

# Travel Business Analyst

Markets + Marketing + Strategy

EUROPE • NOVEMBER 2006

Starwood x2

## New brands

The two Starwood companies are introducing new brands. • **Starwood Hotels\*** is introducing a new extended-stay hotel brand – Element. The new brand is described as “smart design, modern style”, and providing a “social” environment with design features inspired by nature, where guests can be “in their element”.

Lobbies will be lit by natural light from multi-storey window-walls while public spaces within the hotels will include a water feature. Amenities include a courtyard and patio where guests can sit by an outdoor fire pit and barbeque. Starwood anticipates 500 Element hotels worldwide – but the timescale is not known. The first is expected to be in Lexington, Massachusetts in early 2008.

The first hotel in Starwood’s other new brand – ‘Aloft’, a mid-priced, reduced-service version of W Hotels – is due in 2007. This brand is also expected to total 500 hotels by 2015.

• **Starwood Capital\*** goes for green. It has launched the ‘1’ hotel brand, which it describes as “luxury, eco-friendly” hotels.

1 hotels will be based on environmentally-sustainable internal and external design, and will follow green construction and operating principles together with a commitment to consumption of natural resources. SC wants to demonstrate that green principles can coexist and enhance a luxury hospitality experience.

The US Natural Resources Defense Council will be an environmental advisor on 1s – with the initial goal of setting a new standard for environmental excellence and, over time, to transform the entire hotel industry. And each 1 will donate 1% of its revenue to local environmental organisations.

The first four 1s – all in the US – will be new-builds. The first may be in Seattle, due late 2008; others are Mammoth Mountain ski resort (California), Scottsdale (Arizona), and Fort Lauderdale (Florida). The first international 1 will be in Paris, a renovation of an existing hotel. (SC bought 800 hotels in Europe in 2005, most of them in France, and in 2006 launched a luxury brand under the name of one of them, the Crillon in Paris.)

*contd on p2*

Visitor arrivals

## Growth at 5%

The World Tourism Organization says visitor arrivals worldwide increased 4.5% in the first eight months this year (to 578mn).

However, it expects slower growth for the rest of the year, as it is forecasting overall 4.0% growth for 2006. Worse, that would be well below the 5.5% growth for all-2005. However, the WTO’s long-term forecast growth is 4.1% annually through 2020.

Regional results over January-August showed Europe up 3.1%, the Americas up 2.5%, and Asia Pacific up 8.3%. In Europe, all regions

were below full-year 2005 totals, see table.

The largest sub-region in Europe is the south and Mediterranean – as it includes the big-arrival destinations of Spain, Italy, and Greece. (Greece, however, has still not counted 2005 arrivals, and so is not included here; a fact that WTO omits to signal.)

Region, Europe	Jan-Dec 05		Jan-Aug 06
	No,mn	Growth,%	Growth,%
North	53	6.5	6.0
West	143	2.6	2.1
Central/East	88	1.9	-0.1
South/Med	158	5.7	4.6
Europe	442	4.0	3.1
World	806	5.5	4.5

Source: World Tourism Organization.

That sub-region’s sizeable percentage decline was caused mainly by the fourth largest destination, Turkey, where arrivals fell 6%. Growth was strong in Italy, up 10%, and Spain, up 5%. (No data, as noted above, for Greece.)

The next biggest sub-region is west, dominated by France, and where its 2% fall affected the sub-region’s overall count. Germany wants to credit the soccer World Cup for its 9% growth.

The north region is dominated by UK, where growth was 6%. The central region is dominated by Russia – but not included in 2006 figures shown here (and also not signalled by WTO).

## Main News

### Corporate

Recent corporate developments – big or significant.

- Virgin Express vanishes into Brussels Airlines. Virgin’s Branson says he has never closed a company; yes, but..
- Scandinavian Airlines plans to sell its 75% in SAS Rezidor – which becomes the Rezidor Hotel Group.

### Market

Recent market developments – big or significant.

- World visitor arrivals up 4.5% Jan-Aug.
- World air traffic up 5.9% Jan-Sep.
- World airport passengers up 3.6% Jan-Sep.

contd from p1 – Starwood x2

Other target locations are Los Angeles, New York, and Washington. The aim will be to have 15 hotels signed or under construction within two years.

\*Starwood Hotels and Starwood Capital are no longer directly linked.

Scotland

## Targetting US visitors

A new campaign aims to increase US arrivals in Scotland by almost a third to 450,000 in 2010, generating some US\$470mn (at US\$1 to £0.53) in visitor spending.

The wide-ranging initiative follows a 15% decline in visitors from the US in 2005 – in part a result of London's terrorist bombs in July 2005.

The campaign aims to stimulate US travel by broadening business communications between the two countries, by sharing more scientific research, and encouraging more Americans to study at Scottish universities (the target is 4000 US students by 2010; today, there are under 1000).

Visit Scotland will also continue to encourage the Scottish diaspora in the US to search out their ancestral history in Scotland. Golf will remain a major draw – around 10% of US visitors come to Scotland to play golf, but they contribute twice that in US tourism spend in Scotland.

Also, lobbying airlines to provide more trans-Atlantic direct air links will be a priority.

VS spent about US\$2mn in North America marketing to consumers, and the same amount marketing to the travel trade. It anticipates an increase in marketing budget in order to implement the new campaign, though details have not yet been finalised.

Separately, a new report finds that Edinburgh and surrounding areas need more hotel rooms. VS says 5000 more rooms are needed in the region before 2015; current total is 25,000. Most, 4000, would be needed in Edinburgh itself.

According to the report, 3000 rooms should be in 3- or 4-star ho-

tels, but there is also a need for a hotel with at least 200 rooms for the business and conference market.

France visitors

## No grow

Guest counts from hotels in France for the first half-year indicate that visitor arrivals in France were flat. Overnights in hotels grew just 0.2% – but with overnights from domestic travellers increasing 1.5%, that means foreign overnights fell 2.1%.

### Hotel guests in France Jan-Jun 06

Market	Growth,%
Central/Eastern Europe	21
Spain	8
Germany	-2
Switzerland	-4
US	-4
Italy	-5
UK	-6
Netherlands	-8
Middle East	-12
Japan	-16

Source: LC Consult.

Within France, Paris and the surrounding area increased overnights by 1%. But the country's other main visitor region – Provence-Alpes-French Riviera – was down 2%. Others with declines were Rhone-Alpes (2%) and Alsace (4%); showing growth were Corsica, up 7%, Aquitaine (4%), Nord-Pas de Calais (3%) and Midi-Pyrenees (3%).

Moscow

## 250 new hotels?

There will be a surge in hotel building in Moscow, according Iosif Ordzhonikidze, the city's deputy mayor. Hotel accommodation, particularly mid-level, has been in short supply in the Russian capital, but Ordzhonikidze says plans to build new 3-star hotels are being approved every two weeks on average.

He believes there will be 248 new hotels in the city before 2010. *Howev-*

*er, this statement is received with great cynicism by most observers.*

It would represent remarkable growth. At the start of this year Moscow had 187 hotels with 95,000 rooms, and by year-end there should be 202 hotels and perhaps 250 by end-2007.

Moscow counted 3.5mn foreign visitors, up 21%, in 2005 – figures for international arrivals at Moscow's airports and so excluding those arriving by other modes of travel.

The city has started fast on its target to reach 5mn visitors in 2010 – which would require average annual growth of 7%. In the first half of this year, arrivals were up 7.5% to 1.43mn. This is not fast enough to fill those planned new hotels.

UK

## Hotel openings

- More hotels in the UK.
- London's hotel openings over the next few months include:

- This month, the Radisson Edwardian Mayfair held its grand reopening after a US\$143mn (at US\$1 to £0.53) refurbishment.

- This month, after a US\$114mn refurbishment, the InterContinental London Park Lane opens its first 150 rooms. A second phase of 237 rooms and 60 suites is due in March 2007, together with a spa.

- This month, the 87-room Jumeirah Lowndes Hotel in Knightsbridge opens after spending US\$15mn on renovation.

- The 494-room Grosvenor House in Park Lane, undergoing a US\$190mn renovation, is due to open the first 100 rooms this January. Other renovations will be completed over the rest of the year.

- The new 55-room Haymarket Hotel is due this coming February, the seventh in London for hoteliers Tim and Kit Hemp.

- Portfolio growth for stylish small hotel group Hotel du Vin – a UK group, despite its name – is speeding up.

The group, bought two years ago by public-listed company Marylebone

## Volume 16 Number 11

ISSN-0256-419X

Email annual subscription rate is US\$795 for the monthly 12-page Europe edition, US\$795 for the monthly 12-page Asia Pacific edition, US\$100 for the monthly single-page Net Value, and US\$100 for the monthly single-page People-in-Travel. There are linked rates for these four products; see back page for more details and subscription form. Airmailed print-copy subscriptions are also available.

