

Travel Business Analyst

Markets + Marketing + Strategy

ASIA PACIFIC • OCTOBER 2008

First-half

Visitor arrivals

Although growth in Asia Pacific visitor arrivals in the first half increased what seems a good 6%, see table, this is lower than in previous years. Recent average annual growth has been 9%.

Commentary:

• Three of the four declines this year are significant:

-Australia. Perhaps because longhaul travel is in relative decline. (New Zealand does not suffer so much because it has the advantage of visitors from Australia, many of whom, ironically, may have eschewed their own longhaul trip.) And despite having an NTO hithertofore considered efficient or, rather, effective.

-Hawaii. Because outbound travel from Japan, a major source, is still in decline – an overall 5% in the first half.

-Sri Lanka. Sporadic violence will prevent recovery in this market.

• Good times still – India (up 11% this year and an average 14% since 2004); Macau (26%, twice); and, surprising us, Thailand (14%, 10%).

• Annual average growth rates are based on totals starting 2004, to avoid the disruption caused by SARS in early 2003. A few of the main/significant destinations need to be doing better (which to us means above 3%) – Australia, Hawaii, Maldives, New Zealand.

Going good since 2004 – China, Hong Kong, India, Japan, Macau, Malaysia (although we have many unanswered questions about its figures), Philippines, Thailand, Vietnam.

Aviation 1

US in 2007

Although the US still faces technical difficulties in the production of its results, we have obtained full-year totals for air travel to-and-from the US. Although the data's value is reduced by its tardiness, we believe it is still important for a market that is dynamic – in the true sense of the word.

Overall, growth in air passenger travel to-and-from the US in 2007 was just under 5%, taking the total to 128mn. But because of the fall following 9/11 (2002 was 14% below the total in 2000), annual average growth this decade has been a slight 1%.

Of the two main regions, growth to-and-from Asia Pacific in 2007 was below Europe's – 3% against 6%. And although annual average growth to-and-from Asia Pacific this decade betters Europe's, both results are poor – 0.2% for AsPac, and a fractional decline for Europe.

Market counts in Asia Pacific show some surprises. Notable is the decline from the three markets in the Pacific that we show – Australia, New Zealand, Tahiti. And two of those, ANZ, have been falling this decade – by an average annual 1% for Australia, and fractionally for NZ.

The other decline in 2007 was to-and-from Singapore. Perhaps more worrying is that this looks to be a new development, as average growth this decade has been at a comfortable 5% annually.

Of other markets:

• China. Now the region's fourth-largest country-pair, having overtaken Australia and Hong Kong this decade. Its fast growth rate (17% in 2007, and 14% this decade) in-

contd on p3

Visitor arrivals in Asia Pacific, first-half

Destination	Growth,%	AAGR,%
Australia	-0.5	2.7
Cambodia	12.8	23.9
China	4.3	14.1
Fiji	13.0	4.7
Guam	-1.8	1.2
Hawaii	-5.0	1.1
Hong Kong	6.2	9.8
India	11.1	14.3
Indonesia	11.7	3.7
Japan	10.0	9.7
Korea	9.0	5.1
Macau	26.4	26.3
Malaysia	2.6	8.6
Maldives	3.9	3.0
Nepal	6.0	4.3
New Caledonia	4.2	2.4
New Zealand	1.1	2.1
Philippines	6.9	9.4
Singapore	3.0	7.0
Sri Lanka	-0.2	-0.1
Taiwan	5.5	8.2
Thailand	14.4	10.3
Vietnam	8.6	12.8
Asia Pacific*	6.0	9.0

Notes: No qualifications noted here; categories mixed and so totals not shown. AAGR = average annual growth rate, 2004-8. *Total of those that have reported, of which all major destinations have done. Source: Pacific Asia Travel Association.

Market Headlines

Full-year market results.

Aviation

• US; international air passengers 2007; 128mn, up 5%. To/from Asia Pacific; 26.3mn, up 3%.

Main News

Corporate

Recent corporate developments – big or significant.

• Plans to merge Delta and Northwest continue; could happen by end-

year.

• Emirates and Qantas join Singapore Airlines as A380 operators.

• PATA president, Peter de Jong, to leave, probably this month.

Market

Recent market developments – big or significant.

• AsPac visitor arrivals, H1; up 6%.

• France; air passengers, H1; 43.5mn, up 2%.

• Germany; air passengers, H1; 67.1mn, up 5%.

• UK; air passengers, H1; 90.6mn, up 2%.

MARKET OUTLOOK

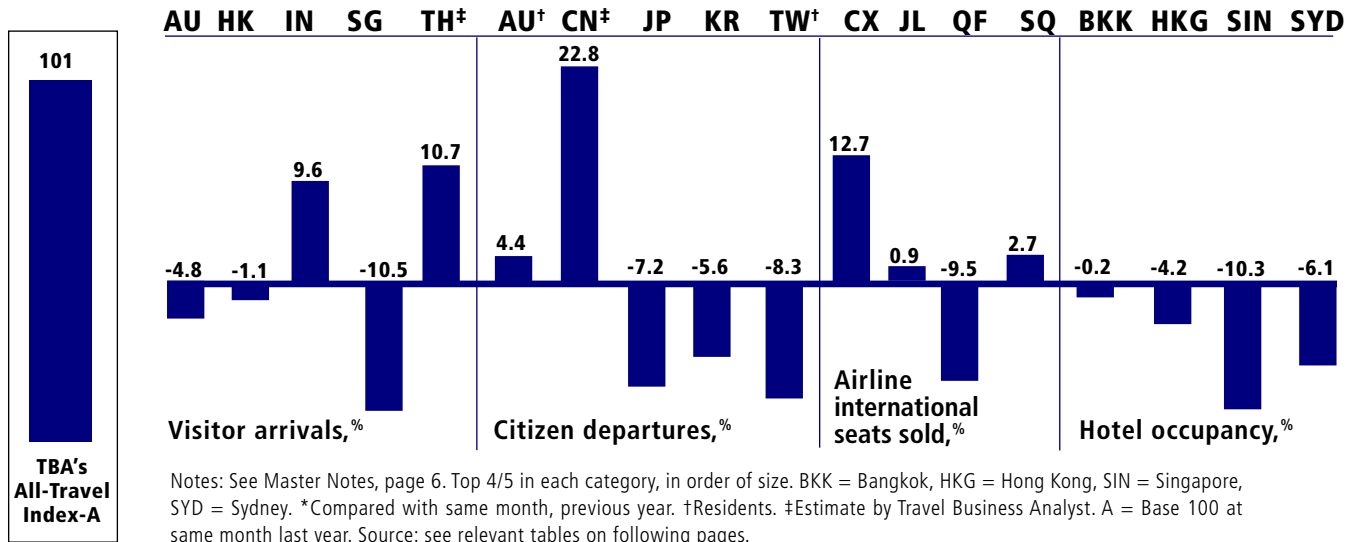
Headlines

Commentary on tables

- **Barometer.** Uh-uh; overall travel index at a little-1% above same month in 2007. That was at the half-way point. With many players and most commentators talking of reduced business and/or capacity, fall seems likely to follow. In Arrivals, declines in 3 out of our 5; Outbound also 3/5; Airlines (surprise?) 1/4; Hotels 4/4.
- **Inbound trends.** Forecast for next 12-month period – big drop for *China*, from near-29mn to near-27mn (blame the Olympics, even though this was before the start), *Hong Kong* drops below 13mn; *Singapore* and *Thailand* no big change.
- **Outbound trends.** Forecast for next 12-month period – *Korea* drops below 14mn

Barometer

Percentage growth in latest matching month* available; June 2008



Visitor arrival trends*, next 12 months

Source	Number, x1000
China	26,619
Hong Kong	12,656
Singapore	10,475
Thailand	15,712

Notes: *Statistical base on past performance; aggregates for latest 3 and 6 months, and full calendar year. Source: NTOs, Travel Business Analyst.

Citizen departure trends*, next 12 months

Source	Number, x1000
China [‡]	49,406
Japan	16,574
Korea	13,423
Taiwan	8,763

Notes: *Statistical base on past performance; aggregates for latest 3 and 6 months, and full calendar year. †By residence. ‡Estimate. Source: NTOs, Travel Business Analyst.

