

Netherlands

Market Summary

The economy in the Netherlands continues to slide further with all major macro-economic indicators in decline. The effect on the total Dutch travel market is mixed. The Dutch long haul travel market continues to struggle with reported declines of up to 29 per cent in total, while domestic travel within the Netherlands and short haul travel to other European destinations, such as Turkey, is on the increase.

1. Market News

- The first, preliminary estimates by Statistics Netherlands (CBS) show that the Dutch economy in the second quarter of 2009 declined by 5.1 per cent compared to the same quarter in 2008. This is the worst result since World War II.

Source: CBS, August 2009

- Households in the second quarter spent 2.6 per cent less than last year. This decrease is similar to that in the first quarter. Expenditure on durable consumer goods was substantially lower. The largest reduction occurred in the purchase of new cars. Spending on air travel was also considerably lower. There were 90,000 fewer jobs on the market than one year ago.

2. Consumer Insights

- Latest consumer confidence levels are up to -17 (from -24 in July 2009) but this is still a very poor result for the Netherlands.
- According to Fred van Raaij, professor at Tilburg University and journalist, several consumer Dutch trends in the times of the economic crisis include;
 - A healthier lifestyle; people have more time to eat and live healthily,
 - A gloomier outlook on life,
 - More biking (biking is healthy and cheap); bike sales rose 7 per cent in 2008 and are expected to rise even more this year,
 - Increase in theft and petty crimes (Dutch detective agency reported a jump in fraud, shoplifting and burglaries),

- Less gambling, the only licensed state casino Holland Casino reported a drop of 10 to 15 per cent in visits from September 2008 onwards.
- According to a recent survey by the Organisation for Economic Cooperation & Development (OECD), the mobile subscribers in Netherlands enjoy the cheapest mobile tariffs across the world. The survey compared the cost for an average user in 30 countries in August 2008 and found prices varied from \$11 to \$53. Netherlands was followed by Finland and Sweden with lowest tariffs. The highest prices were paid in the US, Canada and Spain.

Source: <http://wirelessfederation.com/news/index.php?s=spain>, 26 August 2009

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

3. Trade Update

- After being one of Europe's strongest growth travel markets in 2008, the Netherlands again seems to be performing above par in 2009 overall but this is strongly due to short haul growth. In terms of actual results, only four destinations in Europe recorded increases in the first four to six months, and these were very modest. But, according to the latest AVIAREPS Brouwer Betist Market Report, no fewer than 78 per cent of the Dutch still have the intention to undertake one or more holidays in summer 2009. Meanwhile, ANVR/GfK booking statistics confirm that the Dutch are mainly refraining from visiting long-haul destinations (-29 per cent). With regards to European destinations, car-based travel has been the least affected (-5 per cent), with coach travel close behind. Turkey is the best-performing Mediterranean destination. Sales of sea cruises this summer, especially in Mediterranean waters, are booming (+43 per cent).

Source: <http://www.travelindustrywire.com/article40118.html> , 26 August 2009

- Many tour operators – both mainstream and specialised- have lowered their forecasted earnings in 2009 due to further consolidation of the travel industry.

Source: *Reisrevue*, 17 August 2009

- Tour operator Kuoni reported a dramatic loss for the first half year of 2009 of CHF 51 million. The loss is due to the impact of the financial crisis, the recession, weak exchange rates and the swine flu epidemic, according to Kuoni. However, the Zurich based group with an office in Amsterdam, foresees a profitable end of 2009.
- TUI Travel, the leading tour operator in the Netherlands, reported an underlying profit on its operations of GBP102 million for the three months to the end of June, but an overall loss for the past nine months of GBP304 million.

Source: *Reisrevue* 12 & 21 August 2009

- Australian operators in the Netherlands have reported very mixed results; some are suffering significant drops from last year, whilst others seem to be benefiting from increased market share of existing business. All agree that long haul is significantly down year on year and the trend towards last minute bookings continues.

Source: Industry feedback, August 2009

As at July 2009, there were 463 Aussie Specialist agents, of which 63 per cent were fully qualified.

4. Airline News

- Major airlines directly servicing the Dutch market have anecdotally reported drops in travel to Australia. Some carriers have however reported a slight improvement since August 2009.

5. Competitor News

- The top five holiday destinations for 2009 are France, Spain, Italy, Germany and Greece. Many Dutch still have to book their summer holidays, but they are showing a preference for nearby destinations, says ANWB, and some 2.7 million are expected to opt for a domestic holiday (+4 per cent). A modest increase is expected for France, but there is also expected to be growth for Italy (+7 per cent), the UK (+30 per cent) and Austria (+12 per cent).

Source: <http://www.travelindustrywire.com/article40118.html> , 26 August 2009

- According to the ANVR and based on the GfK statistics, the agency turnover until early August is down by 14 per cent compared to the same period last year. Market researcher GfK questioned about 700 travel agencies.
- Dutch travel agency bookings were down by 20 per cent in early July compared to the same period last year. By late July, the figure had recovered slightly, with GfK's Travelscan reporting that many Dutch opted for a last minute holiday.

Source: AD, 17 August 2009

6. Key Campaigns and Activities in Market

Current Campaigns and Activities				
START DATE	END DATE	DESCRIPTION	TARGET AUDIENCE	PARTNERS
July 2009	August 2009	<i>Columbus Travel Magazine Promotion</i> Coverage in May -August 09 editions as part of ongoing partnership	Leisure Segment	
July 2009	July 2009	<i>IMHP result:</i> Meridian Travel consumer travel magazine published 12 pages plus front cover of the magazine on Tasmania, Freycinet	Leisure Segment	Tourism Tasmania, Qantas
July 2009	July 2009	<i>IMHP result:</i> publication in the second largest newspaper <i>Algemeen Dagblad</i> , front page of travel section plus two full pages on Whitsundays	Leisure Segment	Qantas, Tourism Queensland
4 July 2009	16 August 2009	<i>Australian film festival in conjunction with the Australian Embassy.</i> Cinema support: Filmtheater De Uitkijk in Amsterdam. Tourism Australia support and branding/collateral at the event.	Leisure Segment	Embassy
August 2009	August 2009	<i>Travel agent training event with Kuoni</i>	Trade	Kuoni
August 2009	August 2009	<i>Industry meeting in Netherlands</i> Briefing on Tourism Australia's activity plan and latest market intelligence sharing.	25 Dutch trade	

Upcoming Campaigns and Activities				
START DATE	END DATE	PROJECT/EVENT	TARGET AUDIENCE	PARTNERS
September 2009	September 2009	Aussie Specialist e-newsletter distributed	Aussie specialists	None
October 09	October 09	Wereldcontact online activity	Boomers	Wereldcontact
07 September 2009	07 September 2009	Broadcast of popular TV series 'Waar is de Mol' on Veronica TV station; the series was filmed in New South Wales and Queensland in July 2009.	Leisure segment	Tourism New South Wales, Tourism Queensland
October 2009	October 2009	<i>Press Trip:</i> Group press trip with Malaysian Airlines targeting boomers segment with focus on touring (Melbourne – Sydney)	Leisure and Boomer segment	Tourism New South Wales, Tourism Victoria, Malaysia Airlines
October 2009	October 2009	Tourism Australia support of the Qantas Boomerang awards	Trade	Qantas