

Italy

Market Summary

Despite a slight decrease in visitor arrivals during the month of February, the significant increase during the month of January has led to an increase in visitor arrivals for the February 2010 calendar year to date, compared to the same period in 2009. In terms of leisure arrivals, Holiday visits, the largest segment, has experienced a double digit increase, while, Visiting Friends and Relatives visits, the second largest segment, has experienced a strong increase during the first two months of 2010. Unsurprisingly, Business visits continue to decline reflecting the current state of the economy and corporate attitude to business travel.

Feedback from operators in the market continues to remain positive for Australia with both tour operators and airlines reporting encouraging enquiry levels from consumers. However, while the number of enquiries is high, the number of bookings is relatively low in comparison, reflecting the 'shop around' trend whereby customers request multiple quotes for a number of different destinations and confirm their choice much closer to departure.

The recent Iceland volcanic eruption and ensuing flight disruptions across Europe have had a significant impact on consumer transportation to and from Europe as well as economic impacts for the countries affected. It is too soon however to assess and report on the full impact on Australian travel and tourism.

1. Market News

- Italy is the second most debt burdened nation in the EU, with its 59.8 million citizens each owing €26,755, representing €1.6 trillion in national debt. *Source: News of the World, January 10, 2010*
- Italian consumer confidence fell more than expected in January, after two consecutive months of gains, as Italians grew more pessimistic about the economic situation and the outlook for the coming months. *Source: Reuters January 26, 2010*

2. Consumer Insights

- 43 per cent of Italian consumers are making cuts on their spending on clothes and shoes and 42 per cent are cutting back on eating in restaurants. *Source: www.gfk.com/group/press_information, February 8, 2010*

- Household spending rose 1 per cent in December with home furnishing acquisitions climbing for the third month in a row, the Italian retailers association Confcommercio said. *Source: ANSA, February 3, 2010*
- Italian youth are among the most pessimistic in the world regarding their prospects for the future, according to a Gallup opinion poll. Over 66 per cent of Italians under the age of 30 said they expected job opportunities to grow increasingly scarce and inequality more and more prevalent. *Source: www.lifeinitaly.com, January 20, 2010*
- According to research from the Pangaea Network of international travel agents, those still spending on travel are saving money by taking shorter breaks and staying closer to home. Ten days rather than two weeks is now the most popular choice. *Source: Pangaea Network report, March 2010*
- 17 per cent of EU residents planning to go on holiday in 2010 still have not decided on the destination. *Source: Agence Europe March 16, 2010*

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

3. Trade Update

- Kuoni published the 2010/2011 edition of the Australia, New Zealand and Pacific Island catalogue. The catalogue includes group tours, individual programs and self-drive itineraries. *Source: TTG Italia, April 26, 2010*
- TTG Italia conducted a survey among the Travel Agencies asking them to rank the most sold honeymoon destinations. United States (combined with the Caribbean) was in first place. In second place were cruises and in third was Australia and Polynesia. *Source: TTG Italia, April 15, 2010*
- Hotelplan Italia registered a 10 per cent increase in bookings respective to the same period of the previous year. Even when taking into consideration the last minute booking nature of Italians, Hotelplan stated that the bookings for Summer 2010 were showing a good level of growth. *Source: TTG Italia, March 5, 2010*
- As at March 2010, there were 1,397 Aussie Specialist agents in Italy, of which 49 per cent were fully qualified.

4. Airline News

- Emirates has increased its flights to Rome from Dubai to double daily. The Dubai-Rome route is in addition to the airline's current double daily flights to Milan and a daily flight into Venice. The additional services offer Italian passengers greater accessibility to connecting flights to Australia. *Source: www.asiatraveltips.com/news, February 3, 2010*
- Etihad Airways signed an extension of the code share agreement with Qantas. Flights from Sydney to Ayers Rock, Alice Springs, Canberra, Hobart, Melbourne and flights from Brisbane to Cairns are now also included on the EY network. *Source: TTG Italia, March 12, 2010*

5. Competitor News

- New Zealand is likely to become a much more expensive destination for international tourists if a proposal to raise GST tax to 15 per cent is introduced. Source: www.eturbonews.com, February 10, 2010
- Morocco aims to draw 10 per cent more visitors this year to help fill fast-growing hotel capacity and bolster tourism income after it slipped in 2009, industry and government officials said. Source: www.eturbonews.com, January 18, 2010
- Alitalia will restart non-stop service between Rome and Los Angeles. Alitalia will be the only airline to offer a nonstop flight to Italy from the West Coast of the United States. Source: www.travelpulse.com, February 9, 2010

6. Key Campaigns and Activities in Market

January to March campaigns and activities				
START DATE	END DATE	DESCRIPTION	TARGET AUDIENCE	PARTNERS
January 2010	February 2010	<i>Aussie Specialist Program re-launch:</i> Campaign on trade media (online) for the relaunch of the ASP	Trade	None
January 2010	February 2010	<i>Hotelplan co-op:</i> Tourism Australia and Hotelplan are partnering on a six month window display campaign involving 20 of the best performing agencies of the Gattinoni travel agency network	Consumers	Hotelplan, Gattinoni
17 February 2010	17 February 2010	<i>Industry meeting:</i> 30 attendees including tour operators, travel agents and trade journalists participated in the meeting held in Milan. The meeting provided an update on Tourism Australia's activities and strategies in the Italian market	Trade	None
18 February 2010	21 February 2010	<i>BIT Travel Show in Milan:</i> Tourism Australia participated to this major travel fair in Italy with a stand, six stand partners and five Australian states. During the fair Tourism Australia provided informational material to the consumers, buyers, travel sector agents and media	Trade/Consumers	Qantas, Hertz Tour Operator: Southside Viaggi, Go Australia, Viaggi Sintesi and HM Touristik, Destination Australia partnerships
February 2010	February 2010	<i>Honeymoon promotion:</i> Publication of an eight page article in leading honeymoon magazine <i>Viaggi di Nozze</i> focusing on top romantic experiences in Australia	Honeymooners	<i>Viaggi di Nozze</i>

