

Travel Business Analyst

Markets + Marketing + Strategy

EUROPE • SEPTEMBER 2009

Market Monitor

Sources not shown are usually relevant principals. Percentage change unless noted otherwise. Months start from 2008.

- World Travel Industry Index: Jun -5E; May -7-E; Apr -2.5-P; Mar -10.3; Feb -11.2; Jan -6.7; Dec -6.3; Nov -5.6; Oct -2.0; Sep -2.5. *TBA*.

- World airport passengers: May ttl -7.7, intl -9.5; Apr -3.0 -1.8; Mar -8.3 -10.7; Feb -10.3 -11.3; Jan -6.2 -6.7; Dec -5.8 -5.7; Nov -7.8 -5.8; Oct -3.4 -1.4; Sep -4.2 -2.7. *ACI*.

- World air traffic, RPKs: Jun -7.2; May -9.3; Apr -3.1; Mar -11.1; Feb -10.1; Jan -5.6; Dec -4.6; Nov -4.6; Oct -1.3; Sep -2.9. *IATA*.

- World travel stocks index: Jul 53 (on 100); Jun 46; May 48; Apr 43; Mar 35; Feb 35; Jan 40; Dec 44; Nov 43; Oct 47; Sep 57. *TBA*.

- World visitor arrivals: Apr -2.3; Mar -13.3; Feb -10.3; Jan -7.8; Dec -2.3; Nov -3.0; Oct -0.8; Sep -2.8. *WTO*.

- Europe airlines international seat sales: Jun -6.6; May -8.4; Apr -2.5; Mar -9.4; Feb -9.8; Jan -5.9; Dec -4.0; Nov -5.4; Oct -1.6; Sep -1.6. *AEA*.

- Europe airport passengers: May ttl -8.8, intl -9.4; Apr -4.5 -2.5; Mar -12.5 -13.2; Feb -13.8 -12.9; Jan -10.9 -8.9; Dec -7.8 -6.5; Nov -8.4 -6.4; Oct -4.2 -2.7; Sep -2.9 -2.0. *ACI*.

- Europe air traffic, RPKs: Jun -7.1; May -9.4; Apr -2.7; Mar -11.6; Feb -10.1; Jan -5.7; Dec -3.4; Nov -3.4; Oct +1.8; Sep -0.5. *IATA*.

- Europe hotel occupancy, pts: Jun -5.0; May -7.6; Apr -11.4; Mar -11.7; Feb -10.2; Jan -9.6p; Dec -5.8p; Nov -10.3p; Oct -4.3p; Sep -0.7. *TBA*.

- Europe travel stocks index: Jul 43 (on 100); Jun 40; May 44; Apr 41; Mar 33; Feb 35; Jan 39; Dec 43; Nov 42; Oct 42; Sep 50. *TBA*.

- Europe visitor arrivals: Apr -3.3; Mar -18.1; Feb -13.2; Jan -7.4; Dec -4.1; Nov -5.2; Oct -1.8; Sep -3.5. *WTO*.

- Air France-KLM seat sales: Jul ttl -4.5, Eur/dom -5.5; Jun -6.1 -6.4; May -7.8 -8.0; Apr -3.7 -4.7; Mar -9.8 -10.0; Feb -8.1 -9.5; Jan -6.1 -8.8; Dec +0.2 -0.4; Nov -5.2 -7.7; Oct +5.7 +3.7; Sep -1.5 -2.5.

- American Airlines seat sales: Jul -7.3; Jun -9.3; May -13.2; Apr -4.1. Amsterdam airport passengers: Jun -12.4; May -11.6; Apr -6.3; Mar -14.5; Feb -13.7; Jan -9.0; Dec -5.7; Nov -5.8; Oct -2.4; Sep -2.9.

- Austria visitor arrivals: Jun -5.4; May -12.0; Apr +42.6sic; Mar -29.4; Feb -5.8; Jan +12.8; Dec +3.4; Nov -1.1; Oct 7.3; Sep -2.2. *Tourmis*.

- Berlin hotels: Jun occupancy -3.7pts, rate -5.8; May -4.0p -14.9; Apr -3.5p -16.1; Mar -0.4p -4.7; Feb -4.7p -7.4; Jan -2.1p -1.5. *TRI*.

- Berlin Tegel airport passengers: May -3.3; Apr -5.4; Mar -0.8; Feb -10.7; Jan -8.0; Dec -2.3; Nov -3.7; Oct +2.7; Sep +5.7. *ACI*.

- British Airways seat sales: Jun ttl -4.9 Eur/dom -5.8; May -7.3 -7.8;

First half

Sector results

Most major first-half results are now in. The following are sector results:

- **Airlines, IATA.** Traffic growth in the first half for airline members of International Air Transport Association is not good, see Table 1.

World traffic growth was down 8%, compared with 5% growth in H1 2008 and 6% growth in H1 2007. Both Europe and North America have reduced their rate of fall - Q1 compared with H1 - by about two points.

Asia Pacific is the star performer, but in the wrong direction; its 12% fall is the largest, and even if capacity was cut 8%, it was still not enough to prevent a fall in seat factors. Worse, those AsPac H1 results are hardly any better than its Q1 results.

For individual airlines, international seats sold on the largest single airline in Europe (excluding low-fare-airline Ryanair), Lufthansa, fell 6%.

In the US, international seat sales on Delta were down about 10%.

Dead Cats

This month, September, is likely to be the start of what the financial industry calls the Dead Cat Bounce. *The DCB theory suggests an automatic correction on a sizeable decline in the previous year; even a dead cat bounces.*

In practical terms, this indicates that many of the measures that started to show a fall after the Lehman Brothers bank collapsed in September 2008 (but more starting from October) will likely see an increase with measures for September 2009. In some cases, the apparent bounce will be substantial - some starting above 10% growth.

This is of course a statistical illusion, because the real check should be whether there is growth in comparison with 2007 measures. But that will not matter; the commentariat will proclaim a new boom.

However, that is good for business, even if based on misreading data. Just as the extent of the fall was an exaggeration, so will be the bounce back.

Seat sales on Asia Pacific's largest international airline, Cathay Pacific, were down 4%, not too bad although that was worse than its 3% fall in Q1. See also Table 1, page 6.

- **Airlines, AEA.** There was not much of an improvement for Europe's main airlines in Q2, see Table 2. Perhaps the key factor was that the airlines were cutting more capacity than in Q1.

Most regular airlines were falling in the first half, see Table 3. Most-notable exception was Turkish, which not only grew 11%, but which has now become the 4th-largest airline in Europe. In recent times, it has shot past 'old Europe' traditional airlines such as Alitalia (on its way down), Iberia, KLM, and SAS.

But such 'league tables' are now skewed unless low-fare and what we call 'combines' are included.

Europe's biggest single airline is Ryanair, selling

contd on p2

contd on p2

Main News...2; Market News...2; Market Monitor...1; Market Intelligence...1; ZERO...3; Extracts (Net Value or People-in-Travel)...5; Trends...11; Market Data Tables (Airline results; Air passenger traffic; Visitor arrivals; Resident departures; Hotel results; Airport traffic; Travel stock prices/indexes; Agency sales; GDS; Internet Sales; Channel tunnel; Economics)...6

contd from p1 – Market Monitor

Apr +1.3 +1.4; Mar -8.2 -8.7; Feb -10.1 -12.0; Jan -4.0 -6.6; Dec -4.5 -5.2; Nov -7.8 -9.3; Oct -5.6 -6.5; Sep -5.6 -5.9.

