

France

Market Summary

After eight successive months of positive visitor arrivals from France, the Icelandic volcanic eruption and ensuing flight disruptions in April and May across Europe have severely impacted French visitor arrivals to Australia for the month of April with a decrease of 11 per cent. Despite this decrease, total French visitor arrivals for calendar year to date, May 2010 continues to perform well and has increased 12 per cent comparative to last year. This increase has been driven by growth in the holiday visits and youth segments.

Feedback from most France based sellers has indicated an improvement in the number of enquiries received over recent months; with most reporting an increase in bookings during the first half of the year.

1. Market News

- French consumer spending rose more than expected in May as expenditure on durables rebounded strongly thanks to the soccer World Cup, according to data released by the statistical office Insée. Consumer spending rebounded by 0.7 per cent month-on-month, following a revised decline of 1.3 per cent in April. This was better than the expected rise of 0.4 per cent. Source: *RTT News June 24, 2010*
- Young workers are the main victims of the economic crisis in Europe with youth unemployment in France at 22.3 per cent. Source: *Council of Europe June 9, 2010*
- France's retirement age will be raised from 60 to 62 over the next eight years as part of sweeping pension reforms, the government has announced. The move is designed to reduce France's pension costs and bring public borrowing down but is likely to be met with stiff resistance from the public. Source: *www.bbc.co.uk June 16, 2010*
- A range of societal shifts are reshaping the average French household according to a new report from McKinsey. These include rising educational attainment, more women participating in the labor market, and smaller households. It forecasts that the number of French households with couples who live together will fall to 58 per cent in 2030, from 75 per cent in 1980. Source: *McKinsey, May 2010*

- Summer holidays could become cheaper under proposals to co-ordinate school terms across Europe. The European Commission is drawing up a tourism strategy intended to spread demand throughout the year, reducing prices at peak times. Source: Daily Telegraph, June 27, 2010

2. Consumer Insights

- One of the most important trends that emerged from the French recession has been the search for value for money and an increase in thrift and frugal living. More and more tourists are staying closer to home; travelling in economy instead of business class, booking a three-star instead of a four-star package, reducing expenses on non-essentials and choosing low-cost providers. The French are increasingly booking their holidays at the last-minute and using the web, and as a result, online travel agencies are benefiting from the crisis and gaining market share. Source: *Euromonitor, April 2010*
- The French enjoy the most holiday time in the world averaging 34.5 days off annually, a Harris Interactive survey has found. Source: *Daily Telegraph June 12, 2010*
- French consumers have stayed away from the summer sales with clothing sales falling by 3 per cent. The drop in spending is thought to be because the French are buying the things they need the most and not necessarily discounted items considered as luxuries. Source: *Reuters June 25, 2010*

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

3. Trade Update

- The French National Travel Agents Association (SNAV - Ile de France) has identified Abu Dhabi as an emerging international leisure destination. Source: *Organisation of Asia-Pacific News Agencies, May 24, 2010*
- The French wholesaler *Visiteurs* which specialises in group travel, will launch in its new brochure a 14 day/10 night package at €2999 including Sydney, the Red Centre, Palm Cove and a cruise on the Great Barrier Reef. Source: *Echo Touristique June 22, 2010*
- As at June 2010, there were 913 French Aussie Specialist agents, of which 44 per cent were fully qualified.

4. Airline News

- Qatar Airways will operate three weekly flights from Nice to Doha via Milan, effective 23 November 2010. These flights will reinforce Qatar's presence in France with already a double daily flight from Paris to Doha. The additional services offer French passengers greater accessibility to Qatar's connecting flights to Australia. Source: www.tourmag.com June 22nd, 2010

- Air Mauritius resumed its weekly flights between Mauritius and Sydney via Melbourne. The airline has a daily flight from Paris to Mauritius which would allow French passengers to fly to Australia via Mauritius. The airline also serves direct flights from Mauritius to Perth. Source: www.deplacementspros.com July 6th, 2010

5. Competitor News

- This year 24 per cent of French consumers plan to spend their holidays in France. Italy is the favourite destination for the summer season and for winter the favourites are domestic trips, Canada and the Nordic countries. The USA has been an increasingly popular destination due to the favourable exchange rate. Source: www.mek.fi/Mis2/MISMARKE.nsf/pa May 2010
- Tunisia tops foreign destinations outside Europe for French tourists with 597,615 visitors, ahead of Morocco (460,359) and Egypt (248,137) according to the French Association of Tour Operators. Source: www.tunisiaonlinenews.com June 16, 2010
- Vietnam may waive visas for French tourists in August and September this year. France is among the top three markets from Europe, aided by direct flights between Vietnam and France. And though Vietnam is better known as a backpacker destination, efforts are being made to promote Vietnam as a luxury destination and attract upscale French-speaking travelers with niche tourism products. Source: www.etravelblackboard.com June 25, 2010
- The number of French tourists going to Kenya last year reached 41,000, an increase of 97.5 per cent on 2008. As a result, the Kenyan Tourism Board is increasing its advertising spend in France. Source: *The Indian Ocean Newsletter*, May 15, 2010
- Travel demand in the Asia Pacific region picked up strongly at the start of this year with a 10 per cent increase in international visitor arrivals recorded for the first quarter says the Pacific Asia Travel Association. Source: www.etravelblackboard.com June 2, 2010
- Qatar Airways is exploring further growth opportunities in the Far East following the launch of flights to Tokyo. In June the airline announced new routes from Doha to Phuket and Hanoi, effective in October and November 2010 respectively. In addition, the airline is stepping up frequency between Doha and Bangkok from double daily flights to three services a day. Source: www.travelmole.com June 22, 2010

