

Switzerland

Market Summary

February was the sixth consecutive month of positive growth in total visitor arrivals for Switzerland, leading to a double digit increase in visitor arrivals for the February 2010 calendar year to date, compared to the same period in 2009. For the same period, Holiday visits, the largest segment has seen a double digit increase, while Visiting Friends and Relatives visits, the second largest segment, has seen significant growth. All other visitor types have also increased during the same period. Demographically, there has been positive growth across all age groups for the same period.

The Swiss economy has been less impacted by the global financial crisis than other countries and consumers have taken advantage of very low airfares to Australia throughout 2009 (introduced because of increases in capacity by Emirates and Singapore Airlines).

Feedback from trade partners remains reasonably positive and forward bookings for 2010 seem to be satisfactory. Moreover, the exchange rate between Swiss Francs and the Australian Dollar has not been as negatively impacted compared to the Euro countries, thus contributing to the trade's positive outlook in comparison to other European markets. The launch of the daily Singapore Airlines A380 service from Zurich to Singapore has received very good feedback and is a positive development for Australia for the year ahead. There are some concerns about future economic decline, but overall the trade is cautiously optimistic.

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

- Switzerland emerged from recession in the third quarter of last year and the Swiss National Bank expects the economy to expand by about 1.5 per cent this year. Source: *Reuters, March 30, 2010*
- Swiss retail sales rose and unemployment unexpectedly declined as the economy continued to strengthen. Retail sales rose 4.7 per cent in December compared with the same period a year earlier. The country's unemployment rate was 4.2 per cent at the end of March, a decrease of 0.2 per cent from the previous month. Source: <http://worldradio.ch> April 8, 2010 and *Bloomberg, February 8, 2010*

- Swiss consumers are more upbeat as the economy recovers. The consumer sentiment indicator rose to -7 from -14 in the fourth quarter of last year, the State Secretariat for Economic Affairs said. Source: www.reuters.com , February 2, 2010

2. Consumer Insights

- Due to the downturn, many Swiss consumers will attempt to save money by taking longer domestic holidays, rather than travelling abroad this year according to market research firm, Euromonitor. Source: www.euromonitor.com February 2, 2010
- Swiss households like their internet access to be fixed and high-speed, with 71 per cent of households having access and 89 per cent of those connected using high-speed cable or telephone lines according to the Swiss Federal Communications Office. Source: www.genevalunch.com, February 2, 2010

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

3. Trade Update

- Kuoni has undergone a major organisational restructuring. Collete Ernst - Director Production North America/Oceania/Cars & Motorhomes, is directly responsible for Australian product. Source: *Kuoni partner communication February 16, 2010*
- FESPO, Switzerland's major travel show, took place from 28 to 31 January 2010. A total of 66,638 people visited FESPO, representing a decline of 5.3 per cent compared to FESPO 2008. Despite the drop, Tourism Australia staff at the show noted that the quality of inquiries was better than expected. Source: *travel inside newsletter February 1, 2010 and Tourism Australia*
- As of late January 2010, Kuoni have stopped their short-time work scheme which has been in effect since September 2009. Approximately 900 staff had been on short-time work, both in the Kuoni headquarter in Zurich as well as in 100 travel agencies across Switzerland. The re-introduction of normal working hours is attributable to higher booking volumes over the last few months. Source: *Schweizer Touristik newsletter, January 18, 2010*
- Gaby Ruch has left Hotelplan / Skytours after the brands merged for Oceania products. Silvia Zihlmann is solely responsible for Skytours Oceania. Source: *Travel inside, 7/2010, February 18, 2010*
- STA Travel Switzerland is launching individual brochures for different destinations. The Latin America brochure, published in February, will be followed by the "Australia, New Zealand & South Pacific" as well as "Northern America" brochures. An Africa brochure will be published later in the year as well. Source: *Travel Inside Newsletter, April 16, 2010*
- As at March 2010, there were 318 Aussie Specialist agents in Switzerland, of which 52 per cent were fully qualified.

4. Airline News

- Passengers flying to Zurich from Singapore will be able to travel on a new A380 aircraft in the spring. Singapore Airlines will introduce the aircraft from 28 March 2010 with daily flights between the two cities replacing the existing 12 weekly services. Source: www.skyscanner.net/news, January 15, 2010
- Qatar Airways will increase its flights to Melbourne from Doha after it took delivery of four new aircrafts in December. The additional services offer Swiss passengers greater accessibility to connecting flights to Australia. Moreover, in 2010 the airline is planning to further extend its network by adding Sydney as a second destination in Australia after the successful start of their Melbourne flights. Qatar Airways currently have five flights a week from Zurich to Doha and daily operations between Geneva and Doha. Source: *Schweizer Touristik Newsletter*, 11/1/10; www.qatarairways.com, 19/2/10, and www.skyscanner.net, 4/1/10.
- Etihad Airways has secured seven additional weekly flight frequencies from its Abu Dhabi home-base to Australia. The seven flights can be operated to any gateway in Australia which includes Etihad's current destinations of Sydney, Brisbane and Melbourne. A further seven weekly flights have been granted to Etihad on the condition that the operation also flies via or onto a regional airport. Etihad Airways is currently operating five flights a week between Geneva and Abu Dhabi. Source: *Asia Travel Tips*, February 2010 and www.etihadairways.com, February 19, 2010

