

Indonesia

Market Summary

The strengthening of the Indonesian Rupiah against major currencies has encouraged consumers to consider overseas leisure travel. Further catalysts for outbound travel are the significantly high records of consumer confidence and the relative stability of the political environment.

The Australian visit in March by President Susilo Bambang Yudhoyono received positive media coverage in both countries. It also reinforced the good relationship between Australia and Indonesia.

1. Market News

- President Susilo Bambang Yudhoyono addressed the Australian parliament during his 48-hour visit to Australia in mid-March. Key topics mentioned included the importance of education links and the close proximity between the two countries, which can lead to further co-operation in business and security areas.

Source: Various newspaper articles, including Sydney Morning Herald, The Age, ABC online in Australia and Jakarta Post in Indonesia. 16 March 2010.

- The Greater Indonesian Movement Party (Gerindra) says it will vote against the Bank Century bailout at the House of Representatives as it considers the bailout policy flawed. The governing Democratic Party in the meantime, states that the bailout policy was not flawed, but that there were problems within the bank's management. The bailout is now estimated at Indonesian Rupiah 6.76 trillion (US\$716 million), tenfold of its original estimate. *For further details on the Bank Century bailout, please refer to The Jakarta Post, www.thejakartapost.com Source: Jakarta Post, 3rd March 2010*

2. Consumer Insights

- Indonesia ranked first in the Nielsen Consumer Confidence index survey conducted in December 2009. Being one of the very few countries unaffected by the global financial crisis, Indonesians were the most optimistic consumers about personal finances, with 27 per cent describing their 2010 financial outlook as excellent. Key contributing factors to Indonesian consumers' positive outlook are the relatively stable economic and political environments.

Source: The Nielsen Company, January 2010.

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

3. Trade Update

- The advertorial campaign with Wonders Holidays Consortium launched on 13 October 2009 and ended in February 2010, targeting the off peak months to create awareness of Australia. The bookings generated exceeded the target by 35 per cent. A similar campaign was conducted with Our Holidays consortium from 15 January to 30 April 2010. So far, 90 per cent of the target bookings have been received.
- As at April 2010, there were 54 Aussie Specialist agents from 47 agencies, of which 46 are qualified.
- There are 10 buyers from Indonesia attending ATE 2010. They are Avia Tour, Australia Centre, Bayu Buana Travel, Dwidaya Tour, Golden Rama Express, Multi Holiday, Panorama Tours, Smiling Tour, Vaya Tour and Wita Tour.

4. Airline News

- Malaysia Airlines ceased operating the three weekly flights via Jakarta to Melbourne effective 1 March 2010.
- Garuda Indonesia has recently unveiled its plans to re-establish its market share on regional and international routes, especially on its European routes since the EU aviation authority lifted its ban on Garuda Indonesia. Garuda will fly new Boeing 737-800 next-generation aircraft on all new routes and plans to grow international departures by more than 300 per cent to 1,222 weekly by 2014. Routes re-instated or frequencies increased include
 - Direct services from Bali and Surabaya to Hong Kong, which the airline will fly four times a week between Hong Kong and Bali and thrice-weekly from Hong Kong to Surabaya, from 1 June.
 - Jakarta-Singapore flights from five-daily to seven on March 29 and has since doubled its daily Kuala Lumpur-Jakarta service.
 - Plans to add four European points after the Jakarta-Dubai-Amsterdam service commences on 1 June. Top on the list for 2011 or 2012 are Frankfurt, London, Paris and Rome, said the airline's vice president corporate secretary Pujobroto.
- While the increased flights do not feature Australian routes, it is anticipated that the increase in regional services will increase opportunities for Indonesian travellers to connect to Australian services from regional hubs such as Kuala Lumpur and Singapore.

Source: TTG Asia 19 March.

6. Key Campaigns and Activities in Indonesia

January to March campaigns and activities				
START DATE	END DATE	DESCRIPTION	TARGET AUDIENCE	PARTNERS
6 October 2009	Feb 2010	Advertorial campaign with Wonders Holidays Consortium targeting the off peak months to create awareness of Australia.	Singles, Dinks, FIT	Dwidaya Tour, Anta Tour, Vaya Tour and Smailing Tour
15 January 2010	4th March 2010	Advertorial campaign with Our Holidays Consortium targeting the off peak months to create awareness of Australia.	Singles, Dinks, FIT	Avia Tour, Bayu Buana, Golden Rama Express and Wita Tour

April to June campaigns and activities				
START DATE	END DATE	PROJECT/EVENT	TARGET AUDIENCE	PARTNERS
13 April	16 April	Product update and Table Top Session.	Travel Agents	Australia Centre, state tourism organisations, convention and visitor bureaus and Department of Immigration