

## Korea

### **Key Market Message**

*Tourism Australia, Tourism Victoria and Korean Air joined forces in promoting the Melbourne direct service by Korean Air.*

### **1. Key Market Results and Achievements**

- The inauguration ceremony of Melbourne direct flight was held on 18 October 2007 by Tourism Australia, Tourism Victoria and Korean Air. It was very successful with a total of 137 guests from the industry (including 80 trade agents and 31 media representatives) attended the function.
- To improve Aussie Specialist agent's knowledge and training course completion rates, the Aussie Specialist Online Education Meeting was held for newly enrolled candidates. Total 43 agents attended and the attendees passed average 6 modules for 2 hours training course.

### **2. Australian Travel Market**

#### **2.1 Market performance**

- Korea visitor arrivals to Australia for the month of September were 17,100 down 11 per cent on the same month 2006. Year to date (nine months to September) figure is up by 8 per cent relative to the previous year.

#### **2.2 Airline Issues/Changes**

- Thai Airways will increase one more flight per week between Seoul and Bangkok and two more flights between Busan and Bangkok from 28 October 2007. In total, TG will operate 33 flights between Seoul and Bangkok and six flights between Busan and Bangkok.
- Asiana Airlines inaugurated the four-weekly services between Busan and Saipan from 23 September 2007 and Korean Air will operate three-weekly charter flights between Busan to Guam from 28 December to 27 January 2008.

## 2.3 Trade Information Summary

- Korean Air announced a surcharge of KRW 50,000 for the flights on Tasman route (Australia and New Zealand) from 11 Jan to 30 Mar 2008.
- Korean Air and Tourism Victoria organised a famil from 22 to27 October for 18 VIPs from Korean Air and travel agents.
- KOTOCA (Association of ITOs in Korea) agreed to distribute a leaflet which outlines the damage of package price dumping, excessive shopping margins, other problems with shopping in Australia on 15 October 2007. They are discussing final decision to distribute the leaflet at Incheon Airport.
- A major insurance's incentive group of 680 pax will visit Sydney from 17 to 23 November 2007.
- Hyundai Dream Tour promoted 'Brisbane 6 days' product in October through Hyundai Home Shopping, the biggest home shopping channel in Korea. The product featured a 6 day itinerary in Brisbane and Gold Coast and includes one free day for traveller's own activities.

## 3. Current and Upcoming Activities in Market

### 3.1 Consumer Marketing:

Activity	Description	Partners	Timing
Consumer Promotion for Honeymoon Campaign 2007	<ul style="list-style-type: none"> <li>• Consumer Event with CATV channel, Dong-a TV to reinforce Australia as the best honeymoon destination</li> <li>• Using the Australia beautiful destinations and experience footage, 6 times spot ads per day during 28 Aug to 27 Sep 2007</li> <li>• Dong-a developing the 30 minutes Australian honeymoon program with consumer promotion which will be aired from last week of Nov</li> </ul>	Dong-a TV & Asiana Airlines & 8 Honeymoon campaign partner agents -Hana Tour, Mode Tour, Lotte Tour, Redcap Tour, Very Good Tour, Kaya Tour, Tour 2000	28 Aug 2007 ~ Mar 2008
Celebrity Photo Exhibition	<ul style="list-style-type: none"> <li>• PR event in conjunction with Esquire</li> <li>• Hosted the opening reception inviting 300 celebrities and VIP guests</li> <li>• Based on 5 VJPs between April 2006 and June 2007, TA host 7 celebrities photo exhibition taken by 5 renowned photographers.</li> </ul>	Esquire HP Korea	27 September ~03 October 2007

