Travel Business Analyst

Markets • Marketing • Strategy

EUROPE • JUNE 2011

Market Monitor
Percentage change unless noted otherwise. Latest months listed first. Sources not shown are usually relevant principals. E=estimate, P=provisional, TBA=Travel Business Analyst.

• TBA Travel Industry Index, World: 2011: Mar +5E; Feb +5E; Jan +7P. 2010: Dec +4.2; Nov +7.2; Oct: +8.4; Sep +9.4; Aug +8.6; Jul +10.0. *TBA.*
• TBA Travel Industry Index, Europe: 2011: Mar +6E; Feb +5E; Jan +5P. 2010: Dec -0.6; Nov +4.8; Oct +7.7. *TBA.*
• TBA Travel Industry Index, US: 2011: Mar +3E; Feb +7E; Jan +7P. 2010: Dec +6.1; Nov +8.6; Oct +8.2; Sep +8.1; Aug +9.3; Jul +9.1. *TBA.*

• World airport passengers; ttl, intl: 2011: Feb +3.9 +4.4; Jan +6.5 +7.8. 2010: Dec +4.5 +4.1; Nov +6.8 +8.5. *ACI.*
• World air traffic, RPKs: 2011: Mar +3.8; Feb +6.0; Jan +8.2. 2010: Dec +4.9. *IATA.*
• World hotel occupancy, pts: 2011: Feb +3.3; Jan +5.4. 2010: Dec +3.1; Nov +3.8; Oct +6.0. *TBA.*
• World travel stocks index, on 100: 2011: Apr 86; Mar 83; Feb 81; Jan 88. *TBA.*
• World visitor arrivals: 2011: Jan +4.7. 2010: Dec +4.6; Nov +5.3; Oct +7.5; Sep +8.5; Aug +5.0. *WTO.*

• Europe airlines international seat sales: 2011: Mar +3.5; Feb +6.0. *AEA.*
• Europe airport passengers; ttl, intl: 2011: Feb +4.9 +5.4; Jan +7.3 +8.0. 2010: Dec +0.6 +1.5; Nov +6.9 +7.9. *ACI.*
• Europe air traffic, RPKs: 2011: Mar +5.3; 2011: Feb +7.4; Jan +7.9. 2010: Dec +3.3. *IATA.*
• Europe hotel occupancy, pts: 2011: Feb +1.5; Jan +6.9. 2010: Dec +4.4; Nov +4.6. *TBA.*
• Europe travel stocks index, on 100: 2011: Apr 77; Mar 76; Feb 79; Jan 83. *TBA.*
• Europe visitor arrivals: 2011: Jan +6.0. 2010: Dec +0.6; Nov +5.9; Oct +5.7; Sep +5.3; Aug +2.8. *WTO.*

• Air France-KLM seat sales (ttl, Eur/dom): 2011: Mar +1.2 +2.3; Feb +5.7 +7.3; Jan +6.7 +8.6.
• American Airlines seat sales: 2011: Mar -1.2; Feb +0.3; Jan +0.1.
• Amsterdam airport passengers: 2011: Feb +6.6; Jan +10.8. 2010: Dec +4.4; Nov +11.1; Oct +8.2.
• Austria visitor arrivals: 2011: Mar +6.1; Feb -7.1; Jan +5.8. 2010: Dec -1.8. *Tourmis.*

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MICE
ICCA rankings

Data from ICCA on association meetings* in 2010 indicates good growth, but it also raises a question on what drives growth.

There was bad publicity for the industry towards the end of 2008 following a casual comment by the recently-inaugurated US president Barack Obama - "You can't get corporate jets, you can't go take a trip to Las Vegas, or go down to the Super Bowl on the taxpayer's dime". The industry said his comment hurt all types of meetings business, and not just in the US.

In the year following that, 2009, ICCA counted 8294 events worldwide, up 11%. Yet in 2010, presumably when Obama's populist outburst was fading in collective memories, ICCA reported 9120 events, meaning the growth rate was slower, albeit by only one point.

We estimate growth in meetings in Europe was 10% in 2010, following 9% growth in 2009, 11% 2008, and 9% in 2007. The world's leading destination remains the US, following 5% growth. And that is another mystery – because the US grew 17% in the Obama-affected 2009, greatly outperforming other destinations. And so in statistical terms, we can interpret Obama's comment at best as having no affect – despite what the industry says – or, bizarrely, an apparent positive affect.

Worldwide, six of the top-10 country destinations were from Europe, two from Asia Pacific (Japan then China), and the other two were the US (No 1) and Brazil.

Germany reduced its gap with the US, and Spain, third country in the ranking since 2007, remained unchanged. The UK and France both climbed one place to 4th and 5th, pushing Italy back to 6th. Both Japan and China also climbed one place, pushing Brazil into 9th. Austria (which increased 20% in 2009 to enter the top-10), fell out again in 2010, with its place in the top-10 taken by Switzerland.

In terms of city destinations, most-visited destination remains Vienna; indeed, the

contd on p2

Headlines

Commentary on tables

- **Inbound trends.** Forecast for next 12-month period - *France* climbing to 76mn, *Spain* also adding 2mn, *UK* reducing its fall.
- **Outbound trends.** Forecast for next 12-month period – *France* no change, *Germany* adding 1mn, UK on track for 50mn after reducing its fall.
- **Air passenger trends.** Forecast for next 12-month period – *France* showing slight growth compared with previous fall, and so on track for 87mn, *Germany* strengthening further and so on track to add 10mn passengers, *UK* also looking good with a turnaround from a 3% fall to a near-4% growth, which would produce 9mn more passengers in next 12 months.
- **Forecasts.** Europe outbound; world inbound; airline traffic; others.

Visitor arrival trends*, next 12 months

Destination	Number,x1000	Growth,%
France	76,278	2.8
Spain	56,044	7.3
UK	30,135	7.5

Notes: *Statistical base on past performance. Source: WTO, Travel Business Analyst.

Resident departure trends*, next 12 months

Source	Number,x1000	Growth,%
France	23,527	-3.4
Germany	85,620	-0.3
UK	50,520	-5.9

Notes: *Statistical base on past performance; holiday and business only. Source: Eurostat, Travel Business Analyst.

Air passenger trends*, next 12 months

Market	Number,x1000	Growth,%
France†	91,724	6.3
Germany	149,823	5.6
UK	176,231	2.1

Notes: *Statistical base on past performance; arrivals and departures. †Three Paris airports only. Source: Aeroports de Paris, Statistisches Bundesamt, Civil Aviation Authority, Travel Business Analyst.

Official* travel industry forecasts

Item	Date†	Forecast	Source
US RPKs,'10/31	Mar	1.3t/2.7t	FAA
US ALs seat sales,'11	Mar	737m,+3.5%	FAA
US ALs seat sales,'31	Mar	1.3b;+2.8%/yr	FAA
Sheraton hotels opening,'11	Mar	25	company
Accor hotels,'15	Feb	1550,double	company
Accor owned hotels,'15	Feb	20%;now 60%	company
Accor A Club members,end-'11	Feb	7m;now 6.5m	company
Poland visitor arrivals,'12	Mar	13.5m;12.5m '10	VPO
Poland visitor arrivals,'15	Mar	14.3m;12.5m '10	VPO
Poland soccer visitors,'12	Mar	821k;454k o'night	VPO
Air travellers,ttl '14	Mar	3.3b;2.5b '09	IATA
Air travellers,dom '14	Mar	2b;1.5b '09	IATA
Air travellers,intl '14	Mar	1.3b;952m '09	IATA

Notes: All $s are US$s. †When forecast made. Source: *Management statements or documentation from relevant authority.

contd from p1

top-5 are the same as in 2009. Eight of the worldwide top-10 were in Europe. The other two were from Asia Pacific (Singapore and Sydney). And, unusual for any China measure, Beijing, which entered the top-10 in 2009, dropped out again in 2010, to joint-12.

Istanbul grew 20% to push Copenhagen out of the top-10. Also dropping out of the top-10 was Stockholm, and Bangkok dropped out of the top-20. Big movers: Madrid (which entered the top-20 only in 2009) from 13 to 6; Istanbul from 17 to 7; Sydney from 27 to 10; Taipei from 25 to 11.

Never quite clear is why there are no US cities in the top-20 - despite the US being much the largest country destination. This means no US city counts more than the 20th, which is Hong Kong, with 82 meetings. Surely Los Angeles or Miami or New York or Washington count more than that?

We are also surprised at Barcelona's high place - and it even overtook Paris to take 2nd place in 2009. The only newcomer in the top 20 is Hong Kong, with Athens dropping out.

Over the past 10 years, Spain has grown fastest – an annual average of 11%. But the largest destination, Germany, is not far behind with an average 10%. Lowest annual growth in the top-5 is for the UK, at an average 6%.

