GEOGRAPHIC AND ACTIVITY-BASED MARKET RESEARCH FOR ARMENIA TOURISM

VOLUME I

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VOLUME 1

Contents

Research by Country

1. Austria

Size of population: 8,292,322

Number of outbound holiday trips in 2005: 6,564,000

Percentage of population making outbound holiday trips in 2006: 39%

Major outbound holiday destinations in 2006: Italy, Germany, Croatia

Average length of stay for outbound holiday trips in 2006: 7.6 days

Prices for round-trip air ticket VIE-EVN in summer season (economy class):
Lowest—US$636 (Austrian Airlines office in Armenia)
Highest—US$1065 (Austrian Airlines office in Armenia)

Number of direct flights to Armenia each week: 7

Outbound holiday trips as a percentage of all outbound trips: Information not available

SOURCES OF INFORMATION

1. Center for promotion of imports from developing countries, www.cbi.nl
2. The trade fair, Vienna, www.messe.at
3. Statistic Austria, www.statistik.at
4. Austrian Chamber of Commerce, department of tourism, http://wko.at/bstf
5. Austrian Tourism Association/Travel Agency Association, http://www.reiseweb.at
6. Austrian Trade Association for Travel Agencies, http://www.reisebueros.at
7. Austrian Travel Agency Association, http://www.oerv.at
8. Report Prepared For The Enterprise DG (Unit D.3), Of The European Commission, Entr-tourism@cec.eu.int
9. World Tourism Organization, http://www.world-tourism.org/
10. World Travel Guide, http://www.worldtravelguide.net/country/21/public_holidays/Europe/Austria.html
11. Kwintessential, www.kwintessential.co.uk
12. Ferien Wien, www.ferien-messe.at
13. Ferien Salzburg, www.ferien-salzburg.at
14. http://www.holidays-info.com/School-Holidays-Austria/2007/school_holidays_2007.html
15. Visit Britain, Austria Market and Trade Profile, http://www.tourismtrade.org.uk
16. Visit Scotland, www.visitscotland.org/research_and_statistics/other_research_reports/benchmarking_scotland/benchmark/austrianbenchmarking/austrianbenchmarkingorganisation.htm
17. EuroStat, Panorama on Tourism, www.eds-estatis.de/en/downloads/sif/np_06_05.pdf-http://epp.eurostat.ec.europa.eu/portal/page?_pageid=2953,66450428,2953_66450750&_dad=portal&_schema=PORTAL#a ;

OUTBOUND TRAVEL NUMBERS AND DESTINATIONS [1], [2]

Austrians travel abroad a lot compared to many other Europeans. In 2006, 5.19 million Austrians (over age 15) took 15.77 million holiday trips (outbound and domestic), of which 3.3 million (63.5% of all holiday makers) took an outbound holiday.

Austrians mainly travel within Europe. In 2004, Croatia and Turkey drew 65% of the total Austrian trips to developing countries. The motive is that many Turkish immigrants live in Austria and are intended to visit their relatives. Business purpose travelers mainly travel to Germany, USA, and Eastern European countries. Italy topped the list of outbound holiday destinations in 2006, followed by Germany and Croatia.

Destination	No. of Trips	Share of all Trips(%)
Italy	1,476,900	22.5
Germany	807,372	12.3
Croatia	722,040	11.0

In 2004, 21% of Austrians' outbound trips were to developing countries. Austria holds the sixth position among EU member countries for visits to developing countries, after the Netherlands and before Spain. There are forecasted to be 13.l4 million such trips by 2010.

Table 1-1
Number of Holiday Trips to Developing Countries by Region, Three Most Popular Countries per Region

Country	2001	2004	Growth 2001–2004 (%)
Europe	1,057,064	1,220,790	15
Croatia	686,844	740,960	8
Turkey	351,111	447,304	27
Serbia-Montenegro	10,059	14,470	44
Armenia	580	1,853	219
Middle East	107,000	176,693	65
Egypt	87,817	150,698	72
Oman	4,473	7,850	75
Syria	4,046	4,631	14
East Asia	130,643	156,583	20
Thailand	46,461	51,229	10
China	31,401	43,803	39
Indonesia	21,784	24,235	11
Africa	202,032	150,469	-26
Tunisia	114,818	84,383	-27
South Africa	18,639	20,602	11
Morocco	21,235	13,561	-36
Latin America	87,179	82,844	-5
Brazil	24,954	21,034	-16
Cuba	17,832	17,403	-2
Dominican Republic	13,265	10,471	-21
South Asia	40,035	50,234	25
India	17,787	21,093	19
Maldives	10,494	13,059	24
Sri Lanka	5,968	8,633	45
Total	1,623,953	1,837,613	13

The Central and Eastern European countries account for less than 1% of Austria's travel, whereas Switzerland's share amounts to 4.2%. According to the available data, the weight of Russia in Austria's tourism industry is still low, at 0.3%. In general Africa and America are getting less popular, while interest in Asia and Middle East is growing slowly. The significant rise in number of visits to Armenia is because of some Armenians' having businesses and their repeat travels.

PURPOSE OF TRAVEL [3]

Business

In 2006, 1.22 million Austrians (over age 15) took a total of 4.59 million business trips. In contrast to holiday trips, business trips are distributed more or less evenly over the year. Business trips are characterized by a shorter average duration and higher expenditure per person and overnight stay.

Table 1-2
Most Important Destinations for Austrian Business Trips

Destination	No.of trips	%
Germany	1,712,070	37.3
Italy	367,200	8.0
Hungary	179,010	3.9

Holidays

Where main holidays are concerned, Austrians' preferred outbound destinations (63.5%). Altogether, 18% of all holiday trips in 2006 took place in the first quarter and 19.9% in the fourth quarter.

In Austria there is a huge demand in language course/holidays, with the majority of students visiting English-speaking countries, Britain being the closest.

FACTORS AFFECTING CHOICE [1]

The main factors affecting travelers' choice:

- Holiday, recreation, and closeness to the sea are most important
- Season (summer—July–September)
- Price
- Safety (political, social, etc.)
- Recommendation of friends and relatives
- Value for money

INTERESTS OF THOSE TRAVELING ABROAD

Austrians like making outbound trips, choosing their holiday destination on the basis of special interests such as walking, spa breaks, and gardening. Value for money and recommendations from friends, rather than by the destination itself play important roles in their choice.

The trend to more culture-oriented and nature-based tourism is difficult to evaluate, because of a lack of generally accepted definitions on the one hand and tourists' behavior on the other, who in many cases choose a mixture of culture and recreation during the same holiday.

Table 1-3
Destinations of Outbound Austrian Tourists by Interest

Destination	Total Trips	Beach or Sea	Hiking	Cycling	Skiing	Health	Study or Sightseeing	Other
Europe	87	49	2	0.60	0.50	2.80	19	26.70
Germany	6.8	5.26	6.47	3.13	0.00	4.06	35.40	45.60
Spain	4	62.46	2.00	1.00	0.00	1.00	15.00	18.54
Italy	28	56.04	3.51	1.05	0.03	3.21	20.40	16.00
Croatia	16	68.13	0.49	0.38	0.00	0.00	0.33	26.49
Turkey	12	63.27	0.35	0.00	0.00	0.55	5.81	30.00
Americas	3.61	28.02	1.05	0.66	0.00	0.13	52.74	17.40
United States	60.05	10.97	0.70	0.85	0.00	0.00	68.07	19.00
Canada	13	0.00	1.26	0.66	0.00	0.00	68.99	29.00
Caribbean	18.00	15.46	0.13	0.00	0.00	0.00	1.05	83.00
Africa	5	57.41	0.13	0.00	0.00	0.72	27.02	15.00
Tunis	50	77.67	0.00	0.00	0.00	0.90	6.96	14.00
Egypt	28	48.48	0.00	0.00	0.00	0.96	33.97	17.00
South Africa	7	0.00	0.00	0.00	0.00	0.00	84.91	15.00
Asia and Middle East	2	32.41	0.86	0.00	0.00	0.96	47.04	19.00
Australia and Oceania	1	19.63	0.47	0.00	0.00	0.93	67.29	12.00

WHEN TOURISTS TRAVEL [10], [14]

Traveling Period

The main traveling season is traditionally during the third quarter (July–September). In 2006 2,138,080 outbound holiday trips (32.6%) were taken at this time.

Vacations

Austrians are entitled to 35 days of paid vacation (for elderly employees, 42 days)

Public Holidays

In 2007, Austrians had the following public holidays:

January 1	New Year's Day
January 6	Epiphany
April 6-9	Easter
May 1	Labor Day
May 17	Ascension Day
May 27	White Sunday
June 7	Corpus Christi
August 15	Assumption
October 26	Austrian National Holiday
November 1	All Saint's Day
December 8	Immaculate Conception
December 25-26	Christmas

School Holidays

School holidays are taken at the following times:

Christmas	2 weeks
February	5 days
Easter	11 days
White Sunday	4 days
Summer holidays	2 months

LENGTH OF STAY [1], [3]

The average length of an outbound holiday trip was 9.2 days in 2004 and 7.6 days in 2006. Countries providing the most overnights stays, Germany and the Netherlands, recorded increases in nights spent of +0.1% and +2.7% respectively.

Period	1-3 days	% of total	4 nights or more	% of total
April–June 2006	1,911,210	29.11	2,078,790	31.67
July–September 2006	737,638	11.23	1,400,443	21.33

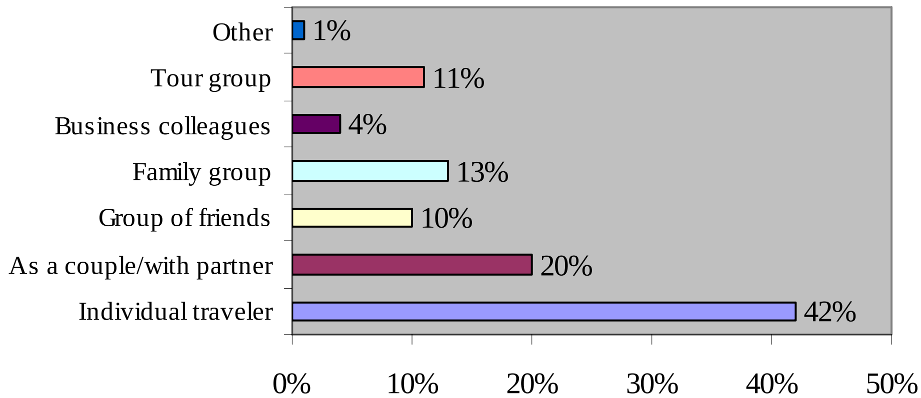
In 2006, 93.4 percent of Austrians' holiday travel was during the spring and summer (April–September). The number of nights spent on holiday in winter 2004/2005 increased by 1.9 percent over the same period in 2003/2004.

FREQUENCY OF TRAVEL [1]

Fifty-five percentof Austrians make an outbound trip at least once a year (2005).

MAIN COMPANIONS OF TRAVELERS[14]

Figure 1-1
Companions for Holiday Trips, 2003



ACCOMMODATION PREFERENCES [1], [17]

Cleanliness is very important to Austrians. They prefer to have tiled bathroom floors than carpeted ones. Shower cabins are more popular than bathtubs. Price is the most important factor.

Figure 1-2
Accommodation Preferences for Austrian Holiday Travelers, Four Nights or More, 2004

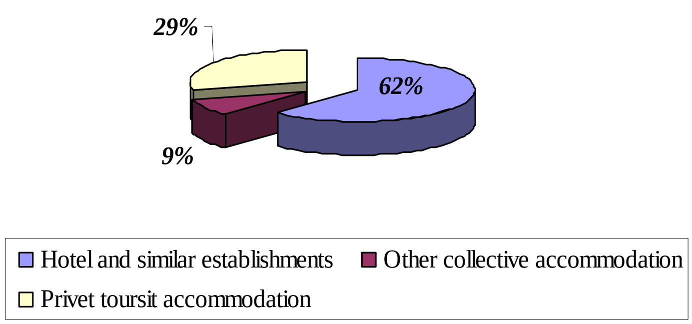


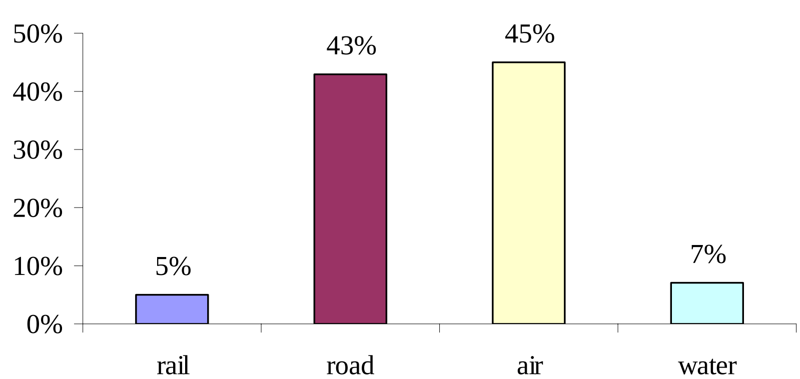
Table 1-4
Types of Accommodation of Austrian Travelers Staying Four Nights or More, 2004

Accommodation Type	No.	Percentage of Total
Hotels and similar establishments	3,134,000	61.9%
Other collective accommodation	478,000	9.3%
Private tourist accommodation	1,460,000	28.8%
Total	5,072,000	

TRANSPORT USED FOR OUTBOUND TRAVEL [3]

Just about half of Austrian tourists traveled over land by road (43%) or rail (5%) to their destination in 2005. Air transport made up 45% of departures, and transport over water accounted for 7%.

Figure 1-3
Austrians' Mode of Transport for Outbound Travel



DEMOGRAPHICS OF OUTBOUND TOURISTS [14]

Austrian outbound travelers to UK. In 2005 47% of visitors from Austria are aged less than 35. Over half of male visitors are aged 35-54, while 45% of the female visitors are aged 16–34. Overall, 57% of visitors are male and 43% are female. Males have a slightly older profile than females—with far fewer aged 16–24 in particular. Business visitors are significantly more likely to be male, while holiday and VFR visitors tend to be female.

Table 1-5
Breakdown of Outbound Tourists by Age Group and Gender

Age	Male %	Female %
0 –15	11	13
16–24	9	24
25–34	18	21
35–44	28	12
45–54	23	17
55–64	8	7
65+	2	6

TRAVEL SPENDING [1], [2]

In 2004, the average daily budget on an outbound holiday trip was US$128 per person. The average length and cost of trips have declined in recent years and are expected to decrease further. As a result expenditures will not rise in line with the growth of Austrian long-haul holiday travel (3 to 5% annually over the next three years). In 2005 total expenditure is expected to have risen by 3.4% to reach a figure of $39.83 billion. Total expenditure in 2006 should expand by 4% to reach $41.43 billion.

USE AND TRENDS IN BOOKING PATTERNS [1]

The trend to more and shorter breaks is mainly due to the reduction and greater flexibility of weekly working hours as well as to changes in the transport sector, for example low cost air travel and the evolvement of Internet booking that leads to less time and costs being used up by the journey itself and its preparation.

The demographic trend in Europe is characterized by a growing share of people older than 65 which will rise from 16.2% in 1999 to 26.3% in 2040. This growing part of the population is normally well used to traveling and might even create a new type of tourist, the ‘residential tourist’ that spends several months in particular during winter in a destination with a more comfortable climate.

Booking Trends

Packaged holidays sales decreased by 6% in 2005, as consumers organized holidays themselves via Internet.

Online sales have grown by 90% from 2004 to 2005. Major reason: greater demand for flexibility among consumers who do not want to be bound or restricted by packaged holidays.

In 2004-2005 only 5% of Internet users (16-74 years, 49% more than once a week) booked travel and accommodation via Internet.

Price is becoming more important to many Austrian travelers. Also direct suppliers such as airlines and tour operators offered their own on-line booking systems, which reduced costs per transaction.

TRAVELERS’ DEMANDS, EXPECTATIONS, AND BEHAVIORS [1]

- Austrians know what to expect in a tourist area, since they welcome many tourists in their land.
- English is widely spread and understood by Austrians.
- Knowing basic German phrases is highly appreciated.
- Very detailed information is very important. Usually Austrians collect a lot of information before their visit and bring several guidebooks along. But be prepared for even more detailed questions about the area, events or suggestions for itineraries or places to visit
- Recognize that they are not Germans.
- They are very directive. They can be very demanding and they are fast to complain if they are unhappy with service quality. If they feel that you take them seriously and are caring for them, they will be very appreciative.

BUSINESS PROCEDURES WITH TRAVEL COMPANIES [11]

Business Etiquette and Protocol

Relationships and Communication

- First impressions are important and you will be judged on your clothing and manners.
- Although Austrians prefer third-party introductions, they do not need a personal relationship in order to do business.
- They will be interested in any advanced university degrees you might have as well as the amount of time your company has been in business.
- Austrians show deference to people in authority, so it is imperative that they understand your level relative to their own.
- There is little joking or small talk in the office as they are serious and focused on accomplishing business objectives/goals.
- Communication is formal and follows strict rules of protocol.
- Always use the formal word for you ‘sie’ unless invited to use the informal ‘du’. Address people by their academic title and surname.
- You may be referred to simply by your surname. This is not a culture that uses first names except with family and close friends.
- Austrians are suspicious of exaggeration, promises that sound too good to be true, or displays of emotion.
- Expect a great deal of written communication, both to back up decisions and to maintain a record of discussions and outcomes.

Business Meeting Etiquette

- Appointments are necessary and should be made 3 to 4 weeks in advance when meeting with private companies.
- Do not try to schedule meetings in August, the two weeks surrounding Christmas, or the week before Easter.
- Punctuality is taken extremely seriously. If you expect to be delayed, telephone immediately and offer an explanation.
- It is extremely rude to cancel a meeting at the last minute and it can ruin your business relationship.
- Meetings are formal.
- Presentations should be accurate and precise.
- Have back-up material and be prepared to defend everything: Austrians are meticulous about details.

- Meetings adhere to strict agendas, including starting and ending times. If you have an agenda, it will be followed.
- Follow-up with a letter outlining what was agreed, what the next steps are, and who is the responsible party.

Business Negotiation

- Do not sit until invited and told where to sit. There is a rigid protocol to be followed.
- A small amount of getting-to-know-you conversation may take place before the business conversation begins.
- Austrians are more concerned with long-term relationships than making a quick sale.
- Rank and position are important. Since most companies are relatively small, it is often quite easy to meet with the decision-maker.
- Business is conducted slowly. You will have to be patient and not appear ruffled by the strict adherence to protocol.
- Austrians are very detail-oriented.
- Avoid confrontational behavior or high-pressure tactics. It can work against you.

What to Wear?

- Business dress is conservative and follows most European conventions.
- Men should wear dark colored, conservative business suits with white shirts.
- Women should wear either business suits or conservative dresses, complimented with elegant accessories.

Business Cards

- Business cards are exchanged without formal ritual.
- Have one side of your card translated into German. Although not a business necessity, it demonstrates an attention to detail.
- Include any advanced academic degrees or honors on your business card.
- If your company has been in business for a long time, include the founding date on your card as it demonstrates stability.

Finding Business Partners

The following sources are helpful in finding potential business partners:

- Austrian Travel Agency Association - www.oerv.at
- Europages – www.europages.com
- Travel portals such as www.reisebuero.at

MEDIA INFORMATION RELATED TO TOURISM [1]

Austria has the highest media density in Europe with the four major daily papers being all based in Vienna and combined producing over half of whole print.

Table 1-6
Main Travel Trade Magazines in Austria

Name	Circulation	Link
Faktum	11,200; 17 issues annually	www.faktum.at
TAI (Tourist Austria)	12,400; weekly	www.tai.at
TIP (Travel Industry Professional)	10,800; weekly	www.tip-online.at
Travel Express	10,000; biweekly	www.travelexpress.at
Travel Fax	1,200; 2 times per week	www.profireisen.co.at
Traveller	8,500; weekly	www.manstein.at/magazine/traveller

Table 1-7
Relevant Consumer Magazines in Austria

Name	Circulation	Focus	Link
A3 GAST	18,250; monthly	Hotels and tourism	www.a3verlag.com
EuroCity	70,000; bimonthly	International travel magazine	www.eurocity.at
FM Fachmagazin	16,400; quarterly	Gastronomy and hotels	www.fm-online.at
Holiday Express	30,000-40,000; biannually	Travel magazine	www.travelexpress.at
Reise Aktuell	38,000; 3 issues per year	International travel magazine	www.reiseaktuell.at
Reisemagazin	40,000; monthly	Travel magazine	www.vsm.at/index.php?id=757
Reisetips	20,000; biannually	Travel magazine	www.profireisen.at

Table 1-8
Tourism and Travel Websites

Name	Link	Comments
Expedia	www.expedia.at	General travel and online booking site
Kuoni	www.kuoni.at	Tour operator
Opodo	www.opodo.at	General travel and online booking site
Reisegeier	www.reisegeier.at	General travel and online booking site
Reisen	www.reisen.at	General travel and online booking site
TUI	www.tui.at	Tour operator

TRAVEL FAIRS [1], [12], [13]

Ferien Wien

Date: 17-20 January 2008
Venue: MessezentrumWienNeu

Table 1-9
Services Offered at Ferien Wien

Service	Description	Price (US$)
Registration fee	Obligatory; includes advertising material, copyright fees, catalogue entries in the product index (one in the exhibitor index and two in the online exhibitor database), exhibitor passes according to stand size, and one parking card	248
Row stand		150 /sq.m
Corner stand		154 /sq.m
Main stand		158 /sq.m
Island stand		158 /sq.m
Vehicle space		65 /sq.m
Internet fee	Obligatory	55
Co-exhibitor registration	Obligatory	151

Space fees per square meter are strictly net (without stand assembly). All prices are excluding taxes and fees legally in force at the time of the fair. More details about prices are available on the website

Contacts

Tel: +43 (0)1 72720
Fax: +43 (0)1 72720 – 434
E-mail: ferien@messe.at
Website: www.ferien-messe.at

Ferien Salzburg

Date: 22–24 February 2008
Venue: Messezentrum Salzburg

Table 1-10
Services Offered at Ferien Salzburg

Service	Description	Price (US$)
Registration fee	Obligatory; includes exhibitor advertising material, copyright fees, catalogue entries in the product index (1entry in the exhibitor index and 2 entries in the online exhibitor database), exhibitor passes - according to stand size - and parking cards (up to 32 sq. m 2 parking cards, from 33 sq. m 4 parking cards)	192
Row stand		132 /sq. m
Corner stand		137 /sq.m
Main stand		143 /sq. m

Island stand		143 /sq. m
Vehicle space		65 / sq. m
Internet fee	obligatory	55
Co-exhibitor registration	obligatory	151

Space fee per square meter are strictly net (without stand assembly). All prices are excluding taxes and fees, which are legally in force at the time of the fair. More details about the prices are available on the website

Contact
Tel: +43 (0)1 72720 - 537
Fax: +43 (0)1 72720 - 434
Email: feriensalzburg@messe.at
Website: www.ferien-salzburg.at

TRAVELERS' INTERESTS [3], [14]

The senior market for cruises, walking, and in general health oriented trips is expected to grow while the youth market for beach, winter sun, touring and cultural holidays is growing. There is a huge demand in language courses and holidays, with the majority of students visiting English-speaking countries.

TOURISM ASSOCIATIONS, TOUR OPERATORS, TOURISM PLAYERS [1]

Tour Operators

Tour operators sell mainly through the retail trade and/or their own agency chains. The 10 largest tour operators in Austria are mostly owned by German or Swiss companies.

According to Facts Figures Future (2006), the major tour operating groups/companies in Austria

- Kuoni, www.kuoni.at
- Mondial, www.mondial.at
- REWE, www.rewe.at
- Springer, www.springerreisen.at
- Thomas Cook, www.neckermann-reisen.at
- TUI, www.tui.at

According to Facts Figures Future (2006), the following are specialized tour operators in Austria:

- Bergspechte, www.bergspechte.at
- Geo Reisen, www.geo.at
- Hauser, www.hauser-exkursionen.at
- Jahn Reisen, www.jahnreisen.de
- Meier's Weltreisen, www.meiers-weltreisen.at
- Pineapple, www.pineapple.at

- Ruefa, www.ruefa.at
- Suntrek, www.suntrek.at

Travel Agencies

There are 2, 500 travel agencies in Austria. Some 600 of them also act as tour operators. Most agencies have an online sales channel as well, while a few agencies operate only online.

Name	Website	No. of outlets	Online sales
Travel Star	www.travelstar.at	276	No
Kuoni (and RBR)	www.kuoni.at; www.restplatzboerse.at	150	yes
TUI	www.tui.at; www.gute-reise.at	110	yes
Ruefa	www.ruefa.at	80	Yes
Geo Reisen	www.geo.at	50	No
Pro Allianz/Gruber	www.gruberreisen.at	25	Yes
Springer Reisen	www.springerreisen.at	24	No
ÖAMTC	www.oeamtc.at	17	No
Sta Travel	www.statravel.at	8	No
Mondial	www.mondial.at	5	No
Buy and Fly	www.buyandfly.at	-	Yes
Euro-Travel	www.euro-travel.at	-	Yes
Reisen	www.reisen.at	-	Yes
Thomas Cook	www.neckermann-reisen.at	-	Yes

SWOT ANALYSIS OF AUSTRIA TOURISM IN RELATION TO ARMENIA

Strengths

- Rich culture
- Availability of direct flights (5 days)
- High amount of sunshine hours from April to mid-October
- Specific cuisine
- Numerous museums and places for sightseeing
- Beautiful nature, mountainous landscape
- Interesting flora and fauna
- Possibility of hiking, climbing and other open door activities

Weaknesses

- Difficult transportation outside the capital
- Not all information about stay is available in German or English
- Lack of promotion of the country as a holiday destination
- Difficult access to health care because of language
- Poor online booking systems

• Online travel information • Online visa access • Low cost of internal transportation • Different types of accommodation available • Armenia is not associated with terrorism	
Opportunities	*Threats*
• Increase in number of trips to developing countries • Austrians like hiking/walking, we can attract that category • Increasing number of trips to Armenia • Cultural holidays are becoming more popular among young travelers • Opportunity and easy access to travel to Armenia by air	• Not an attractive place for Austrians who are seeking sun and beach holidays • Cheap all-inclusive packages in competitor destinations • Lack of political stability/ Karabakh conflict • Currency fluctuation

2. Belgium

Size of population in 2005: 10,360,000

Number of outbound holiday trips in 2005: 8,167,000

Percentage of population making outbound holiday trips in 2005:

Major outbound holiday destinations in 2005: Spain, Italy, France

Average length of stay for outbound holiday trips in 2005: 9 nights

Prices for round-trip air ticket BRU–EVN in summer season (economy class):
Lowest—Czech Airlines, US$757
Highest—Lufthansa, US$1445

Number of direct flights to Armenia each week: None

Share of outbound holiday trips in all outbound trips, 2004: 58.3%

SOURCES OF INFORMATION USED

1. "The long haul tourism market in Belgium" http://www.cbi.nl/marketinfo/cbi/?action=showDetails&id=3130
2. http://epp.eurostat.ec.europa.eu/cache/ITY_OFFPUB/KS-SF-07-052/EN/KS-SF-07-052-EN.PDF
3. Brussels Travel Expo, http://www.btexpo.com/en/index.htm
4. Brussels Holiday Show, www.vosvacances.be
5. International Travel Fair Antwerp, www.vakantiesalon-antwerpen.be
6. Belgian Federation of Tourist Press, http://www.bftp.be/en/index.html
7. Wikipedia, www.wikipedia.org
8. http://strategis.ic.gc.ca/epic/site/imr-ri.nsf/en/gr115575e.html
9. http://www.tourismtrade.org.uk/Images/Profile_Bel_Lux_tcm12-22102.pdf

OUTBOUND TRAVEL NUMBERS AND DESTINATIONS [1], [2]

Although Belgium has a relatively small population, it traditionally occupies seventh or eighth position among EU countries with the most foreign trips. The following numbers relate to 2004:

Number of outbound trips	14 million
Number of trips to developing countries (see below)	1.4 million
Average number of foreign trips per capita	1.35

Table 2-1
Three Leading Holiday Destinations for Trips of Four Nights or More, 2005

Destination	Number	Share of total
Spain	1,003,469	16.7
Italy	588,862	9.8
France	498,730	8.3

Table 2-2
Number of Holiday trips to Developing Countries by Region and Three Most Popular Countries per Region

Country	2001	2004	Growth 2001–2004 (%)
Total	1,086,845	1,368,650	26
Europe	356,639	515,990	45
Turkey	302,079	419,147	39
Croatia	47,556	81,456	71
Serbia-Montenegro	2,501	6,079	143
Africa	328,455	343,293	5

Country	2001	2004	Growth 2001–2004 (%)
Tunisia	150,674	140,790	-7
Morocco	84,011	105,821	26
South Africa	34,453	37,277	8
East Asia	150,844	164,561	9
Thailand	54,350	53,321	-2
China	32,469	40,533	25
Indonesia	26,832	26,254	-2
Middle East	103,752	160,466	55
Egypt	80,205	136,906	71
Lebanon	6,834	9,048	32
Syria	3,874	4,709	22
Latin America	111,697	144,537	29
Dominican Republic	28,452	41,159	45
Brazil	22,138	28,549	29
Cuba	18,757	22,007	17
South Asia	35,458	39,803	12
India	18,851	24,007	27
Sri Lanka	5,250	5,582	6
Nepal	4,824	3,652	-24

Source: World Tourism Organization (2006)

More than 30% of all Belgian visitors to developing countries visit Turkey. The figures for 2005 show an increase of 18 percent over those of 2004. The reasons are that many Turkish immigrants live in Belgium and visit their relatives, and cheap all-inclusive holidays in Turkey are becoming more popular.

Number of holiday trips to Armenia:

2001	2004	Growth 2001–2004
681	1,756	158%

PURPOSE OF TRAVEL [8], [9]

General information on purpose of travel was not obtainable. Therefore, information is provided for specific destinations.

Figure 2-1
Main Purposes of Travel to United States in 2004

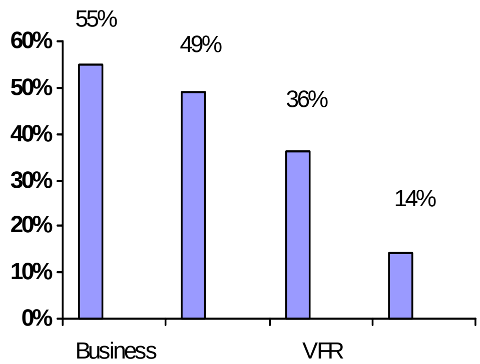
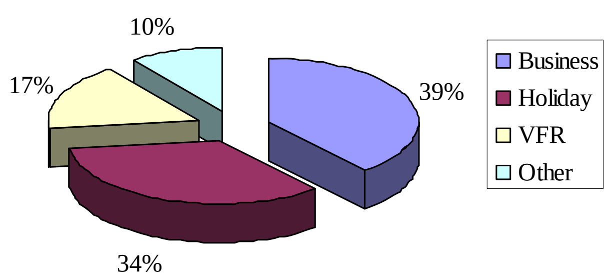


Figure 2-2
Main Purposes of Travel to United Kingdom in 2004



FACTORS AFFECTING CHOICE [1]

Price/quality ratio is for Belgians the most important factor when deciding upon a destination.

INTERESTS OF THOSE TRAVELING ABROAD [1]

Belgians look for unique vacation sports. They tend to be active and appreciate excursions that involve a combination of sports and nature. As Belgium is small and densely populated, open space and diverse landscapes are attractive to Belgians. Destinations with sunny beaches are also interesting, because the Belgian summer does not guarantee high temperatures and sunshine.

WHEN TOURISTS TRAVEL [1], [2], [7]

- Belgians have four to five weeks of paid vacation per year. They receive bonus holiday payments.
- Most children have 14 weeks of school vacations.

- Most Belgians take their holidays from June until mid September with a peak in July.
- Belgians tend to take their longer vacations in foreign, often warm-weather, destinations, but many Belgian tourists also take ski vacations during the winter.

Public Holidays

In Belgium there are 12 official public holidays, two of them always falling on a Sunday. There are more holidays, but these are not official public holidays, and employers are not obliged to give them to their employees. Some unions negotiate other days off with employers.

January 1	New Year's Day
Varying	Easter
1st Monday after Easter	Easter Monday
May 1	Labor Day
6th Thursday after Easter	Ascension
7th Sunday after Easter	Pentecost
7th Monday after Easter	Pentecost Monday
July 21	National holiday
August 15	Assumption of Mary
November 1	All Saints
November 11	Armistice Day
December 25	Christmas

LENGTH OF STAY [2]

In 2005, 58% of the Belgian population took an outbound holiday of at least four nights, and the average length of an outbound holiday trip was nine nights.

Table 2-3
Share of Outbound Holiday Trips of One To Three Nights and of Four Nights or More, 2005

Length	No. of Trips	Share of Total
1-3 nights	2,001,000	25%
4 nights or more	6,166,000	75%

FREQUENCY OF TRAVEL [8]

On average, over 50 percent of Belgians take outbound holiday vacations every year.

MAIN COMPANIONS OF TOURISTS [1]

Belgians tend to be independent travelers. In 2003, 41% of Belgian visitors to UK were lone travelers (IPS):

Traveling Group 2003	% of Visits
Lone traveler	41
Family group	10
As a couple/with partner	19
Business colleagues	10
Tour group	10
Group of friends	6
Other	4

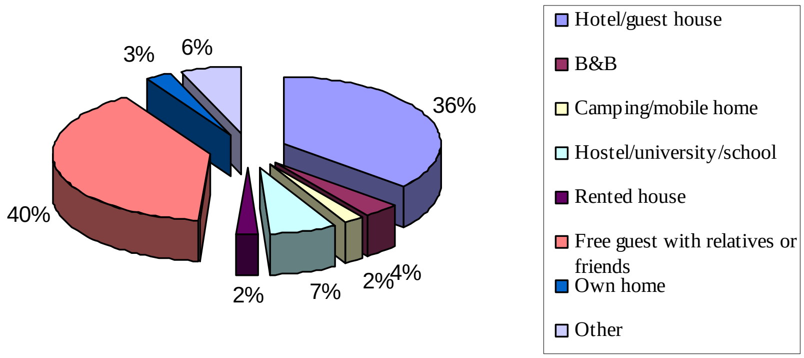
ACCOMMODATION PREFERENCES [1], [9]

Authentic value-for-money accommodation is very much appreciated. Belgians are especially interested in good quality B&Bs where they will receive a warm personal welcome.

Accommodation preferences of Belgian visitors to UK:

- 50% of Belgian visitors who stay at least 1 night in the UK stay in hotel or guesthouse, which accounts for 36% of nights spent.
- 63% of holiday visitors stay in hotel/guesthouse.
- 88% of VFR visitors do not pay for accommodation.
- 61% of business visitors stay in hotel or guesthouse.

Figure 2-3
Nights spent by Belgian Visitors to UK by Type of Accommodation (2004)



TRANSPORT USED FOR OUTBOUND TRAVEL

Information not available.

DEMOGRAPHICS OF OUTBOUND TOURISTS [8], [9]

General demographic information for Belgian travelers was not available.

The average Belgian visitor to the United States

- Is between the ages of 19 and 40,
- Speaks English,
- Is highly educated, and
- Enjoys a socioeconomic status slightly higher than that of the Belgian median.

Belgian visitors to UK have the following characteristics:

- 50% of visitors from Belgium are aged 25–44.
- Holiday visitors are younger—52% are 34 or less.
- 43% of VFR visitors are under 35 years of age (IPS 2004.
- 66% of visitors are male, and 34% female—a difference due to a high number of business visitors.

Table 2-4
Belgian Visitors to UK by Gender and Age Group

Age group	Male (%)	Female (%)
0–15	4	13
16–24	3	17
25–34	23	19
35–44	32	19
45–54	21	17
55–64	7	9
65+	4	5

TRAVEL SPENDING [1]

On average a Belgian spends US$ 875 **on a holiday trip** abroad in 2005.

USE AND TRENDS IN BOOKING PATTERNS[1]

The major channels are tour operators and travel agencies.

Before going on vacation (2005):

- 37% of the Belgian travelers visit a travel agency,
- 31% search on the Internet,
- 25% ask their friends and relatives for information.

TRAVELERS' DEMANDS, EXPECTATIONS AND BEHAVIORS [1], [9]

- Belgians are good linguists. They are confident when traveling abroad and like to speak English.
- Belgians appreciate good service, good food, and comfort.
- Belgians will not complain easily: they will not express their dissatisfaction, but will not return and will make sure their friends and relatives know about it.

- Belgians love walking, shopping, and eating. Culinary experiences are very important.
- More Belgians are being seduced by all-inclusive formulas. 50 to 60% of all holidays booked with tour operators are all-inclusive.
- They like to be left alone to enjoy their visit at their own pace but they also appreciate guidance.

BUSINESS PROCEDURES WITH TRAVEL COMPANIES [1]

Business Culture

When dealing with a Belgian company, remember the following cultural tips:

- Belgians are careful and therefore take time before they trust others.
- Business deals take a lot of time and paper work.
- Belgians tend to speak foreign languages well.
- Belgians are not nearly as direct as the Germans and the Dutch.
- Appointments are necessary.
- Punctuality is expected.
- Meetings are formal.
- A first appointment will be more socially than business oriented.

Practical tips

In general, remember the following when you visit Belgian trade partners:

- Send contacts a letter of presentation with a simple fact sheet about your company.
- Make an appointment by phone, ask them to send you their brochure and make sure you study the content.
- Reconfirm your appointment by phone, fax or e-mail a couple of days before your visit.
- Prove that you mean business by following up as soon as you get home.
- Remember that loyalty pays. Remain faithful to your Belgian business partner and they will remain faithful to you.

Finding business partners

The following sites are very helpful in finding potential business partners:

- Association of Belgian Tour Operators, http://www.abto.be
- Europages, http://www.europages.com
- Online database with Belgian travel agents, http://www.reisagentschappen.be
- Travel portals such as http://reizen.startpagina.be

MEDIA INFORMATION RELATED TO TOURISM [1]

Internet

The Internet is used both for booking purposes and for researching destinations. The impact of e-mail marketing in the travel sector in Belgium is very strong:

- Nearly 20% of Internet users who travel reacted to e-mail offers or ads received by e-mail;
- About 15% responded to e-mail with last-minute offers;
- 56% of all travelers in Belgium are very interested in e-mails with travel related information;
- 36% are interested in e-mails with discounts on tickets.

Press

- Main travel trade magazines in Belgium:
  - Freesun, weekly free newsletter, www.freesun.be
  - Travel Express Benelux, 10 issues annually, www.travelexpress.be
  - Travel Magazine, circulation: 7000; 16 issues annually, www.travelmagazine.be
- Relevant consumer magazines:
  - Grande, Belgian magazine of travels, www.grande.be
  - Kreo magazine, Dutch, www.vakantiegenoegens.be/kreo
  - Le Journal De l'Evasion, free monthly travel magazine (French), www.lejournaldelevasion.be
  - Plus Magazine, www.plusmagazine.be
  - Uit-Magazine, Dutch, www.uit.be
  - Voyages-Voyages, French, www.voyagesvoyages.be

TRAVEL FAIRS [3], [4], [5]

Brussels Travel Expo

The Brussels Travel Expo, held annually in December, is the only trade fair in Belgium for the travel industry. More than 50% of the Belgian travel trade industry is represented at this fair.

Date: 13–14 December 2007
Venue: Tour & Taxis
Website: http://www.btexpo.com/en/index.htm

2006 Statistics

- Number of exhibitors 233
- Number of visitors 4,450
- Total area 10,000 sq. m
- Participating countries 60
- Number of journalists 138

Brussels Holiday Show

The most important consumer trade fair in Belgium is the Brussels Holiday Show that is held annually in February and attracted about 100,000 visitors in 2006.

Date: 7-11 February 2008
Venue: Brussels Expo

Table 2-5
***Services** Offered at Brussels Holiday Show*

Service	Description	Price (€)*
Compulsory registration	Includes administration costs, exhibitor's guide, third-party liability insurance lump sum, max. 4 exhibitor badges/12 sq.m., 200 personalised invitations, 1 VIP parking space, insertion of name and stand number on the visitors' map, insertion of your data on the show's website, insertion of every sub-exhibitor on the visitors' map and on the website is obligated	250+ 25/ sub exhibitor
Space only		86 per sq. m.
Shell stand: basic (min 12 sq. m.)	Includes: stand set up in white modular structure with beech coloured walls, fascia board (120 cm x 25cm) + letters, carpet, 1 2200 W power supply, 3 spots	133 per sq.m.
Shell stand: formula all-in (min 12 sq. m)	Includes: stand set up in white modular structure with beech coloured walls, fascia board (120 cm x 25cm) + letters, carpet, 1 2200 W power supply, daily cleaning Per 12 sq.m. module: 3 spots, furniture (1 counter, 1 high chair, 1 display)	170 per sq.m.
Additional charges: open sides	2 open sides – corner stand	125
	3 open sides – head stand – as from 24 sq. m.	250
	4 open sides – island stand – as from 48 sq. m.	325

*Exclusive of VAT (21%)

Contact

Address : Place de Belgique 1
BE-1020 Bruxelles (Belgique)
Tél.: +32 (0)2 474 84 24
Fax: +32 (0)2 474 84 39
E-mail: vosvacances@bfe.be
Website: www.vosvacances.be

International Travel Fair Antwerp
Date: 25-30 January 2008
Venue: Antwerp expo (Bouwcentrum)

2007 Statistics
- Number of exhibitors 600
- Number of visitors 121.000
- Total area 20 000 sq. m
- Participating countries 31
- Number of journalists 1

Contact
E. Maartense, Commercial Director
Tel.: + 32 (0)3 827 02 78
Fax: + 32 (0)3 828 04 98
E-mail: maartense@yucom.be
Website: www.vakantiesalon-antwerpen.be

TRAVELERS' INTERESTS, HABITS AND MOTIVATION [1], [8]
The Belgian outbound ski market is growing, yet France and Switzerland remain the most popular destinations. The U.S. and Canada, however, are claiming an increasing share of the market.

