

Germany

Market Summary

After eight successive months of positive visitor arrivals from Germany, the Icelandic volcanic eruption and ensuing flight disruptions in April and May across Europe have severely impacted visitor arrivals to Australia, with German arrivals registering a decrease of 12 per cent in April compared to 2009. Despite this, total German visitor arrivals for the month of May 2010 have rebounded (up 1 per cent), bringing the calendar year to date May arrivals figure up 3 per cent comparative to 2009. This increase has been driven by growth in the holiday visits and youth segments.

Feedback from sellers based in Germany indicates an improvement in the number of enquiries and bookings received in the last three months compared to the same period last year. Most operators have noted that consumers are still booking at the last minute and a common thread from recent feedback is that Fully Independent Travel (FIT) bookings are performing better than group bookings, with growth in campervan/self-drive holidays rather than escorted coach tours.

1. Market News

- The upswing in the German economy is gaining pace, thanks to higher global demand and increased competitiveness from the weaker euro, says IMK – one of Germany's main economic research institutes. It forecasts that real gross domestic product will grow 2.0 per cent in 2010, before slowing to 1.5 per cent in 2011. Source: *Dow Jones June 28, 2010*
- The crisis surrounding government debt in the Euro zone and discussions about the stability of the Euro have unsettled German consumers. Economic and income expectations have significantly decreased and many consumers expect inflation to rise and purchasing power to fall, says a survey by market research firm GfK.
Source: http://www.gfk.com/group/press_information/press_releases/005953/index.en.htm May 2010
- The government of German Chancellor Angela Merkel announced a series of austerity measures to reduce its deficit including the introduction of a new tax on air transport. The tax has been criticised by the industry, with Lufthansa's chairman of the Board and CEO estimating the future departure tax should

burden passengers by an estimated €16. The tax aims to raise €1 billion per year. Source *www.eturbonews June 8, 2010*

- German Economy Minister Rainer Bruederle expects the number of unemployed in Germany to decline in July and to fall below the threshold of 3 million in the Northern autumn. Source *ADP News Germany June 24, 2010*

2. Consumer Insights

- According to a survey by ADAC Reisemonitor, more than 47 per cent of respondents said they would book all-inclusive packages when booking a long-haul holiday, while 31 per cent would make their own arrangements. Source: *Monthly Newsletter for Travel Professionals, No. 6, Vol. 14 June 2010*
- Germans spend more time than any other nationality hunting for good deals and 73 percent said they had fun doing so according to a survey from Boston Consulting Group. Source: *www.thelocal.de June 28, 2010*
- Of all Europeans, the Germans are the most likely to take full advantage of their given holidays, using 93 per cent of their allocated 27.5 days of annual leave. Source: *Daily Telegraph June 12, 2010*
- The Germans are very conscious of the cost of their holidays and spend an average of 20 per cent less on their trips than the Brits. Source: *Expedia.com June 20, 2010*
- Many German consumers are put off using the mobile internet by fear of high costs according to a new survey commissioned by The Phone House and undertaken by market research company, Innofact. The survey found that 61.7 per cent of those who have never used the mobile internet attributed this to high costs. In addition to the perceived expense, respondents also saw no point in using mobile applications. Source: *Telecompaper Europe, April 28, 2010*

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

3. Trade Update

- Just over one million Germans spent their holidays on a cruise ship last year, an increase of 10 per cent compared to 2008. Now German tour operators struggling with stagnating booking numbers for land-based package holidays have set their sights on developing the cruise market. TUI Cruises is launching its second ship to benefit from the trend. Source: *Deutsche Welle June 5, 2010*
- The travel firm Thomas Cook is looking for takeover opportunities in Germany and could pay hundreds of millions of Euros for the right target, Manny Fontenla-Novoa, its chief executive, said. Source: *The Guardian, June 18, 2010*

- In April 2010, STA Travel launched their destination brochure for Oceania and North America. The Africa brochure will follow during summer 2010. The series of destination brochures started with the launch of the Latin-American destination brochure in February 2010. Source: *Travel Inside Newsletter 07 July 2010*
- Holiday bookings for this summer in travel agencies throughout Germany increased by 5.9 per cent until May, according to researcher GfK. Travel to Egypt, Turkey, Croatia, Austria, Tunisia, the Balearic Islands and the USA were in high demand. Source: *Monthly Newsletter for Travel Professionals, No. 7, Vol. 14 July 2010*
- As at June 2010, there were 2,124 German Aussie Specialist agents, of which 68 per cent were fully qualified.