Little Australia Festival	<ul style="list-style-type: none"> <li>2<sup>nd</sup> co-op promotion with KIA Motors promoting Australian Open</li> </ul>	KIA Motors	13~14 October 2007
TV series <Heroes> quiz PR event	<ul style="list-style-type: none"> <li>Globally hit TV series &lt;Heroes&gt; consumer event commemorating Korean Air Melbourne Direct Flight</li> </ul>	Cable TV, Super Action	October ~ November 2007
Brand Coop with Qantas	<ul style="list-style-type: none"> <li>Using brand coop format, developing the on-line campaign</li> <li>QF seasonal charter operations (direct flight to SYD)</li> </ul>	Qantas	Nov ~ Dec 2007
Brand Coop with TVIC	<ul style="list-style-type: none"> <li>From 22 October 2007, starting KE direct flight from Incheon to Melbourne</li> <li>Using brand coop using GOR online banner from 15 October to 14 Nov 2007 <ul style="list-style-type: none"> <li>Media : Nate, MSN, Donga, Ipop</li> <li>Result summary till 18 October</li> <li>Actual Impression: 8,276,629</li> <li>Unique Clicks: 67,885</li> <li>CTR: 0.90%</li> </ul> </li> <li>KE &amp; 8 agents' supporting activities: print and radio ads, promotions and online ads</li> </ul>	Tourism Victoria, Korean Air, 8 Travel agents <ul style="list-style-type: none"> <li>Hana</li> <li>Mode</li> <li>Lotte</li> <li>Seajoong</li> <li>Hanjin</li> <li>Hyundai</li> <li>Next</li> <li>Naeil</li> </ul>	Middle of October ~ middle of Nov 2007

### 3.2 Trade Marketing:

Activity	Description	Partners	Timing
ASP NPP	<ul style="list-style-type: none"> <li>Announce 0708 ASP plan focused the new product development fam tour</li> </ul>	Aussie Specialist Agents	12 Nov to 7 Dec 2007
1 <sup>st</sup> ASP Network Function	<ul style="list-style-type: none"> <li>Briefing about Network function &amp; Seminar Subject on FIT experiences</li> </ul>	Aussie Specialist Agents	Dec 2007
Tasmania Famil	<ul style="list-style-type: none"> <li>First famil to position Tasmania as the luxurious and high-quality destination. Joined by 10 key FIT agents.</li> </ul>	10 major FIT travel agents	16 to 23 Nov 2007

ASP Online Education Meeting	<ul style="list-style-type: none"> <li>• Online simulation of consumer with travel agents to improve ASP knowledge and training course completion rates.</li> <li>• 43 Agents attended till 12 October</li> <li>• Average 6 modules passed during 2hours training course.</li> </ul>	Hana Tour & Other travel agents	8, 12 & 23 October 2007
KE Melbourne Direct Flight Inauguration	<ul style="list-style-type: none"> <li>• From 22 October 2007, starting KE direct flight from Incheon to Melbourne. Inauguration event on 18 October 2007</li> <li>• Total number of attendant : 137 (Including 80 trade agents and 31 Media people)</li> </ul>	Tourism Victoria, Korean Air, 10 Travel agents	18 October 2007
Online contents distribution	<ul style="list-style-type: none"> <li>• After BOA and Honeymoon campaigns, to utilize our online campaign contents for travel agents' website</li> <li>• Completed 2,000 copies</li> <li>• Distribution from top 30 agents to across the country</li> </ul>	Nil	October to Dec 2007

For more information on these activities and opportunities, please contact the Industry Liaison Executive for your state or territory:

Website: <http://www.tourism.australia.com/Marketing.asp?sub=0439>

Email: [marketing@tourism.australia.com](mailto:marketing@tourism.australia.com)

## 4. Media/PR

### 4.1 Major stories generated as a result of VJP and PR activities

Date	Journalist	Publication	Headline
28 September 2007	TV reporter Kim, Sa Rom	MBC TV <Section Entertainment News> and others	Tourism Australia's Photo Exhibition attended by top celebrities
October 07 issue	Kim, Na Young	My Wedding and others	Tourism Australia held Honeymoon Promotion with Dongah TV
	Shim, Jae Hoon	Yonhap News and others	Tourism Australia hosts a TV quiz event to commemorate KE Melbourne direct flight launch with Cable TV series <Heroes> on Super Action
20 Sep 07	Lim, Kyung Joo	The Transport & Travel News and others	7 Convention Bureaus Including Adelaide, Cairns Visit Korea – Tourism Australia Conducts Business Travel Seminar
08 October 07	Kim, Sun Young	Travel Media and others	Tourism Australia "Be an Aussie Specialist"

