Travel Business Analyst

Information + Knowledge + Insight + Analysis + Outlook

EUROPE • AUGUST 2005

This month, our shorter summer issue, without the Trends section, a shorter version of Market Intelligence, but with standard Net Value. The September issue will revert to the regular publishing pattern.

Travel agency business

ONCE again, IATA (the International Air Transport Association) has provided Travel Business Analyst with annual data on the travel agency business.

(Since 2000 IATA has released gross sales for its BSP (Billing & Settlement Plan) for travel agencies rather than net sales before that. We requested and have obtained net figures since then – courtesy of IATA. Our comparative measures, therefore, are all correct. We believe IATA's switch to gross sales can be misleading, particularly since 2001 when so many travellers change their travel plans after non-travel traumas such as 9/11, Bali, Iraq, SARS, etc.)

Following is a review of regional results in terms of locations, revenue, and productivity. A comprehensive report on agencies in Europe is scheduled for the September edition of this newsletter.

Locations. In the world's three main regions, the continuing US decline in travel agency locations (down 9% in 2004, and falling since 1997) is caused by reduced agency commissions from airlines, growth of online agencies, 9/11, other insecurity/terrorism shocks since 9/11, then SARS in 2003. The US total is half what it was 10 years earlier.

Asia Pacific numbers fell almost 1% in 2003, fair considering business loss as a result of SARS. We expected the fallout from that in 2004; the slight increase that year, of 2%, despite an increase in Asia Pacific travel numbers of over 20%, could actually indicate a weakening.

Europe managed 2% growth in 2001, dropped 1% in 2002, was unmoved in 2003, then up 2% in 2004. In 2002, numbers surpassed those in the US. But that may not be good news if the fall that the US experienced is still to come in Europe. If the same happens in Europe, then 10,000 of its 30,000 agencies may close over the next 4/5 years, and 15,000 over 10 years.

Sales. Europe has started to look stronger. Its 6% growth in 2002 matched growth in Asia Pacific, despite a volume nearly 50% greater. Then growth speeded up in 2003 to 12%, followed by a remarkable 17% in 2004. However, these are US dollar results; a good part of growth has been related to the strength of the Euro.

Europe is now close to the size of the US market. If the 2004 results are repeated this year, then it will become larger than the US in sales.

Productivity. Average sales per agency in Europe – a leveller in terms of travel agency performance – were US$1.5mn per agency in 1995. Ten years later, the figure has not moved much – it was US$2mn in 2004.

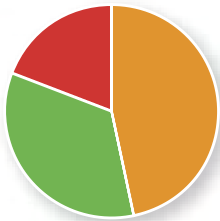
For a long time, agencies in Asia Pacific earned much more than their counterparts in Europe, US, and the world average – but now

contd on p2

Regional percentage share of IATA BSP travel agencies, 2004

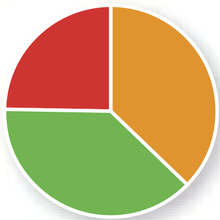
Locations

	2004	(2000)
Europe	46.9	(37.9)
US	34.0	(47.7)
Asia Pacific	19.1	(14.5)



Sales

	2004	(2000)
Europe	37.3	(29.7)
US	38.2	(48.0)
Asia Pacific	24.5	(22.3)



Notes/Source: (Figures in brackets for 2000), then see main table.

Main News

Recent corporate developments – big or significant.

- Leading Hotels and Cendant (plus a resort owner) have formed a timeshare operation, Leading Residences of the World.
- The Raffles and Swissotel hotel groups sold to Colony Capital. These are likely to be onsold, not necessarily together or complete.
- A Starwood company has bought the Taittinger group hotels, which were finally combined under a single name, Louvre Hotels, in 2003. Main brands are Concorde, Kyriad, and Campanile, but including a handful of top-end hotels such as Crillon Paris and Martinez Nice.
- Virgin Nigeria starts flights London-Lagos.

contd from p1 – travel agency business

IATA BSP travel agency profile

Market	2004 Number	Growth,%	2000 Number	1995 Number
Locations				
Europe	32,142	2.4	30,974	23,418
US‡	23,324	-9.0	38,861	45,168
Asia Pacific	13,116	1.7	11,777	6,332
World	68,582	-1.9	81,612	74,918
Net sales,US$mn*				
Europe	64,402	16.9	51,713	37,273
US‡	65,911	6.6	83,532	61,194
Asia Pacific	42,185	26.6	38,720	29,148
World	172,498	17.8	173,966	127,615
Sales/agency,US$mn*				
Europe	2.00	14.2	1.67	1.48
US‡	2.83	17.1	2.15	1.31
Asia Pacific	3.22	28.4	3.29	4.18
World	2.52	26.7	2.13	1.62

Notes: See text. 'World' is the total of the three regions shown; major market excluded with this formula is Canada, which recorded a further fall in agency numbers in 2004, of 5% to 3037, but a 4% increase in revenue to US$5.1bn. IATA = International Air Transport Association, BSP = Billing & Settlement Plan. *Quoted in US$. Source: IATA BSP, ‡Airlines Reporting Corporation.

the difference is less. In fact, results 10 years ago were a particular reflection of results in Japan – which had been 20-times world average. Now it is a mere five-times world average.

Market developments in the US (fewer agencies, but more revenue) caused productivity there to increase substantially up to 2001. Sales then began to fall (actually starting before 9/11), so productivity dropped over the whole year, recovered in 2002, dropped again in 2003, but increased 17% in 2004.

