

# Travel Business Analyst

Markets + Marketing + Strategy

EUROPE • MARCH 2009

## Crisis Market Monitor

Data shown here may also be elsewhere in this newsletter. Not all sources shown, for reasons of brevity; not shown are usually relevant principals. Percentage change unless noted otherwise.

- Europe airlines international seat sales: Sep -1.6; Oct -1.6; Nov -5.4; Dec -4.0. AEA.
  - Europe airport passengers: Sep -2.9 intl -2.0; Oct -4.2 -2.7; Nov -8.4 -6.4. ACI.
  - Europe air traffic (RPKs), Sep: -0.5. Oct: +1.8; Nov -3.4; Dec -3.4; Jan -5.7. IATA.
  - Europe hotel occupancy: Sep -0.7pts; Oct -4.3p; Nov -10.3p; Dec -5.8p. TBA.
  - Europe travel stocks index: Sep 50 (on 100); Oct 42; Nov 42; Dec 43; Jan 39. TBA.
  - Europe visitor arrivals: Sep -3.5; Oct -1.8; Nov -5.2; Dec -4.1. WTO.
  - World air traffic (RPKs): Sep -2.9; Oct -1.3; Nov -4.6; Dec -4.6. IATA.
  - World travel stocks index: Sep 57 (on 100); Oct 47; Nov 43; Dec 44; Jan 40. TBA.
  - World visitor arrivals: Sep -2.8; Oct -0.8; Nov -3.0; Dec -2.3. WTO.
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- Air France-KLM seat sales: Sep ttl -1.5, Eur/dom -2.5; Oct +5.7 +3.7; Nov -5.2 -7.7; Dec +0.2 -0.4; Jan -6.1 -8.8.
  - American Airlines seat sales: Sep -10.0; Oct -9.1; Nov -15.9; Dec -8.2; Jan -12.7.
  - Amsterdam airport passengers: Sep -2.9; Oct -2.4; Nov -5.8; Dec -5.7.
  - Austria visitor arrivals: Sep -2.2; Oct 7.3; Nov -1.1; Dec +3.4. WTO.
  - Berlin hotels: Sep occupancy -1.8pts, rate +0.6; Oct -3.5p +7.6; Nov -7.5p -4.6; Dec +1.7p -6.8. TRI.
  - Berlin Tegel airport passengers: Sep +5.7; Oct +2.7; Nov -3.7.
  - British Airways seat sales: Sep ttl -5.6, Eur/dom -5.9; Oct -5.6 -6.5; Nov -7.8 -9.3; Dec -4.5 -5.2; Jan -4.0 -6.6.
  - Cathay Pacific seat sales Europe: Sep -6.8; Oct -5.7; Nov -1.3; Dec +3.1; Jan -0.8.
  - Delta Airlines seat sales: Sep -4.6, Oct -4.8; Nov -7.5; Dec -1.1; Jan -5.1.
  - France visitor arrivals: Sep -7.9; Oct -3.8. WTO.
  - Frankfurt airport passengers: Sep -3.9; Oct -4.9; Nov -7.0.
  - Germany visitor arrivals: Sep +1.4; Oct -1.2. WTO.
  - Italy visitor arrivals: Sep -3.1; Oct -1.8. WTO.
  - Japan Airlines seat sales Europe: Sep -20.5; Oct -20.3; Nov -21.3; Dec -16.8.
  - Jet Blue Airways seat sales: Sep +3.7, Oct +3.3; Nov +2.6; Dec +2.5. Jan -3.8.
  - London airports international passengers: Sep Gatwick -6.5, Heathrow -3.7, Stansted -5.1; Oct -10.4 -3.7 -6.9; Nov -13.5 -4.3 -12.8; Dec -14.2 -2.0 -12.1; Jan -1.7 -10.3 -9.7. BAA.
  - London hotels: Sep occupancy -4.2pts, rate -1.9; Oct -3.1p -1.3; Nov -5.4p -5.0; Dec +0.8p -3.2. TRI.
  - Lufthansa seat sales: Sep ttl +1.1, Eur/dom -0.4; Oct -1.4 -3.0; Nov -2.3 -3.5; Dec -3.7 -2.2; Jan -9.3 -7.6.
  - Paris CDG airport passengers: Sep -2.8; Oct +3.4; Nov -3.7.
  - Paris hotels: Sep occupancy -9.4pts, rate -9.8; Oct -5.5p -12.1; Nov -9.4p +3.2; Dec -4.7p +1.0. TRI.
  - Rome FCO airport passengers: Sep +5.7; Oct +0.7; Nov -5.8.
  - Ryanair seat sales: Sep +20.3; Oct +18.2; Nov +10.9; Dec +10.6; Jan 10.9.
  - Spain visitor arrivals: Sep -6.0; Oct -5.4; Nov -12.0; Dec -14.0. WTO.
  - Southwest Airlines seat sales: Sep -8.1; Oct +0.4; Nov -10.7; Dec -3.1; Jan -9.7.
  - UK resident departures: Sep -7.0; Oct -9.2; Nov -0.1; Dec -9.2. gov.
  - UK visitor arrivals: Sep -9.8; Oct -4.4; Nov -15.0. WTO.
  - United Airlines seat sales: Sep -7.9; Oct -9.4; Nov -17.8; Dec -9.2; Jan -11.7.
  - US air international passengers: Sep -0.3; Oct -7.7. gov.
  - US hotels occupancy: Oct -6.5; Nov -10.6; Dec -6.8; Jan -10.7. Smith.
  - US hotel rooms planned: Nov -6.8; Dec -0.4; Jan -7.3. Smith.
  - US resident departures: Sep -6.6. PATA.
  - US travel agency sales: Dec -7. ARC.

2008

## First results

The good news is that many all-2008 figures do not look too bad. The bad news is that end-of-year figures do. Across some industry sectors:

### • Aviation.

• IATA (International Air Transport Association) results for 2008 show

a 2% growth for Europe, but a 3% decline in the last month of the year. This matched worldwide results over the year, and was slightly ahead in December.

Table 1

### Growth in air passenger traffic\*

Region	Dec 08	2008	2007	2006	2005	2004†
Europe	-3.4	2.2	6.0	5.3	6.4	10.1
North America	-4.8	3.6	5.5	5.7	8.9	12.7
Asia Pacific	-9.7	-0.8	7.3	5.3	6.3	20.5
Middle East	5.6	7.1	18.1	15.4	13.1	14.8
World	-4.6	2.2	7.4	5.9	7.6	15.3

Notes: \*In revenue passenger kilometres. †Followed SARS-related downturn in 2003. Source: International Air Transport Association.

Results were worse in other main regions, however. Asia Pacific was the worst-performing; 2008 traffic down 1% and a big 10% drop in December - double the decline in North America, where the economic recession is supposed to be worst. For its part, North America managed 4% growth over the whole year.

• AEA. Member airlines of AEA (Association of European Airlines) reported a combined 4% fall in seat sales in December, see Table 2, but all-year total just managed to hold on to an increase - of 1%. Traffic (RPKs) was slightly better - a 3% fall in December, but 2% growth over the whole year.

• Hotels. There were occupancy falls in Europe, even 4% over the whole year, see Table 3. Rates held up better over the whole year, increasing 6%, but there was a big turnaround, declining a sizeable 14% in the last month of the year.

All sub-regions were down in occupancy over the whole year, but only Northern Europe was down in terms of rates. For December, however, all were down in both occupancy and rate, with Northern Europe reporting a heavy 24% fall.

Table 2

### Growth in Europe airlines\*, %

Item	Dec 08	2008
Seats sold	-4.0	1.2
RPKs	-2.5	2.0

Notes: RPK = revenue passenger kilometres. \*Members of AEA. Source: Association of European Airlines.

contd on p2

contd on p2

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contd from p1 – Crisis Market Monitor

## Market Headlines

Full-year market results.

### Aviation

- Airline traffic; see P6 T1.
- Amsterdam airport; passengers 2008; 47m -1%.
- Germany; air passengers 2008; 141m +1%.
- London Heathrow airport; passengers 2008; 67m -1%.
- London Gatwick airport; passengers 2008; 34m -3%.
- Europe airlines; seats sold 2008; 252m +1%.

### Others

- Europe hotels; see P9 T10.

## Main News

### Corporate

Recent corporate developments - big or significant.

- Ryanair withdraws its bid for Aer Lingus. Now problems for Ryanair as it owns 29% of AL shares, and their value fell 28% in 2008, and are likely to fall much further. Apart from that, Ryanair should be pleased its offer fell through; why was it interested?
- Eastern promise. Russian bank Vneshekonombank takes over Hungarian airline Malev. And the Czech government wants to sell its 92% stake in Czech Airlines.

### Market

Recent market developments - big or significant.

- Alitalia seat sales in December fell a jaw-dropping 63%.
- US air passenger traffic up 5% thru Oct, but down 8% that month; expect worse.

contd from p1 – First results

### • Visitor arrivals.

• *Worldwide*, says WTO (World Tourism Organization), international visitor arrivals fell 1% 2008 (to 924mn), see Table 4. But that comes from 5% growth in the first half, and a fall in the second – and the WTO expects

Table 3

### Growth in hotel results, 2008

Region	Occupancy,%		ARR,%	
	Dec	Jan-Dec	Dec	Jan-Dec
Europe	-7.7	-3.7	-13.7	5.6
East	-14.5	-6.4	-7.2	15.3
North	-5.7	-2.8	-24.1	-1.2
South	-13.2	-6.4	-8.3	7.4
West	-5.5	-2.3	-3.3	12.0
North America	-6.7	-4.0	-3.9	2.5
Asia Pacific	-16.0	-7.2	-6.4	9.7
Middle East	-10.0	1.2	7.6	17.0

Notes: ARR = average room rate in US dollars.

Source: Smith Travel Research.