The growth pattern is different for cities, with remarkable growth for Barce-

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lona at an average annual 13%. Berlin's annual growth has averaged 12%, helped by its growing status as a major capital in Europe, and no longer behind the two traditional leaders, London and Paris. And the leader Vienna has also being growing fast – an annual average 11%.

However, our main analysis is based on multi-year results. We are inspired by the oft-repeated statement in the MICE segment of the travel business that single-year figures can be misleading – as can be seen with some unusual moves, as noted above. As a result, we calculate average-annual totals based on five-year periods - to balance out distortions caused by unusually-big or -small events in one year.

Our data, from previous ICCA reports, starts from 1997. We have broadly maintained earlier-year figures from past reports; we assume that changes would be minor and not cause any significant change. But ICCA changes past figures as new information comes in (for some as much as eight years after the event!), so this may change.

Over the past 15 years, ICCA has given us additional information for our analysis. This was refused for 2009 data and again for 2010. As a result, our coverage is limited to meeting numbers, rather than adding commentary on attendance numbers as well.

The following report is separated into country and city counts, and based on our 5-year calculations, not single-year results:

• **Countries**. The top-5 are the same as for the 2009 counts. But 9-year average growth rates are different - high for Germany (+11%) and Spain (+9%), but almost the same for UK, France, and Italy.

Next in the country-count is Netherlands, but with only a 5-year average of 213 but probably not likely to make the top-5 in the next few years.

• **Cities**. ICCA data occasion-

ZERO

An occasional column/section/report on the travel business and the environment

WTO tries harder

We have criticised the WTO (World Tourism Organisation) for talking-not-acting on the environment, often scoring 1-or-2 in our out-of-10 scale. A recent project may have a little more action, and so may warrant a 2-or-3.

With Indonesia's ministry of tourism, the WTO has launched what it calls an "energy efficiency project". True to form, it has a catchy name - Stream, for Sustainable Tourism through Energy Efficiency with Adaptation and Mitigation Measures in Pangandaran, even though that does not quite fit into 'Stream'.

The two want this project "to serve as a model of innovative climate change mitigation and adaptation measures in tourism destinations" in Southeast Asia.

The WTO describes the beach/surfing town of Pangandaran as a "popular tourism destination" in Indonesia, but most observers will probably have to google the place. Pangandaran is in Java, on the south coast, roughly between Bandung and Yogyakarta. It might be popular as the WTO says – we have seen no surveys – but it is hardly known outside backpackers and surfers, and little visited by foreign visitors.

The problem with the project and the main reason for our low 2/3 rating, is that nothing specific has been done. Worse, as well as the environmental measures, the project is also designed "to strengthen local structures for the long-term success of the destination". We are not sure what these actions will be, but they do not seem related to the environment.

And some planned measures are purely marketing – viz, "seminars and workshops to increase the knowledge and capacity of local [travel companies]".

In reference to the environment, the WTO says it will: apply energy efficiency and renewable energy technologies in hotels and public buildings; introduce low-carbon tourism planning tools; and adapt measures such as the rehabilitation of mangroves and coral reefs - which capture carbon emissions.

All of that is good – but there are simply no details, no timetable, no measurement (existing and planned).

Stream comes with good credentials. It is part of the 'International Climate Initiative' of Germany's ministry of environment. That ICI followed a vote in Germany's parliament to help "developing, newly industrialising and transition countries in order to contribute effectively to emission reductions and mitigation and adaptation to climate change".

But in the meantime, no-one has given details of the level of Germany's funding for this project, nor the results expected. We suggest Germany's government looks more carefully to ensure that it is not paying for something that will not advance its ICI program.

Meeting green

Among ICCA's practices for a 'green' conference, from its 2010 event:

-Delegate badge made of biodegradable material. Lanyard made of corn fibre.

-Delegate bags. Delegates asked to bring their own. But those supplied were made of jute, and biodegradable. When the event was over, delegates could return bags, which were donated to a local charity.

-Practical 'Spot Me' device for delegates enabled: to locate a delegate; provide information on delegates; messaging; program and evaluation; appointments.

-No gifts for speakers, but donations given to a local charity. Prize was a tree planted (in Scotland).

Table 1

Number of meetings in Europe

Item	2010	AAGR,%
Country, top-5		
Germany	542	10
Spain	451	11
UK	399	6
France	371	7
Italy	341	9
City, top-5		
Vienna	154	11
Paris	147	8
Barcelona	148	13
Berlin	138	12
Madrid	114	8

Notes: Order by size. See text for criteria. Criteria changed in 2002 but back numbers changed by ICCA only to 1998, so this causes slight distortion with TBA composite calculations. AAGR = average annual growth rate, 2000-10. *2007 estimates by TBA. Source: ICCA, Travel Business Analyst.

ally throws up odd results. *One year Sandton showed up in the top-5 - prompting us to visit Wikipedia (then; now we would google it; it is part of Johannesburg).*

And how can Budapest get into the top-5 and, say, London cannot? Also, as noted above, we are constantly surprised at Barcelona's high placement, and (for outside Europe) the absence of US cities.

Another surprise entry is Lisbon, which managed to get into the top-5. *Who knows of any company that holds ICCA-qualifying meetings in Lisbon?* But if Lisbon's high spot is a surprise, it also managed to pass Amsterdam and London on the way.

We have included some other cities for comparative purposes - most of these are based on extrapolations on ICCA data by Travel Business Analyst. These show that London was growing fast until 2010, prompting us to expect it would push Budapest out of the top-5.

We were also wrong about Paris; we thought Barcelona and Berlin would overtake the France capital. Neither happened.

Over the past decade of 5-year patterns (thus covering 15 years of totals), annual average growth rates have generally been high. This appears to be a good sign for the industry. But some commentary from ICCA appears to credit some of this growth to better research. It has been 'finding' more meetings that fit its criteria. If that is the case, this sector of the MICE business may not be growing as fast as some figures indicate.

Germany, the biggest country destination in Europe, has also been the fastest-growing – an annual average 11%. In terms of cities, the fastest-growing has been the city we think should not be in the top-5 (Lisbon; it is equal 5th with another strange inclusion, Budapest). Annual growth rate for the capital of Portugal has been a remarkable – and thus perhaps questionable – 15%.

That said, even the biggest city destination, Vienna, was growing an average annual 11% - also fast .

And note the rate for London – an annual average of 18%. *But we believe that until London is in the top-5, the ICCA measures are not quite in the real world. We find it hard to believe that there are (many) more association meetings in Budapest than in London.*

**ICCA compiles details of associations meetings only. To be counted, meetings must:*

- *Be organised on a regular basis. (No one-off events.)*
- *Rotate between at least three countries (for one year, 2001, it was four). (Not, for instance, ITB Berlin.)*
- *Have at least 50 participants. (No (small) company meetings.)*

ICCA was initially an abbreviation for the International Congress and Conventions Association. Then it used ICCA as a name, which it described as The International Meetings Association. It has now reverted to almost the same – ICCA, International Congress and Convention Association.

Table 2

Composite number of meetings in Europe, annual average

	2006-10	AAGR, %	2005-09	2004-08	2003-07	2002-06	2001-05	2000-04	1999-03	1998-02	1997-01
Country, top-5											
Germany	433	11	389	327	283	226	191	168	173	173	174
Spain	345	9	310	270	246	221	196	173	175	164	156
UK	325	7	299	255	229	203	176	167	179	178	184
France	314	8	288	248	209	181	155	144	147	151	155
Italy	289	8	260	216	190	160	147	137	139	135	140
City, top-5											
Vienna	151	11	146	122	113	93	75	60	65	63	60
Paris	132	11	121	104	86	71	55	51	50	50	52
Barcelona	126	12	119	103	92	86	75	61	59	52	47
Berlin	116	13	109	92	85	68	58	47	47	42	38
Budapest	89	10	87	78	68	61	49	42	43	41	37
Lisbon	89	15	81	73	67	57	50	42	36	30	26
Selected others:											
Amsterdam	88	8	84	75	67	57	49	42	40	42	44
Brussels	70	12	63	51	40	34	26	21	24	27	26
Copenhagen	84	5	79	72	68	67	68	63	60	61	55
London	77	18	81	62	45	27	20	12	17	17	17
Madrid	82	7	70	58	52	45	40	40	43	43	46

Notes: See also 'Notes' for Table 1. AAGR = average annual growth rate, 1997-01 to 2006-10. TBA calculations from ICCA data in relevant years. Estimates for last four-sets of composites as data for 2007 estimated by TBA. Source: as Table 1.