Europe: 46 Blvd des Arbousiers, 83120 Ste Maxime, France. Tel: (33-4)-9443-8160, Fax: (33-4)-9449-0949, Email: TBAoffice@gmail.com

Asia Pacific: GPO Box 12761, Hong Kong, China. Tel: (852)-2507-2310, Fax: (33-4)-9449-0949, Email: TBAoffice@gmail.com

Editor: Murray Bailey. Business Development Managers: Raymonde Perpignani, Simmy Wong.

Design by Context Design & Publishing. Printed by Image Press. Copyright Travel Business Analyst Ltd, 2006. www.travelbusinessanalyst.com

Warwick Balfour (which also owns Malmaison Group; also a UK hotel group) plans to add five more hotels over the next 18 months, which would bring its total to 12. The first HDV opened in Winchester in 1994. Planned:

- Cambridge, a 42-room hotel in a former university Grade-2-listed building in the city centre, due March 2007.
- Cheltenham, a 48-room hotel in the former 100-year-old Carlton Hotel, located in the Georgian part of town, due summer 2007.
- York, a 44-room hotel in a Georgian property set in 1ha just outside the city walls, due October 2007
- Newcastle, a 42-room hotel in a Victorian listed building, formerly a quayside warehouse, due spring 2008.
- Edinburgh, a 42-room hotel, located in the city's cobbled Old Town, due summer 2008.

## Briefs

• **IATA** reports that worldwide **air traffic** growth (measured by RPKs, see table notes) was 6% in the first three quarters. Regional results showed a marked difference – 5% Asia Pacific, 5% Europe, and 6% growth for North America.

Results for airlines based in Eu-

Table 1

### Percent growth in world air traffic RPKs, over earlier period

Jan-Sep 2006	5.9
Jan-Sep 2004	17.7
Jan-Dec 2005	7.6
Jan-Dec 2004	15.3

Notes/Source: As Table 2.

Table 2

### Air traffic percent growth, over earlier period

Region	2006		2004	
	Jan-Sep	ASK	Jan-Sep	RPK
Asia Pacific	2.9	5.4	25.3	18
North America	4.7	5.7	11.1	6.9
Europe	4.4	5.3	11.3	8.7

Notes: % growth in periods shown over same period year earlier. ASK = available-seat kilometre, RPK = revenue-passenger kilometre. Source: International Air Transport Association.

rope were slower than the world average. And capacity growth was at 4% – leaving not much margin between the 5% growth in traffic. Showing the best balance were airlines in Asia Pacific.

• Following the cancellation of the contract for **Vienna** Airport to manage the neighbouring airport of **Bratislava** (in the neighbouring Czech Republic) the city's airport authorities will need to speed up the development of alternatives.

Bratislava airport is becoming a major low-fare-airline hub in the region, thanks to the presence there of the LFA Sky Europe. Vienna's deal with Bratislava was a good opportunity to transfer most of its low-fare traffic to Bratislava, only 60km away from the Austrian capital.

Vienna airport is currently building a new terminal, Sky Link, due for completion in 2008, and it might now accelerate the construction of a third runway.

• **British Airways** is introducing a new business-class flat-bed. Attributes: 25% wider; 'z' bed position, good for watching movies; laptop locker; in-seat power socket, for UK/US adaptors; enhanced in-flight entertainment system (to standards that Emirates and Singapore Airlines have had for more than five years), but only 100 programs.

The airline is increasing business-class capacity by 8%. It does not say what is reducing; we presume first-class. BC and FC represent 20% of the airline's capacity.

Changes will take 18 months, starting this month.

• Following the purchase of **London City** Airport – by a consortium that includes **AIG**, **Credit Suisse**, and **GE Infrastructure** – the airport is negotiating with its major airlines. It wants them – **Air France**, **KLM**, **Lufthansa**, and **VLM** – to increase frequencies and add more routes.

Private-jet business, which has been growing at 40%, is another focus for growth.

Passengers handled at the airport totalled 2mn, up 19%, in 2005. The upward trend continues this year; first-half total was up 17%, faster than the 13% growth in flight numbers. Routes added this year include **Hamburg**, **Milan**, **Madrid**, **Newcastle**, **Nuremberg**, **Stockholm**, and **Stuttgart**.

The airport's master plan calls for 3.5mn passengers in 2015 and 8mn in 2030, but expansion will take place without a new or longer runway or the introduction of night flights.

Existing runways will be better utilised, and airport management will work with airlines to increase flight load factors. New aircraft parking stands are planned and the passenger terminal will be extended, with improved check-in and retail facilities.

• In Q3 2006, **Eurostar** sold 2.15mn cross-channel train seats, up 10%, between UK and France/Belgium.

This better growth is partly a response to the disturbances at London's airports during August following the security alert on August 10. Growth earlier in the year has been disappointing; YTD growth is 4%.

Yield showed better growth; Eurostar's Q3 sales amounted to US\$244mn (£130mn), up 21%.

• **The World Cup and Germany.**

• Some observers say that big events such as Olympic Games or the World Bank's annual meeting might deter other visitors during those events.

That does not seem the case for Germany. According to the country's tourist office, visitor overnights increased 33% this past June and 9.5% in July – a direct result of hosting soccer's World Cup.

Over January-July visitors increased 3.5%, and visitor overnights reached 196mn, up 1.9%. The tourist office expects that for the whole year, visitor growth will be 2% – although this indicates a slowdown in the second-half of the year.

Some estimates show that Germany's 'direct profit' from hosting the World Cup could amount to US\$541mn (€433mn), excluding sponsorship and media cash injection.

• **The World Cup** brought a positive vision on Germany according to visitor research. A survey by the German National Tourist Board in five cities hosting the World Cup showed that more than 90% would recommend Germany as a travel destination. Other findings:

- 91% felt welcome in Germany.
- 16% combined their World Cup visit with a holiday in the country.
- 63% visited places of interest in Germany in addition to World Cup locations.
- 54% also went shopping.

• Growth in the first three quarters worldwide in worldwide passengers through ACI-member **airports** (see table notes) was 4% – divided into 6% international passengers, and only 2% for domestic passengers, see table. *If that pattern continues, it could indicate an important trend in aviation.*

Asia Pacific's total increased 7%, as did international and domestic. Europe's total was up 6%; international up 6%; domestic up 4%. And North America's total was unchanged; international up 2%; domestic down 1%.

## Airport passengers, Jan-Sep 06

Region	International		Domestic		Total	
	YTD	Growth %	YTD	Growth %	YTD	Growth %
Asia Pacific	190	7.4	189	6.8	379	7.1
Europe	486	5.9	133	3.8	619	5.5
North America	107	1.8	526	-1	633	-0.4
<b>Total</b>	<b>863</b>	<b>5.8</b>	<b>900</b>	<b>1.6</b>	<b>1763</b>	<b>3.6</b>

Source: Airports Council International.

• **Italy.** Figures from the World Tourism Organization indicate that the Winter Olympic Games in Turin at the start of this year may have had a positive impact on Italy's visitor arrivals count.

In the first quarter of the year, arrivals increased 4.6%; in 2005, the count fell 1.5% to 36.5mn, which followed a 6.4% fall in 2004.

*The risk, however, is that some travellers may have brought their trips forward to visit the Olympics – which could then mean a relative fall over the rest of the year. The other possibility – probably more likely – is that Q1 growth is simply a correction after two years of decline.*

• **Baltics business.** MICE business was a major contributor to growth in visitor arrivals in Latvia (29%) and Lithuania (up 16%) in the first four months of 2006.

**Latvia,** with recent growth in flights (mostly by low-fare-airlines) is gaining a higher profile in west European markets. Arrivals increased 3% in 2005 to 1.1mn, according to World Tourism Organization figures.

**Lithuania,** however, says it has strong growth from central and Eastern Europe. Its arrivals grew 21% in 2004 to 1.8mn (2005 figures are still not available).

However, **Estonia,** the other Baltic state, experienced a 4% drop in visitors in the first four months, following 9% growth in 2004. Main reason for this is a decline in its main source

market Finland, which comprises over half of all visitors.

• **Vienna** targets 10mn overnights in 2010. It counted 6.8% more visitor-overnights over January-September this year, which is expected to result in 9mn overnights for the whole year.

• **Slovenia** plans to build an island off its Adriatic coast. Construction, starting 2013, would finish in 2020.

The US\$125mn island would measure 30,000sqm and would have beaches, marina, bars, restaurants, and a health centre. The cost will be shared by Slovenia, the European Union, and private investors.

International arrivals to Slovenia increased 9.2% in 2004 then 3.5% in 2005 to 1.6mn. Over January-August this year, there was a 2% increase, and visitor overnights grew 1% to 3.2mn.