Belgians love walking, shopping and eating.

Belgian travelers are increasingly looking for non-traditional vacations. They are interested in wildlife, communion with nature, stress isolation, and/or sports activities such as kayaking, rafting, hiking in the wilds, golfing, biking, hunting, and fishing.

TOURISM ASSOCIATIONS, TOUR OPERATORS, TOURISM PLAYERS [1]

Tour operators
The two market leaders, TUI Belgium and Thomas Cook, have a combined market share of 80%. They have many brands in Belgium (e.g. TUI owns Jetair, Sunjets, VTB Reizen, VIP Selection and Seagull). The two market leaders are always looking for new ideas and products in order to keep one step ahead of the competition and respond to the preferences of the demanding holidaymaker.

According to the Association of Belgian Tour Operators (2006), the major tour operators in Belgium are

- Thomas Cook (NUR), www.thomascook.be
- TUI Belgium, www.tui.be
- Club Med, www.clubmed.be
- Intercomfort, www.intercomfort.be

- Connection, www.connections.be
- Marmara/Bosphorus, www.marmara.be
- Mediterra, www.mediterra.be
- Transeurope, www.transeurope.be

Specialized Tour Operators

For tourism service providers in developing countries, specialized tour operators will probably be the best group to target. An increasing number of niche tour operators can be seen on the Belgian market. They specialize in hiking, cultural and thematic tours, and other specialty trips.

Table 2-6
Specialized Belgian Tour Operators

Name	Website	Focus
Best-tours	www.best-tours.com	Asia, Latin America
Divantoura	www.divantoura.be	
Cosmic Travel	www.cosmic-travel.com	Latin America
Escape Travel	www.escapetravel.be	
Eurocult	www.eurocult.be	Eastern Europe and Asia
Expair Tours	www.expairtours.be	
Koning Aap	www.koningaap.be	
Live2Travel	www.live2travel.be	
Odysseus	www.odysseus.com	
Terra d'Afrique	www.terredafrique.com	Africa
Vreemde Kontinenten	www.vreemdekontinenten.be	

Source: Facts Figures Future (2006)

Travel Agencies

Most travel agencies sell tour operator products, but some also have groups departments that plan special tours and excursions for an association or a newspaper to support an article about a special destination. In the future almost 2,000 retail outlets are expected to decrease in number. Airlines have stopped giving commissions as of 2005, so travel agents have to create added value to survive. Of the 2,000 agencies, 600 of them are part of a chain, of which the largest are Thomas Cook Travel Shops (128 outlets) and TUI Travel Centers (116 outlets).

Most of the Belgian travel agencies offer the customer the opportunity to book online, often in the form of linking to the booking systems of tour operators.

Table 2-7
Belgian Travel Agencies

Name	Website	No. of Outlets
Thomas Cook	www.thomascook.be	128
TUI	www.tui.be	116
Flash Travel (does not have online sales possibilities)	www.flashtravel.be	60
Carlson Wagon Lits Travel	www.cwtonline.be	30
Joker-Jong	www.joker.be	11
Spillemaeckers	www.reizen-spillemaeckers.be	14
Connections	www.connections.be	8
Sherpa	www.airstop.be	5
OZ Reizen	www.ozreizen.be	4
Bamboo Travel	www.bamboo-travel.be	2
Arakea	www.arakea.be	-
Euroreizen	www.euroreizen.be	-
Travelclub	www.travelclub.be	-

Source: Facts Figures Future (2006)

Associations

The Belgian Federation of Tourist Press (www.bftp.be/en/index.html) joins representatives of different sources (journalists, writers, photographers, film-producers, press officers, lecturers, and guides) who pass on their specific knowledge of tourism to colleagues and the public. The federation organizes many activities for its members, such as fieldtrips, visits to travel fairs, conferences, the annual statutory meeting in April and a New Year dinner party.

SWOT ANALYSIS OF BELGIUM IN RELATION TO ARMENIA

Strengths	*Weaknesses*
• Rich culture • Easily recognizable religion • High amount of sun hours from April to mid-October • Specific cuisine • Numerous museums and places for sightseeing • Beautiful nature, mountainous landscape • Interesting flora and fauna • Possibility of hiking, climbing and other open door activities • Online travel information • Online visa access • Different types of accommodation available • Low cost of internal transportation • Armenia is not associated with terrorism	• No beaches • No direct flights to Armenia • Difficult transportation outside the capital • Huge gaps in providing services in regions • Not all information available in English, French or German • Lack of promotion of the country as a holiday destination • Difficult access to health care because of language • Poor online booking systems
Opportunities	*Threats*
• Increase in number of trips to developing countries • Belgians like active holidays combining sports and nature • Increasing number of trips to Armenia • Increasingly easy to travel to Armenia by air	• Belgians like sun and beach holidays • Cheap all-inclusive packages in competitor destinations • Lack of political stability/ Karabakh conflict

3. Canada

Size of population in 2006: 33,098,932 (estimated)

Number of outbound holiday trips in 2006: 12,700,000

Percentage of population making outbound holiday trips in 2005: information not available

Major outbound holiday destinations: United States, United Kingdom, Mexico, France, Cuba, Dominican Republic, Italy, Germany, Netherlands, Spain, China, Hong Kong, Japan, Switzerland, Austria

Average length of stay for outbound holiday trips in 2005: 18 nights

Average price for round-trip air ticket to EVN in summer season, economy class:
Montreal–Yerevan: US$2,033 (British Airways)
Toronto–Yerevan: US$2,148 (British Airways)
Vancouver–Yerevan: US$2,341 (British Airways)

Number of direct flights to Armenia each week: None

Outbound holiday trips as a percentage of all outbound trips (2006): 77% (Holiday+ VFR)

SOURCES OF INFORMATION USED

1. Tourism British Columbia, www.tourismbc.com
2. European Travel Commission, www.etc-corporate.org
3. World Tourism Organization, www.world-tourism.org
4. Canada's Business and Consumer Site, www.strategies.ic.gc.ca
5. Canada Travel, www.canadatravel.com
6. Tourism Industry Association of Canada, www.tiac-aitc.ca
7. Canada Travel Committee, www.corporate.canada.travel.ca
8. Ministry of Tourism, www.tourism.gov.on.ca
9. Tourism Australia, www.tourismaustralia.com
10. Statistics Canada, www40.statcan.ca/l01/cst01/arts37a.htm?sdi=travel; www.statcan.ca/Daily/English/061128/d061128b.htm
11. Tourism Ireland, Canada Travel Profile, www.tourismireland.com/UserFiles/File/CanadianMarket.pdf
12. Strategic Marketing and Tourism Inc, Missouri Division of Tourism/ Canadian Travel Assessment-2005, www.visitmo.com/pdf/SMRI%202005%20Canadian%20Travel%20Study-FINAL--Exec%20Summary.pdf
13. Canada Information Tools for Marketing and Planning, www.fednor.ic.gc.ca/epic/site/fednor-fednor.nsf/Intro
14. Toronto Star, www.travelindustryreview.com/news/5506
15. Expedia Canada Corporation, www.expedia.ca
16. Canada Marketing Committee, www.corporate.canada.travel
17. USAID, Geographical and Activity-based market Research for Croatia Report- (hard copy),
18. National Tour Association of Canada, www.ntaonline.com
19. Travel Underwriters , www.travelunderwriters.com
20. New Media Review, www.etcnewmedia.com/review/default.asp?SectionID=10&CountryID=41#online

OUTBOUND TRAVEL NUMBERS AND DESTINATIONS [10], [11]

In most parts of the world, Canadians are considered the most pleasant holiday makers.

In 2006 visits to China increased by 56%; the largest increase among the Top 10 overseas countries visited by Canadians, while the largest decline was to Italy, where overnight visits dropped 18% to 315,000 after a gain of nearly 50% during 2005. In 2005, Italy recorded the biggest increase of Canadian outbound tourists; about 1 million Canadian outbound tourists visited Italy because of the funeral of Pope John Paul II and the inauguration of Pope Benedict XVI.

Table 3-1
Total Outbound Trips

	2005	2006	Growth
Total outbound trips	21,077,066	22,700,000	7.7%
Total holiday trips	11,781,076	12,700,000	7.8%

The United Kingdom was the most popular overseas European destination in 2005; Canadian travelers made 899,000 visits, up 19.2% from 2004. After security threats at Heathrow, since August 2006 the number of travelers to the UK has fallen again, by 13.4%, to only 778,000 overnight visits.

Table 3-2
Top Overseas Destinations in 2005–2006 Period

	2005				2006
Country	Trips (000)	Share of Outbound Trips (%)	Nights (000)	Spending (million US$)	Trips (000)
United States	14,862	70.5	117,164	9,537	
United Kingdom	898	4.3	11,376	1,091	778
Mexico	794	3.8	8,780	910	842
France	616	2.9	7,770	829	
Cuba	518	2.5	4,574	470	
Dominican Republic	506	2.4	4,488	457	
Italy	383	1.8	4,860	616	315
Germany	317	1.5	3,205	276	
Netherlands	197	0.9	1,601	132	
Spain	170	0.8	2,300	223	
China	161	0.8	2,996	304	252
Hong Kong	151	0.7	2,793	209	
Japan	143	0.7	1,866	220	
Switzerland	139	0.7	937	122	
Austria	128	0.6	640	79	

In 2006, Europe was the most popular destination, accounting for nearly 4 million trips, while the Caribbean was second, with almost 1.6 million trips.

In 2006, 26% of travelers planned to visit other provinces of Canada; about 35% will stay within their own provincial borders. Only 15% of traveling Canadians plan to head south to the United States in summer, and 13% will travel to Europe and other parts of the world. A remaining 11% of Canadians were not sure of the destination for their intended summer trip.

Canadian outbound travel continued to increase in January 2007 (+9.6% over Jan. 2006). Canadian outbound trips to the U.S. from all provinces increased 6.8% in January 2007.

Table 3-3
Outbound trips by Canadians in January 2007

Destination	January 2006	January 2007	Difference
United States	1,082,545.88	1,156,159	6.8%
Other Countries	817,044.01	872,603	13.6%
Total trips from Canada	1,899,589.89	2,028,762	9.6%

Canadian travelers called "snowbirds" spend several months during the winter in the southern part of the U.S. More than half of these snowbirds head to Florida for some or all of the winter, while California is the next most popular destination.

In 2005 Europe accounted for just half of all overseas visits and 26% of holiday visits. While Bermuda and the Caribbean had 20% share of all visits their share increased to 34% for holiday travel.

Table 3-4
Popular Destinations for Canadians

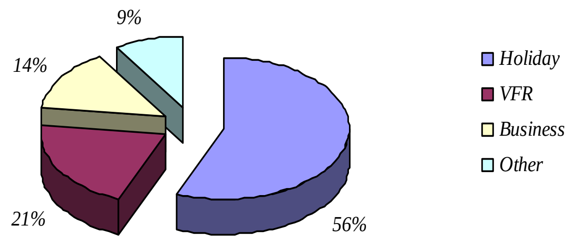
2005	All Visits % Share*	Holiday Visits Share %
Bermuda and Caribbean	20	34
Europe	49	26
Africa	3	1
Central America	1	1
South America	2	1
Mexico	11	0
Oceania	3	0
Other	11	37

* Does not include outbound holiday travel to U.S.

PURPOSE OF TRAVEL [13]

In 2006 about 86% of outbound trips were non-business related (holiday, VFR, personal reasons).

Figure 3-1
Purpose of Canadian Travel



The main purpose of all travel for Canadians is to relax and get away. Given their higher frequency of travel purely for holiday, any strategies should include relaxation and holiday pursuits. They usually prefer to travel to the United States to fulfill their desire.

Table 3-5
Reasons for Canadians' Travel to US in 2004

	Rate
Relax and get away	30.0%
Visit family/Friends	27.3%
Visit specific city/Attraction	15.9%
Attend a specific event	9.1%
Outdoor recreation	6.8%
Business trip	1.4%
Conference/Convention	0.5%
Other	9.1%

FACTORS AFFECTING CHOICE, SOURCES OF INFORMATION USED [12], [20]

Factors Affecting Choice

- Season: Winter is the main time for taking holidays, when Canadians seek to avoid the extreme cold and visit warmer climates; sun destinations and sea cruises are the favorite holiday. There is growing interest in Europe for winter holidays.
- Strong Canadian dollar, stable interest rates and inflation have resulted in high levels of consumer confidence. In the near future, Canadians are expected to continue to travel abroad in record numbers.
- The price of the package
- Political, social safety
- Recommendation of friends and relatives

Sources of Information Used

According to GMI survey, the Internet was the most popular method of obtaining outbound travel information among Internet users in Canada in 2005.

- Web search: 50%
- Personal recommendation: 49%
- Travel agent's office: 25%
- TV program: 19%
- Newspaper: 17%
- Other method: 11%

Table 3-6
Source of Information for Snowbirds Traveling to U.S., 2005

Source	Rate
Internet	81.8%
Auto club/other travel club	54.5%
Newspaper	45.5%
Magazines	36.4%
Consumer travel show in Canada	18.2%
State travel offices	18.2%
Local/city travel offices	18.2%
Canadian Snowbird Association	9.1%
Consumer travel show in US	9.1%
Travel agent	9.1%

Source: Missouri report, [12]

In 2005-2006, nearly six in ten (57%) Canadians who have ever taken a vacation[1] used the Internet to get information about or research destinations for pleasure or vacation trips, and one-third (33%) did so to book or pay for vacation travel, flights, accommodations, and packages.

Travel club, newspapers, and magazines were also mentioned frequently. In addition to the Toronto Star and Toronto Sun, the newspapers mentioned were the Calgary Herald, Toronto Globe and Mail, and the National Post.

INTERESTS OF THOSE TRAVELING ABROAD [12]

Canadians take advantage of their holiday travel time via a wide variety of activities. These travelers took longer trips, thus had more time to participate in various activities.

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[4] https://extranet.cefrio.qc.ca/Publications/nouv_cdoc/juin2004.cfm

Table 3-7
Type of Activity of Canadian Holiday Travelers, 2005

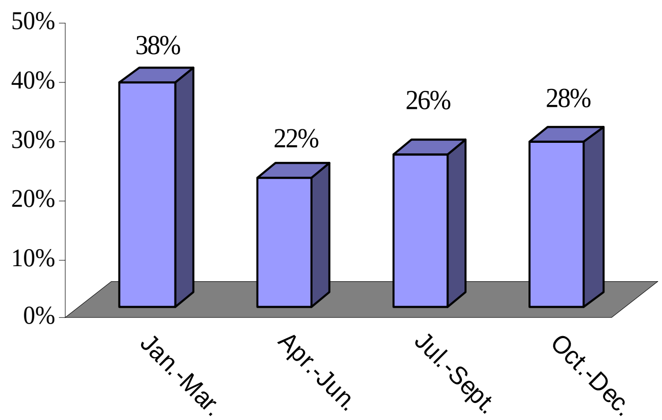
Activity	Rate
Shopping	87.7%
Visiting a city or city attractions	53.2%
Driving tours or scenic drives	52.7%
Touring historic sites	35.9%
Visiting quaint attractions and small towns	32.3%
Museums/cultural events	31.4%
Attending live entertainment or music shows	27.3%
Family attractions, e.g., zoo/water parks/etc.	22.3%
Attending a festival or fair	19.1%
Gambling	16.4%

TOURIST TRAVEL BY SEASON [6]

The first quarter of the year 2006 had the highest proportion of outbound holiday trips (38%). This is the period when Canadians generally try to escape to warmer climates.

According to a poll held by Expedia.ca/Ipsos-Reid in Toronto, starting from end of May, with the summer's sun, the second peak season of traveling begins. 48% of Canadian travelers plan to pack their bags for vacations during Apr-Sept. Between April and June 2006, Canadians took 3.9 million overnight trips to the United States.

Figure 3-2
Canadian Outbound Travel Season



Canadians have 2-3 weeks paid vacation which is supplemented by 10 public holidays.

Public Holidays

New Year's Day	January 1
Good Friday	Changeable (April6, 2007)
Easter Monday	During first 2 weeks of April (April 9, 2007)
Victoria Day	Monday proceeding May 25, (May 21, 2007)
Canada Day	July 1 or July 2 when July 1 is a Sunday.

Labor Day	First Monday of September,(September 3, 2007)
Thanksgiving Day	Second Monday of October, (October 8, 2007)
Remembrance Day	November 11
Christmas	December 25
Boxing Day	December 26-

School holidays

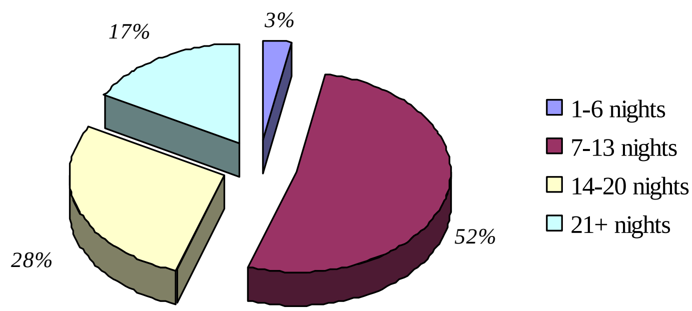
December/January	2 weeks (December 22- January 7)
February	1 week
Easter	1 week (10 April 2007)
June to August	8 weeks

Some provinces and territories have specific holidays.

LENGTH OF STAY [11]

In 2005, over half of outbound holiday trips lasted 7-13 nights, and 28% of Canadian travelers stayed away for at least 3 weeks. In 2006, Canadians spent 25.9 million holiday nights overseas, and the average trip length was 18 nights.

Figure 3-3
Length of Stay of Canadian Travelers



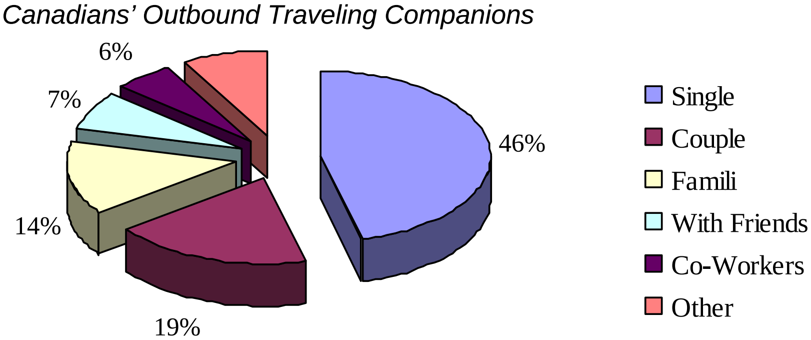
FREQUENCY OF TRAVEL [10]

In 2005 the Canadians made in average 0.5 overseas holiday trips per person lasted at least two nights, and 45% among those had taken a holiday trip in 2004.

MAIN COMPANIONS OF TOURISTS

The chart below for 2005 all outbound travels, shows that the percentage of single travelers is high and this is mainly due to outbound business trips made.

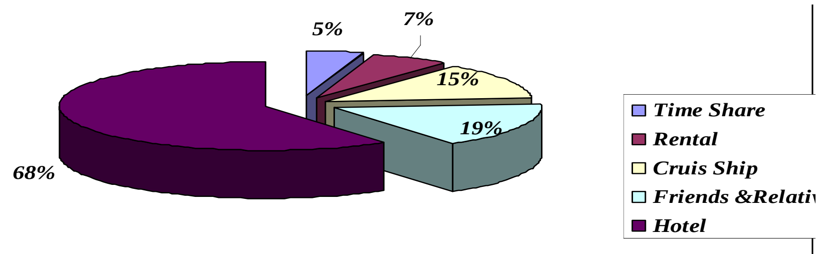
Figure 3-4
Canadians' Outbound Traveling Companions



ACCOMMODATION PREFERENCES [11]

In 2005 68% of Canadian travelers preferred hotel accommodation. Canadians are used to space and lots of room and would expect this point in cars and hotel rooms. Canadians require many products geared towards FIT (Fully Independent Travelers) such as car hire, rail, and coach transport, accommodation ranging from Bed and Breakfast to 3-4 star hotels.

Figure 3-5
Canadian Holiday Travel Accommodatin Preferences



TRANSPORT USED FOR OUTBOUND TRAVELING [10]

There were increases in almost every type of transportation category in 2005 although car remained the preferred mode of travel, with 2.0 million Canadians making overnight trips by automobile (domestic and outbound trips). Motor-coach trips are fairly popular among Canadian travelers.

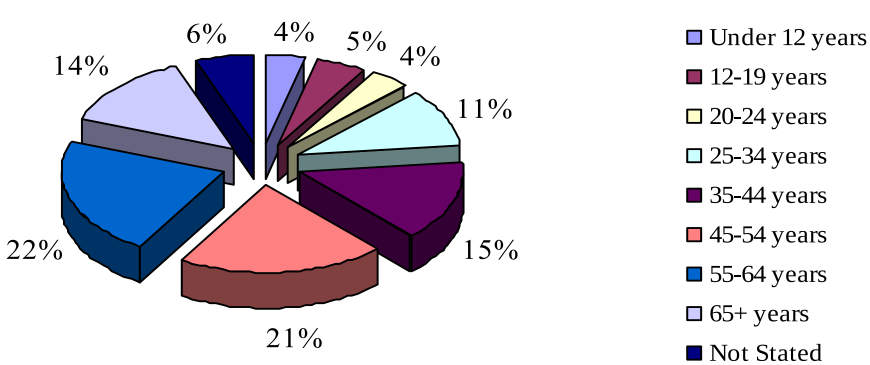
When it comes to US travel, most Canadians went by car. Canadians used an automobile for nearly 2.2 million overnight trips in the second quarter of 2006, up 8.3% compared to the second quarter of 2005.

In 2005, Canadian air travels covered 5.1 million of 21,077,066 outbound trips (24.19%), and increased by 8%, reaching 5.5 million out of 22,700,000 in 2006 (24.22%).

DEMOGRAPHICS OF OUTBOUND TOURISTS [11]

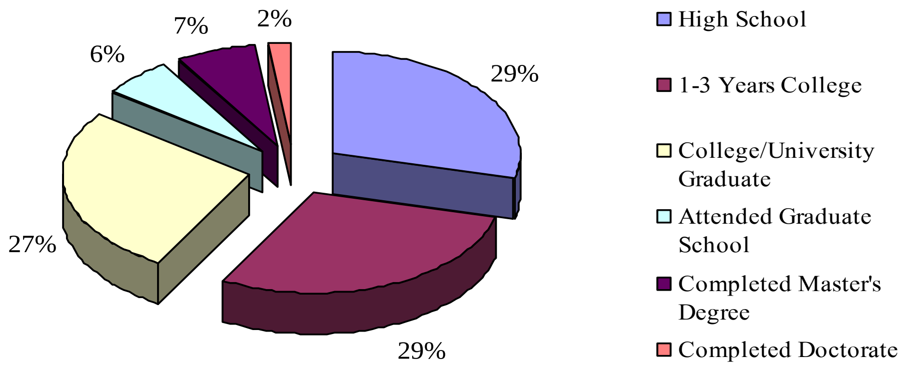
The 45–64 year old age groups have the highest propensity to outbound holiday travel. The young generation comprising about 13% of travelers aged less than 25.

Figure 3-6
Age of Candian Outbound Tourists



About 30% of Canadian outbound holidaymakers had completed high school, 30% had 1-3 years of college, and 27% were college or university graduates.

Figure 3-7
Education Level of Outbound Canadian Tourists



TRAVEL SPENDING [10], [12], [14]

In 2005, Canadians spent $22 billion on outbound trips, 8.6% up from 2004. In 2006 second quarter $2.4 billion, up 5.9% from the second quarter of 2005. In general, spending per overnight holiday trip declined, but the total spending has increased due to increase of the number of trips. People are spending more on travel and they're expecting much more, like buffets and drinks and entertainment all included.

However, in 2005 Canadian spending in the United States rose 2.5% to about $2.9 billion. Average spending per overnight trip declined from $777 to $741. According to survey (459)[2] conducted by the Missouri division of tourism, snowbirds spent more than twice that of their American counterparts due to the length of trip.

Table 3-8
Type of Expense for Snowbird Holiday Travelers to the US

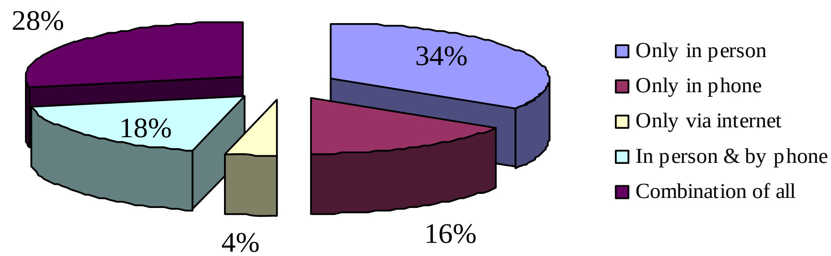
	Amount in US$
Lodging	430
Meals	254
Entertainment	124
Shopping	282
Transportation	239
Attractions	129
Other	125
Total	1,583
Per person/per day	71

[2] Canadians who traveled and visited the U.S. during 2000-2005 years.

USE AND TRENDS IN BOOKING PATTERNS [11], [20]

A growing number of travelers are using a multi channel approach in working with travel agents and 28% used a combination (phone, in person, Internet) approach in 2004.

Figure 3-8
Booking Pattern



Nowadays, more Canadians are using a combination of methods to contact travel agents. The rising importance and sophistication of travel Internet sites, together with global uncertainty, has led more Canadians to take a wait-and-see attitude. This trend has forced fundamental changes in how travel is marketed, promoted, and sold.

In 2005 34% of Canadians travelers go online to book or purchase. Residents of Alberta are the most connected Canadians when it comes to booking trips online, 46% of Albertans have used the Internet to book a trip.

Canada's Consular Affairs Bureau helps Canadians prepare for outbound trips and provides them with a variety of services once they are abroad. A governmental department helps travelers obtain information about outbound destinations before they leave the country and informs them on how to prepare for their departure.

The total Canadian population online in May 2006 was 19,300,000, or 58.3% of the population in general. However in June 2007, there were 22 million Internet users in Canada (representing 67.8% of the population) according to Internet World Statistics.

According to New media review, over 90% of Canadians use online resources to learn, explore and book travel. In fact, the survey finds that Canadian travelers are more likely to use search engines instead of consulting family or friends when planning trips. For airline tickets, travelers are more likely to visit the airlines' own websites (33%) than to call an agency (10%).

According to New media review assumptions, in 2007 nearly 1/3 of all leisure and unmanaged business travel by Canadians will be book online. Travel bookings are only the second most popular type of online purchase in Canada, falling behind publications (i.e. books, magazines and newspapers).

TRAVELERS' DEMANDS, EXPECTATIONS, AND BEHAVIORS [15], [16]

Demands

Canadians are knowledgeable independent travelers who are accustomed to a high standard of living, a quality service and expect value for money product. In general, Canadians have the following demands**:**

- Comfort,
- Hygienic conditions,
- Transportation,
- English or French environment,
- Political safe country.

Expecations

Their expectations are

- To know much about the country where they are get acquainted with the culture of the nation.
- Canadians tend to use British and not American spelling therefore offered literature and correspondence should reflect their expectation.
- Follow up is very important. Canadians like prompt answers to questions, whether by telephone, letter, fax or email.

Behavior

As data prove, Canadians travel mostly for holiday purpose, don't intend to save money and are trying to make their trip more interesting by visiting restaurants, pubs, café, concerts, game-zones, play-stations, etc.

Canadians like to get along in the global village. When venturing abroad, Canucks (French Canadians) hope to live up to their reputation of being polite and sensitive to others. When visiting a foreign country, "accidentally disrespecting a local custom" tops the list of things that would be most embarrassing for half (50%) of Canadians who have ever taken a vacation. "Trying to communicate in a language with which you're unfamiliar" came in a distant second for 25% of respondents, followed by "using hand signals to communicate that you need to find a washroom" (13%) and "dressing inappropriately" (7%).

Canadians are no strangers to world cuisine, and more than half (56%) of travelers stated that they would be willing to try some international delicacies.

The rest of Canadians (about 41%) wouldn't try any of the mentioned above options, they would mostly go to the nearest fast food restaurant.

Saskatchewan and Manitoba residents are the most reluctant to try new tastes - 57% of them would opt for fast food over local cuisine, compared with only 27% of British Columbia residents.

BUSINESS PROCEDURES WITH TRAVEL COMPANIES [17]

- The costlier and more complex the trip, the more likely the traveler is to use a travel agent.
- Agencies using a multi-channel approach seek to get customer to visit their website for product information and then either to book the trip online or to visit their nearest storefront agent.
- Canadians are not Americans. Although this may seem obvious, many treat Canadians as Americans even though they have quite different style and business attitude from their American neighbors.
- Travel insurance should be easy to understand, and affordable for all Canadians planning to spend any time outside of their province or territory of origin.
- While dealing with Canadian agencies all charges should be clearly displayed in advance.
- Product distribution to the customer has traditionally been through retail travel agencies.

MEDIA INFORMATION RELATED TO TOURISM [12], [20]

Due to Canada's vast area, newspapers tend to be more provincially based, with all major cities having at least one daily paper. *The Globe and Mail* and the *National Post* are national papers published in Toronto.

Four papers dominate the trade scene and are nationally distributed. Canadian Travel Press, Travel Courier, Canadian traveler, Travel week. In addition www.openjaw.com website will provide information as well.

Internet: When Canadians are planning a trip, the first step they make is the Internet[3]. Canadian Internet users are using the Internet to research travel, but they are not so quick to make online travel purchases. TNS found that more than half use the Internet to conduct research into travel costs or accommodations and more than 40% said they research destinations, weather and transportation.

According to European travel commission estimations, 72.9% of the Canadian population is online (57% of these with broadband). The most significant trend in the industry is the growth of Internet access amongst the older generation. Some 60% of over 55's now have access and are increasingly looking for travel options. Internet travel websites perform a valuable service for Canadians looking for a flight, hotel and/ or car rental for outbound business or holiday trips.

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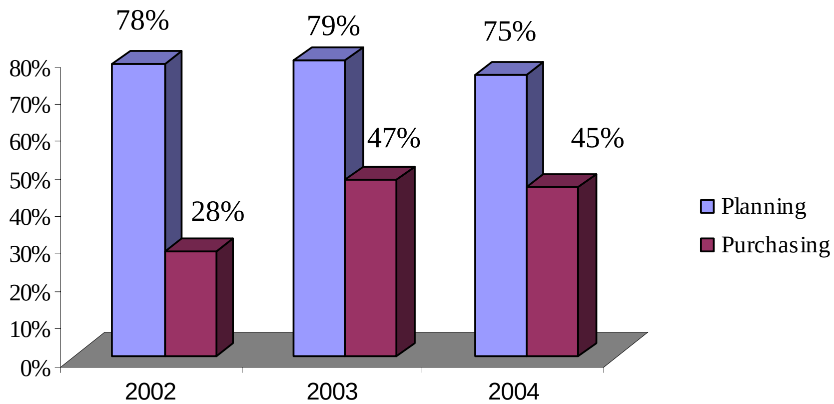
[3] According to a survey, conducted by Cross-Tab Marketing Services for Yahoo! Canada.

In 2005 use of the Internet for purchasing holidays has increased by 14 percentage points since 2002. Internet usage for purchasing holidays, often in cooperation with travel agents is growing.

Figure 3-9
Canadian Internet Usage



TRAVEL FAIRS [3]

Rendez-vous Canada

Date: 24-28 May 2008
Place : Vancouver, British Columbia
Website: www.rendezvouscanada.ca

Service	Price (CDN $)
Half booth	1,050
Full booth	2,025
Double booth	3,950
Triple booth	5,925
Quadruple booth	7,900

Travel and Holiday Show

Date: 28-30 September 2007
Venue: International Centre – Hall 6, Mississauga

2006 statistics:

Travel agents	1 500
Visitors	20 000

Contacts

Lisa Ulrich, Show Manager
lulrich@travelweek.ca
Phone: 416 365 1500 Ext. 37
Fax: 416 365 1504
Website: travelandholidayshow.com

TRAVELERS' INTERESTS, HABITS, AND MOTIVATION [11]

Motivations for holiday taking and related activities cover a wide range from visits to historic and cultural centers and sites to going to a pub/bar or visiting wilderness areas.

Activity	%
Visit Ancient Ruins	79
Visit Villages/Small Towns	78
Walk in Open-Air Market	78
Explore City on Foot	76
Visit Museums	70
Visit National Parks or Wilderness Areas	69
Harbour Cruise	67
Visit Cathedrals/Temples	67
Observe Artisans/Craftspeople at Work	65
Listen to Local Music	64
Visit a Winery	64
Go to a Pub or Local Bar	62
Explore a City by Public Transport	61
Visit Amusement or Theme Parks	56
Attend Ethnic/Cultural Performances	53

TOURISM ASSOCIATIONS, TOUR OPERATORS, TOURISM PLAYERS [18], [19]

Tour Associations

National Tour Association of Canada

The National Tour Association is a trade organization of thousands of tourism professionals involved in the growth and development of the packaged travel industry. They are committed to providing business opportunities and professional education in an environment where their members can foster relationships with one another. Members make up the following categories:

- Tour Operators (buyers) - develop and sell travel packages
- Tour Suppliers (sellers) - provide the package components for tour operators and can fall into one of the following categories: hotels, attractions, restaurants, airlines, cruise lines, railroads, and sightseeing/receptive services.
- DMO (sellers) - destination marketing organizations (DMOs) promote specific destinations or regions and include national tourism organizations, state and provincial tourism offices, convention and visitors bureaus and chambers of commerce.

Tourism Industry Association of Canada

The Tourism Industry Association of Canada (TIAC) is the voice of Canadian tourism. TIAC serves today as the national private-sector advocate for tourism industry, representing the interests of the tourism business community nation-wide (www.tiac-aitc.ca/english/welcome.asp).

- Air Transport Association of Canada (www.atac.ca)
- Atlantic Canada Cruise Association (www.cancruise.com)
- Association of Tourism Professionals (ATP)
- Canadian Sport Tourism Alliance (CSTA) (www.canadiansporttourism.com)
- Green Tourism Association (www.greentourism.ca)
- PATA / Pacific Asia Travel Association, Eastern Canada Chapter
- WLRA World Leisure and Recreation Association
- Tour Operators (Outbound Travel)

Travel e-commerce has grown rapidly with the entry of web-based companies and traditional agencies offering a website booking facility. Nowadays airlines and tour operators are placing more emphasis on direct sell.

Tour operators

The majority of tour operators are based in and around the greater Toronto area with branch offices in other Canadian cities. In 2004, there were some 5000 travel agencies although this number is reducing due to consolidation.

Holiday travelers using a traditional travel agent have fallen significantly in recent years. While more Canadians are buying their travel on-line, this has not replaced the need for the storefront travel agent. What Internet travel sites have done is change the role of the travel agent.

- Aquila Tours (www.atlanticcanada.com)
- Atlantic Ambassatours Ltd. (www.atlantictours.com)
- Canadian Tours International (www.ctidmc.com)
- Cantours Inc. (http://www.cantours.com)
- Collette Vacations (www.collettevacations.com)
- Fehr-Way Tours Ltd. (www.fehrwaytours.com)
- Great Canadian Travel Company (www.greatcanadiantravel.com)
- Motor Home Vacations (www.canadian.motorhomeholidays.com)
- North of 49° Inc. (www.northof49.com)
- Northwood Tours Inc (www.northwoodtours.com)
- Select Holidays (www.selectholidays.com)
- Bonaventure Tours (www.bonaventuretours.com)
- Globus and Comos (www.globusjourneys.ca)

- Sunquest Vacation (www.sunquest.ca)
- Holiday Network (www.holidayhouse.ca)
- Royal Irish Tours (http://royalirishtours.ca/index.html)
- Insight Vacations (www.insightvacations.com/ca/)
- Transat Holiday (www.transatholidays.com/web2/Default.asp?REFWHATID=0&); (http://www.redtag.ca/transat-holidays-deals.php)
- Trafalgar Tours (www.trafalgartours.com/CAN/Home)

Travel Underwriters

Travel Insurance Agents Ltd., Travel Underwriters was the first company in Canada to offer Trip Cancellation / Trip Interruption Insurance, referred to them as "Missed Flight Insurance." Travel Underwriters emerged on the forefront of the travel insurance industry by being the first company to offer an Annual Emergency Excess Medical product. Travel Underwriters was also one of the first companies in Canada to sell travel insurance online.

Today, more than 2,500 licensed travel insurance agents across Canada use Travel Underwriters to sell Canadians and visitors to Canada travel a variety of travel insurance plans.

SWOT ANALYSIS OF CANADA IN RELATION TO ARMENIA

Strengths	*Weaknesses*
• Rich culture • Easily recognizable religion • High amount of sun hours from April to mid-October • Numerous museums and places for sightseeing (monasteries, medieval temples, fortresses, ruins) • Beautiful nature • Opportunity for winter sports • Online travel information • Online visa access • Different types of accommodation available • Armenia is not associated with terrorism	• Difficult transportation outside the capital • Huge gaps in providing services in regions • Not all information available in English • Overseas travel/far from Canada • High prices of transportation to Armenia • No direct flights to Armenia • Lack of promotion of the country as a holiday destination • Difficult access to health care because of language • Poor online booking systems

Opportunities	*Threats*
• Canadians like visiting cities and are interested in cultural sightseeing • Visiting cathedrals/temples/ancient ruins is interesting for a big part of Canadian travelers • Number of third generation Armenians traveling to Armenia is increasing each year	• Cheap all-inclusive packages in competitor destinations • Canadians mainly travel to neighborhood countries or UK and Italy • Lack of political stability/ Karabakh conflict

RELEVANT REPORTS TO READ

Canadian Travel Arrangement Services Survey: http://www.corporate.canada.travel/docs/research_and_statistics/ industry_research/travel_arrange_survey_2004_en.pdf

The DMO guide[4]:

- Establishes the penetration rates of major travel-related Websites including travel sections of major Canadian portals, online travel agents and airline and rail operators;
- Measures overall satisfaction with sites visited;
- Analyzes the awareness and response to various travel-related online marketing tools: banners, pop-ups, e-mails, viral marketing (word-of-mouth), subscribing to mailing lists;
- Reveals the importance that consumers attach to selected features of travel-related Websites: (information on destinations, detailed description of vacation packages, quality photographs of rooms and amenities, downloadable travel catalogues, multiple options to contact customer service and the ability to submit and read user comments and reviews);
- Measures user satisfaction with the selected features on travel Websites;
- Suggestions, based on a gap analysis of how well travel-related Websites answer to user needs.