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• Berlin Tegel airport passengers: 2011: Feb +17.0; Jan +11.1. 2010: Dec +1.4; Nov +10.7; Oct +11.6. *ACI.*
• British Airways traffic (RPKs): 2011: Mar +11.9; Feb +1.2; Jan +6.4. 2010: Dec -10.8.
• Cathay Pacific RPKs, Europe: 2011: Apr +26.0; Mar -1.8; Feb -0.3.
• Delta Airlines seat sales: 2011: Mar +1.2; Feb +0.9.
• Dubai airport passengers: 2011: Feb +5.2; Jan +10.2. 2010: Dec +11.6. *ACI.*
• France visitor arrivals: 2010: Oct +5.1; Sep +5.8; Aug +2.5; Jul +2.3; Jun +3.7; May +7.5. *WTO.*
• Frankfurt airport passengers: 2011: Feb +8.3; Jan +5.2. 2010: Dec -1.6; Nov +5.6; Oct +8.5. *ACI.*
• Germany visitor arrivals: 2010: Dec +3.4; Nov +11.4; Oct +11.5; Sep +16.8; Aug +11.6; Jul +13.2; Jun +17.0; May +9.5. *WTO.*
• Hawaii visitor arrivals: 2011: Mar +11.8; Feb +3.1; Jan +12.0. 2010: Dec +9.5; Nov +18.4. PATA.
• Italy visitor arrivals: 2010: Nov +7.6; Oct -2.1; Sep -2.6; Aug NA; Jul -6.4; Jun +8.7. *WTO.*
• Japan Airlines seat sales Europe: 2011: Feb -35.2; Jan -25.1. 2010: Dec -29.7.
• Jet Blue Airways seat sales: 2011: Apr +7.3; Mar +9.0.
• London airports international passengers; Heathrow, Stansted: 2011: Mar +1.9 -6.6; Feb +0.7 -5.2; Jan +4.0 -5.4. *BAA.*
• Lufthansa seat sales (ttl, Eur/dom): 2011: Mar +2.3 +3.4; Feb +21.1 +23.1; Jan +17.4 +21.3.
• Netherlands visitor arrivals: 2010: Dec +8.4; Nov +11.5; Oct +10.6; Sep +13.9; Aug NA; Jul +7.9. *WTO.*
• Paris CDG airport passengers: 2011: Feb +4.6; Jan +3.9. 2010: Dec -2.2; Nov +3.5. *ACI.*
• Rome FCO airport passengers: 2011: Feb +3.2; Jan +6.1. 2010: Dec +5.1; Nov +8.6. *ACI.*
• Ryanair seat sales: 2011: Mar +7.3; Feb +4.5; Jan +5.0. 2010: Dec +2.5; Nov +2.0.
• Southwest Airlines seat sales: 2011: Apr +0.4; Mar +3.0; Feb +7.1.
• Spain visitor arrivals: 2011: Apr +20.9; Mar +0.6; Feb +4.3; Jan +4.7. 2010: Dec -4.6. *gov.*
• Switzerland visitor arrivals: 2010: Dec -4.3; Nov +3.7; Oct +3.4. *WTO.*
• Turkey visitor arrivals: 2010: Dec -4.8; Nov +4.6; Oct +9.8; Sep +12.4. *WTO.*
• UK resident departures: 2011: Feb +0.4; Jan +0.3. 2010: Dec -14.6; Nov -7.3. *gov.*
• UK visitor arrivals: 2011: Feb -0.3; Jan -1.6. 2010: Dec -7.6; Nov +5.3. *gov.*
• United Airlines (inc CO) seat sales: 2011: Mar -3.2; Feb -3.0.
• US air international passengers: 2010: Dec +6.8; Nov +8.0; Oct + 10.1. *gov.*
• US hotels occupancy, pts: 2011: Feb +2.7; Jan +5.8. *Smith.*
• US hotel rooms planned: 2011: Apr -12.2; Mar -8.2; Feb -11.1. *Smith.*
• US resident departures: 2010: Jun +11.0; May +7.7; Apr -4.5. *PATA.*
• US travel agency sales: 2011: Mar -3.4; Feb +11.9; Jan +10.5. 2010: Dec +8.1. *ARC.*
• US visitor arrivals: 2011: Jan +2.8. 2010: Dec +1.0; Nov +1.6. *PATA.*

Market Headlines

Full-year market results.
(none)

Main News

Corporate

Recent corporate developments - big or significant.
• Singapore says it will start a medium/long-haul lower-cost subsidiary airline. This seems to be what we call a J-Plan-airline (after what Qantas is doing with Jetstar International).

Market

Recent market developments - big or significant.
(none)

Headlines

Comments on tables pages 6-12

Aviation. **T1**. Airlines. Data for two months of 2011. To watch – poor figures for *Iberia*, holding back *British Airways*' long-awaited recovery. And is *Virgin* in trouble – traffic falling when most others are increasing? Is that the reason V agreed an airline franchise deal in *Australia* – to bring in some cash? *Lufthansa* is storming ahead (up 20%). Also watch *Alitalia*. It counted traffic recovery after linking up with *Air France*, but it slipped back in February. If that is the start of a new pattern, then the AF link and much else would be in question again. Among LFAs/hybrids, another fall (a sizeable 10%) for *Germanwings*; what game is its Lufthansa owner playing? *Easyjet* and *Ryanair* switch their general patterns – E is growing fast, and R is not growing fast enough. And spare a thought for *Air Berlin*; it has tried so hard, with so many different ideas (routes, link-ups, partners, marketing), but it is not working. It cannot survive long with a 1% traffic growth and 72% loads. Time for cash-only. **T2**. First-2011-data for airline association member airlines in Asia Pacific. First two months for Europe (AEA) and world (IATA). **T3**. Airports. First-2011-data. A good start. Only some of our *'low-fare-airports'* in trouble - *Cologne*, *Frankfurt Hahn*, *London Stansted*; data courtesy ACI. **T4**. New data for *Paris* and *UK*; others unchanged.

Inbound. **T14**. Visitor spending. Updates for *Cyprus*, *Estonia*, *Finland*, *Iceland*, *Latvia*, *Lithuania*, *Malta*, *Romania*, *Serbia*, *Slovakia*, *Slovenia*, and all-*Europe*, courtesy WTO. **T15**. Visitor arrivals. Updates for *Albania*, *Andorra*, *Bosnia*, *Estonia*, *Finland*, *Liechtenstein*, *Monaco*, *Slovakia*, courtesy WTO.

Outbound. **T6**. Outbound travel spending. Updates for *Austria*, *Belgium* (up 2%), *Norway* (up 9%), *Spain* (up 5%), *Sweden* (up 6%), *Switzerland* (down 1%), courtesy WTO. **T7**. Updates for *Bulgaria*, *Croatia*, *Cyprus*, *Czech R*, *Latvia*, *Lithuania*, *Romania*, *Slovenia*, courtesy Eurostat.

Hotels. **T10**. Europe first-two-months. *Occupancy* up two points to 63%, *average room rate* up (in US$ terms) US$40, pushing *yield* up US$25 to US$25.

Others. **T5**. Travel stock market prices. What are the results telling us? All hotel groups down; OTA *Expedia* up 15%; 'regular agencies' (*Kuoni*, *Thomas Cook*, *TUI*) all down. **T8.** *Internet*; conversion rates from airline and OTA sites. **T12**. *Stock price* index for Europe still below replacement level, holding down the World index, based on Dec 06.

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Special

Airlines reduce profit outlook

IATA (International Air Transport Association) further downgraded its 2011 airline industry profit forecast to US$4bn, a 54% fall on its forecast in March and a 78% fall compared with the US$18bn profit in 2010.

The expected reasons given are the natural disasters in Japan, unrest in the Middle East and North Africa, plus the increase in oil prices.

The average oil price for 2011 is now expected to be US$110 per barrel, up 15% on the earlier forecast of US$96. For each $1 increase, airline costs increase US$1.6bn. Traffic is now expected to grow 4.4% this year, compared with the 5.6% forecast in March.

Price-sensitive leisure travel has fallen 3–4% this year, but premium passenger growth is expected to be 5–6%.

By regions: Europe airlines are expected to earn US$500mn this year, down from the US$1.9bn in 2010, with traffic expected to increase 3.9%; North America airlines US$1.2bn, down from US$4bn, with traffic up 4.0%; Asia Pacific airlines US$2bn, down from US$10bn, with traffic up 6.4%.

Airline outlook

Item	2011	2010	2009	2007
Passenger revenue,US$bn	457	425	374	399
Seats sold,mn	2793	2681	2479	2497
Rev/seat sold,US$	164	159	151	160
Traffic* growth,%	4.7	10.3	-4.3	6.0
Europe	3.9	5.0	-7.7	2.1
North America	4.0	9.9	-6.3	3.5
Asia Pacific	6.4	12.6	-2.2	7.8
Net profit,US$bn	4.0	18.0	-9.9	14.7
Europe	0.5	1.9	-4.3	6.4
North America	1.2	4.1	-2.7	5.5
Asia Pacific	2.1	10.0	-2.7	3.0

Notes: Forecast for 2011. *RTKs, a measure that includes freight. Source: IATA.