• **Marseille** airport has opened its US\$19mn terminal for low-fare-airlines. Ryanair will be the main user, opening its first hub in France.

Marseille estimates 1mn passengers will use the terminal during its first year.

However, prospects seem mixed. Singapore's purpose-built LFA terminal, opened six months ago, is still under-utilised, with only one of three LFAs based in Singapore using it.

• Based on current results from hotels in **Switzerland,** this year should be a good one. Guest overnights through July grew 5.5% – and the foreigner total was even stronger, with 6.4% growth.

Overnights from US guests grew 11.4%, from UK 8.6%, France 3.5%, Italy 3.2%, and Germany 2.3%. Occupancy was up almost 7 points, and average room rate by 2.5%.

• **Turkey.**

• The Lykia World group, owned by Silkar Turizm, the developer of holiday village Lykia World Oludeniz, plans to open a similar resort – Lykia World Antalya – in May 2007.

The US\$57mn development will have 450 units consisting of rooms, suites, apartments, villas and about 1200 beds on a 200,000sqm site.

• The modernist 505-room Adam & Eve Hotel, in Turkey's Belek region,

45km from Antalya, will probably attract attention when it opens, due this month.

The owners have a 'Think Big' philosophy. Which explains an outdoor swimming pool that is double Olympic size and a 5000sqm wellness/spa complex. Then there is the 10,000sqm open hotel lounge/atrium (up to the top, 5th floor) – dominated by an 88m-long bar with 180 seats!

• **Brussels** Airport wants to attract more longhaul flights, growing inter-continental destinations from nine to 20 within five years.

It targets 5.5-6% annual growth in passenger traffic over those five years. The number reached 16.2mn in 2005, and it was hoping for a 6.2% increase this year. But at the mid-way mark, growth was only 4.3% – making that target look tough.

• Hotel group SAS **Rezidor** – which owns the franchise in Europe and some other destinations in the Middle East and Africa to develop hotel brandnames that include Radisson and Regent – is changing its name to the Rezidor Hotel Group.

This is in connection with the company's planned listing on the Swedish stock exchange before year-end, and the sale of SAS's 75% shareholding.

The other partner in the joint-venture, US-based Carlson Hotels (which owns the brands Country Inn, Park Inn, Radisson, Regent) plans to increase its share of Rezidor from 25% to 35%.

• Spanish hotel chain **Iberostar** plans to open 10 resorts next year. Six would be in Europe (Bulgaria (2), Greece, Italy (Sardinia, 2), Turkey), three in North America (Cuba, Jamaica, Mexico), and one in North Africa (Tunisia).

By early 2007, the group expects to have 100 hotels open.

• Carlson Wagonlit Travel's global\* **business travel** survey findings on Europe include:

- 49% of travel managers and 32% of business travellers say there will be more business travel this year. 15% of business travellers feel they will travel less this year.

- Nearly half of business travellers (47%) say they never book low-fare airlines. And worldwide comment: 81% of travel managers say they rarely or never book low-fare airlines. Yet 38% of business travellers claim they use at least 20% of the time.



## Net Value

### Marketing Travel On The Internet

#### Iberia online

In the first nine months of this year, ticket sales on Iberia's website increased 62%, see table. Of this, 71% originated in Spain, accounting for sales of US\$305mn (at US\$1 to €0.80), and representing a 55.5% increase.

Sales on Iberia's 36 country-specific web sites increased 80% in the same period, generating still-small revenues of US\$126mn. Also small, but with a big increase (doubling) were sales by other companies, such as hotels, car rentals. In the first three quarters, 40,000 hotel stays and 12,000 car rentals were booked; for all-2005, it was 36,000 and 7000.

Online ticket sales started in 2000. Average dollar-sales per-site-visit have started to increase, but they are still US\$1 down on that first year.

However, share of total sales seems to have fallen. We calculated it was 6% in 2005. These new figures indicate 4.6% this year.

#### Iberia's internet profile

Item	Jan-Sep 06	2005	2000
Daily visits,x1000	350	300	27
Revenue,US\$mn*	431	361	43
Revenue per visitor,US\$* 3.38		3.29	4.35

Notes: \*Converted at US\$1 to €0.80. Source: company.

#### Bites

• Tralliance, which runs .travel, says Egypt's tourism authority counted 1.6mn visits to its official website, egypt.travel, between its launch in March and through October 2006.

However, despite our request, Tralliance will give us no data to indicate whether this 230,000-monthly matches pre-launch forecasts.

• There is insufficient space here to show the rest of this report. Subscribers wishing to see the full report, please email TBAoffice@gmail.com.

This is an extract from **Net Value**, a monthly report on marketing travel on the internet. A combination subscription to NV costs US\$50 for one year; full price is US\$100. For more information, contact Raymonde Perpignani at Travel Business Analyst, TBAoffice@aol.com



## People-in-Travel

### Tracking Travel's Leaders

#### James Hogan

James Hogan joined Etihad Airways as chief executive almost the day after he left the same job at Gulf Air – which he held for four years. We believe his appointment last month changes the airline business in the Gulf – but then, almost by definition, in other parts of the world as well.

• There is insufficient space here to show the rest of this report. Subscribers wishing to see the full report, please email TBAoffice@gmail.com.

This is an extract from **People-in-Travel**, a monthly report tracking travel's leaders. A combination subscription to PinT costs US\$50 for one year; full price is US\$100. For more information, contact Raymonde Perpignani at Travel Business Analyst, TBAoffice@aol.com

Reports in current issues of other **Travel Business Analyst** publications:

#### Travel Business Analyst Asia Pacific:

- Japan agencies' first-half.
- New brands from two Starwoods.
- Singapore sets its sights.
- Plus: Extracts from **Net Value** and **People-in-Travel**; **Market Outlook**; and 20 regular tables of market data.

#### Net Value

- Forecasts for Asia Pacific, Europe, US.
- Hotel chain internet bookings.
- Iberia.

Excerpts from the single-page **Net Value** report are included in the Asia Pacific and Europe editions of **Travel Business Analyst**. **Net Value** is delivered only via email.

#### People-in-Travel

- James Hogan; Choice chooses; Airbus saga; others

Excerpts from the single-page **People-in-Travel** report are included in the Asia Pacific and Europe editions of **Travel Business Analyst**. **People-in-Travel** is delivered only via email.

Please contact us with your order or queries, at TBAoffice@gmail.com

Link-up annual subscription rates for current subscribers:

- **Travel Business Analyst Europe**, with
    - (A) *Travel Business Analyst Asia Pacific* US\$605 (full price US\$795)
    - (V) *Net Value* US\$55 (full price US\$100)
    - (P) *People-in-Travel* US\$55 (full price US\$100)
    - A + V US\$635 (full price US\$895)
    - A + P US\$635 (full price US\$895)
    - A + P + V US\$665 (full price US\$995)
  - **Net Value**, with
    - (P) *People-in-Travel* US\$50 (full price US\$100)
- See back page for more offers.

## Headlines

### Comments on tables pages 6-12

Special Note: This month we start the expansion of the tables on the following pages. Due to shortage of space, we have needed to limit showing some data each month. We have now corrected this, and over the next few months will expand the tables in a way that should enhance the task for those tracking the business.

T1, Airlines seats sold YTD: *Lufthansa* subsidiary *Swiss* is growing fast, but this follows a decline almost since the airline was started in 2002. The incredible-shrinking *Olympic* is now only one-third the size of its neighbour, *Turkish*. For LFAs, *Air Berlin's* seat factor, which we have added from this month, is now looking credible; we reckon SFs on LFAs need to be above 80%. Note also that its growth is faster than *Easyjet's*, and it is half its size. T2, Seat sales YTD for AEA association members in Europe at a fair 5% growth; capacity lower, so seat factor grows. Similar for ATA members in the US, but capacity and traffic growth too close for comfort. Odd results for AAPA members in Asia Pacific; a few airlines are cutting capacity – biggest is Japan, but also All Nippon, China, Malaysia, Philippines. T3, *Barcelona* airport added, but data shown for some airports that were previously included-but-hidden in a city's overall total. Thus *Berlin's* Tegel, *Milan's* Malpensa, *Rome's* Fiumicino – all data supplied us by ACI. Overall total growth at 7% (but this includes faster-growing 'low-fare' airports). LFAPs growing at 12% YTD. *London Luton* needs to increase its growth. T4, First-half air passenger traffic to/from *Germany*; comfortable 7% growth overall, with remarkable growth to/from Italy. For UK YTD up 6%, and for *France* (through July) up 5%. As noted before, that matches growth at main airline Air France, but others are growing faster. We know enough about maths to understand that not everyone can grow faster than the average, so where is the trick?

#### Inbound.

T14, More 2006 visitor spending data for Europe, courtesy WTO – *Belgium, Russia, Switzerland, UK*. T15. And also for visitor arrivals, also courtesy WTO – *Austria, Netherlands, Portugal, Switzerland, Turkey*.