- Cathay Pacific RPKs Europe: Jul +4.0; Jun -0.9; May +8.2; Apr +8.1.
- Delta Airlines seat sales: Jul -1.6; Jun -4.6; May -7.5; Apr -7.3.
- Dubai airport passengers: May +7.1; Apr +6.4; Mar +0.1; Feb -0.2; Jan +6.1. ACI.
- France visitor arrivals: Feb -18.1; Jan -5.9; Oct -3.8; Sep -7.9. WTO.
- Frankfurt airport passengers: May -6.3; Apr -4.7; Mar -9.2; Feb -13.3; Jan -10.4; Dec -5.3; Nov -7.0; Oct -4.9; Sep -3.9. ACI.
- Germany visitor arrivals: Apr -8.1; Mar -7.5; Feb -9.9; Jan -9.0; Oct -1.2; Sep +1.4. WTO.
- Hawaii visitor arrivals: Jun -5.2; May -6.4; Apr -1.5; Mar -17.2; Feb -13.4. PATA.
- Italy visitor arrivals: Mar -6.3; Feb -3.3; Jan -6.5; Oct -1.8; Sep -3.1. WTO.
- Japan Airlines seat sales Europe: Jun -15.9; May -19.9; Apr -14.3; Mar -13.9; Feb -14.0.
- Jet Blue Airways seat sales: Jul +4.0; Jun +0.6; May +1.5; Apr +0.8; Mar -4.4; Feb -4.1.
- London airports international passengers: Jul Gatwick -8.1, Heathrow -2.9, Stansted -10.2; Jun -8.1 -2.9 -10.2; May -6.7 -3.7 -18.3; Apr -3.1 +3.0 -12.1; Mar -18.6 -7.7 -15.2; Feb -14.4 -9.0 -15.0; Jan -10.3 -1.7 -9.7. BAA.
- London hotels: Jun occupancy +0.3 -7.1pts, rate; May +1.4p -5.4; Apr 1.6p -11.8; Mar 0.2p -3.4; Feb -2.0p -8.0; Jan -3.3p -8.4. TRI.
- Lufthansa seat sales: Jul ttl 0.0, Eur/dom +15.0; Jun -5.5 -1.6; May -5.1 -3.1; Apr -6.1 -4.5; Mar -2.3 -1.9; Feb -10.5 -9.1; Jan -9.3 -7.6; Dec -3.7 -2.2; Nov -2.3 -3.5; Oct -1.4 -3.0; Sep +1.1 -0.4.
- Netherlands visitor arrivals: Mar -21.3; Feb -12.1; Jan -8.6; Dec -10; Nov -10; Oct -10; Sep -15. WTO.
- Paris CDG airport passengers: May -7.1; Apr -1.9; Mar -9.0; Feb -8.7; Jan -6.4; Dec -2.6; Nov -3.7; Oct +3.4; Sep -2.8. ACI.
- Paris hotels: Jun occupancy +1.1pts, rate -0.7; May -5.8p, rate -13.7; Apr -8.9p -11.9; Mar -7.4p -8.8; Feb -12.1p -13.0; Jan -3.5p -3.7; Dec -4.7p +1.0; Nov -9.4p +3.2. TRI.
- Rome FCO airport passengers: May -8.4; Apr -3.1; Mar -1.9; Feb -6.2; Jan -8.6; Dec -6.5; Nov -5.8; Oct +0.7; Sep +5.7. ACI.
- Ryanair seat sales: Jun +13.0; May +8.9; Apr +11.8; Mar +4.8; Feb +7.4; Jan +10.9; Dec +10.6; Nov +10.9; Oct +18.2; Sep +20.3.
- Southwest Airlines seat sales: Jul +0.1; Jun -6.4; May -8.3; Apr -1.5; Mar -5.2; Feb -9.9.
- Spain visitor arrivals: Jul -6.8; Jun -10.0; May -11.7; Apr -1.7; Mar -20.8; Feb -15.9; Jan -10.1; Dec -14.0; Nov -12.0; Oct -5.4. gov.
- Switzerland visitor arrivals: Apr -3.6; Mar -13.4; Feb -11.1; Jan -3.3; Nov -8.2; Oct -1.9; Sep -2.8. WTO.
- Turkey visitor arrivals: May -1.8; Apr +4.5; Mar -8.2; Feb +0.5; Jan -4.0; Nov 7.7; Oct 13; Sep 5.0. WTO.
- UK resident departures: May -16.2; Apr -9.0;

contd on p5

contd from p1 – First half

Table 1

First-half world air traffic, % growth								
Region	2009		(Q1)		2008		2007	
	Traf	Cap	Traf	Cap	Traf	Cap	Traf	Cap
Europe	-7.6	-4.8	-9.1	-5.1	3.5	5.2	4.9	4.1
North America	-8.9	-5.3	-10.6	-5.1	6.0	6.7	5.2	5.0
Asia Pacific	-12.0	-7.7	-12.4	-7.6	4.8	5.5	6.0	5.0
World	-7.6	-3.9	-9.1	-4.3	5.4	6.2	6.3	5.4

Notes: Cap(acity) = available-seat km, Traf(fic) = revenue-passenger km. Source: International Air Transport Association, Travel Business Analyst.

near 30mn seats in the first half, and growing at 10%. And all those seats are sold on routes in Europe, whereas Lufthansa's smaller total is sold on its worldwide route network.

But include combines in the league table, and the Lufthansa group was ahead, selling 42mn seats, above the 35mn sold by the Air France group. But the AF group total was down 30% - based on our estimates for Alitalia+Air One traffic. See also Table 2, page 7.

• **Airport passengers, ACI.** Passenger traffic through the world's airports fell almost 7% in the first half, see Table 4. But international traffic, taking a share of around 45%, fell faster, 8%.

In Europe, international traffic was down 9%, but for domestic traffic, the region recorded a 12% fall. *This could be because there is both a better competitive rail and fast-rail network, and a better highway network for car travel.*

For North America, international

traffic was down 8%. Asia Pacific was better in terms of total traffic, down only 2%, thanks to a 4% growth in domestic passenger traffic.

Table 2

Growth of airlines in Europe, %			
Item	H1 09	Q1 09	J-D 08
SS	-7.9	-8.4	1.2
ASK	-4.3	-3.4	3.7
RPK	-6.9	-7.0	2.0
LF	-2.1	-2.7	-1.3

Notes: International. ASK = available-seat km, LF = load factor, RPK = revenue-passenger km, SS = seats sold. Source: Association of European Airlines.

The pattern of improvement since Q1 is obviously similar to that of the airlines. Improvement - H1 compared with Q1 - has been better in Europe, and slightly better in North America, than in Asia Pacific.

For individual airports, international passenger throughput at Europe's largest, London Heathrow, was down 4%, an improvement on the 6% fall in Q1. At New York JFK, the largest in the US, was down about 9%, compared with 11% in

Table 3

Seats sold on major airlines in Europe, first half					
Airline/Category	No,mn	Growth,%	Airline/Category	No,mn	Growth,%
Regular			contd		
Top-3					
Lufthansa	25.5	-6.4	Virgin A'tic	2.6	-5.9
Europe†	25.8	-1.6	Brussels	2.2	-15.2
Air France	23.2	-6.4	Olympic	2.1	-14.5
Europe†	23.6	-6.4	Czech	2.1	-8.9
British AW	15.5	-1.1	LOT-Polish	1.7	-15.3
Europe†	9.4	-5.8			
Others			Low-fare/hybrid		
Turkish	11.1	10.7	Ryanair	29.5	9.6
SAS	10.8	-17.9	Easyjet	21.2	-0.3
KLM	10.7	-7.0	Air Berlin	12.7	-5.8
Iberia	10.2	-13.5			
Alitalia-E	9.7	-28.5	'Combines'		
Swiss	6.4	1.0	LH+LX+BD+SN+OS	41.8	-8.0
Austrian	4.0	-12.1	AF+KL+AZ-E	34.9	-29.9
TAP	3.9	-4.7	AF+KL	33.9	-6.6
BMI	3.6	-21.8	LH+LX	31.9	-5.0
Finnair	3.0	-10.9	BA+IB	25.7	-6.4

Notes: Low-fare-airlines includes free tickets and no-shows. E = TBA estimate. †Includes KLM for AF and Swiss for LH. ‡Includes (national) domestic, including Switzerland for LH. Source: airlines, Association of European Airlines, Travel Business Analyst.

Volume 19 Number 9

Email annual subscription rate is €800 for the monthly 12-page Europe edition, €800 for the monthly 12-page Asia Pacific edition, €100 for the monthly single-page Net Value, and €100 for the monthly single-page People-in-Travel. There are linked rates for these four products; see back page for more details and subscription form. Airmailed print-copy subscriptions are also available.

Europe: 46 Blvd des Arbousiers, 83120 Ste Maxime, France. Tel: (33-4)-9443-8160, Email: TBAoffice@gmail.com

Asia Pacific: GPO Box 12761, Hong Kong, China. Tel: (852)-2507-2310, Email: TBAoffice@gmail.com

Editor: Murray Bailey. Business Development Managers: Raymonde Perpignani, Simmey Wong.

Design by Context Design & Publishing. Printed by Image Press. Copyright © Travel Business Analyst Ltd, 2009. www.travelbusinessanalyst.com

ISSN-0256-419X

ZERO

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

WEF and CO2

We have now seen the Climate Change Report from the World Economic Forum. The following are observations (WEF's and ours) and comments (ours):

- The travel business (which includes aviation), is responsible for about 5% of CO2 emissions. Based on comments and data from WEF, it appears to be expecting annual growth at almost 2.6% annually until about 2030.

- Although much of the report includes factors already known, there is great value in listing the efforts that should be made - and for the whole travel business.

- WEF says the industry has a "long-term goal to achieve a neutral CO2 industry". *Although we know of no such goal - unless it is simply a presumed wish - the WEF explains, in its own way, that the target looks unlikely to be met.* It has five sector-specific favourites for reform, but three are aviation which, through IATA and ICAO, is making strong efforts. Another is road/rail. And a fifth is green refurbishment for hotels.

- It makes the shocking statement that hotels can easily reduce emissions by 32%, and cruise operators by 30%.

- WEF estimates CO2 emissions in the accommodation sector, see table, but adds that the US is worse because of larger rooms (*possibly true in comparison with Europe, but not with Asia Pacific*), and the fact that about 50% of power in the US is generated from coal, for which CO2 emissions are worse. Europe has a greater share of arrivals (30% of guestnights) but only 21% of emissions, as more power is generated from cleaner sources such as gas and nuclear. AsPac emissions are also higher than Europe, and expected to become the highest, with 36%, by 2035.

(Some WEF data does not match figures we have from the World Tourism Organization, which participated in this WEF report. WTO says Europe represents 50-52% of the world visitor business, North America 11-15%, AsPac 20-22%.)

Emissions are expected to increase an annual average of 4.8% until 2035, although AsPac will be faster, about 6.5%.

- Measures for the aviation sector have already been enumerated elsewhere (mostly by IATA and ICAO), but WEF lists them, along with a rather-disappointing estimate of their emissions-saving - the highest is just 8%. *And the most extreme - reducing air travel - is not shown, except in another part of the report. There, perhaps unwittingly, WEF gives the most important data - that by 2012 aviation emissions will be at 2005 levels, because of the downturn in traffic.*

If growth is the most important factor (and we assume it is the same for hotels and others), then should the concentration be on making growth more eco-friendly?