1 Regular-airline traffic*, 2011

	Mar 11				YTD							
Airline	SS,x1000	+/-,%	RPK,mn	+/-,%	SS,x1000	+/-,%	ASK,mn	+/-,%	RPK,mn	+/-,%	SF	+/-,pts
Aegean	406	-13.9	369	-10.0	1139	-14.5	1714	-5.8	1023	-9.3	59.7	-2.3
Air France	3916	-0.1	10311	-0.6	10857	3.5	38135	3.1	29454	2.3	77.2	-0.6
Europe†‡	4068	2.3	3174	3.4	10984	5.8	12834	3.2	8541	6.9	66.5	2.8
Alitalia	1799	0.3	2497	-4.3	4801	1.7	10527	-0.9	6723	-2.4	63.9	-1.0
Austrian	747	-0.6	1182	-5.4	1982	1.1	4759	4.8	3285	-1.1	69.0	-4.2
BMI	442	-14.1	416	-17.4	1171	-11.9	2110	-7.3	1143	-16.8	54.1	-6.1
British AW	2614	17.6	9033	12.0	7234	10.3	35574	9.9	25659	6.6	72.1	-2.3
Brussels	446	11.4	648	15.9	1152	10.8	3091	14.9	1738	14.2	56.2	-0.4
Czech	334	-10.6	376	-7.7	846	-14.5	1561	-8.0	963	-10.6	61.7	-1.8
Finnair	570	-1.0	1466	0.3	1538	0.0	5947	14.5	4094	2.3	68.8	-8.2
Iberia	1517	-8.3	4184	2.7	4196	-6.8	15356	7.0	12015	3.6	78.2	-2.6
KLM	1963	4.3	6446	3.5	5351	6.3	22770	5.7	18224	5.3	80.0	-0.3
LOT-Polish	333	7.0	464	4.5	895	6.9	1933	12.3	1251	5.6	64.7	-4.1
Lufthansa	4921	2.7	10716	1.3	13270	13.0	41377	13.8	30053	9.6	72.6	-2.8
Europe†‡	3980	3.5	2927	5.1	10562	14.3	12413	17.0	7760	15.8	62.5	-2.8
SAS	1958	2.2	1956	-1.2	5081	3.4	7637	5.7	5132	1.9	67.2	-2.5
Swiss	1230	4.3	2524	6.0	3397	5.9	9438	11.8	7206	8.9	76.3	-2.0
TAP	707	7.5	1804	4.5	1993	5.9	7474	1.5	5300	3.3	70.9	1.2
Turkish	2316	7.4	4092	14.0	6490	7.4	16674	17.8	11228	12.7	67.3	-3.0
Virgin A'tic	392	-9.6	2850	-9.7	1122	-6.0	11612	3.3	8188	-6.1	70.5	-7.0
AF+KL	5879	1.3	16757	1.0	16208	4.4	60905	4.1	47677	3.4	78.3	-0.5
AF+KL+AZ	7678	1.1	19254	0.3	21009	3.8	71431	3.3	54400	2.7	76.2	-0.5
BA+IB	4131	6.5	13217	8.9	11429	3.4	50931	9.0	37674	5.6	74.0	-2.4
Europe‡	1730	10.3	2105	7.4	4644	5.3	8689	5.2	5624	3.6	64.7	-1.0
LH+LX	6151	3.0	13240	2.1	16667	11.5	50815	13.4	37258	9.5	73.3	-2.6
LH+LX+BD+SN+OS	7786	1.9	15486	1.4	20971	8.8	60775	11.9	43423	7.9	71.4	-2.7

NNotes: See Master Notes this page. SS and SF for low-fare-airlines includes free tickets and no-shows. E = TBA estimate, pts = points. *Domestic and international. †Includes KLM for AF. ‡Includes (national) domestic. Source: airlines, Association of European Airlines, Travel Business Analyst.

Low-fare-airline traffic, 2011

Airline		
Air Berlin	*Mar 11*	*YTD*
SS,x1000	2345	6227
Growth,%	-2.4	-0.1
SF,%	74.2	73.3
Easyjet	Mar 11	YTD
SS,x1000	*4436*	*12013*
Growth,%	11.9	14.4
SF,%	86.9	84.8
Ryanair	Mar 11	YTD
SS,x1000	5728	14958
Growth,%	*7.8*	*5.9*
SF,%	79.0	76.3
SS,x1000	*Mar 11*	*YTD*
Germanwings	509	1347
Growth,%	-4.3	-6.2
Norwegian	1155	3056
Growth,%	13.1	13.9
Southwest	7934	21109
Growth,%	3.0	4.9

Master Notes: AL = Airline, ASK = available-seat km, AW = Airways, CH = Switzerland, DE = Germany, E = TBA estimate, ES = Spain, FR = France, GB = UK, IT = Italy, J-D = January-December, LF = load factor, NA = not available, na = not applicable, NL = Netherlands, P = provisional, Pax = passenger, RPK = revenue-passenger km, Q = quarter (of year), SE = Sweden, SF = seat factor, SS = seats sold, YTD = year-to-date.

2 Operating results of airline groups in Europe, US, Asia Pacific, and world

Item	Europe,AEA				US,BTS		Asia Pacific,AAPA		World % growth,IATA	
	YTD	Growth,%	Dec 10	Growth,%	J-D 10	Growth,%	J-D 10	Growth,%	Feb 11	YTD
SS,mn	55.9	5.4	18.2	7.2	22.5	63.4	30.8	5.0	NA	NA
ASKs,mn	229,364	8.4	78,387	7.9	124,924	67.0	152,665	7.2	8.6	8.9
RPKs,mn	167,273	5.0	57,280	6.4	92,766	64.8	118,264	4.9	3.8	5.9
Pax LF,%	72.9	-2.4	73.1	-1.0	74.3	-1.0	77.5	-2.1	74.6	74.5
	Mar 11	Growth,%	Dec 10	Growth,%	Feb 11	Growth,%	Feb 11	Growth,%	Feb 11	YTD
SS,mn	20.6	3.5	18.3	1.6	6.7	3.3	14.6	2.8	NA	NA
ASKs,mn	80,460	8.2	73,581	2.3	38,187	9.7	72,240	6.8	9.3	9.2
RPKs,mn	59,430	3.0	55,987	1.8	27,029	5.3	54,995	2.9	6.0	7.3
Pax LF,%	73.9	-3.7	76.1	-0.3	70.8	-3.0	76.1	-2.9	73.0	74.5
	Feb 11	Growth,%	Nov 10	Growth,%	Jan 11	Growth,%	Jan 11	Growth,%	Jan 11	YTD
SS,mn	17.1	6.0	19.6	7.9	7.6	3.9	16.1	7.2	NA	NA
ASKs,mn	70,517	9.0	76,068	6.9	42,268	5.7	80,425	7.6	9.1	9.1
RPKs,mn	50,563	5.8	57,080	6.7	32,072	4.8	63,270	6.7	8.2	8.2
Pax LF,%	71.7	-2.3	75.0	-0.1	75.9	-0.6	78.7	-0.6	75.7	75.7

Notes: International. *Points. Source: Association of European Airlines, Bureau of Transportation Statistics, Association Of Asia Pacific Airlines, International Air Transport Association.

3 Passengers in 2011 through: Europe's leading airports and city-group airports,x1000

Airport	Month	Month	Growth,%	YTD	Growth,%
Amsterdam	Feb	3,051	6.6	6,314	8.7
Barcelona*	Feb	2,085	14.1	4,091	16.9
Berlin*,x3	Feb	1,588	10.9	3,135	10.4
TXL	Feb	1,122	17.0	2,179	14.1
Brussels*	Feb	1,090	1.3	2,210	4.8
Copenhagen*	Feb	1,517	5.4	3,014	7.0
Frankfurt*,x2	Feb	3,751	6.8	7,804	5.5
FRA	Feb	3,575	8.3	7,440	6.7
intl	Feb	3,075	7.4	6,460	6.7
London,x5	Feb	8,683	0.1	17,765	2.6
LHR*	Feb	4,622	0.5	9,674	2.6
intl	Feb	4,259	0.7	8,940	2.4
LGW*	Feb	2,102	2.2	4,198	6.7
Madrid*	Feb	3,398	-0.5	6,966	1.7
Milan*,x3	Feb	2,385	4.1	4,992	6.9
MXP	Feb	1,260	3.2	2,695	6.2
Moscow*,x2	Feb	3,076	5.4	6,722	8.2
Paris*,x3	Feb	6,079	6.3	12,562	6.2
CDG*	Feb	3,999	4.6	8,316	4.3
intl	Feb	3,638	4.2	7,566	3.8
ORY*	Feb	1,839	8.8	3,761	9.0
Rome*,x2	Feb	2,588	2.9	5,373	4.7
FCO	Feb	2,254	3.2	4,683	4.7
Zurich*	Feb	1,619	5.0	3,303	5.0
Europe total*	Feb	92,004	4.9	187,172	6.1
intl	Feb	63,025	5.4	129,291	6.7

Europe's 'low-fare' airports†,x1000

Airport	Month	Month	Growth,%	YTD	Growth,%
Berlin Schonefeld*	Feb	466	-1.4	956	3.0
Cologne*	Feb	534	-8.5	1,095	-6.7
Frankfurt Hahn*	Feb	176	-17.4	364	-14.0
Dublin*	Feb	1,189	-3.4	2,385	-1.5
Geneva*	Feb	1,092	8.5	2,250	9.7
London					
LTN*	Feb	575	3.5	1,155	6.4
STN	Feb	1,160	-6.3	2,306	-6.0
Milan Bergamo*	Feb	521	4.0	1,076	5.7
Rome Ciampino*	Feb	334	1.4	690	5.0
Paris Beauvais*	Feb	240	16.2	485	19.1
LFA total‡	Feb	6,290	-0.8	12,763	1.1

Notes: *Domestic and international; marked when international-only. †Airports with sizeable portion of LFA traffic (some are also in main city counts). ‡Of those listed here. Source: Airports Council International, except for Amsterdam and BAA London (LHR STN).