#### Outbound.

T7, Start of 2006 outbound spending data, for *France, Germany, Italy, UK*, courtesy WTO.

#### Hotels.

T10, Full data shown this month, with other non-Europe coverage added – Sydney in Asia Pacific, and all-US (courtesy Smith Travel Service) and all-Asia Pacific. Note, however, than different competitive-sets suggest caution in making cross-continent comparisons. YTD Europe occupancy up three points to 72%, average room rate up US\$14 to US\$203, helping yield to increase US\$15 to US\$146. In the US repair unchanged, in Asia Pacific up US\$6.

#### Others.

T5, In our stock market price listing BAA dropped because no longer a quoted company, and replaced with the world's biggest cruise company, New York-quoted *Carnival*. Meanwhile, trading in Eurotunnel shares still suspended. As usual, some trading seems odd (which the market always explains as "movement) has already been discounted", but we do agree with marking down of Alitalia and EADS, owner of the extraordinarily-self-righteous Airbus. But Fraport down? (We might even be bold enough to suggest 'Buy') And TUI up? ('Sell'). T8, *Internet* half-year results for Expedia. T12, *Eurotunnel* managed a slight increase in car traffic in the Jul-Sep quarter, although this should have been much bigger – given the August disruptions to air traffic following a terrorist alarm. That said, even rail passenger traffic (not managed by Eurotunnel) increased only 10%; we would have thought there was opportunity for at least 20% growth. YTD continues to look miserable; bus numbers down 15%!

# MARKET DATA

## Special

### Meetings business

Each year ICCA estimates meetings participants worldwide. The main criteria is that the meeting must rotate internationally (not be fixed in one place, such as travel's ITB in Berlin and WTM in London), and have a fixed percentage of foreign attendees.

Leading country with the most participants is the US. First in Europe is France, followed by Germany, with Italy making up the region's top three. Not too many surprises with the others, apart from the high showing of Turkey – a ranking that we find hard to comprehend.

In terms of cities, two cities in Europe take the top two places – Paris and Vienna. From there are there are surprises – such as the high position of Copenhagen, Lisbon, and Barcelona. And the relatively-low position of London (20th); can this city really hold fewer international meetings than Prague?

### Estimated meetings participants in Europe, 2005

#### Per country,x1000

Rank	Country	Participants	Rank	Country	Participants	Rank	City	Participants
2	France	196	34	Belgium	29	13	Amsterdam	41
3	Germany	182	36	Finland	25	14	Istanbul	40
4	Italy	169	37	Norway	24	15	Munich	32
6	UK	145	42	Serbia	12	19	Prague	26
7	Spain	132	43	Russia	12	20	London	26
9	Netherlands	104	45	Lithuania	10	21	Geneva	25
10	Austria	96				22	Glasgow	23
11	Turkey	94				26	Madrid	19
12	Czech R	89	<b>Rank</b>	<b>City</b>	<b>Participants</b>	27	Milan	19
13	Sweden	87	<b>Per city,x1000</b>			31	Dublin	16
14	Denmark	87	1	Paris	79	32	Budapest	16
17	Greece	78	2	Vienna	76	34	Edinburgh	15
19	Portugal	71	4	Copenhagen	57	38	Lyon	13
21	Switzerland	63	6	Berlin	49	40	Birmingham	13
28	Poland	41	8	Lisbon	45	44	Gothenburg	11
31	Ireland	32	9	Stockholm	45	47	Bilbao	11
32	Hungary	31	12	Barcelona	41	48	Nice	10

Source: International Congress & Convention Association.

### 1 Passenger traffic\* on selected Europe airlines, 2006

### Low-fare airline traffic, 2006

Airline	Aug		YTD		YTD		YTD		YTD		YTD		Airline	Aug	YTD
	SS,x1000 +/-,%	RPK,mn +/-,%	SS,x1000 +/-,%	ASK,mn +/-,%	RPK,mn +/-,%	SF	+/-,pts	SS,x1000	Growth,%	SF,%	Growth,pts				
Air France	4183	3.9	11249	4.0	32939	5.2	103583	6.0	82593	7.4	79.7	1.0	Air Berlin	Aug	YTD
Alitalia	2198	1.9	3564	1.3	16187	1.8	34256	-2.3	25273	2.1	73.8	3.2	SS,x1000	1608	10148
Austrian	798	5.2	1858	-3.4	5785	10.6	17972	7.9	13278	9.1	73.9	0.8	Growth,%	12.9	13.0
British AW	3149	1.5	9979	4.9	24300	2.2	100741	3.6	77418	5.2	76.8	1.2	SF,%	84.5	79.9
Finnair	552	10.0	1218	21.9	4337	7.7	11479	5.2	8437	12.5	73.5	4.8			
Iberia	2435	-2.9	4858	4.1	18269	0.6	43934	4.1	34852	7.1	79.3	2.3	Easyjet	Aug	YTD
KLM	2065	3.7	6626	4.6	14914	4.5	56782	4.7	47667	5.5	83.9	0.6	SS,x1000	3146	22537
													Growth,%	8.4	11.8
Lufthansa	4517	3.8	10542	-0.9	33672	3.7	97063	1.0	76120	0.5	78.4	-0.4	SF,%	89.2	85.4
Olympic	620	-5.7	768	-7.0	3843	-4.0	6902	-2.5	4772	-5.0	69.1	-1.8	Growth,pts	0.8	-0.4
SAS	2139	1.7	2458	-0.6	16515	1.8	24633	-4.7	18486	0.4	75.0	3.8			
Spanair	732	3.5	736	5.1	5464	22.7	7215	12.4	4987	22.7	69.1	5.8	Ryanair	Aug	YTD
Swiss	989	11.9	2043	7.6	7005	7.3	18204	3.7	14455	4.6	79.4	0.7	SS,x1000	4002	26740
TAP	740	9.4	1728	17.3	4576	4.3	14767	11.5	10858	11.1	73.5	-0.2	Growth,%	22.9	23.5
Turkish	1829	23.8	2788	26.0	10812	18.4	22882	23.3	15944	16.1	69.7	-4.3	SF,%	91.0	83.7
Virgin A'tic	430	4.4	3093	5.9	3228	7.3	31404	9.7	23109	7.9	73.6	-1.3	Growth,pts	0.0	0.8

Notes: See Master Notes this page. pts = points. \*Domestic and international. SS and SF for low-fare airlines includes free tickets and no-shows. Source: airlines, Association of European Airlines.

# MARKET DATA

## 2 Operating results on airline members of regional associations, 2006

Item	Europe, AEA		Growth, %		Jun 06		Growth, %		YTD		Growth, %	
	May 06		Jun 06		Jul 06		Aug 06		YTD		Growth, %	
SS, mn	19.8	7.2	20.6	7.1	22.5	5.3	21.9	5.3	153.0		4.5	
ASKs, mn	73,743	4.7	72,838	4.7	78,286	4.3	78,100	4.9	574,516		4.2	
RPKs, mn	55,831	6.0	58,406	6.2	64,486	4.5	63,102	4.3	446,860		5.3	
Pax LF, %	75.7	1.0	80.2	1.3	82.4	0.2	80.8	-0.5	77.8		0.8	
<b>US, ATA</b>												
	May 06	Growth, %	Jun 06	Growth, %	Jul 06	Growth, %	Aug 06	Growth, %	YTD		Growth, %	
SS, mn	5.7	6.5	6.2	7.6	6.7	5.5	6.3	5.8	46.2		5.4	
ASKs, mn	36,311	6.9	36,311	5.8	38,161	5.1	37,712	7.0	278,159		4.8	
RPKs, mn	28,652	5.2	31,298	7.2	32,886	6.3	31,077	6.4	225,083		5.2	
Pax LF, %	78.9	-1.3	86.2	1.1	86.2	1.0	82.4	-0.4	80.9		0.3	
<b>Asia Pacific, AAPA</b>												
	Apr 06	Growth, %	May 06	Growth, %	Jun 06	Growth, %	Jul 06	Growth, %	YTD		Growth, %	
SS, mn	10.2	6.8	10.0	4.7	11.0	4.1	11.2	2.7	72.7		3.5	
ASKs, mn	54,290	2.4	55,905	1.6	59,763	0.2	56,591	-0.7	388,753		-0.1	
RPKs, mn	40,329	7.0	39,706	4.3	46,262	4.2	44,511	1.5	291,400		2.6	
Pax LF, %	74.3	3.2	71.0	1.9	77.4	3.0	78.7	1.7	75.0		2.0	