Table 4

### World visitor arrivals growth, 2008

Region	Dec	Jan-Dec
Europe	-4.1	-2.5
North	-7.8	-5.8
West	-3.0	-3.3
Central/East	-1.5	0.4
South/Med	-6.0	-2.3
North America	0.4	0.7
Asia Pacific	-4.1	-2.8
Middle East	1.6	5.2
World	-2.3	-1.3

Source: World Tourism Organization.

but the drop in AsPac is more significant given its double-digit growth in 2007 and 6% growth in H1 2008. The Americas still increased in H2 (up 1%), albeit slower than growth in H1, but helping the region to achieve 4% growth over the whole year.

• *Europe*. Not looking good. The overall decline in 2008 was 3%, see Table 4, with a decline in all sub-regions except Central/East Europe. But for the last month, all sub-regions were in decline.

• *Forecasts*. For 2009, WTO forecasts have been changing almost constantly, and so devaluing their credibility. In November 2008, it forecast 0-2% growth worldwide in 2009 visitor arrivals. Now, 0% to -2%. But it adds that if the economy deteriorates “further”, then the fall in arrivals in 2009 could be 3%. Unfortunately, it gives no indication on any measurement for “further”, although there have been many more-worse economy figures since this latest WTO forecast.

And WTO adds that if economic recovery is “earlier than expected” (again, it gives no indication to which “expectation” it refers), then there could be 1% growth.

• The WTO has formed a ‘Tourism Resilience Committee’ to help the visitor business “and its members...with the necessary support to help them endure these challenging times”.

Its meeting last month, however, produced no specific proposals. The TRC noted only that “any short-term economic response goals must be

that H2 2008 pattern to be repeated this year, see below.

By region in H2 2008, both Europe and Asia Pacific fell 3%,

aligned with long-term commitments to sustainable development, poverty alleviation and climate change response”. *This appears to indicate that the WTO expects others to propose solutions - but that those proposals should follow WTO policy direction.*

The TRC also added that it plans to: “Advocate...priority inclusion [of the visitor business] in general economic stimulation measures.” *Again, an action for other industries to carry out, not the travel industry.*

“Advance [the visitor business] in the new Green Economy as a sector that can deliver on smart growth, intelligent infrastructure and clean energy jobs.” *Similarly, a message for others, but when analysed, is devoid of clear comment. That is even after wondering what is ‘smart growth’ and ‘intelligent infrastructure’ - unless the meaning is simply that ‘the travel business can also be green’.*

Spain

### Pain

We regard Spain as the world’s leading leisure destination, partly because it physically built its tourist business - with charter flights from key Europe markets and hotels for the passengers to stay in - and that most of its arrivals fly in.

Well despite all that, business was not good in 2008. The following are sector results:

• **Visitor arrivals** in Spain fell 3% in 2008 (growth was 2% in 2007, but 5% in 2006), see Table 1. The annual average growth since 2000 has now fallen below 3%. The main reason is that the destination’s top two markets, UK and Germany - which represent 45% of arrivals - remain weak. The UK fell 3%, and Germany was flat (it fell in 2007). Germany has lost substantial share since 2000 - down from 23% to 17%.

But despite this, the top six markets in 2008 represented 76% of total; in 2000 the top six (almost the same) represented 77%.

We thought France might overtake Germany in 2007 to become Spain’s second-largest market. That did not

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Table 1

Visitor arrivals in Spain, mn					
Market/item	2008	Growth,%	AAGR,%	Share,%	Share*,%
UK	15.7	-3.2	2.9	27.4	27.1
Germany	10.0	0.0	-0.6	17.5	22.7
France	8.2	-12.6	4.8	14.2	12.1
Italy	3.5	-4.7	6.2	6.0	4.6
Netherlands	2.5	2.2	3.6	4.4	4.1
Portugal	2.3	-3.1	6.2	4.0	3.0
<b>Main regions visited</b>					
Catalonia	14.2	-6.9	6.0	24.7	19.2
Balearic islands	10.3	0.5	0.4	17.9	21.6
Canary islands	9.4	-1.0	-0.8	16.3	21.6
Andalucia	8.1	-5.4	1.9	14.2	15.1
Madrid†	4.6	3.8	-3.7	7.9	NA
<b>Air</b>					
Air	44.4	0.1	3.2	77.3	74.1
<b>Road</b>					
Road	11.3	-14.0	0.7	19.6	23.0
<b>Total</b>	<b>57.4</b>	<b>-3.0</b>	<b>2.7</b>	<b>100</b>	<b>100</b>

Notes: †Valenciana is higher (5.7mn) than Madrid. AAGR = average annual growth rate, 2000-08. \*In 2000. Source: Instituto de Estudios Turísticos.

happen, and in 2008 France fell substantially, and they are now far apart again. Other markets are much smaller. The only notable change in 2008 was Ireland overtaking Belgium just below the 2mn mark – but this was due more to Belgium's decline than

Ireland's growth.

Probably because of this slower performance for the two leading markets, there is also some shift in destinations in Spain. Catalonia had a bad year, but even after that 7% decline, it has still increased share since 2000 – from 19% to 25%.

Picking trends is risky because good growth is followed by a slowdown or drop. That said, winners in 2008 were the Balearic islands (which include Ibiza and Majorca) and Madrid. But the islands have lost share this decade.

So perhaps the key-indicator is mode of arrival? The arrival-

by-air share had remained steady, at almost 75%, but picked up two points in 2008 as road arrivals (most of the rest) fell substantially. But that may not be good

news because road travellers spread the travel spend more widely than air travellers.

- **Outbound travel** has not grown much this decade. We estimate growth may have reached 6% in 2008, pushing the total to just over 12mn. That would mean only 8% growth on 2000. Given the current weak state of the economy, a decline looks possible this year.

- **Iberia.** The airline has stopped reporting its seat sale numbers. We presume this is for reasons other than they seem to be bad. Our calculations, see Table 2, indicate there was an overall decline of 3%, but this was caused by a 22% fall on domestic routes.

(That was caused primarily by new fast-train competition on Madrid-Bar-

Table 2

Seats sold on Iberia					
Item	No,mn 2008*	Growth,% 2008	Share,% 2008	No,mn 2007	Share,% 2005
<b>Domestic</b>	10.7	-22.1	40.9	13.7	55.7
<b>Medium-haul</b>	9.2	3.4	35.3	8.9	31.6
Europe	8.6	3.3	32.8	8.3	29.7
<b>Longhaul</b>	4.2	0.5	16.1	4.2	12.7
<b>Total</b>	26.2	-2.5	100	26.9	100

Notes: \*Estimates by Travel Business Analyst from Iberia data. Source: Iberia, TBA.

## ZERO

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

### JAL cuts CO2

The JAL Group has decided to participate in a Japan-only emissions trading scheme set up by its government.

Over five years, 2008-12, JAL must set CO2-emission reduction targets for each year. If it exceeds its targets, it can trade credits with other companies in the scheme that have not managed to meet their own targets.

The JAL Group targets a 16% cut in CO2 emissions per ASK of its domestic fleet each year.

### InterCon goes zero

InterContinental Hotels is one of the 23 companies in the 'Net-Zero Energy Commercial Building Initiative', sponsored by the US department of energy.

There are various aims and targets, but the most specific is that within five years ICH will build a new hotel that will have 50% energy savings and retrofit an existing hotel that will have 30% savings.

The DOE will give US\$15mn in technical assistance.

### Briefs

- The Americas.

- **Canada's** well-known ski resort of Whistler Blackcomb in British Columbia has begun construction on a renewable energy project for the village. The project will be

water powered from the nearby Fitzsimmons Creek; it is expected to operational by this autumn. Whistler is the alpine skiing venue for the 2010 Winter Olympics.

- **Inkaterra** – an environmentally-conscious small hotel owner and tour operator – and Inka Terra Association have opened a wildlife rescue centre on a secluded 22ha island across the Madre de Dios River from Inkaterra's resort, Reserva Amazonica in Peru.

- **Mexico-based** Palace Resorts, with resorts in Mexico and the Dominican Republic, has formed an environmental team to work with all its resorts to educate staff on adapting sustainable practices.

- The California Academy of Sciences in San Francisco reopened late-2008. It includes a natural history museum, aquarium, planetarium, and research/education programmes beneath a "living roof" (a roof covered with plantings native California wildflowers, shrubs, and grasses to serve as insulation, decoration, and wildlife habitat).

CAS claims it is the world's greenest museum, based on its LEED award – which sets environmentally-friendly construction and materials standards for building construction, as well as for their operations.

- A niche market has emerged in **Guatemala** – 'eco-coffee tourism'. Some organic- and fair-trade-coffee plantations welcome visitors to learn how coffee is made. Organisation, however, is at an early stage, although a 'geotourism' map guide is planned.

- Asia.

- Authorities in Luang Prabang, the ancient royal capital of **Laos**, have banned

hotel construction in a bid to help the city retain its Unesco World Heritage status. Unesco has warned about "...development placing critical stress on both the environment and the historic cultural resources...". Unesco plans to review the city's heritage status this year.

- **China** has designated the country's first national park, the Tangwanghe National Park in Northeast China in Heilongjiang province, near Yichun City. The park includes forests of Korean pine.

- Europe.

- The Crowne Plaza in **Copenhagen** – a 366-room US\$137.4mn (at US\$1 to Dk\$5.78) hotel with a 3500sqm congress centre - is due to open in April 2010 in the new Copenhagen Towers business complex.

The hotel and the CT complex will use underground water to cool the complex. US\$1.7mn is being spent to drill eight 100m wells, from where cool underground water will be used to cool recycled air. Management expects to make energy savings of 80% on normal air-conditioning costs - which they reckon would produce an annual saving of US\$700,000.

- **Wales** has opened what is billed as its first 'eco-resort', the US\$191.2mn (£110mn) Bluestone, located inside Pembrokeshire National Park. With 335 log cabins, 30 2-bedroomed cottages, and 30 full-service studio apartments, it is built on the coast in an area considered attractive.

