

Singapore

Market Summary

Improved consumer confidence identified in the last quarter of 2009 started to translate into improved business for airlines and travel agencies in December 2009 and January 2010.

Positive market conditions were reflected in improved sales performance from trade partners' tour packages and increased airline capacity on key routes over the Chinese New Year period (mid-February). Intra-Asian destinations picked up the early benefits of this rebound.

1. Market News

- Based on advance estimate data, the Ministry of Trade and Industry (MTI) announced the Singapore economy shrank by -2.1 per cent in 2009. This result was improved by a strong fourth quarter which helped to surpass the original forecasts of the economy shrinking by -4.0 per cent to -6.0 per cent. MTI has maintained the GDP forecast for 2010 at +3.0 to +5.0 per cent. *Source: MTI Press Release, 4 January 2010.*
- As a result of increased demand for travel over the Chinese New Year (CNY), major airlines are adding extra services or larger aircraft on popular outbound routes mainly to Asian destinations. Concurrently, agents are reporting that majority of their tour packages are sold. Some agencies are reporting a 15 per cent increase over the CNY period in 2009. *Source: TTG Asia, January 22-28, 2010*

2. Consumer Insights

- According to the latest MasterCard Worldwide Index of Consumer Confidence, consumer confidence has rebounded to levels last seen in 2008, as Singaporeans have a renewed sense of optimism about the next six months. A significant jump in the index to 79.4 (0 is high pessimism, 50 neutral and 100 high optimism) is more than double the score six months ago of 31.2. *Source: www.channelnewsasia.com, 4 January 2010*
- Singapore's consumer prices ended an eight-month decline in December as a recovering economy spurred demand for goods and services. Singapore's economy is improving after a "volatile" year that saw it contract for the first time

since 2001. The Monetary Authority of Singapore forecasts inflation will average 2.5 per cent to 3.5 per cent this year. *Source: <http://www.businessweek.com>, 25 January 2010*

- Hitwise analysis shows the top ten travel agencies, search or portal sites in Singapore in December 2009 were MSN Singapore Travel with 67 per cent, Zuji with 3 per cent, Asiatravel.com with 2.5 per cent, Wego.com with 2.3 per cent, Expedia with 1.8 per cent, Jetabout Singapore with 1.5 per cent, Misa Travel with 1.3 per cent, Yahoo Singapore Travel with 1 per cent, Yahoo Travel with 0.9 per cent and Octopus Travel Singapore with 0.8 per cent. Hitwise by Experian analyses data collected from internet service providers to provide rankings by category of internet users in Singapore.
- For the latest in visitor arrivals, please visit '*Research and Statistics*' at www.tourism.australia.com

3. Trade Update

- Agents are reporting a marked increase in demand for travel during the Chinese New Year period in mid-February comparing to traditional holiday periods in 2009. Popular destinations include Korea, Japan, China, Taiwan and Europe, which are mostly driven by the cool winter weather in these countries. Travel demand post Chinese New Year is currently not showing the same strength. Agents believe this could be due to customers anticipating good deals offered at the upcoming NATAS and agent travel fairs commencing late February.
- The National Association of Travel Agents Singapore (NATAS) believes the strong sales figures for its NATAS Travel Fair scheduled late February is a sign of increasing travel agent confidence towards the potential rebound in outbound travel in 2010. Based on strong early sales figures for space at the popular event, NATAS reports selling 95 per cent of available space within the first hour of sales opening. *Source: TTG Daily News, 7 December 2009*
- **Tasmania Campaign:** Tourism Tasmania is the first in Singapore to have extensively engaged a blogger in a campaign titled 'Devilish Journeys'. This will run across various online platforms, including blogs and social media sites Hardwarezone.com, channelnewsasia.com, Facebook and Twitter from January to March 2010. Chan Brothers Travel is the trade partner for this campaign and the well known blogger 'Eunice' won Singapore's first blog awards in 2008 and in 2009, was one of the top five finalists in the 'Best Travel Blog Award' category in the first Nuffnang Asia-Pacific Blog Awards 2009. Visit her travel blog here: www.travelerfolio.com.
- **Northern Territory Campaign:** running February to April 2010, this is a continuation of Tourism Northern Territory's global campaign with the Discovery Channel, National Geographic and key trade partners. An online consumer campaign will roll out concurrently to raise the destination awareness and drive conversion. Partners are Jetstar, Chan Brothers, Qantas Holidays and UOB Travel Planners.
- **South Australia Campaign:** South Australian Tourism Commission and Singapore Airlines MOU campaign will run from February to April 2010. An integrated campaign comprising a series of print ad, radio, outdoor event and online will be launched. Partners are Singapore Airlines and nine agents.