6. Key Campaigns and Activities in Market

April – June 2010 campaigns and activities				
START DATE	END DATE	DESCRIPTION	TARGET AUDIENCE	PARTNERS
5 April 2010	5 April 2010	<i>DAP Mailing:</i> Direct mailing of the French Love Australie brochure to 5,000 key contacts that are planning their honeymoon in 2010/11, including a flyer with two dedicated partner offers.	French First Time Experience Seekers aged 18-30	Tourism Queensland, Tourism New South Wales, Tourism Western Australia, South Australian Tourism Commission, Tourism Northern Territory, Tourism Victoria, Voyageurs du Monde
9 April 2010	11 May 2010	<i>Austratical:</i> Promotion targeting French consumers who need a break from their daily routine and local environment; promotes Tourism Australia's core message of Immersion (discovering a new outlook on life) and the rejuvenating aspect of a holiday in Australia. The campaign combined print editorial content on the free newspaper Métro, four advertorials, and one full page article following an IMHP visit as well as an online competition on Club Metro.fr to win a trip to Australia.	French First Time Experience Seekers	Australie Tours; Tourism Victoria
29 April 2010	5 May 2010	<i>International Media Hosting Program:</i> Tourism Australia continues to pitch stories to media, arranging visits to Australia for print/online/broadcast channels in return for destination coverage. In the April-June period the following visits were delivered: <ul style="list-style-type: none"> • Marie Claire Online travelled to Sydney Fashion Week and Melbourne to cover stories on Australian cities and lifestyle in the online magazine and blog, • Hotel & Lodge Luxury magazine travelled to NSW, NT, VIC and SA to cover stories on Australian luxury lodges and hotels • 1 freelance journalist attended the Australian Tourism Exchange (ATE) in Adelaide to write about the latest trends in Australian tourism for 	French First Time Experience Seekers	Qantas, Australian Industry, South Australian Tourism Commission

		several French trade magazines.		
2 May 2010	16 May 2010	<i>Corroboree 2010</i> : Training event for 298 Aussie Specialist travel agents from across Europe (17 from France) and South Africa. Workshops with Australian industry were held on 5 th – 8 th May in Melbourne followed by famils throughout Australia (22 itineraries in total).	French Travel Trade	Qantas; Tourism Victoria; State & Territory Tourism Organisations; Australian tourism industry
4 May 2010	4 July 2010	<i>Tourism Australia promotion</i> : Mainstream out of home (OOH) and print advertising campaign to raise awareness and intention to visit Australia for a holiday. The campaign included posters above ground at Paris Métro entrances, billboards on Métro platforms, posters on stair walls leading down to 10 Métro stations. A dedicated partner 'offers' page has been created on Australia.com for the duration of the campaign.	French First Time Experience Seekers	None
18 May 2010	18 May 2010	<i>Round table lunch</i> : Lunch with CEOs of leading French wholesalers for Australia, with the Australian Ambassador in France.	French Travel Trade	None
18 May 2010	18 May 2010	<i>Industry Meeting</i> : The meeting provided an update on Tourism Australia's activities and strategies in the French market to Tourism Australia's main partners.	French Travel Trade	None
18 May 2010	18 May 2010	<i>French Ozcars</i> : Tourism Australia's French industry awards.	French Travel Trade	None
29 May 2010	4 June 2010	<i>Australian Tourism Exchange (ATE)</i> : ATE 2010 took place at the Adelaide Convention Centre.	French Travel Trade	Qantas Airways, South Australian Tourism Commission
3 June 2010	9 June 2010	<i>Nouvel Observateur supplement</i> : A 24 page supplement was inserted in the news magazine <i>Nouvel Observateur</i> , with a circulation of 646,000.	French First Time Experience Seekers	None
25 June 2010	2 July 2010	<i>ELLE supplement</i> : A 24 page supplement was inserted in the magazine <i>ELLE France</i> , with a circulation of 484,000.	French First Time Experience Seekers	None

July – September 2010 campaigns and activities				
START DATE	END DATE	DESCRIPTION	TARGET AUDIENCE	PARTNERS
21 September 2010	24 September 2010	<i>IFTM (Top Resa)</i> : Tourism Australia will attend French leading travel trade show IFTM with a 50 per cent increase of Australia's stand size compared to 2009. Tourism Australia key partners will exhibit on the Australia stand.	French Travel Trade	Tourism Queensland, Tourism New South Wales, Tourism Tasmania, South Australian Tourism Commission, Tourism Northern Territory, Tourism Victoria, Qantas, THL, Australie Tours
7 September 2010	12 October 2010	<i>Australie Tours Roadshow</i> : Travel agent training with Australie Tours in eight French regional cities.	French Travel Trade	Australie Tours