It has a range of sports facilities, restaurants, and spas. The market is high-end travellers, short breaks, families, and meetings and conferences.

Table 3

Travel sector results in Spain, US\$m <sup>*</sup>							
Item/company	2008†	Growtht,%	AAGR†,%	Share†,%	2007	2000	Share,%
<b>Retail travel agencies</b>							
El Corte Ingles	2973	6.0	11.0	29.0	2804	1292	28.9
Halcon/Ecuador	1914	1.6	11.2	18.6	1884	818	18.3
Marsans	1550	4.5	15.2	15.1	1484	501	11.2
Viajes Iberia	1187	8.9	NA	11.6	1090	NA	NA
Barcelo	863	2.6	8.8	8.4	841	441	9.9
Carlson Wagonlit	851	6.8	7.0	8.3	797	496	11.1
<b>Top 10</b>	<b>10269</b>	<b>4.9</b>	<b>10.9</b>	<b>100.0</b>	<b>9792</b>	<b>4472</b>	<b>100.0</b>
<b>Travel wholesalers</b>							
Iberojet group	1788	2.1	13.8	35.9	1751	634	17.8
Travelplan	1225	6.1	19.7	24.6	1155	291	8.2
Soltour	344	1.9	5.2	6.9	338	229	6.4
Pullmantur	396	2.2	NA	8.0	388	NA	NA
Mundosocial	314	2.7	NA	6.3	306	NA	NA
Tiempo Libre group	229	0.1	-4.8	4.6	228	337	9.5
Condor	217	2.2	6.7	4.3	212	129	3.6
<b>Total</b>	<b>4981</b>	<b>3.2</b>	<b>4.2</b>	<b>100.0</b>	<b>4826</b>	<b>3571</b>	<b>100.0</b>
<b>Hotel groups</b>							
NH	2138	19.8	15.2	25.2	1784	690	15.3
Sol Melia	1745	3.6	5.8	20.5	1684	1115	24.8
Riu	1421	3.8	7.6	16.7	1369	789	17.5
Iberostar	1066	5.5	12.6	12.5	1010	413	9.2
Barcelo	699	5.0	NA	8.2	665	NA	NA
Occidental	352	0.2	-1.5	4.1	351	396	8.8
<b>Top 10</b>	<b>8496</b>	<b>4.4</b>	<b>8.3</b>	<b>100.0</b>	<b>8141</b>	<b>4499</b>	<b>100.0</b>

Notes: AAGR = average annual growth rate, 2000-8. \*Converted at US\$1 to €0.80. †TBA estimates from Nexotur data. Source: Nexotur, Travel Business Analyst.

celona. A year ago, Iberia was hoping to hold domestic traffic growth in 2008; we forecast a 25% fall. It appears we were closer to the outcome than was Iberia management.)

The outlook for this year does not look encouraging. Spain's economy is expected to fall 2.3% this year.

• **Retail travel agencies**, see Table 3. El Corte Ingles remains easily the largest, by almost 50%, and growth since 2000 has matched the average for the top-10 (11%), and the same as No 2, Halcon/Ecuador. In third place, Marsans, might be expected to grow faster, thanks to its extensive international interests, but according to our estimates, its growth in 2008 was slower than ECI's.

• **Travel wholesalers**, see Table 3. The Iberojet group has been growing more slowly than No 2, Travelplan, this decade, although its leading position looks secure for probably five years.

• **Hotel groups**, see Table 3. Long-time leader Sol Melia, which looked untouchable only 3-4 years ago, is now number two, after rival NH Hoteles ('N' is for Navarra, but this is no longer used) continues its fast expansion.

NH has been growing at an average annual 15% this decade, compared with only 6% at SM. The difference was even more remarkable in 2008; we estimate its growth was 20% compared with 4% at SM.

For Riu, No 3, it may have reached a ceiling in its holiday hotel expansion. And perhaps also for its business plan, which is closer to contracting with tour wholesalers than the travelling public. Growth in that sector is also believed to be slowing, so will Riu try to establish its name with the public (it is hardly known outside Spain), or move into other

market categories?

• **Fitur**. As the first major travel trade show in Europe for 2009, results for Fitur may be an indication of what can be expected this year. If that is the case, then the signs are not good.

Exhibitors, net exhibition area, and trade visitors each fell 13-14% at Fitur, see Table 4. Only the number of media increased. Does more bad news attract more reportage, or are there more media outlets - including the new and growing internet sector?

## Briefs

• **Airline troubles**.

• Russian bank Vneshekonombank plans to take over Hungarian airline Malev. This follows privatisation of the airline in early-2007, when it was taken over by now-bankrupt Kras Air and Russian and Hungarian private interests.

Indications are that Russia's main airline Aeroflot will sign a close partnership deal with Malev. Despite that, prospects do not look good, partly because of low-fare-airline competition from Wizz Air, and partly because Hungary's economy in particular seems to be particularly hard-hit in this economic crisis. Its economy is forecast to fall 5.6% this year.

• The Czech government has announced that it wants to sell its 92% stake in Czech Airlines. In the current circumstances, there are unlikely to be many interested, partly also because CA is not a strategic acquisition for an existing airline group, and partly because it faces strong competition.

• Greece's minister of tourism, Aris Spiliotopoulos, says Greece's visitor marketing budget for this year will increase 7% to US\$44mn (€35mn). In addition to its traditional source markets, Greece also plans promote to China, India, Russia, Ukraine, the Middle East, and Central Europe.

• **Sol Melia** is due to open its fifth ME hotel - its new contemporary brand - with 255 rooms, in Vienna late 2010. It will occupy the first 15 floors of what should be Vienna's highest building (220m, 60 floors).

• **Starwood** - which has only one of its W brand open in Europe, in Istanbul - plans more. This year, Ws are due in Barcelona and St Petersburg, and in 2010 in Athens, London, Manchester, Milan.

Table 4

Statistical profile of Fitur				
Item	2009		2008	
	No,x1000	Growth,%	Growth,%	AAGR,%
Exhibitors	11.6	-14.4	2.6	4.3
Trade visitors	136	-13.4	3.7	7.4
Net area,sqm	87.5	-12.9	11.5	4.2
Media	8.7	4.9	-2.0	3.7

Notes: Some annual figures do not match data given earlier; this table is based entirely on Ifema-supplied data in relevant years. AAGR = average annual growth rate. Source: Ifema.



# People-in-Travel

## Tracking Travel's Leaders

### New CEOs

- Shinichiro Ito, at **All Nippon** Airlines. A longterm ANA man, he is due to take over this April from Mineo Yamamoto, who becomes vice-chairman of the group, and who presumably soon will become chairman, in Japan's time-honoured tradition. The travel business in Japan, as much of the rest of the economy, is finding it hard to change traditions - even when there is evidence that tradition is not bringing results.
- Peter Malanik and Andreas Bierwirth, at **Austrian** Airlines. Both COOs, they take over from Alfred Ottsch, who resigned after budget cuts. But AA is now part of the Lufthansa Group, so more changes seem likely.
- Barney Harford, at **Orbitz** Worldwide. Taking over from Steve Barnhart, he was with rival Expedia. His first job is to cut annual costs by US\$40-45mn.
- Gregory Duffell, at Bangkok-based **PATA** (Pacific Asia Travel Association). He joins from Bangkok-based Indochina Services Travel Group, a ground operator, where he has been CEO since 2006.

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

### This month

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

#### Travel Business Analyst, Europe:

- Key 2008 results.
- Singapore 2010.
- Airlines; class results.
- Plus: Crisis Market Monitor; ZERO; Extracts from Net Value and People-in-Travel; Market Headlines; Market Outlook; and 18 regular tables of market data.

#### Net Value:

- Expedia results; Priceline results; InterContinental online; 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:

- New CEOs; Higher education; Whingeing poms; others.
- Excerpts from the single-page People-in-Travel report are included in the Asia Pacific and Europe editions of Travel Business Analyst. **People-in-Travel** is delivered only via email.

### 10 years ago

### Themes down

Visitation at the 50 largest US theme parks was estimated at 165mn people in 1998, almost 2mn down. The trade magazine that makes the USA estimates, Amusement Business, says the decline was due to worse weather, weak marketing, and a drop from Asia.

Disney's new Animal Kingdom came in sixth, at twice the total that Travel Business Analyst forecast. It now looks likely to move into at least fifth place this year - which would mean Disney has the top five. Animal Kingdom opened in April, but it may have reduced attendance at the others, which had 3.6mn fewer visitors.

Total at the top ten was 82mn, compared with 81mn two years earlier.

### Visitors in leading US theme parks, x1000

Park	1998	Growth,%
Magic Kingdom, Orlando	15.6	8
Disneyland, California	13.7	4
Epcot, Orlando	10.6	10
Disney MGM, Orlando	9.5	10
Universal Studios, Florida	8.9	0
Disney's Animal Kingdom, Orlando	6.0	na
Universal Studios, Hollywood	5.1	5
Sea World, Florida	4.9	0
Busch Gardens, Florida	4.2	0
Sea World, California	3.7	7

Notes: na-not applicable. Source: Amusement Business.

#### Foxtrots (recent):

- My success in hotel brandnames; People are getting paid to do this - Hong Kong airport, NH Hotels, Hogg Robinson.

#### ZERO (recent):

- JAL cuts CO2; InterCon goes zero; Canada's Whistler.

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See back page for more offers.

### Headlines

#### Comments on tables pages 6-12

#### Aviation.

**T1.** Airlines. Full-year. Report scheduled next issue, but note declines for most even over the whole year. Then there is Alitalia's jaw-dropping 64% fall in December. The question now is will the airline drag down part-owner Air France-KLM - not in terms of traffic (which is a given) but in terms of management time? Among LFAs, the crisis seems likely to separate good from bad LFAs (most commentators seem to put all LFAs in one bracket, unlike what they do for regular airlines). Ryanair still growing at 11% in last month of year. **T2.** Full-year for AEA member airlines in Europe; all measures down in December, but still growth over the whole year. **T3.** Airports. Full-year for Amsterdam (down 1%) and two London airports (Heathrow down 1%, Gatwick down 3%). **T4.** Full-year to/from Germany (up 1%, but down 5% in the last month). The UK looks likely to be in decline even for the whole year, and probably the US as well; France may have been flat.

