

## Austria

### **Key Market Message**

*During the first quarter of 2009, Austrian GDP decreased by 2.8 per cent compared with the previous quarter, after a 0.4 per cent decrease in the fourth quarter of 2008. GDP fell by 2.9 per cent compared with the same quarter of the previous year.*

*The Austrian Labour Market Service (AMS) released preliminary figures for April showing 258,240 people unemployed – representing an increase of 25.9 per cent compared to April 2008. Job vacancies also slumped 33.1 per cent year-on-year to 27,440.*

*On the tourism front, Statistics Austria have recently released encouraging travel related statistics for the first quarter of 2009 compared to the same quarter in 2008. The statistics indicated that for Austrian residents (aged 15 years and over), the number of domestic holiday trips decreased by 1.9 per cent, whereas the number of holiday trips abroad only declined by 0.8 per cent.*

*Austrians are slowly putting Australia back on their holiday list, with anecdotal feedback from the trade suggesting that recent successful cooperative activities with operators has resulted in increased exposure for Australia and consequently an increase in consumer interest.*

Sources: [http://www.finfacts.ie/irishfinancenews/article\\_1016694.shtml](http://www.finfacts.ie/irishfinancenews/article_1016694.shtml)  
<http://www.austriantimes.at/index.php?id=12990>  
[http://www.statistik.at/web\\_en/press/pressemitteilungen\\_laufendes\\_jahr/036535?year=2009](http://www.statistik.at/web_en/press/pressemitteilungen_laufendes_jahr/036535?year=2009)

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

- The *Australia* DVD was launched in Austria on 24 April 2009. Tourism Australia, Twentieth Century Fox Home Entertainment, and COCO weltweit reisen have jointly created a set of promotions around this launch, including advertisements in various print publications as well as several online activities. The call to action of the promotion was an online raffle of a trip to Australia.
- Tourism Australia and JET Touristik have published a six page Australia supplement in the travel supplement of daily newspaper *Tiroler Tageszeitung* (Saturday edition).

- Tourism Australia and COCO weltweit reisen have jointly launched a marketing campaign with activities including online advertising on [www.kurier.at](http://www.kurier.at), product placement on website of Hofer Reisen, press mailings, training events and others.

## 2. Australian Travel Market

### 2.1 Market performance

- Austria arrivals in March were 1,400, an increase of six per cent relative to March 2008. In the year ending March 2009, there were 17,400 arrivals, an increase of seven per cent relative to the previous 12 months.
- Austria arrivals in April were 1,000, a five per cent decrease relative to April 2008. For the four months to April, visitor arrivals totaled 5,900, an increase of four per cent relative to the same period in 2008. In the year ending April 2009, there were 17,300 arrivals, an increase of six per cent relative to the previous 12 months.

### 2.2 Airline Issues/Changes

- The price of airfares to Australia is dropping as airlines compete for market share. Return fares for less than €600 including taxes are being advertised (ex various European cities). There are also currently packages (airfare and camper van hire) available for under €1000.

### 2.3 Trade Information Summary (including Business Events)

- STA Travel has relaunched their logo and website and has announced they will enter the market with a revised/extended range of products (e.g. adventure touring, hostels, hotels, language travels and even packaged trips).

*Source: T.I.P., 11.05.09*

- TUI, Europe's largest tour operator/tourism company has launched its own cruise brand (TUI Cruises). TUI Cruises will initially operate one vessel, with further vessels planned by 2012.

*Source: T.I.P.: 20.04.09*

- Air Berlin is said to be planning to buy 20 per cent of TUIfly shares (TUI's airline).

*Source: travel inside Newsletter, 18.03.09*

- Etihad have appointed "Discover the World Marketing" as their new representation agency in Austria.

*Source: T.I.P., 13.04.09*

- Asiana Airlines have appointed "Aviareps" as their new representation agency in Austria and Switzerland.

*Source: T.I.P., 06.04.09*

- As at April 2009, there were 121 fully qualified Aussie Specialist agents with another 86 in training.

### 3. Current and Upcoming Activities in Market

#### 3.1 Consumer Marketing:

Dates	Project / Event	Partners
19 – 31 May 2009	<ul style="list-style-type: none"> <li>Two journalists of leading newspapers <i>Der Standard</i> and <i>Die Presse</i> will visit the Northern Territory and South Australia as part of the International Media Hosting Program (IMHP)/ Tourism Australia Media Programme (TAMP).</li> </ul>	Tourism Australia