4. Airline News

- Air Mauritius resumed its weekly flights between Mauritius and Sydney via Melbourne. The airline currently has a code-share agreement with Air France and services the German cities of Munich, Dusseldorf and Frankfurt. The reinstated route will allow German passengers from these cities to fly to Australia via Mauritius. The airline also serves direct flights from Mauritius to Perth. Source: www.deplacementspros.com July 6th, 2010
- Singapore Airlines is increasing its existing five-weekly Singapore-Munich-Manchester flights to a daily service from 1 September 2010. The carrier began flights from Singapore to Munich — southern Germany's largest city — on 28 March 2010, using Boeing 777-300ERs. Source: *singaporeair.com*

5. Competitor News

- German holidaymakers are avoiding Greece amid fears of summer-long strikes. Thomas Cook says that bookings from Germany are down 30 percent with consumers heading for Turkey, Egypt and Spain's Balearic islands. Source: *The Sun, May 14, 2010*
- Malaysia's Tourism Ministry is targeting six German cities - Munich, Stuttgart, Frankfurt, Berlin, Cologne and Dusseldorf in a promotional drive to bring in more German tourists to Malaysia. Source: *Asia in Focus, May 31, 2010*
- During May 2010, German tourists in Spain recorded reduced spending than in May 2009. Nonetheless, average spending per German tourist increased 0.7 per cent. Source: *Government of Spain, June 2010*
- German football fans decided to stay away from the World Cup in South Africa with German tour operators describing bookings as "a disaster." Source: *Saturday Star, May 8, 2010*
- Istanbul, Turkey's most populated city, received 1.15 million visitors in the first quarter of 2010, with German tourists representing the biggest group followed by Russians. Source: *Anadolu Agency, April 21, 2010*

- The total number of German visitors to the US decreased in 2009 by 5 per cent to 1.69 Million visitors. Source: *US Department of Commerce, <http://tinet.ita.doc.gov>*
- South African Tourism (SAT) reported a total of 210,000 visitors from Germany in 2009, representing a drop of 11.5 per cent compared to 2008. Source: *Monthly Newsletter for Travel Professionals, No. 5, Vol. 14 May 2010*
- China reported 188,000 visitors from Germany between January and April, an increase of 13.5 per cent compared to the same period last year. Source: *Monthly Newsletter for Travel Professionals, No. 7, Vol. 14 July 2010*
- Qatar Airways launched flights to South America in June 2010. The Arab carrier started with daily flights to São Paulo and Buenos Aires from its hub in Doha. This is a milestone for the fast growing carrier and its goal to become one of the world leading carriers. Source: *ST Newsletter, June 26, 2010*
- The Tourism Board of the City of New York launched a new global marketing campaign using the Slogan "See More. Be More. This is New York City". A new dedicated website has been launched for German visitors www.nycgo.com/getmorenyc . Source: *Touristik Aktuell Newsletter, June 25,2010*
- Lufthansa has launched promotional fares between Singapore and Germany, France, Italy, Spain and Denmark until 31 December 2010. Source: *www.asiatraveltips.com June 25, 2010*