[4] http://www.traveltradesmart.com/dmo.htm

4. China

Size of population in 2005: 1,320,000,000

Number of outbound holiday trips in 2005: 25,131,060

Percentage of population making outbound holiday trips in 2005: Information not available

Major outbound holiday destinations: Information not available

Average length of stay for outbound holiday trips: UK, Korea, Australia, Thailand, Malaysia, Hong Kong, Singapore

Prices for round-trip air ticket PEK-EVN in summer season (economy class):
Lowest—US$1,428, Lufthansa
Highest—US$4,579, Austrian Airlines

Number of direct flights to Armenia each week: None

Outbound holiday trips as a percentage of all outbound trips 2005: 81%

SOURCES OF INFORMATION

1. http://www.china-outbound.com/Downloads/nagasakipaper2004.pdf
2. http://www.tourismresearch.govt.nz/NR/rdonlyres/AFD13060-2A1E-4372-84C6-1142FD5B7916/22011/ChengchengZhaoChineseoutboundmarketandNZdestinatio.pdf
3. http://commercecan.ic.gc.ca/scdt/bizmap/interface2.nsf/vDownload/ISA_4865/$file/X_50366.DOC
4. www.tourismireland.com/UserFiles/File/TI_FS_china_FIN.pdf
5. www.china-outbound.com/Press/pressemeldungengl0305.pdf
6. http://www.etc-corporate.org//DWL/China_Release_ETC%20Amendments_UNWTO.doc
7. http://www.tfwa.com/duty_free/fileadmin/user_upload/cannes/conf_2006/AP_ACNielsen.pdf
8. http://www.tourismtrade.org.uk/Images/China_PDF_21M_tcm12-32217.pdf
9. China International Travel Mart, www.citm.com.cn
10. World Travel Fair, www.worldtravelfair.com.cn
11. http://www.tourism-china.net/china-outbound-tourism/tour-operators-in-china
12. Wikipedia, http://en.wikipedia.org/wiki/Public_holidays_in_the_People%27s_Republic_of_China
13. http://www.hawaiitourismauthority.org/documents_upload_path/reports/HTARES-Report-12-01-2003.pdf
14. http://www.usembassy-china.org.cn/fcs/pdf/china_tourism_report.pdf
15. http://china-outbound.com/Downloads/China_Outbound_Tourism_Yu.pdf
16. http://www.kwintessential.co.uk/resources/global-etiquette/china-country-profile.html

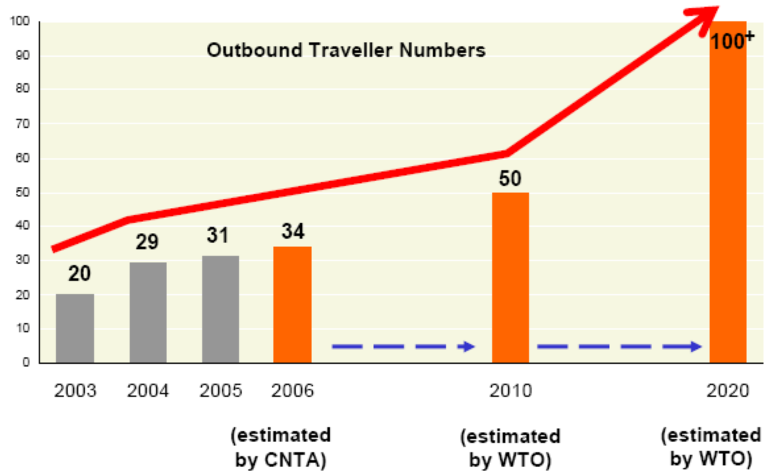
OUTBOUND TRAVEL NUMBERS AND DESTINATIONS [1], [4]

Table 4-1
Chinese Outbound Travel Market (All Categories), By Year, 2001–2005

Year	No. of Outbound Travelers
2000*	10,473,000
2001*	12,133,000
2002*	16,602,000
2003*	N/A
2004†	28,853,000
2005†	31,026,000

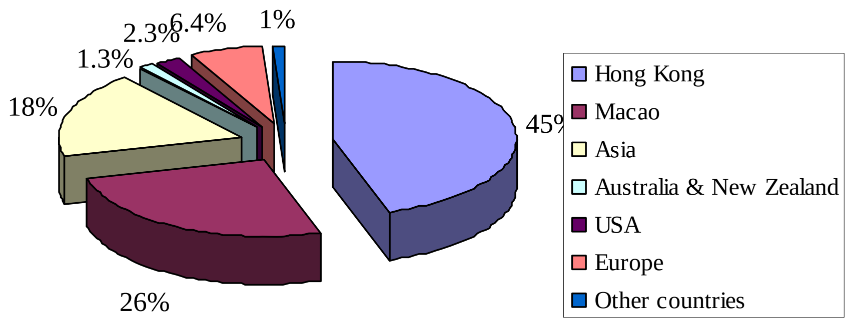
*Source: CNTA (2004)
†Source: PATA

Figure 4-1



Chinese Outbound Travelers, Actual and Projected

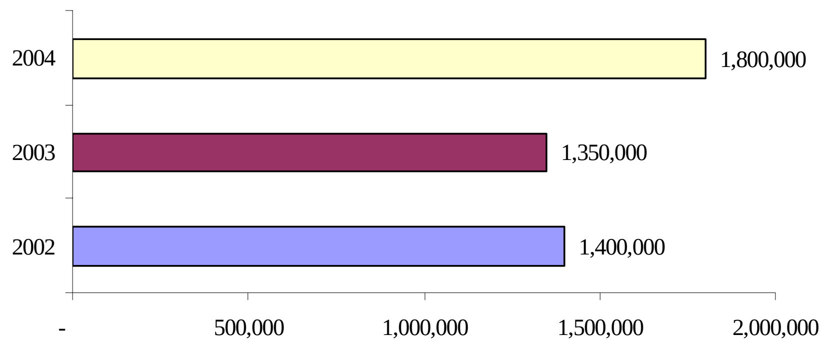
Figure 4-2
Favorite Outbound Destinations (for All Categories of Trips), 2004



Top 5 outbound destinations (for all categories of trips):

1. Hong Kong
2. Macao
3. Thailand
4. Vietnam
5. Singapore

Figure 4-3
Number of Chinese Travelers to Europe, by Year, 2002–2004



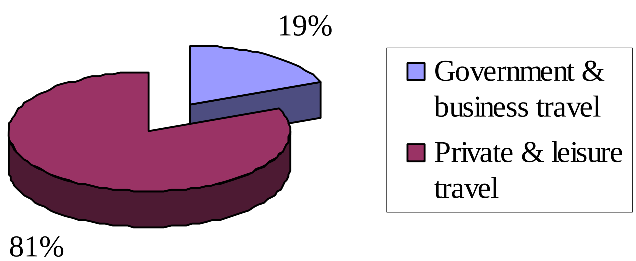
Top 5 European destinations for outbound travel from China (for all categories of trips):

1. Italy
2. Germany
3. France
4. United Kingdom
5. Switzerland

PURPOSE OF TRAVEL [1], [14]

The difficulty in determining the business: holiday ratio of Chinese outbound travel is the lack of clear-cut definition in the travel motivations of Chinese tourists. The Chinese do not regard themselves as having separate working and private identities, but rather tend to integrate the two personae. One consequence of this is that even when the Chinese are on holiday, they are usually alert to business opportunities and in search of knowledge that will help them make progress in their careers.

Figure 4-4
Purpose of Travel, 2005



FACTORS AFFECTING CHOICE, SOURCES OF INFORMATION USED [1], [13]

Factors Affecting Choice

High price is a key reason for the slow development of the market for long-haul destinations. If a Chinese tourist wants to visit the Caribbean in Cuba, he or she has to pay some 20,000 CNY (US$2,400), a sum that few Chinese can afford. A package tour to South Africa costs around 12,000 CNY (US$1,440), while 15,000 CNY (US$1,800) may cover a tour to both Australia and New Zealand. On the other hand, a visit to Malaysia costs only 4,000 CNY (US$480).

Sufficient income and official permission is needed to be able to afford outbound trips. It appears that a fast-growing number of Chinese have the financial ability for outbound travel. Buese (2003), the CEO of the newly founded joint venture between TUI (Europe´s largest tourist company), the China Travel Service (CTS), and Martin Buese China Limited, has estimated that 80 million Chinese already have enough money to spend 1,500 – 2,000 Euro plus expenses for a 10- to 12-day outbound trip. As financial considerations become less of a limiting issue, the determining factor will increasingly become when and where the Chinese are allowed to travel.

Government policy has an unusually strong impact on outbound business and official travel from China. One of the principal elements of this is the Chinese government's use of approved destination status (ADS) in determining the destinations to which Chinese people are allowed to visit. Chinese tourist groups are allowed to travel only to countries that have been granted ADS by China.

The possibility to experience a different lifestyle/culture, to increase knowledge about a foreign destination is also an important factor for the Chinese outbound travelers.

In contrast, the following destination characteristics are considered as barriers to travel:

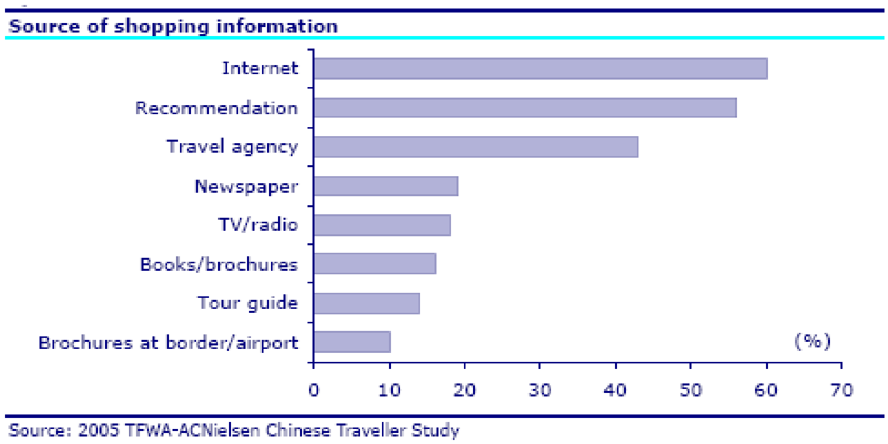
- Feeling of cultural discrimination
- Image of high cost
- Image of low value
- Language and cultural barriers
- Lack of variety of things to do.

Sources of Information Used

Key sources of information when planning outbound trips are:

- Word of mouth,
- Internet; many travelers browse the Internet for shopping information, and
- TV (advertising, travel programs, general programming).

Figure 4-5
Sources of Information



INTERESTS OF THOSE TRAVELING ABROAD [6], [7]

- The main interests of Chinese outbound holiday travelers are sightseeing and shopping
- Attractive landscapes and customs are valued most as selling propositions.
- Shopping is a must-do activity during an outbound trip

TOURIST TRAVEL BY SEASON [12]

Chinese have no official paid vacations.

Public Holidays

There are four official public holidays in China:

January 1	New Year's Day	2 days
1st day of the 1st lunar month	Spring Festival (Chinese New Year)	3 days
May 1	Labor Day	3 days
October 1	National Day	3 days

Surrounding weekends are moved so that a three-day holiday is created for New Year's Day, and a seven-day holiday is created for each of the other three public holidays.

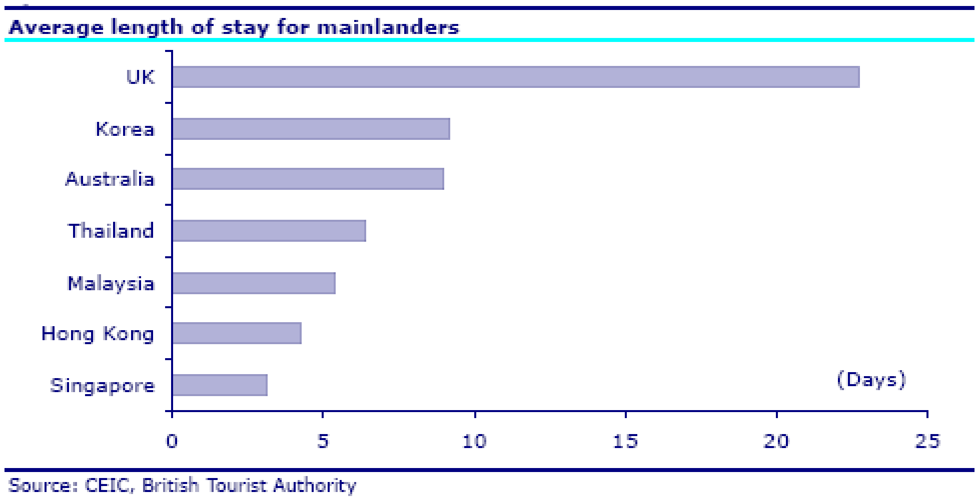
The week-long holidays on Labor Day and National Day began in 2000, as a measure to increase and encourage holiday spending. The resulting seven-day holidays are called "Golden Weeks" and have become peak seasons for traveling and tourism (May).

LENGTH OF STAY [14]

The length of stay reveals much about the purpose of travel of mainlanders. It ranges widely from a short two- to three-day shopping tour in Hong Kong, to a 15-day sightseeing tour of several European countries.

In general, there is a direct correlation between the average length of stay and the distance to the destination: the farther away the destination, the longer the stay.

Figure 4-6
Average Length of Stay of Chinese Mainlanders



FREQUENCY OF TRAVEL [14]

Table 4-2
Correlation of Family Income and Travel Plans

Monthly Family Income	One Trip (%)	Two Trips (%)	Three Trips (%)
<US$180	25	-	-
US$180-360	55	2	-
US$360-550	70	9	-
>US$550	34	58	3

Source: WTO, Survey of 5 cities by SSIC 2000

MAIN COMPANIONS OF TOURISTS [8], [14]

The Chinese outbound holiday makers preferred traveling on a package tour over individual travel for several reasons:

- Travelers with little experience are often anxious about language or cultural differences.
- They feel more comfortable when hotels, flights, and transfers are available as an all-in-one bundle, thereby minimizing the hassle and possible uncertainty or fear of being in a new environment.
- Some travelers opt for a group tour, where a tour guide takes them around the sights.

Most Chinese outbound holiday makers travel by tour groups, especially when traveling to Europe for the first time.

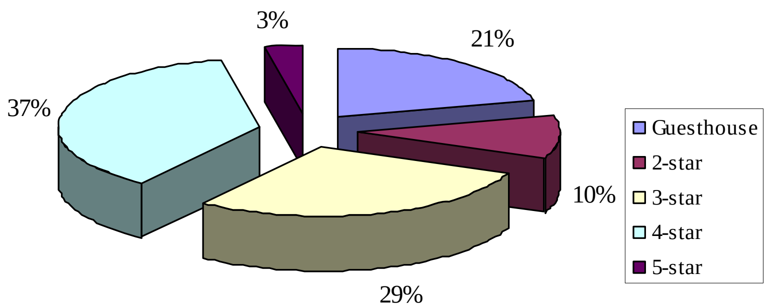
As people gain more experience in traveling, they become more adventurous and are more comfortable with exploring new places on their own. As a consequence, they start switching from group travel to individual travel.

ACCOMMODATION PREFERENCES [8], [14]

The Chinese prefer to stay in midrange hotels.

The graph shows accommodation preferences by Chinese for all outbound trips in 2004.

Figure 4-7
Chinese Accommodation Preferences, 2004



Source: Macau Government, CLSA Asia-Pacific Markets

Bed-and-breakfast accommodation may come as a shock for most first-time Chinese travelers, as B&Bs do not exist in China.

TRANSPORT USED FOR OUTBOUND TRAVEL

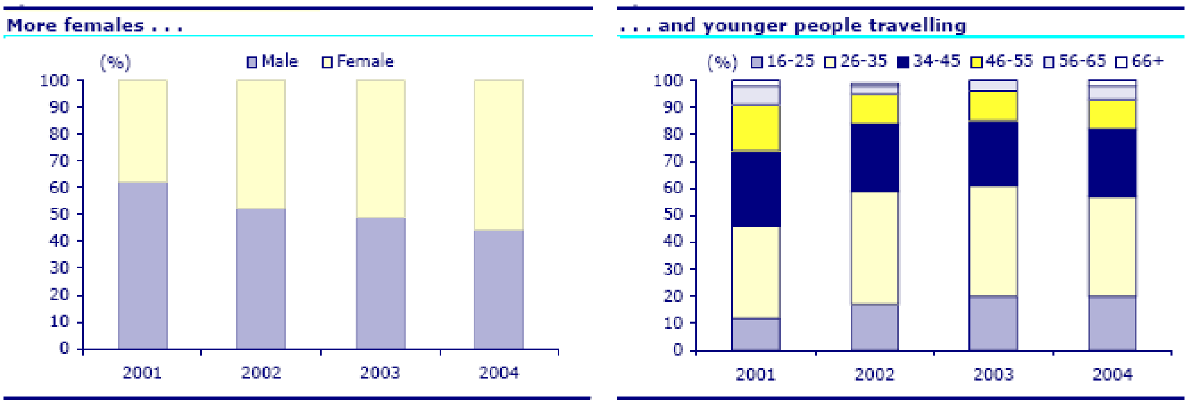
Information not available

DEMOGRAPHICS OF OUTBOUND TOURISTS [13], [14]

There are three main regions of outbound travel generation in China. They centre on the economic belts, namely the Pearl River Delta (Guangdong, Macau, and Hong Kong); the Beijing and Tianjin area; and the Yangtze River Delta (Shanghai, Jiangsu, Zhejiang). Although these areas are dominant in the amount of international outbound travelers they produce, there is a growing number of travelers emerging from the hinterlands or outskirt provinces. (2003)

Mainland Chinese nationals traveling for long-haul holiday trips tend to be 25 to 44 years old (62%), male (58%), and married (76%). Compared to the general adult population in China, they have higher educational status (61% college/university), and are considerably more affluent as 69% of long-haul holiday makers have incomes of more than 3,000RMB (US$393) per month and hold professional rank positions.

Figure 4-8
Age and Gender Groupings of Chinese Holiday Travelers



Source: HKTB

TRAVEL SPENDING [3], [4], [6]

Chinese outbound travelers spent US$21.8 billion abroad in 2005, up from US$19.1 billion in 2004 (+14%). In 2005 the average expenditure per outbound trip (for all categories)was US$703.

Table 4-3
Annual Spending of Outbound Travelers and Growth in Spending, 2000–2005

Year	Spending (USD billion)	Annual growth (%)
2000	13.114	20.72
2001	13.909	6.06
2002	15.398	11.44
2003	15.187	-1.37
2004	19.149	26.09
2005	21.795	13.82

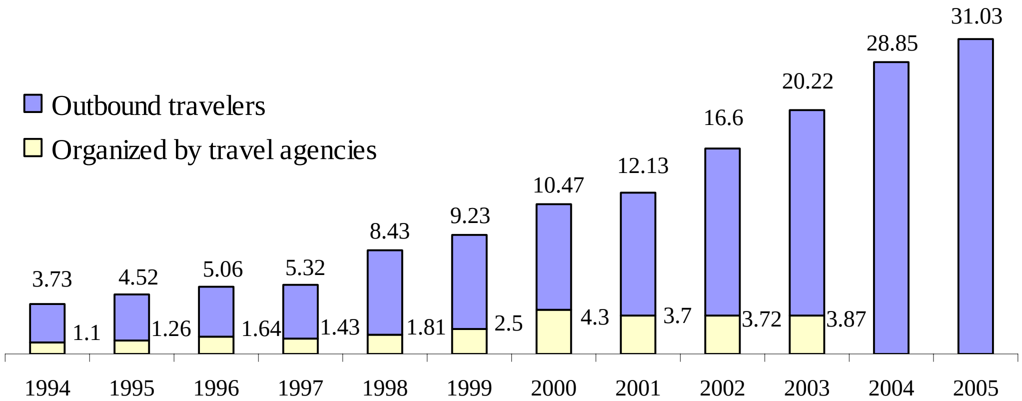
According to the World Travel and Tourism Council, in the next decade Chinese travel expenditure is expected to be the second-fastest growing in the world at close to twice the global average.

USE AND TRENDS IN BOOKING PATTERNS [3], [7]

Chinese prefer organized package tours (e.g., visit 6 European countries in 10-12 days).[5]

[5] Information about the number of trips organized by travel agencies in 2004-2005 is not available.

Figure 4-9
Booking Patterns of Chinese Outbound Trips



TRAVELERS' DEMANDS, EXPECTATIONS, AND BEHAVIORS [7]

Chinese travelers are relatively inexperienced; they do not know much about their destinations.

For Chinese tourists, food is one of the most important things in life, and the quality of food is considered as one of essential factors to achieve satisfaction.

Information brochures in Chinese, trained Chinese speaking guides are necessary and important in terms of increasing their level of cultural familiarity.

BUSINESS PROCEDURES WITH TRAVEL COMPANIES [16]

Meeting Etiquette

- Greetings are formal and the oldest person is always greeted first.
- Handshakes are the most common form of greeting with foreigners.
- Many Chinese will look towards the ground when greeting someone.
- Address the person by an honorific title and their surname. If they want to move to a first-name basis, they will advise you which name to use.
- The Chinese have a terrific sense of humor. They can laugh at themselves most readily if they have a comfortable relationship with the other person. Be ready to laugh at yourself given the proper circumstances.

Business Etiquette and Protocol in China

Relationships and Communication

- The Chinese do not like doing business with companies they do not know, so working through an intermediary is crucial. This could be an individual or an organization that can make a formal introduction and confirm the reliability of your company.

- Before arriving in China send materials (written in Chinese) that describe your company, its history, and literature about your products and services. The Chinese often use intermediaries to ask questions that they would prefer not to make directly.
- Business relationships are built formally after the Chinese get to know you.
- Be very patient. It takes a considerable amount of time and is bound up with enormous bureaucracy.
- The Chinese see foreigners as representatives of their company rather than as individuals.
- Rank is extremely important in business relationships and you must keep rank differences in mind when communicating.
- Gender bias does not exist in business.
- Never lose sight of the fact that communication is official, especially in dealing with someone of higher rank. Treating them too informally may ruin a potential deal.
- The Chinese prefer face-to-face meetings rather than written or telephonic communication.
- Meals and social events are not the place for business discussions. There is a separation between business and socializing in China, so try to be careful not to intertwine the two.

Business Meeting Etiquette

- Appointments are necessary and, if possible, should be made between 1-2 months in advance, preferably in a written form.
- If you do not have a contact within the company, use an intermediary to arrange a formal introduction. Once the introduction has been made, you should provide the company with information about your company and what you want to accomplish at the meeting.
- Punctuality is important. Arriving late is an insult and could negatively affect your relationship
- Pay great attention to the agenda as each Chinese participant has his or her own agenda that they will attempt to introduce.
- Send an agenda before the meeting so your Chinese colleagues have the chance to meet with any technical experts prior to the meeting. Discuss the agenda with your translator/intermediary prior to submission.
- Each participant will take an opportunity to dominate the floor for lengthy periods without appearing to say very much. Be patient and listen.

- Mobile phones ring frequently and conversations tend to be boisterous. Never ask the Chinese to turn off their mobile phones as this causes you both to lose face.
- Guests are generally escorted to their seats, which are in descending order of rank. Senior people generally sit opposite senior people from the other side.
- It is imperative that you bring your own interpreter, especially if you plan to discuss legal or extremely technical concepts as you can brief the interpreter prior to the meeting.
- Written material should be available in both English and Chinese, using simplified characters. Be very careful about what is written. Make absolutely certain that written translations are accurate and cannot be misinterpreted.
- Visual aids are useful in large meetings and should only be done with black type on white background. Colors have special meanings and if you are not careful, your color choice could work against you.
- Presentations should be detailed and factual and focus on long-term benefits.

Business Negotiation

- Only senior members of the negotiating team will speak. Designate the most senior person in your group as your spokesman for the introductory functions.
- Business negotiations are slow.
- Chinese are nonconfrontational. They will not overtly say “no,” they will say “they will think about it” or “they will see.”
- Chinese negotiations are process oriented. They want to determine if relationships can develop to a stage where both parties are comfortable doing business with the other.
- Decisions may take a long time, as they require careful review and consideration.
- Under no circumstances should you lose your temper or you will lose face and irrevocably damage your relationship.
- Business is hierarchical. Decisions are unlikely to be made during the meetings you attend.
- The Chinese are shrewd negotiators.
- Your starting price should leave room for negotiation.

What to Wear?

- Men should wear dark colored, conservative business suits.
- Women should wear conservative business suits or dresses with a high neckline.
- Women should wear flat shoes or shoes with very low heels.
- Bright colors should be avoided.

Business Cards

- Business cards are exchanged after the initial introduction.
- Have one side of your business card translated into Chinese using simplified Chinese characters that are printed in gold ink since gold is an auspicious color.
- Your business card should include your title. If your company is the oldest or largest in your country, that fact should be on your card as well.
- Hold the card in both hands when offering it, Chinese side facing the recipient.
- Examine a business card before putting it on the table next to you or in a business card case.
- Never write on someone's card unless so directed.

MEDIA INFORMATION RELATED TO TOURISM[8]

Travel Magazines

- Travel + Leisure (distributed in China), http://www.travelandleisure.com
- World Traveller (distributed in China), http://www.nwaworldtraveler.com/ME2/Default.asp
- National Geographic Traveler (distributed in China), http://www.nationalgeographic.com/traveler
- Travelling Scope, http://www.nosugar.cn/html/media/travel200404-cover.htm
- Global Travel, www.frugalfun.com/travel.html
- Euro Travel, N/A
- Air Travel, N/A
- China Travel News, N/A
- Travel Weekly China, http://www.travelweekly-china.com/aboutus.asp
- TTN China, http://www.ttnmedia.com/media/index_china.jsp
- TTG China, http://www.ttgasiamedia.com/ttgchina.shtml

Major TV/Radio Stations

- China Central Television, http://www.cctv.com/english/index.shtml
- Beijing TV Station, http://www.btv.org/
- Shanghai Oriental Television, http://www.smg.sh.cn/english/index.html
- Travel Satellite TV, http://www.poly.com.cn/news/en/e_news_detail.asp?id=307
- China National Radio, http://www.cnr.cn/
- China Radio International, http://www.chinabroadcast.cn/

Popular travel related websites in China

- www.ctrip.com (the most popular travel portal in China)
- www.sohu.com
- www.tour.sina.com.cn / travel.sina.com
- www.163.com (NetEase)

TRAVEL FAIRS [3], [9], [10]

China International Travel Mart

Date: 1-4 November 2007
Venue: Kunming International Convention and Exhibition Center

Table 4-4
Services Offered at China International Travel Mart

Service	Description	Price
Standard shell scheme booth	Minimum: one booth (9 sq. m.). A standard booth includes: 4 chairs, 1 table for business talk, 1 consulting table, a fascia board, carpet, 2 lamps, 1 waste paper basket, a socket, 4 exhibitor passes	$ 2500/booth
Only space	Minimum: 2 units (9 sq. m. each)	$ 2250/9sq.m.

Contacts

Address: No. 9A Jian Guo Men Nei Ave., Beijing 100740, China
Tel: 0086-10-65201304, 65201331, 65201333, 65201334, 65201360
Fax: 0086-10-65201332
Contact persons: Mr. Sun Keqiang, Mr. Sun Biao, Mr. Zhang Ruozhen and Miss Fu Wenjun
Website: www.citm.com.cn

World Travel Fair

Date: 27-30 March 2008
Venue: Shanghai Exhibition Center (Shanghai, China)

Tariffs will be available as of January 2008.

Contacts

3F Business Mansion
Shanghai Exhibition Center
No. 1333 Nanjing Road (w)
Shanghai 200040, China
Tel.: +86 (0)21 6247 7668
Fax:+86 (0)21 6247 9818
E-mail: marloes.van.den.berg@vnuexhibitions.com.cn (Ms. Marloes Van Den Berg)
Website: www.worldtravelfair.com.cn

TOURISM ASSOCIATIONS, TOUR OPERATORS, TOURISM PLAYERS [8], [11]

In China, tour operators have different authorizations to handle tourists. They are separated into three classes:

- IATA tour operators who can perform outbound, inbound and domestic tourism in China (about 500 in 2003).
- International tour operators who can treat inbound and domestic tourists. (about 1200 in 2002).
- National tour operators who can work only on the domestic tourism market. (10 203 in 2002).

Travel retailers act as both tour operators and travel agencies for domestic, inbound and outbound travel. The roles between wholesalers and retailers in China are not clearly defined.

Large Chinese tour operators: China International Travel Service (CITS) http://www.cits.net/citsonlineWeb/switchdo.do?prefix=/online&page=/homepage_EN/homepage_EN.jsp

SWOT ANALYSIS OF CHINA IN RELATION TO ARMENIA

Strengths	*Weaknesses*
• Beautiful nature	• No direct flights to Armenia
• Rich culture and history	• Small number of well-known brand boutiques
• Numerous places of interest	• Lack of special shopping tours
• Embassy of China in Yerevan	• Strong cultural differences with China
• Specific cuisine	• Difficult transportation outside the capital
• Chinese restaurants in Yerevan	• Huge gaps in providing services in regions
• Online travel information	• Not all information available in English or Chinese
• Online visa access	• Lack of promotion of the country as a holiday destination
• Different types of accommodation available	• Difficult access to health care because of language
• Low cost of internal transportation	• High prices of transportation to Armenia
• Armenia is not associated with terrorism	• Poor online booking systems

Opportunities	*Threats*
• Strong growth in number of trips • Growing incomes of the Chinese population • Internet is an important source of information	• Shopping is the most important activity for Chinese people • Lack of political stability/ Karabakh conflict • Currency fluctuation

5. France

Size of population in 2005: 60,710,000

Number of outbound holiday trips in 2005: 21,300,000

Percentage of population making outbound holiday trips in 2005:

Major outbound holiday destinations in 2005: Spain, Great Britain, Italy, Morocco, Africa, Tunisia, Portugal, Germany, Greece

Average length of stay for outbound holiday trips in 2005: 12.2 nights

Prices for round-trip air ticket CDG-EVN in summer season (economy class):
Lowest—US$556, Czech Airlines
Highest—US$1,618, Lufthansa

Number of direct flights to Armenia each week: 5

Outbound holiday trips as a percentage of all outbound trips 2005: 79% (holiday + VFR)

SOURCES OF INFORMATION USED

1. "Island of Ireland Tourism Markets—France," http://www.tourismireland.com/corporate/index.cfm/level/page/aID/699/pageid/4050/Content_Key/5546/type/Page
2. "The long haul tourism market in France," http://www.cbi.nl/marketinfo/cbi/?action=showDetails&id=3133
3. TopResa (Travel Market Show), http://www.topresa.com/
4. MIT International, www.mitinternational.com
5. Monte Carlo Travel Show, www.monte-carlo-travel-market.com
6. Salon Mondial du Tourisme, www.mondialtourisme.com
7. www.wikipedia.org
8. http://www.tns-sofres.com/etudes/sesame/290405_lastminute.htm
9. http://www.fr.lastminute.com/lmn/banner/fr/presse/produit/cp_etudesofres.ppt
10. http://www.tourismtrade.org.uk/Images/France_PDF_20M_tcm12-32221.pdf

OUTBOUND TRAVEL NUMBERS AND DESTINATIONS 2005 [1]

Table 5-1
Main French Outbound Destinations

Destination	All trips (000s)	Holiday trips (000s)	Share (%)of holiday trips
Total trips	28,400,000	21,300,000	
Spain	7,251,000	5,717,000	27
Great Britain	4,588,000	2,014,000	9
Italy	1,945,000	1,513,000	7
Tunisia	1,160,000	982,000	5
Morocco	1,223,000	1,049,000	5
Africa	1,399,000	1,098,000	5
Portugal	866,000	806,000	4
Germany	1,559,000	716,000	3
Greece	651,000	651,000	3

Source: IPK European Travel Monitor 2005

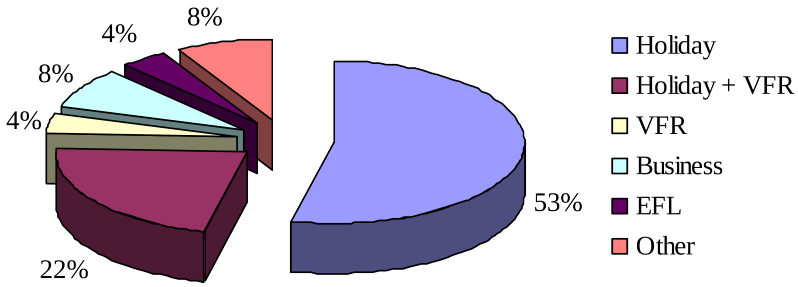
Number of trips to Armenia

2001	2004	Growth 2001–2004(%)
6,898	12,368	79%

PURPOSE OF TRAVEL [1]

In 2005 outbound holiday trips made up 79% of total outbound trips.

Figure 5-1
Purpose of French Travel



Source: IPK European Travel Monitor 2005

FACTORS AFFECTING CHOICE, SOURCES OF INFORMATION USED [2]

Factors Affecting Choice

Generally speaking, the French want value for money. They look for good deals, e.g. special promotions and discounts. Although the overall holiday budget is increasing, the French remain price sensitive.

Sources of Information Used

Sixty-four percent of all French travelers indicated the Internet to be the major source of information for their trip. Other important sources of information to the French are personal recommendation and travel agencies.

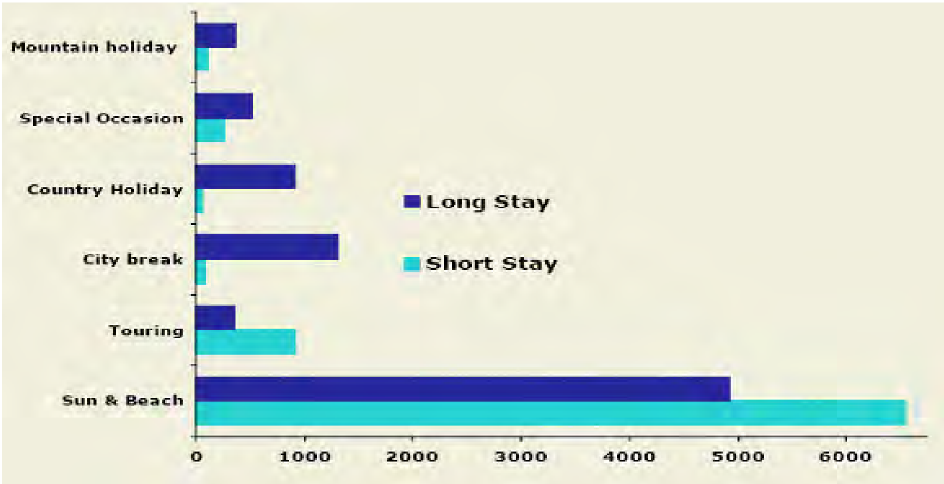
Sources of information for traveling (2005):

Web search	64%
Personal recommendation	36%
Travel agent's office	19%
Other method	8%
TV program	7%
Newspaper	5%

INTERESTS OF THOSE TRAVELING ABROAD [1], [2]

Sun and beach are the most popular types of outbound holidays, followed by touring holidays and city breaks. They are also fond of culture and history; therefore the French often choose cities that are well-known for their art and museums.

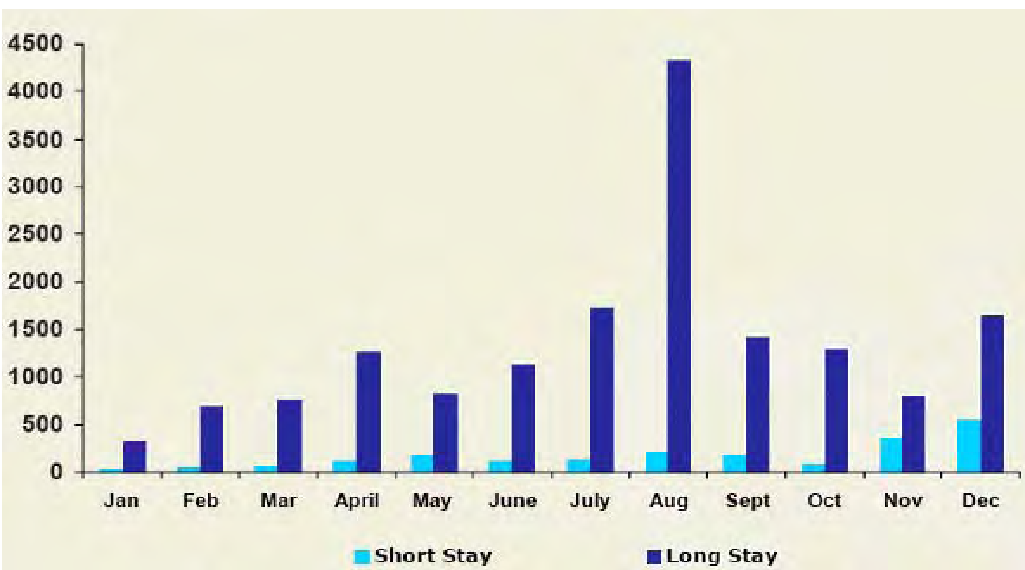
Figure 5-2
Main Types of Holidays for the French



TRAVEL SEASON [1], [2], [7]

The French have five weeks of paid vacation each year. The 35-hour-week law means that those who exceed this limit gain additional weeks of holiday, often up to 50 days. Three weeks are generally taken during the summer, mostly in August. Furthermore, in line with the school holidays, one week is taken in February and one week in April. August is the most popular month for all outbound trips with 27% of all outbound trips taken during that month.

Figure 5-3
Distribution of Vacation Time During Year for French



Public holidays

January 1	New Year's Day
April	Easter
Monday after Easter	Easter Monday

May 1	Labour Day
May 8	Victory Day
40 days after Easter	Ascension Day
7th Sunday after Easter	Pentecost
July 14	Bastille Day
August 15	Assumption of Mary
November 1	All Saints Day
November 11	Veterans Day, Armistice Day, Remembrance Day
December 25	Christmas Day

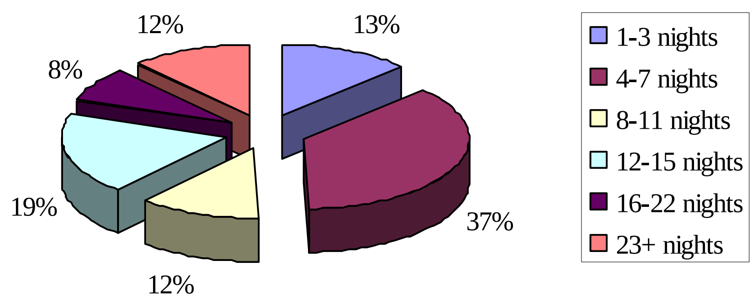
School Vacations

October/November	13 days
Christmas holidays	15 days
February	15 days
April	15 days
Summer holidays	2 months

LENGTH OF STAY [1]

The average length of stay of an outbound holiday trip in 2005 was 12.2 nights

Figure 5-4
Length of Stay for French on Vacation

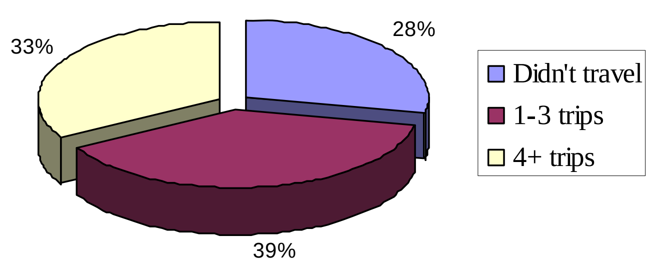


Source: IPK European Travel Monitor 2005

FREQUENCY OF TRAVEL [8], [9]

On average French outbound travelers made 3.6 trips during 2004 and 4.2 trips during 2005 (all categories of trips included).

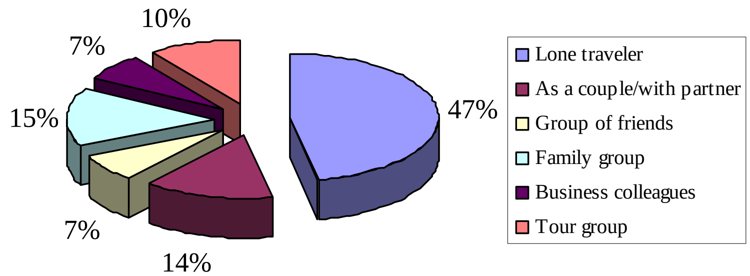
Figure 5-5
Frequency of Travel of French, 2004



MAIN COMPANIONS OF TOURISTS [10]

In 2003 46% of French visiting UK for all types of trips were lone travelers.

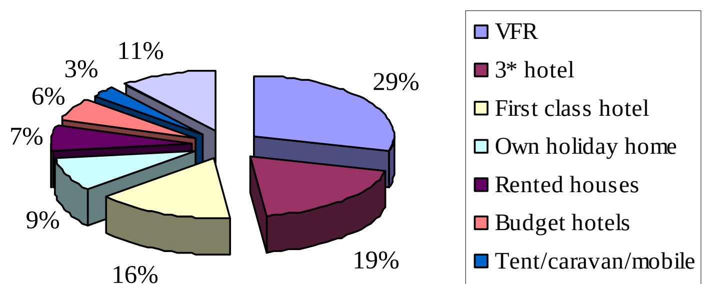
Figure 5-6
Travel Companions of French Visitors to UK, 2003



ACCOMMODATION PREFERENCES [1], [2]

Staying in hotels or with friends and relatives are the most utilized forms of accommodation on all outbound trips. But because they like personal interaction with the local population, bed-and-breakfast is becoming increasingly important.

Figure 5-7
French Accommodation Preferences

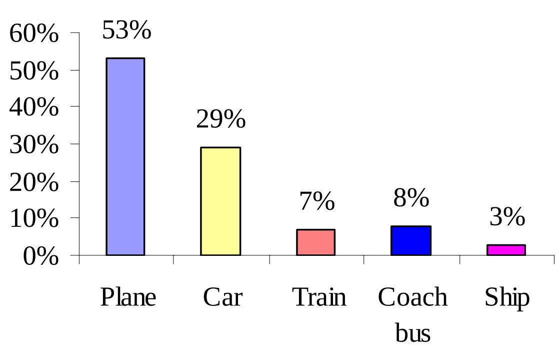


Source: IPK European Travel Monitor 2004

TRANSPORT USED FOR OUTBOUND TRAVE1]

More than 50% of all trips in 2005 were made by plane.

Figure 5-8
Transport Mode Used by French

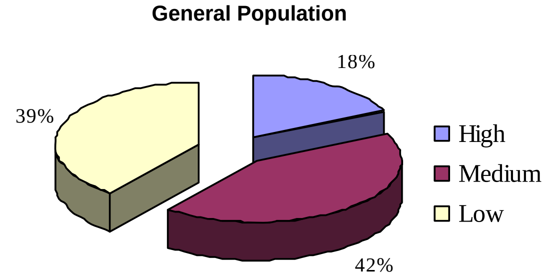


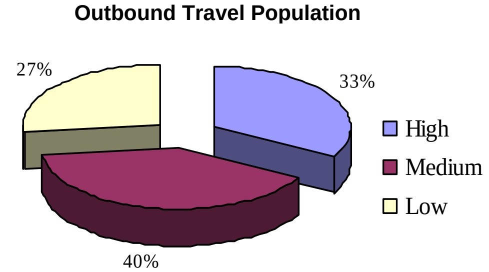
Source: IPK European Travel Monitor 2005

DEMOGRAPHICS OF OUTBOUND TOURISTS [1]

Paris is region of residence for 27% of outbound holidaymakers. The majority of the outbound travel population belongs to the medium education level, followed closely by the high education. The low education population shows the least propensity to outbound travel.

Figure 5-9
Educational Levels of General Population and Outbound Travel Population

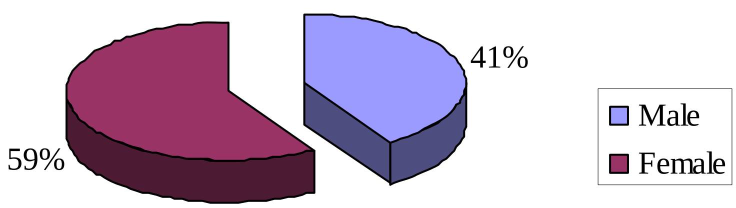




Source: IPK European Travel Monitor 2004

Women go proportionally more than men on outbound holiday trips.

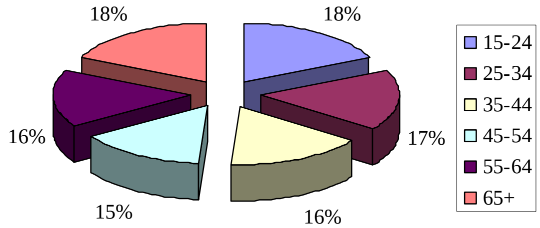
Figure 5-10
French Travel by Gender



Source: IPK European Travel Monitor 2004

In 2004 the mean age of the outbound holiday maker was 44.5 years.

Figure 5-11
French Travel by Age Group

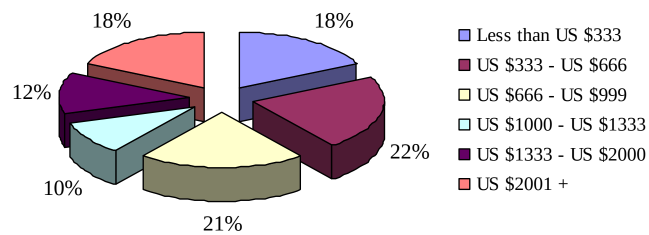


Source: IPK European Travel Monitor 2004

TRAVEL SPENDING [1], [2]

In 2004 the French spent an average of US$1,064 per outbound holiday trip, that is, an average of US$81 per night. Thirty percentof French outbound travelers spent more than US$1,335 per trip.