CO2 emissions from the accommodation sector, % share

Region	2035	2005
Europe	17	21
Asia Pacific	40	29
North America	33	40
Others	10	10

Notes: 100% is 284mn tonnes of CO2 in 2005, and 728mn in 2035. See text. Source: World Economic Forum.

- Governments, quick to tax travellers, are hypocritically reluctant to make changes that could reduce CO2 emissions. WEF says "by addressing airspace inefficiencies, governments and infrastructure providers could eliminate 8-12%" of CO2 emissions.

- The big worry is the accommodation sector. Because it is primarily (around 80%) comprised of small-medium companies there almost a "complete lack of globally-accepted standards and agreed-upon emission targets or metrics to measure sustainability improvements. Without globally agreed sustainability benchmarks hotels are ill-equipped to use carbon reduction as a differentiation strategy or for competitive advantage".

WEF proposes changes, most in WEF's 'high' abatement potential; that starts at 8% reduction but for many measures it is much high-

er. Again, most improvements are well-known, and already being implemented steadily; the three categories are operational and technical, energy, and consumer behaviour.

WEF proposes government funding to encourage faster refurbishing to current-standard heating, ventilation, and air conditioning. But instead of proposing a worldwide standard of construction and operation (based on the two best-known guidelines, LEED and European Energy Passport), it suggests regional guidelines.

We think this is wrong, particularly as WEF suggests being guided by WTO or its competitor WTTC - both of which are ineffectual leaders in terms of pushing their members. WTO, for instance, would surely ask for most of Africa to be excused from the requirements because most countries there are poor.

- WEF says accommodation owners need to be helped (ie funded) to introduce measures because at present most of the benefit for energy-efficient operations goes to management companies, which may be different companies. We disagree; either the incentives or non-incentives are equally spread, or it is the management companies that have no incentive. Cut energy costs and the owner benefits if management fees are based on a percentage of overall sales.

- The cruise business should switch from dirty diesel power to natural gas - which could cut emissions by 20%! Some inland ferries in Norway are now making the switch.

- WEF suggests that railways should be the main form of transport to get passengers to airports, adding that a (surprising) 70% of the world's 100 largest cities have no or marginal mass-transit links between downtown and their airports.

WEF argues succinctly for what we have proposed before - partly related to the traffic-reduction factor noted above. Railways and airlines should improve interconnectability so that train-to-plane connections are operated as efficiently as plane-to-plane connections.

*Due to be concluded in
next month's issue*

Table 4

First-half airport passengers, % growth				
2009	Europe North America	Asia Pacific	World	
International	-8.8	-8.2	-9.0	-8.0
Domestic	-12.3	-8.9	3.9	-5.4
Total	-9.6	-8.8	-1.6	-6.6
(Q1)				
International	-11.7	-9.1	-9.6	-9.7
Domestic	-14.5	-11.4	2.7	-7.3
Total	-12.4	-11.0	-2.5	-8.4
2008				
International	4.6	7.1	4.3	5.8
Domestic	0.3	0.6	3.9	1.9
Total	3.6	1.7	4.0	3.7
2007				
International	4.3	1.8	6.3	4.0
Domestic	5.5	2.3	6.5	5.1
Total	-8.8	-8.2	-9.0	-8.0
Total	-12.3	-8.9	3.9	-5.4

Source: Airports Council International, Travel Business Analyst.

Q1. In Asia Pacific, the largest international airport, Hong Kong, was down 4%, better than its 7% fall in Q1.

See also Table 3, page 7.

- **Hotels**, see Table 5. In some measures, Europe was the worst-performing region, with the largest rate fall, although some of that 26% fall, possibly 5%, was a result of exchange-rate fluctuations. Regional occupancy was down 7 points.

Occupancy in the US was also down 7 points, and 8% in rates. And in Asia Pacific occupancy was down 10 points and rate down almost 20%.

For individual cities in Europe, occupancy was notably better than the average in London and Paris, but worse in Istanbul, Madrid, and Moscow. As noted above, rates were affected by changing exchange rates; in US\$, better than average were Frankfurt and Vienna, but worse were Amsterdam, London, Madrid, Moscow, Paris, and Warsaw.

See also Table 10, page 9.

- **Inbound** travel. Measures are not exact, nor reasonably up-to-date. We estimate the fall in Europe destinations in the first half was around 7%. But that would be a substantial improvement on Q1 totals, which were down over 10%.

For individual destinations, Spain - by some measures the larg-

est destination in the region - was falling about 11%. This is mainly because outbound travel from its two biggest sources, UK then Germany, was falling faster than for other markets in Europe.

France fell fast; its data is usually later than other large destinations (and not so exact), but its fall could also have been above 10%. Another big destination, the UK, was reporting similar figures - a fall of over 10%. The fall for Italy was less, probably around 5%.

The best performer of the leading destinations, and inter-related with the good performance of its main airline, was Turkey. The destination overtook its main Mediterranean rival, Greece, earlier this decade, and in some measures is now Europe's 5th-largest destination, having overtaken Germany (which, coincidentally, has provided much of Turkey's visitor growth) in 2008.

See also Table 15, page 10.

- **Outbound** travel. Measures for Europe's outbound travel are even less precise than those for inbound. We estimate a fall of around 9% in the region's outbound markets - not much of an improvement on the about-10% in Q1.

Table 5

Hotel results, first half				
Region	Occupancy, %		Average room rate, US\$*	
	2009	Growth, pts	2009	Growth, %
Europe	63.3	-7.4	212.97	-26.1
US*	54.6	-6.8	98.66	-8.3
Asia Pacific	59.8	-10.4	131.07	-19.4
World	59.2	-8.2	147.57	-20.7

Source: Travel Business Analyst, except *Smith Travel Research.

Data from the second-largest outbound market, the UK (after Germany, which has no comparable data), indicates a big fall, of around 15%. (*Air traffic data from Germany indicates a fall of around 8%; this is a combined in-and-out total and, if anything, we expect a greater fall in outbound (ex-Germany) traffic than in inbound.*)

In other regions, US outbound data is not available, but we estimate its first-half fall to have been 5-6%. We estimate that Asia Pacific's outbound travel fell almost 7%, compared with about 6% in Q1.

For individual markets, our estimates indicate that the China outbound market, the region's largest,

Table 6

Airline capacity	
Region	Growth, %
World	-3.5
To/from Europe	-2.6
Intra Europe	-6.5
To/from AsPac	-1.6
Intra AsPac	1.8

Source: OAG Facts; facts@oag.com.

fell almost 6% in the first half. That is a troubling worsening of results since the start of the year; in Q1, we estimate China's outbound was essentially flat.

See also Table 7, page 8.

- **Ad-hoc Others.**
 - Perhaps surprisingly, given the pressure on the meetings business, **Berlin** counted a fractional increase (0.3%) in MICE events this year, to 50,850, and a 3.0% increase in visitors, to 3.97mn.

But additional details indicate that there has been a change in market patterns. International fell (2% in both events and visitors), and domestic increased (by 2%). *Did those additional domestic events/visitors switch from international - given the economic circumstances? And did the fewer international events/visitors stay in their own markets for the same reason?*

MICE roomnights increased 4.8% to 2.2mn, because length of stay increased 0.1 days to 1.7.

- **Worldwide airline capacity** fell 4% this year. Europe cut faster (3% to/from, 6% within), see Table 6, than Asia Pacific (2%, +2%). With traffic dropping faster in AsPac, airlines appear not to have moved quickly enough to cut capacity. That said, bounces (up and down) seem greater in AsPac than in Europe.

- This year's sales decline at **Kuoni**, perhaps one of the five best-known names in the worldwide travel agency/operator business, may indicate more than just a recession-related drop. Overall sales were down 21%; that is compared with 2008, but the real shock is that the total is only a mere 2% more than what Kuoni sold in 2000.

The company has changed its reporting, so that it is not possible to see if there is a problem area. But if this is general fall, is the market changing - to the internet, for instance?

Mar -20.0; Feb -21.3; Jan -14.3; Dec -9.2; Nov -0.1; Oct -9.2; Sep -7.0. *gov.*
 • UK visitor arrivals: May -11.6; Apr -2.6; Mar -9.7; Feb -20.1; Jan -9.1; Dec -10.9; Nov -8.9; Oct +2.7; Sep -10.0. *gov.*
 • United Airlines seat sales: Jul -9.3; Jun -12.8; May -16.2; Apr -13.1; Mar -13.8; Feb -16.0; Jan -11.7.
 • US air international passengers: Apr +2.8; Mar -9.1; Feb -5.0. *gov.*
 • US hotels occupancy: Jul -7.3; Jun -9.7; May -11.8; Apr -11.1; Mar -11.6. *Smith.*
 • US hotel rooms planned: Jul -26.2; Jun -24.5; May -22.2; Apr -19.7. *Smith.*
 • US resident departures: Apr -1.1; Mar -11.7; Feb -7.0; Jan -7.2; Dec -3.1; Nov -4.7; Oct -7.1; Sep -7.2. *PATA.*
 • US travel agency sales: Jul -16.7; Jun -18.0; May -29.1; Apr -26.1; Mar -22.8; Feb -26.1; Jan -24.7. *ARC.*
 • US visitor arrivals: May -11.8; Apr +2.9; Mar -19.9; Feb -11.6; Nov -8.8; Jan -9.1; Dec -7.1; Oct -2.0; Sep 0.0. *PATA/WTO.*

Market Headlines

Full-year market results.