23 February 2010	4 March 2010	<i>Familiarisation trip:</i> 8 Aussie Specialists travelling to Victoria and South Australia in partnership with Qatar Airways to coincide with the launch of the airline's new connection to Melbourne.	Trade	Qatar Airways Tourism Victoria South Australia Tourism
February 2010	March 2010	<i>International Media Hosting Programme visits:</i> <ul style="list-style-type: none"> • TA partially assisted RAI TV Crew of Dreamroad travelling to Queensland, Northern Territory, South Australia, Victoria and Sydney to shoot two episodes of the Dreamroad TV program. • VOLP Blog & Print CMP. The famous blogger and best seller writer Pulsatilla travelled to Victoria, Queensland, Northern Territory and New South Wales to experience Australia as a youth destination for a reportage on the lifestyle magazine MAX, plus blog and write a testimonial on Tourism Australia's Italian Facebook page. 	Youth	Queensland, Northern Territory, South Australia, Victoria, New South Wales
February 2010	May 2010	<i>Honeymoon promotion:</i> online promotion on www.nozzeckick.com <ul style="list-style-type: none"> • The four month project is in partnership between Tourism Australia and Qantas. • Two banners are placed on nozzeckick.com which will redirect consumers to australia.com • Two online articles with exclusive honeymoon packages by Australia 4 you will be linked to australia.com. 	Honeymooners	Qantas and 2 tour operators: Australia 4 you and Dimensione
March 2010	March 2010	<i>Honeymoon promotion:</i> Tourism Australia's media partnership with the honeymoon magazine <i>WHITE</i> continues with the publication of a two page advertorial focusing on the outback theme.	Honeymooners	<i>White Magazine</i>
9 March 2010	9 March 2010	<i>Youth promotion:</i> Media event in Milan with approximately 20 journalists to strengthen the campus fair's message of Australian holidays and the Working Holiday Visa to the youth segment.	Youth	None
10 March 2010	12 March 2010	<i>Youth promotion:</i> Tourism Australia attended the Campus Orienta fair in Milan to promote Australian holidays and the Working Holiday Visa to the youth segment.	Youth	CTS

16 March 2010	18 March 2010	<i>European New Product Workshop:</i> A three day in-market briefing and workshop event for Australia's new tourism product and product managers from key wholesalers and tour operators across the European markets. Four Italian tour operators attended the event.	Trade	DAP
March 2010	June 2010	<i>Youth promotion:</i> <ul style="list-style-type: none"> • Facebook fan page advertising • WHV advertising on miojob.it website • CTS/TA contest promotion on youth online websites 	Youth	CTS

April to June campaigns and activities				
START DATE	END DATE	PROJECT/EVENT	TARGET AUDIENCE	PARTNERS
15 April	4 May 2010	<i>International Media Hosting Programme visits:</i> <ul style="list-style-type: none"> • Press trip for TV crew Alle Falde del Kilimangiaro to Tasmania, New South Wales and Queensland. 	Honeymoon	None
21 April 2010	22 April 2010	<i>Youth Promotion:</i> Tourism Australia will attend the Campus Orienta fair in Florence to promote Australian holidays and the Working Holiday Visa to the youth segment.	Youth	CTS
April 2010	April 2010	<i>Training Roadshow:</i> Tourism Australia and DAP partners will organize the Australia roadshow in Northern Italy (Milan and Verona).	Trade	DAP
May 2010	June 2010	<i>Two Week Walkabout:</i> Tourism Australia will launch the Two Week Walkabout campaign in partnership with the media house RCS. Activities will include: <ul style="list-style-type: none"> • Advertising page in women's magazine <i>A</i>, • Advertising page in travel publication <i>DOVE</i> • Advertising page in daily magazine <i>Corriere della Sera</i> • The project will feature online on Corriere.it • The campaign invites consumers to visit a dedicated section on australia.com where tour operators' deals are featured. 	Consumers	RCS

2 May 2010	16 May 2010	<i>Corroboree 2010</i> : Training event for 300 Aussie Specialist Travel agents from across Europe. Workshops with Australian industry on 5 to 8 May in Melbourne followed by famils throughout Australia (22 itineraries in total).	Aussie Specialist travel agents throughout Europe	Qantas; Tourism Victoria; State & Territory Tourism Organisations; Australian tourism industry
June 2010	June 2010	<i>Honeymoon promotion</i> : Tourism Australia's media partnership with the honeymoon magazine <i>WHITE</i> continues with the publication of a six page honeymoon Australian advertorial in the <i>WHITE</i> magazine in June, with coastal experiences as the theme.	Honeymooners	WHITE
June 2010	June 2010	<i>The OZcars</i> : Tourism Australia's Italian industry awards, held in Milan.	Trade	None