Figure 5-12



French Outbound Travel Spending

Source: IPK European Travel Monitor 2004

USE AND TRENDS IN BOOKING PATTERNS [2]

- The peak booking period is spring.
- Many French travelers book late, but the lengthier and costlier the trip is, the earlier the trip is booked.
- There seems to be a trend that consumers book online much earlier to find cheaper airfares and more options.
- There are many long-haul travelers that decide on their destination on accommodation and transport methods.
- Holiday planning begins after New Year (for long summer holidays) and in August/September for autumn and winter breaks.
- About 60% of the French use a travel agent or a tour operator to book some aspect of their holiday.
- In terms of online travel booking, France accounted for 14% of Internet travel reservations in Europe in 2005, up from 12% in 2004. For 2006, online sales are expected to increase by about 40%.
- Of the total French population, it is expected that by 2008 more than 50% will use the Internet for preparing and booking travel.

Examples of French tourism and travel websites (Facts Figures Future 2006):

- General travel and booking site
  - Expedia, http://www.expedia.fr
  - Lastminute.com,http://www.fr.lastminute.com
  - Opodo, http://www.opodo.fr
  - Promovacances, http://www.promovacances.fr
- French Railways—SNCF, http://www.voyages-sncf.com

TRAVELERS' DEMANDS, EXPECTATIONS, AND BEHAVIORS [2]

In general the French do not have a good command of foreign languages and they don't like to speak English.

Most French travelers like good food, including French cuisine but ethnic food is popular with the French as well.

Flexibility is important: they like personalized holidays and appreciate the feeling of being preferentially treated, which poses a challenge to the tour operator.

There is an increasing interest in sustainable tourism with activities linked to nature, arts and cultural aspects.

BUSINESS PROCEDURES WITH TRAVEL COMPANIES [2]

Business Culture

It is recommended to take into consideration the following cultural tips when visiting French trade partners:

- Courtesy and formality is important in French business behavior.
- Mutual trust and respect is required to get things done.
- Creating a network of personal business alliances is important in France.
- If there is no knowledge of French, apologize for not speaking the language.
- In business French can be very direct. They do not hesitate to ask probing questions.
- Written communication is formal.
- An appointment is necessary for a meeting. If there is a delay, telephone immediately.
- Meetings are for discussion, not to make decisions.
- Business is conducted slowly. Be patient.
- Discussions may be heated and intense.
- The French will carefully analyze every detail of a proposal, regardless how small.

Practical Tips

Some points to consider when coming to terms with your trade partner are:

- Use your French or come along with someone who speaks French. It is likely that your contact will be happy to speak English with you, after you have made an effort in French.
- As French tour operators publish their catalogues in February-March, negotiations should be finalized before July, so as to visit the location and

accommodation before September and start preparations of the catalogue in December.

- July and August are quiet months for travel agents. However, the contacts you wish to see may well be on holiday.
- It is highly recommended that you have brochures in French or at least a fact sheet presenting your product(s) and/or company.

Finding Business Partners

The following sources are very helpful in finding potential business partners:

- Association of French Tour Operators, www.ceto.to
- Europages, www.europages.com
- National Association for Travel Agencies (SNAV), www.snav.org. Click on "liste des agences" and search by city ("ville").
- Tourism for Development, www.tourismfordevelopment.com. The site offers an overview of some specialized French tour operators. Click on 'les partenaires'.

MEDIA INFORMATION RELATED TO TOURISM[2]

Table 5-2
Travel Trade Magazines in France

Name	Description	Link
L'Echo Touristique	Circulation: 15 000; weekly	www.lechotouristique.com
La Gazette Officielle du Tourisme	Weekly	www.atlantica.fr/API/got.php
Le Quotidien du Tourisme	Circulation: 9 700, daily	www.quotidiendutourisme.com
Passe Frontieres		www.passe-frontieres.com
Ulysse Magazine	8 issues annually	www.ulyssemag.com
Univers des Voyages	Circulation: 9 000 ; monthly	www.ojd.com
Voyages d'Affaires	Circulation: 50 000 ; monthly	www.voyages-d-affaires.com

Table 5-3
Consumer Travel Magazines in France

Name	Description	Link
Animan	monthly	www.animan.com
Argus de Voyages	circulation: 50 000	www.argusdesvoyages.com
Bon Voyage	circulation: 210 000 ; monthly	www.interdeco.fr
Geo	circulation: 482 000 ; monthly	www.geomagazine.fr
Globe-trotters	6 issues annually	www.abm.fr/mag.html
Grands Reportages	circulation: 84 500; monthly	www.grands-reportages.com

Indigo	circulation: 40 000	www.indigo-mag.com
Carnets d'Aventures	quarterly	www.expemag.com
L'Art de Voyager	circulation: 97 000	www.voyager.fr
Montagnes		www.montagnes-magazine.com

TRAVEL FAIRS [2], [3], [4], [5], [6]

Top Resa Travel Market Show

Date: 26-28 September 2007

Venue: Hippodrome de La Touques (Deauville, France)

2006 Statistics

Exhibitors	400
Visitors	16,455
Journalists	550

Service	Description	Price
Only space	from 12 sq.m. on	744 $/sq.m.
Equipped space	from 6 sq.m on	848 $/sq.m.
Turn key stand	from 6 sq.m on	924 $/sq.m.
Special stand	from 12 sq.m.	1,206 $/sq.m.
2 open sides	from 24 sq.m.	+ 1,503 $
4 open sides	from 60 sq.m.	+ 4,508 $

*Prices are subject to 19.6% VAT

Contacts

Aude LEPERRE (sales manager)
Reed Expositions France
Salon Top Resa
52-54 quai de Dion-Bouton
92800 Puteaux
Tel.: +33 (0)1 47 56 52 45
E-mail : aude.leperre@reedexpo.fr
Website:
http://www.topresa.com/site/GB,I602.htm?KM_Session=9b6d73775f48cd9c6b3e656229646e96

MIT International

Date: 10-12 October 2007

Venue: Paris-Expo (Porte de Versailles, Paris)

Website: http://www.mitinternational.com/f001_e.htm

2006 Statistics

French exhibitors	747
Foreign exhibitors	295
Participating countries	127
Visitors	13,409
Journalists	207

Monte Carlo Travel Market

Date: 11-13 January 2008

Venue: Espace Ravel of the Grimaldi Forum (Monaco, France)

2007 Statistics

Exhibitors	380
Participating selected Hosted Buyers	410
Participating countries	32
Visitors	11,500

Table 5-4

Services Offered at Monte Carlo Travel Market

Service	Description	Price (US$)*
Turn key stand	9 sq. m. (includes 3 chairs, 1 desk, 1 frame, name board, badges, carpet, electrical supply, 1 page in the official guide)	8,960
Turn key stand	18 sq. m. (includes 6 chairs, 2 desks, 2 frames, name board, badges, carpet, electrical supply, 2 page in the official guide)	16,405
Turn key stand	25 sq. m. (includes 9 chairs, 3 desks, 3 frames, name board, badges, carpet, electrical supply, 3 page in the official guide)	23,436
Turn key stand	36 sq. m. (includes 12 chairs, 4 desks, 5 frames, Lounge, name board, badges, carpet, electrical supply, 5 page in the official guide)	41,357

*Prices are subject to 19.6% VAT

Contacts

Address: Hotel Mirabeau, 1 avenue Princesse Grace

Tel.: +377 93 25 47 01

Fax: +377 93 25 23 79

E-mail: sales@mctm.mc; info@mctm.mc

Website: www.mctm.mc

Salon Mondial du Tourisme

Date: 13-16 March 2008

Venue: Parc des expositions de Paris, Porte de Versailles (Paris)

2007 Statistics

Exhibitors	704
Trade visitors	5011
General public	102,917
Journalists	807

Contacts

E-mail: fjeglinsky@exposium.fr

Website : http://www.mondialtourisme.com

TRAVELERS' INTERESTS, HABITS AND MOTIVATION [1], [2]

Main holiday motivations and perceived benefits to French travelers include the opportunity to relax, hike/walk, discovering landscape and nature and "forget about everything."

Table 5-5

Holiday Benefits of Touring Holidays

Holiday Activity	Touring Holiday (%)
Visiting objects of interest	82
Visiting cities	76
Knowing the landscape	69
Visiting museums and exhibitions	42
Enjoying meals and drinks	37
Switching off (escapism)	33
Knowing the people and their way of life	33
Enjoying holiday life	22
Relaxing	18
Swimming and sunbathing	17
Experiencing a lot	14
Being free	10
New impressions, alterations	10
Experiencing adventures	3

Table 5-6

Holiday Benefits—City breaks

Holiday Activity	City breaks (%)
Visiting friends and relatives	68
Sauntering, enjoying the atmosphere	61
Sightseeing/visiting sites of interest	53
Shopping	46
Enjoying meals and drinks	27
Visiting museums	23
Visiting exhibitions	16
Nightlife	15
Concerts/musicals	15
Visiting parks—enjoying park life	13

Festivals	7
Theatres	5
Business	3
Sport	1

Table 5-7
Holiday benefits—Country holiday

Holiday Activity	Country holiday (%)
Relaxing	49
Hiking/walking	42
Visiting friends and relatives	41
Discovering landscape and nature	38
Switching off (forget about everything)	37
Enjoying meals and drinks	29
Shopping	24
Visiting places of interest/excursions	22
Enjoying holiday life	20
Social life parties	16
Cycling	15
Enjoying the accommodation	13
Swimming/sunbathing	9
Experiencing the hospitality	9

TOURISM ASSOCIATIONS, TOUR OPERATORS, TOURISM PLAYERS [2]

Tour Operators

Tour operator	Website
Club Med	www.clubmed.fr
Etapes Nouvelles/Marmara	www.etapes-nouvelles.com; www.marmara.com
Fram	www.fram.fr
Groupe Teker	www.pachatours.fr
Jet Tours	www.jettours.fr
Kuoni	www.kuoni.fr
Look Voyages	www.lookvoyages.fr
Nouvelles Frontieres	www.nouvelles-frontieres.fr
Thomas Cook	www.thomascook.fr; www.neckermann-voyages.com_and www.aquatour.fr
TUI	www.tui.fr

Source: L'Echo Touristique (2005), Facts Figures Future (2006)

Types of tour operators in France:

- Généralistes: mostly large organizations, operating at national level. They often sell both via their own outlets and via independent travel agencies. Customers are mostly individuals, but the larger organizations will also have a groups department.
- Spécialistes: smaller operators specializing in specific destinations or activities. Both their own network and travel agencies are used for selling. Most of their clients are individuals. Tourism service providers in developing countries are recommended to target specialized tour operators.
- Associations: associations or groups with specific interests (companies, school groups, people interested in culture, sports clubs) offer travel opportunities to their members.
- Agency networks: agencies that act as their own tour operator by selling both products from other organizations and their own travel packages, mostly to individuals.

Table 5-8
Examples of Specialized Tour Operators in France

Name	Website	Focus
Ariane Tours	http://www.ariane-tours.com	
Asia	http://www.asia.fr	Asia
Aventuria	http://www.aventuria.com	
Bennett Voyages	http://www.bennett-voyages.fr	Northern and Eastern Europe
Jetset Voyages	http://www.jetset-voyages.fr	Latin America
Makila	http://www.makila.fr	
Nouvelles frontieres	http://www.nouvelles-frontieres.fr	
Objectif Nature	http://www.objectif-nature.com	
Protravel Vacances	http://www.protravelvacances.com	
Sobe Incentive	http://www.sobeincentive.fr	
STI Voyages	http://www.stivoyages.fr	
Terres D’Amériques	http://perso.orange.fr/terres-dameriques	Latin America
Voyageurs du Monde	http://www.vdm.com	

Source: Facts Figures Future (2006)

Travel Agencies

There are 6,000 travel agencies in France. Most agencies that sell offline have online sales as well.

Table 5-9
Travel Agencies in France

Travel Agency	Website	No. of Outlets
AFAT Voyages	http://www.afatvoyages.fr	590
Carlson Wagonlit Travel	http://www.carlsonwagonlit.fr	552
Selectour	http://www.selectour-voyages.fr	550
Tourcom	http://www.tourcom.fr	550
Thomas Cook France	http://www.thomascook.fr	450
Nouvelles Frontières	http://www.nouvelles-frontieres.fr	204
Manor	http://www.manor.fr	195
Havas Voyage	http://www.havas-voyages.fr	162
Wasteels	http://www.wasteels.fr	77
PartirPasCher	http://www.partirpascher.com	10
Lastminute.com	http://www.fr.lastminute.com	7
Voyages SNCF	http://www.voyages-sncf.com	-
Expedia	http://www.expedia.fr	-
Opodo (owned by Amadeus)	http://agence-de-voyage.opodo.fr http://www.karavel.com http://www.promovacances.com http://www.vivacances.fr	-
Go Voyages	http://www.govoyages.fr	-
Anyway	http://voyages.anyway.com	-
Ebookers	http://www.ebookers.fr	-

Source: Facts Figures Future (2006)

Hypermarkets

Relatively new outlets for the sale of holidays offer time-restrictive but attractively priced offers to supermarket clientele. Examples:

Name	Link	No of outlets
Leclerc Voyages	www.leclercvoyages.fr	156
Vacances Carrefour	www.vacances-carrefour.com	87

Associations

National Union of Tourism Associations
8 rue César Franck
75015 Paris
Tel.: +33 (0)1 47 83 21 73
Fax: +33 (0)1 45 66 69 90
Website: www.unat.asso.fr

Association of French Tour Operators
81 rue Saint Lazare
75009 Paris
Tel.: +33 (0)1 44 63 64 90
Fax : +33 (0)1 44 63 64 84
E-mail : info@ceto.to
Website : www.ceto.to

National Association of Touristic Companies
Tel: +33 (0)1 40 54 80 30
E-mail: infos@snet.fr
Website: www.snet.fr

French Association of Tourism Experts
Website: www.afest.org

National Association of Travel Agencies
Website: www.snav.org

Revue-Espaces
(strategic information on tourism)
6, rue Cels
75014 Paris
Tel.: +33 (0)1 43 27 55 90
Fax: +33 (0)1 45 38 71 01
E-mail: info@revue-espaces.com
Website: www.revue-espaces.com

SWOT ANALYSIS OF FRANCE IN RELATION TO ARMENIA

Strengths	*Weaknesses*
• Rich culture • Generous sun hours from April to mid-October • Specific cuisine • Numerous museums and places for sightseeing • Beautiful nature, mountainous landscape • Possibility of hiking, climbing, and other outdoor activities • An important part of French speaking population • Online travel information • Online visa access • Direct flights from Paris to Yerevan • Different types of accommodation available • Armenia is not associated with terrorism • Good promotion of the country in France	• No beaches • Difficult transportation outside the capital • Huge gaps in providing services in regions • Not all information available in English or French • Difficult access to health care because of language • Poor online booking systems
Opportunities	*Threats*
• International travel is becoming more popular in France • The French are fond of culture and history • Increasingly easy to travel to Armenia by air • Large Armenian diaspora	• The majority of the French population prefers to spend their holidays in France • Lack of political stability/ Karabakh conflict • Currency fluctuation

6. Germany

Size of population: 82,422,299 (2006 estimated)

Number of outbound holiday trips in 2006: 52,500,000

Percentage of population making outbound holiday trips in 2006: 63.7%

Major outbound holiday destinations in 2006: Spain, Austria, Italy, France, Turkey, Netherlands, Switzerland

Average length of stay for outbound holiday trips in 2005: 13.4 days

Prices for round-trip air tickets TXL, CGN, FRA, MUC–EVN in summer season (economy class):
Berlin–Yerevan, US$783 (Austrian Airlines)—US$2,597 (Lufthansa)
Munich–Yerevan, US$783 (Austrian Airlines)—US$2,510 (Lufthansa)
Frankfurt–Yerevan, US$542 (Armavia)—US$1,313 (Austrian Airlines)
Cologne–Yerevan, US$931 (Austrian Airlines)—US$1,296 (Austrian Airlines)

Number of direct flights to Armenia each week:

Cologne	1
Munich	4
Frankfurt	1
Total	5

Outbound holiday trips as a percentage of all outbound trips 2006: 70.5%

SOURCES OF INFORMATION USED

1. Center for promotion of imports from developing countries, www.cbi.nl
2. Europeans Regional Science Association, www.ersa.org/ersaconfs/ersa04/PDF/410.pdf
3. www.pik-potsdam.de/DINAS-COAST/Publications
4. European Travel Monitor
5. http://www.tourismireland.com/UserFiles/File/MI_Germany.pdf
6. http://www.travelindustrywire.com/article25985.html#Continue
7. Reiseanalyse Actuel, http://www.fur.de
8. www.traveldailynews.com/
9. www.wikipedia.org
10. ITB, http://www1.messe-berlin.de/vip8_1/website/MesseBerlin/htdocs/www.fair.itb-berlin.de/index_e.html
11. CMT Stuttgart, http://www.messe-stuttgart.de
12. Reisen Hamburg, http://www.hamburg-messe.de/reisen/re_en/start_main.php

OUTBOUND TRAVEL NUMBERS AND DESTINATIONS [1], [7], [8]

Germany is one of the largest outbound tourist markets in the world. German tourists make up the second largest market in terms of expenditure (after the USA) and account for 10% of world spending on tourism (WTO 2001 - 3). In 2006, the Germans took 74.5 million outbound trips of which 52.5 million outbound holiday trips.

In 2004 the Germans made a total of about 79 million outbound trips—0.96 outbound trips per capita. In 2005 the overall German travel market was worth €38.1 billion. It is expected to grow moderately to €39.8 billion in 2007.

In 2006 Spain was the leading outbound holiday destination for Germans, with a market share of 17%, followed by Austria at 15% and Italy at 13%. France and Turkey also ranked among Germans' top five outbound destinations in 2006.

Of the top five foreign destinations visited by Germans in 2005 (all trips) – Austria (13%), Spain (13%), Italy (11%), France (9%) and Turkey (6%) - only Spain recorded an increase in German visits from January through August 2006. The other four all suffered declines, with Turkey falling dramatically from 2005's level (Source: RA 2006)

Figure 6-1
Top German Outbound Destinations, 2006

Destination	Trip Number	Share (%) of holiday trips
Spain	8,925,000	17
Austria	7,875,000	15
Italy	6,825,000	13
France	3,675,000	7
Turkey	3,150,000	6
Netherlands	2,625,000	5
Switzerland	2,100,000	4

In 2004, 10.5 million Germans traveled to developing countries (13% of all outbound trips from Germany) with Turkey, Croatia, and Egypt being the most popular destinations. The number of visits in 2004 to developing countries increased with 14%, compared with 2001. From all EU member countries Germans visit developing countries the most, followed by UK and France.

Turkey received almost 4 million visitors. The reasons for that are:

- Many Turkish immigrants live in Germany and visit their relatives
- Large offer of all inclusive holidays in Turkey; Germans love sun and beach and this type of holiday is getting more popular.

The number of Germans visiting China, Oman and Serbia-Montenegro is rapidly increasing. All over the world small countries are slowly gaining more visits from German tourists. More Germans are visiting countries that used to be a part of the former Soviet Union.

Table 6-1
Number of Holiday Trips to Developing Countries by Region, Three Most Popular Countries per Region, 2001, 2004

Region and Country	2001	2004	Growth 2001–2004 (%)
Total	9,362,530	10,634,577	14
Europe	4,213,894	5,641,695	34
Turkey	2,818,888	3,880,892	38
Croatia	1,299,729	1,580,244	22
Kazakhstan	44,020	72,529	65
Armenia	3,624	10,688	195
East Asia	1,062,627	1,235,938	16
Thailand	398,034	438,238	10
China	253,354	365,329	44
Indonesia	159,881	134,625	-16
Middle East	877,908	1,229,487	40

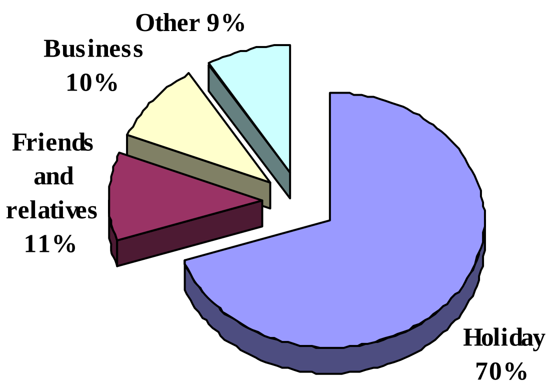
Region and Country	2001	2004	Growth 2001–2004 (%)
Egypt	715,066	993,178	39
Oman	46,128	87,129	89
Lebanon	35,729	48,370	35
Africa	1,795,546	1,205,910	-33
Tunisia	934,747	569,475	-39
South Africa	203,911	245,452	20
Morocco	196,700	141,210	-28
Latin America	1,172,085	1,033,170	-12
Brazil	320,050	294,989	-8
Dominican Republic	353,014	232,956	-34
Cuba	171,851	143,644	-16
South Asia	240,470	288,377	20
India	80,011	116,679	46
Maldives	66,149	72,967	10
Sri Lanka	60,405	58,258	-4

Source: World Tourism Organization (2006)

PURPOSE OF TRAVEL [5]

In 2004 Germans took 79 million outbound trips, including 55.3 million outbound holiday trips.

Figure 6-2
Purposes of Outbound Travel for Germans



FACTORS AFFECTING CHOICE, SOURCES OF INFORMATION USED [7]

Factors Affecting Choice

January is the peak month for Germans to make main holiday decisions. Nature and a healthy climate remain driving forces. Germans continue to be keen on safety and tend to stay away from destinations with recent catastrophes.

Sources of Information

Most important sources are

- Reports and recommendations of friends and relatives,
- Information from travel agents and tour operators.

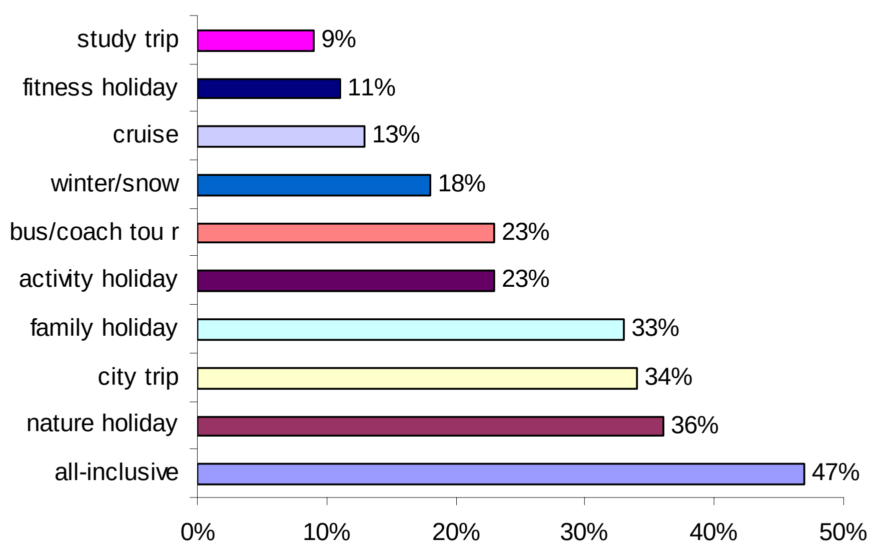
Source	%
Friends/relatives	44
Travel agency	47
Tour operators' catalogues	28
Internet	22
Travel guides (books)	13
Tour operator's assistance	11

INTERESTS OF THOSE TRAVELING ABROAD [7]

Some motivations for German long-haul travelers are seeing other countries and cultures, adventure/exploring, being away from daily life, variety and meeting local inhabitants. Beach and sunbathing is still the most preferred holiday type for Germans. All-inclusive holidays are the most frequently taken holiday for Germans, followed by city trips. There is an increased demand for holidays that focus on adventures and for the latest trends in sports. The German premium holiday market is increasingly demanding a diverse range of luxury holidays, ranging from exclusive small hotels on exotic islands to unique experiences in unusual destinations. The following table shows Type of Holiday taken by Germans in January 2005-January 2006

Figure 6-3

Type of Holiday Taken by Germans January 2005-January 2006

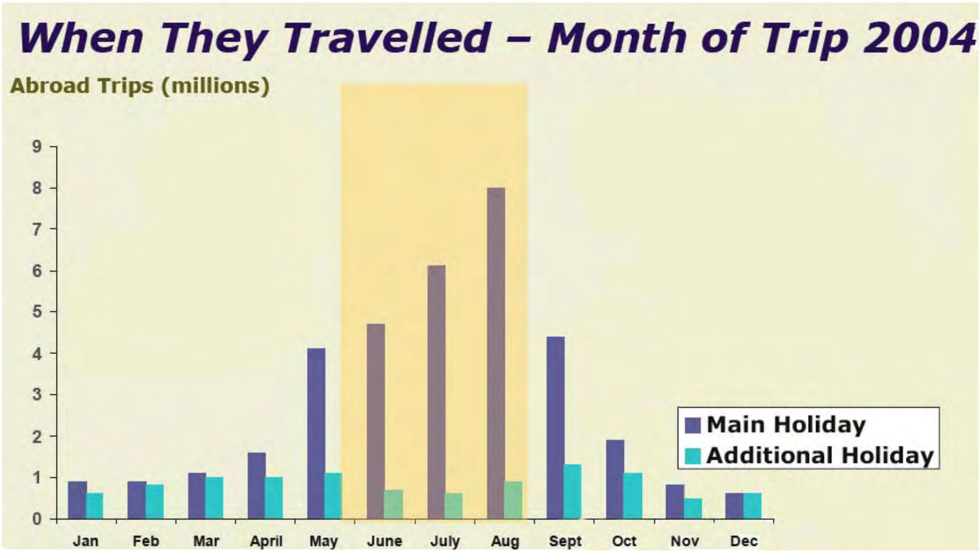


Source: RA 2006

TRAVEL BY SEASON [5], [9]

In 2004, 24% of all outbound holidays were taken months May and September. Summer time June - August accounts for 54% of main outbound holiday trips. Reasons are timing of industry and school holidays/ best weather during these months.

Figure 6-4
Reasons for Travel, by Month, 2004



Source: RA 2005

German employees receive an average of 25-30 days of paid vacations, plus up to 10 public holidays a year. The average working week in Germany is only 37 hours, which is one of the shortest in Europe.

2007 German Public Holidays

New Year's Day	1 January
Good Friday	6 April
Easter Monday	9 April
Labor Day	1 May
Ascension	17 May
Whit Monday	28 May
Day of German Unity	3 October
Christmas	25-26 December

German School Vacations

Summer	6 weeks
Autumn	1 week
Christmas/winter	2 weeks
Easter/spring	2 weeks
June	2 weeks

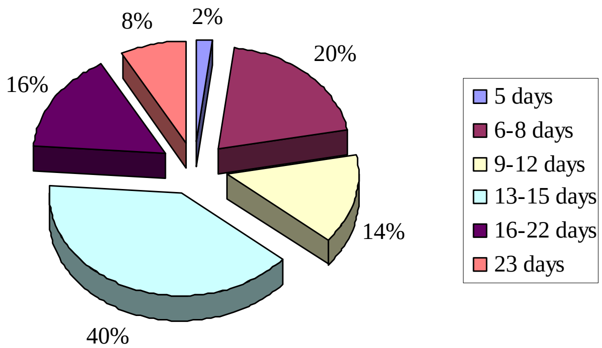
LENGTH OF STAY [7]

The average length of a holiday keeps declining, but the main reason for this is the fact that it is preferred to take several shorter trips spread through the year instead of one long trip.

- The average length of an outbound holiday trip with a minimum of five days was 13.4 days in 2005.

- 47.8 million Germans undertook at least one outbound holiday trip (5 days and longer)
- 54% of abroad holidays are 2 weeks (9-15 days).

Figure 6-5
Holiday Trips by Duration



Source: RA 2005 and 2006

FREQUENCY OF TRAVEL [7]

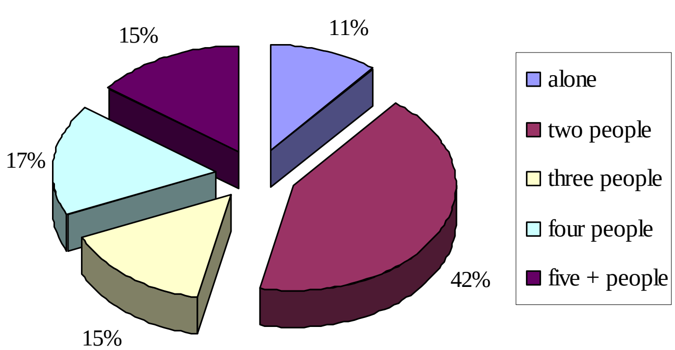
In 2004 German outbound holiday makers took on average 1.34 trips per traveler. Extra holidays are taken year–round, but less so at the height of summer. Repeat visits are very common.

In 2004, 61% of Germans on outbound holidays had visited the destination previously. Proximity also increases familiarity—Austria (73%) and Netherlands (70%) top the list of previously visited. Repeat visits to Spain / Italy were 59% and 58% in 2004. Long-haul such as Caribbean had 48% repeat visits in 2004.

MAIN COMPANIONS OF TOURISTS- [5]

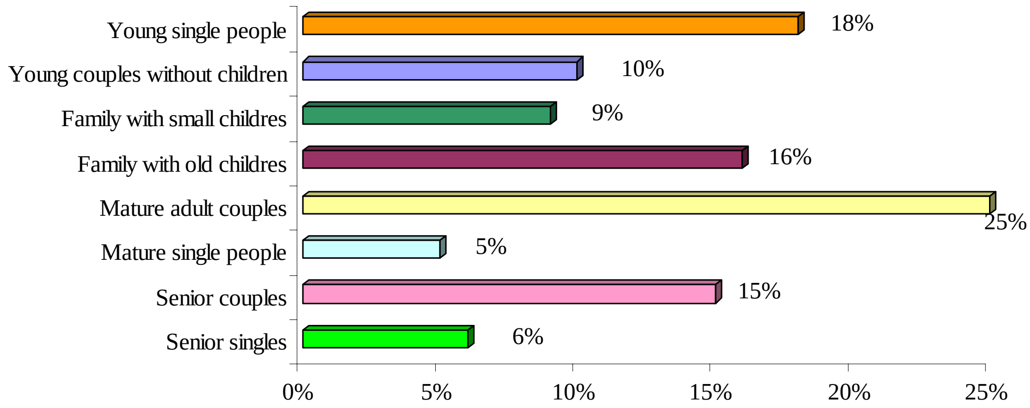
In 2004 holidaymakers under 40 were more likely to travel in small groups of 3 or 4. 28% of outbound holiday trips included children within the party. Holidaymakers traveled abroad most commonly as a couple.

Figure 6-6
Outbound Travelers 2004



Source: RA 2005

Figure 6-7
Companions of German outbound holiday travelers in 2004

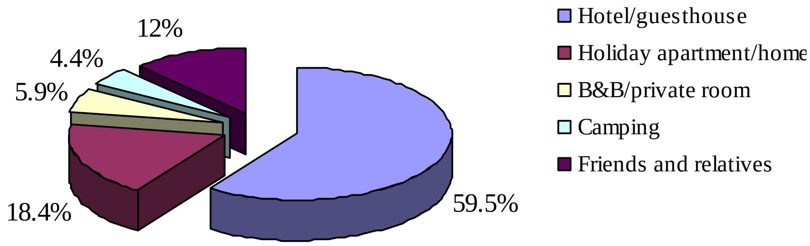


Source: RA 2005

ACCOMMODATION PREFERENCES [7]

Demand for luxury holidays grew in 2006. Large tour operators mentioned double-digit growth rates in the segment. Many tour operators are therefore responding to this trend by broadening their portfolios and offering more exotic destinations with luxury accommodations. While grand hotels and luxury resorts are traditionally the typical accommodation for top-of-the-line holidays, demand is also rising for smaller properties with a distinct style, such as colonial villas and boutique hotels.

Figure 6-8
Accommodation Preferences of Outbound Holiday Travelers, 2005

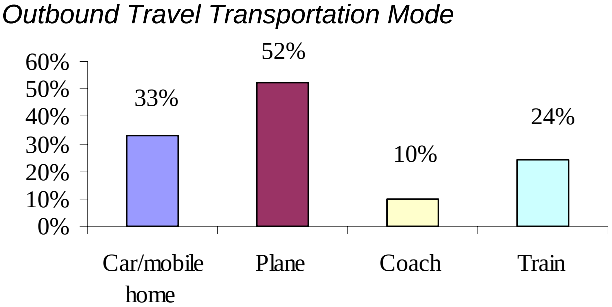


Source: RA 2005

TRANSPORT USED FOR OUTBOUND TRAVE7]

Air travel accounted for 52% of all outbound holiday trips in 2005.

Figure 6-9
Outbound Travel Transportation Mode

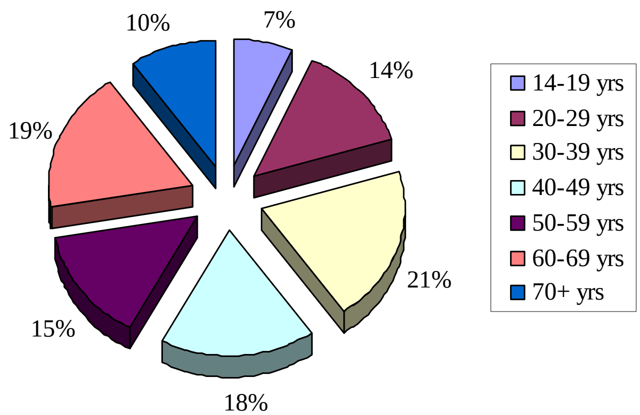


Source: RA 2005

DEMOGRAPHICS OF OUTBOUND TOURISTS [5]

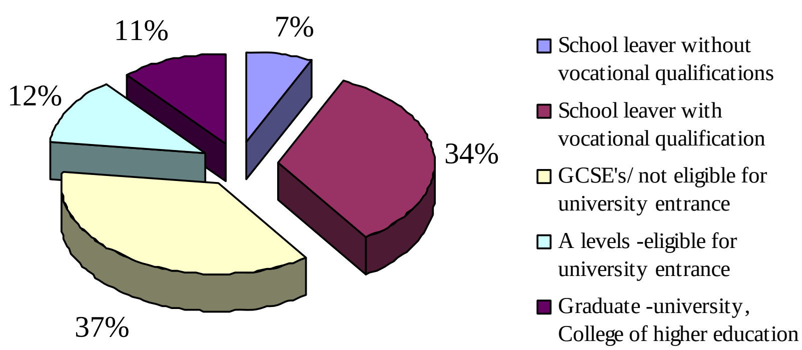
Long-haul holiday travelers are mostly highly educated and have a high income. Next to the young urban professionals another interesting target group is the “best agers.” This 50+ group continues to grow. Retirees make up nearly a quarter of outbound German holidaymakers. Familiarity with destinations increases with age, while education and income show little impact.

Figure 6-10
Age of German Outbound Holidaymakers, 2004



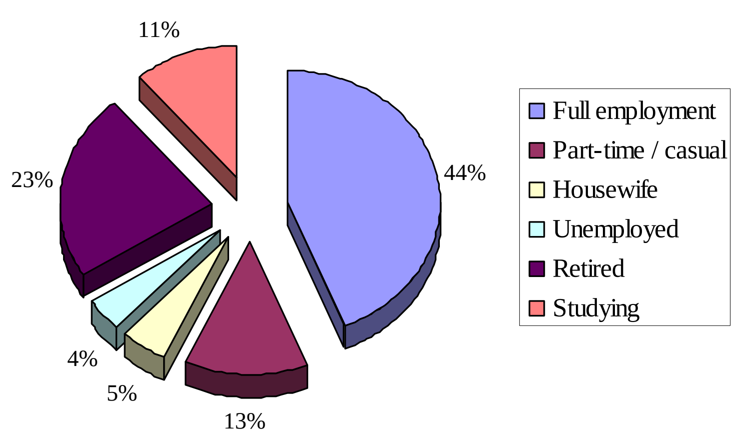
Source: RA 2005

Figure 6-11
Education Level of German Outbound Holidaymakers



Source: RA 2005

Figure 6-12
Occupation of German Outbound Holidaymakers



TRAVEL SPENDING [1], [5]

In 2005 on average US$1,295 was spent per person per outbound holiday trip. Germans are willing to spend considerable amounts of money for products and services if they think they are worth it. The up-market segment is growing, as well-off Germans spend more of their earnings on holidays rather than on other consumer products, according to tour operators and travel agents.

Table 6-2
Prices for Sample Destinations and Tour Operator Website

Destination and Character	Length (Days)	Price (US$)	Link to Tour Operator
Bolivia	15	2,260–2,360	http://www.miller-reisen.de
Cuba	14	2,010–2,520	http://www.thomascook.de
Croatia, Montenegro (excl. flight)	7	383–520	http://www.tui.com/de
India	17	3,588–3,855	http://www.windrose.de
Kenya, safari trip	7	2,034–2134	http://www.ascag.net
Nicaragua, Costa-Rica, Guatemala	18	3,948–4,962	http://www.windrose.de
South Africa	14	1,874–2,093	http://www.meiers-weltreisen.de
Thailand	15	1,694–1,801	http://www.tischler-reisen.de

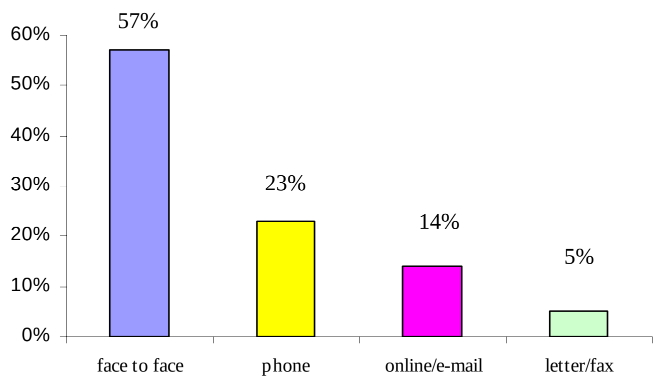
USE AND TRENDS IN BOOKING PATTERNS [1], [5], [7]

The lead time for bookings is decreasing in Germany but is still longer than in other markets. A clear trend is the change in demand from traditional packages towards more flexible holidays based on individual combinations of different modules such as flights, hotels and rental cars. However, flight tickets still represent the largest single booking form. Low-cost carriers have influenced the German consumers, not only do they offer cheap travel across Europe, they have also made consumers aware of how to organize their holidays independently of travel agencies.

The figures below show the booking pattern of German outbound holiday travelers:

Source	%
Travel agency	56%
Directly booked accommodation/ transport	28%
Directly went to the tour operator	8%
Booked their trip via Internet portal	8%

Figure 6-13
Means Germans Use to Book Holiday Trips, 2005



Source: RA 2006

Use of the Internet

In 2005, 54% of the German population used the Internet at least once a week, and 62% had Internet access at home. The number of German Internet users continues to increase. In 2006 Germany had a 20% market share of online leisure/unmanaged business travel sales in Europe.

Airline ticket sales remained the dominant online travel sales segment last year. Online package holiday sales only grew moderately in 2005. The ten leading German tour operators slowly increased their online market share to 6.6%, with more sales via external portals and fewer via in-house websites. It is expected that German online travel sales will rise to US$18.8 billion in 2007.

TRAVELERS' DEMANDS, EXPECTATIONS AND BEHAVIORS [1]

If they feel service is bad or quality is insufficient they are easily frustrated and dissatisfied. Most Germans, and in particular the younger generation, have a sufficient command of English. However, materials and guides that are printed in German are still very much appreciated. German travelers are careful planners, seeking detailed information from various sources before departure.

BUSINESS PROCEDURES WITH TRAVEL COMPANIES [1]

Business Culture

In general, remember the following cultural tips when you visit German trade partners:

- Germans do not need a personal relationship to do business. They do not like small talk before doing business.
- Germans are very interested in academic credentials and will be interested to know how long a company has been in business.
- Germans are direct in their communication. This can be associated with bluntness, but is not meant that way.
- Written communication is important in Germany, both to confirm decisions that have been made, but also to record decisions and discussions.
- Appointments are mandatory. It is very rude to cancel an appointment at the last minute.
- Meetings are formal in Germany and have strict agendas.
- German companies can be bureaucratic and business contacts remain very formal.
- Contracts are followed very strictly.
- Decision makers are the top of the company. Once a decision has been made it will not be changed.

Practical tips

When talking to your trade partner take the following points into account:

- As most German tour operators publish their catalogues in November/December, negotiations should be finalized before April, so the location and accommodation can be visited before the high season and preparations of the catalogue can be started in September.
- German tour operators may charge a supplier for including a tourism product in their catalogue.
- Payment methods vary considerably according to the type and location of the service. Usually, tour operators enter into contracts with locally established businesses and operate on the basis of this contract. The consumer pays the travel agency, who in turn pays the tour operator, who then pays the local company. This can occur before or during the stay of the tourist and if it concerns a well-respected tour operator, payment can occur after the stay as well.

MEDIA INFORMATION RELATED TO TOURISM[1]

Trade Press and Consumer Magazines

Table 6-3
Main Travel Trade Magazines in Germany

Name	Description	Link
Fremdenverkehrswirtschaft	Leading travel magazine	http://www.fvw.de
Touristik PR	Largest German tourism journalist agency	http://www.touristikpr.de
Touristikreport		http://www.touristikreport.de
TravelTalk		http://www.traveltalk.de

Table 6-4
Relevant Consumer Magazines

Name	Link
Abenteuer und Reisen	http://www.abenteuerreisen.de
Clever Reisen	http://www.clever-reisen-magazin.de
Geo Special	http://www.geo.de
Geo Saison	http://www.geo.de
Reise und Preise	http://www.reise-preise.de

Table 6-5
Links to Find German Travel Journalists

Name	Link	Comments
Association of German travel journalists	http://www.vdrj.org	130 members: freelancers, journalists, and PR people. Select 'Wer ist dabei' for an overview of contact details.
German press release service	http://www.germanpress.com	Select 'write an article', select 'tourism branch' and write your announcement.
Online Press Agency	http://www.reisepresse.de	Online press agency for German tourism journalists. The agency can be hired to distribute press releases and information to German journalists.