Inbound

• See tables: Spending (Bulgaria, Croatia, Czech R, Denmark, Estonia, Finland, Hungary, Iceland, Ireland, Lithuania, Norway, Poland, Romania, Slovakia, Slovenia, Sweden, Ukraine), P10 T14; Arrivals (Andorra, Croatia, Finland, Iceland, Liechtenstein, Romania), P10 T15.

Outbound

• See table: Spending (Czech R, Finland, Greece, Hungary, Ireland, Luxembourg, Norway, Portugal, Sweden), P8 T6.

Main News

Corporate

Recent corporate developments - big or significant.

• Germany's Steigenberger hotel group sold to Egypt's Travco tour and hotel company.

Market

Recent market developments - big or significant.

• Q1 UK outbound 11.6m -19%.
 • Various first-halves. See report, page 1. Plus in tables starting page 6: all airlines, hotels; air traffic to/from Europe, France; Expedia, Travelzoo.

10 YEARS AGO

WATS news

Data from IATA's WATS (World Air Transport Statistics) shows a strong growth in traffic to/from Europe when compared with five years ago.

North America Europe is still by far the largest regional route region, but the next largest, Europe Asia, was 41% of the North America Europe total in 1993, but it had grown to become 48% by 1998.

Also interesting is the fact that Europe Asia increased slightly in 1998, although some of the other routes connecting Asia (notably North America Asia routes) were still falling.

Intra-regional domestic traffic in Europe has also grown, from 12% share in 1993 to 15% in 1998. Likewise for international traffic within the region - up from 33% of the world total to 37%.

For inter-continental traffic, there was growth in 1998 in most main sectors except North America-Asia. But in the past five years, regional growth in share has been on Europe-Asia routes and Europe-Middle East.

Regional international seats sold, mn

Region/route*	1998	1993
International	403.3	280.2
Europe	148.8	91.4
Asia	41.1	32.7
North America	13.5	10.3
N Am Europe	46.2	33.8
Europe Asia	22.2	13.9
Africa Europe	13.3	10.3
N Am Asia	17.6	18.7

Notes: *Over 5mn seats sold in 1998. Source: WATS.

Headlines

Comments on tables pages 6-12

Aviation.

T1. Airlines. First-half; see report starting page 1. Among LFAs/hybrids, note *Ryanair* still growing; up 10% Jan-Jun. **T2.** First-half for *AEA* (see report starting page 1). YTD falls in the US and Asia Pacific still double-digit. **T3.** Airports. *London 'low-fare-airports'* in trouble (*Luton* down 14%, *Stansted* down 15%). But start of turnaround in their latest months for *London Heathrow* (domestic and international), and *Milan Malpensa* (thanks to *Lufthansa*, not *Alitalia*). Still double-digit declines for *Amsterdam*, *Barcelona*, *Brussels*, *Copenhagen*, *Moscow*. **T4.** YTD air passenger traffic to/from *Paris* down 6%, *Germany* down 9%, *UK* down 10%, *US* down 4%.

Inbound.

T14. Visitor spending; all 2008 totals following updates for Bulgaria, Croatia, Czech R, Denmark, Estonia, Finland, Hungary, Iceland, Ireland, Lithuania, Norway, Poland, Romania, Slovakia, Slovenia, Sweden, Ukraine. Visitor arrivals; all 2008 totals following updates for Andorra, Croatia, Finland, Iceland, Liechtenstein, Romania.

Outbound.

T6. Outbound spending; all 2008 totals following updates for Czech R, Finland, Greece, Hungary, Ireland, Luxembourg, Norway, Portugal, Sweden. **T7.** Outbound travel; no changes this month.

Hotels.

T10. First-half; see report starting page 1.

Others.

T5. Stock market prices. Some violent moves, but a general trend is an increase! **T12.** Stock price index, based on Dec 06. Europe steadies, but Asia Pacific increases, and so does the World. **T13.** Economic indicators All Q1s in; GDPs still weak.

Special.

Differences in visitor spending, in local currency, US\$, and Euros.

This month

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

Travel Business Analyst, Europe:

• First half industry results, region and world.
 • Dead cats.
 • Australia corporate updates.
 • Plus: Market Monitor; World Travel Industry Index; ZERO; Extracts from Net Value and People-in-Travel; Market Headlines; Market Outlook; and 18 regular tables of market data.

Net Value:

• AsPac outlook; China market; video-conferencing; 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:

• Summer's CEO changes; 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.

Foxtrots (recent):

• WTO's or Korea's STEP?; China's new hotels, new style; Avoid Air Asia's Thai subsidiary?

ZERO (recent):

• World Economic Forum - low-carbon travel industry?

Please contact us with your order or queries, at TBAoffice@gmail.com

Link-up annual subscription rates for current subscribers:

Travel Business Analyst Europe, with
 - A Travel Business Analyst Asia Pacific €500 (full price €800)
 - V Net Value €35 (full price €100)
 - P People-in-Travel €35 (full price €100)
 - A + V €535 (full price €1335)
 - A + P €535 (full price €1335)
 - A + P + V €570 (full price €1370)

Travel Business Analyst Asia Pacific, with
 - E Travel Business Analyst Europe €500 (full price €800)

- V Net Value €35 (full price €100)
 - P People-in-Travel €35 (full price €100)
 - E + V €535 (full price €1335)
 - E + P €535 (full price €1335)
 - E + P + V €570 (full price €1370)

See back page for more offers.

MARKET DATA

Special

Up, down, and flat

That describes the visitor spending movements in 2008 – depending on what measures are used.

For instance, there was a 10% increase in 2008 visitor spend in terms of US\$ at current prices, see table, but a 1% fall in terms of Euros at constant (say 'same base') prices, but almost flat (a near-2% growth) in terms of local-currency prices.

Of course those differences complicate commentary. However, our favoured measure is current prices in local currencies (CPLC), because local currencies are what are actually received, as are current prices. Other measures, though, may be better either for academic reasons or for convenience.

That said, CPLC makes comparison difficult, which is why we generally use US\$ – still more internationally-known and -used than Euros, which is strong only in Europe.

By CPLC, there were indications of a slowdown in 2007 – a year when growth matched the year before – 9% – and then going on to slow to 7% in 2008. But that 7% looks much better than constant prices, for which the increase was only 2% in LC, and a 1% fall in Euros.

The best results are measurements in US\$. In US\$ current prices, visitor spending increased 10%, and even 6% in constant prices.

Since 1990, average annual growth has been 7% in US\$ and 6% in Euros. Since 2000, the difference has been greater – 9% for US\$, but only 3% for Euros.

Visitor spending patterns, % growth

Type	2008	2007	2006	2005
Current prices				
Local currency	6.9	8.9	8.8	6.3
US\$	10.2	15.1	9.5	7.4
Euro	2.7	5.5	8.5	7.4
Constant prices				
Local currency	1.8	5.4	5.3	3.1
US\$	6.2	11.9	6.1	3.9
Euro	-0.6	3.2	6.1	5.1

Notes: Worldwide totals. Source: World Tourism Organization.

1 Regular-airline traffic*, 2009

Low-fare-airline traffic, 2009

Airline	Jun 09		YTD				YTD				Airline		Airline		
	SS,x1000	+/-,%	RPK,mn	+/-,%	SS,x1000	+/-,%	ASK,mn	+/-,%	RPK,mn	+/-,%	SF	+/-,pts	SS,x1000	+/-,%	YTD
Air France	4332	-5.1	10733	-5.0	23234	-6.4	79248	-3.6	60605	-4.9	76.5	-1.1	Air Berlin	Jun 09	YTD
Europe†‡	4470	-6.4	3586	-6.2	23551	-6.4	28002	-3.2	18608	-6.2	66.5	-2.2	SS,x1000	2572	12715
Alitalia	1977	-18.1	2566	-17.0	9714	-28.5	20715	-20.6	12232	-29.6	59.0	NA	Growth,%	-4.9	-5.8
Austrian	751	-9.7	1249	-15.4	3985	-12.1	9767	-11.0	6863	-14.9	70.3	-3.2	SF,%	79.1	74.9
BMI	669	-24.5	796	-17.1	3641	-21.8	6164	-22.1	4132	-17.1	67.0	4.1			
British AW	2922	-5.2	9877	-4.2	15523	-1.1	71743	-3.7	54016	0.3	75.3	3.0	Easyjet+GB-E	Jun 09	YTD
Europe†‡	1811	-5.8	1925	-3.3	9371	-5.8	14419	-2.0	9628	-3.3	66.8	-0.3	SS,x1000	4147	21224
Brussels	433	-8.4	612	-8.6	2233	-15.2	5339	-9.9	3185	-12.8	59.7	-2.0	Growth,%	0.8	-0.3
Czech	422	-8.1	542	-6.3	2072	-8.9	4207	-4.1	2489	-9.0	59.2	-3.2	SF,%	83.5	83.2
Finnair	530	-11.6	1283	-11.6	3019	-10.9	10537	-9.6	7377	-7.2	70.0	1.8			
Iberia	1847	-7.4	4348	-5.3	10187	-13.5	31014	-6.4	24473	-7.2	78.9	-0.7	Ryanair	Jun 09	YTD
KLM	1933	-9.5	6153	-8.5	10658	-7.0	44239	-3.9	34836	-6.1	78.7	-1.8	SS,x1000	5840	29541
LOT-Polish	355	-7.7	661	-8.8	1675	-15.3	3943	-11.2	2639	-16.3	66.9	-4.1	Growth,%	13.0	9.6
Lufthansa	4728	-5.5	10845	-5.7	25504	-6.4	76950	-2.4	57864	-6.4	75.2	-3.2	SF,%	85.0	82.4
Europe†‡	4818	-1.6	3800	0.2	25796	-1.6	29490	1.1	19842	0.2	67.3	-1.8			
Olympic	417	-16.3	486	-23.6	2125	-14.5	4706	-2.4	2434	-19.8	51.7	-11.2			
SAS	2112	-14.0	2324	-14.9	10839	-17.9	16894	-14.0	11632	-17.9	68.9	-3.3			
Swiss	1235	9.6	2339	-2.2	6443	1.0	17150	1.2	13015	-2.5	75.9	-2.9	SS,x1000	Jun 09	YTD
TAP	667	-10.6	1592	-12.5	3914	-4.7	14554	-7.5	9363	-7.8	64.3	-0.2	Germanwings	662	3324
Turkish	2171	10.7	3293	15.3	11057	10.7	24741	21.4	16947	13.5	68.5	-4.8	Growth,%	-9.4	-7.7
Virgin A'tic	461	-3.5	3320	-3.2	2629	-5.9	25290	-6.7	19215	-5.3	76.0	1.1	Norwegian	977	4582
													Growth,%	15.4	15.3
AF+KL	6265	-6.5	16886	-6.3	33891	-6.6	123487	-3.7	95441	-5.4	77.3	-1.4	Sky Europe	214	1147
BA+IB	4769	-6.1	14225	-4.6	25710	-6.4	102757	-4.5	78489	-2.1	76.4	1.9	Growth,%	-37.7	-34.3
LH+LX	5963	-2.7	13183	-5.1	31946	-5.0	94100	-1.8	70879	-5.7	75.3	-3.2	Southwest	7658	42451
LH+LX+BD+SN+OS	7815	-6.0	15841	-6.8	41805	-8.0	115370	-4.3	85059	-7.4	73.7	-2.5	Growth,%	-6.4	-6.7