Official* travel industry forecasts

Item	Date†	Forecast	Source
HKG airport passengers, 2008	Aug	50m, +5%	Globalysis
HKG visitor arrivals, 2008	Aug	30m, +7%	Globalysis
HKG average room rates, 2008	Aug	US\$168, +8%	Globalysis
India visitor arrivals, 2010	Aug	10m, 43% AAGR	R&A
India medical tourism, 2011	Aug	\$2b, 61% AAGR	R&A
India outbound travel, 2012	Aug	13% AAGR	R&A
India, Hampton hotels/rooms, -2013	Jul	16/2000	company
AAX, start Europe flights	Jun	Mar '9 (Jun '7)	press
Airline losses, 2008	Jun	\$7b; was \$5b pft	IATA
American AL capacity cut	Jun	7-8%	company
United AL capacity cut	Jun	c16%	company
Carlson new franchise hotels	Jun	'8, '90	company
US air travellers, summer '8	Jun	212m, -1.3%	ATA
World visitor arrivals growth '8	Jun	"positive"	WTO
Regal hotels, 2012	Apr	20 more	company
China visitors, 2010	Apr	163m	PATA
India outbound, 2007	Apr	8.34m, up 1%	govt
Aman Resorts, Forbidden City	Apr	due 508	rumour
Air Asia, seats sold 2008	Apr	up 20%, to 11.6m	company
Abu Dhabi visitors	Apr	2.7m in 2012	govt
Dubai visitors	Apr	15m in 2010	govt
Vietnam Airlines, seats sold	Mar	8.95m, 7.8m '07	ITB
Vietnam visitors, 2008	Mar	4.8-5.0m, up 14-19%	ITB
Vietnam visitor spend, 2008	Mar	\$4.0b, up 14%	ITB
JAL-operated JAL-group flights, 2010	Mar	62%, now 75%	company
Best Western, Japan, 2007-10	Mar	add 30 hotels	company

Notes: All \$s are US\$. †When forecast made. Source: *Management statements or documentation from relevant authority.

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Air passengers to/from US, to/from Asia Pacific

To/from	2007 Number, x1000	2007/6 Growth, %	2007 Share, %	2007/0 Growth, x1000	2007/0 AAGR*, %	2000/7 Share‡, %	2000 Number, x1000
Australia	1532	-9.2	1.19	-87	-0.8	95	1618
China	2019	17.4	1.57	1219	14.1	252	800
Hong Kong	2015	1.8	1.57	556	4.7	138	1459
India	633	20.1	0.49	402	15.5	274	231
Japan	11658	1.6	9.09	-2300	-2.5	84	13959
Korea	3054	4.2	2.38	277	1.4	110	2777
Malaysia	121	14.7	0.09	-31	-3.2	80	152
New Zealand	771	-7.2	0.60	-2	-0.03	100	773
Philippines	821	9.8	0.64	68	1.2	109	754
Singapore	412	-2.1	0.32	118	4.9	140	294
Taiwan	2286	4.4	1.78	74	0.5	103	2212
Tahiti	404	-2.0	0.32	43	1.6	112	361
Thailand	199	51.1	0.15	1	0.1	100	198
Others:							
Mexico	16599	3.2	12.9	3090	3.0	123	13509
UAE	467	108.3	0.36	417	37.6	934	50
UK	16992	2.4	13.3	-1544	-1.2	92	18536
Asia Pacific	26309	3.1	20.5	353	0.2	101	25956
Europe	50354	6.3	39.3	-272	-0.08	99	50626
TOTAL	128225	4.7	100	8510	1.0	107	119715

Notes: * Average annual growth rate, 2000-7. †Of total. ‡2000, of 2007.
Source: US Department Of Commerce (International Trade Administration, Office of Travel and Tourism Industries).

indicates it will draw level with No3, Taiwan, this year.

- Hong Kong. Growth slowing.
- India. Rapid growth in 2007 and this decade (20%, 16%), but often forgotten is that the total is still small – one-third the size of Hong Kong, for instance.
- Japan. A feeble 2% growth in 2007 has still not reversed the decline this decade – an annual average 3%.
- Korea. Two years ago, this looked a strong country-pair, but although growth was a reasonable 4% in 2007, it has been only 1% this decade.
- Others. Malaysia; annual average 3% decline this decade. New Zealand; weakening. Philippines; steady. Taiwan; probably at a ceiling. Tahiti; also at a ceiling unless ex-US fares fall. Thailand; big 2007 growth, but only regaining lost ground – flat this decade.

Outside the region, to-and-from Mexico has been steady – 3% in 2007 and over this decade. Growth to-and-from the UAE (which in this case is primarily traffic to-and-from Dubai) looked good in 2007, and has been growing fast this decade.

The big disappointment is the UK, still, just, the biggest single country-pair. And, post-9/11 the most-favoured one. Despite that, traffic on US-UK routes in 2007 was still below what it was in 2000 – the equivalent of an annual 1% fall.

Aviation 2

To/from Europe

Despite generally-negative commentary, air traffic to-and-from the main markets in Europe in the first half was not bad – France and the UK total traffic was up 2%, see Table 1, Germany up a good 5%. Compared with growth in 2007, all were down – but although to-and-from Germany and the UK were down by less than one point, to-and-from France was down almost half.

Traffic trends to-and-from Asia Pacific (only the markets shown), however, were quite different, see Table 2. Growth was 5% for France, 2% for Germany, but 3% down for the UK.

Results for traffic to-and-from China

do not quite match commentaries; only slight growth (4%) from Germany, much better (6%) from France, but a surprising 2% fall for the UK. We thought the UK would be a favourite destination for China's outbound travellers.

India is a favourite for commentators, who generally note the continuing strength of its outbound market. We have generally countered such comments, noting the small size of the India market, and – contradicting those other commentaries – weak growth given the small size. Data this year supports our interpretation. Good growth to-and-from France (6%), but weak to-and-from Germany (1%), and a 5% drop to-and-from the UK!

The continuing decline of Japan (in all three country-pairs) continues to surprise us – given the size and purchasing power of its population, and the size of its economy, and its good inbound market (up 10% in H1).

Other market developments:

France. To/from Japan in decline, but this decade still shows a 2% annual increase. Japan's leading position is unlikely to change this year, but second-largest China is growing fast, 6%, and seems set to become the region's number-one

country-pair around 2010 – certainly if it gets back to its annual average this decade, an impressive 16%.

Growth to-and-from third-place India has slowed, but its annual average growth remains a good 11%.

Also worth noting are strong growths to-and-from the two city markets – Hong Kong and Singapore. To-and-from HK up 20% this year and 7% this decade; Singapore 18% and also 7%. Given the size and concentration of their populations, these still seem to be good markets in which to place marketing money.

Note, however, that some growth has probably come from their enhanced roles as gateways. Singapore

Table 2

Air passengers to-and-from main Europe markets, first-half

To/from France†	2008	Growth,%	AAGR,%	Share,%	2000
Australia	na	na	na	na	32
China	524	6.0	15.5	1.2	166
Hong Kong	312	20.1	7.1	0.7	180
India	348	5.6	10.5	0.8	156
Indonesia	na	na	na	na	12
Japan	621	-1.8	2.4	1.4	515
Korea	195	8.3	9.2	0.4	97
Malaysia	80	2.7	6.8	0.2	48
New Zealand	na	na	na	na	na
Philippines	na	na	na	na	22
Singapore	226	17.9	6.6	0.5	136
Taiwan	27	-40.4	2.4	0.1	22
Thailand	193	-1.7	1.3	0.4	174
To/from Germany					
Australia	56	18.3	4.8	0.1	38
China	738	4.1	14.2	1.1	255
Hong Kong	317	22.0	3.1	0.5	249
India	662	0.9	10.9	1.0	290
Indonesia	12	-0.3	-17.9	0.0	56
Japan	504	-0.5	0.7	0.8	478
Korea	271	8.7	6.5	0.4	163
Malaysia	64	9.0	-1.0	0.1	69
New Zealand	na	na	na	na	11
Philippines	87	-43.1	-0.7	0.1	91
Singapore	353	-1.2	2.2	0.5	297
Taiwan	60	1.7	14.5	0.1	20
Thailand	596	7.1	3.6	0.9	450
To/from UK					
Australia	677	17.7	4.0	0.7	494
China	281	-2.1	16.4	0.3	83
Hong Kong	792	1.5	5.4	0.9	521
India	1242	-4.8	13.2	1.4	461
Indonesia	na	na	na	na	32
Japan	489	-1.1	-3.8	0.5	665
Korea	136	-1.7	7.1	0.1	78
Malaysia	200	-8.5	-5.5	0.2	315
New Zealand	177	7.1	7.6	0.2	98
Philippines	na	na	na	na	37
Singapore	584	-4.4	2.0	0.6	499
Taiwan	59	19.3	1.5	0.1	53
Thailand	315	-9.9	2.2	0.3	265

Notes: AAGR = average annual growth rate, 2000-8. *Estimates by Travel Business Analyst. †Paris airports only. Source: Aeroports de Paris, Statistisches Bundesamt, Civil Aviation Authority, Airports Council International, Travel Business Analyst.