#### Inbound.

**T14.** Visitor spending. Updates for Austria, France, Germany, Greece, Italy, Spain, Turkey, UK, Ukraine, courtesy WTO. **T15.** Visitor arrivals. Updates for Belgium, France, Germany, Greece, Italy, Spain, Turkey, UK, Ukraine, and all-Europe, courtesy WTO.

#### Outbound.

**T6.** Outbound spending for Belgium, France, Germany, Italy, Netherlands, Russia, UK, courtesy WTO. **T7.** Updated outbound totals for Austria, Belgium, Finland, courtesy Eurostat.

#### Hotels.

**T10.** Full-year. Report scheduled next issue, but some analysis in Trends, page 11.

#### Others.

**T5.** First stock market prices for 2009. Still growth for some companies - EADS/Airbus, Easyjet, Expedia, Ryanair, Thomas Cook. **T8.** Internet. Splendia a hotel rep company, but on the internet. **T12.** Stock price index for Europe, Asia Pacific, and the World, based on Dec 06. **T13.** Economic indicators getting worse each period.

#### Special.

Airline groups. Bigger; bigger fall.

# MARKET DATA

## Special

### Airlines United

There has been something of a frenzy in airline acquisitions. But in most cases, and in terms of seats sold, the 'master' airline would be better on its own, see table.

Europe's biggest airline, in seats sold, is Lufthansa (LH). It is also the biggest in number of airlines in the group - five. But in total seats sold, the newer group - huddled around Air France - pips the LH-group by a few seats sold, 330,000.

But another would-be group - around British - would be the same size, about 90mn seats sold. Our totals in the table, however, exclude one of the two possible partners (Iberia and Qantas, QF) because there are indications that IB does not want to be in with QF.

And there are unknowns about others in the table. SAS also owns part of BMI, but is trying to sell, and wants to sell Spanair as well, and itself! And Virgin may be interested in buying LH's shares in BMI.

The advantages of togetherness are not obvious here. LH on its own managed a 1% growth. With Swiss, growth was better, 3%, but adding other airlines causes growth to slip into a fractional decline for the whole group.

Similar for AF. With KLM its growth climbs from a 1% drop to a fractional growth. But adding the disastrous Alitalia (AZ) results in a 6% group decline in 2008. And that seems likely to be worse this year - AZ fell 63% (yes) in December!

If British adds IB, its fall doubles from 4% to 8%. But joining with QF would reduce the fall to 1%.

### Seats sold on airline groups\*, 2008

Airline	No,mn	+/-,%
Air France	50.0	-0.8
+KLM	73.8	0.2
+Alitalia	91.9	-6.3
British AW	32.3	-3.5
+Iberia	55.1	-8.0
+Qantas†‡	70.7	-0.7
Lufthansa	54.7	0.9
+Swiss	68.0	2.7
+Brussels	73.1	2.5
+BMI	82.4	-0.1
+Austrian	91.5	-0.1
SAS	25.4	-0.2
+Spanair	34.1	-2.6
Virgin A'tic	5.7	1.0
+BMI	15.0	0.0

Notes: \*Actual/planned/proposed/discussed/possible.

†Estimate by TBA. ‡Total excludes Iberia. Source:

Association of European Airlines, Travel Business Analyst.

### 1 Regular-airline traffic\*, 2008

Airline	Dec 08		YTD									
	SS,x1000	+/-,%	RPK,mn	+/-,%	SS,x1000	+/-,%	ASK,mn	+/-,%	RPK,mn	+/-,%	SF	+/-,pts
Air France	3873	0.6	10286	-2.6	49975	-0.8	166570	3.6	129712	0.8	77.9	-2.2
Europe†‡	3850	-0.4	2990	0.1	51534	-0.5	58655	1.6	41037	0.5	70.0	-0.8
Alitalia	632	-63.9	1510	-46.2	18048	-26.1	42630	-16.7	29206	-23.3	68.5	-5.9
Austrian	627	-6.5	1126	-6.5	9141	0.0	22131	-4.7	16465	-5.4	74.4	-0.6
BMI	580	-14.7	666	-7.1	9302	-0.5	15523	26.5	10378	22.6	66.9	-2.2
British AW	2510	-4.6	9170	-3.5	32284	-3.5	149516	-0.2	110805	-2.1	74.1	-1.5
Europe‡	1440	-5.2	1450	-1.3	19703	-4.9	30068	2.2	20143	-0.7	67.0	-1.9
Brussels	323	-12.8	491	-10.2	5107	-0.1	11651	9.6	7365	2.8	63.2	-4.2
Czech	311	-6.8	377	-14.4	4721	2.0	9098	0.5	5865	-2.0	64.5	-1.6
Finnair	499	-2.2	1274	4.7	6884	-0.6	23550	11.0	16984	9.1	72.1	-1.3
Iberia	1563	-18.8	3959	-7.0	22834	-13.6	66039	-1.2	52843	-3.0	80.0	-1.5
KLM	1785	2.5	6086	3.8	23844	2.4	94369	5.8	77530	4.1	82.2	-1.3
LOT-Polish	252	-15.6	403	-14.4	3967	-7.1	9209	-4.3	6710	-7.9	72.9	-2.9
Lufthansa	3797	-4.0	9019	-1.3	54664	0.9	160269	4.9	126267	3.4	78.8	-1.2
Europe†‡	3847	-2.2	2907	-1.9	54338	NA	60219	NA	41774	NA	69.4	1.3
Olympic	340	-19.9	451	-16.1	5266	-11.2	9755	-8.9	6631	-8.6	68.0	0.2
SAS	1539	-9.4	1641	-9.4	25355	-0.2	38776	5.2	27890	2.1	71.9	-2.2
Spanair	437	-27.3	439	-27.1	8794	-9.1	12895	-5.4	8900	-5.4	69.0	0.1
Swiss	1052	6.2	2257	4.0	13320	10.4	35033	11.9	28142	12.1	80.3	0.1
TAP	652	5.2	1723	5.3	8737	11.8	32700	21.4	21907	14.0	67.0	-4.4
Turkish	1676	16.5	2600	16.6	21862	15.1	43978	11.7	32804	13.2	74.6	1.0
Virgin A'tic	484	-1.3	3533	-0.9	5685	1.0	53998	1.8	41167	1.5	76.2	-0.2
AF+KL+AZ	6290	-14.3	17882	-7.0	91867	-6.3	303568	0.8	236448	-2.0	77.9	-2.2
BA+IB	4073	-10.6	13128	-4.6	55118	-8.0	215555	-0.5	163648	-2.4	75.9	-1.5
LH+LX+SN	5171	-2.7	11768	-0.7	73091	2.5	206953	6.3	161773	4.8	78.2	-1.1
SK+JK	1976	-14.1	2080	-13.8	34149	-2.6	51670	2.3	36790	0.2	71.2	-1.5

Notes: See Master Notes this page. SS and SF for low-fare-airlines includes free tickets and no-shows. E = TBA estimate, pts = points. \*Domestic and international. †Includes KLM for AF and Swiss for LH. ‡Includes (national) domestic, including Switzerland for LH. Source: airlines, Association of European Airlines, Travel Business Analyst.

Master Notes: AL = Airline, ASK = available-seat km, AW = Airways, CH = Switzerland, DE = Germany, E = TBA estimate, ES = Spain, FR = France, GB = UK, IT = Italy, J-D = January-December, LF = load factor, NA = not available, na = not applicable, NL = Netherlands, P = provisional, Pax = passenger, RPK = revenue-passenger km, Q = quarter (of year), SE = Sweden, SF = seat factor, SS = seats sold, YTD = year-to-date.

### Low-fare-airline traffic, 2008

Airline	Dec 08	YTD
Air Berlin	1722	27126
SS,x1000	-2.0	12.9
Growth,%	71.7	78.1
SF,%		
Easyjet+GB-E	3111	44589
SS,x1000	7.3	14.9
Growth,%	82.3	NA
SF,%		
Ryanair	4370	57675
SS,x1000	10.6	17.6
Growth,%	79.0	NA
SF,%		
Germanwings	491	7645
SS,x1000	-13.4	-3.1
Growth,%		
Norwegian	553	7521
SS,x1000	13.6	18.2
Growth,%		
Sky Europe	233	3630
SS,x1000	-13.3	1.5
Growth,%		
Southwest	6788	88510
SS,x1000	-3.1	-0.2
Growth,%		

# MARKET DATA

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

Item	Europe,AEA		Oct 08	Growth,%	Nov 08	Growth,%	Dec 08	Growth,%	YTD	Growth,%
	Sep 08	Growth,%								
SS,mn	22.6	-1.6	22.0	-1.6	18.2	-5.4	17.9	-4.0	251.7	1.2
ASKs,mn	81,949	3.0	82,052	3.6	73,571	-1.6	74,165	-2.1	952,649	3.7
RPKs,mn	63,614	-0.1	63,313	1.1	54,366	-3.6	55,039	-2.5	727,748	2.0
Pax LF,%	77.6	-2.4	77.2	-1.8	73.9	-1.6	74.2	-0.3	76.4	-1.3
<b>US,BTS</b>										
	Aug 08	Growth,%	Sep 08	Growth,%	Oct 08	Growth,%	Nov 08	Growth,%	YTD	Growth,%
	SS,mn	9.1	1.3	6.8	-5.5	7.0	-3.3	6.6	-6.9	87.5
ASKs,mn	47,582	4.9	41,493	-0.9	41,175	0.1	38,433	-1.1	476,184	3.7
RPKs,mn	39,010	4.7	31,931	-2.1	31,745	-1.2	28,352	-5.5	373,308	3.3
Pax LF,%	82.0	-0.1	77.0	-0.9	77.1	-1.0	73.8	-3.4	78.4	-0.4
<b>Asia Pacific,AAPA</b>										
	Aug 08	Growth,%	Sep 08	Growth,%	Oct 08	Growth,%	Nov 08	Growth,%	YTD	Growth,%
	SS,mn	12.3	-4.7	10.8	-8.8	11.5	-5.1	10.7	-11.7	129.9
ASKs,mn	67,951	1.2	63,794	-1.7	65,082	-1.2	61,967	-4.2	724,755	1.7
RPKs,mn	52,206	-2.2	46,195	-8.0	47,484	-5.8	44,393	-10.6	545,504	-0.8
Pax LF,%	76.8	-3.4	72.4	-6.4	73.0	-4.6	71.6	-6.7	75.3	-2.5

Notes: International. \*Points. Source: Association of European Airlines, Bureau of Transportation Statistics, Association Of Asia Pacific Airlines.