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.

MARKET DATA

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

Item	Europe,AEA		Apr 09	Growth,%	May 09	Growth,%	Jun 09	Growth,%	YTD	Growth,%
	Mar 09	Growth,%								
SS,mn	17.9	-9.4	19.9	-2.5	20.5	-8.4	21.4	-6.6	110.4	-7.9
ASKs,mn	73,089	-2.1	73,737	-2.3	78,119	-5.3	78,500	-4.8	438,951	-4.3
RPKs,mn	53,083	-9.1	56,687	-2.0	57,545	-8.3	60,850	-6.5	325,354	-6.9
Pax LF,%	72.6	-5.6	76.9	0.2	73.7	-2.4	77.5	-1.4	74.1	-2.1
US,BTS										
	Feb 09	Growth,%	Mar 09	Growth,%	Apr 09	Growth,%	May 09	Growth,%	YTD	Growth,%
SS,mn	6.3	-11.9	7.6	-13.4	7.5	-4.6	7.0	-15.3	35.7	-10.6
ASKs,mn	36,515	-7.5	41,298	-6.2	40,984	-4.2	41,876	-6.9	202,075	-5.6
RPKs,mn	25,003	-12.5	30,851	-13.6	31,247	-4.7	31,497	-11.5	148,800	-9.8
Pax LF,%	68.5	-3.9	74.7	-6.4	76.2	-0.4	75.2	-3.9	73.6	-3.5
Asia Pacific,AAPA										
	Feb 09	Growth,%	Mar 09	Growth,%	Apr 09	Growth,%	May 09	Growth,%	YTD	Growth,%
SS,mn	10.1	-13.8	11.2	-10.6	11.2	-5.2	10.1	-14.7	53.9	-10.5
ASKs,mn	57,858	-8.6	63,387	-6.4	61,462	-6.1	62,069	-8.1	310,955	-6.3
RPKs,mn	41,335	-14.1	45,660	-13.2	45,186	-7.4	41,935	-14.4	222,452	-11.6
Pax LF,%	71.4	-5.9	72.0	-7.3	73.5	-1.4	67.6	-6.8	71.5	-5.7

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	Jun	3,856	-12.4	20,269	-11.2	Rome*,x2	May	3,496	-7.3	14,613	-5.3
Barcelona*	May	2,388	-13.5	10,266	-16.5	FCO	May	3,074	-8.4	12,750	-5.6
Berlin*,x3	May	1,830	-3.6	7,939	-4.4	Zurich*	May	1,841	-5.7	8,237	-5.0
TXL	May	1,257	-3.3	5,459	-5.4						
Brussels*	May	1,542	-10.1	6,362	-12.6	Europe total*	May	118,716	-8.8	497,243	-9.6
Copenhagen*	May	1,693	-12.8	7,434	-14.1	intl	May	85,338	-9.4	349,249	-9.6
Frankfurt*,x2	May	4,798	-6.4	20,983	-8.4						
FRA	May	4,443	-6.3	19,619	-8.6						
intl	May	3,878	-6.5	17,016	-8.4						
London,x5	May	10,992	-7.9	49,140	-8.3						
LHR*	Jul	6,477	0.9	37,708	-3.0						
intl	Jul	5,985	1.2	34,643	-2.8						
LGW*	Jul	3,541	-4.8	18,324	-8.9						
Madrid*	May	4,064	-9.9	18,616	-12.2						
Milan*,x3	May	2,815	-2.1	12,006	-18.4						
MXP	May	1,471	2.3	6,677	-18.8						
Moscow*,x2	May	3,391	-13.5	13,469	-16.1						
Paris*,x3	May	7,449	-6.0	33,564	-6.3						
CDG*	May	5,024	-7.0	22,549	-6.5						
intl	May	4,593	-7.3	20,639	-6.6						
ORY*	May	2,195	-4.5	9,999	-6.7						

Europe's 'low-fare' airports†,x1000

Airport	Month	Month	Growth,%	YTD	Growth,%
Berlin Schonefeld*	May	574	-4.2	2,480	2.1
Cologne*	May	910	-5.4	3,516	-8.5
Frankfurt Hahn*	May	355	-7.0	1,364	-5.8
Dublin*	May	1,844	-14.7	8,148	-10.8
Geneva*	May	839	-4.8	4,836	-5.9
London					
LTN*	May	842	-9.9	3,427	-13.5
STN	May	1,646	-18.5	7,393	-15.1
Milan Bergamo*	May	612	8.5	2,636	4.4
Rome Ciampino*	May	422	1.7	1,863	-3.3
Paris Beauvais*	May	230	2.5	1,016	1.9
LFA total‡	May	8,273	-9.5	36,679	-8.6

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‡						
	Jun 09	+/-* %	YTD 09	+/-* %	May 09	+/-* %	YTD 09	+/-* %	May 09	+/-* %	YTD 09	+/-* %				
Belgium	6	39.8	29	17.0	108	-9.8	515	-12.4	97	-19.2	484	-19.3	94	3.9	313	-8.1
France	na	na	na	na	588	-11.4	2531	-11.8	933	-9.5	4220	-8.0	506	0.0	1629	-7.2
Germany	391	-4.2	2112	-7.1	na	na	na	na	897	-7.8	4089	-8.2	732	-8.2	2491	-14.1
Ireland	75	5.9	396	3.4	129	-11.4	567	-2.9	922	-15.2	4442	-11.5	195	5.9	623	-7.7
Italy	520	-4.9	2797	-6.0	994	-6.2	3709	-10.5	924	-9.2	3595	-11.1	225	15.1	629	-5.5
Netherlands	87	-14.5	486	-14.8	232	-3.7	1009	-6.1	592	-13.0	2762	-21.5	383	-1.7	1252	-8.7
Spain	513	-9.9	2660	-13.1	1932	-9.9	7206	-9.7	2929	-14.2	10234	-15.6	202	30.6	603	15.4
Switzerland	156	3.0	881	-0.8	457	-6.9	2127	-6.6	347	-6.3	2515	-6.5	127	0.6	424	-11.0
UK	350	-9.2	1966	-10.2	884	-8.0	4039	-8.3	na	na	na	na	1369	-5.8	4565	-9.5
US	597	-4.0	2801	-4.4	831	-10.4	3275	-13.8	1486	-9.1	6088	-12.6	na	na	na	na
Total	7449†	-6.0†	33564†	-6.3†	11978	-8.8	49103	-8.5	15406	-9.8	64986	-10.1	10606	2.8	38989	-4.5

Notes: *Over same period, year earlier. †(Three) Paris airports; total is May and YTD-May. 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 08	Jun 09	Jul 09	stock	market
Airlines							
Air France	Paris	18.4	9.17	9.10	8.83	-3.0	9.1
British Airways	London	334	180	125	142	14.2	8.5
Easyjet	London	381	280	270	302	11.8	8.5
Iberia	Madrid	2.29	1.98	1.51	1.57	4.0	10.9
Lufthansa	Frankfurt	12.6	11.2	8.93	9.48	6.2	10.9
Ryanair	Dublin	8.30	2.97	3.26	3.10	-4.9	3.1
SAS	Sweden	17.1	6.19	3.44	3.65	6.1	10.1
Hotels							
Accor	Paris	46.9	35.1	28.3	30.0	6.0	9.1
InterContinental	London	840	562	623	679	9.0	8.5
Marriott	New York	33.5	19.5	22.0	21.5	-2.2	9.1
Sol Melia	Madrid	11.0	4.26	4.29	5.69	32.6	10.9
Others							
Avis Europe	London	72.8	3.93	21.75	29.0	33.3	8.5
Carnival	New York	53.5	24.3	25.6	28.3	10.6	9.1
EADS	Paris	32.0	12.0	11.5	13.4	16.2	9.1
Expedia	New York	NA	8.24	15.76	20.8	31.7	9.1
Fraport	Frankfurt	44.9	30.9	30.5	32.2	5.5	10.9
Kuoni	Zurich	557	360	341	325	-4.6	10.1
Thomas Cook	London	NA	177	206	217	5.6	8.5
TUI	Frankfurt	17.8	8.05	5.25	4.52	-13.9	10.9

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; now privately-owned. Source: respective stock markets.

