

CONTINENTAL EUROPE

PRESENTED BY JANICE KURRLE





**WE ARE ON THE ROAD AGAIN... BUT ...
FINANCIAL, GEOPOLITICAL & PANDEMIC CONCERNS ARE PUTTING
THE BRAKES ON.**

ECONOMIC KEY FACTS GERMANY AS OF AUGUST 2022

Only +1.3%

GDP FORECAST 2023
German economic
growth to slow down

+8.7%

INFLATION RATE (Aug)
Its highest level in
nearly half a century

+5.4%

UNEMPLOYMENT RATE
Its highest level in
nearly half a century

**CONSUMER
SENTIMENT
PLUNGED TO A NEW
RECORD LOW**

ECONOMIC KEY FACTS SWITZERLAND AS OF AUGUST 2022

Only 1.9%

GDP FORECAST 2023
Swiss economic
growth to slow down

+2.5%

INFLATION RATE (Aug)
also on the rise

+2.2%

UNEMPLOYMENT RATE
remains low

**CONSUMER
SENTIMENT
PLUNGED TO A NEW
RECORD LOW**



SOME TRADE & TRAVEL HEADWINDS

- Competition around the world and in Australia
- Many agents see a higher demand for New Zealand bookings
- Awareness of Australia's holiday experiences has weakened
- Environmental threats like wildfires, extreme heat etc. have always been a threat



NEW COMPLEXITY OF A BOOKING

- **Costs per trip to Australia** have risen significantly (airlift and availability on land as well as scarce supply)
- **KDPs** seeing a very good demand in bookings for Australia but are facing staff shortages in general and lack of staff destination knowledge
- **Every booking is more complex** and needs more in-depth information such as COVID advice
- **East Coast itineraries easier to plan** (online bookings) and cheaper due to lower flight costs
- **Lack of time for regional dispersal** especially for first time visitors

What are the industry saying?

HOWEVER... AN AUSTRALIAN TRIP IS STILL ON THE BUCKET LIST

- Consumers have waited a long time to be travelling again. They are now booking trips they have been planning for years or have previously postponed/cancelled.
- High levels of pent-up demand for travel including long-haul.
- Partners such as Australia Unlimited see the potential now to make a start, they would not do this if there was no potential in the German market.



WE ARE MASTERS OF THE PLANNING “JOYFUL ANTICIPATION”

- On average, travel planning starts six months ahead and booking takes place three months prior to departure.
- Peak booking period is from December-March
- Peak travel periods being July-August (summer holidays), and October-March (winter).
- Consumers still make the destination choice before contacting any booking or sales instrument



A NEW KIND OF HOLIDAY MODE

- We will stay even longer if you inspire us: Germans are looking for extraordinary, beyond mainstream experiences.
- A new kind of luxury on the rise:
- Sustainability is of growing importance



WHAT'S AHEAD FOR CENTRAL EUROPE?





STRONG LEISURE FOCUS

- Consumer is key and is making the destination choice.
- Quality over quantity in terms of the visitors delivered.
- High dispersal rates by German travellers in South Australia means business for regional areas, jobs etc.
- Key emphasis on training the trade



SELF-DRIVE JOURNEYS ARE A POPULAR WAY TO TRAVEL!

- Explorers Way Campaign to be continued in Germany in coop with Explorer Fernreisen (Jul-Dec 2022) and launched in Switzerland with a KDP (Jan-Jun 2023)
- TWA, TNT and SATC have teamed up to undertake a campaign in Switzerland promoting the **Wild Side of Australia**
- **Melbourne to Adelaide (Great Ocean Road) Campaign** in partnership with VVIC and Australia Unlimited

SOUTH AUSTRALIA – SPOT ON!

- **Travel Essence** Online and on-air Campaign with radio channel Klassik Radio (Oct-Dec 2022)
- **Reisen Exklusiv** Online Advertorial Campaign incl. KDP Intrepid focusing on sustainable travel around South Australia (Oct 2022)
- **Pure** Online Advertising Campaign feat. Kangaroo Island
- **Tourism Australia** One Voice Campaigns
- **Singapore Airlines** Campaign



TRAINING THE TRADE

- Product Manager Famil (Oct 2022) in coop with TNT
- Tourism Australia STO Roadshow (Nov 2022)
- Tourism Australia South Australia Spotlight Month (Jan 2022)
- Online Trade Training on South Australians Regions (Spring 2022)
- Trade Shows: FESPO & ITB (Feb/Mar 2022)
- Travelhouse Famil (Apr 2023) in coop with TNT



An underwater photograph showing a diver in a blue swimsuit and blue fins swimming on the sandy ocean floor. Several seals are swimming around the diver. The water is clear and blue, with sunlight filtering through from the surface. The text "FRANCE & ITALY" is overlaid in white capital letters in the center of the image.

FRANCE & ITALY



ADELAIDE
SOUTH AUSTRALIA



FRENCH MARKET

- France is a small yet reliable market for South Australia yielding circa 12,000 pax annually pre-Covid
- The French market is one of the largest global markets for youth travellers and those visiting on a Working Holiday Visa
- Other segments include honeymoon market and luxury. Key themes for French market – nature and wildlife, large self-drive market, Explorers Way



FRENCH MARKET

- 80% of French travellers intend to spend as much or more on travel as they did pre pandemic.
- Of all French consumers surveyed, 40% belong to this "Revenge travellers" segment, a significant increase from pre-Covid
- The number of social media users in France increased by 5.6 million (+13%) during the pandemic in 2020/2021. Social media users in France is equivalent to 75.9% of the total population

KEY OPERATORS

- Australiae Tours
- Asia Voyages
- Australie a la Carte
- Cercle des Voyages (formerly Cercle des Vacances)
- Marco Vasco
- Voyageurs du Monde





ITALIAN MARKET

- The Italian market is strong for South Australia as much of the travel occurs outside the peak months from June to October due to the nature of bookings (honeymoons)
- The Honeymoon market is strong as these are mostly paid for by family and friends and booked via a tour operator. Kangaroo Island features in pretty much all honeymoon itineraries
- Approximately 20% of Italians travelling for leisure to Australia include South Australia in their itinerary



ITALIAN MARKET

- Target audience is adult couples from 20-35, covering two demographics of
 - Primary Market: Honeymooners
 - Secondary Market: Youth market on Working Holiday Visas
- Qantas has commenced a direct 3x weekly flight from Perth to Rome from June 2022. Positive reaction from the trade which is registering high demand

KEY OPERATORS

Tier 1

- Alidays
- Naar
- Viaggidea
- Go Australia
- Discover Australia
- Amo il Mondo
- Australian Travel

Tier 2

- Cat Viaggi
- Cividin Viaggi
- Gattinoni
- Gastaldi 1860





ACTIVITY PLANNED IN FRANCE & ITALY

- Support Tourism Australia's One Voice partnerships to create greater awareness of South Australia, maximising spend and widening audience reach.

France:

- Explorers Way digital campaign with Tourism NT
Working Holiday makers
TA Roadshow in three cities, February 2023

Italy:

- Kangaroo Island (pan European with UK and Germany)
Explorers Way digital campaign with Tourism NT
TA Roadshow onboard MSC cruises for 100 Aussie Specialists, April 2023

DON'T BE A STRANGER! SHARE YOUR NEWS AND LEARN MORE!

- **Share with us your news** and include us on your mailing lists!
We are happy to include you in our monthly EDM to the travel trade and will include updates in our training presentations
- **Ask us** whenever you have a question on the European markets. We are happy to provide mentoring and market intelligence!
- **Come and visit us** and explore our market on your own