Europe has been pushed to the lowest of the world's three main regions, although it was ahead of the US in the mid-1990s. The region is also below the world average.

London bombing impact

WTTC (World Travel & Tourism Council) was quick to estimate the effect of the bombings in London in July. For 2005 it expects:

– UK visitor arrivals could fall 1.9%, 588,000; original 30.95mn.

– Personal travel by UK residents could fall 2.3%, US$4.2bn (at US$1 to £0.55); original US$185bn.

– Business travel could fall 2.3%, US$951mn; original US$41bn.

– Government spend of travel could increase 6.3%, US$855mn; original US$23bn.

– Visitor revenue could fall 1.9%, US$702mn; original US$63bn.

– Total travel spend could fall 1.5%, US$3.5bn; original US$223bn.

Unfortunately, its mis-use of English weakens its accompanying analysis. It says (*along with our comments*):

– Intensity of the event's affect on arrivals, residents' travel consumption confidence, and business travel confidence should be minor. *"Intensity"? Same meaning without this word? "Travel consumption confidence" – means "confidence to travel"?*

– Duration of the event's affect on arrivals, residents' travel consumption confidence, and business travel confidence should be limited. *"Limited" to one day, one year, one decade?*

– Geographical reach of the event should be limited to the UK. *A surprising statement which international cancellations proved wrong in the hours following the bombings.*

– Damage to the travel infrastructure was none. *Depends on definition but obviously the transport system is part of travel infrastructure, and that was badly damaged.*

– UK government spending response to the event should and would be strong.

Bed battle at the bottom?

Two hotel products at the low end of the market.

• **Accor** is looking at two sites to open backpacker hostels in Paris. After Paris, it would probably search in London and then maybe Amsterdam, then Frankfurt.

These would likely take the name used by a division of its Australian subsidiary, X Base Backpackers – which has eight hostels open in Australia and New Zealand.

We think Accor's priorities are wrong. It should open London first, because that is Europe's backpacker capital, not its own headquarters, Paris.

Even if the share of domestic business at XBB in Australia is only 15%, a lot of those guests when they venture overseas might stop not in the 'backpacker migratory flow' points of India and Thailand in Asia, and Los Angeles and some other US points, but in the European nesting point, London.

• **Easy** Hotel. Opened its first hotel last month, in London, with a second, in Basle, Switzerland, due next month.

We like the room category definition – small, very small, and tiny –if only to counter the absurd position in the rest of the hotel world, where a standard room is defined 'superior'.

Easy's in London are 6-7sqm (yes), with advance-booking lowest rates at about US$38 (at US$1 to £0.53) including tax – but not including service charge (which comes in the form of a US$19 charge for cleaning the room – at the end of the stay).

Using a phrase over-used by low-fare airline management, these prices are a rip-off. Accor's budget brands, for instance, have rates lower than this in Paris – with rooms three times larger, sleeping for at least three, free TV (Easy charges), and windows (most of Easy's do not have them).

Easy's Basle prices look better – under US$20. (Easy also books other hotels under the Easy Hotel name, via Octopus. *That will have to change if the group wants to build its own brand name to mean something to hotel clientele.)*

• We criticised **Eurotunnel** for a poor business plan, despite its excellent product, over more than two years. In August 2004 we asked why shareholders could not get management change; in December we asked when heads would roll; and in February 2005 why a 75% decline in stock price over five years had not prompted change.

In June 2005, the CEO resigned but the chairman who presided over this, remained – with a reinforced mandate.

Volume 15 Number 8 **ISSN-0256-419X**
Email annual subscription rate for the monthly 12-page Europe edition is US$775 a year. Email annual subscription rate for the monthly 12-page Asia Pacific edition is US$775 a year. Email annual subscription rate for the monthly single-page Net Value is US$100. There are linked rates for these three products; see back page for more details and subscription form. Airmailed print-copy subscriptions are also available.
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Net Value

Statistics and Analysis on Travel and the Internet

New PCW study

Convenience has started to edge out price as the most effective decision-driver for online travel package buyers in 2004 in the US.

According to a PhoCusWright survey, 28% of those buying a combination of air tickets and hotel accommodations from the same site said they did so to save time; 27% said discounts was their incentive.

The trend was stronger among those who tend to be loyal to one site. Of those, 37% cited convenience and 25% discounts. Of those who bought over a few sites, 21% wanted to save time and 28% wanted discounts.

PCW says 40mn adult Americans, up 14%, bought travel online in 2004. Among the 59mn who had been online in the past month and had flown in the past year (the definition of an 'online travellers'), 88% shop for travel online and 63% said they usually purchase travel via the internet.

Other findings include:

• More are booking hotels online (71% compared with 60% in 2003), near the air booking share (92% in both years).

• Half of all online combination purchases are just air and hotel, 24% air, hotel and car, 23% air and car, and 4% hotel and car.

• Business travel rebounds; 44% had taken a flight on business, compared with 33% in 2003. The who flew for leisure trips was unchanged at 90–91%.

• 40% of online travel shoppers who have shopped on an online travel agency site, ultimately buy direct from a supplier (near 50% for those buying air travel, 30% buying hotel rooms or car rental).

• 36% believe that supplier sites provide the best customer service, compared to 15% who choose online travel agencies, and 33% for offline travel agencies.