6 Spending on foreign travel by residents

Source	Jan-	+/-, %	US\$bn	Jan*-	US\$bn	+/-, %
Austria	Dec‡	0.1	10.6	Dec‡	10.6	0.8
Belgium	Dec‡	2.1	17.6	Dec‡	17.2	1.7
Czech R	Dec‡	5.9	3.8	Dec‡	3.6	18.3
Denmark	Dec‡	3.1	9.1	Dec‡	8.8	7.7
Finland	Dec‡	2.1	4.1	Dec‡	4.0	6.8
France	na	na	na	Dec‡	36.7	7.8
	Dec‡	9.6	40.2	Dec‡	36.7	7.8
Germany	na	na	na	Dec‡	83.1	2.9
	Dec‡	2.3	85.0	Dec‡	83.1	2.9
Greece	Oct‡	6.8	3.6	Dec‡	3.4	4.3
Hungary	Dec‡	27.5	3.7	Dec‡	2.9	27.4
Ireland	Dec‡	12.0	9.9	Dec‡	8.8	17.3
Italy	na	na	na	Dec‡	27.3	8.4
	Dec‡	4.9	28.6	Dec‡	27.3	8.4
Luxembourg	Dec‡	2.0	3.7	Dec‡	3.6	4.0
Netherlands	Dec‡	6.2	20.3	Dec‡	19.1	2.6
Norway	Dec‡	12.2	15.4	Dec‡	13.7	6.9
Poland	Dec‡	5.1	8.9	Dec‡	8.5	5.1
Portugal	Dec‡	2.4	4.0	Dec‡	3.9	7.5
Russia	Dec‡	11.8	24.9	Dec‡	22.3	22.1
Spain	Dec‡	-3.7	19.0	Dec‡	19.7	8.3
Sweden	Dec‡	6.5	14.8	Dec‡	13.9	11.0
Switzerland	Dec‡	-4.5	9.7	Dec‡	10.2	6.4
Turkey	Dec‡	7.5	3.5	Dec‡	3.3	18.8
UK	na	na	na	Dec‡	71.4	4.1
	Dec‡	-13.0	62.1	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-BH	Dec‡	9,677	-2.0	Eurostat
Belgium-BH	Dec‡	8,727	1.6	Eurostat
Cyprus	Dec‡	1,039	12.4	Eurostat
Denmark	Dec	5,895	16.4	Eurostat
Finland-BH	Dec‡	4,885	5.9	Eurostat
France-BH	Jun‡	11,684	16.5	Eurostat
Germany-BH	Dec‡	86,201	5.0	Eurostat
Hungary-BH	Dec‡	5,058	8.3	Eurostat
Ireland-BH	Sep‡	5,237	3.0	Eurostat
Italy	Dec‡	40,057	7.9	Eurostat
Latvia	Dec‡	1,169	1.2	Eurostat
Netherlands-H	Sep‡	12,547	4.3	Eurostat
Norway-BH	Dec‡	7,600	6.7	Eurostat
Poland-BH	Dec‡	6,530	7.8	Eurostat
Portugal	Dec	3,663	-6.9	Eurostat
Spain-BH	Dec‡	9,995	-1.0	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 trips + holidays only, 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
Expedia group	bookings,\$b	H1 09	10.8	-8%	company
Travelzoo	revenue,\$m	H1 09	47.6	+11%	company
Europe	revenue,\$m	H1 09	7.0	51.0%	company
Priceline growth	agency bookings \$	2008	60%	21% Q4	company
Priceline growth	merchant bookings \$	2008	34%	28% Q4	company
US online travel	share	2010	40%	39%	PCW
Europe	online travel share	2008	29%	na	PCW
France	online travel share	2008	25%	na	PCW

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.

MARKET DATA

10 Hotel results in Europe*, June

Location	Occupancy,%				Average room rate,				Revpar,				
					local	US\$*			US\$*				
	2009		2008		2009	2009		2008		2009		2008	
	Mth	YTD	Mth	YTD	YTD	Mth	YTD	Mth	YTD	Mth	YTD	Mth	YTD
Amsterdam-all	72.8	60.5	74.5	71.3	165	262.36	220.40	337.41	294.39	191.08	133.31	251.44	209.90
U-4	69.6	60.0	78.1	72.9	135	205.81	180.48	247.75	225.41	143.30	108.20	193.38	164.25
5-star	75.8	61.0	78.2	73.8	192	310.46	256.76	393.74	337.07	235.34	156.56	307.94	248.70
Berlin-all	71.6	61.6	73.7	67.0	141	208.44	189.36	248.03	238.58	149.34	116.58	182.89	159.78
L-4	72.5	59.7	76.3	68.8	104	125.12	139.34	200.84	183.93	90.71	83.16	153.33	126.47
U-4	71.6	62.0	73.0	66.5	151	218.04	201.69	262.09	254.68	156.01	125.14	191.31	169.26
Brussels	NA	63.4	75.8	71.3	121	NA	161.99	235.27	215.11	NA	102.66	178.40	153.37
Copenhagen	NA	71.3	85.6	75.2	1086	NA	195.21	297.85	230.59	NA	139.11	254.82	173.41
Frankfurt-all	56.1	55.5	67.8	64.9	125	148.25	167.29	186.46	199.55	83.21	92.91	126.41	129.50
L-4	42.3	43.9	57.9	54.0	105	129.86	140.79	159.77	160.91	54.87	61.88	92.47	86.82
U-4	59.7	58.5	70.3	66.9	129	151.58	172.38	192.09	205.29	90.47	100.86	135.10	137.36
Geneva	66.5	57.5	72.7	67.1	348	344.69	309.91	435.41	364.70	229.25	178.31	316.72	244.83
Istanbul	68.5	58.3	79.0	70.4	361	263.99	265.89	348.63	301.70	180.90	154.98	275.56	212.40
London-all	86.1	77.7	85.4	78.2	132	235.67	197.17	403.89	353.16	203.00	153.19	344.96	276.32
L-4	90.1	82.5	89.0	84.7	89	157.74	134.01	222.03	209.06	142.15	110.51	197.64	176.98
U-4	81.3	72.3	82.5	72.6	174	308.72	260.37	473.31	426.73	250.87	188.33	390.60	309.83
5-star	81.6	73.7	83.6	75.5	286	534.83	429.51	674.92	566.76	436.66	316.71	563.91	427.64
LHR AP	87.4	75.3	90.3	87.1	64	103.11	96.53	155.76	146.66	90.11	72.70	140.61	127.69
Madrid	NA	51.4	59.2	65.4	133	NA	178.18	281.23	296.87	NA	91.66	166.54	194.05
Moscow	69.1	61.6	77.8	74.1	7364	232.57	220.78	439.68	377.33	160.59	135.97	342.11	279.75
Paris-all	78.8	68.6	81.5	72.5	218	376.51	292.41	457.50	345.76	296.61	200.67	372.73	250.68
U-4	79.1	76.2	88.3	76.1	159	281.14	212.40	322.90	247.52	222.48	161.80	285.15	188.28
5-star	84.4	68.3	84.1	72.5	294	496.55	393.45	566.41	473.03	419.32	268.86	476.59	342.73
CDG AP	68.7	65.6	72.4	65.2	114	171.27	152.74	218.69	196.16	117.72	100.16	158.32	127.95
Rome	NA	61.5	78.6	65.1	176	NA	236.24	344.73	297.30	NA	145.21	270.90	193.55
Vienna	74.7	58.3	68.8	67.2	212	166.13	283.60	367.25	210.98	124.02	165.43	252.69	141.80
Warsaw	61.5	59.0	73.3	65.9	299	161.23	88.53	189.85	173.13	99.09	52.25	139.19	114.05
Zurich	78.6	69.4	78.9	77.0	210	182.86	186.69	314.14	246.14	143.65	129.55	247.96	189.43
OTHERS													
Beijing	52.5	49.4	64.7	67.4	817.04	115.14	119.52	148.37	150.00	60.50	59.07	96.05	101.14
Dubai*	68.3	72.6	NA	NA	639.83	130.55	174.17	NA	NA	89.22	126.45	NA	NA
Los Angeles	68.1	63.5	76.8	73.4	115.95	114.21	115.95	129.61	129.22	77.74	73.57	99.50	94.85
Miami	58.8	67.7	65.1	76.7	156.33	113.94	156.33	127.89	179.92	67.03	105.90	83.26	137.94
New York	81.9	72.6	87.5	81.4	198.55	199.08	198.55	286.33	263.14	163.11	144.18	250.49	214.28
Sydney	75.3	78.5	71.6	81.3	209.99	152.90	149.89	199.56	216.63	115.11	117.70	142.88	176.15
Tokyo	59.9	62.3	63.0	72.4	24723	246.66	257.86	272.92	244.99	147.84	160.77	171.98	177.29
Europe	71.1	63.3	76.0	70.8	na	239.45	212.97	331.80	288.29	172.56	134.93	254.66	204.55
US†	61.3	54.6	68.0	61.4	98.66	96.77	98.66	106.89	107.64	59.34	53.87	72.72	66.11
Asia Pacific‡	55.3	59.8	64.7	70.2	na	122.78	131.07	154.37	162.61	70.69	80.41	101.57	116.47
World	62.6	59.2	69.5	67.5	na	153.00	147.57	197.69	186.18	100.86	89.73	142.98	129.04

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.