### 3.2 Major stories on Australia (not VJP or PR activity related)

Date	Title	Publication	Article Summary
27 Sep 07	'Health Medicine & Consumer Drugs' Fraud Warning while travelling China and Australia	Yonhap News	According to Korea Consumer Agency on the 27 <sup>th</sup> , there are continuous cases of casualties such as profiteering and fraud in shopping centres, which were introduced by local tour guides while travelling abroad. Out of the 19 cases reported to the KCA, 8 cases were related to medical products purchased from Australia and New Zealand. KCA stated that particular attention is called for when travelling to these places due to high concerns regarding pharmaceutical or food-related consumer casualties.
11 October 07	John Howard to call Nov.24 election	Newsis	Australian Prime Minister, John Howard is set to call a November 24 election. John Howard is Australia's second-longest serving leader for 11 years, but recent opinion polls showed that Howard's coalition government is facing very difficult situation.
15 October 07	2 Victims Attacked by Great White Shark	Newsis	Great white sharks successively appeared and attacked people near the popular tourist spot 'Byron Bay', on the east coast of Australia. This shark attack resulted in 2 injuries, a 52-year-old woman and an unidentified man. Officials closed the beach and advised people against going in the water.

## 5. General Travel Outlook

### 5.1 Political and Economic Outlook

- Korea's real GDP accelerated in the second quarter of 2007, achieving its highest growth level in more than three years. According to the Bank of Korea (BOK), real GDP grew 1.8 per cent in the second quarter from the previous quarter, up from a 0.9 per cent gain in the first quarter.
- The unbridled hike in oil price has raised concern that rising fuel costs will hurt the global economy, damaging the Korean economic rebound in the process.

### 5.2 Outbound Travel

- The number of Korean visitor arrivals in Japan during the first half of this year recorded total 1,223,800, up 230,500 or 23.3 % over the same period of previous year, according to statistics released by Japan National Tourism Organisation (JNTO). Key propelling force behind the impressive growth is continued depreciation of Japanese Yen combined with promotions under Visit Japan Campaign (VJC) now in high gear. On top of that, the visa waiver program for Korean tourists is also cited as a major stimulant for Koreans to visit the neighbouring country for spas, skiing, golfing and shopping.
- South and North Korea have agreed to open a direct air route between Seoul and Mt.Paektu, allowing South Koreans to tour the scenic Korean mountain on the northern border with China. Mt. Paektu, the highest mountain on the Korean Peninsula and famous for its splendid scenery, has been worshiped by Koreans as the place of their ancestral origin. The mountain is also accessible from China. About 100,000 South Koreans visit the mountain via China each year.
- Texas Tourism will open its offices in Seoul in October 2007. With this step, the number of American cities and states having marketing outlets in Korea has increased to seven. They are Nevada, New York, Las Vegas, San Francisco, Alaska and Hawaii. The state of California plans to open its representative office in Korea sooner or later. This move comes against the backdrop of the implementation of visa waiver program of the United States for Korean citizens tentatively scheduled for July next year.
- Korea and Japan have agreed to designate 2008 as "Year of Korea-Japan Exchange." The agreement to that effect was reached during the bilateral ministerial talks between Korean Minister of Culture and Tourism Kim Jong-min and his Japanese counterpart Tetsuzo Fuyushiba, held in Tokyo Sept. 21-24. The two discussed ways of promoting two-way tourist traffic between the two neighbouring countries on the eve of Beijing Olympic scheduled for next year. The two also pledged to make joint efforts to attain 10 million foreign visitor arrivals by the year 2010.
- "Showcase Canada 2007" was held in Seoul and Busan in October.
- 'Workshop France 2007' was held on 2 October and 24 suppliers, the biggest number attended this travel mart.
- Tourism New Zealand held 'Asia Travel Training' on 19 October and 10 suppliers attended this travel mart.