• 45% believe that suppliers offer the lowest prices, followed by 38% (14% in 2002) for suppliers. But online shoppers believe that suppliers offer the lowest fees (44% against 29%), most bonus points (51% against 14%), and an easier change/cancellation policy (39% against 17%).

Market shares in Europe

According to Denmark's Tourism Research Center, online travel bookings in Europe increased 36% in 2004 to US$21bn (€17bn).

Of this, 36% was in the UK, 22% Germany, and 11% France. *We find these shares difficult to believe, and that Germany at least is higher.* In 2000, the Center reported that the UK was 30%, and Germany 26%; France was part of a bigger grouping (with Austria, Belgium, Ireland, Netherlands, and Switzerland), reaching a total of 23%.

In addition, we believe that the big three will steadily lose market share – even if sales increase – as growth will be faster in other countries.

According to TRC, air travel took 57% of the market, hotels only 16%, tours 14%, rail 9%, and car rental 2%.

Summer hotel rates

US hotel retail rates are up 9% this summer, according to rates on Travelweb – owned by Priceline.

Most of the data is from US cities, although it was others which recorded extremes – up 31% for Montreal, and down 8% for London. In the US, growth in New York, up 25%, may not have been much of a surprise – it recovered fast relative to other measures, after 9/11, and has since been growing fast to catch up with time lost.

But a surprise was the 5% decline in Las Vegas.

(But note overall that because this is a summer survey, it reflects leisure travel more than business, and trends are not always the same in these two segments.)

Hotel prices in selected North America* cities

City	Growth†,%
Atlanta	-0.5
Boston	11.5
Chicago	20.6
Dallas	6.8
Denver	9.6
Hawaii (Oahu)	20.2
Houston	8.1
Las Vegas	-5.0
London*	-7.7
Los Angeles	8.0
Miami	12.8
Montreal	31.4
New York	24.7
Orlando	8.8
San Francisco	1.2
Seattle	14.8
Toronto	12.3
Vancouver	18.9
Washington	22.1

Notes: Based on average retail price changes of rooms booked through Travelweb, which sells hotel rooms on a published-price basis. *London only other city included. †Summer 2005 over S04. Source: Priceline.

Bites

• News:

Orbitz and Priceline have signed an agreement where Priceline will provide Orbitz's opaque travel offer.

(Notes: Orbitz was bought by Cendant in November 2004. 'Opaque' are online hotel rates that are not announced to a customer – usually because the customer is buying as part of a composite package.)

• According to a US survey*:

– The internet is now used exclusively for vacation planning purposes by 56% of all leisure travellers who are active hotel and airline users. 23% consult both travel agencies and the internet, and 10% rely only on travel agencies.

– Adults who have made reservations online increased from 45% to 47%.

**2005 National Leisure Travel Monitor, now in its 13th year, by Yesawich, Pepperdine, Brown & Russell/Yankelovich Partners. Non–internet findings in May editions of Travel Business Analyst.*

• Jupiter Research says 45% of people that buy travel on the internet check 2–5 sites, and 15% check even more.

• Opodo France targets 10.5% sales increase this year to US$519mn (€420mn). This may be an under–estimate, given 96% growth in Q1 2005.

Air sales represent 70% of the total, but this may change when Opodo adds dynamic packaging, due this month.

Net Value, published by Travel Business Analyst, is available as part of a subscription to the Europe edition of Travel Business Analyst. An annual subscription to Net Value alone, costing US$100, is delivered separately from Travel Business Analyst Europe only via email in PDF format.
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Headlines

Comments on tables

1 Declines at Austrian, British, SAS, TAP. With falling yields (due to fuel costs if nothing else), traffic growth is a must. So declines are more serious than in the past. Big growth at Alitalia – after years of debilitating decline.

2 Mediocre for Europe, very strong for the US.

3 All-Europe up 6% in first quarter. Also, first quarter for airports whose figures supplied to us by ACI. Berlin's three airports continue with their boost from Schoenefeld. Brussels up 5%, Copenhagen 3%, Madrid 8%, Milan's three 5%, Paris's two 4%, Rome's two 8%, and Zurich 4%. Three of Europe's big four (no advanced data from Paris) slow – 3% for Amsterdam, Frankfurt, and London Heathrow.

4 Figures for France (Paris only) restarted, with data for first quarter; up 4% overall, but down to Italy and UK. Also, first quarter for Germany and the UK. Strong 10% growth for Germany, most from the 9% growth in the largest country pair, to/from Spain, but also an extraordinary 17% to/from UK. We put that down almost entirely to Easyjet. But note that Air Berlin was on these routes before, so it is not just low-fare-airline growth, but which LFA. For the UK markets, biggest-market Spain grows a reasonable 5%, and Germany overtakes Italy.

5 Prices at mid-year. Three airlines below their end-2004 price, three above, and one unchanged; and all four hotel groups ahead. Among 'Others', just two in decline – one, new-style company Amadeus, the other old-style company My Travel.

7 Start of updates with 2004 data (courtesy WTO).

10 YTD average occupancy up nearly two points, average rate up US$11 to US$186, revpar up nearly US$12 to US$125. Different categories are shown each month, but all are available to those that require the additional measures; contact us.

11 Data now available for 2004. Analysis due in September issue. In the interim, Europe's location growth (surprisingly) faster than Asia Pacific's, but sales growth much slower (although this is primarily a result of recovery from SARS in Asia Pacific in 2003). Decline in agency numbers in the US continues, but sales growth good for a mature market, at 7%, although this also was partly related to SARS.