TRAVEL FAIRS [10], [11], [12]

There are 10 to 20 tourism and travel fairs annually in Germany.

Internationale Tourismus Börse (ITB)

Date: 5-9 March 2008
Venue: Berlin Exhibition Grounds (Berlin, Germany)

2007 Statistics

Exhibitors	10,923
Foreign exhibitors	8,465
German exhibitors	2,458
Participating countries	180
Visitors	177,154
Total area	150,000 sq. m.

Contacts

Luz Marina Heruday
Phone: +49 (0)30/ 3038 - 2127
E-mail: heruday@messe-berlin.de
Website: http://www1.messe-berlin.de/vip8_1/website/MesseBerlin/htdocs/www.fair.itb-berlin.de/index_e.html

CMT Stuttgart

Date: 12-20 January 2008
Venue: New Trade Fair Centre Stuttgart (Airport)

2007 Statistics

Exhibitors	1,500
Participating countries	100
Visitors	180,000

Table 6-6
Services Offered at CMT Stuttgart

Service	Description	Price ($/sq. m)
Stand space rental	a) Row stand (accessible from 1 side)	173
	b) Corner stand (accessible from 2 sides)	184
	c) Head stand (accessible from 3 sides)	196
	d) Block stand (accessible from 4 sides)	204
	e) Outdoor area	100
Basic package	a) Variant “blue”	72
	b) Variant “silver”	89
Complete package	a) Variant “blue”	160
	b) Variant “silver”	172
Media flat rate	Obligatory	171

Contacts

Tel.: +49 (0)711 2589-0
Fax: +49 (0)711 2589-440
E-mail: info@messe-stuttgart.de
Website: http://www.messe-stuttgart.de

Date: 6-10 February 2008

Statistics

Exhibitors	1,074
Participating countries	80
Visitors	92,000

Table 6-7
Services Offered at Reisen Hamburg

Service	Description	Price ($/sq. m)
Tourism (min 9sq.m)	a) Row stand (accessible from 1 side)	120
	b) Corner stand (accessible from 2 sides)	124
	c) Front stand (accessible from 3 sides)	128
	d) Island stand (accessible from 4 sides)	132
	e) Open-air site	69
Caravanning	12-50 sq. m	80
	51-200 sq. m	72
	201-500 sq. m	57
	501-5000 sq. m	49
	from 5000 sq. m	44
	Open area	48
	Co-exhibitor fee	347+ VAT

Contacts

Address: Hamburg Messe und Congress GmbH,
St. Petersburger Str. 1,
20355 Hamburg, Germany
Tel.: +49 40 3569-0
Fax: +49 40 3569-2180
E-mail: hamburg-abroad@hamburg-messe.de
Website: http://www.hamburg-messe.de/reisen/re_en/start_main.php

TRAVELERS' INTERESTS, HABITS, AND MOTIVATION [5]

Motivation (2004)

Relaxation no stress	61%
Escape from routine	57%
Be free / have time to yourself	55%
Recuperate	52%
Sun / warmer climate	47%
Quality time with loved ones	46%
Healthy climate	42%
Nature (landscape, clean air)	39%
Fun enjoyment	38%
Rest	31%
Be pampered	31%
New experiences	28%
Do something for my health	27%
Get to know other countries	25%

Table 6-8
Preferred Activities (2004)

Activity	Very Frequent	Frequent
Tried local specialties	32%	39%
Swimming in the lake/sea	30%	27%
Trips/excursions	24%	43%
Relaxation-lots of rest	23%	37%
Walking tours	15%	23%
Shopping and window shopping	14%	35%
Visit natural attraction	13%	27%
Sightseeing/culture	11%	24%
Make new friends	9%	24%
Gentle sports	8%	24%
Cycling	5%	8%
Visit disco/nightclubs	5%	7%
Used spa facilities	4%	8%

Types of holidays (2002-2004)

Type	%
All inclusive	29
City break	20
Coach trip	14
Health conscious holiday	9
Study trip	5
Culture	6
Fitness	4
Spa	7
Wellbeing	5
farm/countryside holiday	4

TOURISM ASSOCIATIONS, TOUR OPERATORS, TOURISM PLAYERS [1]

Tour Operators

Tour operators in Germany tend to be owned by retail agency groups. Operator services are distributed solely via these agencies. Many agencies are associated with tour operators and ties are strong. The three major tour operators together accounted for over 50% of the market in terms of turnover. German tour operator organization DRV expects operators' turnover to grow 5% in 2006. Sales and number of passengers slightly increased for all tour operators. The other tour operators account for 18% of the German market.

Table 6-9
Large Tour Operators in Germany

Name	Passengers	Link
TUI Germany	7,490	www.tui.com/de
Thomas Cook	6,039	www.thomascook.com
Rewe-Touristik	5,734	www.rewe-touristik.com
Alitours	1,523	www.alitours.com
Öger	1,367	www.oeger.de

Specialized tour operators

Tourism service providers in developing countries are recommended to target specialized tour operators. Although in Germany the larger tour operators have also included some special trips in their programs, specialized tour operators focus on long-haul destinations and will probably be easier to communicate with.

Table 6-10
Overview of Some Specialized Tour Operators in Germany

Name	Website	Focus
African Safari Club	http://www.ascag.net	Africa
Bentour	http://www.bentour.de	
Gomera Trekking Tours	http://www.trekkingreisen.de	Walking tours
Hauser Exkursionen	http://www.hauser-exkursionen.de	Trekking Tours
Ikarus	http://www.ikarus.com	
Meier's Weltreisen	http://www.meiers-weltreisen.de	
Miller Reisen GmbH	http://www.miller-reisen.de	Latin America
Studiosus	http://www.studiosus.de	
Take Off Erlebnisreisen	http://www.takeoffreisen.de	
Tischler Reisen	http://www.tischler-reisen.de	
Windrose Fernreisen	http://www.windrose.de	

Travel Agencies

As the Internet takes over sales from travel agencies, the number of full-time travel agencies keeps declining. In 2005 there were 12,639 travel agencies operating in Germany. In comparison with 2004 this is a decline of 8%. It is predicted that package tours will remain the largest sector of travel agents' services. It is expected to grow and reach a value of €10.9 billion in 2008. There are about 10 large travel agency chains in Germany. The most important travel agencies in 2004 were TUI, Rewe-Touristik and QTA. The top three account for about 53% of the total market. According to the 2006 annual FVW survey of the German travel agency sector, TUI has been replaced by Rewe as Germany's largest travel agency organization in revenue terms.

Table 6-11
Sales and Number of Travel Agency Outlets in Germany, 2004

Name	**Number of outlets**	**Sales (€)**
TUI	1,606	4,428
Rewe-Touristik	2,851	4,405
QTA	4,441	3,597
TMCV	2,203	1,753
Lufthansa City Center	530	1,659
RSG	1,544	1,282
Thomas Cook	1,142	1,049
OFT	422	746
Karstadt Quelle	408	682
Carlson Wagonlit Travel	67	592

German travel agents in general receive up to 13% commission on packages and tourism products. As soon as they reach a certain level of turnover they can earn an extra commission. Commissions for flights are on average about 5% lower. Tour operators in general receive 20-30% commission. Once again, these percentages are only an indication and may fluctuate by organization.

Useful Sources

- Association for International Touroperators, http://www.vpr.de. Select ‘mitglieder’
- Association of Small and Medium-Sized Travel Companies, http://www.asr-berlin.de
- German Association for Tour Operators and Travel Agencies (DRV), http://www.drv.de
- Internet Touristic Sales Association, http://www.v-i-r.de

SWOT ANALYSIS OF GERMANY IN RELATION TO ARMENIA

Strengths	*Weaknesses*
• Rich culture • High amount of sun hours from April to mid-October • Specific cuisine • Beautiful nature, mountainous landscape (lake Sevan) • Interesting flora and fauna • Possibility of hiking, climbing and other open door activities • Online travel information • Online visa access • Direct flights to Armenia • Different types of accommodation available • Armenia is not associated with terrorism	• No beaches • Difficult transportation outside the capital • Huge gaps in providing services in regions • Not all information available in English, even less in German • Lack of promotion of the country as a holiday destination • Difficult access to health care because of language • Poor online booking systems
Opportunities	*Threats*
• Germans have a lot of holidays and have a high budget available • Germans use the Internet as a source to choose a destination or book a holiday • The number of Germans visiting developing countries keeps increasing • Germans search for a warmer climate • They like discovering landscape and nature	• Most of the German prefer sun and beach holidays • Cheap all-inclusive holidays in competitor countries (Germans are interested in all-inclusive packages) • Lack of political stability/ Karabakh conflict • Currency fluctuation

during walking tours

- They like swimming in the lake/sea
- Increasingly easy to travel to Armenia by air

RELEVANT REPORTS TO READ

- The 36th Reiseanalyse RA 2006
- Island of Ireland Tourism Market Germany
- ITB Press Release 07
- CBI: The long-haul tourism market in Germany (2007)

7. Iran

Size of population: 65,397,521

Number of outbound holiday trips in 2006: Information not available

Percentage of population making outbound holiday trips in 2006: Information not available

Major outbound holiday destinations: Dubai, Turkey, Armenia, Thailand, Malaysia

Average length of stay for outbound holiday trips:
for all abroad trips, 7–10 days
for Dubai and Yerevan, 3–4 days.

Average price for round-trip air ticket THR–EVN in summer season (economy class): US$230

Number of direct flights to Armenia each week: 2

Outbound holiday trips as a percentage of all outbound trips: Information not available

SOURCES OF INFORMATION USED

1. The future of travel and tourism in the Middle East
2. A vision to 2020
3. Global futures and fare sights
4. Pardiasn Tour, Tehran/Iran (Interview with Managing Director)
5. ICHTO, www.ichto.ir
6. http://publicrelation.iranmiras.org
7. Hakobian Travel Agency, Yerevan /Armenia (Interview with Managing Director)

OUTBOUND TRAVEL NUMBERS AND DESTINATIONS [4]

Iranian total outbound travel in 2006 was approximately 6.5 million trips. Destinations are as follows:

Iraq	1,825,000
Turkey	1,300,000
Dubai	1,200,000
Europe/America	957,000
Saudi Arabia	750,000
Syria	100,000
India	100,000
Thailand	80,000
South East Asia	50,000
China	50,000
Russia	50,000
Malaysia	45,000
Lebanon	30,000
Azerbaijan	10,000
Armenia	3,000

PURPOSE OF TRAVEL [7]

Most popular destinations by purpose:

Type	Destination
Business	Dubai, China
Holiday	Europe, Turkey, Azerbaijan, Lebanon, Thailand, Malaysia, Armenia, Russia
VFR	North America, Armenia
Other	Saudi Arabia, Iraq, Syria, Dubai ,Turkey

FACTORS AFFECTING CHOICE, SOURCES OF INFORMATION USED [7]

The most important factors for Iranians choosing their trips are as follows:

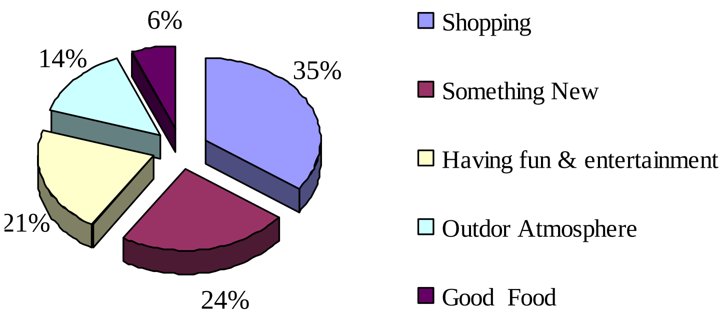
- Cost
- Type of service
- Distance
- Amenity

- Satisfaction

INTERESTS OF THOSE TRAVELING ABROAD [7]

- Seeing something new
- Shopping
- Having fun and good entertainment during the trip
- Outdoor atmosphere
- Good food

Figure 7-1
Iranian Outbound Travelers' Interests and Activities



Though only 6% of the travelers care for good food, and it is not the key factor to decide on their destination planning, food plays an important role during outbound trips for Iranians. Among activities on outbound trips, Iranians care for anytime access to food, and are oriented to try diverse cuisines.

TOURIST TRAVEL BY SEASON [4], [5]

The peak period of Iranian travelers are at spring and summer. Since the holidays are different they, unlike Europeans or Americans are less likely to travel at December-February period.

Iranians travel abroad for holiday vacation either during their Noruz vacation time (last 2 weeks of March) or during summer time holiday 21 June–21 September, mainly in August and September. Normally there are 7–10 days but occasionally some people use more than 2 weeks as long holidays.

The major Iranian national holidays are the following:

New Year, Noruz	20March – 3 April
Emam Death	4-5 June (14 and 15 Khordad)
Eid Fettr	13 Sep (21 Mehr)
Eid Ghorban	21 Nov
Revolution anniversary	11 February (22 Bahman)
Arabainn Housaini	28 Feb (9 Esfand)
Natinal day for oil industry independence	19 Mar (29 Esfand)

There are several holy days as well as holidays. As the holy days and holidays are based on the lunar calendar the dates vary each year. The following are important holy days:

- Birth day of prophet, “first and last leader” (Imam)
- The date of Mabass (the date which Mohammad is chosen as prophet)
- The death date of their prophet as well his daughter and 11 Imam

LENGTH OF STAY [4], [7]

The average length of trips nowadays is 7 -10 days for all outbound trips. Iranians are willing to take 3-4 days abroad to neighboring countries instead of traveling inbound. The main reasons are the significant increase in prices of inbound tickets in the past 3 years and holidays during the week are often merged with weekends.

For Dubai the average length is 3–4 days. Armenia and Azerbaijan are also experiencing short trips from Iran.

FREQUENCY OF TRAVEL [7]

A trip to somewhere in the world is compulsory for many Iranians. However, as a result of depreciation of the toman vs. dollar, the number of travelers declined noticeably. The decline in the number of travelers to Antalya and Thailand are a result of the above.

MAIN COMPANIONS OF TOURISTS [4], [7]

Most Iranians prefer to travel with their spouses and children, but traveling individually and with friends, as well as business partners, are becoming popular, especially to Armenia, Thailand, and Malaysia. Tourists to Dubai are largely family oriented.

ACCOMMODATION PREFERENCES [7]

- Iranians prefer to stay in hotels.
- Most Iranians prefer to have twin beds or double beds because of its cost effectiveness.
- They look for slippers available, preferably disposable one.
- Access to 24 hour water and a hose in the bathroom is mandatory

TRANSPORT USED FOR OUTBOUND TRAVE4]

Almost 90 percent of outbound travel is by air:

City	No. of Major airports
Tehran	2
Bandar Abbas	1
Tabriz	1
Shiraz	1
Esfahan	1
Mashhad	1 (for Dubai)

Ten percent of travelers travel by train to Turkey and by car/bus to Turkey, Syria, Azerbaijan, Armenia, and Uzbekistan.

DEMOGRAPHICS OF OUTBOUND TOURISTS [7]

- Most outbound travelers are over 35 years old; few are younger than 20.
- Almost 69% of travelers are female
- *In case of Yerevan mostly male*
- The average outbound traveler is high school educated and middle class.
- The average traveler receives an average salary.
- Most travelers are married.

TRAVEL SPENDING [7]

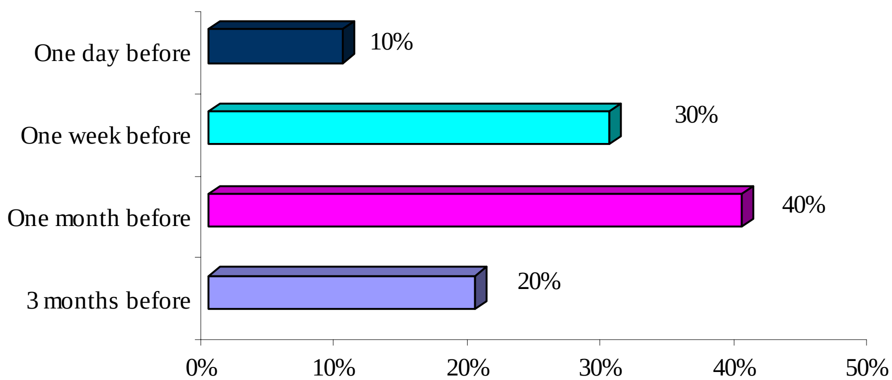
It is a habit for travelers to search for low cost trips and this became a factor for competition among travel agents to provide and offer the lowest cost tours. And for this reason the timing of tour are becoming shorter than before. According to Hakobian Travel agency which is directly working with Iranian visitors, Iranians spend in average US$108 per person /per day during their stay at Yerevan.

USE AND TRENDS IN BOOKING PATTERNS [5], [7]

The majority of travelers in Iran prefer to travel using travel agencies because of the cheapest cost, security, being with a group and having more fun with a larger group. But there are some people who prefer to book directly with an airline. On-line bookings are not popular among the Iranians, but there are a few people doing their touring using the Internet.

Booking Patterns: UAE- Package tours, with more than 20 daily direct flights.

Figure 7-2
Booking Trends in Iran, 2005



TRAVELERS' DEMANDS, EXPECTATION AND BEHAVIORS [7]

- Iranian travelers are very demanding, selfish, and sensitive tourists
- In the majority of cases, Iranian travelers would like to pay less but to get more

- They want to learn about local culture, shopping, entertainment, and history
- Iranians like to eat Mediterranean as well as Iranian (Eastern) cuisine
- Iranians are eager to have intimate relationships
- Since the local culture is calm and respect plays an important role, Iranians expect polite behavior and a calm atmosphere

BUSINESS PROCEDURES WITH TRAVEL COMPANIES [4]

The Iranian outbound travel market is very sensitive and should be dealt with very conservatively. They do not trust people on the phone or by writing and mainly face-to-face contact can help to know each other better.

MEDIA INFORMATION RELATED TO TOURISM[4]

More than 30 daily newspapers and weekly and monthly magazines are published in Iran, and in all of them can be found columns or articles about tourism and travel, as well as many advertisements about tours around the world. There are several travel newspapers and magazines. “Rahnema” and “Majale Jahangardi” are the most popular ones. They usually introduce the highlights of tourist sites and advertise the tours of travel agents.

TV plays a remarkable role to introduce the places of interest to people and sometimes place advertisements for travel agencies.

TRAVEL FAIRS [5]

Iran does not host any travel fairs. However there are seminars related to the tourism sector (inbound and outbound). The tourist seminars inside the country are announced by the Iran cultural heritage, handicrafts and tourism organization website, www.ichti.ir

TRAVELERS’ INTERESTS, HABITS AND MOTIVATION [4], [7]

Iran is a big country with different customs, nations, languages, habits, cultures, cuisine, dress and habits. Religion is very strong among the majority of the people and for this reason about 2.7 million travelers take pilgrimage tours (about 42%).

Other segments have their own customers but the rates and numbers are low. Among other tourists who make outbound trips, the holiday lover and shopping tourist are popular. Iran has three ski resorts, and a number of people travel abroad for the sake of doing sports such as skiing and attending football matches.

- For pilgrimage—Saudi Arabia, Iraq, Syria
- For business and shopping—Dubai, China
- For holiday —Turkey, Azerbaijan, Lebanon, Thailand, Malaysia, Armenia, Russia
- For holiday and visiting family—Europe and North America
- For applying to US Visa and Concerts—Dubai for both while Turkey only for visa

- Relax at beaches—Malaysia, Thailand, Turkey

TOURISM ASSOCIATIONS, TOUR OPERATORS, TOURISM PLAYERS [7]

- IAATTA - Iran Air Association of Tour and Travel Agencies
- TATTA - Tehran Association of Tour and Travel Agencies
- Iran cultural heritage, handicraft and tourism organization.
- Tour operators; there are more than 30 main tour operators in Iran

Most Iranian travel associations belong to IATA[6]. In other words they should be a member of IATA, in order to have permission to write tickets.

Tourism Tour and Travel Agencies in Tehran

5-Continents	Gardesh	Nadim	Sa'adat
Adineh Gasht	Gardouneh	Navak	Saba
Alam Nama	Ghods Gasht	Navaye Shalacheh	Sabalan
Alizadeh	Golbarg	Nav-baran	Saberan
Andalib Seir	Goldis	Navid Parvaz	Sabzineh
Arshia	Golestan Qods	Nepton	Sadaf Seir
Asre Aflak Mehr	Golfam Safar	Niki	Safa Gasht
Asre Hoda	Gol Gasht	Nikoo Gasht	Safar
Asre Owj	Golriz Bal	Nilgoun	Safar Bar
Azar Tour	Gol Seir	Niloufar Abi	Safarhayeh
Arash	Guli Tour	Notash Gasht	Mandegar
Aria Tour	Hali	Nour Azadegan	Safar Man
Arian Tourist	Ham-Safar	Nour Javadi	Safar Talai
Azadi	Hamrah	Nour Kosar	Safineh
Asa Tourist	Hanibal	Nour Tour	Safir
Asan Parvaz	Hannaneh	Ofoq Nama	Sahab
Asan Hejrat	Hasti Gasht	Olka	Sahand
Asseman	Hava-Darya	Olympic	Sahel Gasht
Amout Seir	Hava Masir	Ordibehesht	Salut
Amoun Sun	Hila	Oruj	Sama
Anasheh	Hilda	Ostoureh Parvaz	Samandar Gasht
Anahita Parvaz	Holiday	Otad	Saranjam
Avest	Homam Parvaz	Parastu Seir	Sareban
Avishan	Hoveizeh	Pars Khalij	Sarkhosh
Ahuan			Sati
Aito	Iran	Pasargad Tour	Sayareh Touristi
Ettehad	Iran Eita		Sedaqat Tour
Aras	Iran Tour	Tour-Operator, Ground-	Seihoun Sfar
Arfa	Iran Tour Corp.	Handler in Iran	Seirang
Arq Jadid	Iran Tourist	www.pasargad-tour.com	Seiro Safar
Asra Tour	Iran Doustan Tourist		Seiro Saman

[6] The International Air Transport Association represents over 270 airlines from more than 140 countries comprising 94% of scheduled international air traffic (www.iata.org).

Atlas	Irangardi &	info@pasargad-tour.com	Sepahan
Alamout	Jahangardi		Separouk
Amin	Iran Markaz	Par Iran	Sepehr
Amir	Iran Negar	Pardisan	Serat
Bastan	Iran Safar	Persepolis	Setareh Abi
Balaban Seir	Iran Tolou	Perse Voyages	Setareh Borj Sefid
Bal Gostar	Iran Zigurat	Persian	Setareh Elahieh
Balman	Irtuk	Parna	Setareh Tiz Bal
Balhaye Talai	Jahan Gasht	Parandeh Talai	Setareh Vanak
Badi	Jahan Safar	Parvaz Derakhshan	Shabestari
Belmond	Jahan Sater	Pegah	Shadmehr Gasht
Borj	Jahan Seir	Pol Nasr	Shahbaz
Berjis	Jam Jam Parvaz	Pelikan	Shahreh Safar
Bardia	Jam Seir	Pourian Seir	Shams
Bastami	Jamshid	Pouya	Sharq
Besharat Safar	Jaras	Pouyan Shahr	Shayesteh
Bashir Gasht	Jazireh	Payam Akhlaqi	Shideh
Bon Tour	Kaj Mehr	Pirouz Fakhr	Simorq
Baharan	Karyar	Pishgaman Parvaz	Simorq Iran
Bahar Gasht	Kardan Safar	Peik	Sireh
Beh Tour	Karkas	Peiman	Sobhan
Bahram Seir	kasra Gasht	Qasedak	Sogol
Behrouz Seir	Kavosh	Qasre Shirin	Sorena Seir
Behrouz Gasht	Keihan Safar	Qavam Pegah	Taban
Bahman Gasht	Khatereh	Qazal Parvaz	Taha Gasht
Blue Bird	Khaneh Parvaz	Qoddusian	Takin Seir
Caravan	Khavar Sari Kermani	Qoqnous	Talayeh
Caravan Sahra	Khayam	Rah-avard	Tamasha
Cibal	Khedri	Raheleh Nour	Tanin Parvaz
Chehel Sotoun	Khorshid Vanak	Rahian Miqat	Tariq
Cheshm-andaz	Khosh Par	Rahian Rah	Tavakoli
Chizae Nour	Kian	Rahnama	Tazarv
Cyrus Seir	Kimia	Rah Parvaz	Teen
Dalahoo	Kosar	Raja	Tehran Pop
Dal Gasht	Kouch Nour	Rakeb	Tehran Safar
Dei	Lachin Seir	Rangin Kaman	Tina Gasht
Deilaman	Laleh Gasht	Rezvan	Tirajeh Jahani
Delijan	Lotus	Ronak	Tiras
Delta Ban	Madaen	Rose	Tizpar
Deyar	Mahdis	Rose Ball Safar	Tolou
Didaniha	Mah Gasht	Round The World	Toranj Seir
Dokuhe	Mahtab		Tosan Seir
Donyae Seir	Mahtab Bal		Tuka Tour
Dorna	Mah Tour		Turban
Dorna Gasht	Majd Seir		Uranus
Dur Parvaz	Mandi Iran		Vafa Gasht
Elham	Maral		Vala
Ermitra	Marjan Rahyab		Vali

Eskan Safar Eskodar Seir Esteqlal Faraz Amout Asia Faraz-rou Farbal Faza Gasht	Mehman Asay Mehr Mehregan Seir Mehrdad Melal Melika Seir Michka Miqat Gasht Mirdamad		Vista Yaran Zaer Tour Zagros Zaman Parvaz Zargan Gasht Zarrin Nama Zarvan

SWOT ANALYSIS OF IRAN IN RELATION TO ARMENIA

Strengths	*Weaknesses*
• Small distance • Rich culture • Numerous museums and places for sightseeing • Specific cuisine • Iranian restaurants in Yerevan • Online travel information • Online visa access • Embassy of Iran in Yerevan • Different types of accommodation available • Armenia is not associated with terrorism • Good promotion of Armenia in Iran (lots of tour operators and TAs promoting Armenia) • Music concerts (some travel agents specialize in organizing concerts, as for Andy[7]) • Low price of tickets to Armenia • Direct flights • Cheap internal transportation	• Difficult transportation outside the capital • Huge gaps in providing services in regions • Language barriers • Different religion and blockades • Difficult access to health care because of language • Poor online booking systems
Opportunities	*Threats*
• Large Armenian Diaspora • Iranians are interested in cultural sightseeing • Pan Armenian games held in Yerevan every 2 years(Iranian–Armenian team is large enough) • Visiting college students and relatives leaving in Armenia	• 42% of Iranians travel for purpose of pilgrimage; they are not Christians and are less likely to be interested in visiting Armenia • Lack of political stability/ Karabakh conflict

[7] Andy is famous Armenian American singer born in Iran. He sings in Persian mostly and since 2002 each concert in Yerevan attracted more than 3,000 people, most from Tehran.

8. Italy

Size of population in 2005: 58,103,083

Number of outbound holiday trips in 2005: 25,000,000

Percentage of population making outbound holiday trips in 2005:

Major outbound holiday destinations in 2004: France, Spain, Croatia, Austria, Germany, Greece, Great Britain, Egypt, Switzerland, USA

Average length of stay for outbound holiday trips in 2005: 9 nights

Prices for round-trip air ticket FCO–EVN in summer season (economy class):
Lowest—US$646, Austrian Airlines
Highest—US$1,428, British Airways

Number of direct flights to Armenia each week: None

Outbound holiday trips as a percentage of all outbound trips in 2004: 84% (including holiday and VFR trips)

SOURCES OF INFORMATION USED

1. Center for promotion of imports from developing countries www.cbi.nl
2. http://www.tourismireland.com/UserFiles/File/MI_Italy.pdf
3. ETM 2004
4. http://www.buyusa.gov/italy/en/tt.html
5. www.commercecan.ic.gc.ca/scdt/bizmap
6. www.tourismaustralia.com
7. http://www.kwintessential.co.uk
8. www.tourismtrade.org.uk
9. http://bit.expocts.it
10. ATDA and CAPS Workshop on Italian market

OUTBOUND TRAVEL NUMBERS AND DESTINATIONS [1], [3], [4]

Table 8-1
Number of Annual Outbound Trips, 2002–2005

	2002	2003	2004	2005
Total outbound trips	18,995,000	19,089,000	20,163,000	25,000,000*
Outbound holiday trips	15,677,000	15,882,000	16,880,000	
Share of total outbound trips	82.5%	83.2%	83.7%	

*Soure: www.tourismtrade.org.uk

Table 8-2
Italy's Favorite Outbound Holiday Destinations in 2004

Destination	No. of Holiday Trips	Share of All Outbound Holiday Trips
France	3,469	21%
Spain	2,145	13%
Croatia	1,388	8%
Austria	1,088	6%
Germany	964	6%
Greece	917	5%
Great Britain	835	5%
Egypt	682	4%
Switzerland	488	3%
USA	408	2%

From all EU member countries Italy is in fourth position after France and followed by the Netherlands regarding visits to developing countries.

Table 8-3
Number of Holiday Trips to Developing Countries(by Region), Three Most Popular Countries per Region

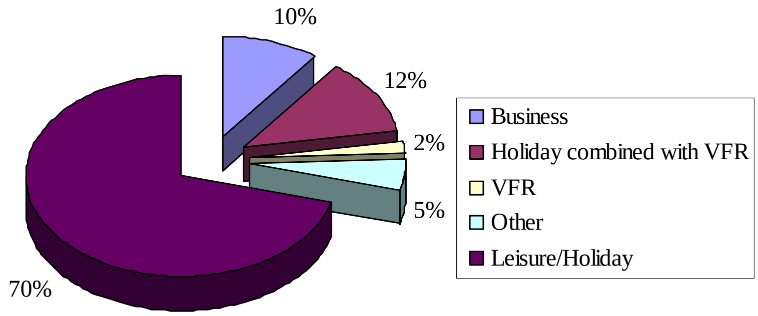
Destination	2001	2004	Growth 2001–2004 (%)
Total	4,054,481	4,970,101	23
Europe	1,354,470	1,565,485	16
Croatia	1,059,810	1,231,901	16
Turkey	215,645	220,871	2
Albania	46,715	51,703	11
Armenia	1,275	4,189	229
Middle East	662,162	1,078,178	63
Egypt	594,549	1,010,444	70
Lebanon	13,503	15,567	15
Jordan	14,930	11,605	-22
Africa	827,362	913,366	10
Tunisia	398,349	448,292	13
Morocco	123,628	112,807	-9
Nigeria	38,509	62,470	62
America	699,856	813,273	16
Brazil	216,038	276,563	28
Cuba	159,423	178,570	12
Dominican Republic	115,217	121,611	6
East Asia	327,945	364,060	11
China	77,684	122,377	58
Thailand	119,953	118,946	-1
Indonesia	59,519	42,504	-29
South Asia	182,686	235,739	29
Maldives	115,740	131,044	13
India	41,351	65,561	59
Sri Lanka	12,074	18,862	56

The three most visited developing countries are Croatia, Egypt, and Tunisia. The close location of Croatia to Italy makes it easy for Italians to travel to this country.

PURPOSE OF TRAVEL[2], [6]

Almost all outbound trips in 2004 were for holiday purposes (70%), with an additional 13% being a combination of holiday and visiting friends and relatives (VFR).

Figure 8-1
Purpose of Italians' Travel



Italians traveling for business were mainly:

Attending conferences and seminars	18.4%
Business meetings	16.7%
Carrying out sale activities or	15.2%
Joining a business mission	10.7%
Attending international shows	8.1%
Language courses	4.5%
Incentive trips	3%

FACTORS AFFECTING CHOICE, SOURCES OF INFORMATION USED [2], [4], [10]

- Italians are influenced by recommendations of relatives on what is "trendy" at the time. Accommodation, courtesy, and environment are of key importance to Italian travelers.
- Safety is also a serious concern, especially for long-haul travelers.
- Accommodation issues, meals, sightseeing and shopping possibilities are of a big importance for the Italian outbound travelers.
- The Internet and recommendations from friends and family and travel agents is the preferred method to obtain travel information. The use of the Internet to search for travel information is increasing:

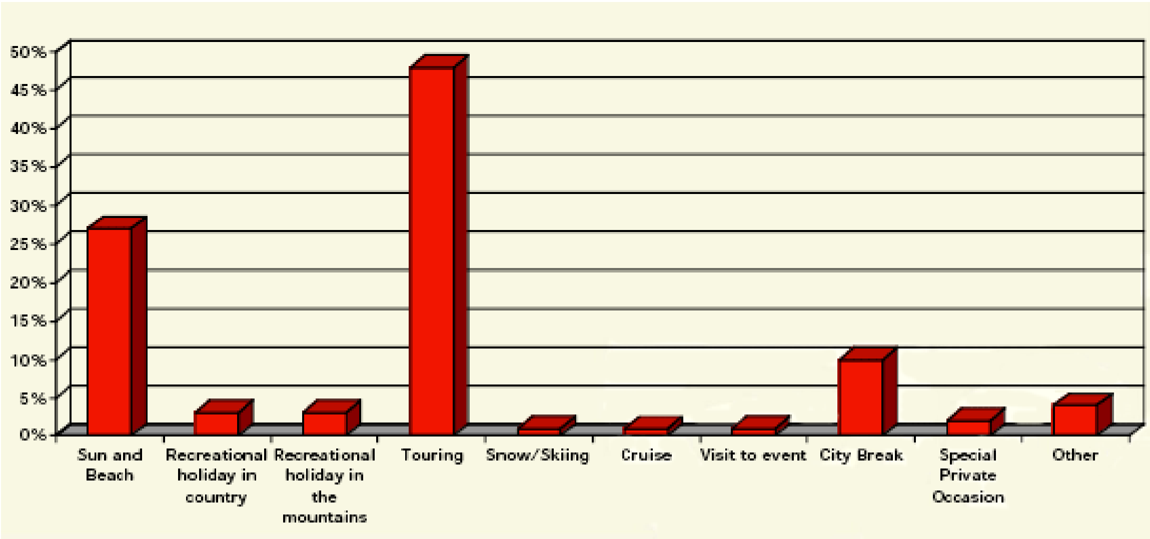
Method	Share
Web search	61%
Travel Agent's office	35%
Personal recommendation	33%
TV program	22%
Newspaper	22%
Other method	8%

INTERESTS OF THOSE TRAVELING ABROAD [2]

Favorite outbound holidays for the Italians are beach holidays. Touring holidays and city breaks are becoming more popular.

Italian tourists to the U.S. show a strong interest in history, culture and nature. In particular, the following activities are 4-8% more interesting to Italians than the average international preferences: visiting historical places, small town and villages; cultural heritage, Native American reservations, ethnic heritage sites, national parks and environmental/ecological excursions.

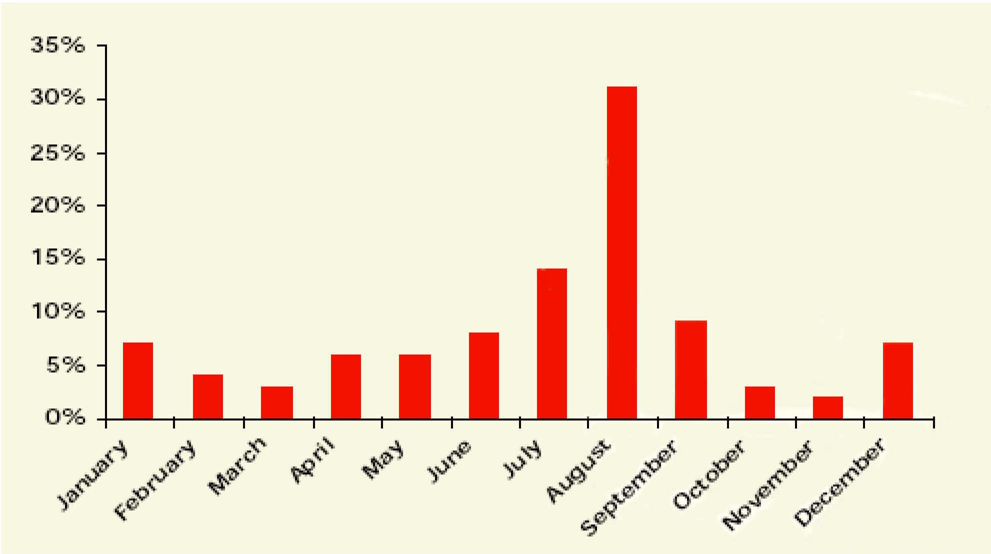
Figure 8-2
Interests ofOutbound Holiday Travelers (2004)



TOURIST TRAVEL BY SEASON [2]

Italians have an average of 5-6 weeks of paid vacation. Traditionally these days were taken mostly during August. Forty-five percent of all holidays abroad were taken in July and August.

Figure 8-3
Italians' Travel Abroad by Month, 2004



In 2005 Italian tourism showed a trend to take their vacations during different times of the year. This trend concerned mainly months that mark the beginning and the end of the summer vacation season, as well as the month of January. This is explained by the fact that in these months vacation costs are lower than in peak months. More Italians chose June for their vacations, reaching 13.8% compared to 8.2% in 2004. Also the month of October attracted more Italians for their vacations.

There are 11 public holidays in Italy:

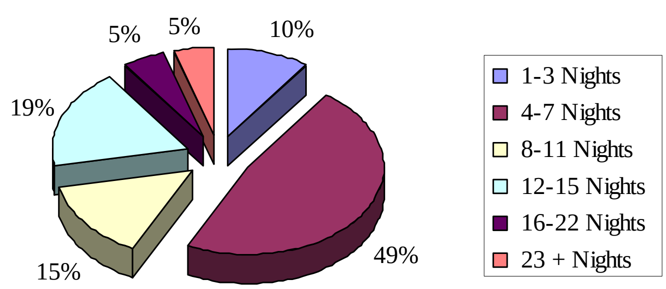
1 January	New Year's Day
6 January	Epiphany
9 April	Easter Monday
25 April	Liberation Day
1 May	Labor Day
2 June	Anniversary of the Republic
15 August	Assumption
1 November	All Saints' Day
8 December	Immaculate Conception
25 December	Christmas Day
26 December	St Stephen's Day

LENGTH OF STAY [2], [4], [10]

The average outbound trip in 2005 lasted almost 9 nights (9.8 days); 70% of outbound holiday trips were under 12 nights. A high proportion (46%) lasted four to seven nights. Longer trips were mostly prebooked inclusive/package holiday.

Outbound trips from Italy showed an increase in both short outbound trips (3,006,000 in 2004 against 3,201,000 in 2005—an increase of 6.5%) as well as in longer outbound trips (11.4 million in 2004 against 12 million in 2005—an increase of 5.3%).

Figure 8-4
Duration of Italians' Stays Abroad



FREQUENCY OF TRAVEL[4]

In 2005, 50% of Italians took one holiday, and 38% took 2-4 holidays. The trend is shifting from one long holiday in August to several shorter holidays during the year.

MAIN COMPANIONS OF TOURISTS [6],[8]

Italians consider family life to be very important, and very often take holidays together. The following presents companions of the Italian outbound holiday visitors to Australia (2005):

Alone	31.43%
With family	25.71%
With friends	41.14%
Travel package	1.72%

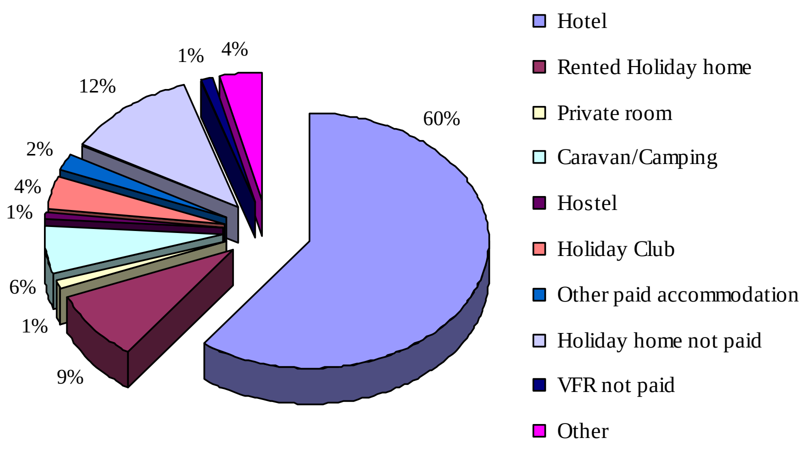
In comparison, in 2003 Italian outbound travelers to UK were more likely to travel alone (46%). Visitors traveling as a couple were the second-biggest segment of group composition (15%):

Lone traveler	46
As a couple/with partner	15
Group of friends	11
Family group	11
Business colleagues	7
Tour group	6
Other	0
Don't know	4

ACCOMMODATION PREFERENCES [2]

The main type of accommodation used by outbound holiday makers was hotel (60%): first class (four- or five-star) 29%, and middle class (three-star), 24%.

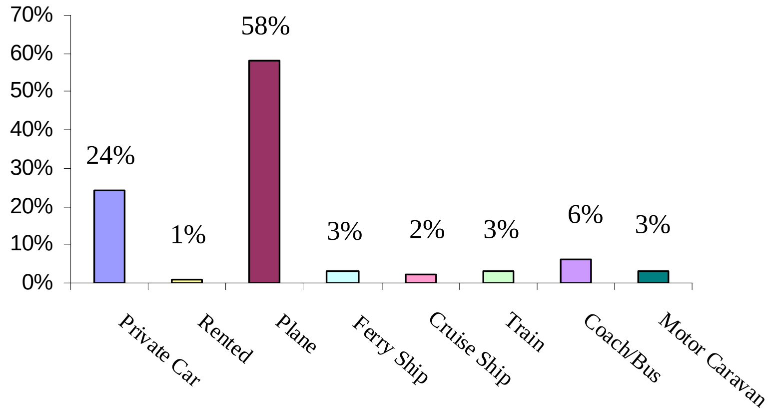
Figure 8-5
Italians' Accommodation Preferences



TRANSPORT USED FOR OUTBOUND TRAVEL [2]

Most utilized transport by outbound holiday makers in 2004 was plane (58%) followed by own car 24%.