6. Key Campaigns and Activities in Market

April – June 2010 campaigns and activities				
START DATE	END DATE	DESCRIPTION	TARGET AUDIENCE	PARTNERS
March 2010	June 2010	<p><i>Globetrotter outdoor retail store promotion:</i> Activities included:</p> <ul style="list-style-type: none"> • A 108 page summer catalogue dedicated to Australia with 30 per cent of the catalogue containing Australian holiday content (Circulation:1.7 million), • Four megastores in Germany featuring Australia point of sale materials, • Online presence of Australia on Globetrotter.de for three months (60,000 unique visitors per day), • Two e-newsletters to the Globetrotter database, with one of these dedicated to Australia, • A 16 page Australia special in the Globetrotter customer 4seasons magazine in the May edition (Circulation: over 400,000) • A digital tool focusing on Australian journeys, walks and national parks on australia.com, • Two consumer events in May held in Cologne and Berlin, • A 12 page Dertour tactical supplement in the May edition of Globetrotter customer magazine 4seasons, • Photo exhibition with winners of National Geographic photo competition. 	German First Time Experience Seekers	Qantas Airways, Dertour, Tourism Northern Territory, Tourism Western Australia, Tourism Victoria, Tourism Queensland, South Australian Tourism Commission
12 April 2010	16 April 2010	<i>AAT Kings and Tourism Australia Roadshow:</i> Attended four German cities, training a total of 220 German travel agents on the destination and the AAT Kings product.	German Travel Trade	AAT Kings, Qantas, Contiki
12 April 2010	16 April 2010	<i>High School Brochure Distribution:</i> Tourism Australia's 24 page youth booklet was distributed to 2,100 high schools throughout Germany (total print run 210,000), as well as mailed to foreign language teachers at these schools.	Germany First Time Experience Seekers aged 18-30	None

19 April 2010	14 May 2010	<i>Delta Radio campaign:</i> A two week radio promotion on Hamburg-based youth radio station, including a competition to win a trip to Australia. The radio has 52,000 daily listeners. The campaign was complemented by a micro-site on delta.de for four weeks.	Germany First Time Experience Seekers aged 18-30	None
April 2010	April 2010	<i>Joint luxury-supplement with Art of Travel:</i> Six page supplement focussing on Australian luxury experiences inserted in <i>Passagen</i> , membership magazine of <i>Hapag Lloyd Kreuzfahrten</i> (major German cruise operator) as well as distribution to Diners Club clients.	High-end German First Time Experience Seekers	Art of Travel, Etihad Airways, Abu Dhabi Tourism Authority
30 April 2010	28 May 2010	<i>National Geographic supplement and e-booklet:</i> A 32 page supplement on Australian journeys, indigenous culture and nature experiences including a competition from Dertour and Qantas, as well as advertising from seven partners and Globetrotter.	German First Time Experience Seekers	Globetrotter, Dertour, Qantas, Wikinger, Best of Travel Group, FTI, Meiers Weltreisen, Boomerang
April 2010	May 2010	<i>Travel agency window displays:</i> 1,200 Australia-branded window displays at Meier's Weltreisen travel agencies. The campaign also involved a mail-out to another 10,000 German travel agencies about the Australia window decoration.	German First time Experience Seekers	Meier's Weltreisen, Cathay Pacific
21 April 2010	30 June 2010	<i>Barefoot Luxury Media content partnership with Germany Vogue magazine:</i> The campaign involved a five page print advertorial on nature, coastal and outback Australia featuring Australian luxury lodges, as well as an innovative 360-degree online special on www.vogue.de with a panoramic photo gallery and content on coastal, nature, outback and cities, including a competition to win a trip to Australia.	High-end German First Time Experience Seekers	None
April 2010	June 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"> • The high circulation Sunday paper Bild am Sonntag travelled to SA and NSW to write about youth activities around Sydney and journeys in SA, • High quality Sunday paper Welt am Sonntag will travel to QLD and NT to write a city feature, and luxury features including luxury camping experiences, • 1 freelance journalist will travel to WA to write about luxury nature 	German First Time Experience Seekers	Qantas Airways, Tourism Northern Territory, Tourism Queensland, Tourism Western Australia, Tourism New South Wales, South Australian Tourism Commission