MARKET DATA

11 IATA travel agencies† in Europe, 2008

Country	Loc-	Growth	Net	Growth	Per	Growth
		ations	%	sales	%	agency
			US\$mn*		US\$mn*	
Austria	226	-0.9	1486	10.5	6.57	11.4
Balkans	70	0.0	98	203	1.41	203
Belgium†	567	-8.4	2479	10.5	4.37	20.6
Bulgaria	192	8.5	256	20.4	1.33	11.0
Croatia	88	0.0	167	21.9	1.90	21.9
Cyprus	152	2.7	415	16.4	2.73	13.3
Czech R†	222	0.0	794	24.7	3.58	24.7
Finland	240	-0.4	1556	11.3	6.48	11.7
France	3,633	0.0	14455	12.5	3.98	12.5
Germany	3,490	-16.5	14715	13.5	4.22	35.9
Greece	938	-2.8	1843	13.7	1.97	16.9
Hungary	244	-6.5	418	11.4	1.71	19.2
Ireland	350	-2.8	784	0.8	2.24	3.7
Italy†	2,980	-36.4	8384	10.0	2.81	73.0
Malta	76	0.0	79	6.5	1.04	6.5
Netherlands	343	-15.3	4103	15.2	11.96	36.1
Nordics†	1,326	-8.1	7829	7.0	5.90	16.4
Poland	321	-15.7	956	24.0	2.98	47.1
Portugal	899	4.2	1314	11.0	1.46	6.6
Romania†	291	4.3	616	22.1	2.12	17.0
Russia	501	150.5	1282	1187.4	2.56	413.9
Serbia†	164	0.0	209	36.3	1.28	36.3
Slovenia	48	0.0	130	25.1	2.72	25.1
Spain†	7,643	-4.7	8396	7.7	1.10	13.1
Switzerland†	847	-0.6	3414	14.4	4.03	15.0
Turkey	450	0.4	1226	25.8	2.72	25.3
Ukraine	294	1.0	543	66.0	1.85	64.3
UK	2,339	0.0	18369	-1.5	7.85	-1.5
Europe	28,934	-8.7	96,316	10.6	3.33	21.1
US	17,673	-3.2	79,566	-0.4	4.50	20.2
Asia Pacific	13,704	-0.6	73,446	8.2	5.36	32.8
World	60,311	-5.4	249,328	6.2	4.13	32.4

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, Moldava, Montenegro, Andorra, Liechtenstein. Source: IATA, Airlines Reporting Corporation.

12 TBA100 travel stock indices*

Region	July 2009
Asia Pacific	73
Europe	43
World†	53

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	-3.2 Q1	-4.8	-3.2 May	-0.5	3.6 Jun	3.1	2.7 Q4	
Germany	-6.9 Q1	-14.4	-0.8 May	0.5	4.9 Jun	2.7	0.3 May	
Italy	-6.0 Q1	-10.1	-0.5 May	0.0	4.1 Jul	2.8	3.6 Jun	
Netherlands	-4.5 Q1	-3.8	-4.9 Apr	1.4	2.6 Jun	2.9	3.5 Jun	
Spain	-3.0 Q1	-7.4	-4.3 Jun	-1.4	5.3 Jul	2.8	5.3 Q1	
Switzerland	-2.4 Q1	-16.0	-1.4 May	-1.0	2.9 Jun	2.0	1.6 '08	
UK	-5.6 Q2	-3.2	1.8 Jun	1.8	3.8 Jun	2.5	3.5 Jun	
Euroland	-4.9 Q1	-9.8	-3.3 May	-0.6	4.0 Jul	3.6	3.7 Q1	
Others								
Japan	-8.8 Q1	-14.2	-1.6 May	-1.1	1.3 May	-7.3	0.4 May	
US	-2.5 Q1	-5.5	-7.5 May	-1.4	5.0 Jun	2.7	3.6 Jun	

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	Dec†	7.5	20.3	Dec†	18.9	4.0
Belgium	Dec†	6.0	11.3	Dec†	10.7	-4.5
Bulgaria	Dec†	13.7	3.6	Dec†	3.1	10.8
Croatia	Dec†	10.5	10.2	Dec†	9.3	7.3
Cyprus	Dec†	-4.8	2.6	Dec†	2.7	3.8
Czech R	Dec†	-2.0	6.5	Dec†	6.6	7.7
Denmark	Dec†	0.7	6.2	Dec	6.1	0.9
Estonia	Dec†	9.7	1.1	Dec†	1.0	-7.8
Finland	Dec†	2.4	2.9	Dec†	2.8	8.9
France	Dec†	na	na	Dec†	54.2	7.2
Germany	Dec†	-4.6	51.7	Dec†	54.2	7.2
Greece	Dec†	3.5	37.3	Dec†	36.0	0.6
Hungary	Dec†	2.8	15.9	Dec†	15.5	-0.3
Hungary	Dec†	18.9	5.6	Dec†	4.7	2.3
Iceland	Dec†	48.5	1.0	Dec†	0.7	30.5
Ireland	Dec†	-3.3	5.9	Dec†	6.1	3.9
Italy	na	na	na	Dec†	42.7	2.5
Latvia	Dec†	-0.1	42.6	Dec†	42.7	2.5
Lithuania	Dec†	11.9	0.8	Dec†	0.7	28.3
Lithuania	Dec†	8.4	1.2	Dec†	1.2	1.8
Luxemb'g	Dec†	4.6	4.2	Dec†	4.0	1.4
Malta	Dec†	-2.7	0.9	Dec†	0.9	9.4
Netherl'ds	Dec†	-6.3	12.6	Dec†	13.4	8.4
Norway	Dec†	0.8	4.4	Dec†	4.4	6.4
Poland	Dec†	0.8	4.4	Dec†	4.4	6.4
Poland	Dec†	-3.5	10.3	Dec†	10.6	30.9
Portugal	Dec†	0.5	10.2	Dec†	10.1	10.8
Romania	Dec†	16.0	1.7	Dec†	1.5	3.3
Russia	Dec†	24.3	11.9	Dec†	9.6	25.9
Slovakia	Dec†	10.0	2.2	Dec†	2.0	10.6
Slovenia	Dec†	14.8	2.5	Dec†	2.2	13.6
Spain	na	na	na	Dec†	57.8	3.6
Sweden	Dec†	-0.4	57.6	Dec†	57.8	3.6
Switzerl'd	Dec†	1.4	12.2	Dec†	12.0	21.1
Turkey	Dec†	6.3	12.6	Dec†	11.8	6.4
UK	Dec†	18.7	21.9	Dec†	18.5	9.7
Ukraine	na	na	na	Dec†	37.6	2.7
Ukraine	Dec†	1.6	38.2	Dec†	37.6	2.7
Ukraine	Dec†	25.5	5.8	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	Source	Stay	PVPD
		%	x1000		days	US\$-C
Albania	Dec†	23.5	2,723	WTO	NA	NA
Andorra	Dec†	-5.9	2,060	WTO	2.93	NA
Austria	Dec†	5.5	21,908	WTO	5.2-F	156.17
Belgium	Dec†	0.6	7,087	WTO	7.0-E	231.39
Bulgaria	Dec†	12.2	5,779	WTO	2.8-F	48.39
Croatia	Dec†	1.2	9,419	WTO	5.0-E	182.47
Cyprus	Dec†	-0.5	2,404	WTO	11.0	59.13
Czech R	Dec†	-0.5	6,647	WTO	2.8-F	48.39
Denmark	Nov‡	-5.0	4,525	WTO	3.60	1928-V
Estonia	Nov‡	4.5	1,986	WTO	5.40	28.31
Finland	Dec†	1.8	3,582	WTO	5.86	62.92
France	Dec	3.8	81,900	WTO	7.16-F	77.69
France	Dec†	-3.2	79,279	WTO	7.16-F	79.23
Germany	Dec	3.9	24,420	WTO	7-F	194.05
Germany	Dec†	1.9	24,884	WTO	6.0-E	224.53
Greece	Aug‡	-5.5	16,555	WTO	14.0	20.23
Hungary	Dec†	2.0	8,811	WTO	3.41-F	15.19
Iceland	Dec†	4.6	1,102	WTO	2.8	267.56
Ireland	Dec†	-3.7	8,024	WTO	11.0-F	39.06
Italy	Dec	6.3	43,654	WTO	4.36-F	178.42
Italy	Dec†	-2.1	42,737	WTO	4.36-F	196.89

continued on page 12

Closed Skies

We criticised the Open Skies (sic) subsidiary of British Airways for a number of reasons. Now, BA is apparently trying to sell it; we guess it is worth the same as two other failed airlines that BA created then sold (DBA and Go) – US\$1.

And although the economic recession hurt, the other reasons OS failed were those we said – wrong name (should have been BA); misguided marketing for a supposed upmarket product (cabin names – premium cabin ‘Biz’, but ‘Prem+’ for business class); buying a failing airline and merging it with a new one with a different product (L’Avion, another badly-named airline, into OS).

We think Willie Walsh, BA’s CEO, has surpassed his capabilities. He successfully converted Aer Lingus into a nearly-all low-fare-airline, and was then hired by BA to do almost the opposite. For that reason, those above the CEO, should also be blamed for appointing Walsh.