#### 3.2 Trade Marketing:

Dates	Project / Event	Partners
30 March – 1 April 2009	<ul style="list-style-type: none"> <li>New Product Workshop in London - 2 Austrian Product Managers attended the event.</li> </ul>	Australian suppliers, European buyers and STOs
07 April – End May 2009	<ul style="list-style-type: none"> <li>Various activities with COCO weltweit reisen including online advertising, and press mailings.</li> </ul>	COCO weltweit reisen
Mid April – 30 May 2009	<ul style="list-style-type: none"> <li>Various activities around the DVD-launch of <i>Australia the movie</i>.</li> </ul>	20 <sup>th</sup> Century FOX, COCO weltweit reisen
29 April – 13 May 2009	<ul style="list-style-type: none"> <li>Corroboree Europe – 12 agents from Austria at the event; a total of 307 Aussie Specialists from the UK/IRE/Nordic, Europe and South Africa flew to Australia thanks to our partnership airline Qantas, and joined one of 22 itinerary options prepared and hosted by Australia's State and Territory Tourist Organisations across Australia. Immediately following the famil, all agents travelled to Hamilton Island in the Whitsundays, to participate in workshops with 136 Australian tourism sellers to develop product and destination knowledge.</li> </ul>	STOs, Qantas, Hamilton Island

### 4. Media Environment

- The publisher Styria launched a new Sunday newspaper, *Die Presse am Sonntag*, derived from the successful daily newspaper *Die Presse*.

Source: Styria Media Verlag

For general media information visit [www.tourism.australia.com/NewsCentre.asp](http://www.tourism.australia.com/NewsCentre.asp)

## 5. General Travel Outlook

### 5.1 Political and Economic Outlook

- The BZO executive committee unanimously elected Josef Bucher to succeed Herbert Scheibner as the party's new leader in April 2009.
- The OECD included Austria on a "grey" list of tax oases, signifying that Austria had agreed to comply with the OECD's guidelines, but had yet actually to do so.
- Josef Proll presented draft budgets for 2009 and 2010 to parliament in April, forecasting a general government deficit of 3.5 per cent in 2009 and of 4.7 per cent in 2010.
- In an interview in April 2009, US economist Paul Krugman declared that, among developed countries, Austria is the third most likely to face state bankruptcy after Iceland and Ireland. This view was met by strong opposition.
- Austrian oil and gas group, OMV, sold its stake in Hungarian energy provider, MOL, to Russia's Surgutneftegaz in March 2009. OMV's chief executive officer is being investigated for alleged share manipulation and insider trading.
- Bank Austria's Purchasing Managers Index rose in April, but remains well below 50, indicating a contraction compared with the previous month.

Source: <http://www.economist.com/countries/Austria/profile.cfm?folder=Profile-Forecast>, accessed 25<sup>th</sup> May 2009

### 5.2 Outbound Travel

- Travel agency chains have reported reasonable bookings for the upcoming months to summer 2009. However consumers seem to be much more price-sensitive when they book their holidays. Popular long haul-destinations are the United States, Maldives, Thailand (after crisis) and Dubai. Cruises are still booming in the market.

Source: T.I.P.: 13.04.09

- The takeover process of Austrian Airlines (bought out by Lufthansa) is still pending. 85 per cent of all AUA shareholders have signed off on the takeover, however investigations by the European Union on the takeover process have not been finalised yet.

Source: Schweizer Touristik Newsletter, 12.05.09 & 13.05.09

- Air Namibia has increased the frequency on its Frankfurt-Windhoek route from five to six flights per week, effective 3 July 2009.

Source: travel inside Newsletter, 30.04.09

- Korean Air has ceased its three weekly Munich-Seoul flights, effective 17 May 2009. The daily Frankfurt-Seoul route remains unchanged

Source: <http://biztravel.fvw.de>, 18.05.09

- China Airlines flights from Vienna to Taipei will fly non-stop (no stop-over in Dubai), effective 1 June 2009.

Source: *T.I.P.*, 06.04.09

- Thai Airways will reportedly use its first A380 on the route between Frankfurt and Bangkok, effective from October 2010.

Source: *Schweizer Touristik Newsletter*, 16.03.09

- Due to low load factors, Cathay Pacific has cancelled 16 flights ex Frankfurt in May 2009.

Source: *Travel One Newsletter*, 01.04.09

- In the last quarter of 2008 17,799 Austrians flew into Bangkok airport, a decrease of 10 per cent compared to the same period in the year before.

Source: *T.I.P.*, 15.12.08

- In the two months to February 2009, there were 2,881 Austrians visitors to Canada, an increase of 6.74 per cent relative to same period in 2008. In the month of February, Austria accounted for 1,572 visitors to Canada, a decrease of 1.07 per cent relative to February 2008.

Source: [www.corporate.canada.travel](http://www.corporate.canada.travel), Accessed 15.05.09

## 6. Next 90 Days

Austria						
START DATE	END DATE	MARKET	PROJECT/EVENT	TARGET AUDIENCE	LOCATION	PARTNERS
4 June 2009	4 June 2009	Austria	Aussie Specialist Round Table	Trade	Graz	Tourism Australia, COCO weltweit reisen, Singapore Airlines
13 June 2009	19 June 2009	Austria	ATE: TIP and COCO weltweit reisen will attend ATE in Melbourne, giving them the opportunity to meet with Australian sellers and gain valuable information to help increase sales to Australia.	Trade	Australia	Tourism Australia, Tourism Victoria