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

## 3 International passengers\* through: Europe's leading airports, x1000

Airport	Month	Month	Growth, %	YTD	Growth, %
Amsterdam	Aug	4,614	3.9	30,909	4.3
Barcelona	Jul	2,860	5.9	17,029	10.6
Berlin*, x3	Jul	1,754	6.9	10,441	9.2
TXL	Jul	1,081	3.5	6,682	1.8
Brussels*	Jul	1,783	1.4	9,626	3.8
Copenhagen*	Jul	2,065	4.4	12,032	6.0
Frankfurt	Jul	4,478	6.3	26,016	2.1
London, x3	Aug	11,127	1.6	76,189	3.5
LHR	Aug	5,528	-0.9	41,441	1.2
LGW	Aug	3,465	2.6	20,530	4.2
Madrid*	Jul	4,221	3.5	25,695	7.9
Milan*, x3	Jul	3,680	10.3	21,135	11.9
MPX	Jul	2,203	9.5	12,432	11.3
Moscow*, x2	Jul	3,707	10.9	18,212	12.7
Paris*, x2	Jul	8,028	4.3	47,750	4.9
CDG	Jul	5,540	5.5	32,734	5.9
ORY	Jul	2,488	1.7	15,016	2.8
Rome*, x2	Jul	3,436	5.8	19,998	6.5
FCO	Jul	2,984	5.5	17,227	4.2
Zurich*	Jul	1,894	5.7	10,842	5.9
<b>EUROPE*</b>	<b>Jul</b>	<b>135,035</b>	<b>5.8</b>	<b>743,319</b>	<b>6.7</b>

## Europe's 'low-fare' airports†, x1000

Airport	Month	Month	Growth, %	YTD	Growth, %
Berlin Schonefeld*	Jul	620	12.4	3,364	23.8
Cologne*	Jul	972	5.1	5,620	6.0
Frankfurt Hahn*	Jul	367	24.1	2,055	19.0
Dublin*	Jul	2,277	14.9	12,072	15.1
Geneva*	Jul	877	3.4	6,010	5.2
London Luton*	Jul	962	5.3	5,444	4.2
London Stansted	Jul	2,141	11.2	12,083	10.0
Milan Bergamo*	Jul	548	17.6	2,951	20.4
Rome Ciampino*	Jul	452	7.4	2,772	23.1
Paris Beauvais*	Jul	182	-0.7	1,099	2.5
<b>LFA total‡</b>	<b>na</b>	<b>9,398</b>	<b>10.4</b>	<b>53,468</b>	<b>11.6</b>

Notes: \*Domestic and international. †Airports with sizeable portion of LFA traffic (some are in main city counts). ‡Of those listed above. Source: Airports Council International, except for Amsterdam and London.

## 4 Air passenger traffic to/from selected countries, x1000

From/to	France†		Growth, %		Germany		Growth, %		UK		Growth, %		US		Growth, %	
	Aug	+/-*	YTD	+/-*	Jun	+/-*	YTD	+/-*	Jul	+/-*	YTD	+/-*	Dec	+/-*	YTD	+/-*
To/from	06	%	06	%	06	%	06	%	06	%	06	%	05	%	05	%
France	na	na	na	na	679	23.8	3301	12.9	1215	6.1	6905	5.7	432	-0.4	5973	2.7
Germany	334	15.6	2952	16.5	na	na	na	na	1112	9.6	6612	5.1	668	19.7	8192	7.2
Italy	485	12.4	3416	9.7	1031	22.0	5055	18.6	1156	-0.3	6146	-1.4	139	-6.1	2470	4.1
	86	0.4	708	2.2	270	22.9	1312	13.6	747	6.6	5408	0.3	295	-7.7	4143	3.0
Spain	563	9.7	3654	12.2	2158	12.2	9698	4.9	4064	1.5	19776	2.3	92	-22.7	1534	-12.2
	134	9.6	1228	6.6	434	21.3	2255	14.3	413	7.9	3140	10.7	106	-7.6	1397	-0.5
UK	377	-3.0	3108	2.0	1090	16.6	5473	4.2	na	na	na	na	1259	-5.0	17016	-2.2
US	573	-3.6	4025	-1.2	877	5.3	4131	4.8	1849	0.3	10534	-0.4	na	na	na	na
<b>Total</b>	<b>8028†</b>	<b>4.3†</b>	<b>47750†</b>	<b>4.9†</b>	<b>12773</b>	<b>12.2</b>	<b>60493</b>	<b>6.7</b>	<b>19691</b>	<b>5.4</b>	<b>106288</b>	<b>5.7</b>	<b>9481</b>	<b>0.9</b>	<b>117647</b>	<b>2.7</b>

Notes: \*Over same period, year earlier. †Paris airports only; total is month and YTD-month earlier. Source: Aeroports de Paris, Statistisches Bundesamt, Civil Aviation Authority, Department of Transportation.

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.

# MARKET DATA

## 5 Stock market last-day closing prices

Company	Market	Price, local currency*		Growth†, %			
		Dec 04	Dec 05	Aug 06	Sep 06	stock	market
<b>Airlines</b>							
Air France	Paris	14.0	18.4	21.3	23.8	11.6	1.6
Alitalia‡	Milan	0.25	1.03	0.94	0.81	-13.8	1.3
British Airways	London	235	334	411	427	4.0	0.9
Easyjet	London	188	381	464	486	4.8	0.9
Iberia	Madrid	2.59	2.29	1.95	2.12	8.7	6.5
Lufthansa	Frankfurt	10.6	12.6	15.5	16.7	8.1	2.5
Ryanair	Dublin	5.25	8.30	7.50	8.44	12.5	2.2
<b>Hotels</b>							
Accor	Paris	32.2	46.9	50.0	53.8	7.6	1.6
Hilton	New York	22.7	24.1	25.5	25.7	0.9	1.0
InterContinental	London	648	840	919	936	1.8	0.9
Sol Melia	Madrid	7.40	11.0	14.0	14.2	1.3	6.5
<b>Others</b>							
Avis Europe	London	53.8	72.8	64.3	63.5	-1.2	0.9
Carnival	New York	NA	53.5	41.5	48.0	15.6	1.0
EADS	Paris	21.4	32.0	23.5	22.7	-3.7	1.6
Eurotunnel	London	17.0	18.0	na	na	na	0.9
Fraport	Frankfurt	31.4	44.9	60.2	54.3	-9.9	2.5
Kuoni	Zurich	500	557	649	643	-0.9	3.2
My Travel‡	London	17.4	233	203	187	-7.8	0.9
TUI	Frankfurt	17.4	17.8	15.2	16.3	6.8	2.5

Notes: See Master Notes, page 6. \*Euro in Euro countries (in table includes FR, DE, IE, IT, ES). †Latest month over month earlier. ‡Reissue means not all prices comparable. Source: respective stock markets.

## 6 Outbound travel by residents

Country	Jan thru*	Departures x1000	Growth	
			%	Source:
Austria	Dec	4,660	17.9	WTO
Belgium	Dec‡	7,746	-18.0	WTO
Denmark	Dec	5,125	5.9	WTO
Finland	Dec‡	6,318	6.8	WTO
France	Dec‡	19,265	-3.1	WTO
	Dec‡	15,934	3.2	Ot
Germany	Dec‡	87,000	2.0	ETM
	Dec 05	76,000	2.0	ETM
Ireland	Dec	3,814	6.7	WTO
Italy	Dec	21,993	16.0	WTO
	Dec‡	21,502	-2.2	WTO
Netherlands	Dec	13,896	-2.0	WTO
	Dec‡	14,220	2.3	WTO
Russia	Dec‡	25,000	22.5	WTO
Spain	Dec‡	4,600	17.1	NTO
	Dec 05	5,290	15.0	ETM
Sweden	Dec‡	10,500	1.0	WTO
Switzerland	Dec	12,351	4.5	WTO
UK	Dec‡	64,200	4.5	NTO
	Dec 05	66,300	3.2	NTO

Notes: ETM = European Travel Monitor (figures often do not tally one year to next), NTO = national tourist office, Ot = Other. \*2000 unless stated otherwise. ‡2004. ‡2001. Source: See column.

## 7 Spending on foreign travel by residents

Source	Jan thru*	Growth %	Spending US\$m	Spending US\$m
Austria	Dec	-7.4	11,051	NA
Belgium	Dec	5.6	14,815	NA
Czech R	Dec	-1.1	2,412	NA
France	Dec	8.9	31,190	NA
	Aug‡	3.9	NA	32,406
Germany	Dec†	1.6	72,271	NA
	Aug‡	4.6	NA	76,547
Greece	Dec	5.9	3,043	NA
Hungary	Dec	2.0	2,920	NA
Ireland	Dec	11.7	5,811	NA
Italy	Dec	9.0	22,394	NA
	Jul‡	-1.5	NA	22,058
Luxembourg	Dec	2.0	2,979	NA
Netherlands	Dec	-1.9	16,116	NA
Norway	Dec	10.6	9,752	NA
Portugal	Dec	11.2	3,077	NA
Russia	Dec	11.1	17,804	NA
Spain	Dec	24.1	15,085	NA
Sweden	Dec	7.8	10,775	NA
Switzerland	Dec	10.4	9,699	NA
Turkey	Dec	13.8	2,872	NA
UK	Dec	6.1	59,529	NA
	Jun‡	3.5	NA	61,613

Notes: Growth may not tally with previous figure shown. \*2005 unless stated otherwise. †2004. ‡2006. Source: WTO.