## 3 Passengers through: Europe's leading airports and city-group airports,x1000

Airport	Month	Month	Growth,%	YTD	Growth,%	Airport	Month	Month	Growth,%	YTD	Growth,%
Amsterdam	Dec	3,171	-5.7	47,427	-0.8	Rome*,x2	Nov	2,650	-6.8	37,312	5.2
Barcelona*	Nov	1,935	-20.8	28,355	-7.3	FCO	Nov	2,323	-5.8	32,923	8.0
Berlin*,x3	Nov	1,630	-1.7	19,845	7.4	Zurich*	Nov	1,628	2.6	20,444	7.1
TXL	Nov	1,147	-3.7	13,436	9.3						
Brussels*	Nov	1,259	-7.9	17,386	4.9	Europe total*	Nov	94,628	-7.9	1,335,081	1.2
Copenhagen*	Nov	1,485	-10.5	20,157	1.3	intl	Nov	65,082	-6.2	958,528	2.3
Frankfurt*,x2	Nov	4,158	-6.7	53,384	-1.0						
FRA	Nov	3,914	-7.0	49,710	-1.0						
intl	Nov	3,344	-6.1	43,453	-0.5						
London,x5	Nov	9,194	-8.3	127,264	-1.6						
LHR*	Dec	5,252	-2.3	66,910	-1.4						
intl	Dec	4,834	-2.0	61,346	-1.2						
LGW*	Dec	2,090	-13.8	34,178	-2.8						
Madrid*	Nov	3,588	-15.0	47,272	-1.7						
Milan*,x3	Nov	2,303	-21.1	31,777	-13.1						
MXP	Nov	1,225	-29.8	17,960	-18.7						
Moscow*,x2	Nov	2,870	-4.0	40,908	12.0						
Paris*,x3	Nov	6,412	-4.6	82,818	1.5						
CDG*	Nov	4,360	-3.7	56,328	1.9						
intl	Nov	3,986	-3.0	51,667	6.6						
ORY*	Nov	1,863	-7.1	24,198	-0.7						

### Europe's 'low-fare' airports†,x1000

Airport	Month	Month	Growth,%	YTD	Growth,%
Berlin Schonefeld*	Nov	483	9.4	6,162	4.6
Cologne*	Nov	679	-10.8	9,716	-0.6
Frankfurt Hahn*	Nov	245	-1.2	3,674	-2.1
Dublin*	Nov	1,560	-8.7	21,945	1.5
Geneva*	Nov	682	-3.0	10,552	6.5
London					
LTN*	Nov	630	-8.1	9,549	3.4
STN	Nov	1,347	-13.2	20,935	-5.5
Milan Bergamo*	Nov	466	12.0	5,977	13.1
Rome Ciampino*	Nov	327	-13.1	4,388	-12.0
Paris Beauvais*	Nov	189	-0.7	2,292	16.8
LFA total‡	Nov	6,608	-6.7	95,190	0.7

Notes: \*Domestic and international; marked when international-only. †Airports with sizeable portion of LFA traffic (some are also in main city counts). ‡Of those listed here. Source: Airports Council International, except for Amsterdam and BAA London (LHR LGW STN).

## 4 Air passenger traffic to/from selected countries, x1000

From/to	France†			Germany			UK			US‡						
	Oct 08	+/-* %	YTD 08	+/-* %	Dec 08	+/-* %	YTD 08	+/-* %	Nov 08	+/-* %	YTD 08	+/-* %				
Belgium	5	48.1	49	21.1	94	-8.8	1357	NA	112	-21.0	1298	-13.9	91	11.2	951	NA
France	na	na	na	na	466	-8.1	6994	-3.6	641	-4.1	10917	0.6	529	1.7	5441	8.5
Germany	421	0.0	3847	-2.7	na	na	na	na	821	-8.3	10293	-2.8	828	-5.2	8468	6.8
Ireland	64	1.0	650	0.3	120	NA	1548	NA	929	-6.0	11440	2.1	206	-11.2	2066	NA
Italy	495	-0.4	5127	4.7	601	-10.4	10505	-4.0	576	-11.1	10144	-2.8	262	-10.3	2471	5.0
Netherlands	101	-6.3	964	-0.5	193	2.0	2672	2.7	589	-11.6	7948	-5.1	431	1.3	4104	8.9
Spain	480	-10.1	5389	0.3	1063	-10.0	21702	-1.0	1825	-11.0	32957	-0.9	178	-7.9	1883	20.4
Switzerland	153	4.6	1461	-2.5	403	-2.1	5489	4.4	293	-2.6	4958	7.3	132	0.9	1344	13.3
UK	393	-6.7	3766	-4.2	854	-6.4	11026	-3.9	na	na	na	na	1430	-7.2	14680	3.6
US	<b>538</b>	<b>5.1</b>	<b>5346</b>	<b>3.3</b>	<b>668</b>	<b>-8.1</b>	<b>9747</b>	<b>1.2</b>	<b>1254</b>	<b>-11.2</b>	<b>16805</b>	<b>-1.4</b>	<b>na</b>	<b>na</b>	<b>na</b>	<b>na</b>
Total	<b>6412†</b>	<b>-4.6†</b>	<b>82818†</b>	<b>1.5†</b>	<b>8905</b>	<b>-5.1</b>	<b>140912</b>	<b>1.0</b>	<b>11847</b>	<b>-7.9</b>	<b>177587</b>	<b>0.5</b>	<b>9769</b>	<b>-7.7</b>	<b>111149</b>	<b>5.1</b>

Notes: \*Over same period, year earlier. †(Two) Paris airports only; total is Nov and Jan-Nov. ‡Estimates for incoming totals Apr 06; exact data NA. Source: Aeroports de Paris, Statistisches Bundesamt, Civil Aviation Authority, Department of Transportation.

# MARKET DATA

## 5 Stock market last-day closing prices

Company	Market	Price, local currency*				Growth†,%	
		Dec 05	Dec 07	Dec 08	Jan 09	stock	market
<b>Airlines</b>							
Air France	Paris	18.4	24.1	9.2	7.5	-18.1	-6.5
Alitalia‡	Milan	1.03	0.79	0.45	NA	NA	-4.9
British Airways	London	334	310	180	120	-33.2	-5.5
Easyjet	London	381	614	280	299	6.7	-5.5
Iberia	Madrid	2.29	3.00	1.98	1.81	-8.6	-7.8
Lufthansa	Frankfurt	12.6	18.2	11.2	9.7	-13.7	-7.9
Ryanair	Dublin	8.30	4.63	2.97	3.03	2.0	-0.7
<b>Hotels</b>							
Accor	Paris	46.9	54.7	35.1	31.0	-11.7	-6.5
InterContinental	London	840	884	562	525	-6.6	-5.5
Marriott	New York	33.5	34.2	19.5	16.3	-16.1	-7.0
Sol Melia	Madrid	11.0	10.4	4.26	3.95	-7.3	-7.8
<b>Others</b>							
Avis Europe	London	72.8	40.5	3.93	3.17	-19.3	-5.5
Carnival	New York	53.5	44.5	24.3	18.2	-25.2	-7.0
EADS	Paris	32.0	21.8	12.0	13.7	13.9	-6.5
Expedia	New York	NA	31.6	8.24	8.93	8.4	-7.0
Fraport	Frankfurt	44.9	53.9	30.9	28.5	-7.9	-7.9
Kuoni	Zurich	557	590	360	331	-8.1	-4.7
Thomas Cook	London	NA	277	177	191	7.7	-5.5
TUI	Frankfurt	17.8	19.1	8.05	6.61	-17.9	-7.9

Notes: See Master Notes, page 6. \*Euro in Euro countries (in table includes FR, DE, IE, IT, ES). †Latest month over month earlier. ‡Reissue means not all prices comparable. Source: respective stock markets.