Table 1

Air passengers to-and-from main Europe markets, first-half

	2008	Growth	2007	Growth
France*†	43.5mn	2.4%	42.5mn	4.6%
Germany	67.1mn	5.2%	64.1mn	5.9%
UK	90.6mn	2.1%	88.7mn	2.4%

Notes/Source: See Table 2.

for Indonesia (including Bali) as service by other airlines to Europe hardly exists, and to Malaysia as Malaysia Airlines cuts back on its Europe routes. And for Hong Kong, as gateway to the Philippines (as Europe-Philippines flights fall), Taiwan (poorly served in Europe), and, still, to points in China. Even if Hong Kong is becoming less of a gateway to the big-three – Beijing, Guangzhou, Shanghai – it certainly remains the favoured gateway to many secondary points in China.

Germany. Markets have already shifted this decade. Top 3 in 2000 were Japan, then Thailand and Singapore; this year, China, India, Thailand.

Thailand, primarily a Germany-Thailand leisure market, may slow, although growth looks good – up 7% this year, and 4% this decade. Hong Kong's growth is probably a Philippines factor (see notes for France, above), as direct flights to-and-from Philippines wind down.

A surprising decline to-and-from Singapore, even if only 1%, and growth this decade only 2%.

UK. Traffic to-and-from India, the region's largest, has increased rapidly (doubling in some periods) in the past two years – thanks to liberalisation on

the routes. It is now around 50% larger than the next largest (Hong Kong). But it has fallen 5% this year, which probably indicates that some of the growth came from opportunity-travel – probably motivated by low fares as well as new services.

UK markets are still related to past links; the top three – India, Hong Kong, Australia – have all been UK colonies. (However, Japan was in the top three in 2000, but has fallen an average annual 4% since.)

As noted above, traffic to-and-from Asia Pacific is falling this year with some surprising declines – China (2%); India (noted above); Korea (2%); Singapore (4%); and Thailand, which seems to be in trouble, with a 10% decline, and probably worse to come. (No surprises for the declines to-and-from Malaysia, following flight cutbacks, and Japan.)

Hotels

New at the top

Another group is aiming to develop the market for small up-market resorts – Stein. The name is little known, partly because its hotels are small (generally 25-50 rooms), they operate under their own names not Stein, and they are in Europe.

However, there are some key factors that could change this, including:

- A little-known new company called Kop Capital, Singapore-based real estate investor, has just bought 50% of Stein.
- Kop may also be little known, but its links are extensive and impressive:

-Its majority shareholder is the Dubai Group, itself owned by Dubai

Holdings, which is the Dubai government. Another arm of DG is Jumeirah Hotels, a weak but rich upmarket hotel group.

-Kop, founded in 2006, is headed by Ong Chih Ching.

In addition to owning and operating hotels, Stein created Luxury Lifestyle Hotels & Resorts in 2005, a reservation system for small luxury hotels. Although there are only 125 in the portfolio, all are in Europe, and so there is potential for expansion. The group also has a magazine, the crassly-named LUX, which in theory could help with promoting Stein-related hotels, but in today's internet-connected commercial environment, printed magazines may have little hard-sales value.

Stein, based in Spain but founded by an American, David Stein, has other interests, including restaurants. It is not clear which of Stein's 12 hotels, all small, are owned and which are managed. So the value of Kop's purchase, US\$250mn, is not easy to determine.

But Ong has been quoted as planning to invest another US\$250-300mn – although with no dates and projects the value of this is also difficult to determine. She adds the Stein brand will be in Asia before 2010, including China, Indonesia, Singapore, Thailand. But that could mean restaurants or represented hotels, not necessarily owned or managed hotels.

Other small-resorts competing companies based in the region are Aman and Banyan Tree in Singapore, and Six Senses in Bangkok.

ZERO

An occasional column/section/report on the travel business and the environment

Lighter air

IATA (International Air Transport Association) has signed a commitment with two air traffic bodies (Eurocontrol and Civil Air Navigation Services Organisation) to speed up improvements in Europe's air traffic management.

This is expected to save 470,000 tonnes of fuel annually, US\$565mn (at US\$1 to €0.69), and 1.5mn tonnes in CO2 emissions.

The plan should:

- Improve en-route airspace design to reduce flight distances. A 1% reduction can save US\$290mn annually.
- Improve airspace use with better civil/military cooperation and coordination of flight planning. There are potential reductions in distance flown of 0.7% with potential savings of US\$217mn annually.

• Improve airport procedures, including CDA (continuous descent approaches; rather than circular, for instance). CDA at, say, 10% of Europe's airports would save US\$72mn annually. Reduce aircraft taxi-ing times; a one-minute saving at Europe's 50 busiest airports would save US\$174mn annually.

Over 1999-2007, traffic grew 25%, but delays caused by air traffic control blockages capacity fell 66%, routes were shortened by an average 4km, together saving 3.5mn tonnes of CO2 emissions annually.

Much to do, not nothing

The World Tourism Organisation continues its exhortation for the travel business to respond to climate change. But after four years, it has made no proposals – only exhortations.

At the 'World Tourism Day 2008' last month, the WTO announced a Think Tank that should "consider global thinking on [travel] and climate change...explore implementation... identify [...] solutions for the sector."

The WTO encourages the industry to "adapt

[...] policies, commerce and destinations... mitigate greenhouse gas [emissions]... apply [...] technologies particularly for energy efficiency... encourage financial resources particularly for developing states."

As we have said before – Yes, we know that, but what do we do? As seen in other reports above and below, the aviation segment is making moves. WTO is making noises.

Getting closer

The US Federal Aviation Administration has reduced lateral separation of aircraft in the US east coast – which is expected to save 4mn tonnes of CO2 over 15 years.

Last month this was due to be extended to the Pacific, with cooperation between the FAA, the two antipodean control bodies (Airways New Zealand and Air Services Australia), and Air New Zealand, on a B777 trial flight.

Separately, Air NZ says over August 2004-March 2008 it reduced CO2 emissions by 91,000 tonnes. It now uses 36mn litres less fuel annually, saving US\$30mn (NZ\$43mn).



People-in-Travel Tracking Travel's Leaders

Farewells

As we near year-end, a number of big-name departures:

• **Peter de Jong**, CEO of PATA (Pacific Asia Travel Association), leaving this month. No replacement yet, but temporarily replaced by Brian Deeson – who has had his own company, Century Hotels as well as working with Accor and Hyatt, and has been involved with PATA for some time. Always an issue, but this time PATA's next CEO will likely be an ethnic Asian.

De Jong started in the job seven years ago, after 10 years as head of Federation of International Youth Travel Organisations.

Under his rule, apart from what we would consider general administrative work associated with the job, PATA:

–Took back control of its travel mart – which was being operated by Reed Exhibitions.

–Closed its Europe office, opened in China and Dubai.

• There is insufficient space here to show the rest of this report. Subscribers wishing to see the full report, please email TBAoffice@gmail.com.

This is an extract from **People-in-Travel**, a monthly report tracking travel's leaders. A combination subscription to PinT costs €50 for one year; full price is €100. For more information, contact Raymonde Perpignani at Travel Business Analyst, TBAoffice@gmail.com

Net Value

Marketing Travel On The Internet

Searching travel

Recent Hitwise findings for top travel-company searches, in August, were (in the top 10 only; excludes sites such as Google Earth, maps), in order:

• In Australia. 2008 - Qantas (1.07% of searches), Jetstar (1.04%), Virgin Blue (0.74%), Wotif (0.55%). 2007 - Qantas, Jetstar, Virgin Blue, Flight Centre, Wotif.

• In New Zealand. 2008 - Air New Zealand (1.58%), Pacific Blue (0.85%), House of Travel (0.74%), Qantas (0.70%), Grab A Seat (0.67%). 2007 - Air New Zealand, Qantas, House of Travel, Emirates, Flight Centre, Auckland airport.

• In Singapore: 2008 - Singapore Airlines (0.95%), Jetstar (0.69%), Tiger (0.67%), Changi Airport (0.55%), SMRT (0.36%). 2007 - Singapore Airlines, Tiger, Jetstar, Changi, Sentosa.