12 What we suggested – departure of Eurotunnel's CEO – has happened. Not quite for this reason, even if it might look that way, traffic increases. But still no growth in car traffic – so Eurotunnel still needs to solve that marketing problem. In first half, car traffic up 1%, buses 34%, and continued growth in Eurostar train passengers, up 8%.

1 Passenger traffic* on selected Europe airlines, 2005

Airline	Mth:	SS 1000	+/- %	RPK mn	+/- %	Jan thru:	SS 1000	+/- %	ASK mn	+/- %	RPK mn	+/- %	SF %	+/- pts
Air France	May	4050	6.3	9508	7.1	May	18552	4.1	58779	3.0	45009	6.2	76.6	2.3
Alitalia	May	2122	15.8	3210	21.3	May	9243	10.7	21291	14.4	14275	14.9	67.0	0.3
Austrian	May	694	2.9	1512	5.0	May	2943	-0.6	9578	4.0	6638	1.8	69.3	-1.5
British AW	May	3025	0.1	9043	3.2	May	14053	-0.3	59904	1.2	43967	3.4	73.4	1.5
Iberia	May	2421	7.6	3992	9.7	May	10699	3.6	25783	6.2	19222	7.2	74.6	0.7
KLM	May	1847	6.8	5585	7.1	May	8387	5.3	32950	6.6	26745	7.5	81.2	0.7
Lufthansa	May	4299	-0.2	9940	2.7	May	19097	0.7	57266	3.2	44122	3.7	77.0	0.4
Olympic	May	525	8.4	659	19.5	May	2182	3.2	4171	2.9	2676	10.6	64.1	4.5
SAS	May	2244	-2.9	2452	-2.4	May	9806	-4.0	16170	-2.2	10800	-1.5	66.8	0.5
Swiss	May	845	7.4	1756	4.7	May	3872	0.6	10788	-7.7	8200	-3.7	76.0	3.1
TAP	May	550	-6.3	1169	1.5	May	2551	-1.2	7967	5.4	5728	5.2	71.9	-0.1
Turkish	May	1196	23.7	1739	21.0	May	5031	21.7	10462	14.0	7612	20.2	72.8	3.7
Virgin A'tic	May	357	4.6	2533	13.8	May	1801	4.1	17539	12.2	12841	7.0	73.2	-3.6

Low-fare airline traffic

Airline	Month	Jan thru
Easyjet	May	May
SS,x1000	2552	11816
Growth,%	21.9	22.6
SF,%	84.1	84.6
Growth,pts	3.1	0.5
Ryanair	May	May
SS,x1000	2905	12211
Growth,%	33.8	21.7
SF,%	82.0	78.5
Growth,pts	1.0	0.6

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.

2 Operating results on airlines of regional associations, 2005

Item	Europe,AEA									
	Feb 05	Growth,%	Mar 05	Growth,%	Apr 05	Growth,%	May 05	Growth,%	YTD 05	Growth,%
SS,mn	14.4	1.3	17.6	5.5	18.0	1.9	18.9	5.4	84.2	4.4
ASKs,mn	59,562	1.9	67,728	5.9	68,096	4.8	71,262	4.7	332,511	4.6
RPKs,mn	42,862	2.7	51,766	7.5	51,550	4.1	53,281	7.1	247,616	6.1
Pax LF,%	72.0	0.6*	76.4	1.3*	75.7	-0.6*	74.8	1.7*	74.5	1.1*
	US,ATA									
	Feb 05	Growth,%	Mar 05	Growth,%	Apr 05	Growth,%	May 05	Growth,%	YTD 05	Growth,%
SS,mn	4.5	8.9	5.6	16.4	5.2	10.3	5.4	12.5	25.7	12.3
ASKs,mn	28,868	8.9	32,489	13.3	32,292	11.7	33,957	9.3	159,506	11.2
RPKs,mn	20,994	9.3	26,732	14.9	25,217	11.3	27,226	11.9	124,634	12.2
Pax LF,%	72.7	0.3*	82.3	1.2*	78.1	-0.2*	80.2	1.9*	78.1	0.7*
	Asia Pacific,AAPA									
	Jan 05	Growth,%	Feb 05	Growth,%	Mar 05	Growth,%	Apr 05	Growth,%	YTD 05	Growth,%
SS,mn	9.4	1.8	9.1	9.8	9.8	13.0	9.6	6.9	37.9	7.7
ASKs,mn	60,145	5.0	49,362	4.0	53,275	7.2	52,999	5.6	215,782	5.4
RPKs,mn	44,657	2.8	35,707	6.7	38,726	11.3	37,675	6.3	156,765	6.5
Pax LF,%	74.2	-1.6*	72.3	1.8*	72.7	2.7*	71.1	0.5*	72.7	0.7*

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

Master Notes: AL = Airline, ASK = available-seat km, ATK = available-tonne 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, RTK = revenue-tonne km, Q = quarter (of year), SE = Sweden, SF = seat factor, SS = seats sold, YTD = year-to-date.