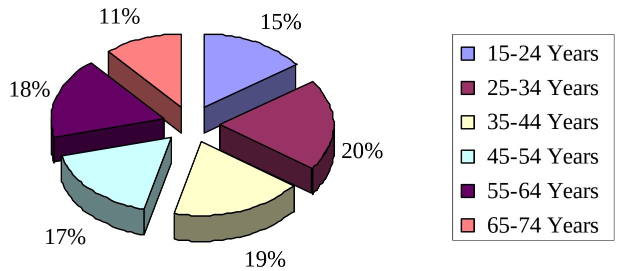
Figure 8-6
Mode of Transport Used for Outbound Travel



DEMOGRAPHICS OF OUTBOUND TOURISTS [2]

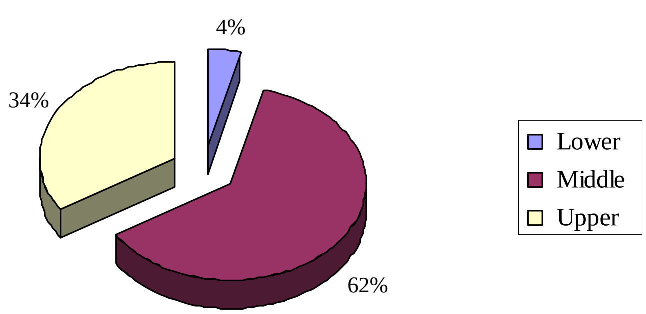
The age groups (outbound holiday makers) most interested in long-haul destinations are 26-39 years and 40-55 years. The 26-39 groups are fond of sun and beach holidays. They like to travel to distant and pristine places.

Figure 8-7
Outbund Italian Tourists by Age Group



Among Italian holidaymakers going abroad, 42% belonged to middle income household and 30% to upper level. Sixty-three percent were educated to the “middle level” and 34% to “upper level.”

Figure 8-8
Outbound Italian Tourists by Income Level



TRAVEL SPENDING [1], [4]

The daily expenditures are above the world average. On an outbound holiday trip, Italians spend on average about US$1,335. Italians spend a large part of their budget on luxury accommodation, restaurants, excursions, and souvenirs.

Spending by Italian travelers abroad totaled $20.5 billion in 2004, ranking sixth in the list of worldwide tourist expenditures, after those from Germany ($71 billion), the U.S. ($65.6 billion), the U.K. ($55.9 billion), Japan ($38.1 billion) and France ($28.6 billion) (4).

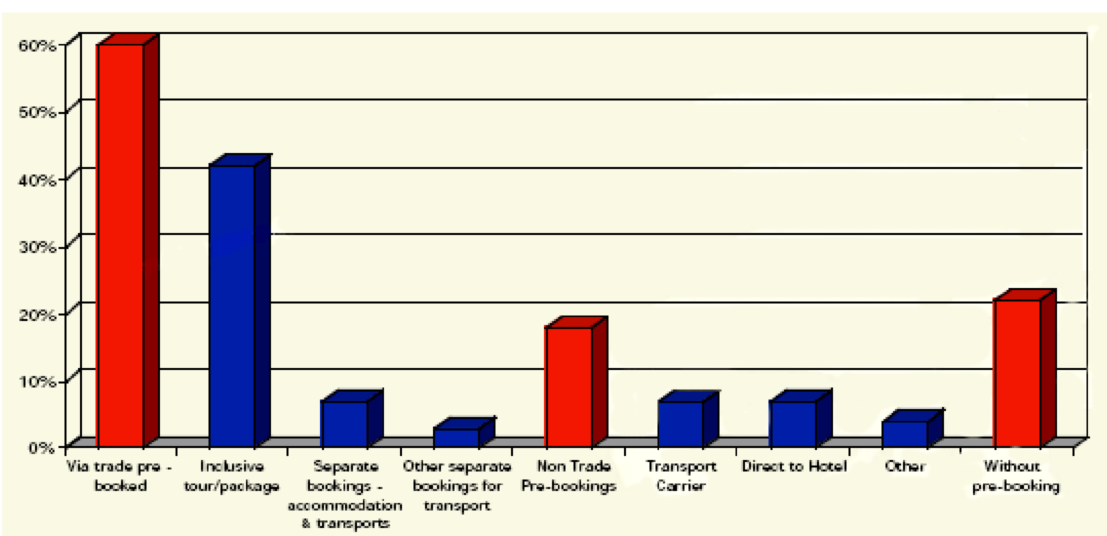
USE AND TRENDS IN BOOKING PATTERNS [2], [4], [10]

Italians have always been last-minute bookers; approximately 14% of the Italian population chooses the destination of their holidays less than 5 days before departure. Although the travel industry is trying to fight this trend by offering early booking discounts, it has not helped much. In 2005, 30.7% of Italians planned their vacation already during the winter season. However, most Italians booked their trips between Easter and June (49.5%) and last-minute offers were chosen by 14.2% of the total, 2 points more than in 2004.

- General travel and online booking sites
  - E-dreams, http://www.edreams.it
  - Expedia, http://www.expedia.it
  - Lastminute.com, http://www.lastminute.it
  - Opodo, http://www.opodo.it
  - Travelonline, http://www.travelonline.it
  - Travelprice, http://www.travelprice.it
- Italian Railways—Trenitalia , http://www.trenitalia.it

In 2004, 78% prebooked their outbound holiday, almost two-thirds (60%) using the travel trade. Of these 42% availed themselves of inclusive package type holidays (via trade). Twenty-two percent traveled without any prebooking.

Figure 8-9
Outbound Italian Travelers' Booking Patterns



Among Italian outbound travelers in 2006:

- 43% used the Internet to buy cheap packages
- 60% used the Internet to buy air tickets
- 30% used the Internet to book hotels.

TRAVELERS DEMANDS, EXPECTATIONS AND BEHAVIORS [1]

For Italians the best way to discover a country is to do it themselves. Mostly they book only part of the holiday, a plane ticket or an accommodation, and decide on the rest later.

When traveling, they like to enjoy expensive and exclusive restaurants since food, an important factor that heavily influences any Italian traveler's budget. In fact, dining in restaurants (82%) and shopping (80%) are among the top preferred activities of Italians when traveling in the US.

BUSINESS PROCEDURES WITH TRAVEL COMPANIES [1]

In general, remember the following cultural tips when visiting Italian trade partners:

Relationships and Communication

- Italians prefer to do business with people they know and trust.
- A third party introduction will go a long way in providing an initial platform from which to work.
- Italians much prefer face-to-face contact, so it is important to spend time in Italy developing the relationship.
- Your business colleagues will be eager to know something about you as a person before conducting business with you.
- Demeanor is important as Italians judge people on appearances and the first impression you make will be a lasting one.
- Italians are intuitive. Therefore, make an effort to ensure that your Italians colleagues like and trust you.
- Networking can be an almost full-time occupation in Italy. Personal contacts allow people to get ahead.
- Take the time to ask questions about your business colleagues' family and personal interests, as this helps build the relationship
- Italians are extremely expressive communicators. They tend to be wordy, eloquent, emotional, and demonstrative, often using facial and hand gestures to prove their point.

Business Meeting Etiquette

- Appointments are mandatory and should be made in writing (in Italian) 2 to 3 weeks in advance.
- Reconfirm the meeting by telephone or fax (again in Italian).
- Many companies are closed in August, and if they are open many Italians take vacations at this time, so it is best not to try to schedule meetings then.
- In the north, punctuality is viewed as a virtue and your business associates will most likely be on time.
- The goal of the initial meeting is to develop a sense of respect and trust with your Italian business colleagues.
- Have all your printed material available in both English and Italian.
- Hire an interpreter if you are not fluent in Italian.
- It is common to be interrupted while speaking or for several people to speak at once.
- People often raise their voice to be heard over other speakers, not because they are angry.
- Although written agendas are frequently provided, they may not be followed. They serve as a jumping off point for further discussions.
- Decisions are not reached in meetings. Meetings are meant for a free flow of ideas and to let everyone have their say.

Business Negotiation

- In the north, people are direct, see time as money, and get down to business after only a brief period of social talk.
- In the south, people take a more leisurely approach to life and want to get to know the people with whom they do business.
- Allow your Italian business colleagues to set the pace for your negotiations. Follow their lead as to when it is appropriate to move from social to business discussions.
- Italians prefer to do business with high-ranking people.
- Hierarchy is the cornerstone of Italian business. Italians respect power and age.
- Negotiations are often protracted.
- Never use high-pressure sales tactics.
- Always adhere to your verbal agreements. Failing to follow through on a commitment will destroy a business relationship.
- Heated debates and arguments often erupt in meetings. This is simply a function of the free-flow of ideas.
- Haggling over price and delivery date is common.

- Decisions are often based more on how you are viewed by the other party than on concrete business objectives.

Dress Etiquette

- Dressing well is a priority in Italy.
- Men should wear dark colored, conservative business suits.
- Women should wear either business suits or conservative dresses.
- Elegant accessories are equally important for men and women.

Business Cards

- Business cards are exchanged after the formal introduction.
- To demonstrate proper respect for the other person, look closely at their business card before putting it in your card holder.
- It is a good idea to have one side of your business card translated into Italian.
- If you have a graduate degree, include it on your business card.
- Make sure your title is on your card. Italians like knowing how you fit within your organization.

MEDIA INFORMATION RELATED TO TOURISM[1]

Trade Press and Consumer Magazines

Table 8-4
Main Travel Trade Magazines in Italy

Name	Description	Link
L'Agenzia di Viaggi	Circulation: 10 000; 5 times/week	http://www.lagenziadiviaggi.it
Quotidiano Travel	Circulation: 10 000; 3 times/week	http://www.travelquotidiano.com
Travel Italian	English version from l'Agenzia di Viaggi, although not very developed yet	http://www.travelitalian.it
TTG Italia	Circulation: >9 000; every 2 weeks	http://www.ttgitalia.com
Turismo Attualita		http://www.turismo-attualita.com

Table 8-5
Relevant Consumer Magazines

Name	Monthly Circulation	Link
Gente Viaggi	119,000	http://www.genteviaggi.it
Itinerari e Luoghi	49,700	http://www.itinerarieluoghi.it
Meridiani	80,000	http://www.edidomus.it/turismo
Panorama Travel	140,000	http://www.panorama.it/viaggiare

Qui Touring	444,000	http://www.touringclub.it/qui
Tutto Turismo	85,000	http://www.edidomus.it/turismo

A link to find Italian travel journalists: Italian Tourist Press Group (GIST), http://www.gist.it.

Use of the Internet

Compared to the other major Western European markets, the Internet has not yet become so important on the Italian market. In 2005 39% of the Italian households had Internet access at home. Only 28% of the Italians went online more than one time a week.

TRAVEL FAIRS [9]

BIT (International Tourism Exchange)

Date: 21-24 February 2008
Venue: Fiera Milano (Milan)

2007 Statistics

Exhibitors	5000
Participating countries	120
Visitors	150,00

Contacts

E-mail: bit@expocts.it
Website: http://bit.expocts.it

Globe

Date: 13-15 March 2008
Venue: Fiera di Roma (Rome)

Contacts

Tel.: +39 02 874526
Fax: +39 02 86995515

TRAVELERS' INTERESTS, HABITS, AND MOTIVATION [4]

Italians are interested in history, politics and the way of life in a country. Value for money and deluxe or exotic products encourage the Italians to travel to the Far East again. New niche markets are agrotourism, ecotourism, and soft adventure. Popular activities include golf, cycling, motorcycling, and walking. The main benefit of a waterside holiday for 82% was relaxation, followed by swimming. Visiting cities and places of interest were the top benefits among touring holidaymakers. Hiking/walking was the most notable benefit of holidays in the mountains and relaxation for those holidaying in the countryside. Sightseeing and visiting places of interest were seen as main advantages of city breaks.

Table 8-6
Main Benefits of Various Kinds of Holidays

Waterside Holidays	%	Touring Holidays	%	Countryside Holidays	%	Mountain Holidays	%	City Break	%
Relaxing	82	Visiting cities	69	Relaxing	56	Hiking/Walking	90	Sightseeing, visiting objects of interest	88
Swimming	77	Visiting objects of interest	68	Discovering landscape and nature	43	Relaxing	84	Visiting museums	67
Sun Bathing	73	Getting to know the landscape	55	Hiking/Walking	34	Discovering landscape and nature	68	Sauntering, enjoying the atmosphere	62
Enjoying holiday life	59	Visiting museums exhibitions	45	Visiting objects of interest	30			Shopping	43
Switching off	52	Getting to know the people	44					Enjoying meals and drinks	42

TOURISM ASSOCIATIONS, TOUR OPERATORS, TOURISM PLAYERS [1], [10]

Tour Operators

There are about 400 tour operators in Italy, mostly small and medium. The Italian tour operators sell their product through their own or independent travel agencies. Increasingly, they also sell directly to the consumer through the Internet. The structure of the larger tour operators is very regionalized, with most operators selling through retail agencies within a fairly defined geographical area.

Major Italian tour operators (Facts Figures Future 2006):

Viaggi del Ventaglio, http://www.ventaglio.com/
Aeroviaggi, http://www.aeroviaggi.it
Alpitours, http://www.alpitour.it
Eden Viaggi, http://www.edenviaggi.it
Eurotravel, http://www.eurotravel.it
Gruppo Ventaglio, http://www.ventaglio.com
Hotelplan/Turisanda, http://www.hotelplan.it http://www.turisanda.it
I Grandi Viaggi, http://www.igrandiviaggi.it
Kuoni Gastaldi Tours, http://www.kuonigastaldi.it
Teorema, http://www.teorematour.it
Tui, http://www.tui.it
Veratour, http://www.veratour.it

Specialized Tour Operators

Tourism service providers in developing countries are recommended to target specialized tour operators. On the website of the Italian Association of tour operators, ASTOI (http://www.astoi.com), an overview of Italian tour operators per destination country can be found. This is a good opportunity for operators from developing countries to identify possible partners. It includes the e-mail and website of each operator. By clicking on 'Gli associati' and then 'database destinazioni' the database appears and a country can be chosen.

Table 8-7
Specialized Tour Operators in Italy

Name	Website	Focus
Azalaï Expeditions	http://www.azalai.info	Worldwide
Azonzo Travel	http://www.azonzotravel.com	Worldwide
Dimensione Turismo	http://dimensioneturismo.it/2007	Latin America and South Asia
Kel 12	http://www.kel12.it	Worldwide
Metamondo	http://www.metamondo.it	Worldwide
Passione Avventura	http://www.passioneavventura.it	Worldwide
Tamacheq Travel	http://www.tamacheq.it	Africa
Tour 2000	http://www.tour2000.it	South America
Touring Club	http://www.touringclub.it	World Wide touring holidays
Viaggi Dell Elefante	http://www.viaggidellelefante.it	Worldwide

Source: Facts Figures Future (2006)

Travel Agencies

There are about 9,000 travel agencies in Italy. Over the last few years the number of travel agencies has dropped. Main reasons for this decrease are mergers and the pressure on the travel agencies because commissions have become smaller and/or have been done away with, which has caused several closures.

Examples of major travel agencies in Italy (Facts Figures Future 2006)

Blu Vacanze, http://www.bluvacanze.it
Buon Viaggio, http://www.buonviaggio.it
Cisalpina, http://www.cisalpina.it
Frigerio, http://www.frigerioviaggi.com
Le Marmotte, http://www.lemarmotte.it
Pinguino, http://www.pinguino.it
Travelshop, http://www.travelshop.it

Useful sources

- Association of Italian Tour Operators (http://www.astoi.com). Find relevant tour operators by selecting gli associati and Database Destinazioni
- Federation of Travel Agents (FIAVET) (http://www.fiavet.it). FIAVET represents about 50% of the total travel industry.
- Tourist Database for Italy (http://www.tour-web.it)

In general Italian travel agents receive 10–14% commission on packages and tourism products. Commissions are under pressure have and have sometimes even been done away with. Tour operators in general receive 20-30% commission.

SWOT ANALYSIS OF ITALY IN RELATION TO ARMENIA

Strengths

- Flexible packages
- Rich culture
- Numerous museums and places for sightseeing
- Easily recognizable religion
- Numerous restaurants and cafés in Yerevan
- Specific cuisine
- Beautiful nature, mountainous landscape
- Possibility of hiking, climbing, and other outdoor activities
- Online travel information
- Online visa access
- Embassy of Italy in Yerevan
- Armenian Embassy in Rome
- Different types of accommodation available
- Low cost of internal transportation
- Armenia is not associated with terrorism

Weaknesses

- No beaches
- No direct flights
- Difficult transportation outside the capital
- Huge gaps in providing services in regions
- Not all information available in English or Italian
- Poor promotion of the country as a holiday destination
- Difficult access to health care because of language
- Poor online booking systems

Opportunities

- Italian outbound tourism is growing
- The daily spending of an Italian outbound holiday maker is above the world average
- Taking a vacation is a national tradition in Italy
- Touring holidays and city breaks are getting more popular
- Agritourism, eco tourism and soft adventure are interesting niche markets
- Italians dine often in restaurants
- Italians like visiting cities and are interested in cultural sightseeing
- They like discovering landscape and nature
- Antonia Arslan's book about the Armenian Genocide "Skylark Farm"

Threats

- An important part of the Italian travelers like sun and beach holidays
- Lack of political stability/ Karabakh conflict
- Currency fluctuation

9. Japan

Size of population: 127,500,000 (estimated)

Number of outbound holiday trips in 2005: 12,406,810

Percentage of population making outbound holiday trips in 2005: 14.04%

Major outbound holiday destinations: USA, (Hawaii, Mainland USA), China, Italy

Average length of stay for outbound holiday trips in 2005: 4–7 nights

Prices for round-trip air ticket Tokyo -Yerevan in summer season (economy class):
Lowest—US$2,413, British Airways
Highest—US$8,056, Austrian Airlines

Number of direct flights to Armenia each week: None

Outbound holiday trips as a percentage of all outbound trips in 2005: 82% (Holiday+VFR)

SOURCES OF INFORMATION USED

1. Grande Circle Corporation , www.corporate.canada.travel/en/ca/markets_products/asia_pacific/japan/committtee_members_japan.html
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OUTBOUND TRAVEL NUMBERS AND DESTINATIONS [2], [8], [4], [7]

In 2000 there were 17.8 million Japanese outbound travelers in total. In 2003, outbound travel from Japan took a big hit, declining by 18.8% to 13.4 million trips. Even though conditions improved in 2004, numbers were still short of the 2000 results.

Table 9-1
Japanese Outbound and Outbound Holiday Travel by Year, 2000–2007

Year	No. of Outbound Trips	No. of Outbound Holiday Trips	Holiday Trips as % of All Outbound Trips
2000	17,800,000	11,300,000	63
2001	16,200,000	10,800,000	67
2002	16,500,000	10,700,000	65
2003	13,400,000	8,400,000	63
2004	16,800,000	10,800,000	64
2005	17,474,379	12,406,810	71
2006	17,535,000		
2007 (Jan–Feb)	2,798,000		

Main outbound holiday destinations for Japanese in 2005:

Hawaii	14%
Mainland USA	13%
Other Europe	10%
China	8%
Guam and American Samoa	7%
Italy	7%
Other Asia and Middle East	7%
Singapore, Malaysia, Philippines	7%
Thailand	7%
Austria	6%
France	5%
South Korea	5%
Canada	3%
Hong Kong	3%
Spain	2%
Taiwan	2%
United Kingdom	2%
Central/South America	2%
Mexico	1%
New Zealand	1%
Other Africa	2%

Recent research by Tourism Australia cites China, Vietnam, and Thailand as new destinations of choice for Japanese outbound travelers.

Trips to Asian destinations have increased dramatically since 2000. Through long-term cultural association, including a major television drama series, South Korea has always been a desired and accessible destination for Japanese travelers.

China was the most popular Asian destination in 2005. The growth in Japanese travel to China has been driven by a major increase in business joint ventures between the two countries, with over 50% of the arrivals increase related to business and combined business/holiday trips.

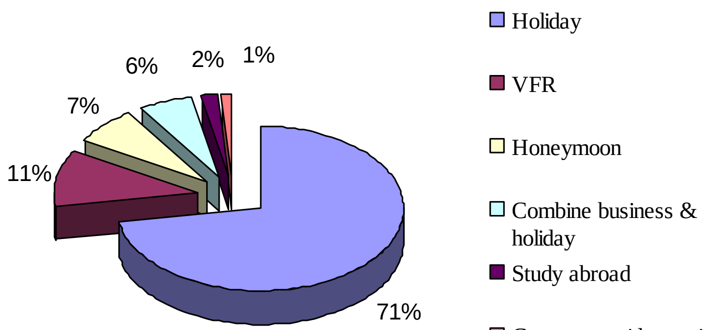
With trip length becoming shorter Italy and the United States mainland are likely to offer more than can be covered in one trip.

Thailand is of great interest due to rejuvenation possibilities.

PURPOSE OF TRAVEL [4], [7], [8], [15]

There is a decline in both business and group travel. Growing number of Japanese outbound long-haul travelers are choosing fully independent travel (FIT) options.

Figure 9-1
Purpose of Travel 2005



Education

Outbound school trips and educational tours are gaining importance for Japanese travel consumers. Education arrivals more than doubled from 1999 to 2004. Canada is a popular destination for schools participating in overseas field trips, capturing about 4.0% of this market in 1997.

Holiday

The United States (including Hawaii and Guam) and Other Europe (not including the United Kingdom) are the two most popular destinations for outbound long-haul holiday trips for Japanese.

Japanese travel to Canada mainly for holiday purposes. The proportion of Japanese traveling to Canada for holiday vacations has increased to 75% in 2005 from 69% in 2000. The increase is a direct result of fewer Japanese travelers coming to Canada for business purposes.

The number of holiday trips combined with business has declined notably. This is due to decreased business trips and company-sponsored vacations (incentive trips).

Business

Business travel being shortened and company sponsored incentive travel being severely reduced. (However, there has been strong growth in business travel to China reflecting outbound investment in manufacturing).

In the fully inclusive package business there was a major reduction from 80% to 50% share, taken up by a 30% increase in the unstructured free time (skeleton) package area. In the air sector, there was a decrease of 30% business share replaced by a 30% increase in the holiday share.

FACTORS AFFECTING CHOICE, SOURCES OF INFORMATION USED [7], [8], [9]

When making decisions on the destination for their most recent long-haul holiday trip, two-thirds of Japanese travelers rely on their choice. The influence of spouses and partners has also increased during 2000-2005 years (generally females decide where to go for vacation).

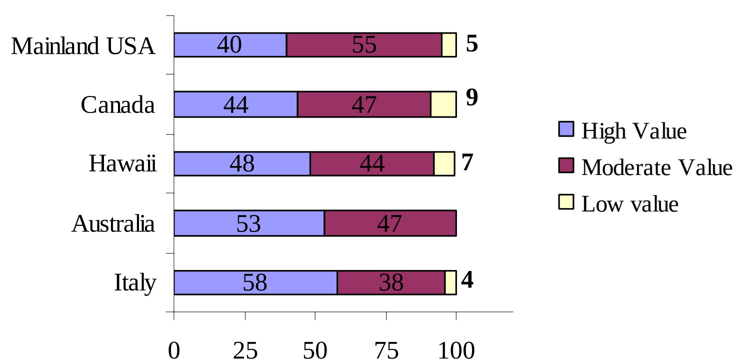
Two key elements influence destination choices:

- Overall satisfaction
- Value for money
  - Low prices for food and entertainment;
  - Low prices for shopping;
  - A favorable exchange rate;
  - Inexpensive transportation within the country;
  - Low prices for accommodation.

The following factors are also important while choosing an outbound destination:

- Business joint ventures in destination countries
- Japanese cuisine
- Availability of historic sites (Italy)
- Natural attributes (Australia)
- Air access issues

Figure 9-2
Value for Money for Long-Haul Holiday Trip



Safety-related attributes, as well as political stability are ranked as most important by Japanese consumers, with over 50% describing “personal security” and “being free from the threat of terrorism” as “extremely important.”

The availability of flights and all-inclusive packages are considered less important, suggesting that consumers first look for a desirable travel experience, and then concern themselves with logistics.

Travelers rated their overall satisfaction with the long-haul destination that they most recently visited, and then rated five destinations on “value for money.”

A combination of cost, distance and time may prevent Japanese outbound travelers from visiting a destination.

Sources of Information Used

Most important sources of information used in planning outbound trips, 2005

Source	%
Brochures	24
Friends/Family members	19
Internet/websites	18
Travel agents	12
Travel guides	9
Airlines	5
Overseas travel magazines	2
Ads(TV, magazines, newspapers)	2
Articles/features in other magazines	2
Books/library	1
Business colleagues	1
Clubs/associations	1
Government tourism office/board	1
Information received in the mail	1
Movies or TV shows	1

Sources of information used for planning most recent outbound holiday trip, 2005

Source	%
Brochures/pamphlets	52
Friends/Family members	36
Internet/websites	45
Travel agents	42
Travel guides/books	41
Airlines	19
magazines/ newspapers articles	13
Business colleagues	2
Clubs/associations	1
Government tourism office/board	8
Movies or TV shows	2
Advertisements	4

INTERESTS OF THOSE TRAVELING ABROAD [2]

1. Cultural experience
2. Seeing something new and different
3. Shopping

4. Outdoor environment
5. Diverse food experience
6. Enrich their knowledge
7. Diving, beach holidays
8. Having fun and being entertained during their journey

In general, the top 3 activities for Japanese outbound holiday travelers to all destinations are viewing natural and scenic attractions, shopping and visiting historic and cultural attractions. Viewing natural and scenic attractions is seen to the Japanese as ways of refreshing themselves while overseas.

TOURIST TRAVEL BY SEASON [8], [10]

The Japanese travel year round. Peak period is August, September and October.

Japanese travel to North America is seasonal with a peak in March and in July-September. (In 2005 travel during these months accounted for approximately 44.5% of total Japanese customs entries to BC).

Japanese travelers appear to be shifting summer trips to the fall to take advantage of lower rates. In 2004, slight increases were experienced in October and November. This growth is likely due to the popularity of fall cooler tours.

Most Japanese employees have approx. 20 days of paid holidays. Usually only less than half of this amount is used.

Public Holidays 2007

January 1st	New Year's Day (Ganjitsu)
January 8 (second Monday)	Coming-of-Age day (Seijin no hi) (people who turn 20 this year are celebrated)
February 11	National Foundation Day (Kenkoku Kinen no Hi)
March 21	Vernal equinox (Shumbun no Hi) (for the admiration of nature and love of living things)
April 29	Greenery Day (Midori no Hi) (the name Shōwa Day in honor of the late Emperor)
May 3	Constitution Day (Kempo Kinembi)
May 5	Children's Day (Kodomo no Hi)
July 16 (third Monday)	Marine Day (Umi no Hi)
September 17 (third Monday)	Respect-for-the-Aged Day (Keiro no Hi)
September 23	Autumnal Equinox Day (Shubun no Hi)
October 8 (second Monday)	Sports Day (Taiiku no Hi)
November 3	Culture Day (bunka no Hi)
November 23	Labor Thanksgiving Day (Kinro Kansha no Hi)
December 23	Emperor's Birthday

School holidays

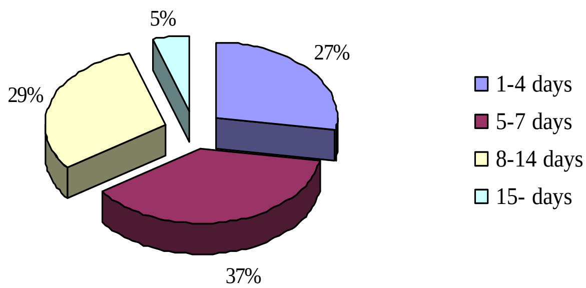
March–April	12 days
July–August	43 days
December–January	14 days

LENGTH OF STAY [2], [14]

In 2001 the average length of stay for an outbound holiday trip was 8.7 days. In 2005, 76% of recent outbound holiday makers traveled for 4 -7 nights on their most recent long-haul trip outside of Japan. Some of this may be a function of the reduced number of outbound business trips.

The average trip length for a Japanese visitor to Canada is usually no more than 7 nights.

Figure 9-3
Length of Outbound Trips, 2004



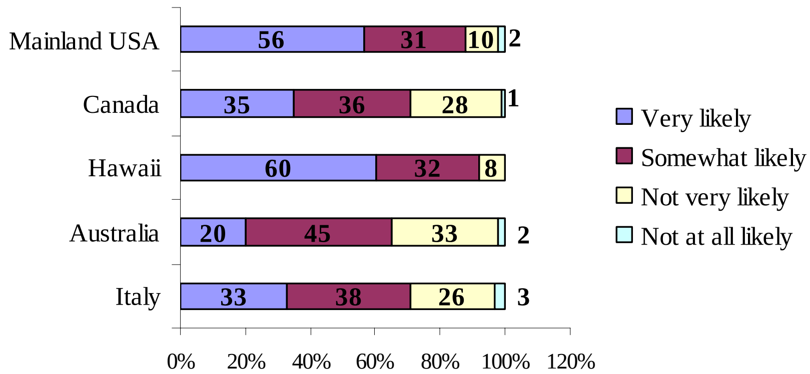
FREQUENCY OF TRAVEL [7]

In 2005, Japanese long-haul travelers placed a high value on travel, but are taking fewer trips and not traveling as far as they used to. Up 14 points from 2000, nearly half of Japanese travelers agree that they now take fewer overseas trips than they used to.

Hawaii draws repeat travelers, probably because of its relative proximity and appreciation for beach holidays.

Almost 40% Japanese travelers indicate that they would be very likely to travel to Canada again within the next five years.

Figure 9-4
Likelihood of Repeat Trips to Certain Destinations

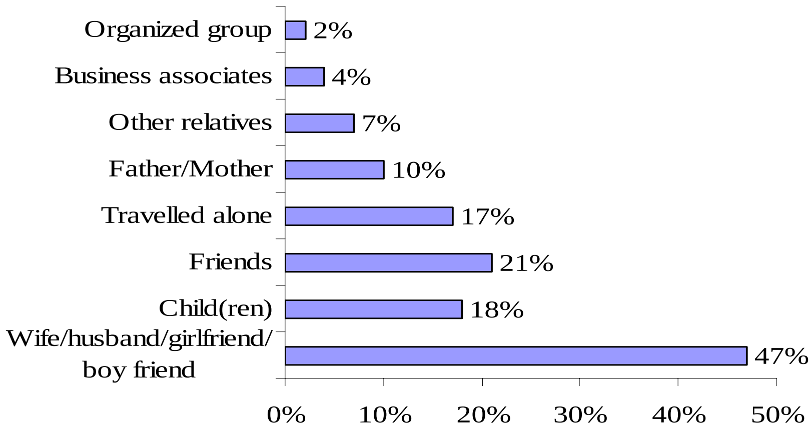


MAIN COMPANIONS OF TOURISTS [4]

Japanese long-haul travelers are traveling more with spouses and significant others than with friends and business associates. Trips with children have increased.

During 1995-2005 the number of Japanese traveling alone versus in groups has increased consistently. This suggests the growing importance of the fully independent traveler (FIT) segment.

Figure 9-5
Japanese Outbound Holiday Trip Companions, 2005



ACCOMMODATION PREFERENCES [11]

Japanese couples prefer twin beds to doubles.

Standardization—groups all like to have the same type of room.

TRANSPORT USED FOR OUTBOUND TRAVE12]

For the majority of outbound trips the plane is the most used type of transport with the most popular airports:

Airport	Share
Narita	50.4%
Kansai International	25.4%
Nagoya	10.2%

DEMOGRAPHICS OF OUTBOUND TOURISTS [7]

Japanese of all ages travel overseas. In 2000 40% of the population aged 50-70 years old was classified as long-haul travelers (13.6 million). In 2005 this number dropped by 28% to 9.8 million.

- More likely to be married or living with their spouse or partner
- 85% of Japanese consider themselves to be of middle class income.

Figure 9-6
All Outbound Japansese Travelers by Gender, 2005

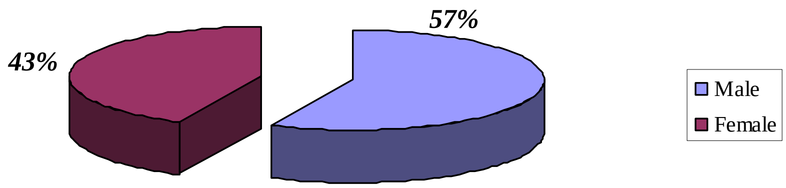
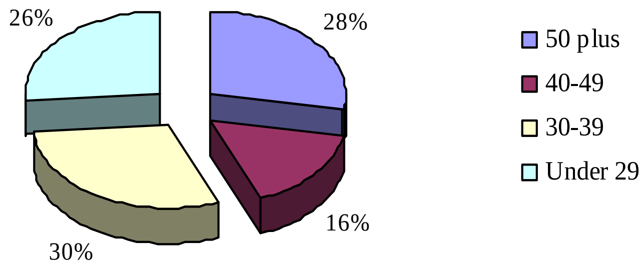


Figure 9-7
All Outbound Japansese Travelers by Age, 2005



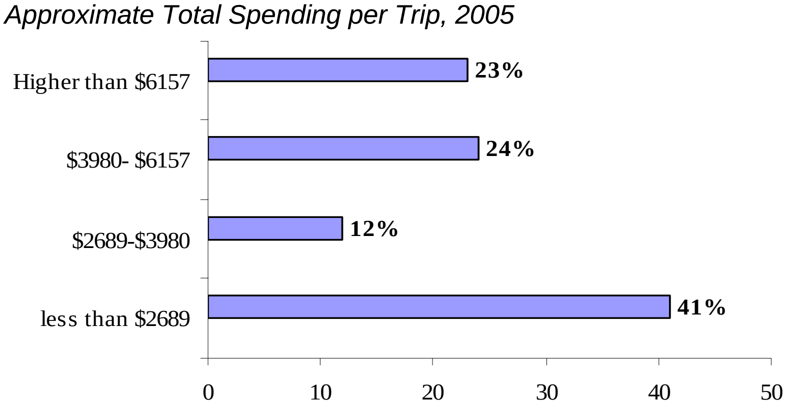
TRAVEL SPENDING [2]

The average expenditure for outbound trips in 2004 was US$2,816 per trip per person. The average expenditure in Europe was US$4,367. These figures include air transportation, the overall spend in market would be typically lower.

Table 9-2
*Average Expenditure on Outbound Ho**liday Trips**, 1995, 2004, 2005*

	1995	2004	2005
Per person	$3,522	$2,816	$2,150
Per person per day	$408		$313
Per party	$5,887		$5,492

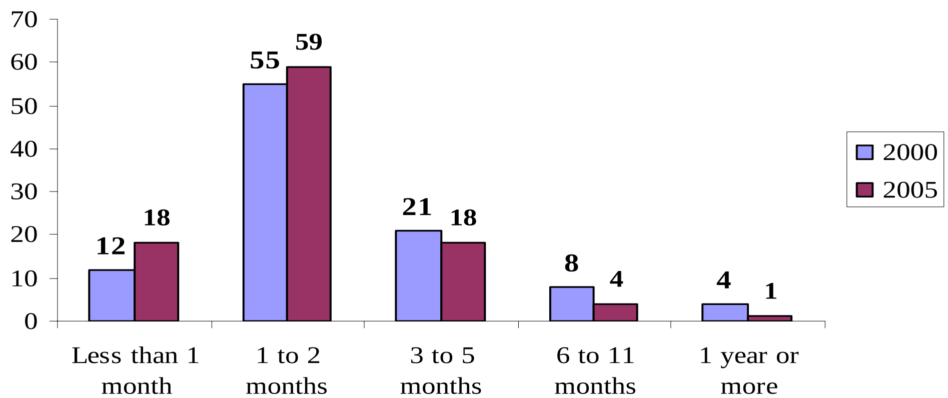
Figure 9-8
Approximate Total Spending per Trip, 2005



USE AND TRENDS IN BOOKING PATTERNS [2], [7]

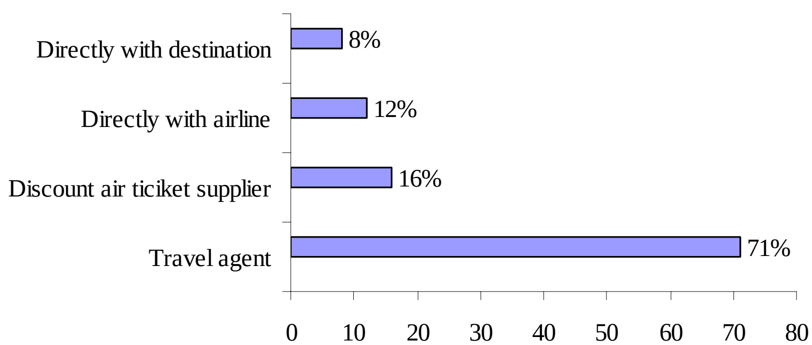
While a large majority of Japanese travelers continue to book their long-haul holiday trips one to two months in advance, there has been a slight shortening of the travel horizon. The shift likely reflects structural changes enabling more flexible booking and travel, the use of the Internet, and the growing independence of the Japanese market.

Figure 9-9
Booking Before Departure for Holiday Trips, 2005



Japanese consumers generally book their long-haul holiday trips through travel agents, despite the fact that travel agents are not the top source of information for trip planning.

Figure 9-10
Outbound Holiday Trips Booking Pattern



Given the decrease in airline ticket commissions to travel agents, the prevalence of discount tickets offered directly by airlines, and more widespread Internet access, more Japanese are now booking their long-haul holiday trips through airlines.

The relatively high use of packaged vacation travel remained consistent in 2005, yet the number of Japanese reporting "group" travel has decreased. Package tours have become more diversified, ranging from low priced tours to costly, high quality, all-inclusive tours. The range of package tours reflects the polarization of demand.

- In Japan, to figure out where to go for vacations, methods used by Internet users in 2005 (as a % of respondents) were (1) Personal recommendation, 52%; and (2) Web search 53%
- Only 6% of Japanese travelers booked all of their travel online. Percentage of Internet users in Japan considering that online travel services are very good is 8%.
- Regarding e-commerce Japan is the biggest market in the region with sales in 2004 of $38.4 billion, making it roughly one-third the size of the US market.
- Broadband households and penetration level in Japan in 2011 will be 34.6 million or 76.1% of total households (up from 26.0 million in 2007 or 57.3%). According to Point Topic, in the first quarter of 2006 Broadband subscribers in Japan, were 23,447,000.

TRAVELERS' DEMANDS, EXPECTATIONS AND BEHAVIORS [7], [8], [11]

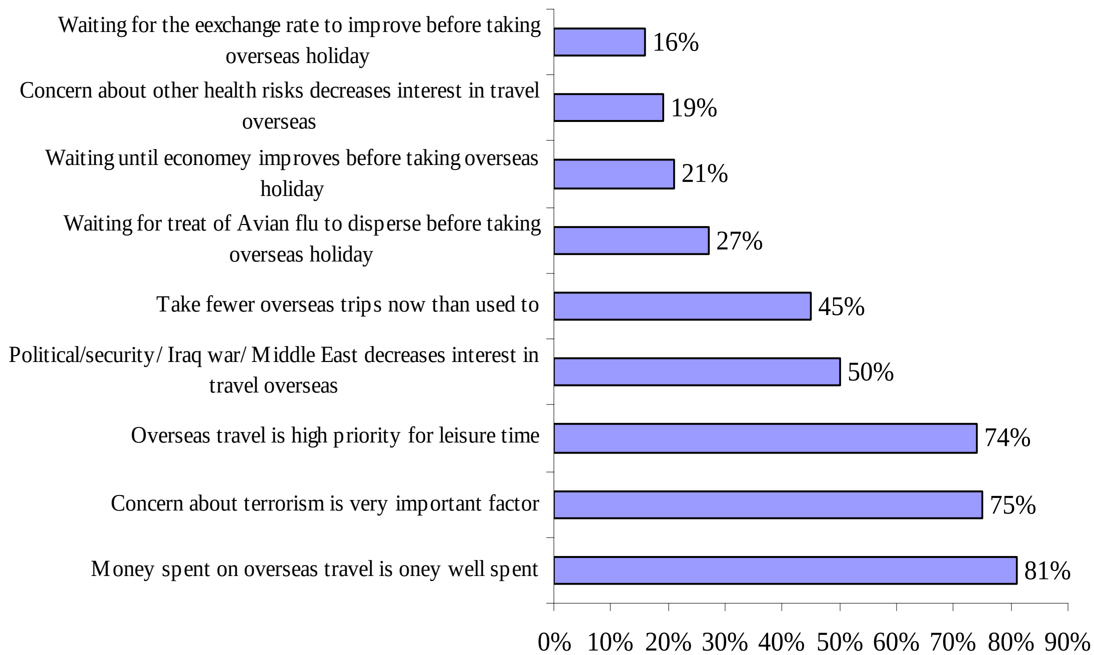
- Consumers attach a high normative value to outbound trips, as evidenced by 81% of the outbound travelers agreed that "money spent on outbound trips is money well spent" and 74% consider that "outbound travel is a high priority for their holiday time."
- Long-haul trips may be viewed as an activity based on perceptions associated with value.
- Attention to detail—a little goes a long way.
- They emphasize quality, human relationships, perseverance and long-term commitment.
- Language barriers make it difficult for them to complain or ask for improved service. Upon return to Japan, they will tell their friends and family, and the tour organizer will be contacted and complaints will be made accordingly.

Travelers' Demands and Expectations

- Japanese travelers like to observe local culture, history and daily life—a shift from "visual" tours to "journeys of expectations."
- Japanese are used to fast, good, clean and polite service
- Japanese travelers are very sensitive on safety issues
- Access to Japanese cuisine
- Dining - light, small fresh meals; well presented small portion
- Trip and activity related attributes are moderately important, with attributes related to urban and outdoor experiences, such as nice scenery, having fun and being entertained and experiencing a different culture considered top in these categories. The analysis appears to confirm that Japanese value a high quality urban experience (good friendly service) with the availability of outdoor product.

- Translation—Japanese versions of literature, menus, instructions, travel info either offline or online.

