

Malaysia

Market Summary

The impact from the H1N1 Influenza pandemic is decreasing and a resurgence of bookings is expected during the last quarter of 2009. Competitive airfare pricing by both low-cost carrier Air Asia X and legacy carriers Malaysia Airlines and Singapore Airlines has also created healthy demand in market.

1. Market News

- **Signs of economic recovery seen; Investors bullish**
The Malaysian Government's two stimulus packages of RM67 billion are on track and are beginning to have a positive impact on the economy and investor sentiments.

Domestic demand has picked up in recent months while new research published by *UK Trade & Investment* identified Malaysia as a key market for global investors within the next five years, moving eight notches up from previous year's results. This survey examined global business attitudes to emerging markets in light of the global downturn, among more than 540 high-level business executives.

The local stock market has been positive. It should be able to sustain the positive run, up to the 2010 Budget speech in October where Prime Minister Datuk Seri Najib Razak is expected to unveil more investor and business friendly measures.

Source: thestar.com.my, 22-23 September 2009

Source: theedge.com, 18 September 2009

- **Cheaper passports will encourage infrequent travellers to travel**
Effective from 1 October, Malaysians can apply for the alternative passport which is valid for two years at RM100 (AUD33). More affordable passport fees combined with the availability of low airfares and affordable holiday packages would encourage more Malaysians to travel.

Source: *theedge.com*, 13 September 2009

- Exchange rate: MYR = USD\$3.5130 or AUD\$3.10

2. Consumer Insights

- Overall performance of media consumption amongst adults aged 15 and over in Peninsular Malaysia in the past year is moderate.
- Except for English titles, the average readership of daily newspapers has managed to stay afloat in terms of time spent reading newspapers per day. Only readers of Bahasa Malaysia dailies increased time spent reading from 0.68 to 0.72 hour per day.
- Average daily reach of TV has gone up with cable and satellite channels recording relatively greater reach. Viewers aged 15 plus increased their cable and satellite channel viewership from a daily average of 6.3 hours to 6.7 hours.
- In the digital world, 9.3 million adults aged 15 and over accessed the internet from home and work locations, with each consuming an average of 1,066 pages of content and spending nearly 14 hours online per month. AirAsia.com (9 per cent) emerged as the travel-related website most visited by Malaysian Internet users.

Source: *Nielsen media research midyear 2009 report*

Source: *comScore, June 2009*

- Malaysian consumers grew more confident of economic recovery, improving from its previous all time low Nielsen Global Consumer Confidence Index record of 81 earlier this year by seven points to 87 in June / July 09.

Source: *my.acnielsen.com*, 25 August 2009

For the latest in visitor arrivals, please visit 'Research & Statistics' at www.tourism.australia.com

3. Trade Update

- The September MATTA Fair saw a 29 per cent decline in visitation and recorded 50,000 visitors compared to last year's event which attracted 70,000 visitors. This is in line with on-going public concerns of the H1N1 pandemic.
- AirAsia took a pavilion of 30 booths at MATTA Fair to relaunch their AirAsia Go Holiday emphasis on ground packages and created a buzz with attractive offers to most destinations; the 4D3N all inclusive packages to Perth offered at RM1999 (AUD645) was one of the top selling packages. Bookings for Australian gateways were very encouraging.
- MSL Travel launched new packages to promote the Coral Coast and Monkey Mia providing new reasons for consumer to travel to Australia.

- Home-grown online travel agency PYOTravel.com, a wholly owned subsidiary of Reliance Pacific Bhd aims to capture sales up to RM60 million in the current financial year ending March 2010 with its recently upgraded portal.
- As at August 2009, there were 250 Aussie Specialist agents from 65 agencies of which 48 per cent were fully qualified.

4. Airline News

- Tiger Airways launched an aggressive print advertising campaign promoting its service to Perth via Singapore offering RM421 (AUD136) one way fares.
- Feedback from Airlines (Malaysia Airlines, AirAsia X and Singapore Airlines) indicates a significant increase in direct bookings for Australia til year end.
- Recent airfare promotions by Malaysia Airlines reflects that the national carrier is more aggressive with its online fare promotions to its domestic and international destinations with all inclusive fares for one way ticket sales from 3 August to 7 August and travel from 3 September 2009 to 28 June 2010 from MYR69 (AUD22) for domestic and MYR408 (AUD 132) for international. (The fare indicated is an example from Malaysia to Taipei).
- AirAsia responded with the 'Big Sale' of three million free seats for travel to all its online domestic and international destinations for sales from 12 August to 15 August and travel from 11 January 2010 to 31 July 2010. One-way fares to Macau were on sale at MYR69 (AUD22) while MYR149 (AUD48) fares were offered to Perth, Melbourne and Gold Coast.
- Malaysia Airlines announced its new Managing Director and CEO Tengku Datuk Azmil as the successor to Datuk Seri Idris Jala who was appointed as Minister in the Prime Minister's department to oversee the implementation of the Key Performance Index for the Malaysian Government in early September.

5. Competitor News

- Thirteen National Tourism Organisations participated in the September MATTA Fair. These included the Taiwan Visitors Association, Tourism Authority of Thailand and Korea Tourism Organisation.
- The Macau Government Tourist Office (MGTO) launched the Experience Macau Bus Tour recently to celebrate the upcoming ten year anniversary of the establishment of the Macau Special Administrative Region (SAR). The bus, decked with the *Experience Macau* branding, showcases the five experiences: see, taste, feel, hear and touch the difference.
Source: thestar.com.my, 10 September 2009

6. Key Campaigns and Activities in Market

August to September campaigns and activities				
START DATE	END DATE	DESCRIPTION	TARGET AUDIENCE	PARTNERS
24 August 2009	8 September 2009	<i>The Star and New Man Self-drive themed IMHP:</i> In-line with the 'Great Australian Journeys' campaign launch, the IMHP media crew travelled to Sydney and its surrounds, Canberra and covered three touring routes from the Lonely Planet/TA produced 'Great Australian Journeys' guide book.	Repeat Experience Seekers - Singles/Couples and Families	TNSW, ACT
28 September 2009	28 September 2009	<i>Aussie Specialist update</i> To update Aussie Specialist agents with the latest program development	ASP Agents in Klang Valley	Nil

Upcoming campaigns and activities				
START DATE	END DATE	PROJECT/EVENT	TARGET AUDIENCE	PARTNERS
6 October	13 October	<i>SEA ASP Famil</i> A regional famil consisting of ASP agents from Singapore, Malaysia and Thailand. Stakeholders will introduce new experiences and plan itineraries align with campaign/s launching in market.	15 Qualified Aussie Specialists	ACT, SATC, TNSW, TQ, TVIC
16 October 2009	23 October 2009	<i>iFeel magazine & MY FM radio IMHP:</i> A combined Chinese lifestyle magazine with a leading Chinese radio station IMHP targeting the Chinese singles segment. Focusing on a budget journeys-themed itinerary in Melbourne and Queensland.	Repeat Seekers, Experience Yuppies, couples and singles	TVIC & TQ
01 November 2009	28 February 2009	<i>Great Australian Journeys Campaign:</i> Campaign aimed at creating preference for Australia as a self-drive holiday destination. Channels of consumer engagement include social media platforms and affinity partners.	Repeat Seekers, Experience Yuppies, couples and singles	STOs, proposed consumer brands, ASP, Trade