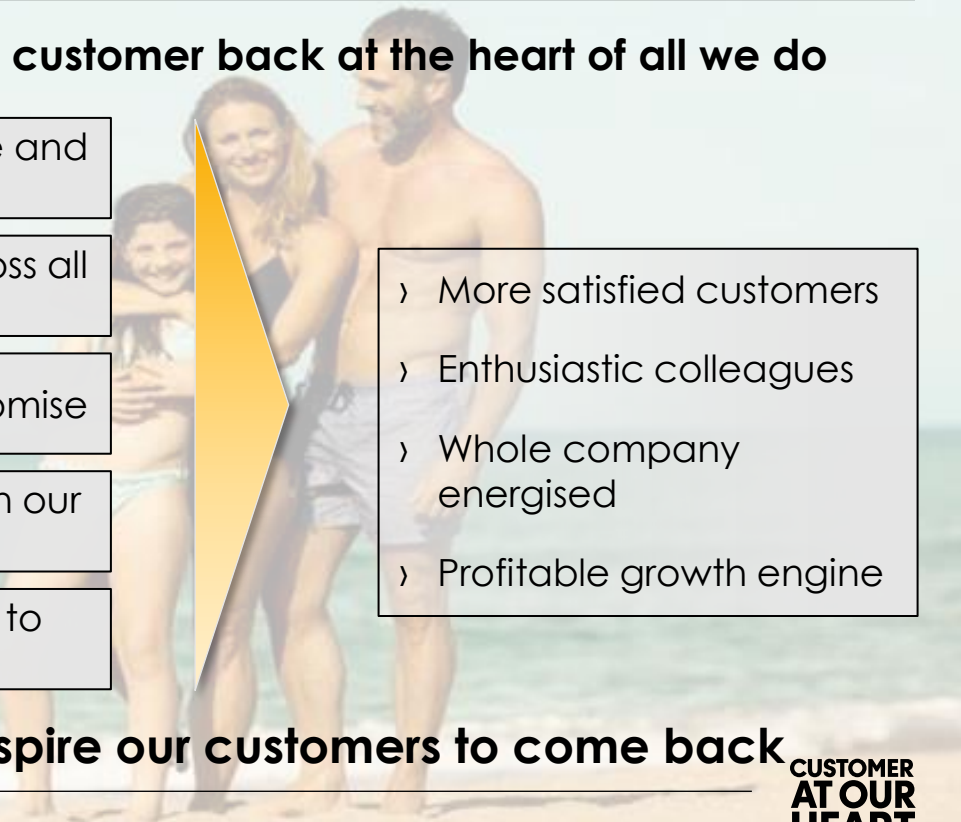
Holistic view on customer care and customer contact

Quality and service focus across all customer touch points

A bold 24-hour satisfaction promise

Refreshed culture aligned with our 3 customer promises

Introduction of NPS and link to management bonus

- 
- › More satisfied customers
 - › Enthusiastic colleagues
 - › Whole company energised
 - › Profitable growth engine

Delivering great holidays that inspire our customers to come back

In 2016, we launch our three customer promises

PUT OUR HEART INTO IT

We seek feedback & act on it

We challenge the status quo & continually look for ways to make things better

We're proactive to anticipate customer's needs



WEAR THEIR FLIP FLOPS

We listen carefully to understand what's required

We're solution focused & strive for the best outcome

We focus on the little things that make a big difference



WE'RE ONE THOMAS COOK

We're open and honest & act with integrity

We take ownership & deliver what we've promised

We work as one Thomas Cook team.



NPS IS OUR MAIN CUSTOMER SATISFACTION KPI



- › Measured across entire customer journey using questionnaires
- › Lead indicator of customer loyalty and recommendation
- › Helps us to improve the customer experience in a structured way



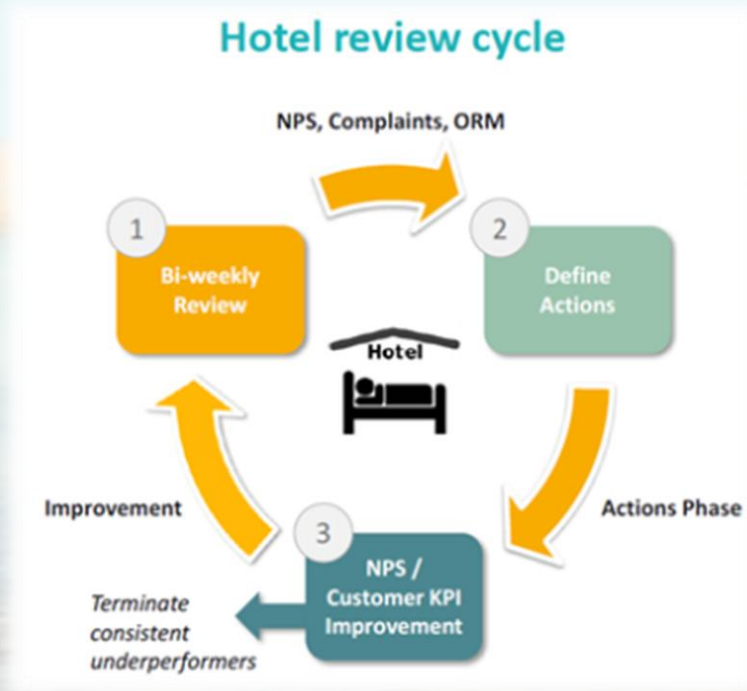
Net Promoter Score

Net Promoter Score is now our primary KPI and what we are all measured against



- **81%** of promoters are more likely to repurchase compared with passives 44% and detractors 15%
- **86%** of consumers would be prepared to pay more for a guaranteed better customer experience
- **95%** of dissatisfied Customers frequently tell others about their bad experience
- **66%** of Customers who switch brands do so because of a poor customer experience

Managing hotel quality through NPS



- Continuous feedback loops
- Automated monitoring & flagging
- Rigorous quality management
 - New I/M/T process launches this month