## 6 Spending on foreign travel by residents

Source	Jan-	+/-,%	US\$bn	Jan*-	US\$bn	+/-,%
Austria	Jun‡	-5.8	10.0	Dec†	10.6	0.8
Belgium	Sep‡	2.6	17.6	Dec†	17.2	1.7
Czech R	Mar‡	8.6	3.9	Dec†	3.6	18.3
Denmark	Jun‡	6.7	9.4	Dec†	8.8	7.7
Finland	Jun‡	-0.1	4.0	Dec†	4.0	6.8
France	na	na	na	Dec	31.2	1.2
	Nov‡	3.7	38.1	Dec†	36.7	7.8
Germany	na	na	na	Dec	74.8	-0.3
	Oct‡	1.9	84.7	Dec†	83.1	2.9
Greece	Aug‡	10.4	3.8	Dec†	3.4	4.3
Hungary	Mar‡	21.5	3.5	Dec†	2.9	27.4
Ireland	Jun‡	16.0	10.2	Dec†	8.8	17.3
Italy	na	na	na	Dec	23.1	2.2
	Oct‡	4.5	28.5	Dec†	27.3	8.4
Luxembourg	Mar‡	11.7	4.0	Dec†	3.6	4.0
Netherlands	Sep‡	6.8	20.4	Dec†	19.1	2.6
Norway	Jun‡	14.0	15.6	Dec†	13.7	6.9
Poland	Jun‡	7.7	9.2	Dec†	8.5	5.1
Portugal	Aug‡	4.7	4.1	Dec†	3.9	7.5
Russia	Sep‡	30.9	29.2	Dec†	22.3	22.1
Spain	Jul‡	1.2	19.9	Dec†	19.7	8.3
Sweden	Jun‡	10.5	15.4	Dec†	13.9	11.0
Switzerland	Sep‡	-4.4	9.8	Dec†	10.2	6.4
Turkey	Aug‡	8.7	3.6	Dec†	3.3	18.8
UK	na	na	na	Dec	62.6	3.7
	Sep‡	6.2	75.8	Dec†	71.4	4.1

Notes: Growth may not tally with previous figure shown. \*2006 unless stated otherwise. †2007. ‡2008. Source: WTO.

Notes: †2007 or ‡2008; full year, based on YTD growth rate shown.

## 7 Outbound travel by residents

Country	Jan thru*:	Departures x1000	Growth %	Source:
Austria	Dec	8,745	17.1	Eurostat
	Sep‡	7,618-BH	-5.4	Eurostat
Belgium	Sep‡	8,059-BH	10.0	Eurostat
Denmark	Dec	5,895	16.4	Eurostat
Finland	Sep‡	4,544-BH	5.2	Eurostat
France	Dec	83,136	-1.3	Eurostat
	Jun‡	11,684-BH	16.5	Eurostat
Germany	Dec	105,431	-1.4	Eurostat
	Sep‡	75,773-BH	6.2	Eurostat
Ireland	Jun‡	3,261-BH	-5.1	Eurostat
Italy	Dec†	40,057	7.9	Eurostat
Netherlands	Dec	18,385	1.9	Eurostat
Norway	Sep‡	6,560-BH	11.0	Eurostat
Poland	Sep‡	6,188-BH	2.3	Eurostat
Portugal	Dec	3,663	-6.9	Eurostat
Spain	Dec†	38,394	61.6	Eurostat
Sweden	Dec 01	10,500	1.0	WTO
Switzerland	Dec 00	12,351	4.5	WTO
UK	Dec	68,413	3.0	NTO
	Dec	61,821	-6.9	Eurostat

Notes: \*2006 unless stated otherwise. †2005. ‡2008. BH = business-plus-holidays, ETM = European Travel Monitor (figures often do not tally one year to next), NTO = national tourist office, Ot = Other. Source: See column.

## 8 Internet bookings/sales of selected companies/markets

Company/description	(same)	Period	Number	Previous	Source
US tvl search,%	SW/Exp/T'city	2008	.6/.6/5	S/T/E	Hitwise
Splendia	Sales	2008	\$49m	+36%	company
	Hotels	2008	3000	+122%	company
bookings share	FR/UK/ES/IT	2008	22/15/11/6	NA	company
Europe online	Booking growth/share	2008	14/41%	13/36%	IPK/ITB
	Looking growth/share	2008	8/14%	3/14%	IPK/ITB
internet users	Growth/share	2008	10/55%	10/50%	IPK/ITB
internet	Information,share	2008	+47%	+47%	IPK/ITB

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

## 9 Networks of computer reservations systems

System	Country
Amadeus	Ww: A84000† S269000. Ap: A11077 S34658. Eu: A37567 S125299. Na: A5066 S11551. FR: A4470 S9952 (B: Q1-05 \$770m). DE: A16300 S41300. IT: A492 S804. ES: A4800 S13000. CH A200. GB: A126 S370. B: 386mn.
Galileo	Ww: A43000† S176100. Ap: A7250† S20708. Eu: A18300† S38596. Na: A14200† S62125. BE: A214 S652. FR: A710† S380. IT: A467 S1221. NL: A786 S2286. ES: A360 S3000. CH: A261 S1752. GB: A1683 S9503. B: \$345mn.
Sabre‡	Ww: A56000† S124828. Ap: A11771† S4500. Eu: A5783† S13428. Na: A17478. FR: A401 S937. DE: A736 S1856. IT: A797 S1473. NL: A61 S130. ES: A150. CH: A380 S1184. GB: A854 S3546. B: \$467mn.
Worldspan	Ww: A20000† S49500. Ap: 714. Eu: A10208† S11000. Na: A35106. BE: A251 S541. FR: A180 S700. DE: A480. IT: A192 S304. NL: A220 S600. CH: A140 S981. GB: A1450 S1980. US: A8560.

Notes: See Master Notes, page 6. Latest figures available; A and S dates may not be the same; †denotes later figure. A-Agencies/other outlets, Ap-Asia Pacific, B-bookings (in numbers or US\$), BE-Belgium, Eu-Europe, Na-North America, S-Screens, Ww-worldwide. ‡With Abacus. Source: companies.



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## 10 Hotel results in Europe\*, December

Location	Occupancy,%				Average room rate,				Revpar,				
	2008		2007		local	US\$*		2007		US\$*		2007	
	Mth	YTD	Mth	YTD	2008	2008	2007	2007	2008	2008	2007	2007	
					YTD	Mth	YTD	Mth	YTD	Mth	YTD	Mth	YTD
<b>Amsterdam-all</b>	47.7	69.8	61.7	75.0	189.74	212.68	273.88	256.22	243.32	101.48	191.19	158.12	182.50
U-4	49.2	69.8	60.5	74.8	146.79	179.35	211.88	212.18	195.23	88.16	147.94	128.40	146.03
5-star	50.0	72.5	64.2	78.5	220.22	254.64	317.86	298.13	291.19	127.36	230.61	191.26	228.67
<b>Berlin-all</b>	59.2	68.2	61.4	72.2	151.71	181.04	218.99	206.08	191.60	107.22	149.45	126.50	138.27
L-4	59.9	70.8	67.0	75.7	115.96	132.40	167.38	152.85	137.38	79.27	118.48	102.48	104.04
U-4	59.0	67.5	59.8	70.8	162.39	195.08	234.40	223.09	213.63	115.19	158.27	133.34	151.28
<b>Brussels</b>	NA	71.1	61.9	71.1	133.90	NA	193.27	223.56	171.34	NA	137.41	138.36	121.87
<b>Copenhagen</b>	NA	76.6	56.9	67.4	1117.35	NA	216.39	201.15	191.36	NA	165.79	114.40	129.07
<b>Frankfurt-all</b>	49.3	63.0	56.4	64.8	129.80	145.92	187.35	173.07	177.03	71.94	117.96	97.61	114.64
L-4	39.9	52.4	43.9	56.7	103.89	125.45	149.95	129.40	138.85	50.05	78.51	56.86	78.72
U-4	51.7	64.7	58.2	66.7	133.19	149.96	192.24	177.82	184.66	77.54	124.33	103.47	123.08
<b>Geneva</b>	46.7	67.1	53.2	70.2	383.75	292.48	351.51	280.35	280.11	136.49	235.94	149.04	196.75
<b>London-all</b>	71.9	80.5	76.0	83.6	161.80	223.54	293.27	330.48	338.62	160.78	235.97	251.05	283.13
L-4	NA	84.8	78.8	86.6	99.34	NA	180.06	204.78	204.03	NA	152.60	161.37	176.73
U-4	NA	75.4	70.9	80.0	200.82	NA	364.00	392.14	394.57	NA	274.48	278.14	315.52
5-star	NA	77.8	74.9	83.5	306.23	NA	555.07	542.49	604.75	NA	431.60	406.55	505.03
LHR AP	67.2	84.8	84.5	89.3	71.46	90.10	129.52	130.45	138.75	60.56	109.89	110.26	123.96
<b>Madrid</b>	NA	60.8	58.6	69.6	199.99	NA	288.67	279.93	276.67	NA	175.64	163.94	192.44
<b>Moscow</b>	60.6	70.8	73.3	78.0	8803.02	259.79	347.32	291.43	326.36	157.42	245.79	213.47	254.41
<b>Paris-all</b>	65.5	74.2	69.3	75.4	221.28	307.00	319.40	304.99	297.79	201.02	237.15	211.50	224.39
U-4	66.4	77.7	74.0	77.5	171.43	224.76	247.44	234.37	241.79	149.13	192.18	173.44	187.33
5-star	67.6	73.5	67.2	76.0	313.60	387.64	452.66	472.51	454.30	261.93	332.71	317.69	345.43
CDG AP	59.8	66.9	56.4	66.3	124.22	160.26	179.30	182.15	185.52	95.81	120.03	102.69	122.94
<b>Rome</b>	NA	68.5	50.8	71.4	204.37	NA	294.99	259.49	282.10	NA	201.96	131.76	201.54
<b>Zurich</b>	62.8	77.7	69.3	78.3	238.67	185.35	218.62	187.47	178.90	116.46	169.90	129.86	140.01
<b>All Europe</b>	56.6	70.7	62.4	73.1	na	217.60	266.97	249.52	246.27	123.57	188.68	157.13	181.58
<b>OTHERS</b>													
<b>US†</b>	45.3	60.4	48.6	63.2	106.55	99.42	106.55	102.05	103.64	44.99	64.37	49.61	65.50
<b>Los Angeles</b>	56.2	71.3	62.2	75.2	127.94	114.14	127.94	118.31	122.59	64.19	91.17	73.60	92.15
<b>Miami</b>	65.7	71.5	70.0	72.0	159.71	169.98	159.71	184.04	157.63	111.69	114.21	128.81	113.54
<b>New York</b>	76.3	81.9	80.9	83.7	276.02	297.15	276.02	330.54	269.84	226.76	226.02	267.45	225.87
<b>Asia Pacific‡</b>	61.0	68.4	71.8	72.8	na	145.39	153.99	164.70	144.59	89.63	106.68	119.15	107.53
<b>Beijing</b>	43.6	63.4	62.3	73.2	1282.40	124.99	183.80	128.03	138.59	54.49	116.45	79.78	101.38
<b>Sydney</b>	75.3	80.3	77.4	81.9	233.08	169.15	191.22	231.25	199.00	127.43	153.48	179.01	163.01
<b>Tokyo</b>	64.8	72.3	77.6	78.2	24514	286.48	235.93	243.21	210.12	185.76	170.66	188.67	164.23
<b>Dubai*</b>	64.1	74.4	NA	NA	796.18	303.28	216.75	NA	NA	194.40	161.25	NA	NA

Notes: See Master Notes, page 6. Not all categories are shown every month; all categories available at low additional cost. Source: \*Travel Business Analyst Europe (Dubai YTD data starts July), †Smith Travel Research, ‡Travel Business Analyst Asia Pacific.