3 International traffic* at Europe's leading airports, 2005

Airport		Passengers,x1000				Aircraft movements,x1000				Seats sold per aircraft	
	Month	Month	Growth,%	YTD	Growth,%	Month	Growth,%	YTD	Growth,%	Month	YTD
Amsterdam	May†	4,066	5.4	16,704	3.1	36.7	2.7	161.2	0.6	111	104
Berlin*,x3	Mar†	1,320	17.4	3,491	17.1	18.6	4.4	51.1	4.0	71	68
Brussels*	Mar†	1,201	6.5	3,187	5.1	20.9	-3.0	58.5	-1.9	58	55
Copenhagen*	Mar†	1,561	2.0	4,142	3.0	22.2	-5.0	64.2	-1.3	70	65
Frankfurt	May†	3,903	3.9	17,103	2.5	35.6	6.3	162.5	4.6	110	105
London,x3	May†	9,241	5.1	41,616	5.1	66.3	2.3	303.5	1.8	139	137
LHR	May†	5,077	2.4	24,076	2.7	35.1	0.6	167.5	-0.3	145	144
LGW	May†	2,483	5.1	10,265	8.0	18.0	4.0	76.5	5.7	138	134
STN	May†	1,681	13.9	7,275	9.5	13.2	4.6	59.5	3.0	128	122
Madrid*	Mar†	3,476	12.0	9,237	7.5	34.9	3.8	99.1	3.8	99	93
Milan*,x3	Mar†	2,614	6.4	6,977	4.8	32.6	4.0	91.4	1.8	80	76
Paris*,x2	Mar†	6,267	5.6	17,341	4.2	60.7	-1.7	176.5	-0.2	103	98
CDG	Mar†	4,266	7.1	11,691	4.1	42.3	-2.5	122.7	-2.1	101	95
ORY	Mar†	2,001	2.7	5,650	4.5	18.3	0.4	53.8	4.4	109	105
Rome*,x2	Mar†	2,637	9.1	6,830	7.8	30.4	7.3	85.8	6.1	87	80
Zurich*	Mar†	1,446	6.8	3,888	3.8	22.4	10.3	63.6	5.4	64	61
EUROPE*	**Mar†**	**92,643**	**8.7**	**247,471**	**7.0**	**1,401.1**	**2.9**	**3,852.9**	**3.0**	**66**	**64**

Notes: *Domestic and international. Source: respective airports, except ACI for Berlin, Brussels, Copenhagen, Madrid, Milan, Paris, Rome, Zurich, and all-Europe.

4 Air passenger traffic to selected countries, x1000

From	France†				Germany				UK				US			
	Mar	+/-*	YTD	+/-*	Mar	+/-*	YTD	+/-*	Mar	+/-*	YTD	+/-*	Feb	+/-*	YTD	+/-*
To	05	%	05	%	05	%	05	%	05	%	05	%	05	%	05	%
France	na	na	na	na	491	4.8	1310	5.8	914	3.9	2510	2.0	361	7.5	773	6.5
Germany	328	2.0	885	5.6	na	na	na	na	944	17.0	2498	14.0	465	3.8	1007	4.6
Italy	360	-6.9	975	-7.8	706	6.4	1728	2.6	862	-12.2	2193	2.8	119	11.0	257	9.8
Netherlands	84	9.0	232	10.5	184	-6.7	507	0.1	651	-2.5	1797	-1.6	274	7.8	586	8.4
Spain	395	21.9	979	13.8	1534	7.5	3831	8.6	2327	9.9	5924	3.5	86	-20.5	193	-16.2
Switzerland	160	7.6	446	7.8	345	7.9	930	9.3	522	17.6	1431	10.5	91	5.1	204	7.1
UK	386	-5.1	1059	-3.5	938	20.7	2476	17.0	na	na	na	na	1069	-1.3	2300	1.1
US	479	9.7	1231	9.0	645	6.4	1659	4.1	1476	4.7	3861	4.4	na	na	na	na
Total	**6267**	**5.6**	**17341**	**4.2**	**9397**	**11.9**	**24363**	**9.7**	**13442**	**12.7**	**35881**	**8.9**	**8046**	**3.6**	**17509**	**5.3**

Notes: *Over same period, year earlier. †Paris airports only. Source: Aeroports de Paris, Statistisches Bundesamt, Civil Aviation Authority, Department of Transportation.

5 Stock market last-day closing prices

Company	Market	Price, local currency*				Growth†,%	
		Dec 03	Dec 04	May 05	Jun 05	stock	market
Airlines							
Air France	Paris	12.2	14.0	12.9	12.6	-2.8	2.6
Alitalia	Milan	0.26	0.25	0.26	0.25	-5.8	3.5
British Airways	London	233	235	274	264	-3.8	3.0
Easyjet	London	NA	188	226	258	14.3	3.0
Iberia	Madrid	2.28	2.59	2.57	2.37	-7.8	3.8
Lufthansa	Amsterdam	13.3	10.6	10.3	10.2	-1.0	2.8
Ryanair	Dublin	6.59	5.25	6.46	6.39	-1.1	5.1
Hotels							
Accor	Paris	35.9	32.2	37.5	38.8	3.4	2.6
Hilton	London	225	285	284	286	0.7	3.0
InterContinental	London	529	648	638	707	10.9	3.0
Sol Melia	Madrid	6.79	7.40	8.70	10.0	14.9	3.8
Others							
Amadeus	Madrid	5.15	7.57	7.32	7.23	-1.2	3.8
Avis Europe	London	95.0	53.8	66.0	63.5	-3.8	3.0
BAA	London	496	584	623	620	-0.4	3.0
Eurotunnel	London	37.5	17.0	12.5	17.0	36.0	3.0
Kuoni	Zurich	414	500	506	534	5.5	2.1
Lastminute.com	London	216	121	166	164	-1.1	3.0
My Travel	London	10.9	6.00	5.00	5.75	15.0	3.0
TUI	Frankfurt	16.5	17.4	20.2	20.9	3.5	2.8

Notes: See Master Notes, page 4. *Euro in Euro countries (in table includes AT, FR, DE, IE, IT, NL, ES). †Latest month over month earlier. Source: Wall Street Journal(s).