Notes: Full year 2005, based on YTD growth rate.

## 8 Internet bookings/sales of selected companies/markets

Company/description	(same)	Period	Number	Previous	Source
Air France	online tickets	current	16%	NA	company
Expedia	gross bookings	H1 06	\$7270m	\$6443m	company
Expedia group	merchant hotel roomnights	H1 06	18m	16m	company
Expedia group	transactions	H1 06	21m	20m	company
Hotels.com	gross bookings	H1 06	\$1203m	\$980m	company
UK company policy	require online booking	2006	28% share	2%	PCW
US	online travel	2008	\$256b	\$224b '05	PCW
US	online travel	2006	\$235b	up 4.8%	PCW

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

## 9 Networks of computer reservations systems

System	Country
Amadeus	Ww: A62000 S269000. Ap: A11077 S34658. Eu: A37567 S125299. Na: A5066 S11551. FR: A4470 S9952 (B: Q1-05 \$770m). DE: A16300 S41300. IT: A492 S804. ES: A4800 S13000. CH A200. GB: A126 S370. B: 386mn.
Galileo	Ww: A43000‡ S176100. Ap: A7250‡ S20708. Eu: A18300‡ S38596. Na: A14200‡ S62125. BE: A214 S652. FR: A710‡ S380. IT: A467 S1221. NL: A786 S2286. ES: A360 S3000. CH: A261 S1752. GB: A1683 S9503. B: \$345mn.
Sabre‡	Ww: A56000‡ S124828. Ap: A11771‡ S4500. Eu: A5783‡ S13428. Na: A17478. FR: A401 S937. DE: A736 S1856. IT: A797 S1473. NL: A61 S130. ES: A150. CH: A380 S1184. GB: A854 S3546. B: \$467mn.
Worldspan	Ww: A20000‡ S49500. Ap: 714. Eu: A10208‡ S11000. Na: A35106. BE: A251 S541. FR: A180 S700. DE: A480. IT: A192 S304. NL: A220 S600. CH: A140 S981. GB: A1450 S1980. US: A8560.

Notes: See Master Notes, page 4. Latest figures available; A and S dates may not be the same; ‡denotes later figure. A-Agencies/other outlets, Ap-Asia Pacific, B-bookings (in numbers or US\$), BE-Belgium, Eu-Europe, Na-North America, S-Screens, Ww-worldwide. ‡With Abacus. Source: companies

# MARKET DATA

## 10 Hotel results in Europe\*, August

Location	Occupancy,%				Average room rate,					Revpar,			
	2006 Mth	YTD	2005 Mth	YTD	local 2006 YTD	US\$* 2006 Mth	YTD	2005 Mth	YTD	US\$* 2006 Mth	YTD	2005 Mth	YTD
Amsterdam	86.7	76.3	79.3	72.4	158.07	183.33	197.42	156.24	175.97	158.99	150.69	123.89	127.31
Berlin-all	72.2	68.1	65.8	61.4	141.88	155.28	177.20	111.11	141.61	112.05	120.75	73.06	86.99
L-4	79.6	69.2	NA	NA	93.9	96.43	117.3	NA	NA	76.79	81.1	NA	NA
U-4	68.7	67.7	NA	NA	164.1	186.44	205.0	NA	NA	128.16	138.7	NA	NA
Brussels	69.1	69.3	54.2	63.2	108.55	126.44	135.57	103.38	133.75	87.39	94.01	56.08	84.57
Copenhagen	77.2	67.6	79.0	68.7	939.17	163.53	157.22	143.09	139.51	126.25	106.30	113.03	95.80
Frankfurt-all	56.6	62.7	53.7	62.8	132.13	134.76	165.01	125.38	151.32	76.22	103.53	67.32	95.07
L-4	48.9	58.4	46.7	54.9	106.96	91.55	133.58	96.83	125.07	44.80	78.03	45.20	68.62
U-4	59.0	64.1	55.6	65.2	139.54	146.15	174.27	131.83	157.97	86.19	111.77	73.26	103.04
Geneva	68.3	63.7	69.5	63.8	323.65	272.98	258.15	270.58	241.83	186.51	164.53	188.02	154.26
London-all	89.0	83.2	73.3	75.1	143.93	270.00	262.50	233.54	245.98	240.17	218.42	171.09	184.65
L-4	88.9	85.3	72.4	77.2	91.18	147.99	166.30	148.93	175.36	131.56	141.86	107.78	135.34
U-4	85.7	80.5	72.3	75.6	168.48	316.64	307.28	260.24	268.72	271.46	247.37	188.08	203.04
5-star	91.3	83.8	67.1	65.1	286.50	613.60	522.53	429.76	422.63	559.95	437.90	288.21	275.16
LHR AP	97.3	87.1	88.0	85.0	65.41	106.54	119.31	104.02	119.96	103.61	103.97	91.55	101.95
Madrid	46.8	67.6	48.5	66.7	160.70	158.80	200.70	148.97	188.90	74.33	135.75	72.19	125.94
Moscow	71.0	72.9	74.1	78.1	7115.84	247.67	260.60	189.17	212.81	175.87	189.87	140.19	166.31
Paris-all	70.3	71.3	60.9	66.7	178.63	234.26	223.09	210.61	220.23	164.57	159.15	128.36	146.86
L-4	79.0	74.3	64.8	67.0	122.34	143.89	152.79	135.88	154.76	113.67	113.60	88.08	103.68
U-4	72.4	73.6	61.5	69.2	156.65	188.78	195.63	170.60	195.85	136.76	144.07	104.97	135.59
5-star	76.6	75.1	65.8	65.4	290.41	404.53	362.69	368.34	358.69	309.94	272.53	242.45	234.74
CDG AP	50.7	57.7	48.7	60.9	124.89	161.36	155.97	122.77	145.89	81.76	90.05	59.74	88.79
Rome	74.1	77.4	57.6	70.7	204.37	238.65	255.23	204.34	257.49	176.85	197.66	117.66	182.17
Zurich	84.9	78.0	83.9	73.3	182.81	141.14	145.81	151.07	159.55	119.84	113.75	126.69	117.02
All Europe	72.2	71.5	66.6	68.6	na	193.90	203.21	170.62	189.08	141.59	146.20	114.80	130.58
Otherst‡													
Los Angeles	80.2	76.9	81.4	79.7	113.95	117.23	113.95	103.88	103.52	94.06	87.59	84.56	82.53
New York	84.5	81.5	85.1	84.3	214.26	206.49	214.26	187.38	188.39	174.39	174.72	159.46	158.72
US	68.7	69.1	72.3	69.8	97.15	97.07	97.15	91.25	91.05	66.70	63.10	65.97	63.53
Sydney	77.6	73.2	80.6	77.5	205.94	162.65	154.39	149.54	143.36	126.17	112.94	120.52	111.10
Tokyo	77.3	75.9	77.4	77.7	22544	189.86	195.75	199.89	219.26	146.78	148.62	154.66	170.43
Asia Pacific	73.2	71.3	71.7	71.5	na	113.53	118.52	102.40	107.81	83.20	85.64	74.65	79.03

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.

# MARKET DATA

## 11 IATA travel agencies† in Europe, 2005

Country	Locations	Growth %	Net sales US\$m <sup>n</sup> *	Growth %	Per agency US\$m <sup>n</sup> *	Growth %
Austria	236	-6.7	1,094	-3.5	4.64	3.5
Belgium†	586	-22.4	1,779	7.6	3.04	38.7
Bulgaria	161	8.1	135	25.8	0.84	16.4
Croatia	91	-2.2	98	8.3	1.08	10.7
Cyprus	147	0.7	264	7.4	1.80	6.6
Czech R†	217	na	434	21.4	2.00	21.4
Finland	278	-2.8	1,105	11.6	3.97	14.8
France	3,633	na	10,318	8.4	2.84	8.4
Germany	4,441	na	10,467	4.0	2.36	4.0
Greece	1,001	-0.9	1,192	13.3	1.19	14.3
Hungary	261	2	285	4.6	1.09	2.6
Ireland	416	-9.6	640	-10.1	1.54	-0.5
Italy	5,154	-6.2	6,505	6.5	1.26	13.5
Malta	76	-18.3	66	2.4	0.87	25.3
Netherlands	447	-19.7	2,657	10.2	5.94	37.3
Nordics†	1,443	na	5,417	9.1	3.75	9.1
Poland	526	43.8	526	22.7	1.00	-14.7
Portugal	975	13	975	4.6	1.00	-7.5
Romania	227	4.1	266	10.7	1.17	6.4
Serbia	148	na	103	19.8	0.69	19.8
Slovenia	51	-3.8	65	-2.1	1.28	1.7
Spain	7,740	6.5	5,841	11.2	0.75	4.4
Switzerland†	853	na	2,421	4.6	2.84	4.6
Turkey	394	4	648	6.5	1.65	2.5
UK	2,504	-7.7	15,263	3.6	6.10	12.2
Europe	32,006	-0.4	68,565	6.5	2.14	6.9
US	22,043	-5	70,529	7	3.20	13.22
Asia Pacific	13,262	1	47,347	12	3.57	11.00
World	67,311	-2	186,441	8	2.77	10.12

Notes: See Master Notes, page 4. 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, (3) Baltics, Liechtenstein. Source: IATA.