4 Air passenger traffic to/from selected countries, x1000

From/to	France†				Germany				UK				US‡			
	Mar	+/-*	YTD	+/-*	Dec	+/-*	YTD	+/-*	Feb	+/-*	YTD	+/-*	Dec	+/-*	YTD	+/-*
To/from	11	%	11	%	10	%	10	%	11	%	11	%	10	%	10	%
Belgium	8	33.6	21	21.2	96	5.2	1253	-0.4	89	-10.8	170	-5.5	93	2.6	1073	-1.8
France	na	na	na	na	447	-0.5	6412	0.0	688	-0.3	1358	0.3	442	6.1	5713	-3.6
Germany	380	4.6	1017	9.2	na	na	na	na	807	4.9	1580	7.4	701	-1.4	9235	-1.4
Ireland	63	8.0	171	11.0	91	-13.8	1325	-10.1	708	-6.0	1389	-2.6	119	-20.5	1751	-18.0
Italy	503	6.4	1329	7.0	650	5.7	10494	4.3	608	5.3	1197	6.3	175	4.4	2762	1.7
Netherlands	83	-6.3	226	-6.2	200	6.8	2744	5.2	526	3.7	1013	2.9	332	3.4	4073	-5.7
Spain	474	7.7	1243	10.5	1050	0.9	20877	3.3	1448	2.3	2809	2.6	194	19.9	2647	12.5
Switzerland	156	-2.3	439	2.3	429	2.7	5401	1.6	580	5.4	1154	5.1	155	11.0	1789	8.2
UK	308	-3.3	867	-1.5	829	-3.5	11056	4.5	na	na	na	na	1080	-6.5	14876	-6.5
US	**450**	**4.4**	**1175**	**4.5**	**713**	**0.7**	**9499**	**3.9**	**888**	**-1.4**	**1951**	**0.7**	**na**	**na**	**na**	**na**
Total	**6079**	**6.3**	**12562**	**6.2**	**9473**	**3.3**	**141914**	**5.6**	**10973**	**0.5**	**22297**	**2.1**	**11288**	**6.8**	**135928**	**7.1**

Notes: *Over same period, year earlier. †(Three) Paris airports; total is Feb and Jan-Feb. Source: Aeroports de Paris, Statistisches Bundesamt, Civil Aviation Authority, Department of Transportation.

5 Stock market last-day closing prices

Company	Market	Price, local currency* Dec 05	Dec 10	Mar 11	Apr 11	Growth†,% stock	market
Airlines							
Air France	Paris	18.4	13.6	11.9	11.9	0.0	-[illegible].5
Easyjet	London	381	440	338	348	3.0	-2.3
IAG (BA/IB)	London	334	273	233	238	2.5	-2.3
Lufthansa	Frankfurt	12.6	16.4	15.1	15.3	1.5	-4.0
Ryanair	Dublin	8.30	3.77	3.32	3.50	5.3	-1.1
SAS	Sweden	17.1	22.5	22.8	20.1	-11.8	-0.3
Hotels							
Accor	Paris	46.9	33.3	32.1	30.0	-6.6	-3.5
InterContinental	London	840	1243	1300	1311	0.8	-2.3
Marriott	New York	33.5	41.5	35.8	35.5	-1.0	-4.5
Sol Melia	Madrid	11.0	6.95	8.10	8.80	8.6	-5.0
Others							
Avis Europe	London	72.8	237	189	194	2.9	-2.3
Carnival	New York	53.5	45.9	38.8	38.3	-1.1	-4.5
EADS	Paris	32.0	17.4	20.8	20.9	0.6	-3.5
Eurotunnel	London	18.0	7.03	7.08	6.62	-6.5	-2.3
Expedia	New York	NA	25.3	22.6	24.7	9.0	-4.5
Fraport	Frankfurt	44.9	47.2	51.2	54.0	5.5	-4.0
Kuoni	Zurich	557	454	424	398	-6.1	-0.7
Thomas Cook	London	NA	190	175	171	-2.0	-2.3
TUI	Frankfurt	17.8	10.50	8.47	8.61	1.7	-4.0

Notes: See Master Notes, page 6. IAG = International Airline Group (BA and IB) from Jan 11; BA before this. *Euro in Euro countries (in table includes FR, DE, IE, ES). †Latest month over month earlier. ‡Reissue means not all prices comparable; now privately-owned. Source: respective stock markets.

6 Spending on foreign travel by residents

Source	Jan-	US$bn	+/-,%	Jan*-	US$bn	+/-,%
Austria	Sep‡	10.8	-0.3	Dec	10.8	0.3
Belgium	Sep‡	18.2	1.6	Dec	17.9	-4.4
Czech R	Jun‡	3.8	-8.4	Dec	4.1	-0.7
Denmark	Sep‡	9.2	3.6	Dec	8.9	-3.7
Finland	Dec‡	4.4	1.1	Dec	4.4	2.7
France	Dec	38.5	-1.9	Dec†	43.1	9.6
	Dec‡	40.1	4.1	Dec	38.5	-1.9
Germany	Dec	80.8	-6.3	Dec†	91.2	2.3
	Dec‡	83.4	2.7	Dec	81.2	-5.9
Greece	Dec‡	3.1	-10.2	Dec	3.4	-9.5
Hungary	Jun‡	2.6	-27.9	Dec	3.6	7.1
Ireland	Sep‡	8.3	-6.0	Dec	8.8	-10.9
Italy	Nov‡	28.5	2.3	Dec	27.9	-4.3
Luxembourg	Jun‡	3.6	1.3	Dec	3.6	0.7
Netherlands	Sep‡	20.6	-0.7	Dec	20.7	0.4
Norway	Dec‡	13.9	9.1	Dec	12.7	-3.0
Poland	Sep‡	8.0	9.2	Dec	7.3	-4.2
Portugal	Aug‡	4.1	8.4	Dec	3.8	-7.7
Russia	Sep‡	26.2	26.0	Dec	20.8	-12.7
Spain	Dec‡	17.7	4.8	Dec	16.9	-12.6
Sweden	Dec‡	12.6	5.9	Dec	11.9	-6.1
Switzerland	Sep‡	10.8	-0.9	Dec	10.9	0.0
Turkey	Dec‡	4.8	16.4	Dec	4.1	18.3
UK	Dec	57.2	-16.5	Dec†	68.5	4.4
	Sep‡	48.2	-3.8	Dec	50.1	-13.6
Ukraine	Jun‡	3.6	10.4	Dec	3.3	-17.2

Notes: Growth may not tally with previous figure shown. *2009 unless stated otherwise. †2008. ‡2010. Source: WTO.

Notes: †2008 or ‡2010; full year, based on YTD growth rate shown.

7 Outbound travel by residents

Country	Jan thru*:	Departures x1000	Growth %	Source:
Austria-BH	Mar‡	1,200	-21.1	Eurostat
Bulgaria-BH	Dec	670	-24.0	Eurostat
Croatia-BH	Dec	1,873	-25.3	Eurostat
Cyprus-BH	Dec	1,072	4.7	Eurostat
Czech R-BH	Dec	6,429	-2.9	Eurostat
Finland-BH	Dec	6,633	12.2	Eurostat
France-BH	Dec	24,308	-0.2	Eurostat
Germany-BH	Mar‡	15,808	-6.9	Eurostat
Hungary-BH	Sep	3,442	-5.9	Eurostat
Latvia-BH	Dec	1,118	4.1	Eurostat
Lithuania-BH	Dec	1,411	9.5	Eurostat
Luxembourg-BH	Dec	1,507	-10.5	Eurostat
Norway-BH	Dec	1,350	-79.6	Eurostat
Poland-BH	Dec	6,388	11.8	Eurostat
Romania-BH	Dec	750	-14.5	Eurostat
Slovakia-BH	Dec	2,692	-16.7	Eurostat
Slovenia-BH	Dec	2,874	11.2	Eurostat
Spain-BH	Dec	12,212	5.5	Eurostat
Sweden-BH	Sep	8,507	10.2	Eurostat
UK	Dec	49,108	-5.6	Eurostat

Notes: *2010 unless stated otherwise. †2009. ‡2011. BH = business and holiday trips only, ETM = European Travel Monitor (figures often do not tally one year to next), H = holiday trips only, NTO = national tourist office, Ot = Other. Source: See column.