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	19,886	19.0	WTO
	Dec‡	19,265	-3.1	WTO
Germany	Dec†	73,400	NA	WTO
	Dec	74,400	1.4	WTO
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‡	17,940	-2.3	WTO
Spain	Dec	4,100	16.7	WTO
	Dec‡	4,139	1.0	WTO
Sweden	Dec‡	10,500	1.0	WTO
Switzerland	Dec†	11,823	NA	WTO
	Dec	12,351	4.5	WTO
UK	Dec	56,837	5.5	NTO
	Dec‡	59,030	3.9	NTO

Notes: ETM-European Travel Monitor, NTO-national tourist office, Ot-Other. *2000 unless stated otherwise. †1999. ‡2001. Source: See column.

7 Spending on foreign travel by residents

Source	Jan thru*:	Spending US$mn	Growth %
Austria	Dec	11,761	4.8
Belgium	Dec	12,106	-0.2
Czech R	Dec	1,928	5.6
France	Dec	23,273	0.6
	Dec‡	28,636	11.1
Germany	Dec	63,402	3.0
	Dec‡	72,271	1.6
Greece	Dec	2,370	-17.3
Hungary	Dec	2,594	-1.7
Ireland	Dec	4,709	6.2
Italy	Dec‡	20,544	-9.4
Luxembourg	Dec	2,373	5.0
Netherlands	Dec	14,599	-5.6
Norway	Dec	6,436	14.4
Portugal	Dec	2,704	0.3
Russia	Dec	12,880	14.1
	Dec‡	15,730	22.1
Spain	Dec	8,275	4.2
Sweden	Dec	8,269	-5.7
Switzerland	Dec	7,471	0.0
Turkey	Dec	2,113	12.4
UK	Dec	47,443	7.2
	Dec‡	55,930	4.1

Notes: Growth may not tally with previous figure shown. *2003 unless stated otherwise. †2002. ‡2004. A=Local currency. Source: WTO, national tourist offices.

8 Internet bookings/sales of selected companies/markets

Company, item	Period	Number	Previous period
Online sales, Europe (PCW)	2006	$54b	up 46%
% use of internet (IPK), Europe	2004	23%	19%
Priceline rental car days sold	2004	5.1m	up 38%
Expedia bookings	Q1 2005	$3.4b	up 29%
Hotels.com bookings	Q1 2005	$483m	down 2.2%
IAC Travel transactions	Q1 2005	10m	up 18%
IAC Travel roomnights	Q1 2005	7.3m	up 4.3%
Orient Express Hotels online sales	2004	up 80%	NA

Notes: See Master Notes, page 4, and Net Value. Source: various.

9 Networks of computer reservations systems

System	Country
Amadeus	Ww: A64377† S184347. Ap: A11077 S34658. Eu: A37567 S125299. Na: A5066 S11551. FR: A4470 S9952. 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 7. 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.

10 Hotel results in Europe, US, and Asia, May

City	Occupancy,%				Average room rate, local	US$*				Revpar, US$*			
	2005		2004		2005	2005		2004		2005		2004	
	Mth	YTD	Mth	YTD	YTD	Mth	YTD	Mth	YTD	Mth	YTD	Mth	YTD
EUROPE*													
Amsterdam	76.6	68.7	80.1	71.7	138.64	187.25	178.87	178.55	161.72	143.49	122.92	142.99	115.95
Berlin	64.8	59.3	70.5	60.3	113.68	133.97	146.68	150.77	149.66	86.85	86.94	106.26	90.17
Brussels	68.1	63.3	70.7	65.3	111.51	128.30	143.88	142.82	137.43	87.34	91.07	100.91	89.78
Copenhagen	73.3	62.6	75.5	63.6	798.18	141.79	138.21	133.43	124.46	103.87	86.49	100.69	79.16
Frankfurt-all	57.6	64.2	60.9	58.6	121.41	119.72	156.65	156.17	155.52	68.92	100.50	95.18	91.07
Geneva	61.9	59.7	61.1	59.3	286.87	248.27	239.75	212.04	210.99	153.58	143.09	129.60	125.13
London-all	76.7	73.6	75.8	67.4	129.44	244.23	243.97	274.56	246.17	187.31	179.52	208.01	165.82
LHR AP	80.8	82.1	NA	NA	66.55	124.84	125.43	NA	NA	100.83	102.94	NA	NA
Madrid	75.4	70.0	72.2	65.5	143.09	183.37	184.61	210.80	186.32	138.28	129.21	152.09	122.11
Moscow	77.3	79.1	59.7	71.1	4881.68	153.24	174.86	124.46	142.91	118.41	138.27	74.29	101.61
Paris-all	69.9	64.8	66.7	63.7	166.65	228.78	215.02	204.15	194.15	160.00	139.36	136.10	123.65
CDG AP	58.4	63.1	NA	NA	115.88	136.46	149.51	NA	NA	79.65	94.32	NA	NA
Rome	83.5	69.2	82.0	65.2	201.40	278.62	259.85	306.11	246.09	232.52	179.74	251.03	160.36
Zurich	69.2	68.4	73.9	68.1	181.72	139.82	151.87	137.85	139.18	96.70	103.91	101.86	94.73
AVERAGE	**71.2**	**66.9**	**70.7**	**65.0**	**na**	**182.28**	**186.18**	**185.97**	**174.55**	**131.44**	**125.08**	**133.25**	**113.30**
US†													
Chicago	67.6	63.4	66.5	61.4	107.40	115.21	107.40	104.26	100.04	77.88	68.09	69.33	61.38
Los Angeles	73.6	73.8	70.5	71.1	103.39	104.54	103.39	96.67	95.92	76.94	76.30	68.15	68.19
New York	85.9	84.0	83.7	81.3	197.70	207.60	197.70	185.98	177.16	178.33	166.03	155.67	143.98
ASIA‡													
Tokyo	74.9	73.6	76.1	73.3	23037	208.13	218.16	212.14	219.64	155.79	160.46	161.52	160.97