## 14 Visitor spending in Europe destinations

Destination	Jan thru*:	Growth,%	Spending-A	Spending-A
Austria	Dec	0.9	15,467	NA
Belgium	Jun†	9.5	NA	10,742
Bulgaria	Dec	8.0	2,401	NA
Cyprus	Dec	2.4	2,329	NA
Czech Republic	Dec	3.5	4,631	NA
Denmark	Dec	-20.7	4,491	NA
Estonia	Dec	6.2	938	NA
Finland	Dec	3.7	2,154	NA
France	Dec	3.5	42,276	NA
	Apr†	1.2	NA	42,783
Germany	Apr†	2.2	NA	29,846
Greece	Apr†	-0.7	NA	13,635
Hungary	Dec	5.1	4,271	NA
Ireland	Dec	6.6	4,571	NA
Italy	Dec	-0.7	35,398	NA
	Mar†	-0.8	NA	35,115
Lithuania	Dec	18.4	921	NA
Luxembourg	Dec	-0.9	3,632	NA
Malta	Dec	1.8	775	NA
Netherlands	Mar†	1.6	NA	10,645
Norway	Dec	6.5	3,441	NA
Portugal	Mar†	4.4	NA	8,280
Romania	Dec	1.1	7,931	NA
Russia	Jun†	9.3	NA	19,460
Slovakia	Dec	29.1	1,210	NA
Slovenia	Dec	10.6	1,800	NA
Spain	Dec	5.8	47,891	NA
	Mar†	-7.6	NA	44,251
Sweden	Dec	21.9	7,427	NA
Switzerland	Jun†	10.9	NA	10,317
Turkey	Apr†	2.1	NA	18,533
UK	Dec	8.4	30,373	NA
	Jun†	3.5	NA	61,735

Notes: See Master Notes, page 6. Growth may not tally with previous figure shown. \*2005 unless stated otherwise. †2004. ‡2006. A = In millions of US\$. Source: WTO.

Notes: Full year 2006, based on YTD growth rate.

## 12 Eurotunnel traffic

Item,x1000	Jan-Mar 06	Growth %	Apr-Jun 06	Growth %	Jul-Sep 06	Growth %	YTD 06	Growth %
Cars	370	-15.6	517	0.8	626	2.7	1513	-3.0
Buses	13	-27.1	20	-9.1	17	-11.0	50	-15.1
Seats sold*	1699	0.3	2035	2.7	2152	9.8	5885	4.4

Notes: \*On Eurostar. Source: Eurotunnel.

## 13 Economic indicators of major markets in Europe, 2006

Country	GNP/GDP		Retail sales		Consumer prices†		Wages/earnings‡	
	1 year	3 mths*	1 year	1 year	year ago	1 year	year ago	
France	2.6 Q2	4.7	1.5 Jun	1.9	1.7 Jul	3.1	3.0 Q2	
Germany	2.4 Q2	3.6	0.0 Jul	1.7	1.9 Aug	-0.5	1.3 Jul	
Italy	1.5 Q2	1.9	-0.3 Jun	2.2	2.0 Aug	3.0	2.8 Jul	
Netherlands	2.4 Q2	4.0	8.8 May	1.3	1.6 Jul	1.9	0.7 Jul	
Spain	3.7 Q2	3.6	1.1 Jul	3.7	3.3 Aug	3.0	2.5 Q1	
Switzerland	3.5 Q1	3.8	0.8 Jun	1.4	1.2 Jul	1.0	0.9 '05	
UK	2.6 Q2	3.4	4.0 Jul	2.4	2.3 Jul	4.3	4.1 Jun	
Euroland	2.4 Q2	3.6	2.5 Jul	2.3	2.2 Aug	2.4	2.5 Q2	
Others								
Japan	2.5 Q2	1.0	-1.0 Jul	0.3	0.3 Jul	-0.3	2.5 Jul	
US	3.6 Q2	2.9	2.5 Jul	3.8	3.6 Aug	3.9	2.7 Aug	

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.

## 15 Visitor arrivals in Europe destinations

Destination	Jan thru*:	Arrivals		Source	Stay days	PVPD US\$-C
		x1000	Growth %			
Andorra	Dec	2,418	-13.4	WTO	2.93	NA
Austria	Dec	19,952	3.0	WTO	5.2-F	142.90
	Aug†	NA	0.4	WTO	5.2-F	142.90
Belgium	May†	NA	4.7	WTO	2.5	55E
Bulgaria	Dec	4,837	4.5	WTO	2.8-F	48.39
Croatia	Dec	8,467	7.0	WTO	5-E	473-V
Cyprus	Dec	2,470	5.2	WTO	11	59.13
Czech R	Dec	6,336	4.5	WTO	2.8-F	48.39
Denmark	Dec	4,562	24.5	WTO	3.60	1928-V
Estonia	Dec	1,900	8.6	WTO	5.40	28.31
Finland	Dec	3,140	10.6	WTO	5.86	62.92
France	Dec	76,001	1.2	WTO	7.16-F	77.69
	Apr†	NA	-0.2	WTO	7.16-F	77.69
Germany	Dec	21,500	6.8	WTO	7-F	194.05
	Aug†	NA	9.2	WTO	7-F	194.05
Greece	Dec†	12,872	9.0	WTO	14	20.23
Hungary	Dec	10,047	-17.7	WTO	3.41-F	15.19
Iceland	Dec	871	4.2	WTO	2.8	267.56
Ireland	Jul	NA	4.0	WTO	11.0-F	39.06

continued on page 12

## Travel and the environment

More companies seem to be selling their environmental attributes. From around the world:

- Projects at **Brisbane** airport include a man-made freshwater lake, on-airport recycled water treatment plant, and a recycled water pipeline.

The airport has halved water consumption over the past 12 months and targets another half over the next year.

- Amazon Nature Tours, a **Brazil**-based tour operator, has launched Expedition Cruises. This is a 7-day cruise within a new reserve in the centre of the Amazon – created by the Institute for the Environment by combining smaller ones. It is large enough to preserve the biological diversity of this still-undeveloped part of the Amazon.

Customers explore the rainforest on foot and from the ship's launches to discover plants and animals, as well as navigating in unmapped territory. Groups of up to 18 will be led by naturalist guides.

- **France's** railway company, SNCF, has introduced an 'eco-indicator' – which not only compares fares and time for a trip on a train, plane, or car, but also a pollution index.

For example, Paris-London by train costs US\$88, takes 100 minutes, and has a 'CO2 index' of 3.7. A flight is US\$137, 80mins, and 103 CO2; a car is US\$158, 300mins, and 161 CO2.

- Taj Hotels and Conservation Corporation Africa have formed a joint-venture to develop luxury lodges in wildlife and natural parks in **India**.

The first opens this month – Mahua Kothi in the Bandhavgarh national park. Then Baghvan on the edge of the Pench national park, due next January or February, then others in Corbett, Kanha, and Panna tiger reserves.

The maxim, says Taj, is to "leave the lightest footprint" by using local materials. CC Africa will train and monitor the naturalist guides.

- Kenya-based Governors' Camp Group is building a luxury gorilla-watching lodge in **Rwanda**. The Sabyinyo Silverback Lodge, with six cottages and two suites, located by the Parc National des Volcans, is due to open early 2007.

The project has followed environmental and ecological guidelines, and has involved establishing a community trust that benefits some 5000 families living

in the surrounding area. The African Wildlife Foundation, the International Gorilla Conservation Programme, and the Rwanda Office of Tourism and National Parks, are working to ensure the lodge will have a positive impact on the area.