• In the UK: 2008 - Easyjet (0.81%), Ryanair (0.79%), Thomas Cook, Cheap Flights, Expedia, Cheap Holidays. 2007 - Easyjet, Ryanair, Thomas Cook (0.54%), First Choice (0.47%).

• There is insufficient space here to show the rest of this report. Subscribers wishing to see the full report, please email TBAoffice@gmail.com.

This is an extract from **Net Value**, a monthly report on marketing travel on the internet. A combination subscription to NV costs €50 for one year; full price is €100. For more information, contact Raymonde Perpignani at Travel Business Analyst, TBAoffice@gmail.com

CURRENT ISSUES

Main contents in current issues of other Travel Business Analyst newsletters and reports:

Travel Business Analyst, Europe:

- US aviation in 2007.
- Visitor arrivals Europe.
- Europe airlines H1.
- Plus: ZERO; Extracts from Net Value and People-in-Travel; Market Headlines; and 15 regular tables of market data.

Net Value:

- Searching travel; Mobile Devices; Some France data; others.

Excerpts from the single-page Net Value report are included in the Asia Pacific and Europe editions of Travel Business Analyst.

Net Value is delivered only via email.

People-in-Travel:

- Peter de Jong; Francesco Frangialli; Steven Rudnitsky; others.

Excerpts from the single-page People-in-Travel report are included in the Asia Pacific and Europe editions of Travel Business Analyst

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Foxtrots (recent):

- Abu Dhabi v Dubai. Armani label ripped off. Schulze struggles.

ZERO (recent):

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See back page for more offers.

Aviation.

T1. City-pair results. First-half for *Kuala Lumpur* (up 9%, yet there are some big declines among our selected group), *Sydney* (up 3%; US drop indicates this is wrong time for Virgin's subsidiary to start flights), *Tokyo* (up 1%; 5 falls, 4 growths). **T2.** Country-pair results. First-half for *Australia* (up 4%; fair on all selected routes except *Japan*), *France* (except total), *UK* (up only 2%; *India* down 5%). **T3.** Airlines traffic. First-half for *Qantas* (up 5%), *Thai* (up 8%). First-half international-only for *Jetstar* (up 61s as it expands international routes). For LFAs, first-half for *Air Asia*, see Trends. **T4.** New annual financial results for *Qantas*. **T5.** Airline results by region. First-half for airline members of US association *BTS*; up 5%. **T6.** Airport passenger traffic. First-half for *Australia's* main airports, *Osaka* (gloom), and *Tokyo* (doom). And *Europe* overall, YTD up 4% - international and total.

Inbound.

T8. Visitor arrivals. Substantial change in monthly data over a few years for *India*, with no explanation; we have corrected old and current data. First-half (plus see report this issue for a review) for *Bali, Bhutan, Cambodia, Fiji, Indonesia, Macau, Marianas, Nepal, New Caledonia, Palau, PNG, Philippines*, courtesy PATA. Asia Pacific regional growth YTD at 7%. **T9.** Running 12-month totals. *Singapore* slows and so, we presume, will *Thailand*.

Outbound.

T10. Running 12-month totals; *Korea* gets closer to *Japan*. **T11.** Outbound travel. First-half for *China* (our estimates; up 19%), and outside the region, for the *UK* (up 2%). First-quarter for *Singapore* (the fast growth months started Aug 07). Full-year (2007) for *India* (up 17%).

Hotels.

T18. For YTD, Asia Pacific occupancy down two points to 70%, average rate down up US\$20 to US\$159, resulting in yield up US\$9 to US\$113.

Others.

T12. Stock indices and prices. Declines at half of the 12 stocks. Index in Asia Pacific best of the three; but still 20% down on end-2000.

Special.

Hotel results in Dubai.

MARKET DATA

For a copy of a document showing how to get the best out of these tables, subscribers should circle this paragraph and mail to us, and separately send a cheque for "International Committee of the Red Cross" for a token amount in any currency to ICRC, 19 Ave de la Paix, CH-1202 Geneva, Switzerland

Special

Hotel results in Dubai

Under market pressure, we have started a hotel results measure for Dubai, starting with data for July. From next month, this will run in our table of hotel results.

We assume that we will gradually introduce more categories, because in fact we are showing this new destination earlier than we normally do for new destinations; we normally trial for 12 months.

The reason is the continuing interest in the Dubai market.

Perhaps surprisingly then – albeit this is data for only one month – results in Dubai look unremarkable, perhaps with rates even low when compared with most leading centres in Asia Pacific. Its US\$170 average rate is bettered by many in the region. However, looking at a comparable destination – Macau? – then Dubai's results look better. That month, rates at Macau's casino hotels topped just US\$150.

But note that this shows results for July, which with August are slow months, and with Ramadan this year in September, probably three slow months. If Dubai is achieving mid-70s occupancy in its slow months, then perhaps the comparison should be more with Hong Kong, where occupancies even in the low season are in the 80s.

However, the other factor with Dubai is that there are many high-level hotels in our current measure – and in Dubai itself.

Hotel measures in Dubai, Jul 08

Item	Dubai	Macau
Occupancy,%	74.5	67.5
Average room rate		
local	625.88	1242.46
US\$*	170.40	151.52
Euro	108.15	96.17
Revpar		
local	466.12	838.61
US\$*	126.90	102.27
Euro	80.55	64.91

Notes: See T18 P10. Source: Hotels to Travel Business Analyst.

1 Air passenger* traffic to and from major Asia Pacific centres, x1000

From:	Kuala Lumpur			Singapore			Sydney			Tokyo*					
	Jun 08	YTD		Jul 08	YTD		Jun 08	YTD		Jun 08	YTD				
To:	+/-,%	08	+/-,%	+/-,%	08	+/-,%	To:	+/-,%	08	+/-,%	To:	+/-,%	08	+/-,%	
Bangkok	9.0	692	11.7	Australia	11.1	2361	5.0	Auckland	-1.3	619	0.2	China	0.9	13814	4.3
Chennai	-0.1	223	10.8	China	-13.2	1828	2.4	Bangkok	2.4	326	5.8	Hong Kong	-1.3	4121	-7.9
Hong Kong	7.5	425	3.3	Hong Kong	-4.8	1350	2.5	Beijing	27.8	64	36.6	Korea	6.0	6741	3.5
Jakarta	-2.6	538	7.8	India	4.1	1474	9.4	Denpasar	52.5	107	62.8	Taiwan	-7.4	4639	-3.1
London	5.9	200	-8.0	Indonesia	5.3	2355	6.8	Hong Kong	-5.1	439	-0.6	Asia-other	4.2	13403	4.7
Los Angeles	-21.5	47	-20.1	Japan	-3.2	1017	0.6	Kuala Lumpur	9.3	136	0.9	Guam	1.7	3313	-1.0
Shanghai	-32.4	148	-11.6	Malaysia	7.5	1530	6.5	London	-7.4	265	-1.5	Pacific	0.3	16730	0.5
Singapore	9.3	920	8.9	Thailand	-8.1	2120	0.9	Los Angeles	-18.8	274	-12.2	Oceania	-9.9	3158	-4.4
Sydney	1.2	180	-2.2	UK	9.4	837	6.9	Singapore	6.0	506	3.0	Europe	-2.3	8774	-0.7
Tokyo	-9.2	175	-4.1	US	-17.2	400	-11.8	Tokyo	-8.6	218	-1.6				
TOTAL	6.5	8695	8.6	TOTAL	2.5	21106	5.4	TOTAL	0.9	5207	3.4	TOTAL	0.3	75219	1.0

Notes: See Master Notes, this page. Routes are selected; may not be largest. *Flights from Tokyo Narita, not passengers; double for approximate city-pair total. Source: Malaysia Airports Holdings, Civil Aviation Authority of Singapore, Department of Transport and Communications (Australia), Travel Journal International.