Notes: See Master Notes, page 4. 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, 2004

Country	Locations	Growth %	Net sales US$mn*	Growth %	Per agency US$mn*	Growth %
Austria	253	-1.9	1,133	27.0	4.48	29.5
Belgium‡	755	0.0	1,653	20.0	2.19	20.0
Bulgaria	149	8.8	107	46.3	0.72	34.5
Croatia	93	6.9	91	26.6	0.97	18.4
Cyprus	146	-0.7	246	19.7	1.69	20.5
Czech R‡	217	4.3	358	27.5	1.65	22.2
Finland	286	-2.4	990	36.8	3.46	40.2
France	3,633	0.0	9,516	18.2	2.62	18.2
Germany	4,441	-2.6	10,061	17.8	2.27	20.9
Greece	1010	-0.7	1,051	9.4	1.04	10.2
Hungary	256	-1.5	273	10.3	1.06	12.0
Ireland	460	-2.3	712	8.8	1.55	11.4
Italy	5,493	4.7	6,109	10.6	1.11	5.6
Malta	93	2.2	64	19.9	0.69	17.3
Netherlands	557	-3.8	2,412	14.8	4.33	19.3
Nordics‡	1443	0.0	4,967	6.2	3.44	6.2
Poland	366	7.3	429	22.1	1.17	13.7
Portugal	863	3.4	933	16.4	1.08	12.6
Romania	218	19.8	241	17.7	1.10	-1.7
Serbia	148	na	86	398.5	0.58	401.9
Slovenia	53	3.9	67	29.5	1.26	24.6
Spain	7,265	10.0	5,251	16.2	0.72	5.7
Switzerland‡	853	1.3	2,313	14.6	2.71	13.1
Turkey	379	8.6	608	42.1	1.61	30.9
UK	2,712	-4.8	14,732	20.3	5.43	26.3
Europe	32,142	2.4	64,402	16.9	2.00	14.2
US	23,324	-9.0	65,911	6.6	2.83	17.1
Asia Pacific	13,116	1.7	42,185	26.6	3.22	28.4
World	68,582	-1.9	172,498	17.8	2.52	26.7

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.

12 Eurotunnel traffic

Item,x1000	Oct-Dec 04	Growth %	Jan-Mar 05	Growth %	Apr-Jun 05	Growth %	YTD 05	Growth %
Cars	551	-5.2	439	4.2	513	-2.1	952	0.7
Buses	18	-12.5	18	48.6	22	23.6	40	33.5
Eurostar passengers	1872	12.7	1695	5.5	1981	10.1	3676	7.9

Source: Eurotunnel.

13 Economic indicators of major countries in Europe, 2005

Country	GNP/GDP 1 year	GNP/GDP 3 mths*	Retail sales 1 year	Consumer prices† 1 year	Consumer prices† year ago	Wages/earnings‡ 1 year	Wages/earnings‡ year ago
France	1.7 Q1	0.8	1.5 Mar	1.8	2.1 Apr	2.9	2.8 Q1
Germany	1.1 Q1	4.2	2.7 May	1.8	1.7 Jun	0.6	1.9 May
Italy	-0.2 Q1	-1.8	-4.6 Apr	1.8	2.4 Jun	3.1	3.3 May
Netherlands	-0.3 Q1	-0.6	-2.7 Feb	1.5	1.4 Apr	0.7	1.6 Apr
Spain	3.3 Q1	3.5	2.2 May	3.1	3.5 Jun	3.0	3.2 Q1
Switzerland	0.8 Q1	0.2	-0.3 Mar	1.0	0.9 May	0.9	1.4 ,04
UK	2.7 Q1	2.0	2.3 Apr	1.9	1.2 Apr	4.6	5.1 Mar
Euroland	1.4 Q1	1.9	2.0 May	2.1	2.4 Jun	3.1	3.0 Q1
Others							
Japan	1.3 Q1	4.9	3.6 Apr	0.2	-0.5 May	-0.2	2.2 May
US	3.7 Q1	3.8	4.3 May	2.5	3.3 Jun	2.7	2.0 Jun