		<p>journeys,</p> <ul style="list-style-type: none"> Travel trade magazine touristik aktuell attended the Australian Tourism Exchange in Adelaide to write about the latest trends in Australian tourism. 		
April 2010	June 2010	<i>STA youth campaign:</i> Tourism Australia partnered with STA for a roadshow across various German cities with a London-style double-decker bus with Australia branding on it. The Australia youth booklet was distributed during the road show.	Germany First Time Experience Seekers aged 18-30	STA Travel
01 May 2010	30 June 2010	<i>Online Special on web portal www.wissen.de:</i> Messaging focused on Australian train routes, and the campaign recruited "Australia train scouts"; the scouts will document their Australian train journeys and their experiences will be posted on www.wissen.de and they will be invited after their Australia trip to a Best of Travel event to talk about their train experiences. The campaign was promoted through various specialised media channels and targeted train enthusiasts.	German First Time Experience Seekers	South Australian Tourism Commission, Rail Australia, Best of Travel Group, Singapore Airlines
2 May 2010	16 May 2010	<i>Corroboree 2010:</i> Training event for 298 Aussie Specialist travel agents from across Europe (75 from Germany) and South Africa. Workshops with Australian industry were held on 5 – 8 May in Melbourne followed by famils throughout Australia (22 itineraries in total).	German Travel Trade	Qantas Airways, Tourism Victoria, all State and Territory Tourism Organisations
03 May 2010	28 May 2010	<i>Youth promotion on "jetzt.de":</i> Campaign activity included a micro-site on the youth section of the daily Sueddeutsche Zeitung focussing on youth travel and information about the Working Holiday Visa. The micro-site also included image galleries and videos as well as a competition.	Germany First Time Experience Seekers aged 18-30	None
20 May 2010	25 June 2010	<i>Youth promotion with Youth magazine "Festivalguides":</i> Campaign activity included a full page print advertorial in festivalguide and festival pocket timer; a festivalguide.de microsite with motivational content on Australian cities and festivals, and the distribution of Tourism Australia's youth booklet at five German open air festivals as well as numerous fashion outlets.	Germany First Time Experience Seekers aged 18-30	None
29 May 2010	04 June 2010	<i>Australian Tourism Exchange (ATE):</i> ATE 2010 took place at the Adelaide Convention Centre.	German Travel Trade	Qantas Airways, South Australian Tourism Commission

10 June 2010	30 June 2010	<i>Media content partnership with "Sueddeutsche Zeitung":</i> 2 double pages in the travel section of the daily with a circulation of 445,000. The content featured Australian self-drive journeys and included a ¼ page Tourism Australia Brand advertisement as well as a ¼ page tactical advertisement by Qatar Airways. The partnership was supported with online banners and wallpapers featuring a call to action to australia.com and the Qatar website as well as an online Australia special on <i>sueddeutsche.de</i> .	High-end German First Time Experience Seekers	Qatar Airways, Tourism Australia
14 June 2010	30 June 2010	<i>Media content partnership with "Neon" and "Prinz":</i> German youth booklet was inserted (A4 format) into two leading youth publications - "Neon" and "Prinz". In addition to this, there was an online content feature on "prinz.de" as well as online advertising on "neon.de".	Germany First Time Experience Seekers aged 18-30	None
20 June 2010	20 June 2010	<i>Australia-special in Luxury Magazine "Connoisseur Circle":</i> The magazine included a six page fold-out focussing on luxury experiences throughout Australia as well as several pages about luxury properties in Australia.	High-end German First Time Experience Seekers	Airtours, Singapore Airlines, various State and Territory Tourism Organisations
27 June 2010	27 June 2010	<i>Self drive supplement:</i> The supplement included itineraries throughout all State and Territories promoting self-drive holidays. An electronic version of the supplement was uploaded onto the Best of Travel Group website and the print version was distributed via all Best of Travel Group's retail agencies.	High-end German First Time Experience Seekers	Best of Travel Group
30 June 2010	30 June 2010	<i>Globetrotter Training:</i> Training of Globetrotter travel agency staff in conjunction with Qantas.	German Travel Trade	Northern Territory, Qantas

July – September 2010 campaigns and activities				
START DATE	END DATE	DESCRIPTION	TARGET AUDIENCE	PARTNERS
July 2010	September 2010	<p><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 July-September period the following visits will be delivered:</p> <ul style="list-style-type: none"> • stern.de to travel to South Australia to cover self-drive and nature topics for an online special on Australia, 	German First Time Experience Seekers	Qantas Airways, Tourism Northern Territory, Tourism Queensland, Tourism New South Wales, South Australian

		<ul style="list-style-type: none"> • 1 freelance journalist will travel to New South Wales, Northern Territory and Queensland to write about cities, reef and outback, • 1 freelance journalist and photographer will travel to New South Wales and Victoria to write about luxury journeys and stylish city holidays. 		Tourism Commission
1 August 2010	6 August 2010	Tourism Australia participation at DERTOUR Road show. Travel agent training in five different cities.	Travel agents	DERTOUR
17 September 2010	18 September 2010	Tourism Australia participation et Emirates Trophy. Travel agent event for major travel agency chains.	Travel agents	Emirates