8 Internet bookings/sales of selected companies/ markets

Company/description	(same)	Period	Number	Previous	Source
Bookings growth	Egypt	Feb	-85%	+2%	Pegasus
	Egypt	Apr	-88%	-79%	Pegasus
	Tunisia	Feb	-20%	+3%	Pegasus
	Tunisia	Apr	-97%	-76%	Pegasus
	Japan	Mar 19	-109%	-269%	Pegasus
	New Zealand	Mar 8	-35%	-26%	Pegasus
Bookings share	Supplier/OTA	2011	59/41	59/41	PCW
	Supplier/OTA	2012	60/40	59/41	PCW
Airline sites	Conversions	Q2 '10	10%	12% '08	PCW
OTA sites	Conversions	Q2 '10	8%	7% '08	PCW
OTA bookings	Latin America	2013	$5b	$3b '11	PCW
Accor mobile sites	Monthly visitors	current	600k	na	company
Accor mobile sites	Turnover	current	$11m	na	company
Travel site searches	UK/France	current	3.34/2.05%	na	Hitwise
Site visits	Before booking	2010	10	8 '08	Google
	Average	2010	22	19 '08	Google
	Before trip	2010	5.4	5.8 '08	Google
Travel search	from mobiles	2010	1200%	na	Google
Hotel search	from mobiles	2010	3000%	na	Google
Travel bookings	from mobiles	2010	$200m	$20m '08	Google
ADS bookings growth	Hotels,world	2010	10.30%	10.7% H1	Pegasus
	Hotels,NAm	2010	8.90%	9.7% H1	Pegasus
	Hotels,Eur	2010	21.70%	16.3% H1	Pegasus
Carlson bookings	Online share	2015	30%	10% '10	company

Notes: See Master Notes, page 6, and Net Value. All $s are US$s. Source: various.

10 Hotel results in Europe*, March

Location	Occupancy,%				Average room rate,					Revpar,			
					local	US$*				US$*			
	2011		2010		2011	2011		2010		2011		2010	
	Mth	YTD	Mth	YTD	YTD	Mth	YTD	Mth	YTD	Mth	YTD	Mth	YTD
Amsterdam-all	71.4	63.1	72.6	60.9	165	254.94	228.92	214.40	199.44	182.11	144.51	155.62	121.52
U-4	63.4	56.1	65.9	58.2	172	267.99	239.22	216.81	188.97	169.86	134.17	142.91	110.02
5-star	80.1	70.7	77.3	63.0	159	243.80	220.10	212.97	206.88	195.34	155.69	164.53	130.38
Berlin-all	68.2	63.9	65.9	61.3	133	184.41	185.01	209.41	204.50	125.75	118.25	137.94	125.33
L-4	67.9	64.0	58.1	56.7	106	142.07	146.51	172.54	164.35	96.47	93.71	100.22	93.18
U-4	68.3	63.9	68.1	62.6	143	198.94	198.33	218.37	214.86	135.87	126.73	148.68	134.49
Brussels	NA	63.4	72.6	63.3	130	NA	180.22	174.34	154.18	NA	114.31	126.65	97.55
L-4	NA	55.5	72.4	65.2	119	NA	164.46	147.93	131.06	NA	91.27	107.17	85.51
U-4	NA	69.7	72.9	60.6	137	NA	190.14	210.09	188.11	NA	132.52	153.18	113.95
Copenhagen	NA	75.6	69.0	69.3	868	NA	161.61	161.55	157.74	NA	122.10	111.45	109.32
Frankfurt-all	63.8	64.8	62.1	62.4	137	193.98	190.02	167.22	175.60	123.78	123.10	103.88	109.52
L-4	71.5	70.1	53.2	55.0	118	175.24	164.32	146.42	152.34	125.27	115.27	77.94	83.80
U-4	61.3	63.0	65.6	65.3	144	201.03	199.25	173.86	183.49	123.30	125.62	114.09	119.88
Geneva	76.4	67.5	68.6	60.2	461	405.18	494.69	379.47	337.07	309.68	334.08	260.45	202.88
Istanbul	NA	65.2	63.2	57.6	297	NA	188.02	208.32	186.29	NA	122.59	131.69	107.33
London-all	NA	77.1	80.9	76.7	156	NA	250.63	249.26	238.62	NA	193.26	201.66	183.00
L-4	NA	80.9	84.1	80.5	115	NA	184.63	170.20	162.34	NA	149.36	143.12	130.63
U-4	NA	71.6	79.2	73.8	186	NA	298.88	297.64	285.56	NA	214.12	235.78	210.81
5-star	NA	74.9	77.0	74.0	294	NA	473.54	428.82	409.55	NA	354.67	330.14	303.10
LHR AP	NA	76.0	82.9	78.6	68	NA	109.61	102.79	99.74	NA	83.30	85.24	78.40
Madrid	NA	60.2	59.7	55.7	139	NA	192.69	166.01	166.15	NA	115.98	99.08	92.59
Moscow	73.5	75.8	69.8	64.1	4193	158.97	144.46	235.37	209.06	116.87	109.50	164.20	133.97
Paris-all	NA	69.1	74.9	68.6	253	NA	351.18	308.94	290.83	NA	242.54	231.51	199.54
U-4	NA	59.8	76.7	71.1	160	NA	222.58	210.92	197.93	NA	133.14	161.83	140.72
5-star	NA	73.5	77.2	67.9	289	NA	400.96	428.66	406.87	NA	294.54	330.98	276.16
CDG AP	NA	NA	69.0	67.7	NA	NA	NA	155.42	160.15	NA	NA	107.31	108.49
Rome	NA	47.8	62.4	53.0	211	NA	292.91	202.84	197.95	NA	140.07	126.66	104.94
Vienna	NA	NA	70.3	58.7	NA	NA	NA	146.25	131.31	NA	NA	102.87	77.02
Warsaw	NA	NA	65.6	60.5	NA	NA	NA	128.69	467.68	NA	NA	84.43	283.07
Zurich	73.0	67.7	74.3	68.0	219	253.86	235.23	198.71	178.93	185.26	159.33	147.66	121.62
OTHERS													
Beijing	71.8	57.7	71.9	56.2	638	97.68	97.09	114.93	106.66	70.17	56.03	82.59	59.91
Dubai*	76.4	80.1	76.4	81.1	511	138.53	139.11	265.06	234.09	105.90	111.49	202.50	189.83
Los Angeles	72.3	69.4	68.0	64.8	123	121.14	123.32	114.64	115.35	87.62	85.60	77.93	74.75
Miami	85.7	80.8	81.1	77.9	181	188.45	181.46	180.77	182.70	161.41	146.62	146.60	142.41
New York	78.2	70.1	81.4	72.0	197	206.84	197.29	194.53	188.06	161.77	138.35	158.37	135.34
Sydney	89.4	87.8	85.2	86.8	226	222.84	228.89	207.61	184.72	199.14	201.06	176.87	160.28
Tokyo	52.3	63.8	75.0	69.9	21879	285.81	266.51	237.12	242.57	149.61	169.98	177.90	169.47
Europe	72.8	66.3	69.4	63.6	na	245.91	242.30	222.29	209.17	180.20	159.75	155.56	133.48
US†	61.4	54.9	57.9	51.9	99	101.72	99.37	97.90	96.27	62.47	54.56	56.67	50.01
Asia Pacific‡	73.0	72.0	74.0	69.5	na	150.49	151.90	151.49	144.97	110.03	111.14	113.87	102.65
World	69.1	64.4	67.1	61.7	na	166.04	164.52	157.23	150.14	117.56	108.48	108.70	95.38

Notes: See Master Notes, page 6. Not all categories are shown every month; all categories available at low additional cost. Source: *Travel Business Analyst Europe, †Smith Travel Research, ‡Travel Business Analyst Asia Pacific.