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## 11 IATA travel agencies† in Europe, 2007

Country	Locations	Growth %	Net sales US\$mn*	Growth %	Per agency US\$mn*	Growth %
Austria	228	-1.7	1345	15.0	5.90	17.0
Balkans	70	169.2	32	3475	0.46	1228
Belgium†	619	0.0	2244	19.4	3.63	19.4
Bulgaria	177	1.7	213	29.1	1.20	26.9
Croatia	88	0.0	137	25.2	1.56	25.2
Cyprus	148	-0.7	357	19.8	2.41	20.6
Czech R†	222	-6.3	636	26.2	2.87	34.8
Finland	241	2.1	1398	20.9	5.80	18.4
France	3,633	0.0	12846	17.3	3.54	17.3
Germany	4,179	0.0	12967	17.9	3.10	17.9
Greece	965	-2.4	1622	20.5	1.68	23.5
Hungary	261	-1.9	375	26.7	1.44	29.2
Ireland	360	0.0	777	17.2	2.16	17.2
Italy†	4,687	-6.0	7624	13.9	1.63	21.2
Malta	76	0.0	74	3.6	0.98	3.6
Netherlands	405	-7.1	3561	20.9	8.79	30.2
Nordics†	1,443	0.0	7318	22.5	5.07	22.5
Poland	381	-3.8	771	30.1	2.02	35.2
Portugal	863	0.0	1184	12.9	1.37	12.9
Romania†	279	-3.8	505	67.3	1.81	73.9
Russia	200	334.8	100	3263.3	0.50	673.6
Serbia	164	0.6	153	44.4	0.94	43.6
Slovenia	48	0.0	104	33.1	2.17	33.1
Spain†	8,024	0.7	7795	18.6	0.97	17.8
Switzerland†	852	0.6	2986	14.8	3.50	14.1
Turkey	448	3.9	974	26.5	2.17	21.7
Ukraine	291	27.6	327	188.7	1.12	126.2
UK	2,339	0.0	18655	14.6	7.98	14.6
Europe	31,691	-0.2	87,080	18.2	2.75	28.3
US	18,261	-12.2	79,885	2.6	4.37	36.7
Asia Pacific	13,781	0.2	67,874	22.2	4.93	38.0
World	63,733	-3.9	234,839	13.4	3.68	33.0

Notes: See Master Notes, page 6. World; regions listed here. IATA = International Air Transport Association. \*Quoted in US\$. †Under the IATA billings and settlement plan. ‡Additional countries, in order of listing: Luxembourg, Slovakia, San Marino, (3) Baltics, Moldova, Andorra, Liechtenstein. Source: IATA, Airlines Reporting Corporation.

## 12 TBA100 travel stock indices\*

Region	January 2009
Asia Pacific	51
Europe	39
World†	40

Notes: \*Base is last trading day in December 2006. †Comprising Asia Pacific (10 stocks), Europe(12), US (8). Source: Travel Business Analyst.

## 13 Economic indicators of major markets in Europe, 2008

Country	GNP/GDP		Retail sales		Consumer prices†		Wages/earnings‡	
	1 year	3 mths*	1 year	1 year	1 year	year ago	1 year	year ago
France	0.5 Q3	0.5	-1.4 Nov	1.0	2.6 Dec	3.1	2.8 Q3	
Germany	0.8 Q3	-2.1	0.3 Nov	1.1	3.1 Dec	2.7	1.4 Oct	
Italy	-0.9 Q3	-2.1	-5.6 Nov	1.6	3.0 Jan	3.8	2.0 Dec	
Netherlands	1.8 Q3	0.1	-0.6 Oct	1.9	1.9 Dec	3.5	2.3 Dec	
Spain	-0.7 Q4	-3.9	-5.9 Dec	1.4	4.2 Dec	5.3	3.8 Q3	
Switzerland	1.7 Q3	0.1	2.9 Oct	0.7	2.0 Dec	1.6	1.2 '07	
UK	-1.8 Q4	-5.9	1.8 Dec	3.1	2.1 Dec	3.1	4.0 Nov	
Euroland	0.7 Q3	0.1	-1.5 Nov	1.6	3.1 Dec	3.8	2.6 Q3	
Others								
Japan	-0.5 Q3	-1.8	-2.0 Nov	1.0	0.6 Nov	-3.5	-0.5 Nov	
US	-0.2 Q4	-3.8	-5.3 Nov	1.1	4.3 Nov	3.7	3.7 Dec	

Notes: All figures are percentage changes, at annual rate. \*Average of latest 3 months compared with average of previous 3 months, at annual rate. †Figures not seasonally adjusted. ‡Germany, hourly wages; Japan and UK, monthly earnings; USA, hourly earnings. Source: The Economist.

## 14 Visitor spending in Europe destinations

Destination	Jan-	+/-,%	US\$bn	Jan-	US\$bn	+/-,%
Austria	Sep†	6.8	20.2	Dec†	18.9	4.0
Belgium	Jun†	3.4	11.0	Dec†	10.7	-4.5
Bulgaria	Aug†	12.8	3.5	Dec†	3.1	10.8
Croatia	Jun†	16.0	10.7	Dec†	9.3	7.3
Cyprus	Aug†	-3.7	2.6	Dec†	2.7	3.8
Czech R	Jun†	3.6	6.9	Dec†	6.6	7.7
Denmark	Jun†	4.8	6.4	Dec	6.1	0.9
Estonia	Jun†	19.4	1.2	Dec†	1.0	-7.8
Finland	Jun†	3.8	2.9	Dec†	2.8	8.9
France	na	na	na	Dec	46.3	4.3
	Nov†	-6.3	50.8	Dec†	54.2	7.2
Germany	Oct†	2.2	36.8	Dec†	36.0	0.6
Greece	Oct†	3.3	16.0	Dec†	15.5	-0.3
Hungary	Jun†	11.8	5.3	Dec†	4.7	2.3
Iceland	Jun†	5.2	0.7	Dec†	0.7	30.5
Ireland	Jun†	1.8	6.2	Dec†	6.1	3.9
Italy	na	na	na	Dec	38.1	6.7
	Oct†	1.2	43.2	Dec†	42.7	2.5
Latvia	Jun†	15.5	0.8	Dec†	0.7	28.3
Lithuania	Jun†	8.9	1.3	Dec†	1.2	1.8
Luxemb'g	Jun†	4.0	4.2	Dec†	4.0	1.4
Malta	Jun†	-0.8	0.9	Dec†	0.9	9.4
Netherl'ds	Jun†	-1.0	13.3	Dec†	13.4	8.4
Norway	Jun†	6.6	4.7	Dec†	4.4	6.4
Poland	Jun†	-1.4	10.5	Dec†	10.6	30.9
Portugal	Aug†	3.2	10.5	Dec†	10.1	10.8
Romania	Aug†	33.9	2.0	Dec†	1.5	3.3
Russia	Jun†	37.0	13.2	Dec†	9.6	25.9
Slovakia	Jun†	9.7	2.2	Dec†	2.0	10.6
Slovenia	Aug†	9.9	2.4	Dec†	2.2	13.6
Spain	na	na	na	Dec	51.1	5.6
	Oct†	0.8	58.3	Dec†	57.8	3.6
Sweden	Jun†	-6.6	11.2	Dec†	12.0	21.1
Switzerl'd	Jun†	8.3	12.8	Dec†	11.8	6.4
Turkey	Oct†	18.9	22.0	Dec†	18.5	9.7
UK	na	na	na	Dec	33.5	7.8
	Sep†	3.8	39.0	Dec†	37.6	2.7
Ukraine	Sep†	38.2	6.4	Dec†	4.6	31.9

Notes: See Master Notes, page 6. Growth may not tally with previous figure shown. \*2006 unless stated otherwise. †2007. ‡2008. Source: WTO.

Notes: †2007 and ‡2008; full year, based on YTD growth rate shown.

## 15 Visitor arrivals in Europe destinations

International arrivals						
Destination	Jan-	Growth %	Arrivals x1000	Source	Stay days	PVPD US\$-C
Andorra	Dec	-1.7	2,377	WTO	2.93	NA
Austria	Dec	2.5	20,766	WTO	5.2-F	142.90
	Dec†	5.5	21,908	WTO	5.2-F	156.17
Belgium	Feb†	2.8	7,242	WTO	7.0-E	231.39
Bulgaria	Jun†	17.2	6,037	WTO	2.8-F	48.39
Croatia	Aug†	2.6	9,549	WTO	5.0-E	182.47
Cyprus	Sep†	-0.3	2,409	WTO	11.0	59.13
Czech R	Jun†	3.6	6,920	WTO	2.8-F	48.39
Denmark	Aug†	-5.3	4,511	WTO	3.60	1928-V
Estonia	Aug†	5.2	1,999	WTO	5.40	28.31
Finland	Aug†	1.7	3,579	WTO	5.86	62.92
France	Dec	3.8	81,900	WTO	7.16-F	77.69
	Oct†	-2.8	79,607	WTO	7.16-F	79.23
Germany	Dec	3.9	24,420	WTO	7-F	194.05
	Oct†	2.6	25,055	WTO	6.0-E	224.53
Greece	Aug†	-5.5	16,555	WTO	14.0	20.23
Hungary	Jun†	2.7	8,871	WTO	3.41-F	15.19
Iceland	Aug†	2.6	1,081	WTO	2.8	267.56
Ireland	Aug†	0.0	8,332	WTO	11.0-F	39.06
Italy	Dec	6.3	43,654	WTO	4.36-F	178.42
	Oct†	-1.4	43,043	WTO	4.36-F	196.89

continued on page 12

## Unfounded research?

There is usually some research that does not sound right - even if the findings are technically correct. In this time of crisis, some more look questionable - in terms of credibility.