2 Air passengers to and from Asia Pacific, x1000

From	Australia			France*			Germany			UK			US		
	Jun 08	YTD	+/-t,	Jun 08	YTD	+/-t,	May 08	YTD	+/-t,	Jun 08	YTD	+/-t,	Oct 07	YTD	+/-t,
To	+/-t,%	08	%	+/-t,%	08	%	+/-t,%	08	%	+/-t,%	08	%	+/-t,%	07	%
Australia	na	na	na	na	na	na	11.2	52	18.3	12.5	677	17.7	-7.2	1289	-9.6
China	5.8	347	17.5	-8.4	524	6.0	6.4	627	4.1	-11.5	281	-2.1	18.7	1694	18.3
Hong Kong	9.8	953	11.7	11.9	312	20.1	5.6	315	22.0	-9.9	792	1.5	3.7	1649	-0.3
India	-11.4	31	-3.3	4.9	348	5.6	4.0	564	0.9	-12.8	1242	-4.8	37.0	486	17.7
Indonesia	27.3	361	30.6	na	na	na	23.0	9	-0.3	na	na	na	4.3	17	30.9
Japan	-16.6	649	-10.6	-10.1	621	-1.8	2.8	410	-0.5	-4.3	489	-1.1	1.1	9770	1.9
Korea	17.7	242	12.6	10.3	195	8.3	4.9	240	8.7	-5.0	136	-1.7	8.7	2600	6.4
Malaysia	2.2	564	0.5	-2.9	80	2.7	15.2	57	9.0	4.0	200	-8.5	20.3	100	19.5
New Zealand	-1.1	2517	0.5	na	na	na	na	na	na	-10.0	177	7.1	-7.8	644	-7.3
Philippines	8.0	95	20.6	na	na	na	-100.0	32	-43.1	na	na	na	8.1	687	11.3
Singapore	4.8	1956	4.4	19.5	226	17.9	1.7	292	-1.2	-5.0	584	-4.4	15.6	332	-2.7
Taiwan	-3.4	108	2.8	na	27	-40.4	4.5	50	1.7	1.0	59	19.3	0.9	1910	5.0
Thailand	6.9	702	7.1	3.5	193	-1.7	7.5	556	7.1	-10.4	315	-9.9	74.0	164	58.1
TOTAL	3.0	11419	4.2*	7.1*	35835*	3.4	6.7	53675	5.2	-0.3	90556	2.1	11.2	105785	3.1

Notes: *Paris airports only; total is Jan-May. †Over same period, year earlier. Source: Department of Transport and Communications (Australia), Aeroports de Paris (France), Statistisches Bundesamt (Germany), Civil Aviation Authority (UK), US Department of Commerce (US). Contacts: Germany – fax (49-0611)-724000, luftverkehr@destatis.de, www.statistik-bund.de; US (for International Trade Administration, Tourism Industries), www.tinet.ita.doc.gov

Master Notes: Exchange rates (start of previous month) – US\$1 to A\$1.17, Y6.83, HK\$7.81, IRp44.2, ¥108, W1116, MR3.40, NZ\$1.44, S\$1.42, NT\$31.6, B34.3. AL = Airlines, ASK = available seat kilometre, AW = Airways, BI = Royal Brunei AL, BR = Eva AW, CI = China AL, CN = China, CX = Cathay Pacific AW, E = TBA estimate, GA = Garuda, HK = Hong Kong, ID = Indonesia, IN = India, J-D = Jan-Dec, JL = Japan AL, JP = Japan, KE = Korean Air, KR = Korea, LF = load factor, MH = Malaysia AL, MI = Silk Air, MY = Malaysia, NA = not available, na = not applicable/nil, NH = All Nippon AW, NZ = New Zealand, OZ = Asiana, P = provisional, Pax = passenger, PH = Philippines, PR = Philippine AL, RPK = revenue passenger kilometre, Q = quarter (of year), QF = Qantas AW, SF = seat factor, SG = Singapore, SQ = Singapore AL, SS = seats sold, TG = Thai AW, TH = Thailand, TW = Taiwan, VN = Vietnam AL, YTD = year-to-date.

MARKET DATA

3 Traffic on selected Asia Pacific airlines, 2008†

Regular airlines	Mth	Mth		YTD		ASK mn	+/- %	RPK mn	+/- %
		SS	RPK	SS	RPK				
-Systemwide		+/-,%	+/-,%	1000	%				
Air Macau	Mar	-8.3	-1.6	511	-6.3	976	2.2	670	-4.7
All Nippon AW	May	2.4	1.7	1732	2.2	11522	3.8	8251	3.9
Asiana	May	0.7	6.2	3509	4.2	12942	10.4	9525	7.2
Cathay Pacific AW*	Aug	0.5	7.5	16901	11.3	76822	14.5	61732	15.6
China AL	May	-1.3	-5.3	4013	-49.4	18016	-23.3	13735	-22.5
China Southern AL	Aug	-16.0	-18.4	38179	1.3	74682	2.4	54635	1.6
Eva Air	Aug	-6	-1	3960	-5	20038	0	15956	-3
Garuda	May	8	18	918	6	4474	7	3305	11
Japan AL	Jun	-0.5	-3.5	22531	-2.1	60908	-1.9	40568	-2.3
Jet AW	Jul	11.5	76.7	7304	16.5	18702	68.8	12871	65.6
Korean Air	May	8.8	3.3	5340	4.1	29529	3.6	21045	2.5
Malaysia AL	Jul	-8.1	-6.7	7598	-5.5	28343	-13.1	21736	-6.3
Philippine AL	May	10.6	5.2	1583	8.6	8185	6.0	6605	4.9
Qantas AW*	Jun	1.4	-1.2	18838	5.2	63392	4.1	50205	3.6
Royal Brunei AL	Jul	-3.7	-0.3	574	-2.8	2658	-2.5	1764	-3.6
Silk Air	May	15.8	16.7	785	14.9	1842	13.3	1338	18.0
Singapore AL	Jul	3.6	6.7	11218	3.5	69521	7.3	54451	4.8
Thai AW	Jun	4.3	0.9	10270	7.6	39877	4.0	31448	5.5
Vietnam AL	May	14.4	12.4	1493	8.6	6712	13.1	4385	7.4
-International									
China Southern AL	Aug	-24.8	-24.3	2740	-1.2	12142	2.5	7921	2.6
Japan AL	Jun	0.9	-4.9	5944	0.9	39569	-0.5	27338	-2.1
Jet AW	Jul	197.9	230.0	1616	156.9	11863	191.5	8181	186.8
Jetstar	Jun	58.0	45.0	818	60.5	5051	53.3	3636	66.5
Malaysia AL	Jul	-9.5	-7.4	4588	-6.7	28985	-2.6	19858	-6.9
Qantas AW*	Jun	-9.5	-7.8	3955	-4.4	35359	-2.4	28890	-2.8
Thai AW	Jul	NA	-1.5	11886	43.3	46312	8.8	36415	8.9

Low-fare-airlines

-Systemwide	Period	SS, x1000	Growth, %	Period	SS, x1000	Growth, %	Period	SS, x1000	Growth, %
Air Asia-ID	Jan-Mar	619	41.0	Apr-Jun	593	12.0	Jan-Jun	1212	25.1
Air Asia-MY	Jan-Mar	2612	20.9	Apr-Jun	2823	19.6	Jan-Jun	5434	20.2
Air Asia-TH	Jan-Mar	1136	32.0	Apr-Jun	1021	19.0	Jan-Jun	2157	25.5
Air Asia-all	Jan-Mar	4367	26.2	Apr-Jun	4436	18.4	Jan-Jun	8803	22.1

Notes: See Master Notes, page 6. pts = points. Air Asia issues varying data; shown are our estimates. Jetstar estimates from June onwards (actual data due later). *Includes in previous periods, Dragonair with Cathay, and Australian with Qantas. Virgin is booked loads, including free passengers; Jetstar paid travelled passengers only (add 4-5 points for others); Air Asia does not specify. Source: companies, Association of Asia Pacific Airlines.

4 Airline financial results, US\$*

Item	NH	CX	CZ	JL	QF group	SQ
	Y-Mar 08	Y-Dec 07	Y-Dec 07	Y-Mar 08	Y-Jun 08	Y-Mar 08
Revenue,mn	13776	9686	7005	20652	13722	10440
Op Profit,mn	781	903	191	833	1165	1389
Revenue per						
ASK,USc*	15.1	9.45	6.38	15.4	10.8	9.16
RPK,USc*	22.5	11.8	8.57	22.4	13.4	11.4
Pax,US\$*	273	416	123	374	355	546
Profit per						
ASK,USc*	0.86	0.88	0.17	0.62	0.9	1.22
RPK,USc*	1.28	1.10	0.23	0.90	1.1	1.52
Pax,US\$*	15.5	38.7	3.36	15.1	30	72.6

Notes: See Master Notes, page 6. Although these figures show indicative comparisons between airlines, they do not provide precise comparisons because of different definitions. Op = Operating, USc = US cents, Y = year. *See Master Notes for approximate conversion rate. Source: companies.