11 IATA travel agencies† in Europe, 2009

Country	Locations	Growth %	Net Sales US$mn*	Growth %	Per agency US$mn*	Growth %
Austria	226	0.0	1130	-23.9	5.00	-23.9
Balkans	70	0.0	107	9	1.53	9
Belgium‡	567	0.0	1860	-25.0	3.28	-25.0
Bulgaria	192	0.0	177	-30.7	0.92	-30.7
Croatia	88	0.0	122	-26.9	1.39	-26.9
Cyprus	157	3.3	300	-27.8	1.91	-30.1
Czech R‡	222	0.0	599	-24.5	2.70	-24.5
Finland	240	0.0	1110	-28.6	4.63	-28.6
France	3,633	0.0	11566	-20.0	3.18	-20.0
Germany	3,490	0.0	11334	-23.0	3.25	-23.0
Greece	903	-3.7	1485	-19.4	1.64	-16.3
Hungary	244	0.0	271	-35.2	1.11	-35.2
Ireland	350	0.0	497	-36.6	1.42	-36.6
Italy‡	2,708	-9.1	6594	-21.3	2.44	-13.4
Malta	76	0.0	61	-22.9	0.80	-22.9
Netherlands	334	-2.6	3135	-23.6	9.39	-21.5
Nordics‡	1,326	0.0	5994	-23.4	4.52	-23.4
Poland	310	-3.4	613	-35.9	1.98	-33.6
Portugal	899	0.0	1071	-18.5	1.19	-18.5
Romania‡	285	-2.1	386	-37.4	1.35	-36.1
Russia	516	3.0	1502	17.2	2.91	13.8
Serbia‡	164	0.0	154	-26.6	0.94	-26.6
Slovenia	48	0.0	92	-29.4	1.92	-29.4
Spain‡	7,372	-3.5	6418	-23.6	0.87	-20.7
Switzerland‡	847	0.0	2766	-19.0	3.27	-19.0
Turkey	484	7.6	876	-28.5	1.81	-33.5
Ukraine	294	0.0	441	-18.7	1.50	-18.7
UK	2,339	0.0	12459	-32.2	5.33	-32.2
Europe	28,740	-0.7	74,474	-22.7	2.59	-22.2
US	15,928	-9.9	65,806	-17.3	4.13	-8.2
Asia Pacific	13,645	-0.4	58,768	-20.0	4.31	-19.6
World	58,313	-3.3	199,048	-20.2	3.41	-17.4

Notes: See Master Notes, page 6. World; regions listed here. IATA = International Air Transport Association. *Quoted in US$. †Under the IATA billings and settlement plan. ‡Additional countries, in order of listing: Luxembourg, Slovakia, San Marino, (3) Baltics, Moldava, Montenegro, Andorra, Liechtenstein. Source: IATA, Airlines Reporting Corporation.

12 TBA100 travel stock indices*

Region	April 2011
Asia Pacific	77
Europe	112
World†	86

Notes: *Base is last trading day in December 2006. †Comprising Asia Pacific (10 stocks), Europe(12), US (8). Source: Travel Business Analyst.

13 Economic indicators of major markets in Europe, 2011

	GNP/GDP		Retail sales	Consumer prices†		Wages/earnings‡	
Country	1 year	3 mths*	1 year	1 year	year ago	1 year	year ago
France	1.5 Q4	1.4	3.9 Feb	2.0 Mar	1.6	1.8 Q4	1.9
Germany	5.4 Q1	6.1	-0.6 Mar	2.3 May	1.2	1.4 Mar	1.9
Italy	1.5 Q4	0.5	0.0 Jan	2.5 Mar	1.3	2.1 Feb	2.1
Netherlands	3.2 Q1	3.5	0.8 Feb	2.1 Apr	1.1	1.0 Apr	1.3
Spain	0.6 Q4	0.9	-5.6 Feb	3.6 Mar	1.5	0.0 Q4	2.7
Switzerland	2.5 Q4	1.0	7.5 Apr	0.3 Apr	1.4	0.8 '10	2.1
UK	1.8 Q1	0.5	1.5 Feb	4.0 Mar	3.4	2.0 Feb	2.1
Euroland	2.5 Q1	3.8	-1.6 Mar	2.7 May	1.7	1.6 Q4	1.8
Others							
Japan	-1.0 Q1	-3.7	-8.5 Mar	0.3 Apr	-1.2	-0.5 Apr	4.8
US	2.3 Q1	1.7	4.2 Mar	3.2 Apr	2.2	2.1 Apr	2.4

Notes: All figures are percentage changes, at annual rate. *Average of latest 3 months compared with average of previous 3 months, at annual rate. †Figures not seasonally adjusted. ‡Germany, hourly wages; Japan and UK, monthly earnings; USA, hourly earnings. Source: The Economist.

14 Visitor spending in Europe destinations

Destination	Jan-	US$bn	+/-,%	Jan-	US$bn	+/-,%
Belgium	Sep‡	10.1	0.7	Dec	10.0	-10.6
Bulgaria	Dec‡	3.8	2.5	Dec	3.7	-6.7
Croatia	Sep‡	8.7	-2.3	Dec	8.9	-14.5
Cyprus	Dec‡	2.2	3.8	Dec†	2.7	-4.8
Czech R	Sep‡	6.6	1.2	Dec	6.5	0.4
Denmark	Sep‡	5.9	3.5	Dec	5.7	-4.4
Estonia	Sep‡	1.1	3.1	Dec†	1.2	9.6
Finland	Dec‡	3.0	4.8	Dec	3.2	5.4
France	Dec†	55.6	-4.6	Dec 07	54.2	7.2
	Dec‡	49.0	-0.8	Dec	49.4	-7.9
Germany	Dec‡	36.5	5.2	Dec	34.7	-8.5
Greece	Dec‡	13.4	-7.6	Dec	14.5	-10.6
Hungary	Sep‡	5.5	-1.6	Dec	5.6	11.5
Iceland	Sep‡	0.6	1.2	Dec†	0.7	30.5
Italy	Dec†	45.7	-0.1	Dec 07	42.7	2.5
	Nov‡	40.7	1.0	Dec	40.2	-7.2
Latvia	Sep‡	0.8	9.1	Dec†	0.8	11.9
Lithuania	Sep‡	1.2	12.8	Dec†	1.3	8.8
Luxemburg	Dec‡	4.4	5.0	Dec	4.2	-1.8
Malta	Sep‡	1.1	27.2	Dec†	0.9	9.4
Norway	Dec‡	4.6	9.3	Dec†	4.2	-4.6
Portugal	Dec‡	10.6	10.2	Dec	9.6	-7.2
Romania	Dec‡	1.2	-3.8	Dec†	1.5	3.3
Russia	Sep‡	9.0	-3.7	Dec	9.3	-21.3
Serbia	Nov‡	0.8	-3.1	Dec†	0.9	1.7
Slovakia	Oct‡	2.6	-0.6	Dec†	2.6	19.1
Slovenia	Dec‡	2.4	-3.2	Dec†	2.8	16.0
Spain	Dec†	61.6	-0.4	Dec 07	57.8	3.6
	Dec‡	55.3	3.9	Dec	53.2	-9.0
Sweden	Dec‡	10.4	1.7	Dec	10.3	6.3
Switzerl'd	Sep‡	14.3	3.7	Dec	13.8	-3.8
Turkey	Dec‡	20.8	-2.1	Dec	21.3	-3.2
UK	na	na	na	Dec†	36.0	1.6
	Sep‡	29.9	-0.8	Dec	30.1	-1.3
Europe	Dec†	473.7	8.8	Dec 07	435.4	NA
	Dec‡	431.6	5.0	Dec	411.0	-12.9

Notes: See Master Notes, page 6. Growth may not tally with previous figure shown. *2009 unless stated otherwise. †2008. ‡2010. Source: WTO.

Notes: †2008 and ‡2010; full year, based on YTD growth rate shown.

15 Visitor arrivals in Europe destinations

International arrivals

Destination	*Jan-	Arrivals x1000	Growth %	Source	Stay days	PVPD US$-C
Albania	Sep‡	2,292	27.9	WTO	5-E	NA
Andorra	Dec‡	1,808	-1.2	WTO	2.93	NA
Austria	Dec‡	21,996	3.0	WTO	5.2-F	156.17
Belgium	Oct‡	7,230	6.1	WTO	7.0-E	231.39
Bosnia	Dec‡	365	17.5	WTO	5-E	NA
Bulgaria	Dec‡	6,049	5.4	WTO	2.8-F	48.39
Croatia	Dec‡	9,783	4.8	WTO	5.0-E	182.47
Cyprus	Dec‡	2,173	1.5	WTO	11.0	59.13
Czech R	Dec‡	6,385	5.0	WTO	2.8-F	48.39
Estonia	Dec‡	2,153	13.3	WTO	5.40	28.31
Finland	Dec‡	3,574	4.4	WTO	5.86	62.92
France	Dec	74,200	-6.3	WTO	7.16-F	77.69
	Oct‡	76,278	2.8	WTO	7.16-F	79.23
Germany	Dec‡	26,864	10.9	WTO	6.0-E	224.53
Greece	Sep‡	15,139	1.5	WTO	14.0	20.23
Hungary	Sep‡	9,565	5.6	WTO	3.41-F	15.19
Iceland	Dec‡	1,191	-3.6	WTO	2.8	267.56
Ireland	Dec‡	6,262	-12.9	WTO	11.0-F	39.06

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Trends

Greece arrivals slipping

Unfortunately, the best that can be said about most ministers of tourism is that often they are pleasant people. Yet many are also incompetent and ignorant, and mouth platitudes that perhaps fool some of their intended audience – uninformed politicians or the uninformed public - but other than that are worthless.