Figure 9-11



Attitude toward Overseas Travel 2005

BUSINESS PROCEDURES WITH TRAVEL COMPANIES [13]

While the market is moving to a less structured environment, the travel agent remains an absolutely essential component, especially in terms of booking all types of travel.

Japanese companies see quality, commitment to the consumer, and value-for-money as essential and will not compromise on them. They must be sure that the opposite side will not compromise either.

Getting business from Japan depends very often on personal contact. Effective personal contact can be developed over time, either through a series of visits to, or representation in, Japan.

Things go more smoothly if an associate of a Japanese business man or official arranges an introduction first.

Initial interest: During the first visit sales calls may not generate any business. Do not be misled by any apparent interest in the product. A trusting relationship must be built before anything but chance business materializes.

Letter writing: the letters may not be answered. Decision making may be slow or it may simply be that the Japanese prefer to wait for face- to- face contact.

Commitment to market: Take at least 3 years insistence, and modify the product to meet Japanese needs where necessary. Keep the visits going; send messages and New Year cards.

MEDIA INFORMATION RELATED TO TOURISM [7], [13]

The circulation of monthly magazines is about 2.8 billion and that of weekly magazines is about 2 billion. This means that the average Japanese reader buys over 30 magazines a year. There has been consolidation in the number of consumer travel magazines. Overseas magazine alone now dominate the mass market consumer travel magazine sector.

The Advertiser's guide to Magazines in Japan is the best English language source of information on magazine advertising, and is available from at http://zakko.or.jp/eng

Internet: The Internet is gaining in importance as an information source and booking tool predominantly due to the growth in the FIT and unstructured travel markets. With increased access to travel information via the Internet and the resulting increase in decision autonomy, word-of mouth and influence from others is becoming less important, requiring precisely targeted marketing and a good Internet presence.

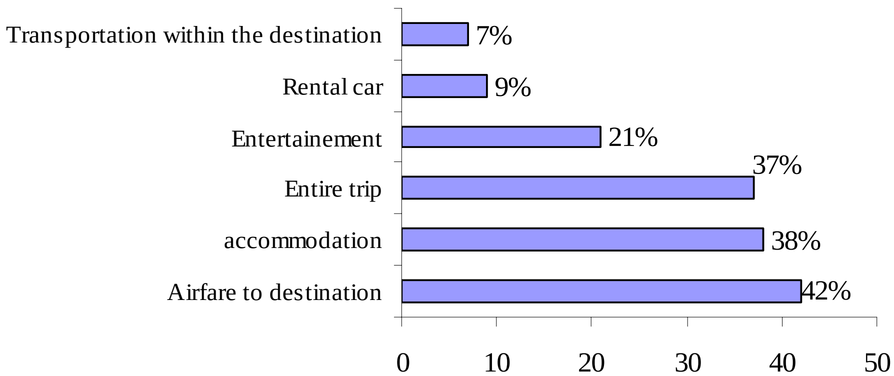
The percentage of Japanese travelers who consider the Internet as among the most important sources of information for trip planning as has grown nine-fold since 2000 to 45%. More than 50% of the population has access to the Internet and this figure is projected to grow still further to reach almost 70% by 2007.

Changes in travel patterns to less structured programs have also opened the opportunity for direct communications with Japanese consumers, especially through the use of the Internet and electronic media.

A study reported in the May 2004 Travel Journal International revealed that hotel bookings and air tickets are among the top purchases made on the Internet by Japanese consumers.

- An additional sign of the growing independence of Japanese travelers is that the percentage of people who believe that, books and travel guides are important resources for trip planning has nearly doubled.
- Trip components most commonly purchased on the Internet include airfare, accommodation, or entire trip packages.
- Travelers are also increasingly getting travel information from airlines.

Figure 9-12
Holiday Trip Components Booked Through the Internet



TRAVEL FAIRS [9], [14]

The main travel fair in Japan is the JATA world tourism and congress Travel fair held annually in September. JATA World Travel Fair is recognized as Asia's largest travel trade and consumer travel exhibition.

JATA WORLD TRAVEL FAIR

Date: 14-16 September, 2007
Venue: Tokyo Big Sight

2006 Statistics

Travel Trade Visitors and Journalists	38,048
General Customers	68,193
Exhibition Booths : exhibition booths	924
Exhibitors from	770
Participating countries and regions	131

Table 9-3
Services Offered at JATA World Travel Fair

Service	Description	Price (US$/unit)
Standard Booth		3,848.19
Space only	1 unit=9 sq. m, minimum 4 units required	3,334.77

Contacts

Tel: 03-5368-1170
Fax: 03-5368-1172
Email:expo@jata-wtf.com
Website: www.jata-wtf.com

TRAVELERS' INTERESTS, HABITS, AND MOTIVATION [2], [8]

Japanese to Canada

Japanese travelers are very interested in changing seasons and natural phenomena, such as aurora, spring blossoms and fall leaves.

Despite Canada's image as a destination for outdoor activities and nature, large percentages of Japanese are engaging in typically urban activities while in Canada.

The two key drivers of Canada's travel brand are:

- Cultural experience and outdoor environment stand to have the greatest impact on Japanese consumers' perceptions of Canada as a premier long-haul trips destination. Canada is well known for its outdoor environment, wilderness and nature in Japan, but less so for its urban attractions.
- Shopping, fine dining, and taking in culture or historical sites are each activities that two in ten or more Japanese travelers report having done while in the country.

In summary, one of the key motivational segments of the Japanese long-haul market is the fun-seeking market. This group, approximately 11% of the total market, is motivated by Canada's food and shopping product, despite the relatively low perceptions of Canada's cultural experience.

TOURISM ASSOCIATIONS, TOUR OPERATORS, TOURISM PLAYERS [5], [14]

Tourism Associations

Japan Association of Travel Agents (JATA). JATA is responsible for implementing three legal operations: settling customer complaints, maintaining a compensation system, and conducting examinations and training. These operations help travel agents maintain good customer relations and address difficult issues that might arise between two parties.

Travel agencies meeting JATA's guidelines may display the official "electronic-Travel Business Trust" (e-TBT) logo on their websites. The placement of the e-TBT logo gives the consumer an easily identifiable and concrete way of telling the difference between reputable travel providers and those that are not.

JATANAVI: JATA encourages the digitalization of information and through its JATANAVI intranet provides all members (active, associate and allied) with a wide range of information, including travel destination data and visa regulations around the world. www.jata-net.or.jp

JATA-NET: JATA reaches out to JATA members, travel and tourism industry professionals and general consumers through its website, JATA-NET. The site provides up-to-date information on travel campaigns, tips for safe travel, travel cautions and restrictions by other governments, together with a wide variety of practical travel information. www.jatanet.web.infoseek.co.jp

Japan Ecotourism Society (www.ecotourism.gr.jp)

International Tourism Center of Japan (www.itcj.or.jp); (www.itcj.jp)

Japan Tourist Association JTA (www.vjc.jp)

Overseas Tour Operators Association of Japan (www.otoa.com)

Tour Operators

- ADR Co., Ltd. (www.adr-jp.com)
- The Aeon Nice Network (www.aeonet.co.jp/abroad/index.html)
- Air and Sea Service Co., Ltd. (www.travelInternet.co.jp)
- Air International Service Corporation
- Alice World Inc. (http://www.alice.co.jp)
- Apex International Inc. (www.apex-asia.co.jp/)
- Arrowhead International Corporation (www.arrowhead.co.jp/)
- Asia Creative Tours Co., Ltd. (www.jade.dti.ne.jp/~act)
- Canadian Network Inc. (www.outdoor.co.jp/tour/canadian/)

SWOT ANALYSIS OF JAPAN IN RELATION TO ARMENIA

Strengths	*Weaknesses*
• Different culture and religion/ new experience • Numerous museums and places for sightseeing • Numerous restaurants and cafés in Yerevan • Specific cuisine • Beautiful nature, mountainous landscape • Interesting flora and fauna • Possibility of hiking, climbing and other open door activities • Online travel information • Online visa access • Different types of accommodation available • Low cost of internal transportation • Armenia is not associated with terrorism	• No direct flights to Armenia • Difficult transportation outside the capital • Huge gaps in providing services in regions • Not all information available in English or Japanese • Poor promotion of the country as a holiday destination • Difficult access to health care because of language • Poor online booking systems

Opportunities	*Threats*
• All-inclusive packages are not very important for the Japanese • Japanese outbound tourism is growing • Touring holidays and city breaks are getting more popular • Agritourism, eco tourism and soft adventure are interesting niche markets • Japanese dine often in restaurants • Japanese like visiting cities and are interested in cultural sightseeing • They like discovering landscape and nature	• Lack of political stability/ Karabakh conflict • Not an easy destination to travel even by air

10. The Netherlands

Size of population in 2004: 16,299,170

Number of outbound holiday trips in 2004: 17,736,000

Percentage of population making outbound holiday trips:

Major outbound holiday destinations in 2004: France, Germany, Spain, Italy, Belgium, Austria, Turkey, Great Britain

Average length of stay for outbound holiday trips in 2005: 11 nights

Prices for round-trip air ticket AMS-EVN in summer season (economy class):
Lowest–US$573, Czech Airlines
Highest—US$1,265, Armavia

Number of direct flights to Armenia each week: 2

Outbound holiday trips as a percentage of all outbound trips 2004: 85% (Holiday + VFR)

SOURCES OF INFORMATION USED

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5. http://tourism.australia.com/content/Netherlands/profiles_2006/Netherlands_visitor_profile_06.pdf
6. USAID Geographical and activity-based market research for Croatia
7. http://www.tourismtrade.org.uk/Images/Profile_Netherlands_tcm12-22121.pdf
8. USAID & CAPS Internet usage research

OUTBOUND TRAVEL NUMBERS AND DESTINATIONS [1]

The Dutch took 20.9 million outbound trips in 2004, a 5% increase on the previous year.

Table 10-1
Total Annual Number of Outbound Trips, 2000–2004

	2000	2001	2002	2003	2004
All trips	18,217,000	18,276,000	18,804,000	19,861,000	20,853,000

Source: ETM 2000–2004

Average annual growth of 3.4% was achieved in trips taken between 2000 and 2004.

Table 10-2
Total Annual Number of Outbound Holiday Trips, 2000–2004

	2000	2001	2002	2003	2004
Holiday trips	13,822,000	14,120,000	15,189,000	16,629,000	17,736,000

Source: ETM 2000–2004

France remains the most popular destination, with a 22% share in 2004, followed by Germany (14%) and Spain (12%).

The shares of Spain, Italy and Belgium have dropped while shares of Turkey and Great Britain have increased.

Table 10-3
Favorite Dutch Holiday Destinations Abroad, by Year, 2002–2004

Destination	2002	Share%	2003	2004	Share%
France	3,715,000	24	3,875,000	3,840,000	22
Germany	2,302,000	15	2,275,000	2,428,000	14
Spain	2,243,000	15	2,226,000	2,106,000	12
Italy	1,425,000	9	1,385,000	1,145,000	6
Belgium	1,404,000	9	1,477,000	1,475,000	8
Austria	1,284,000	8	1,378,000	1,393,000	8
Turkey	807,000	5	859,000	1,290,000	7
Great Britain	794,000	5	974,000	1,083,000	6

Source: ETM 2000–2004

In 2006, the Dutch took 16,800,000 holiday trips (ContinuVakantieOnderzoek).

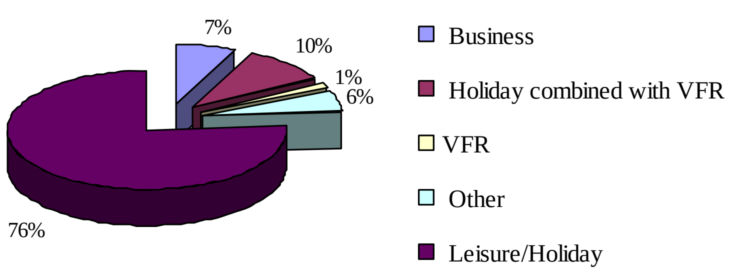
The outbound travel market exceeds the population (in 2003 and 2004) due to multiple trips.

Holiday trips grew by 7% in 2004 and on average since 2000 by 6.4% annually.

Holiday trips to Armenia in 2004 numbered 1,102, or 0.006% of all outbound holiday trips taken by the Dutch.

PURPOSE OF TRAVEL [1]

Figure 10-1
Purpose of Outbound Trips, 2004



Source: ETM 2000 - 2004

FACTORS AFFECTING CHOICE, SOURCES OF INFORMATION USED [2], [6]

Factors Affecting Choice

The Dutch look for quality and value for money. They are very price-sensitive. Budgets differ, but generally speaking, Dutch groups are looking for good quality accommodations.

One of the motivating factors for outbound trips is the opportunity to experience a wide and varied landscape and to practice outdoor activities and soft adventure, particularly walking and cycling. Dutch travelers are increasingly looking for holiday options that give them a memorable and rewarding holiday experience.

Sources of Information

Before traveling, the Dutch try to find out as much as possible about their destination through the Internet, books and brochures.

For 60% of all Dutch travelers, the Internet is the major source of information for their trips. Other major sources of information are personal recommendations and TV programs.

Travel information sources (2005):

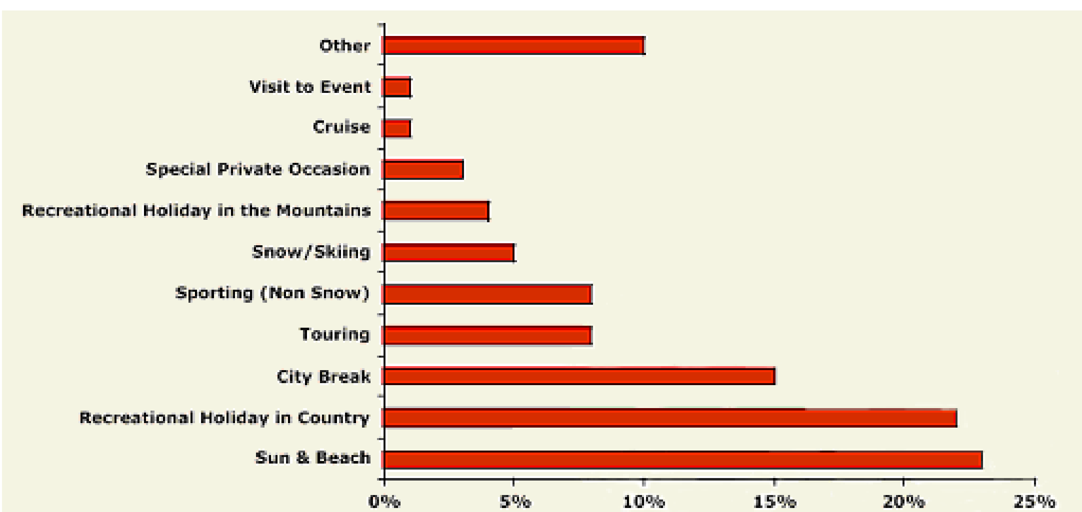
- Web search: 60%
- Personal recommendation: 43%
- TV program: 23%
- Travel agent's office: 14%
- Newspaper: 11%
- Other method: 7%

INTERESTS OF THOSE TRAVELING ABROAD [1]

Preferred holidays in 2004 were sun and beach (23%), closely followed by recreational holidays in the countryside (22%), city breaks (15%), sporting (8%) and touring (8%).

The Dutch like the mountains. This phenomenon is due to the topography of the Netherlands that is mainly flat with half of the land below sea level. They like active holidays involving sports such as hiking and walking. The Dutch like also to cycle in countries such as France, Spain, and Italy because these countries offer them a great variety of landscape and cultural sights.

Figure 10-2
Favorite Types of Holidays of Dutch



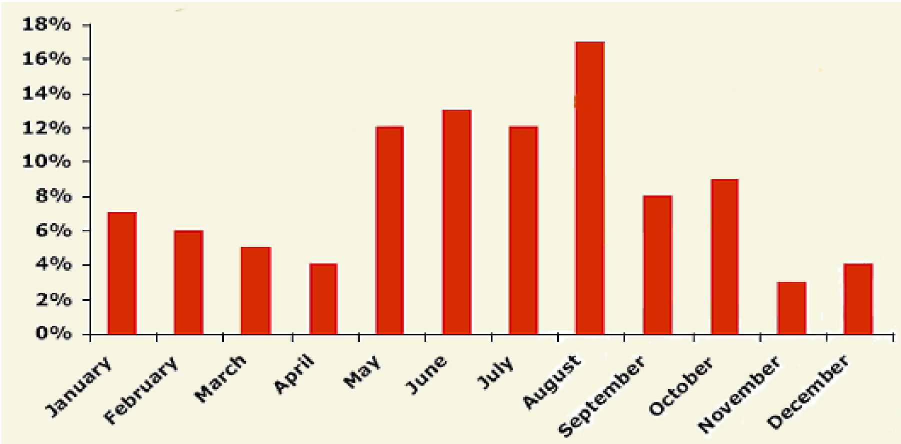
Source: ETM 2004

TOURIST TRAVEL BY SEASON [1], [2], [3]

In 2004 54% of outbound holiday trips were mostly made between May and August.

August had the greatest share - 17%.

Figure 10-3
Outbound Holiday Travel of Dutch by Month



Source: ETM 2004

Vacations

The Dutch are entitled to at least 4 weeks of paid vacation per year.

Public Holidays

January 1	New Year's Day
March/April	Easter
April 30	Queen's Day (Koninginnedag)
May 4	Remembrance of the Dead
May 5	Liberation Day
40 days after Easter	Ascension Day
7 weeks after Easter	Pentecost
December 5	Saint Nicholas' Eve
December 25, 26	Christmas

School Vacations

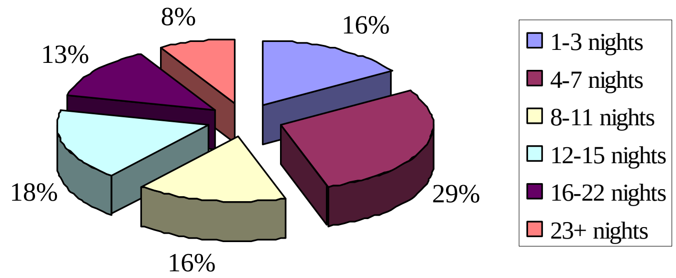
October	9 days
Christmas holidays	15 days
February	9 days
April/May	9 days
Summer holidays	40 days

LENGTH OF STAY [1]

- Average length of stay for an outbound holiday trip was 11 nights in 2004.
- 60% of outbound holiday trips were under 12 nights.

- The highest proportion (29%) lasted 4-7 nights. These trips were mostly pre-booked using train and plane as mode of transport

Figure 10-4
Length of Stay



Source: ETM 2000 - 2004

FREQUENCY OF TRAVEL [2]

In 2004 the Dutch made on average 2.8 outbound holiday trips per year.

MAIN COMPANIONS OF TOURISTS [1], [7]

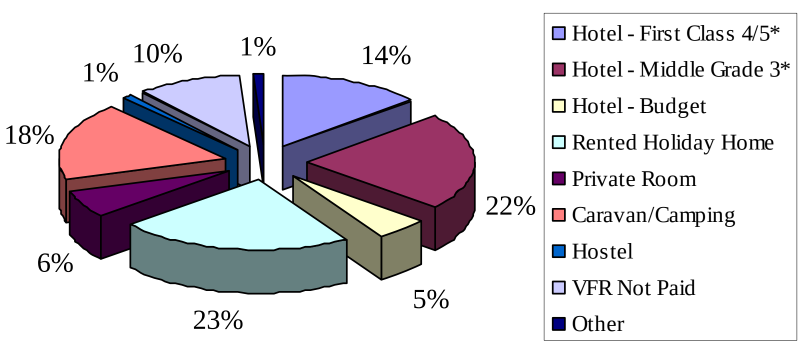
In 2003, 42% of all Dutch visitors to UK were lone travelers (IPS):

Traveling Group 2003	% of Visits
Lone traveler	42
As a couple/with partner	18
Group of friends	8
Family group	17
Business colleagues	9
Tour group	6

ACCOMMODATION PREFERENCES [1]

- Most popular accommodation: prebooked hotel, middle grade, three-star hotels
- One in four used rented holiday homes
- 18% used caravan or camping-type accommodation

Figure 10-5
Accommodation Preferences of Dutch Outbound Holiday Makers

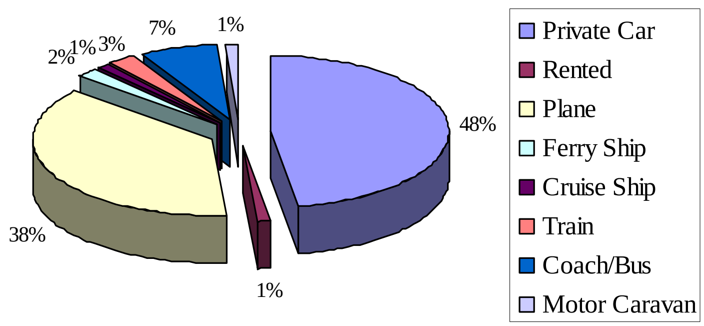


Source: ETM 2004

TRANSPORT USED FOR OUTBOUND TRAVE1]

- The proximity to their favored holiday destinations meant the car was the most used mode of transport (48%) in 2004
- 38% used air transport (2004)

Figure 10-6
Mode of Transport of Dutch Holiday Makers



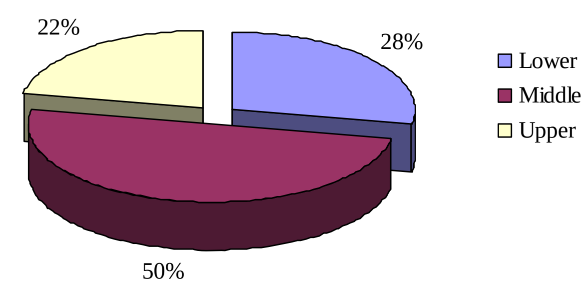
Source: ETM 2004

DEMOGRAPHICS OF OUTBOUND TOURISTS [1]

Outbound holidaymakers belong mostly to upper income households, middle social class and are well distributed between the ages of 25 and 65 years.

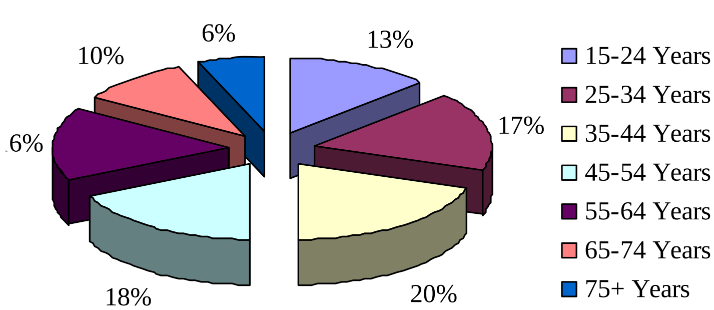
Sixty-five percent of outbound holidaymakers belong to an upper income household.

Figure 10-7
Social Class of Dutch Outbound Travelers, 2004



Source: ETM 2004

Figure 10-8
Travel by Age Group

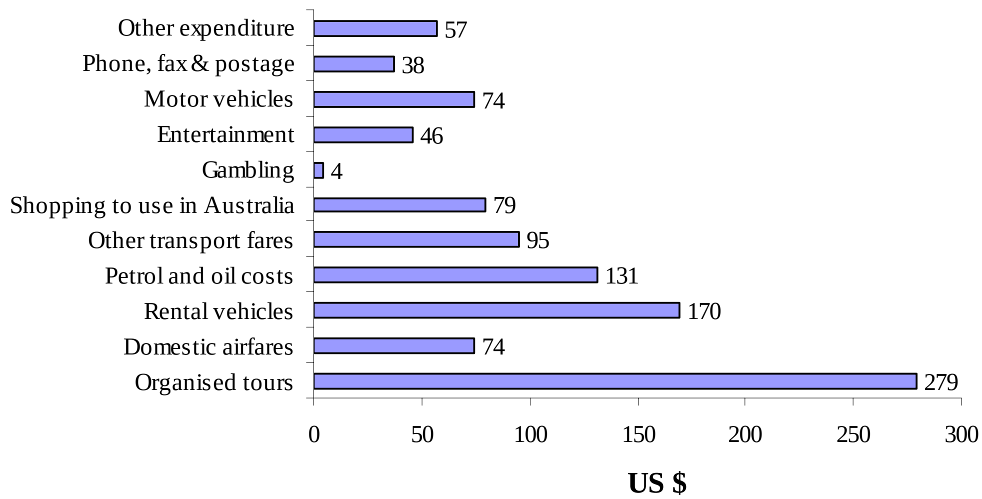


Source: ETM 2004

TRAVEL SPENDING [4], [5]

In 2006 the average expenditure of the Dutch per outbound holiday trip was US$826[8] while the average expenditure of the Dutch per outbound trip for all categories in 2002 was US$1,087. The average expenditure for outbound holiday trips only (excluding business and VFR trips) was US$775.

Figure 10-9
Average Spending for Dutch Visitors to Australia by Item, 2005 (Excluding International Airfare)



Travelers from the Netherlands spend on average $4,431 per trip to New Zealand (2005).

USE AND TRENDS IN BOOKING PATTERNS [2]

- The Dutch are late bookers.
- 15% of Dutch online consumers book all of their travel online.
- The younger generation is increasingly using the Internet for bookings.
- Other methods are by phone (33%) and at a travel agency (17%).

For long-haul trips, though, 76% of the travelers will go to a travel agency to book the trip and only 24% book online. Dutch travelers trust a travel agency to give better and more advice and to have more knowledge on long-haul destinations. However, before visiting the travel agency almost 75% check the Internet for prices and destinations.

- 85% of travelers prebook their outbound holiday, 54% of which using the travel trade
- 35% preferred inclusive or package-type holidays.
- 21% pre-booked their hotel accommodation directly.

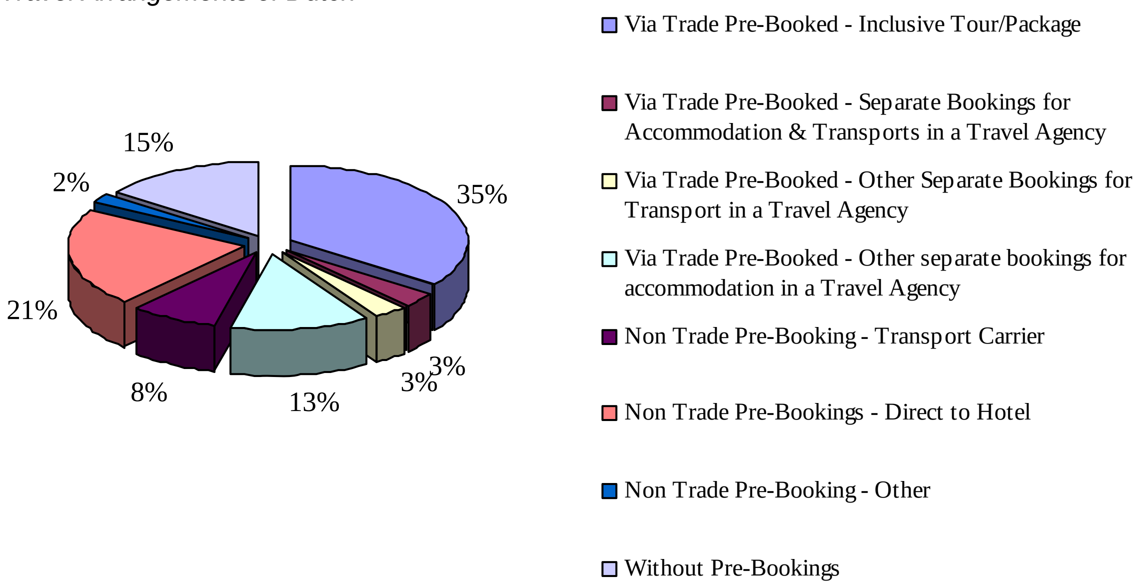
[8] Total expenditure for outbound trips/Number of outbound holiday trips = 10,400,000,000 €/16,800,000

Table 10-4
Popular Dutch Travel Sites

Name	Website	Remarks
ANWB	http://www.anwb.nl	Dutch Touring Club
D-reizen	http://www.d-reizen.nl	Travel Agent
Expedia	http://www.expedia.nl	General travel and booking site
KLM	http://www.klm.nl	Dutch Airline
Vliegwinkel	http://www.vliegwinkel.nl	Mainly flight tickets
Weekendjeweg.nl	http://www.weekendjeweg.nl	General travel and booking site

Source: Facts Figures Future (2006)

Figure 10-10
Travel Arrangements of Dutch



Source: ETM 2004

TRAVELERS' DEMANDS, EXPECTATIONS, AND BEHAVIORS [6]

- The Dutch have a good command of the English language and like to use it. However, when marketing to the Dutch, language becomes very important. It is better to translate into Dutch the website and the promotional literature, wherever possible.
- Personal advice is always appreciated, and recommendations on things to see and do in the area, where to eat out, how to use public transport etc. can encourage Dutch visitors to come back.
- For the Dutch, cleanliness is very important. Complaints from Dutch visitors should be resolved on the spot.

BUSINESS PROCEDURES WITH TRAVEL COMPANIES [2]

Business Culture

The following tips are important while dealing with Dutch trade partners:

- Make appointments in advance – preferably by fax or e-mail and if necessary place a follow-up phone call a few days later. Reconfirm verbal arrangements by e-mail, fax or letter.
- Send potential business partners your sales documentation in advance, so that they can prepare.
- Punctuality is very important.
- Get to the point. Your contacts will assume you want to do business and are much more likely to respond positively to a direct approach.
- Prove that you are seriously interested in doing business by following up as soon as you get home.

Practical Tips

As most Dutch tour operators publish their catalogues in November or December, negotiations should be finalized before April, so as to visit the location and accommodation before the high season and start preparations of the catalogue in September.

Payment methods vary considerably according to the type and location of the service. Usually, tour operators enter into contracts with locally established businesses and operate on the basis of this contract. The consumer pays the travel agency, who in turn pays the tour operator, who then pays the local company. This can occur before or during the stay of the tourist and if it concerns a well-respected tour operator, payment can occur after the stay as well.

Finding Business Partners

The following sources are helpful in finding potential business partners:

- Dutch Association for Travel companies, http://www.anvr.nl
- Europages, http://www.europages.com.
- Travel portals such as www.vakantiesites.com and reizen.startpunt.nl

MEDIA INFORMATION RELATED TO TOURISM [2]

Trade Press

Main travel trade magazines:

DIT Reismanagement, N/A
Reisrevue, www.reisrevue.nl
Toeristiek, http://www.toeristiek.nl/international/default.asp?active_page_id=3

Travelution, www.travelution.nl

Table 10-5
Relevant Consumer Magazine

Name	Circulation	Link
Azië Magazine		www.aziemagazine.nl
Backpackers		www.dorizon.nl/backpackers
Grande		www.grandemagazine.nl
Kampioen	3,500,000 monthly	www.kampioen.nl
Meridian		www.dorizon.nl/meridian
National Geographic Traveller (distributed in the Netherlands)		www.nationalgeographic.com
Op Pad		www.oppad.nl
Reis and Geniet		marlouvanparidon@chello.nl
Reizen	48 200 monthly	www.reizen.nl

Table 10-6
Other Relevant Issues

Name	Description	Link
AD Reiswereld	Weekly travel magazine appendix of one of the large Dutch newspapers	www.ad.nl
Telegraaf Reiskrant	Weekly travel magazine appendix of one of the large Dutch newspapers	reiskrant.nl

TRAVEL FAIRS [2]

VAKANTIEBEURS

Vakantiebeurs is the largest trade fair in the Netherlands.

Date: January 2008
Website: http://www.vakantiebeurs.nl/ (Dutch)

2007 Statistics

Exhibitors	> 1 000
Visitors	140 000
Total area	38 000 sq.m.

ITB

ITB is an important exhibition for the Dutch travel trade and is held each year in Germany.

Date: 5-9 March 2008
Venue: Berlin Exhibition Grounds

2007 Statistics

Exhibitors	10,923
Foreign exhibitors	8,465
German exhibitors	2,458
Participating countries	180
Visitors	177,154
Total area	150,000 sq. m.

Contacts

Luz Marina Heruday
Phone: +49 (0)30/ 3038 - 2127
E-mail: heruday@messe-berlin.de
Website: http://www1.messe-berlin.de/vip8_1/website/MesseBerlin/htdocs/www.fair.itb-berlin.de/index_e.html

TRAVELERS' INTERESTS, HABITS, AND MOTIVATION [1]

Main holiday motivations and perceived benefits include opportunity to relax, visit places of interest, hike/walk, sightsee and shop.

Table 10-7
Dutch Main Holiday Motivations and Perceived Benefits by Destination Type

Waterside	%	Touring	%	Countryside	%	Mountain	%	City	%	Sports	%
Relaxing	82	Visiting places of interest	74	Relaxing	77	Relaxing	76	Sightseeing, visiting places of interest	70	Hiking/walking	73
Swimming	82	Relaxing	72	Hiking/walking	75	Hiking, walking	73	Shopping	61	Motor sports	57
Sunbathing	75	Knowing the landscape	66	Enjoying holiday life	62	Enjoying meals and drinks	57	Enjoying meals and drinks	57	Discovering landscape and nature	55
Enjoy holiday life	71	New experiences	66	Visit objects of interest	57	Visiting objects of interest	54	Visiting museums	44	Enjoying meals and drinks	50
Enjoying meals and drinks	67	Getting to know the people	64	Enjoying meals and drinks	55	Sauntering, enjoying the atmosphere	35	Swimming	43		
Shopping	60			Discovering landscape and nature	52						
Switch off	60										
Hiking, walking	51										

Source: ETM 2004

TOURISM ASSOCIATIONS, TOUR OPERATORS, TOURISM PLAYERS [2]

Tour Operators

In 2006

- More than 350 tour operators
- Tour operators handle more than 20 000 travelers per year.

Major tour operating groups/companies in the Netherlands (Facts Figures Future 2006):

BBI Travel	http://www.bbi.travel	
De Jong Intra	http://www.dejongintra.nl	
Gogo Tours	http://www.gogo.nl	
My Travel	http://www.mytravel.nl, http://www.nbbs.nl and	http://www.traveltrend.nl
OAD	http://www.oad.nl	
Olympia	http://www.olympia.nl	
Sudtours	http://www.sudtours.nl	
Thomas Cook	http://www.thomascook.nl	
TUI	http://www.tui.nl	

Specialized Tour Operators

Specialized tour operators do not use travel agencies or other intermediaries.

Table 10-8

Examples of specialized tour operators in the Netherlands

Name	Website	Focus
African Holidays	http://www.africanholidays.nl	Africa
Baobab	http://www.baobab.nl	
Isropa	http://www.isropa.nl	Middle East
Sawadee	http://www.sawadee.nl	
Shoestring	http://www.shoestring.nl	
SNP	http://www.snp.nl	
SRC cultuurvakanties	http://www.src-cultuurvakanties.nl	
Topo Actief	http://www.topo.nl	Europe
VNC	http://www.vnc.nl	Asia

Source: Facts Figures Future (2006)

Travel Agencies

- 2,300 travel agencies
- Most of these agencies are only retailers, just selling package tours
- Tour operators have many travel agencies
- Travel agencies represent several tour operators
- Net results for travel agencies are under pressure as a consequence of an increase of online and direct bookings

In 2005, almost all Dutch travel agencies with outlets have transformed into a hybrid agency—a travel agency combining the advantages of the Internet (lots of information, 24/7 accessibility, searching in your own environment) with the services of a traditional travel agency (knowledge of travel trade, up-to-date information, advisory role).

Table 10-9
Examples of Travel Agencies

Name	Website	Number of outlets
Globe Reizen (OAD)	http://www.globereisburo.nl	220
TUI	http://www.tui.nl	210
D-Reizen	http://www.d-reizen.nl	170
Airtrade vakantieXperts	http://www.airtrade.nl http://www.vliegwinkel.nl	150
Toerkoop	http://www.toerkoop.nl	150
Thomas Cook	http://www.thomascook.nl	100
My Travel	http://www.mytravel.nl	42
Carlson Wagonlit	http://www.cwtleisure.nl	1
Aeroglobe	http://www.aeroglobe.nl	-
ATP	http://www.atp.nl	-
E-bookers	http://www.ebookers.nl	-
Elmar	http://www.elmarreizen.nl	-
Neckermann	http://www.neckermann.nl	-
Travelplanet	http://www.travelplanet.nl	-

Source: Facts Figures Future (2006)

Travel agencies without any outlets are purely online agencies.

Guarantee Fund

"Stichting Garantiefonds Reisgelden", is an independent foundation in the Netherlands that protects the consumer in case a travel agency goes bankrupt. However, the fund honors claims only under two conditions:

- Clients must have paid deposits or the total amount of the invoice to the agency or to the tour operator and
- The agency or the tour operator is unable to perform services as promised or unable to reimburse the amounts already paid by the client.

Website: http://www.sgr.nl/start.asp

Travel Trade Federation

- About 90% of the tour operators and agencies are full members
- Some tourist boards, reservation companies, hotel chains and carriers are associate members.
- Website: www.anvr.nl

SWOT ANALYSIS OF THE NETHERLANDS IN RELATION TO ARMENIA

Strengths	*Weaknesses*
• Rich culture • Easily recognizable religion • High amount of sun hours from April to mid-October • Specific cuisine • Numerous museums and places for sightseeing • Beautiful nature, mountainous landscape • Interesting flora and fauna • Possibility of hiking, climbing and other open door activities • Online visa access • Direct flights to Armenia • Low cost of internal transportation • Not associated with terrorism	• No beaches • Difficult transportation outside the capital • Not all information available in English or Dutch • Lack of promotion of the country as a holiday destination • Difficult access to health care because of language

Opportunities	*Threats*
• The Dutch love traveling • The Dutch like active holidays involving hiking and walking • High income of the Dutch • The Dutch like discovering landscape and nature • They like mountains	• Most of the Dutch prefer sun and beach holidays • Lack of political stability/Karabakh conflict • Currency fluctuation

11. Russian Federation

Size of population in 2006: 142,800,000

Number of outbound holiday trips in 2006: 7,752,847

Percentage of population making outbound holiday trips in 2006: Information not available

Major outbound holiday destinations 2006: Turkey, China, Egypt, Finland, Ukraine, Spain, Italy, Germany, Greece, United Arab Emirates,

Average length of stay for outbound holiday trips in 2005: Information not available

Prices for round-trip air ticket MOW-EVN in summer season (economy class):
Lowest—US$395, Aeroflot
Highest—US$981, Aeroflot

Number of direct flights to Armenia each week:

From	No. of flights	From	No. of flights
Chelyabinsk	1	Rostov	6
Ekateringurg	1	Samara	1
Krasnodar	5	Saratov	1
Mineralnye Vody	4	Sochi	6
Moscow	48	St Petersburg	4
Nizhniy Novgorod	1	Stavropol	2
Novosibirsk	3	Volgograd	1
Orenburg	1	Voronezh	3
Perm	1		

Outbound holiday trips as a percentage of all outbound trips 2006: 26.6%

SOURCES OF INFORMATION USED FOR RESEARCH

1. Federal Tourism Agency, http://www.russiatourism.ru/files/analiz-2006.doc
2. US Commercial Service, http://commercecan.ic.gc.ca/scdt/bizmap/interface2.nsf/vDownload/ISA_5326/$file/X_7164052.DOC
3. World Travel and Tourism Council, http://www.wttc.travel/bin/pdf/original_pdf_file/russianfed2006eng.pdf
4. Russian Association of Travel Agencies,-www.rata.ru
5. http://www.kwintessential.co.uk/resources/global-etiquette/russia-country-profile.html
6. http://www.mitt.ru/about/about_eng.php
7. http://www.mitf.ru/
8. http://www.miceforum.ru/index.shtml?l=eng
9. http://tourinfo.ru/articles/analytics/896/
10. http://www.tourismtrade.org.uk/Images/Russia_PDF_17M_tcm12-32252.pdf
11. ru.wikipedia.org

OUTBOUND TRAVEL NUMBERS AND DESTINATIONS 2006 [1]

- Total number of outbound trips in 2006: 29,107,224
- Total number of outbound holiday trips: 7,752,847
- Growth in comparison with 2005: 1.9%

Growth of the total number of outbound trips to seaside resorts:

Country	Growth 2005–2006
Greece	36%
Egypt	30%
Bulgaria	22%
Croatia	27%
Portugal	20%
Italy	16%

Top outbound destinations (2006):

Country	No. of Outbound Trips
Ukraine	6,461,234
Georgia	2,964,878
Kazakhstan	2,627,852
China	2,351,978
Finland	2,341,093
Turkey	1,830,251
Estonia	1,254,285
Egypt	1,002,460
Poland	848,680
Lithuania	837,778

Table 11-1
Top Outbound Holiday Destinations, 2006

Country	No. of Outbound Holiday Trips	Share of Total Outbound Holiday Trips (%)	No. of Total Outbound Trips
TOTAL	*7,752,847*	*100*	*29,107,224*
Turkey	1,475,558	19	1,830,251
China	1,307,009	16.8	2,351,978
Egypt	902,753	11.6	1,002,460
Finland	562,615	7.3	2,341,093
Ukraine	511,735	6.6	6,461,234
Spain	246,112	3.2	309,096
Italy	245,821	3.2	364,512
Germany	225,741	2.9	753,499
Greece	198,783	2.6	256,798
United Arab Emirates	173,885	2.2	234,205

According to the Russian Association of Travel Agencies' (RATA) statistics, despite the close economic and cultural ties that still exist between Russia and other countries of the former Soviet Union, more Russian nationals traveling abroad in 2005 visited non-CIS countries than CIS countries. The figures, however, do not reflect trips by immigrants and military personnel.