5 Operating results of airline groups in Asia Pacific, US, and Europe

Item	Asia Pacific,AAPA				US,BTS		Europe,AEA	
	May 08	+/- %	YTD 08	+/- %	Jan- Jun 08	+/- %	Jan- Jul 08	+/- %
SS,mn	11.8	4.4	60.2	3.5	48.4	4.5	147.1	3.7
ASKs,bn	67.5	4.2	330.9	3.8	258.5	5.2	554.4	5.4
RPKs,bn	49.0	4.7	251.9	3.8	201.8	5.7	421.5	3.5
Pax LF,%	72.6	0.5	76.1	0.0	78.1	0.4	76.0	-1.4

Notes: See Master Notes, page 6. *Points. Source: Association of European Airlines, Bureau of Transportation Statistics, Association Of Asia Pacific Airlines.

6 Asia Pacific international airport passengers

City	Month*	Number	Growth %	Jan thru month shown	Growth %
Auckland	Apr†	518,795	-4.4	2,309,472	1.9
Bali	Apr†	308,421	12.3	1,258,927	19.9
Bangkok	Dec	2,984,064	5.2	31,702,277	4.9
	Apr†	2,805,520	7.0	11,772,676	9.3
Beijing	Dec	1,011,648	17.5	12,717,950	8.6
	Apr†	1,032,223	13.7	4,088,706	16.9
Brisbane	Jun†	327,853	5.0	1,910,548	2.6
Chennai	Apr†	289,563	12.8	1,177,170	14.2
Colombo	Apr†	432,945	10.8	1,690,614	1.4
Delhi	Apr†	586,303	10.0	2,606,533	10.1
Guangzhou	Apr†	373,511	9.1	1,435,729	13.1
Hong Kong	Dec	4,265,000	9.1	47,709,000	7.3
	Jul†	4,450,000	1.3	28,852,000	6.4
Jakarta	Apr†	564,916	5.5	2,207,420	10.4
Kuala Lumpur	Apr†	1,407,715	3.2	5,731,995	9.5
Macau	Apr†	492,930	-1.6	1,807,877	3.2
Male	Apr†	154,612	-0.9	624,077	2.6
Manila	Apr†	1,013,034	5.6	3,933,884	8.6
Melbourne	Jun†	378,026	6.2	2,324,636	4.4
Mumbai	Dec	724,268	5.8	7,495,085	9.1
	Apr†	623,503	6.9	2,630,179	7.8
Nadi	Apr†	97,920	0.8	410,419	12.3
Noumea	Apr†	31,072	-0.9	155,504	3.3
Osaka KIX	Jun†	830,760	-4.4	5,279,526	-1.6
Papeete	Apr†	47,203	-9.0	197,290	-7.1
Perth	Jun†	194,245	4.6	1,214,789	8.7
Phnom Penh	Apr†	127,704	20.4	535,563	21.4
Phuket	Apr†	182,557	4.0	1,044,258	21.8
Seoul	Apr†	2,555,886	2.3	10,910,534	4.9
Shanghai	Dec	1,390,944	3.4	17,518,790	4.9
	Apr†	1,053,274	-28.7	4,469,053	-20.1
Singapore	Dec	3,513,762	2.8	36,701,556	4.8
	Jul†	3,232,007	6.0	21,949,419	4.9
Sydney	Dec†	958,570	5.9	9,840,142	2.8
	Jun†	794,870	1.3	5,206,510	3.1
Taipei	Apr†	1,709,923	-3.8	6,754,990	0.5
Tokyo Narita	Dec	2,787,857	10.9	34,315,922	11.6
	Jun†	2,683,291	-5.4	16,249,967	-2.7
ASIA PACIFIC-A	Dec	89,019,883	6.6	1,017,015,643	8.8
	May†	83,349,436	3.9	414,545,350	5.2
Intl	May†	31,911,212	4.2	164,038,879	5.2

Notes: See Master Notes, page 6. *2007 unless stated otherwise. †2006. ‡2008. A = Domestic and international. Source: civil aviation departments, airports, Airports Council International.

MARKET DATA

7 Standardisation of visitor arrival measurements

Destination	Ratio*
Australia	99
China	12
Hong Kong	33
India	65
Indonesia	61
Japan	98
Korea	79

Notes: *Air arrivals as share of total arrivals. †Excludes Sabah and Sarawak. Source: Travel Business Analyst.

Destination	Ratio*
Malaysia†	24
New Zealand	99
Philippines	97
Singapore	70
Taiwan	99
Thailand	83
Vietnam	60

8 Visitor arrivals in Asia Pacific destinations

International arrivals

Destination	Months*	Arrivals	Growth	Stay	PVPD
	Jan thru:		%	days‡	US\$-A
Australia	Dec	5,644,337	2.0	30.0	150.60
	Jul‡	3,222,805	1.0	30.0	150.60
Bhutan	Jun‡	11,268	39.4	8.0	230.19E
Cambodia	Jun‡	1,055,714	13.2	6.5	95.00
China	Jul‡	75,970,948	1.5	6.5	100E
foreigners	Dec	26,109,690	17.7	6.5	100E
	Jul‡	14,560,279	1.0	6.5	100E
Cook Islands	Jun‡	41,863	-2.0	10.5	115.84
Fiji	Jun‡	270,856	13.0	8.7	124.58
Guam	Jun‡	592,270	-1.4	3.1	302.93
Hawaii	Dec	7,368,048	-0.6	9.2	179.88
	Jul‡	4,112,992	-4.9	9.2	179.88
Hong Kong	Dec	28,169,293	11.6	3.5	178.00
	Jul‡	6,962,223	4.7	3.5	178.00
India	Dec	4,927,429	11.2	27.0	46.62
	Jul‡	3,148,866	10.6	16.0	92.68
Indonesia	Jun‡	2,902,604	11.7	9.1	99.86
Japan	Dec	8,349,194	13.8	7.2	160.42
	Jul‡	5,163,095	8.7	7.2	160.42
Korea	Dec	6,448,240	4.8	6.9	163
	Jul‡	3,856,417	8.8	6.9	163
Laos	Mar‡	448,774	4.7	4.5	23.03
Macau	Jun‡	7,022,760	17.1	1.2	198.80
Malaysia	Dec	20,500,474	16.8	6.2	95.26
	Jul‡	12,756,408	2.8	6.2	95.26
Maldives	Jul‡	403,599	2.6	8.0	56.00
Marianas	Jun‡	204,629	4.9	3.5	100.00E
Myanmar	Apr‡	80,507	-28.6	7.0	70.00
Nepal	Jun‡	177,163	6.0	9.1	14.09
New Caledonia	Jun‡	47,341	4.2	19.1	87.09
New Zealand	Dec	2,465,680	1.8	20.4	115.33
	Jul‡	1,422,856	1.2	20.4	115.33
Pakistan	Dec	839,117	-6.6	25.0	68.06
Palau	Jun‡	41,078	-5.2	E4	NA
PNG	Jun‡	53,809	7.4	17.3	28.24
Philippines	Jun‡	1,633,887	6.9	11.9	83.61
Singapore	Dec	10,275,094	5.5	3.4	237.16
	Jul‡	5,997,143	1.9	3.4	237.16
Sri Lanka	Jul‡	257,345	-4.3	10.4	72.74
Tahiti	May‡	78143	-7.4	13.2	150.88
Taiwan	Jul‡	2,219,898	5.9	6.9	180.52
Thailand	Dec	14,464,228	4.6	8.8	95.57
	May‡	6,557,186	10.7	8.8	95.57

International arrivals

Destination	Months*	Arrivals	Growth	Stay	PVPD
	Jan thru:		%	days‡	US\$-A
Tonga	Dec	46,040	16.7	5.0	56.87
Vanuatu	May‡	75,426	4.9	9.7	146.17
Vietnam	Dec	4,184,651	16.0	9.6	64.04
	Jul‡	2,619,287	7.2	9.6	64.04
Asia Pacific	latest-E	80,115,324	6.8	NA	NA

International arrivals

City/region	Period	Number	Growth,%	Source	Comment
Bali	Jan-Jun 08	924,939	24.0	PATA	direct arrivals
Sabah	Jan-Jun 08	361,681	-12.8	PATA	direct arrivals
Sarawak	Jan-Jul 07	1,317,270	18.3	PATA	direct arrivals

Domestic arrivals

Destination	Period	Number,m	Growth,%	Source	Comment
Australia	2006	208.0	4.0	PATA	spend A\$55b
China	2007	1600.0	14.8	PATA	spend Y623b '06
India	2006	382.0	-1.0	PATA	(none)
Indonesia	2006	216.5	9.1	PATA	spend \$87b
New Zealand	2006	44.1	-3.9	PATA	spend NZ\$7b
Taiwan	2005	92.6	-15.3	PATA	spend \$6b

Notes: See Master Notes, page 6. *2007 unless stated otherwise. †2006. ‡2008. E = Indicative selected totals only; approx Apr/May data; % growth has more validity than total; criteria varies. Source: national tourist offices, PATA.