(And some are puerile - viz Fleishman-Hillard's finding that Canadian travellers "will continue to travel in 2009".)

Some 'hoggwash' from HRG (the Hogg Robinson Group). HRG does not seem to understand why its admirably-comprehensive study on hotel rates is flawed. We present some reasons:

### Highest-cost cities in hotel rates‡, 2008

City	Price‡,US\$*	Growth‡,%	Rank,2007
Moscow	433	9	1
New York	319	7	2
Paris	286	0	4
Mumbai	281	18	6
Abu Dhabi	274	26	19
Milan	272	-1	5
Geneva	262	5	15
Dubai	261	-9	3
Stockholm	255	-1	7
Zurich	255	-1	13

Notes: \*Converted at standard rate of US\$1 to £0.70. ‡For HRG customers in the UK buying hotel rooms in £s, per room per night. †In local currency. Source: HRG.

- Its hotel rates are listed as 'average room rates'. They are not, or rather not the ARR definition used by the hotel business - which is the result of what all customers at a hotel have paid for rooms. HRG's ARRs are rates that its own customers have paid for hotel rooms. So HRG's ARR excludes what non-HRG customers paid at hotels - which may have been the same, higher, or lower.

- HRG's ARRs would include HRG negotiated rates at hotels. What if HRG negotiated rates are higher or lower than the general market? Or for hotels for which HRG has no negotiated rates? All of these would influence HRG's ARR calculation but, again, excludes all other customers.

- HRG's ARRs are calculated in UK pounds. That distorts results of hotels whose rates are not in that currency.

- We presume HRG has better contacts to get better (in this case, lower) rates for hotels in its homebase market, the UK. So that would result in a greater difference between HRG negotiated rates there and in, say, China. As a result, comparison across markets could be flawed.

After all that, we still analyse HRG's

results - to see trend indicators in room rates. (We have changed the description on HRG's tables to better reflect the reality of the data.)

Highest rates paid by HRG customers are for hotels in Moscow and New York, see table. But in 2008 there were three new entries in the top-10 - Abu Dhabi (although this may reflect opening of more hotels and so more clientele), Geneva, and Zurich. According to our records (of previous HRG reports), leaving the top-10 were Bangalore, Hong Kong, London.

## China outbound drop?

Many destinations, not just in Asia, have looked to the China outbound market to increase substantially. After all, growths this decade have been impressive - the highest year at 43%, the lowest at 8%.

By some measures (caution is required on interpretation of some data from China), the total was 41mn travellers in 2007. That would make it about the same size as Italy, which is Europe's 4th largest.

But according to our estimates, monthly totals in 2008 slowed steadily - even before the serious declines started September. Monthly growth fell from 23% in July to 4% in August, and have been weak ever since, ending at 0.3% in December. That would mean a 12% growth for all-2008.

For China, forecasts are harder because artificial controls are still in place - such those outbound-visa restrictions which caused a slowdown in travel from China to Macau in 2008 (which reported a 10% decline from China in January, for instance). After SARS in 2003, China liberalised travel formalities for travel from China to Hong Kong and Macau to boost those two badly-depressed destinations.

The result was a very-rapid recovery for the two. For example, despite four months of decline in Hong Kong (including 65-68% falls in April and May), monthly growth started in August, and over the year the decline was held to 6% - almost entirely thanks to the China outbound market.

Will something like that happen with this crisis? Or will the opposite happen - because for economic reasons China's government would like its citizens to spend their money in China and not outside? So a travel forecast would need also to include social/political factors. And the fact that the market has shown itself to be more sensitive to setbacks of all types - not just SARS but the tsunami, Bangkok airport closure, etc.

A decline looks certain, at least for the first half of this year. And early indications are that the decline could be steep - around 10%.

## Briefs

- Hotels in many of Europe's main cities lost occupancy in 2008, see table. Only a few were down in terms of average rate.

In most locations, the increase was feeble, indicating that the slowdown towards the end of the year will push rate into decline this year.

### Growth in 2008 hotel results, %

City	Occ*	ARR‡	Revpar‡
Amsterdam	-5.2	7.3	-0.1
4-star	-5.0	3.5	-3.4
5-star	-6.0	4.1	-3.9
Berlin	-3.9	9.0	3.0
L-4-star	-4.9	16.2	8.6
U-4-star	-3.3	4.6	-0.3
Brussels	0.0	7.5	7.5
Frankfurt	-1.8	0.9	-1.9
L-4-star	-4.3	3.0	-4.9
U-4-star	-2.0	-0.7	-3.7
Geneva	-3.1	14.9	9.8
London	-3.2	-4.3	-7.9
L-4-star	-1.9	-2.4	-4.5
U-4-star	-4.6	2.0	-3.8
5-star	-5.8	1.5	-5.5
Heathrow AP	-4.5	3.2	-2.0
Madrid	-8.7	-0.5	-13.0
Moscow	-7.2	5.8	-4.0
Paris	-1.1	2.3	0.8
U-4-star	0.2	-2.4	-2.2
5-star	-2.5	-5.0	-8.2
CDG AP	0.7	-7.9	-6.9
Rome	-3.0	-0.3	-4.5
Zurich	-0.5	11.9	11.1

Notes: AP = airport, L = lower, Occ = occupancy, U = upper. \*Points. ‡In local currency. Source: Travel Business Analyst

## • Outlook:

- The GDS **Abacus**. Queried travel agencies for outlook in next six months.

-48% expect traffic will fall.

-44% expect business travel will fall.

-68% expect best growth segment will be short breaks within region.

-What affects intention-to-travel - 43% economic downturn, 30% personal financial status, 27% fuel prices (before fall of oil from US\$147 peak to mid-US\$50s).

## • Business Travel Coalition.

-26% of travel managers are reducing their travel programs.

-Of those, 34% said they had frozen all travel (a finding that seems unbelievable, unless over a short period; BTC does not elaborate).

# MARKET INTELLIGENCE

continued from page 10

## 15 Visitor arrivals in Europe destinations

### International arrivals

Destination	Jan-	Growth %	Arrivals x1000	Source	Stay days	PVPD US\$-C
Latvia	Jun‡	9.0	1,802	WTO	5-E	61.11
Liechtenstein	Aug‡	2.3	56	WTO	2.10	NA
Lithuania	Jul‡	8.8	2,490	WTO	6.00	15.93
Malta	Sep‡	7.8	1,341	WTO	8.40	52.70
Netherlands	Aug‡	-5.5	10,403	WTO	3.67-F	221.99
Norway	Jul‡	-4.0	4,118	WTO	7-E	445-V
Poland	Jun‡	-8.7	13,672	WTO	4.7	56.32
Portugal	Aug‡	6.9	13,171	NTO	7.0	70.73
Romania	Aug‡	-3.9	1,491	WTO	3.20-F	21.16
Russia	Jun‡	5.0	22,269	WTO	3.67-F	221.99
Serbia	Sep‡	-6.0	654	WTO	4-E	NA
Slovakia	Jun‡	13.5	1,912	WTO	3.60	4.17
Slovenia	Sep‡	1.3	1,774	WTO	3.12	4.84
Spain	Dec	1.7	59,193	WTO	12.7	38.16
	Dec‡	-2.6	57,654	WTO	12.7	68.78
Sweden	Aug‡	0.7	5,261	WTO	7-E	338.65
Switzerland	Aug‡	4.0	8,786	WTO	3.8-F	200.17

Destination	Jan-	Growth %	Arrivals x1000	Source	Stay days	PVPD US\$-C
Turkey	Dec	17.6	22,245	WTO	8.0	111.68
	Nov‡	12.6	25,051	WTO	8.0	111.68
UK	Dec	0.1	30,677	WTO	10.1	69.41
	Nov‡	-1.1	30,340	WTO	10.1	110.11
Europe	Dec	4.1	475,627	WTO	5-E	na
	Dec‡	0.1	488,439	WTO	5-E	na

### International arrivals

City/region	Period	Number	Growth,%	Stay, days	Comment	Source
Balearics	2007	10.2m	1.2	NA	none	NTO
Berlin	2006	2.32m	18.7	2.6	none	CTO
London	2006	15.6m	12.3	6.5	none	CTO
Paris	J-Sep 7	6.62m	5.6	NA	hotels	CTO

### Domestic arrivals

Destination	Period	Number	Growth,%	Stay, days	Comment	Source
London	2006	10.96m	2.4	2.2	none	CTO
Spain	J-Sep 07	119.7m	8.5	NA	trips	NTO

Notes: See Master Notes, page 6. WTO changes data, so its data should always be considered provisional. Growth may not tally with previous figure shown. \*2007 unless stated otherwise. †2006. ‡2008. B = Bednights. H = Nights at hotels. Source: NTO = national tourist office (or equivalent), Ot = Other, WTO = World Tourism Organization.

Notes: See Master Notes, page 6. Latest figures; †full year at YTD growth rate. E = Travel Business Analyst estimate (some based on statistically-incompatible measures), PVPD = per visitor per day. C = Quoted in US\$. F = In hotels. V = Per visitor. Source: As 'Source' above.

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