- At the end of December 2009 there were 387 Aussie Specialist agents in Singapore from 53 agencies, of which 139 were fully qualified.

4. Airline News

- Qantas released its annual Australia Day promotional fares to five Australia gateways, with travel valid for the period post Chinese New Year in February till June. Perth was promoted from SGD648, with other gateways of Melbourne, Sydney, Brisbane and Adelaide available from SGD848 to SGD878. In the same sale, key competitor destinations such as Western Europe were available from SGD1,268 (Frankfurt) and SGD1,488(London). Whilst an increase of 10 per cent to 15 per cent over previous promotional fares, the pricing for Australia still provides a competitive advantage in comparison to other Western destinations.
- Emirates have offered promotional airfares to Melbourne SGD778 and Brisbane SGD810 for travel from February till May. The fare levels represent a 15 per cent increase compared to promotional fares offered during the last NATAS travel fair in September 2009.

5. Competitor News

- Visit Britain is aiming to extend its BritAgent training program in Asia. Similar to Tourism Australia's Aussie Specialist Program, BritAgent aims to enhance the travel agents ability to sell British destinations through detailed training programs on the destination.
- Wego.com – the travel meta search engine – has partnered with the Association of South East Asian Nations (ASEAN) Tourism Association and the ASEAN Competitive Enhancement Project to develop www.SouthEastAsia.org. The site allows potential visitors to the region to research, plan and book multi-destination trips within the ten ASEAN member countries.
- The Hong Kong Tourist Board (HKTB) launched the Hong Kong WinterFest to promote the destination as the most festive and high-spirited travel destination during Asia's (northern) Winter Season. The program specifically aims to stimulate desire amongst young travellers using advertising, publicity and partnerships with the travel trade on tactical promotions.
- The National Tourist Office of Spain has partnered with Hertz Asia Pacific to promote the destinations gourmet self-drive experiences. Specifically focusing on publicity and travel trade promotions, the program aims to increase the awareness amongst consumers and trade of Spain's great restaurants and top wineries accessible on a self-drive journey in the country.

6. Key Campaigns and Activities in Singapore

December and January campaigns and activities				
START DATE	END DATE	DESCRIPTION	TARGET AUDIENCE	PARTNERS
01 Nov 2009	31 Mar 2010	An online campaign with Dynasty Travel to create awareness and to drive traffic to Dynasty Travel website, and convert group bookings for the year end school holidays and FIT bookings for Q1 2010.	GIT and FIT passengers	TA, Dynasty Travel
Dec 2010	Feb 2010	Print campaign coop with Hong Thai Travel to promote travel packages for South Australia.	DINKS	SATC

Upcoming campaigns and activities				
START DATE	END DATE	PROJECT/EVENT	TARGET AUDIENCE	PARTNERS
Mar 2010	June 2010	TA Campaign: Great Australian Journeys An integrated campaign promoting the key touring routes in Australia. The campaign uses Brand Cooperative advertising, the International Media Hosting Program, Best of Australia agent Brand Tactical and Visiting Opinion Leaders program to reinforce Australia's position as a key self drive destination and the key Brand Messages or Nature, Adventure and Immersion	Singles / DINK Experience Seekers	TA, STOs, QF. Premier ASP's
Mar 2010	Mar 2010	TA Activity: Product Development Forum designed to provide product updates to product planners and highlight new products attending ATE, the program also assists key decision makers attending the event to finalise their preference selection before the closing deadline.	Trade - product planners & marketing managers	TA & STOs