Notes: See Master Notes, page 6. Latest figures; may not tally with period. PVPD-per visitor per day. *Figure for period as shown. †In nights for Australia, Bangladesh, Guam, Hong Kong, Korea, Macau, Maldives, Philippines, Sri Lanka, Switzerland, Taiwan and UK. A = Converted at current rates. Source: national tourist offices, PATA, WTO.

9 Running 12-month total visitor arrivals, x1000

12 mths through	CN	+/- %	HK	+/- %	SG	+/- %	TH	+/- %
Dec 90	1,747	19.6	5,933	10.7	5,313	10.0	5,299	10.2
Dec 00	10,160	20.5	13,059	16.5	7,686	10.5	9,579	10.7
Dec 05	20,255	19.6	23,359	7.1	8,933	7.3	11,567	-1.4
Apr 08	27,039	15.8	29,072	9.1	10,440	5.8	13,918†	-1.0†

Notes: See Master Notes, page 6. Source: NTOs, Travel Business Analyst.

10 Running 12-month total citizen departures, x1000

12 mths through	CN†	+/- %	JP	+/- %	KR	+/- %	TW	+/- %
Dec 90	620	24.0	10,997	13.8	1,561	28.7	2,942	39.6
Dec 00	10,473	13.4	17,812	8.9	5,508	27.0	7,329	11.7
Dec 05	31,067	9.0	17,401	3.5	10,078	14.2	8,208	5.5
May 08	43,797	20.3	16,972	-3.0	13,484	9.3	8,940	1.1

Notes: See Master Notes, page 6. †Estimates by Travel Business Analyst for 2008 data. Source: NTOs, Travel Business Analyst.

MARKET DATA

11 Overseas travel by Asia Pacific residents

Market	Jan* thru:	Departures	Growth,%	Source	Spend,US\$m*
Australia	Dec	5,462,300	10.6	PATA	11,700
	Jul†	3,212,800	8.8	PATA	11,700
China	Dect	34,523,555	11.3	PATA	24,300
	Jun‡	22,135,646	18.7	TBA-E	NA
Hong Kong	Apr†	27,290,537	5.8	PATA	NA
-A	Dect	5,785,756	15.4	NTO	14,000
India	Dec	9,783,232	17.3	PATA	7,400
Japan-B	Dec	17,298,131	-1.3	NTO	26,900
	Jul‡	9,267,201	-5.0	NTO	26,900
Korea-B	Dec	13,324,977	17.0	NTO	18,200
	Jul‡	7,706,246	-0.8	NTO	18,200
Macau	May‡	287,552	42.0	PATA	71
New Zealand	Dec	1,980,215	6.2	PATA	2,500
	Jul‡	1,080,401	1.3	PATA	2,500
Philippines	Dec	2,745,191	29.1	PATA	632
Singapore-D	Dec	6,024,130	8.9	PATA	10,400
	Mar‡	1,565,745	29.3	PATA	10,400
Taiwan-B	Dec	8,963,668	3.4	NTO	8,700
	Jul‡	5,170,878	-2.7	NTO	8,700
Thailand	Dec	4,020,713	18.9	PATA	4,600
Asia Pacific	latest-E	44,777,226	3.7	various	NA

Notes: See Master Notes, page 6. *2007 unless stated otherwise. †2006. ‡2008. A = Excludes travel to China and Macau. B = Citizens. D = Excludes departures by land. E = Indicative selected totals only; approx May/Jun data; % growth has more validity than total; criteria varies. Source: NTO-national tourist office, Ot-Other, PATA-Pacific Asia Travel Association.

Notes: *Quoted in US dollars for latest whole year; may not match period in other columns. Source: World Tourism Organization.

12 Stock market last-day airline and hotel closing prices

Airline/ Hotel	Price, local currency			Indices†			
	Aug 08	Growth stock	% market	TBA 100 index*	AL/HO	All Region	August 2008
Air China	3.78	-16.2	-5.6	126	150	Asia Pacific	80
Air NZ	1.18	-7.1	1.0	1	1		
All Nppn AW	397	-0.5	1.1	102	121		
Cathay P AW	14.2	-6.0	-5.6	98	117		
China AL	10.1	-8.2	1.0	52	61	Europe	59
Japan AL	230	5.0	1.1	44	52		
Malysn AL	3.62	-6.2	-4.2	101	119		
Qantas AW	3.39	0.6	5.1	96	114		
Singpre AL	15.6	0.9	-4.7	90	107	World	65
Thai AW	14.3	-11.7	1.4	45	53		
Mndrn-Orntl	1.72	-1.7	-4.7	na	na		
Shangri-La	14.6	-13.0	-5.6	173	205		

Notes: See Master Notes, page 6. *100 base on Dec 00 prices except Dec 04 for CA. †Latest month over month earlier. ‡Base is last trading day in December 2006; 'World' comprises Asia Pacific (10 stocks), Europe(12), US (8). Source: various.

13 IATA travel agencies in Asia Pacific, 2007

Country	Locations	Growth%	Net sales		Growth %	Per agency US\$m*	Growth %
			US\$m*	%			
Australia†	1,856	0.0	9,499	26.6	5.12	26.6	
China	4,232	-2.8	15,220	33.4	3.60	37.3	
Hong Kong	251	4.1	2,886	16.2	11.50	11.5	
India	2,605	6.2	6,331	63.1	2.43	53.6	
Indonesia	474	0.0	1,296	16.4	2.73	16.4	
Japan	944	-0.3	16,027	5.5	16.98	5.8	
Korea	908	0.7	6,007	16.8	6.62	16.0	
Malaysia	661	0.5	1,703	37.0	2.58	36.4	
New Zealand†	559	-4.1	1,787	26.5	3.20	31.9	
Philippines	248	0.0	967	11.4	3.90	11.4	
Singapore	224	1.4	2,626	25.2	11.72	23.5	
Taiwan	411	1.7	2,037	4.8	4.96	3.0	
Thailand†	408	-1.7	1,486	20.9	3.64	23.0	
Asia Pacific							
US‡	13,781	0.2	67,874	22.2	4.93	38.0	
Europe	18,261	-12.2	79,885	2.6	4.37	36.7	
World	31,691	-0.2	87,080	18.2	2.75	28.3	

Notes: IATA = International Air Transport Association. *Quoted in US\$. †Includes, in order as shown: Kiribati, Fiji, Cambodia. Source: IATA Billing & Settlement Plan, ‡Airlines Reporting Corporation.

14 International outbound sales of leading outbound travel agencies in Japan, US\$m*

Agency	May 08	+/-†,%	Jun 08	+/-†,%	YTD 08	+/-†,%
JTB	406	7.9	371	-8.7	-0.5	-0.5
HIS	201	6.6	211	-0.4	1.0	1.0
Hankyu	217	-6.3	236	-9.1	-4.4	-4.4
KNT	113	-10.2	160	6.7	-7.0	-7.0
NTA	111	-1.1	130	5.9	-9.5	-9.5
NEC	69	-7.3	78	-4.2	-1.4	-1.4
Jalpak	63	-7.6	66	-19.0	-7.7	-7.7
Travel Plaza	38	4.7	45	3.1	5.2	5.2
Nissin	37	-2.8	43	0.7	7.3	7.3
Club Tourism	46	-7.4	41	-17.5	-6.8	-6.8
Top 63	2027	1.3	2129	-3.0	-1.5	-1.5

Notes: JTB = (originally Japan Travel Bureau; all 14 companies; estimates starting Mar 08), HIS = (originally Hideo's International Services), KNT = Kinki Nippon Tourist, NEC = Nippon Express Company, NTA = Nippon Travel Agency. *Converted at US\$1 to ¥103. †Over same period, year earlier. Source: Travel Journal International.