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 thru*:	Spending-A	Growth,%	Source
Austria	Dec	14,068	4.6	WTO
Belgium	Dec	8,288	-1.0	WTO
Bulgaria	Dec	1,623	21.3	WTO
Czech Republic	Dec	3,554	4.2	WTO
Cyprus	Dec	1,977	-10.4	WTO
Denmark	Dec	NA	-7.7	WTO
Estonia	Dec	682	1.8	WTO
Finland	Dec	1,894	0.0	WTO
France	Dec	36,347	-5.4	WTO
	Dec†	40,842	1.5	WTO
Germany	Dec	22,829	1.3	WTO
Greece	Dec	10,629	-8.0	WTO
Hungary	Dec	3,426	-12.1	WTO
Ireland	Dec	3,875	4.7	WTO
Italy	Dec	31,286	-2.1	WTO
	Dec†	35,658	3.8	WTO
Lithuania	Dec	568	4.0	WTO
Luxembourg	Dec	2,779	2.3	WTO
Malta	Dec	693	5.2	WTO
Netherlands	Dec	9,228	0.2	WTO
Norway	Dec	2,548	4.3	WTO
Portugal	Dec	6,927	1.2	WTO
Romania	Dec	792	12.5	WTO
Russia	Dec	4502	8.0	WTO
Slovakia	Dec	863	-3.3	WTO
Slovenia	Dec	1,338	7.0	WTO
Spain	Dec	41,708	3.7	WTO
	Dec†	45,248	3.8	WTO
Sweden	Dec	5,290	-6.1	WTO
Switzerland	Dec	8,973	3.3	WTO
Turkey	Dec	13,203	55.7	WTO
UK	Dec	19,511	1.1	WTO
	Dec†	27,299	7.5	WTO

Notes: See Master Notes, page 4. Growth may not tally with previous figure shown. *2003 unless stated otherwise. †2004. A = In millions of US$. Source: As shown.

15 Visitor arrivals in Europe destinations

International arrivals

Destination	Jan thru*:	Arrivals x1000	Growth %	Source	Stay days	PVPD US$-C
Andorra	Dec	3,138	-7.4	WTO	2.93	NA
Austria	Dec	19,078	2.5	WTO	5.2-F	142.90
	Dec‡	19,373	1.5	WTO	5.2-F	142.90
Belgium	Dec	6,690	-0.4	WTO	2.5	55E
Bulgaria	Dec	4,048	17.9	WTO	2.8-F	48.39
Croatia	Dec	7,409	6.7	WTO	NA	473-V
Cyprus	Dec	2,303	-4.8	WTO	11	59.13
Czech R	Dec	5,076	7.0	WTO	2.8-F	48.39
Denmark	Dec	2,016	0.3	WTO	3.60	1928-V
Finland	Dec	2,601	-9.5	WTO	5.86	62.92
France	Dec	75,048	-2.6	WTO	7.16-F	54.4
	Dec‡	75,123	0.1	WTO	7.16-F	54.4
Germany	Dec	18,399	2.4	WTO	7.16-F	54.4
	Dec‡	20,137	9.5	WTO	7.16-F	54.4
Hungary	Dec	15,706	-1.0	WTO	3.41-F	15.19
Iceland	Dec	771	9.4	WTO	2.8	267.56
Ireland	Dec	6,369	5.0	WTO	11.0-F	39.06
	Dec‡	6,575	3.2	WTO	11.0-F	39.06

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15 Visitor arrivals in Europe destinations

Destination	an thru*	Arrivals x 1000	Growth %	Source	Stay days	PVPD US$-C
Italy	Dec	39,604	-0.5	WTO	4.36-F	178.42
	Dec‡	37,071	-6.3	WTO	4.36-F	178.42
Latvia	Dec	971	14.5	WTO	NA	NA
Lithuania	Dec	1,491	4.4	WTO	6.00	15.93
Malta	Dec	1,127	-0.6	WTO	8.40	52.70
Netherlands	Dec	9,181	-4.3	WTO	3.67-F	221.99
	Dec‡	9,646	5.1	WTO	3.67-F	221.99
Norway	Dec	3,146	1.1	WTO	NA	445-V
Poland	Dec	13,720	-1.9	WTO	4.7	56.32
	Dec‡	14,296	4.2	WTO	4.7	56.32
Portugal	Dec	11,707	0.5	NTO	7	70.73
	Dec‡	11,617	-0.8	NTO	7	70.73
Serbia	Dec	481	7.4	WTO	NA	NA
Slovakia	Dec	1,387	-0.9	WTO	3.60	4.17
Slovenia	Dec	1,373	5.5	WTO	3.12	4.84
Spain	Dec	52,478	0.3	WTO	12.7	38.16
	Dec‡	53,592	3.4	WTO	12.7	38.16

Destination	Jan thru*	Arrivals x1000	Growth %	Source	Stay days	PVPD US$-C
Sweden	Dec	7,450	-0.1	WTO	NA	1469-V
Switzerland	Dec	6,530	-4.9	WTO	3.8-F	148.58
	Sep‡	NA	2.2	WTO	3.8-F	148.58
Turkey	Dec	13,341	4.3	WTO	8	83.83
	Dec‡	16,930	26.9	WTO	8	83.83
UK	Dec	24,715	2.2	WTO	10.1	69.41
	Dec‡	27,710	12.1	WTO	10.1	69.41
Europe	Dec	398,945	0.4	WTO	5-E	na
	Dec‡	414,504	3.9	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. *2003 unless stated otherwise. †2002. ‡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