BA is now in the process of discussing merger with Iberia (as Air France/KLM, Lufthansa/Swiss). Can Walsh make the right decision/do a good deal? Interestingly, Iberia has also just admitted a new-airline mistake similar to BA’s. But IB’s creation was a low-fare-airline, Clickair, which it has now merged into Vueling, the surviving name. From the start, Iberia’s management did not appear to understand LFA operations, as seen from its decision to give Clickair some IB flights to operate.

Maybe BA and IB deserve one another?

Travco buys a problem

Steigenberger Hotels has been sold to Travco, an Egyptian travel group, for an unknown amount.

Both companies are mixed operations. Steigenberger has 90 hotels in that brand and InterCity Hotels; some under management, some representation. Most are in Germany but also in a few other Europe countries, plus Egypt. Neither hotel brand is well-known among the travelling public.

Turnover in 2008 was put at US\$660mn (€495mn) but this is almost meaningless as it is an unknown mix of revenues, fees, and commissions.

Travco, like Steigenberger, is a family-owned company (by Hamed El Chiaty), with hotels, Nile cruisers, inbound and outbound

travel services, and ground operations. It operates primarily in Egypt, plus one hotel in the UAE’s Fujairah emirate.

Its hotels are a marketing nightmare. It has Jaz (sic), Iberotel (in Egypt only), Sol y Mar (also only in Egypt), Travcotels. And now the two Steigenberger names.

We see no synergy between the two companies. Worse, in today’s travel marketing environment, Steigenberger’s place in the market is at risk – both with competition from bigger and smaller-but-better-known names. And from its businessplan – which is changing in this internet-driven market, making companies such as Steigenberger less relevant.

Does Travco know this? If it does, it shows no sign of having the management skills to make the changes that are probably necessary to make this acquisition work.

Going low?

Surveys on the cost of travel are difficult. Ask travellers would they like to have spent less for their trip, and most will understandably respond Yes.

The ADAC Travel Monitor, presented each year at ITB Berlin, says that more vacationers from Germany are selecting cheaper destinations. Its ADAC/ITB report found 38% of those questioned value for money is the deciding factor when choosing a destination. This is a 2.8% increase compared with 2008.

But numbers do not categorically support that response. Within Europe, ADAC/ITB counts as “cheaper vacation destinations”, Spain (up 11%), Italy (up 10%), Austria (7%). Transport costs may put Austria in the ‘cheap’ bracket (at least for those in the southern part of Germany) but for the rest, we would mark Austria as ‘costly’.

Indeed, ADAC/ITB spoil their argument by adding that longhaul travel is almost as frequent as before. Compared with 2008, only 0.5% fewer travellers from Germany plan a trip to longhaul destinations. The US is the leading destination, thanks at present to a weak dollar and the positive Obama effect.

ADAC/ITB say price is the deciding factor for longhaul travellers, with 28% of those questioned looking for tour operators who are offering cheaper deals. But – good times or bad – who doesn’t? They add that for trips within Europe 22% of travellers are seeking low-priced offers, and 16% for holidays in Germany.

PCW on US travel

PhoCusWright is continuing to expand outside its unchallenged expertise of the online travel business, with two new reports:

- PCW says gross sales of US tour operators will fall 17% this year, but return to growth in 2010. It blames the economic recession but also the demography of operators’ customer. It says older travellers, baby-boomers (45-64 years) and seniors represent 77% of the average tour operator’s customer mix; however, assuming ‘older’ starts at around 35, that breakdown seems standard.

PCW adds that these demographic segments are pulling back most this year. Boomers, it says, are reckoned to be the wealthiest generation and avid travellers, but in fact this age bracket is spending the least on travel per household. Those aged 25-34 are spending most, and those aged 18-34 are more likely to travel more this year.

US tour operators sold US\$741mn in packages online to consumers in 2008, compared to more than US\$6bn in package sales via OTAs (online travel agencies), which have made tour packaging a key element in their strategy.

- PCW says there is a double-digit fall in US corporate travel, causing “a major realignment” – although the ‘realignment’ appears to be primarily just that fall. It says there will be a 15% fall in US corporate travel this year, making the market worth US\$85bn. It believes the total US travel market will fall less, 11%, which would nevertheless take it below 2006 levels.

Corporate travel has generally been a 40% share of the travel market, but PCW says it will fall from 39% in 2007 to 35% in 2010.

Best campaign?

A publicity campaign from Australia’s Tourism Queensland – ‘The Best Job In The World’ – could claim to be the best.

In many countries, details of the competition for the job were published as a news item, apparently unaware that the competition was a publicity campaign to promote Queensland’s islands.

In fact, there is a ‘job’ and a salary – US\$104,000 (A\$150,000) plus house accommodation – for the six-month contract. But it is not to look after an island – the ‘cover story’ – but to help promote Queensland.

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	Dec†	3.9	1,717	WTO	5-E	61.11
Liechtenstein	Dec†	0.3	55	WTO	2.10	NA
Lithuania	Sep†	9.3	2,502	WTO	6.00	15.93
Malta	Dec†	3.8	1,291	WTO	8.40	52.70
Netherlands	Dec†	-7.3	10,204	WTO	3.67-F	221.99
Norway	Dec†	1.4	4,350	WTO	7-E	445-V
Poland	Dec†	-13.9	12,893	WTO	4.7	56.32
Portugal	Oct†	4.9	12,925	NTO	7.0	70.73
Romania	Dec†	-5.5	1,466	WTO	3.20-F	21.16
Russia	Jun†	5.0	22,269	WTO	3.67-F	221.99
Serbia	Dec†	-7.1	647	WTO	4-E	NA
Slovakia	Dec†	4.5	1,761	WTO	3.60	4.17
Slovenia	Dec†	0.9	1,767	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	Nov†	-0.8	5,182	WTO	7-E	338.65
Switzerland	Dec†	1.9	8,609	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
	Dec†	12.3	24,985	WTO	8.0	111.68
UK	Dec	0.1	30,677	WTO	10.1	69.41
	Dec†	-2.2	30,002	WTO	10.1	110.11
Ukraine	Dec†	9.8	25,388	WTO	NA	NA
	Dec†	9.8	25,388	WTO	NA	NA
Europe	Dec†	0.1	487,935	WTO	5-E	na
	Mart	-13.4	422,552	WTO	5-E	na

International arrivals

City/region	Period	Number	Growth,%	Stay,days	Comment	Source
Balearics	2007	10.2m	1.2	NA	none	NTO
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. †2009. ‡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.

Travel Business Analyst Markets + Marketing + Strategy

SUBSCRIPTION FORM

New Subscription; 12 issues

- A: Asia Pacific edition €800 PDF copy *email* delivery (12 pages; Jan and Aug 8 pages).
- A: Asia Pacific edition €825 printed copy *airmail* delivery (12 pages; Jan and Aug 8 pages).
- E: Europe edition €800 PDF copy *email* delivery (12 pages; Jan and Aug 8 pages).
- E: Europe edition €825 printed copy *airmail* delivery (12 pages; Jan and Aug 8 pages).
- P: People-in-Travel report €100 (1 page; PDF copy *email* delivery only).
- V: Net Value report €100 (1 page; PDF copy *email* delivery only).

Combination Subscription; 12 issues

- A plus E: €1300 email delivery; €1300 printed copy delivery by airmail.
- A or E plus P or V: €835 email delivery; €850 printed copy (of A or E) delivery by airmail; P and V via email.
- A or E plus P plus V: €870 email delivery; €870 printed copy (of A or E) delivery by airmail; P and V via email.
- A plus E plus P or V: €1335 email delivery; €1400 printed copy (of A plus E) delivery by airmail; P and V via email.
- A plus E plus P plus V: €1370 email delivery; €1450 printed copy (of A plus E) delivery by airmail; P and V via email.
- P plus V: €135 email delivery.

'No-Frills' Subscription; 12 issues

- (details on application; no agency commission; no renewal discount; email delivery only)
- NF: A plus E: €999 email delivery only.
 - NF: A plus E plus P plus V: €1000 email delivery only.

Start from.....issue.

Renewal Subscription; 12 issues

- A: €725 email delivery; €750 printed copy delivery by airmail.
- E: €725 email delivery; €750 printed copy delivery by airmail.
- P: €75; email delivery only.
- V: €75; email delivery only.
- NF: A plus E: €999 email delivery only.
- NF: A plus E plus P plus V: €1000 email delivery only.

Combination Renewal Subscription; 12 issues

- A plus E: €1200 email delivery; €1200 printed copy delivery by airmail.
- A or E plus P or V: €750 email delivery; €750 printed copy (of A or E) delivery by airmail; P and V via email.
- A or E plus P and V: €780 email delivery; €780 printed copy (of A or E) delivery by airmail; P and V via email.
- A plus E plus P or V: €1270 email delivery; €1270 printed copy (of A plus E) delivery by airmail; P and V via email.
- P plus V: €125 email delivery.

Renew from.....issue.

Restart subscription (not following directly from earlier subscription). Rates on application.

Bulk subscription, number.....

Rates on application.

Single and Back issues, months.....

Rates on application.

Tick items required, and complete form below.

(Prices valid for month of issue and following month only.) For orders as above, mail to Travel Business Analyst, GPO Box 12761, Hong Kong, China. Fax (33-4)-9449-0949.

METHOD OF PAYMENT

- Cheque made out to Travel Business Analyst Ltd.

Amount enclosed: _____

- American Express Your Name (Name of cardholder): _____

Address (or attach business card): _____

Phone: _____

Email: _____

Credit Card No: _____

Expiry Date: _____

Signature: _____