15 Internet bookings/sales of selected companies/markets

Company	Item	Period	Number	Previous	Source
India	online market	2010	\$5.7b	NA	PCW
Malaysia Airlines	online share	2010	50-60%	30% 08	PCW
Galileo	segments sold	Q1 08	73m	-3%	T'lport
GTA	transaction value	Q1 08	\$391m	20%	T'lport
Worldspan	segments sold	Q1 08	36m	-19%	T'lport
Orbitz	non-US bookings	Q1 08	\$488m	41%	company
Orbitz	net non-air revenue	Q1 08	\$124m	10%	company
Orbitz	net non-US revenue	Q1 08	\$51m	11%	company

Notes: See Master Notes, page 6, and Net Value. All \$s are US\$. Source: various.

16 Economic indicators of major countries in Asia Pacific

Country	Forecast GDP growth*†,%		Actual GDP growth*,%	GDP per person,US\$	Inflation
	2008	2009			
Australia	2.8	2.7	Q1: 3.6	35,990	Q2: 4.5
China	9.8	8.5	Q2: 10.1	2,010	Aug: 4.9
Hong Kong	4.7	4.4	Q1: 6.8	28,460	Jun: 6.1
India	7.7	7.1	Q2: 7.9	820	Jul: 8.3
Indonesia	5.9	5.7	Q2: 6.4	1,420	Jul: 11.9
Japan	1.0	0.9	Q2: 1.0	38,410	Jul: 2.3
Korea	4.4	4.2	Q2: 4.8	17,690	Jul: 5.9
Malaysia	6.0	5.6	Q2: 6.3	5,490	Jul: 8.5
Pakistan	3.6	4.4	'07-8: 5.8	770	Jun: 21.5
Singapore	4.6	4.8	Q2: 2.1	29,320	Jul: 6.5
Taiwan	4.3	4.4	Q1: 6.1	15,660	Jul: 5.9
Thailand	4.8	4.5	Q2: 5.3	2,990	Aug: 6.4

Notes: See Master Notes, page 6. GDP = gross domestic product. *Over period year earlier. †Official and other estimates. Source: The Economist.

17 Economic indicators of major visitor-producing countries for Asia, 2008

Country	GNP/GDP	Retail sales	Consumer prices	Wages/earnings
Australia	3.6 Q1	2.2 Q2	2.1 Q2	4.3 Q2
Germany	1.7 Q2	0.0 Jul	2.2 Aug	1.6 Jun
Japan	1.0 Q2	3.0 Jul	0.0 Jul	-3.5 Jul
UK	1.6 Q2	2.7 Jun	1.9 Jul	3.4 Jun
US	2.2 Q2	-0.3 Jul	2.4 Jul	4.0 Aug
Euroland	1.4 Q2	-2.8 Jul	1.7 Aug	2.4 Q1

Notes: All figures are percentage changes, compared with one year earlier. Source: The Economist.

Opening Gateway

India's Taj group has (re)launched Gateway as one of its brands. It was already a brand, but cautiously defined, and hardly recognised in the market as a brand. After six years as head of the group, Raymond Bickson has taken a second step towards resolving the brand problem at the company – too many half-brands, unclear product definitions, and weak consumer knowledge of those different products.

(The first step was its budget brand, Ginger.)

We find it difficult to describe the Gateway brand. Perhaps a key word is "contemporary", which would put it in the category started by Starwood's W. That brand has gone upmarket, but Taj's Gateway seems closer to, say, Traders at Shangri-La.

We think the name is wrong, partly because Gateway does not sound "contemporary" in the way that 'W' does. Also, gateway means a gateway, so what happens when the hotel is located at the end of a line, or in the middle, and not in a gateway?

(That said, logic seems not always important in hotel brandnames. Although 'Harbour Plaza' looked odd in the middle of Beijing, the Park brand of Hyatt does not seem to have run into similar geographical complications when there is no park nearby. Neither has the all-Chinese 'Mandarin-Oriental' – happily accepted in Miami, for instance.)

Taj worked with Landor consultancy for Gateway. For us, this company lost credibility since it proposed that the Claridges hotel group switch to a created brandname, Maybourne, for its hotels. Five years on, who knows that name? If Landor knew Maybourne would not work, it should have not proposed it; if it did not know, then it is not so good at its job.

Taj started Gateway with 16 existing hotels plus 10 new ones signed up*. Management says it is negotiating for another 10, and it targets 50 open and negotiated "in the near future", which we interpret as 3/4 years.

*-16; only 15 so far identified – Agra, Bangalore, Calicut, Chikmagalur, Coonoor, Jaipur, Jaisalmer, Madurai, Mangalore, Nasik, Surat, Vadodara, Varanasi, Vijayawada, Vishakhapatnam.

-10; only 9 so far identified – Bangalore, Chennai, Gondia, Jullunder, Mumbai, Mysore, Navi Mumbai, Pune, Raipur.

Air Asia; hiding data

This year, Air Asia has reduced the amount of traffic data released*. We presume part of the reason was that progress was starting to look less than good. Nevertheless, as a company quoted on the stockmarket, it is obliged to release certain information.

We have now noted inconsistency – one measure shown for one quarter, a different one for the next quarter. We are surprised the stock-market authorities allow this; even though the obfuscatory data pertains to traffic results and not financial, what use is one without the other?

Data shown in the table is essentially our calculations from data released. For instance, a rounded percentage growth figure (without the resulting number) obliges us to calculate from data revealed in 2007. We believe this methodology shows viable results for this year.

Although our earlier calculations indicated a traffic slowdown for the Air Asia group, particularly for Indonesia, half-year figures show better results, although slower than in earlier years, see table.

Seats sold on Air Asia divisions, first half

Division	2008		2007		2006	
	No.,x1000	Growth,%	Growth,%	Growth,%	Growth,%	Growth,%
Indonesia	1212	25.1	29.7	175.0		
Malaysia	5434	20.2	42.0	38.2		
Thailand	2157	25.5	23.5	74.1		
Total	8803	22.1	35.4	57.7		

Notes: Estimates from Travel Business Analyst; Air Asia now releases incompatible data; see text.

Source: Air Asia, Travel Business Analyst.

Total seats sold increased 22% to near-9mn this year. The two smaller divisions, Indonesia and Thailand, were growing faster, but we maintain their growth is not as fast as it should be; the main Malaysia division is still producing too-much of the group's growth.

And with political problems in Thailand over the summer, growth there seems likely to slow in the second half.

(As we have noted before, Air Asia needs a hub in a solid travel market – such as China, Hong Kong, Korea, or Taiwan. These markets are difficult-entry markets. That has pushed AA into planning a new division in a weak-but-accessible market, Vietnam, and risky longhaul expansion – to Australia with (delayed) plans for Europe.)

*This is despite now-false credos in the airline, which include "Optimum disclosure – higher than industry norms".

Korea; healthy learning

For a long time, Korea has tried to make its Jeju island (nee Cheju) an international leisure destination – starting from the 1970s when the IMF, no less, which then had tourism-development department, created a resort complex there.

All has failed. Mainly because most world resorts are warm-weather resorts; Jeju has good summer weather, but unwelcomingly-cold winters.

Now a new plan. The authorities want to make the island a "global leader" in English-language education and medical tourism. (It adds tosh about 'state-of-the-art', 'cutting-edge', environment, 'self-governing international development' – but these can be ignored.)

Jeju plans:

- An English Education City. EEC would be an "English-speaking town", with educational facilities to meet demand in Korea for overseas-language courses. In addition to 12 English-only primary-, middle- and high-schools, officials hope that English will also be the only language spoken in places other than the schools. The aim is to create a "total English-language immersion experience for students".

The government says in 2006, near-30,000 children, nearly double the number in 2004, left the country to study abroad. Construction work is due to start in 2009.

(We believe the EET must also attract non-Korean students, and have other-language opportunities as well, not least Chinese and Japanese.)

- Healthcare Town. Hopefully, Jeju's marketing advisors will find a better name, but HT is planned to offer health and treatment options, ranging from medical examinations, obesity treatment, to wellness therapies. HT will also have research-and-development complexes.

Some reports put worldwide medical travel market revenues at US\$40bn in 2004 and projected to reach US\$100bn in 2011. Korea (not just Jeju) targets 100,000 medical tourists in 2011, with revenues of US\$37bn – a figure too high to be correct, unless all 100,000 have extremely serious maladies.

HT will cost US\$315mn to build, with US\$99mn from Korea's government and the balance from private investors.

(We believe there is sound travel market potential for both proposals (HT and EEC) but that the marketing task is substantial.)

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