Witness, for instance, some sound-bites from the ministry in battered Greece (some is paraphrased):

• Visitor revenues are likely to recover this year, after two years of fall, following an increase in early bookings from most of the country's main markets.

• We will do better both in arrivals and revenues this year. [In 2010 arrivals increased 1.5% through September (latest available) but spend fell 6-7%.]

• The country is regaining confidence.

• We want to further Greek cooperation with low-fare-airlines that could increase the number of annual visitors by 1.5-2mn. [Current annual visitor count is about 15mn, so that would represent around 10-13%.]

The core mistake with this discourse is that it assumes visitors will come if the country regains confidence. The latest data we have indicates a 16% fall in Athens airport traffic in the first quarter – although that includes Greece-resident outbound traffic also.

The LFA comment is farcical. LFAs are stricter about route expansion than regular airlines, and cannot wait if aircraft loads are not around 75% full from three months after launch. And that potential goes back to the attractiveness of the destination. Every new serious riot, or mass-protest, damages the visitor potential for another two months.

If it were not for these disturbances, then Greece might attract diverted business from North Africa. As it is, Greece is more likely to be included in the list of destinations-to-avoid.

Airport security checks

IATA (International Air Transport Association) has proposed 'Checkpoint of the Future'. The reason? "We spend US$7.4bn a year to keep aviation secure. But our passengers see only hassle. Passengers should be able to get from curb to boarding gate with dignity. That means without stopping, stripping or unpacking, and certainly not groping," said Giovanni Bisignani, who retires as head of IATA this month.

The main concepts of the Checkpoint are:

• Strengthened security by focusing resources where risk is greatest.

• Supporting that risk-based approach by integrating passenger information into the checkpoint process.

• Maximising throughput for the vast majority of travellers who are deemed to be low risk.

At the checkpoint passengers would be directed to one of three lanes - known, normal, 'enhanced'. The choice will be based on a biometric identifier in the travel document that triggers the results of a risk assessment conducted by government before the passenger arrives at the airport. The three lanes will have technology to check passengers according to risk.

• Known travellers. For those who have registered and completed background checks with government authorities. They will have faster channels.

• Normal screening. For most travellers.

• High risk. "For those passengers for whom less information is available, who are randomly selected or who are deemed to [have a greater potential risk] would have an additional level of screening."

IATA's description of this category is not quite clear – because it means in part 'profiling' travellers. But that is a sensitive description – even if sensible from a security viewpoint – so IATA's description of the category is less clear, and hardly makes sense.

IATA, ICAO (International Civil Aviation Organization), and 19 governments, are working to define standards for the Checkpoint of the Future. Bisignani believes there could be major changes in two or three years.

Hotel chutzpah

*• **Cipriani** describes itself as a "luxury international hospitality company". We would not describe Cipriani as a hotel group, but a US bar-and-restaurant group.*

Despite its corporate name, it is unrelated to the UK-based Orient Express owned and operated Cipriani hotel in Venice. But Cipriani also lists Venice as one of its destinations - not the hotel of course, but a bar called Harry's. It also has a Harry's in London.

But now the US Cipriani is moving into hotels, with a 138-room hotel in Beverly Hills. Obviously it cannot use the Cipriani name for the hotel so it has created the somewhat-juvenile 'Mr C' as its hotel brandname. No details of more hotels are known.

*• In 2007, Gerald Lawless, head of Dubai's **Jumeirah** Hotels, planned to have 60 hotels on the company's books by 2012, and match Four Seasons before that. Not only did the maths not work – FS has about 80 hotels – but he now presents plans to add nine hotels this year, which would take Jumeirah to about 20, as big expansion.*

Perhaps those adjusted figures, more than anything, illustrate new realities in Dubai.

Three new Jumeirahs have opened this year already, in Dubai, Shanghai, and Maldives. Due over the rest of the year are Abu Dhabi, Baku (Azerbaijan), Frankfurt, Kuwait, and one more each in Dubai and the Maldives.

Briefs

*• Falls at Imex. The annual Imex **MICE** trade show in Frankfurt appears to have reached a visitation ceiling.*

The trade visitor count at the 2008 event increase 5.3% to 8751, then 0.6% more in 2009 to 8800. But this year's count was reported as "almost 9000".

Unfortunately, organisers reveal only selected results (and some different each year), making it difficult to independently analyse progress. And some numbers are boosted. Travel Business Analyst appears to be listed as media, but we have never attended the event.

The trade visitor count includes hosted-buyers, and that number is increasing faster – meaning a fall in the non-buyer count. Despite the presumed success of the event, the hosted-buyer total has increased. It was 2570 for its first show, in 2003.

For instance, in 2009, there were 3700 hosted-buyers, meaning 5100 non-buyers. This year there were 3900 hosted-buyers, meaning at most 5000 non-buyers.

*• The UK-based **Virgin** Group has changed the terms of its airline franchise agreement in Australia. The Virgin Blue company owner of the Australia domestic airline franchise – of the same name, Virgin Blue – formed other regional airlines, Pacific Blue and V Australia, which were not Virgin franchises.*

Now, the domestic airline has changed its name to Virgin Australia, and the other two airlines will also take the Virgin name. Not yet known is how much the Australia company is paying for this additional franchise cover.

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15 Visitor arrivals in Europe destinations

International arrivals

Destination	*Jan-	Arrivals x1000	Growth %	Source	Stay days	PVPD US$-C
Italy	Dec	43,239	1.2	WTO	4.36-F	178.42
	Nov‡	43,412	0.4	WTO	4.36-F	196.89
Latvia	Dec‡	1,540	16.4	WTO	5-E	61.11
Liechtenstein	Oct‡	49	-5.0	WTO	2.10	NA
Lithuania	Dec‡	1,498	11.7	WTO	6.00	15.93
Malta	Dec‡	1,332	12.6	WTO	8.40	52.70
Monaco	Sep‡	280	5.7	WTO	4-E	NA
Montenegro	Dec‡	1,088	4.2	WTO	4-E	NA
Netherlands	Dec‡	11,002	10.9	WTO	3.67-F	221.99
Norway	Dec‡	4,728	8.8	WTO	7-E	445-V
Poland	Sep‡	12,425	4.5	WTO	4.7	56.32
Portugal	Dec‡	6,784	6.0	NTO	7.0	70.73
Romania	Dec‡	1,339	5.3	WTO	3.20-F	21.16
Russia	Sep‡	20,041	3.2	WTO	3.67-F	221.99
Serbia	Dec‡	682	5.8	WTO	4-E	NA
Slovenia	Dec‡	1,705	2.2	WTO	3.12	4.84
Spain	Dec	52,231	-8.7	WTO	12.7	38.16
	Dec‡	52,753	1.0	WTO	12.7	68.78

Destination	*Jan-	Arrivals x1000	Growth %	Source	Stay days	PVPD US$-C
Sweden	Oct‡	5,010	3.2	WTO	7-E	338.65
Switzerland	Dec‡	8,626	4.0	WTO	3.8-F	200.17
Turkey	Dec	25,506	2.0	WTO	8.0	111.68
	Dec‡	27,011	5.9	WTO	8.0	111.68
UK	Dec	28,033	-7.0	WTO	10.1	69.41
	Dec‡	27,781	-0.9	WTO	10.1	110.11
Ukraine	Dec‡	21,197	2.2	WTO	5-E	NA
Europe	Dec	460,007	-5.7	WTO	5-E	200-E
	Dec‡	472,745	3.4	WTO	5-E	200-E

International arrivals

City/region	Period	Number	Growth,%	Stay,days	Comment	Source
Balearics	2007	10.2m	1.2	NA	none	NTO
London	2006	15.6m	12.3	6.5	none	CTO
Paris	J-Sep 7	6.62m	5.6	NA	hotels	CTO

Domestic arrivals

Destination	Period	Number	Growth,%	Stay,days	Comment	Source
London	2006	10.96m	2.4	2.2	none	CTO
Spain	J-Sep 07	119.7m	8.5	NA	trips	NTO

Notes: See Master Notes, page 6. WTO changes data, so its data should always be considered provisional. Growth may not tally with previous figure shown. *2009 unless stated otherwise. †2008. ‡2010. B = Bednights. H = Nights at hotels. Source: NTO = national tourist office (or equivalent), Ot = Other, WTO = World Tourism Organization.

Notes: See Master Notes, page 6. Latest figures; ‡full year at YTD growth rate. E = Travel Business Analyst estimate (some based on statistically-incompatible measures), PVPD = per visitor per day. C = Quoted in US$. F = In hotels. V = Per visitor. Source: As 'Source' above.