5. Competitor News

- Switzerland accounted for 14,997 visitor arrivals to New Zealand for the calendar year 2009, an increase of 3.2 per cent relative to the year 2008. In the month of December 2009, New Zealand saw an increase of 19.4 per cent in Swiss visitor arrivals relative to December 2008 (from 2,511 to 2,997). Source: www.stats.govt.nz, February 19, 2010
- In the calendar year 2009, Malaysia received 28,500 visitors from Switzerland, representing an increase of 7.7 per cent compared to 2008. Worldwide Malaysia has counted 23.65 million visitors in 2009, an increase of 7.2 per cent relative to 2008. Source: *Travel Inside Newsletter*, January 21, 2010
- In 2009, 35,090 Swiss travelled to South Africa. This represents a decrease of 4.1 per cent compared to 2008. Decreases from other key European markets, such as Germany (-11.5 per cent), France (-8.9 per cent) and Sweden (-11.6 per cent) were also recorded. Source: *Travel inside – Newsletter*, March 15, 2010
- Mauritius is becoming a very popular amongst Swiss travellers, with the island registering an increase of 24.3 per cent in Swiss travellers to Mauritius for the first two months to February 2010 compared to the same period of last year. For the month of February alone, there was an increase of 37.6 per cent in Swiss visitors to the island. Source: *ST-Newsletter*, March 16, 2010
- Swiss International Airlines has started a weekly service between Zurich and Goa. Source: www.newkerala.com/new, February 2, 2010
- The economic slowdown has meant fewer passengers at Geneva International Airport. The airport says it lost 200,000 passengers in 2009 and says business jet traffic was down more than 15 per cent. However, it says that it expects a turnaround in 2010 and is projecting growth of 2 per cent. Source: www.worldradio.ch/wrs/news, February 3, 2010

6. Key Campaigns and Activities in Market

January to March campaigns and activities				
START DATE	END DATE	DESCRIPTION	TARGET AUDIENCE	PARTNERS
28 January 2010	31 January 2010	<i>Australia village at FESPO:</i> Tourism Australia's stand was the centre-piece of the Australian village at Switzerland's largest consumer/trade travel show held at the Zurich fairground.	Consumers/Trade	Stand partners: Tourism Northern Territory, Tourism Queensland, Tourism Western Australia, Tourism New South Wales, South Australian Tourism Commission, Tourism Victoria
30 January 2010	30 January 2010	<i>FESPO industry event:</i> Tourism Australia invited 30 key contacts from the Swiss tourism industry to an evening function.	Trade	None
24 February 2010	24 February 2010	<i>Direct mailing:</i> The new Skytours Australia-brochure was sent to 350 travel agencies as well as a promotional four-page flyer on Skytours, and an Aussie Slang Dictionary.	Travel agents	Skytours, Qantas Airways
February 2010	April 2010	<i>Tram advertising in Zurich trams:</i> 50 Australia branded billboards featured inside tram carriages.	Consumers	Skytours
17 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 Swiss delegates attended the event.	Trade	DAP

17 March 2010	26 March 2010	<i>Emirates Luxury Famil</i> : Two key contacts from Swiss wholesalers participated on a familiarisation trip for product managers focussing on luxury experiences in Australia to New South Wales and Queensland.	Trade	Emirates
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April to June campaigns and activities				
START DATE	END DATE	PROJECT/EVENT	TARGET AUDIENCE	PARTNERS
April 2010	June 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 April to June period the following visits were delivered:</p> <ul style="list-style-type: none"> • Reiseblick /Art&Reise magazines will travel to NT and QLD to cover outback and reef stories. • 20 Minuten daily will travel to NT and NSW to cover luxury outback stories and city experiences. 	Consumers	Qantas Airways, Tourism Northern Territory, Tourism Queensland, Tourism New South Wales
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
3 May 2010	24 May 2010	<i>20minuten Online campaign</i> : Web promotion on www.20minuten.ch including banners, a splash-site focusing on youth travel.	Youth	None
June 2010 (TBC)	June 2010 (TBC)	<i>Travel agent training</i> : Joint travel agent training events in French-speaking Switzerland.	Trade	TBC