

# Malaysia

## **Key Market Message**

*In view of the continued negative publicity associated with the increased number of H1N1 Influenza cases globally, consumers remain cautious for international business and leisure travel. Cancellations to USA have been numerous. Europe also has seen a similar pattern. Bookings to Australia however, are still holding well with fewer cancellations or postponement. A MICE movement of 1500 passengers to the Gold Coast occurred between mid April and mid May.*

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

- The Great Australian Journeys campaign launched early March. The campaign is a partnership between Tourism Australia, 11 Aussie Specialist Agents and five state tourism organisations (Australian Capital Tourism, Tourism New South Wales, Tourism Queensland, Tourism Victoria and Tourism Western Australia. The campaign involves an online multimedia platform to promote packages on 'journeys'. The multimedia platform has been promoted through print, radio, online and outdoor advertising. As at 30 April, 1347 sales package were generated, which have exceeded target.
- An insurance company recently confirmed their incentive trip to Perth with an estimated 650 passengers expected to travel in August.

## **2. Australian Travel Market**

### **2.1 Market performance**

- Malaysian arrivals in March were 19,900, an increase of 41 per cent relative to March 2008.
- Malaysian arrivals in April were 19,000, an increase of 56 per cent relative to April 2008. For the four months to April, visitor arrivals totalled 68,200, an increase of 26 per cent relative to the same period in 2008. In the year ending April 2009, there were 185,300 arrivals, an increase of 14 per cent relative to the previous twelve months.

## 2.2 Airline Issues/Changes

- AirAsia X (AAX) will launch its five times weekly Kuala Lumpur-Taipei service from 1 July. In conjunction with the announcement, AAX initiated a low fare of RM101 (AUD41) one way. The promotion received tremendous response with 20,000 tickets sold within the first 12 hours.
- AirAsia launched its Free Seats campaign by giving away one million free seats on any AirAsia and AirAsia X routes, including Australia gateways, Gold Coast, Melbourne and Perth (for travel between January and April 2010). All seats were grabbed within the three days bookings period (11 to 15 May). Low fares promotions were initiated in conjunction with the campaign; these included Gold Coast RM94 (AUD35), Perth RM100 (AUD37) and Melbourne RM111 (AUD41).
- Malaysia Airlines offered one way special all-inclusive fares at RM640 (A\$234) to Perth, RM900 (A\$329) to Brisbane/Melbourne/Sydney to support TA/STOs Great Australian Journeys campaign.
- Singapore Airlines, in addition to offering discounted fares across all routes, introduced all-in fares at RM1388 (A\$506) to Perth; RM1788 (A\$653) to Adelaide/Brisbane/Melbourne/Sydney; all are valid for travel till 30 June. Trade feedback indicates bookings are encouraging.

## 2.3 Trade Information Summary (including Business Events)

- As of May, there are 258 Aussie Specialist agents from 66 agencies. 117 are now qualified, which is an increase of 3 per cent over the period of six months.
- 26 buyers will attend ATE in Melbourne and includes 4 ASP agents, 4 new agents and 14 primary delegates.
- Travel agents reported cancellations for leisure and incentive groups travelling to affected areas in view of the swine flu outbreak. Up until the third week of May, bookings for Australian have been much less impacted with consumers adopting a 'wait and see' approach.
- Trade reported that consumers are enquiring for year-end vacations and early next year packages in view of the one million free seats offered recently by AirAsia and other airlines promotion.
- Four corporate delegates participated in the recent TA Corporate Famil to Gold Coast and Perth.

## 3. Current and Upcoming Activities in Market

### 3.1 Consumer Marketing:

Dates	Project / Event	Partners
April – June 2009	<ul style="list-style-type: none"><li>• Great Australian Journeys – partnering with Tourism New South Wales, Tourism Western Australia, Tourism Victoria, Tourism Queensland and Australian Capital Tourism,</li></ul>	Tourism New South Wales, Tourism Western Australia, Tourism Victoria, Tourism Western

Dates	Project / Event	Partners
	<p>the campaign was launched via press ads, radio promotion, billboards, online ads and blogging.</p> <ul style="list-style-type: none"> <li>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.</li> </ul>	Australia, Australian Capital Tourism, Malaysia Airlines

### 3.2 Trade Marketing:

Dates	Project / Event	Partners
May 2009	<ul style="list-style-type: none"> <li>Business Events Agent Famil – 4 BE agents participated in a joint Regional Agent Famil to Melbourne and Gold Coast to showcase unique incentive products. Eleven BE agents in total from Vietnam, Malaysia, Thailand, Indonesia participated in this famil.</li> </ul>	Tourism Australia, Melbourne Convention and Visitors Bureau and Gold Coast Tourism

## 4. Media Environment

- IMHP with a romance/ journeys theme took place in Victoria with famous Malay celebrity icon, Mawi for ASTRO TV, leveraging on some of the ‘hero’ routes of the Great Australian Road Trips Lonely Planet guidebook. Print media support following this IMHP includes the editor of weekend Malay daily, *Berita Minggu* and editor of popular Malay women’s bride magazine, *Pengantin*.
- Local dailies reported news on H1N1 Influenza in the first two weeks of the virus outbreak. However it was subsequently reduced in coverage and when Australia confirmed of its first case; there wasn’t much focus.

For more information on Tourism Australia’s publicity, International Media Hosting Program (IMHP) and results, please visit [www.publicity.australia.com](http://www.publicity.australia.com)

Alternatively for general media information visit [www.media.australia.com](http://www.media.australia.com)

## 5. General Travel Outlook

### 5.1 Political and Economic Outlook

- The upcoming revised economic forecast for the year will likely be close to its previous projection of a 1 per cent contraction to 1 per cent growth, given that certain economic indicators, both global and local, are starting to stabilise.

Source: Bank Negara

- Datuk Seri Najib Razak became Malaysia’s new Prime Minister on 3 April. The Prime Minister has announced plans to reverse the long standing New Economic

Policy (NEP, a program of incentives for ethnic Malays that restricts opportunities for other Malaysians and foreign investors) and reforms to lift growth in the services sector to help offset a long-term decline in export manufacturing.

- Exchange rate as at May: MYR appreciated 11 per cent since March, buying USD 3.5690 or AUD 2.871

## **5.2 Outbound Travel**

- The Singapore Tourism Board has enlisted the services of TCS TV celebrity (Gurmit Singh – Phua Chu Kang character) to promote Singapore in Kuala Lumpur and the Klang Valley. They are reaching out to the grass root level by promoting Singapore using themed taxis roaming the streets.
- The Macau Government Tourist Office is aggressively promoting Macau via product forums for trade partners. They also staged a 'Macau Festival' consumer fair in 1 Utama Shopping Centre from 20 to 24 May.
- AirAsia issued a press release stating that although the global economy is facing a crisis, the number of passengers for AirAsia has steadily grown and exceeded figures by 21 per cent. AirAsia will explore more new routes in Europe following the success of the London service.

## 6. Next 60 Days

Malaysia						
START DATE	END DATE	MARKET	PROJECT/EVENT	TARGET AUDIENCE	LOCATION	PARTNERS
April 2009	June 2009	Malaysia	<i>Great Australian Journeys</i> integrated campaign with exposures in press & outdoor advertising, online social media and radio contest promotions.	First time and repeat Experience Seekers - Singles/Couples and Families	Malaysia	TNSW, TWA, TVIC, TQ, ACT and 11 ASPs
3 July 2009	5 July 2009	Malaysia	Malaysia International Travel Fair 2009 (MATTA Fair)	Consumers	Penang	STOs and Aussie Specialist Partners