

Malaysia

Key Market Message

In view of the intensive media coverage from the increased cases of H1N1 influenza relating to travellers returning from Australia, a MICE movement of 650 passengers to Perth in August was cancelled. Trade partners reported significant reductions in enquiries and bookings for travel between June and August compared with Hari Raya (mid September) and end of year school holidays (mid November to December). However, airline feedback indicated a significant increase in direct bookings.

1. Key Market Results and Achievements

- The Great Australian Journeys campaign, a partnership between 11 Aussie Specialist Agents, five state tourism organisations (ACT, TNSW, TQ, TVIC & TWA) and Tourism Australia generate 1520 package sales as at 30 June. Campaign executions included a multimedia platform to promote the key packages, print, radio, online and outdoor. The online component delivered over 26.3 million impressions and overall campaign had reached out to at least 4.6 million unique impressions.

2. Australian Travel Market

2.1 Market performance

- Malaysian arrivals in May were 22,000, an increase of 27 per cent relative to May 2008.
- Malaysian arrivals in June were 16,000, an increase of 46 per cent relative to June 2008. For year-to-date June, visitor arrivals totalled 106,200, an increase of 29 per cent relative to the same period in 2008. In the year ending June 2009, there were 195,000 arrivals, an increase of 17 per cent relative to the previous twelve months.
- The competitive aviation environment is contributing to this very strong growth.

2.2 Airline Issues/Changes

- AirAsia X (AAX) will increase its services to Gold Coast to daily from 18 October, which will provide additional 630 seats weekly.
- AirAsia has abolished its administration charges from its fare structure effective 24 June to further stimulating travel.
- Malaysia Airlines launched the 'Everyday Low Fares' offered one way special all-inclusive fares at RM486 (A\$165) to Perth, RM799 (A\$271) to Brisbane/Melbourne/Sydney for travel period between 13 August and 15 December.

2.3 Trade Information Summary (including Business Events)

- As at 30 June there were 117 Aussie Specialist agents from 66 agencies.
- Travel agents report cancellations or postponement for leisure and incentive groups travelling to Australia between July and August in view of the H1N1 virus outbreak. Most consumer enquiries are for travel during Hari Raya (3rd week of September) and end of year school holiday (mid November to end December).
- 29,000 visitors visited the recent Penang MATTA Fair from 3 to 5 July which recorded a drop of 26% visitors against last year. Taiwan and Hong Kong were the top selling destination at the event while Australia enquiries for end of year travel were encouraging.

3. Current and Upcoming Activities in Market

3.1 Consumer Marketing:

Dates	Project / Event	Partners
April – June 2009	<ul style="list-style-type: none">• Great Australian Journeys – partnering with Tourism New South Wales, Tourism Western Australia, Tourism Victoria, Tourism Queensland and Australian Capital Tourism, the campaign was launched via press ads, radio promotion, billboards, online ads and popular blog sites.• Great Australian Journeys joint promotion with Malaysia Airlines – integration included The Star “Great Australian Journeys, Let’s Go Now!” contest and editorial and tagging on the Best of Australian Journeys print ads and Mix FM’s Great Australian Journeys contest.	Tourism New South Wales, Tourism Western Australia, Tourism Victoria, Tourism Western Australia, Australian Capital Tourism, Malaysia Airlines

3.2 Trade Marketing:

Dates	Project / Event	Partners
March – June 09	<ul style="list-style-type: none">• ‘Best of Australia Journeys’ co-op campaign to promote self-drive targeting Singles/DINKs	TA, TNSW, TWA, TVIC, TQ, ACT and 11 ASPs

Dates	Project / Event	Partners
	in supporting 'Great Australian Journeys' integrated campaign	
May – June 09	<ul style="list-style-type: none"> A direct mail promotion with TIMES business magazine to targeted corporate for awareness and business leads 	TA, GCVB and MCVB

4. Media Environment

- Great Australian Journeys in-market and International Media Hosting Program (IMHP) publicity efforts in total generated over A\$7,300,000 in equivalent commercial value.
- Prime Minister Kevin Rudd's brief visit to Malaysia was reported in major English and Malay language dailies highlighting the key issue of new initiatives to curb illegal immigrants.

Please visit www.media.australia.com for details about Tourism Australia's International Media Hosting Program (IMHP) and general media information.

IMHP supporters can access publicity results at www.publicity.australia.com

5. General Travel Outlook

5.1 Political and Economic Outlook

- Malaysia's first quarter GDP contracted by 6.2% from a growth of 0.1% in the fourth quarter last year but the prognosis for improved economic conditions looks brighter in the second half of the year. The contraction is due to significant deterioration in external demand following a deepening recession in advanced economies.
Source: Bank Negara
- It has been 100 days since Datuk Seri Najib Razak began as Malaysia's 6th Prime Minister. A recent poll has reflected the Prime Minister's growing popularity among Malaysian citizens. The nation believed that he provided the right initiatives for a positive directional change economically and socially, particularly by addressing key issues of economic progress and national unity. The introduction of his one Malaysia policy is a good attempt at tackling the country's current polarization as well as strengthening social cohesion.
- MYR appreciated 15% compared to April. Exchange rate: MYR = US 3.581 or AUD 2.904

5.2 Outbound Travel

- The Indonesian Tourism Board has been aggressive with road shows throughout July at major shopping complexes. They have partnered with travel agencies to offer attractive packages and bookings have been encouraging.
- AirAsia X (AAX) launched its five times weekly to Taipei on 23 April and confirmed it will increase to daily services from 19 October due to overwhelming responses. In conjunction with the announcement, AAX initiated a low fare of RM129 (AUD44) one way for sale between 23 and 31 July and travel between 19 October and 10 January 2010.
- AirAsia launched services from Penang to Hong Kong on 31 July. It is AirAsia's sixth international service from Penang after Singapore, Bangkok, Medan, Jakarta and Macau.
- AirAsia has reported a core operating profit of RM166 million for the first quarter of 2009. A 591% increase from the same period last year reflecting the increase in online booking trends.

6. Next 60 Days

Malaysia						
START DATE	END DATE	MARKET	PROJECT/EVENT	TARGET AUDIENCE	LOCATION	PARTNERS
August 09	August 09	Malaysia	ASP Updates – To update Aussie Specialists with program development and guidelines.	Aussie Speicalists	Kuala Lumpur	State Tourism Organisations