## 10 Movenpick hotels in Dubai?!

Movenpick is adding as many hotels in Dubai as some are adding in the whole of the Middle East. Planned so far (L = location; NA = not available; O = opening; R = rooms):

- Deira: R-245, O-2007, L-Deira.
- Ibn Battuta: R-369, O-Q4 2007, L-Sheikh Zayed Road, by Ibn Battuta shopping mall.
- Jumeirah Beach Residence: R-294, O-2007, L-Jumeirah beach.
- Laguna Tower: R-NA, O-2008, L-centre.
- Oceana Palm Jumeirah: R-248, O-Q4 2007, L-on the 'trunk' of the Palm Jumeirah development.
- Palm Jumeirah: R-293, O-Q4 2007, L-on the outer palm crescent of the Palm Jumeirah development.
- Pearl: R-NA, O-2009, L-centre.

Negotiations are reportedly underway for two more hotels, in Dubailand and in the Sheikh Zayed Road/Business Bay area.

## New Orleans slow recovery

Post-Katrina (the typhoon that damaged the city in August 2005), New Orleans was losing an average of US\$15mn a day in direct tourism income. And recovery has been slow.

The city's airport now has 111 daily flights, compared with 166 pre-Katrina. On hotels, pre-Katrina, there were 265 hotels with 38,000 rooms. To date, 103 of the 140 metropolitan area hotels are open, with 28,000 rooms.

This includes the newly-built Harrah's Hotel, near the French Quarter. Two hotels are still undergoing renovations: the 452-room Ritz-Carlton is due to re-open next month, and the 1184-room Hyatt Regency is planned to re-open in autumn 2007.

In October, the cruise industry resumed sailings to the city. This is much later than expected (in November 2005, Royal Caribbean said it hoped to restart the following month).

Among the first were Norwegian Sun (NCL) and Carnival Fantasy (Carnival). In December, Royal Caribbean's Grandeur

of The Seas is due back. When the Carnival Triumph returns on a weekly rotation – due in August 2007 – tourism officials hope that the numbers from this industry will reach the 2004 total of 750,000 in 2007 – although that currently looks an impossible target.

The ships will dock at the new US\$37mn Erato Street Cruise Terminal.

## 'New' London

The venue for World Travel Market this month sits right in the midst of 'New' London – a fast-changing area which encompasses four Thames-side districts of Bankside, Pool of London, Southwark, and East London.

All have been targets of regeneration for some time, but winning the bid for the 2012 Olympics has put new impetus into upgrading transport, accommodation, and attractions – in addition, of course, to new sports facilities. Developments include:

- O2 (formerly the Millennium Dome), due to open its 23,000-seat arena for live entertainment, music and sports in 2007. The centre also has a 1800-seat theatre (to be a Europe home for Cirque du Soleil), an ice rink, 10-screen cinema, and restaurants.

- The new planetarium at Maritime Greenwich, due to open Spring 2007, is a focal point of a US\$28mn (at US\$1 to £0.53) 'Time and Space' project that also includes new galleries and an education centre.

- Bioa, a new US\$150mn aquarium which recreates ecosystems (the Amazon, UK, Indo-Pacific, and Atlantic Ocean) with plants, fish, and free flying birds, is due to open 2009. It targets 1mn visitors a year.

- The 4-star 169-room Radisson Edwardian hotel in Providence Wharf in the Silvertown Quays development (a large urban regeneration project) is due to open in 2007. And Hilton opened two hotels in the area this year – Canary Wharf and Tower Bridge.

- The Docklands Light Railway has an additional US\$85mn for development. It plans to introduce 24 new trains (usually about five carriages) from May 2007, and the new Stratford-Woolwich Arsenal line is due to open in 2009. (Woolwich Arsenal is south of the Thames near Greenwich; not to be confused with the Arsenal football club, which is in north London.)

# MARKET INTELLIGENCE

continued from page 10

## 15 Visitor arrivals in Europe destinations

Destination	Jan thru*:	Arrivals x1000	Growth	Source	Stay days	PVPD US\$-C
Italy	Dec	36,513	-1.5	WTO	4.36-F	178.42
	Mar†	NA	4.6	WTO	4.36-F	178.42
Latvia	Dec	1,116	3.4	WTO	5-E	61.11
Liechtenstein	Dec	50	2.6	WTO	2.10	NA
Lithuania	Dec†	1,800	20.7	WTO	6.00	15.93
Malta	Dec	1,171	1.3	WTO	8.40	52.70
Netherlands	Dec	10,012	3.8	WTO	3.67-F	221.99
	Jun†	NA	12.5	WTO	3.67-F	221.99
Norway	Dec	3,859	6.4	WTO	7-E	445-V
Poland	Dec	15,200	6.4	WTO	4.7	56.32
Portugal	Aug†	NA	7.5	WTO	7	70.73
Romania	Dec	1,430	5.2	WTO	3.20-F	21.16
Serbia	Dec	725	25.0	WTO	4-E	NA
Slovakia	Dec	1,515	8.1	WTO	3.60	4.17
Slovenia	Dec	1,552	3.5	WTO	3.12	4.84
Spain	Dec	55,577	6.0	WTO	12.7	38.16
	May†	NA	6.1	WTO	12.7	67.85
Sweden	Dec	3,133	4.3	WTO	7-E	338.65
Switzerland	Aug†	NA	7.8	WTO	3.8-F	148.58

Destination	Jan t hru*:	Arrivals x1000	Growth	Source	Stay days	PVPD US\$-C
Turkey	Dec	20,272	20.5	WTO	8	83.83
	Sept	NA	-5.9	WTO	8	83.83
UK	Dec	29,971	8.0	WTO	10.1	69.41
	Apr†	NA	8.4	WTO	10.1	69.41
Europe	Dec	441,624	4.0	WTO	5-E	na
	Aug†	NA	3.1	WTO	5-E	na

### International arrivals

City/region	Period	Number	Growth,%	Stay,days	Comment	Source
Berlin	2000	1.214mn	23.6	2.6	none	TourMIS
Canary islands	2002	10.6mn	-0.9	NA	none	NTO
London	2000	15.1mn	2.0	NA	none	TourMIS

### Domestic arrivals

Destination	Period	Number	Growth,%	Stay,days	Comment	Source
London	2000	13.2mn	0.2	NA	none	TourMIS
Paris	2000	5.624mn	14.2	1.9	none	TourMIS
UK	2001	163.1mn	NA	3.2	trips	NTO

Notes: See Master Notes, page 4. WTO changes data, so its data should always be considered provisional. Growth may not tally with previous figure shown. \*2005 unless stated otherwise. †2004. B=Bednights. H=Nights at hotels. Source: NTO=national tourist office (or equivalent), Ot=Other, WTO=World Tourism Organization.

Notes: See Master Notes, page 4. Latest figures. 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.

## Travel Business Analyst Market Intelligence For Management

### New subscription; 12 issues

- A: Asia Pacific edition US\$775 PDF copy email delivery (12 pages).
- A: Asia Pacific edition US\$750 printed copy airmail delivery (12 pages).
- E: Europe edition US\$775 PDF copy email delivery (12 pages; includes V).
- E: Europe edition US\$750 printed copy airmail delivery (12 pages; includes V).
- V: Net Value report US\$100 (1 page; PDF copy email delivery only).
- A+E: Asia Pacific and Europe editions US\$1400 PDF copy email delivery (12 pages both editions; includes V).
- A+E: Asia Pacific and Europe editions US\$1300 printed copies airmail delivery (12 pages both editions; includes V).
- A+V: Asia Pacific edition and Net Value report US\$850 PDF copy email delivery (12 pages A, 1 page V).
- A+V: Asia Pacific edition and Net Value report US\$825 printed copy airmail delivery (of A); V via email (12 pages A, 1 page V).
- NF: 'No Frills'. Asia Pacific and Europe editions US\$899 PDF copy email delivery (12 pages both editions; includes V). *Contact us for conditions.*

Start from..... issue.

## SUBSCRIPTION FORM

### Renewal subscription; 12 issues

- A: US\$675 email.  US\$650 airmail.
- E: US\$675 email.  US\$650 airmail.
- V: US\$80 email.
- A+E: US\$1250 email.  US\$1150 airmail.
- A+V: US\$750 email.  US\$730 airmail.
- NF: US\$899 email. *Contact us for conditions.*

Restart from..... issue.

Single and Back issues, months.....  
Rates on application.  
Bulk subscription, number.....  
Rates on application.

Tick items required, and complete form below.

(Prices valid for month of issue and following month only.) For orders as above, mail to Travel Business Analyst, GPO Box 12761, Hong Kong, China. Fax (33-4)-9449-0949.

#### METHOD OF PAYMENT

- Cheque made out to Travel Business Analyst Ltd.

Amount enclosed: \_\_\_\_\_

- American Express Your Name (Name of cardholder): \_\_\_\_\_

Address (or attach business card): \_\_\_\_\_

\_\_\_\_\_

Phone: \_\_\_\_\_

Email: \_\_\_\_\_

Credit Card No: \_\_\_\_\_

Expiry Date: \_\_\_\_\_

Signature: \_\_\_\_\_