Figure 11-1
Outbound Trips to CIS and non-CIS Countries [2]

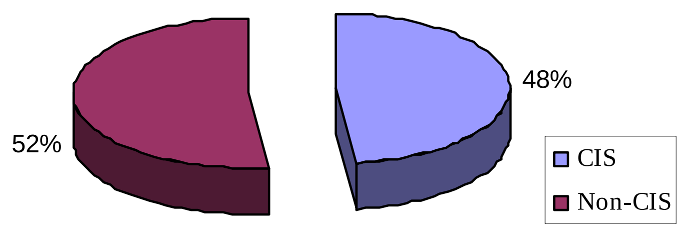


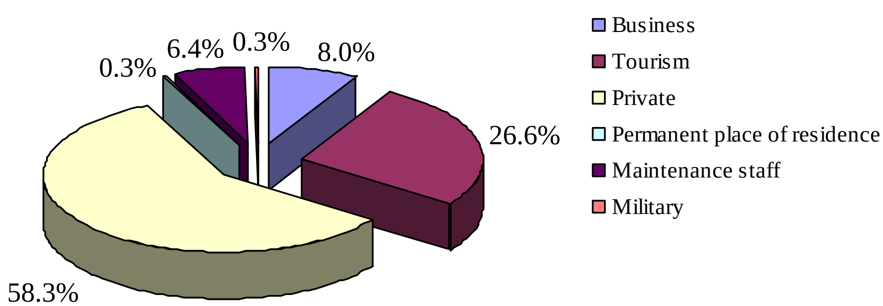
Table 11-2
Number of Trips to Armenia, 2006 [1]

Country	Business	Tourism	Private	Place of Permanent Residence	Maintenance Staff	Military	Total
Armenia	7,838	9,590	113,559	387	23,060	1,109	155,543

PURPOSE OF TRAVEL [1]

Country	Business	Tourism	Private	Place of Permanent Residence	Maintenance Staff	Military	Total
Ukraine	115,195	511,735	5,589,425	1,779	238,920	4,180	6,461,234
Georgia	6,406	7,481	2,937,382	413	11,972	1,224	2,964,878
Kazakhstan	97,839	51,849	2,320,150	1,317	154,453	2,244	2,627,852
China	545,586	1,307,009	321,460	254	177,666	3	2,351,978
Finland	427,045	562,615	1,111,521	45,969	111,502	82,441	2,341,093
Turkey	66,689	1,475,558	148,861	1,270	137,857	16	1,830,251
Estonia	37,643	71,088	1,094,637	12	50,876	29	1,254,285
Egypt	7,268	902,753	36,097	76	56,241	25	1,002,460
Poland	16,752	169,179	646,019	287	16,427	16	848,680
Lithuania	50,881	44,640	692,404	634	48,455	764	837,778

Table 11-3
Purpose of Travel



FACTORS AFFECTING CHOICE, SOURCES OF INFORMATION USED [3], [10]

An important factor of choice is the possibility to receive visas on arrival.

The key sources of information when planning an outbound trip are:

- Internet
- Word of mouth
- Travel agent

Secondary sources of information are:

- Guide books
- TV programs
- Magazines

INTERESTS OF THOSE TRAVELING ABROAD [3]

- Most of the growth out of Russia in the last four to five years has been for sun and beach destinations, notably Turkey and Egypt, both of which are increasingly sold on a year-round basis.
- Culture is rated highly by Russians, but it rates a poor second to sun and beach activities and relaxation.

TOURIST TRAVEL BY SEASON [11]

Russians have approximately 4 weeks of paid vacations per year.

Public holidays

January 1 – 5	New Year holidays
January 7	Christmas
February 23	Defender of the Fatherland Day
March 8	International Women's Day
May 1	Labor Day
May 9	Victory Day
June 12	Russia's Day
November 4	National Unity Day

School vacations

November	7 days
Christmas holidays	7 days
February	14 days
Summer holidays	90 days

LENGTH OF STAY [10]

- During 2005, 70% of Russian visitors stayed in the UK for less than 8 nights.
- 59% of holiday visitors to UK stayed for 4-7 nights.
- VFR visitors preferred a longer visit in the UK with 39% staying for longer than 15 days.

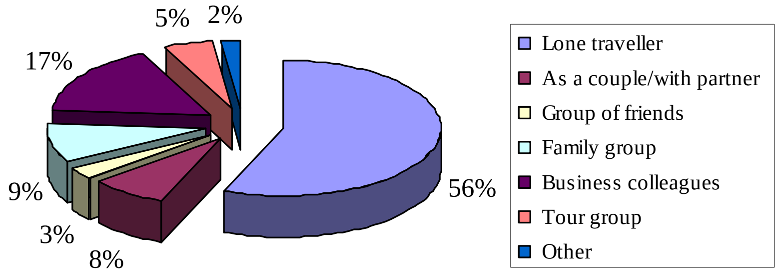
FREQUENCY OF TRAVEL [3]

- The middle Muscovite classes now go on holiday once a year – primarily in search of sun and beach, or even two or three times annually.
- 5-10% of the population makes outbound holiday trips every couple of months, including at Christmas and/or the New Year.

MAIN COMPANIONS OF TOURISTS [10]

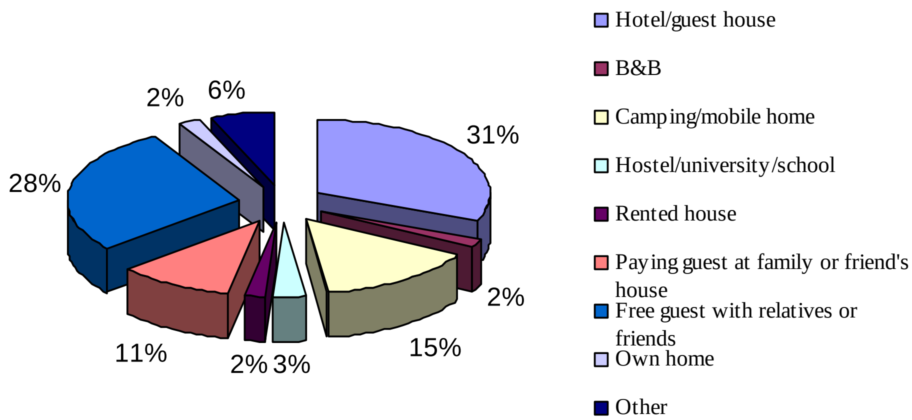
In 2003 56% of all Russian visitors to UK were lone travelers.

Figure 11-2
Russian Travel Companions, 2003



ACCOMMODATION PREFERENCES [10]

Figure 11-3
Russian Accommodation Preferences, 2005



TRANSPORT USED FOR OUTBOUND TRAVE3]

Almost 50% of all outbound trips to non-CIS countries made by Russians in 2004 were by plane, and preliminary estimates for 2005 suggest that the airline share is now well over 50%.

DEMOGRAPHICS OF OUTBOUND TOURISTS [3], [10]

It is no longer just the elite of Russian society who can afford to travel, although these 5 million or so elite travelers are clearly the most sought after segment.

- During 2005, 55% of Russian visitors to UK were aged 25-44.
- Female visitors to UK tend to be younger than male visitors. (IPS 2005)
- Overall, 53% of visitors to UK were male and 47% female.

Table 11-4
Gender of Russian Visitors to UK by Age Group

Age Group	Male (%)	Female (%)
0-15	2	7
16-24	12	24
25-34	27	34
35-44	32	18
45-54	15	14
55-64	8	3
54+	5	1

TRAVEL SPENDING [3]

In 2004 Russia was the ninth largest market, in terms of expenditure on travel (excluding spending before departure in Russia and all spending on transport). Russians are expected to climb up the ranking fairly rapidly.

USE AND TRENDS IN BOOKING PATTERNS – INTERNET, TOUR OPERATOR, TRAVEL AGENT, ETC [3]

A lot of trips are decided, and booked, at the last minute so Russians prefer to avoid the possible hassle of applying for visas. In 2004 75% of bookings were made within two weeks of departure.

TRAVELERS' DEMANDS, EXPECTATIONS, AND BEHAVIORS

Information not available.

BUSINESS PROCEDURES WITH TRAVEL COMPANIES [5]

Meeting Etiquette

- The typical greeting is a firm, almost bone-crushing handshake while maintaining direct eye contact and giving the appropriate greeting for the time of day.
- When men shake hands with women, the handshake is less firm.
- When female friends meet, they kiss on the cheek three times, starting with the left and then alternating.
- When close male friends meet, they may pat each other on the back and hug.

Naming Conventions

Russian names are comprised of

- First name, which is the person's given name
- Middle name, which is a patronymic or a version of the father's first name formed by adding '- vich' or '-ovich' for a male and '-avna' or '- ovna' for a female. The

son of Ivan would have a patronymic of Ivanovich while the daughter's patronymic would be Ivanovna

- Last name, which is the family or surname.

In formal situations, people use all three names. Friends and close acquaintances may refer to each other by their first name and patronymic. Close friends and family members call each other by their first name only.

Russian Business Etiquette and Protocol

Relationships and Communication

- Russians are transactional and do not need to establish long-standing personal relationships before they do business with people.
- It is still a good idea to develop a network of people who you know and trust. The Russian word "svyasi" means connections and refers to having friends in high places, which is often required to cut through red tape.
- Patience is essential.
- Sincerity is crucial as it is required to build trust, and trust is needed to build a relationship.
- Most Russians do not trust people who are "all business".
- An indication that you have successfully developed a personal relationship is being asked for a favor by that person.

Business Meeting Etiquette

- Appointments are necessary and should be made as far in advance as possible.
- It often takes roughly 6 weeks to arrange a meeting with a government official.
- Confirm the meeting when you arrive in the country and again a day or two in advance.
- The first week of May has several public holidays so it is best avoided.
- You should arrive punctually for meetings.
- Typical Russian schedules are constantly changing and everything takes longer than expected, so be prepared to be kept waiting.
- Meetings can be cancelled on short notice.
- The first meeting is often a vehicle to determine if you and the company you represent are credible and worthy of consideration for future business dealings.
- Use the time effectively to demonstrate what differentiates your company from the competition.
- Expect a long period of socializing and getting-to-know-you conversation before business is discussed.

- Have all printed material available in both English and Russian.
- Russians expect long and detailed presentations that include a history of the subject and a review of existing precedents.
- Meetings are frequently interrupted. It is common for several side conversations that have nothing to do with the topic of the meeting to be carried on during the meeting.
- At the end of the meeting, expect to sign a "protocol", which is a summary of what was discussed.

Business Negotiating

- Meetings and negotiations are slow. Russians do not like being rushed.
- It is a good idea to include technical experts on your negotiating team.
- Hierarchy is important to Russians. They respect age, rank and position. The most senior person reaches decisions.
- Russian executives prefer to meet with people of similar rank and position.
- Russians see negotiations as win-lose. They do not believe in win-win scenarios.
- Russians view compromise as weakness. They will continue negotiating until you offer concessions.
- Russians may lose their temper, walk out of the meeting, or threaten to terminate the relationship in an attempt to coerce you to change your position.
- Russians often use time as a tactic, especially if they know that you have a deadline. Be cautious about letting your business colleagues know that you are under time pressure or they will delay even more.
- Nothing is final until the contract is signed. Even then, Russians will modify a contract to suit their purposes.
- Do not use high-pressure sales tactics as they will work against you.

Dress Etiquette

Business dress is formal and conservative.

- Men should wear business suits.
- Women should wear subdued colored business suits with skirts that cover the knees.
- Shoes should be highly polished.

Business Cards

- Business cards are exchanged after the initial introductions without formal ritual.
- Have one side of your business card translated into Russian using Cyrillic text.
- Include advanced university degrees on your business card.

- Hand your business card so the Russian side is readable to the recipient.
- If someone does not have a business card, note their pertinent information.

MEDIA INFORMATION RELATED TO TOURISM

Table 11-5
Tourism Media in Russia

Name	Description	Link	Frequency
Geo	Geographic magazine	www.geo.ru	Monthly
Vokrug sveta	Travel magazine	www.vokrugsveta.com	Monthly
RGO.ru	Geographic portal	www.rgo.ru	
Geographer.ru	Geographic portal	http://geographer.ru	
RATA-news	Electronic news posting of the Russian Union of Travel Industry	http://www.ratanews.ru/	Daily
Tourinfo	Electronic version of the newspaper “Tourinfo”	http://www.tourinfo.ru/	Weekly

TRAVEL FAIRS [6], [7], [8]

Travel and Tourism/ Mitt 2008

Date: 19-22 March 2008
Venue: Expocentre
(Krasnopresnenskaya naberezhnaya, 14, 123100 Moscow)

2007 Data

Number of participants	> 2,700
Participating countries and regions	110
Visitors	120,000

Contacts

ITE PLC LONDON
105 Salusbury Road
NW6 6RG
London, UK
Tel: +44 207 596 5000 / 5163
Fax: +44 207 596 5102 / 5111
travel@ite-exhibitions.com
www.mitt-moscow.com

Moscow International Travel Fair

Venue: Exhibition Center Gostiniy Dvor

2006 Statistics

Number of participants	1,020

Participating countries	45
Visitors	75,000

Table 11-6
Moscow International Travel Fair Services Offered

Service	Description	Price
Registration fee	Obligatory	150 €
Electrical connection supply	Obligatory	110 €
Cost with standard equipment	Per sq. m including catalogue entry	245 €
Cost of unequipped space	Per sq. m including catalogue entry	210 €
Stand allocation surcharge	2 open sides	5%
Stand allocation surcharge	3 open sides	7.5%
Stand allocation surcharge	4 open sides	10%
Additional advertising in the fair catalogue	Advertising information whole page (A4 color)	500 €
Additional advertising in the fair catalogue	Advertising information Inside Front/Back Cover (A4 color)	700 €
Additional advertising in the fair catalogue	Advertising information Outside Back Cover (A4 color)	1000 €
Additional advertising in the fair catalogue	Advertising information 1/2 page	300 €
Additional advertising in the fair catalogue	Advertising information 1/3 page	200 €
Additional advertising in the fair catalogue	Company logo	50 €

Contacts
Tel. +7(495) 747-10-41
Tel. +7(495) 290-23-94
Tel. +7(495) 203-63-62
Fax +7(495) 747-10-42
E-mail: mitf@ugol.ru

MOSCOW INTERNATIONAL M.I.C.E. FORUM

The Moscow International MICE Forums are organized by the aiGroup, a highly specialized tourism events and marketing company. Based on more than 14 years experience in the emerging Russian market the aiGroup has been organizing specialized tourism events in Russia since 1992.

Date: 18 March 2008
Exhibition hall: T-modul
Address: Moscow, Tishinskaya sq., 1, building 1

Table 11-7
Moscow International M.I.C.E. Forum Services Offered

Service	Description	Price (€)	Total(€)
Registration fee	Obligatory	200	
Standard shell	6 sq. m with 1 table, 4 chairs, fascia panel, lighting and electrical connection, catalogue entry and refreshments	995	1,195
Alternative size	12 sq. m	1,990	2,190
Alternative size	18 sq. m	2,985	3,185
Alternative size	24 sq. m	3,980	4,180
Absentee*		350	350
Flyer printing	A4, 1 side, in black on colored paper, 500 copies, in Russian	115	
Flyer printing	A4, 1 side, in color on white paper, 500 copies, in Russian	185	
Internet connection		50	

* * Absentee - a special offer for a shared table enabling participation without attendance.

The table will have a maximum of 4 participating MICE Suppliers and will be attended by professional staff. All absentee participants on this table will receive the following:

- Participation at the event
- Inclusion in the Forum Catalogue
- Distribution of supplied brochures
- Full details of the Russian companies asking for specific information and prices

TRAVELERS INTERESTS, HABITS AND MOTIVATION

Information not available.

TOURISM ASSOCIATIONS, TOUR OPERATORS, TOURISM PLAYERS [3], [4], [9]

Tour operators and travel agencies

There are reportedly 12,715 travel agencies and 5,137 tour operators (2004). However, the actual number of companies tends to be lower than the official counts. This is because the licensing system allows one company to be a holder of both a tour operator and travel agent’s license. As a result, many companies are simultaneously registered as both, allowing them to deal directly with customers and through other retail agents.

The majority of travel agents are based in Moscow and St Petersburg.

Moscow controls about 65% of the market, in terms of sales, but growth over the next decade is expected to come mainly from the regions.

Six other cities have more than 40 each, excluding pure retail agencies, according to official data from Rosturizm. These are Vladivostok (78), Rostov-on-Don (66), Kaliningrad (53), Irkutsk (45), Yekaterinburg (42) and Novosibirsk (41).

Most of the largest tour operators have their own agency network – for some, this can include several thousand retail travel agents across the country – but also deal directly with consumers.

The biggest tour operators in terms of turnover and number of sales are:

- Tez Tour (Head office – Moscow)
- Inna Tour (which has merged with VIP-Service, head office – Moscow))
- Pegas Touristik
- Natalie Tours (Head office – Moscow)
- VAO Intourist
- Neva (Head office – St. Petersburg).

Associations

Russian Association of Travel Agencies
Mr. Gennadiy Pavlovich Shpilko, President
Phone: 7 (495) 961-1370/71 Fax: 7 (495) 692-2759
rata@rata.ru
http://www.rata.ru

Russian Business Travel Association
Ms. Elena Anatolievna Suvorova, President
Phone: 7 (495) 250 6815/16/31 Fax: 7 (095) 250-6532
Email: info@btw.ru
Chayanova St., 15/5, Office 1104
Moscow, 125267
info@btw.ru
http://www.rbta.ru

Russian Hotel Association
Mr. Gennadiy Andreevich Lamshin, Executive Director
7 (495) 234-1203/-1170/-1328 Fax: 7 (495) 234-1170/-1328
info@rha.ru
150, Prospect Mira, Kosmos-Hotel, Office 0982
Moscow, 129366
info@rha.ru
http://www.rha.ru

SWOT ANALYSIS OF RUSSIA IN RELATION TO ARMENIA

Strengths	*Weaknesses*
• Former Soviet territory • Small distance • Large number of direct flights to Yerevan • High amount of sun hours from April to mid-October • Rich culture • Specific cuisine • Cultural proximity • Russian-speaking population (no language barriers) • Armenia is not associated with terrorism • Russian Embassy in Yerevan • Low cost of internal transportation • Strong business relationships • Visa free zone for the Russians • Online information availability • Russian restaurants	• No beaches • Difficult transportation outside the capital (bad roads) • Undeveloped infrastructure in the regions
Opportunities	*Threats*
• Russians travel a lot to CIS countries • Russians are fond of culture and history • Huge Armenian Diaspora • New business opportunities	• The majority of the Russian travelers prefers sun and beach holidays • Cheap all-inclusive holidays in competitor countries (Turkey)

12. Spain

Size of population: 41,180,000

Number of outbound holiday trips in 2004: 9,800,000

Percentage of population making outbound holiday trips in 2006: Information not available

Major outbound holiday destinations in 2005: France, Great Britain, Portugal, Italy, Germany, Morocco, Caribbean, Turkey, Belgium, Czech Republic, Greece,

Average length of stay for outbound holiday trips in 2005: 7.9 days

Prices for round-trip air ticket MAD-EVN in summer season (economy class): Lowest—US$725—Czech Airlines
Highest—US$1,577—British Airways

Number of direct flights to Armenia each week: None

Outbound holiday trips as a percentage of all outbound trips 2005: 79% (Holiday + VFR)

SOURCES OF INFORMATION USED

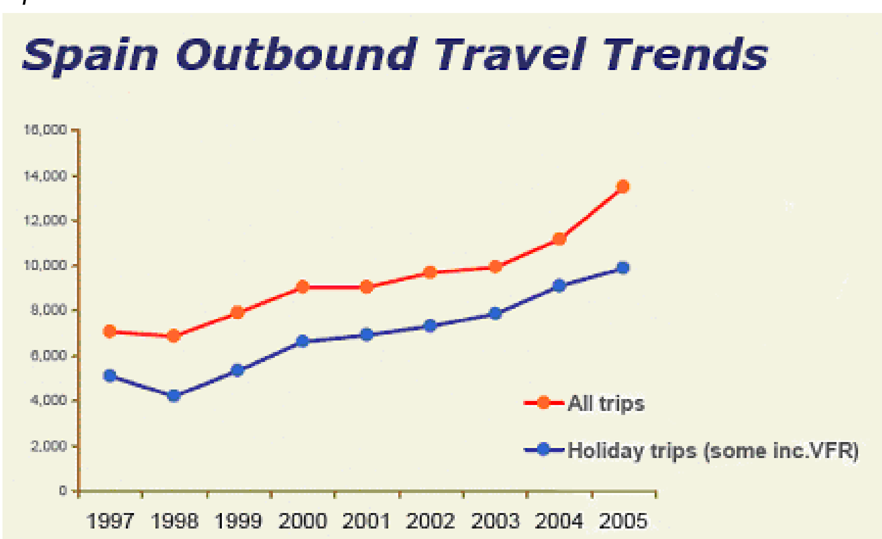
1. Tourism Ireland, http://www.tourismireland.com/corporate/index.cfm/level/page/aID/699/pageid/4050/Content_Key/5546/type/Page
2. "The long-haul tourism market in Spain," http://cbi.nl/marketinfo/cbi/?action=showDetails&id=3142
3. FITUR, www.fituronline.com
4. Wikipedia, www.wikipedia.org
5. SITC, www.saloturisme.com
6. USAID and CAPS Internet usage research

OUTBOUND TRAVEL NUMBERS AND DESTINATIONS [1], [2]

Regions visited	Holiday Trips 2005	Share (% of all trips)
Total	9,800,000	100
Europe	8,500,00	87
Africa	76,000	1
Americas	1,000,000	11
Asia, South Pacific	174,000	2

Source: IPK European Travel Monitor 2005

Figure 12-1
Spain Outbound Travel Trends



Eighty-seven percent of outbound holiday trips are within Europe, with neighbors France (21%) and Portugal (13%) making up the largest share.

Table 12-1
Outbound Spanish Holiday Destinations, 2005

Destination	All Trips	Holiday Trips	Share of Holiday Trips (%)
France	2,820,000	2,049,000	21
Portugal	1,592,000	1,254,000	13
Great Britain	1,751,000	1,280,000	13
Italy	1,266,000	930,000	9
Germany	1,109,000	696,000	7
Caribbean	334,000	289,000	3
Morocco	368,000	329,000	3
Greece	180,000	163,000	2
Czech Republic	228,000	164,000	2
Belgium	263,000	167,000	2
Turkey	204,000	179,000	2

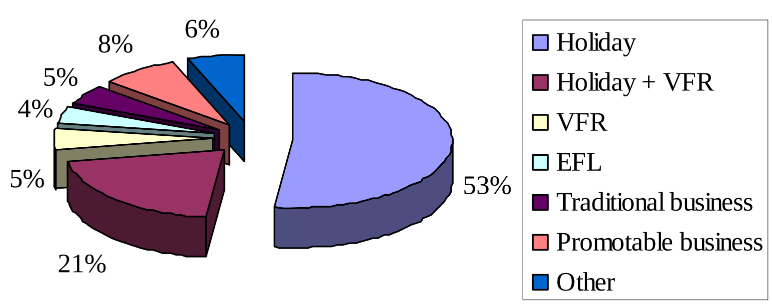
Source: IPK European Travel Monitor 2005

Table 12-2
Number of Holiday Trips to Armenia, 2001 and 2004

	2001	2004	Growth 2001–2004 (%)
Armenia	168	795	373%

PURPOSE OF TRAVEL [1]

Figure 12-2
Purpose of Travel



Source: IPK European Travel Monitor 2005

FACTORS AFFECTING CHOICE, SOURCES OF INFORMATION [2]

Value for money is a very important factor.

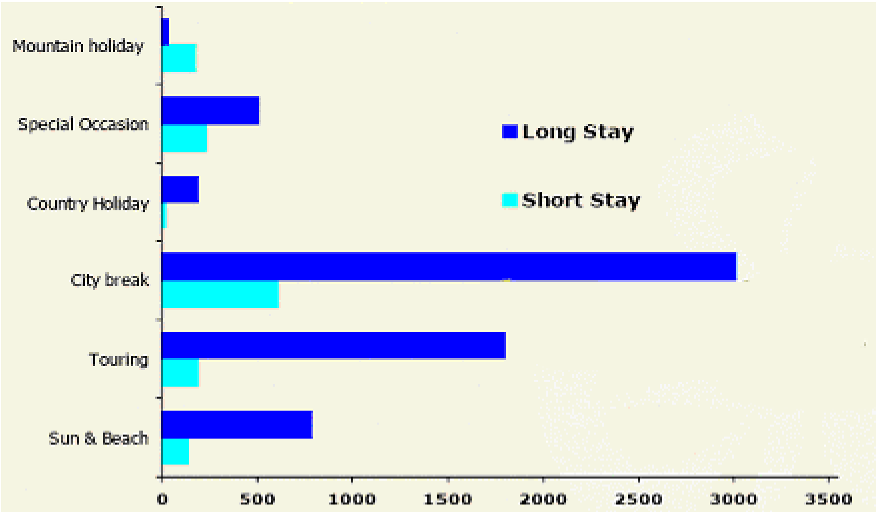
In 2005, 62% of the Spanish Internet users prefer the Internet for obtaining travel information. 40% of all consumers that booked holidays consulted and compared deals on the Internet before booking.

Personal recommendations and travel agencies are also important sources of information.

INTERESTS OF THOSE TRAVELING ABROAD [1]

City break is the most popular type of outbound holiday, followed by touring and sun and beach holidays.

Figure 12-3
Main Types of Spanish Holidays



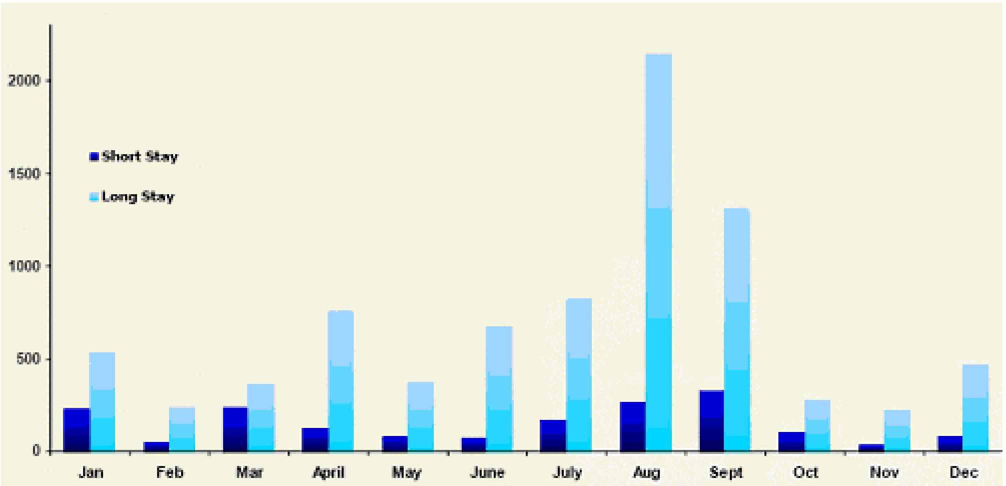
Source: IPK European Travel Monitor 2005

TOURIST TRAVEL BY SEASON [1], [4]

Traveling Periods

August is the most popular month for outbound trips, with 24% of all outbound trips taken during that month.

Figure 12-4
Months in which Outbound Trips Taken



Source: IPK European Travel Monitor 2005

Spanish are taking a second and third holiday more often.

Public holidays

January 1	New Year's Day
Varying	Good Friday
May 1	Labor Day
August 15	Assumption
October 12	Columbus Day, Spain's National Day
November 1	All Saints
December 6	Constitution Day
December 8	Immaculate Conception
December 25	Christmas

Vacations

Usually Spaniards take some days during Christmas and Easter and three weeks in the summer, mainly in August. Many Spanish businesses close down for three to four weeks in August

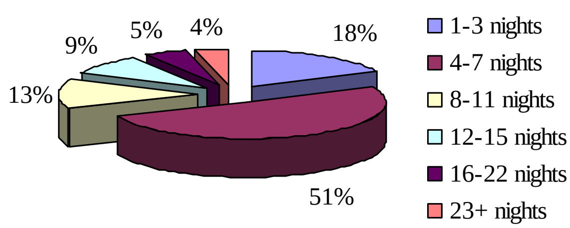
School vacations are from July until mid-September.

LENGTH OF STAY [1], [2]

The average duration of an outbound trip in 2005 was of 7.9 days for all categories of trips. Over the past few years the percentage of holidays longer than 8 nights has decreased, and the one of short holidays has kept increasing.

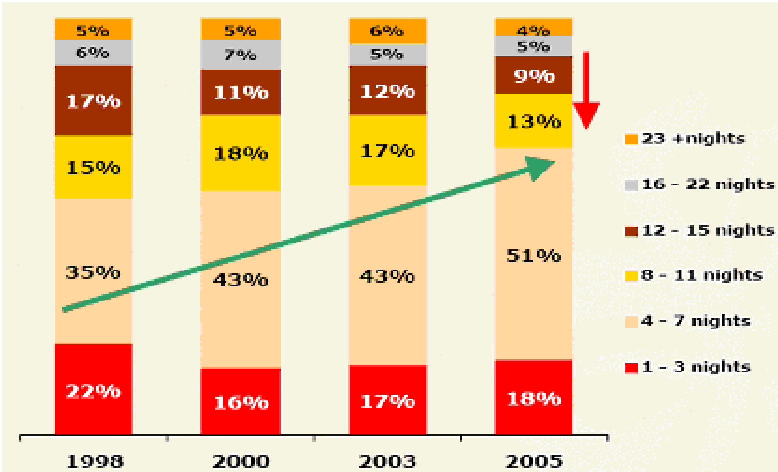
Figure 12-5

Length of Stay of Spanish Outbound Holiday Trips



Source: IPK European Travel Monitor 2005

Figure 12-6
Change in Length of Stay, 1998–2005
Source: IPK European Travel Monitor 2005



FREQUENCY OF TRAVEL

Information not available.

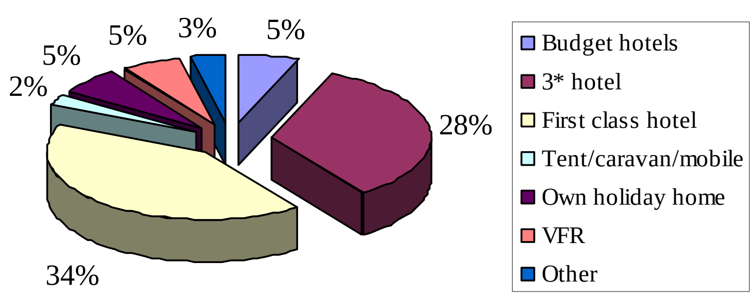
MAIN COMPANIONS OF TOURISTS

Information not available.

ACCOMMODATION PREFERENCES [1]

Hotel and similar establishments (67%) remain the most popular accommodation type for Spanish outbound holidaymakers.

Figure 12-7
Spanish Accommodation Preferences

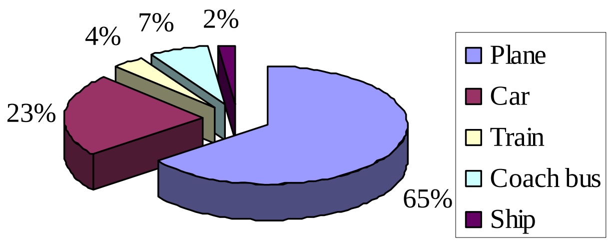


Source: IPK European Travel Monitor 2005

TRANSPORT USED FOR OUTBOUND TRAVEL [1]

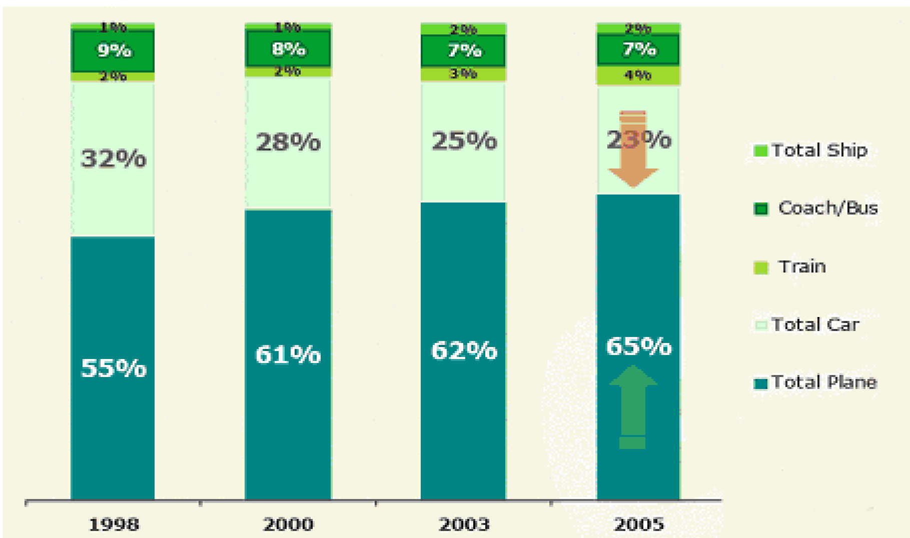
Over half, 65%, use air as the mode of transport for overseas holidays and a further 23% use cars.

Figure 12-8
Mode of Transport



Source: IPK European Travel Monitor 2005

Figure 12-9

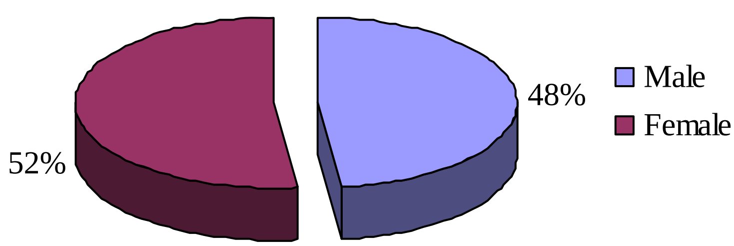


Change in Mode of Travel, 1998–2005
Source: IPK European Travel Monitor 2005

DEMOGRAPHICS OF OUTBOUND TOURISTS [1]

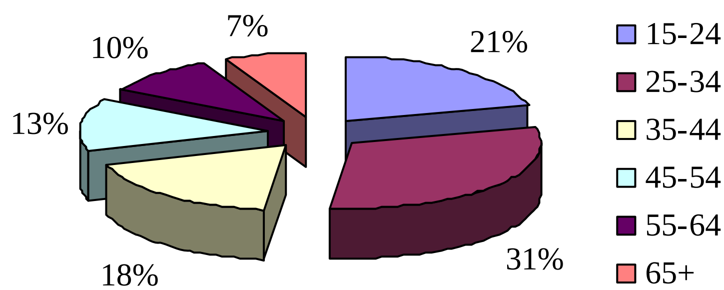
A significant proportion (31%) of outbound holidays is taken by Spanish aged 25-34 years, who represent 17% of total population. The mean age of the outbound holidaymaker is 37.5 years, which is young compared to the EU average (42.7).

Figure 12-10
Spanish Travel by Gender



Source: IPK European Travel Monitor 2005

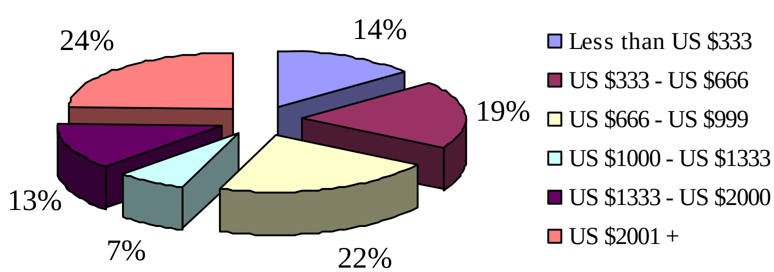
Figure 12-11
Spanish Travel by Age Group
Source: IPK European Travel Monitor 2005



TRAVEL SPENDING [1], [2]

Budgets vary between US$2,534 and US$3,468 per person for long-haul holiday trips. On average US$1,366 is spent per holiday (2005)

Figure 12-12
Travel Spending



Source: IPK European Travel Monitor 2005

USE AND TRENDS IN BOOKING 1], [2], [6]

In 2006 Spain had 5% share of online leisure/unmanaged business travel sales in Europe.

Examples of Spanish tourism and travel websites, 2005:

Name	Website
eDreams	http://www.edreams.es
Iberia	http://www.iberia.es
Lastminute.com	http://www.lastminute.com
Opodo	http://www.opodo.es
Renfe	http://www.renfe.es

Rumbo	http://www.rumbo.es
Terminal A	http://www.terminala.es
Viajar	http://www.viajar.com

Source: Facts Figures Future (2006)

Spanish travelers are late planners. They typically start planning a month before the intended departure date.

TRAVELERS' DEMANDS, EXPECTATIONS AND BEHAVIORS [2]

- Live music
- Eating tapas
- Drinking
- Being part of the crowd

BUSINESS PROCEDURES WITH TRAVEL COMPANIES [2]

Business Culture

When dealing with a Spanish company, it is very important to take into consideration Spanish business and social culture.

- Face-to-face meetings with Spanish business representatives are very important to break into this market. A personal meeting is much more effective than communication by phone or by fax. Spaniards expect a personal relationship with suppliers.
- Daily meals are a very important part of business life in Spain. A large portion of your communication will take place over lunches and dinners.
- Time is very relaxed. It is wise for foreigners to be punctual, but Spaniards do not put a great emphasis on time themselves. The Spaniards often consider deadlines an objective that will be met if possible, but do not become overly concerned if the deadline is not achieved.
- It is important to have all the materials printed in Spanish.
- Business cards should be bilingual, English on one side and Spanish on the other side. When presenting your business card, place the card with the Spanish side up.
- Be prepared for chaotic business negotiations. Often numerous people will be speaking simultaneously.
- Negotiations are usually extremely time consuming, so do not be in a rush to close a deal in Spain.

Practical Tips

In general, remember the following tips when visiting Spanish trade partners:

- Make appointments. Make them in advance, one to two weeks before, and reconfirm them the day before. Be flexible – allow plenty of time between appointments for traffic and talking.
- Send your brochures in advance.
- Unlike most European tour operators Spanish tour operators tend to publish their catalogues in March or April.
- Payment methods vary considerably according to the type and location of the service. Usually, tour operators enter into contracts with locally established businesses and operate on the basis of this contract. The consumer pays the travel agency, who in turn pays the tour operator, who then pays the local company. This can occur before or during the stay of the tourist and a well-respected tour operator might even pay after the stay.

Finding Business Partners

The following sources are very helpful in finding potential business partners:

- Europages, http://www.europages.com
- Overview of tour operators, http://www.comoviajar.com
- Overview of tour operators and travel agencies, http://www.webviajes.com

MEDIA INFORMATION RELATED TO TOURISM [2]

It is necessary to provide promotional materials in the Spanish language. Although the percentage of Spanish people speaking English is slowly increasing, to reach the Spanish tourist information in Spanish is indispensable. When visiting a place, Spanish really appreciate information about local events and places of interest such as markets, pubs, interesting excursions and shopping possibilities.

Trade fairs, trade press and consumer magazines and the Internet are the most interesting tools to reach target groups such as tour operators, travel agents and consumers.

Trade Press

Figure 12-13
Main Travel Trade Magazines in Spain

Name	Description	Link
Agent Travel	Monthly travel magazine	www.edicionesjaguar.com
Editur	Weekly, circulation 5,000	www.editur.info
Nexotur	Biweekly, circulation:10,800	www.nexotur.com
Viajes y turismo	Magazine for the professionals of tourism industry	www.revistaviajesyturismo.com

Relevant consumer magazines:

- Aire Libre, www.airelibre.com
- De Viajes, www.deviajes.es
- GEO, www.georevista.es
- National Geographic/Viajes, www.ngviajes.com
- Rutas del Mundo, www.rutasdelmundo.com
- Turismo y Ocio, www.turismoyocio.net

TRAVEL FAIRS [3], [5]

FITUR

Date: end of January–beginning of February 2008
Venue: Feria de Madrid

Sectors:

- Spanish official organizations
- Foreign official organizations
- Wholesale tour operators
- Travel agency
- Hotels and accommodation
- Carrier companies
- Infrastructures
- Leisure and culture
- Service companies
- Trade associations
- Travel media
- Residential tourism
- Incentive and meetings
- Education and training

2006 Statistics

Exhibition area (gross)	150 000 sq.m.
Exhibition area (net)	57 617 sq.m.
Participating countries and regions	170
Exhibiting companies (stand holders + co-exhibitors)	12 415
Journalists	11 419
Trade visitors	63 389
General public	96 421

Table 12-3
Services Offered

Service	Description	Price (€)*
Open space		59/sq. m.
Turn key stand	16 sq. m.	2,706
	additional space	157/sq. m.
Only space	from 16 sq. m. on	118/sq. m.

*Prices do not include VAT which represents 7%

Contacts

Tel.: (34) 91 7 22 30 00
Fax: (34) 91 722 57 87
E-mail: fitur@ifema.es
Website: www.fituronline.com

SITC 2007, International Tourism and Leisure Show

Date: April 2008
Website: www.saloturisme.com

2006 statistics

Exhibiting companies	>1,000
Participating countries	73
Visitors	200,000

TRAVELERS' INTERESTS, HABITS, AND MOTIVATION

Holiday Benefits of Touring Holidays

Holiday activity	Touring holiday (%)
Visiting cities	64
Visiting objects of interest	57
Knowing the landscape	42
Visiting museums and exhibitions	41
Enjoying holiday life	35
Enjoying meals and drinks	33
Knowing the people and their way of life	31
Switching off (escapism)	27
Relaxing	24
Experiencing a lot	18
New impressions, alterations	18
Experiencing adventures	12
Being free	9
Swimming and sunbathing	7

Source: IPK European Travel Monitor 2005

Holiday Benefits of City Breaks

Holiday Activity	City Breaks (%)
Visiting museums	65
Sauntering, enjoying the atmosphere	59

Sightseeing/visiting sites of interest	44
Enjoying meals and drinks	42
Visiting exhibitions	36
Shopping	33
Visiting parks – enjoying park life	33
Nightlife	30
Visiting friends and relatives	18
Visiting theatres	14
Concerts/musicals	10
Visiting sporting events	8
Business	6
Festivals	2

Source: IPK European Travel Monitor 2005

Holiday Benefits of Country Holidays

Holiday activity	Country holiday (%)
Discovering landscape and nature	45
Relaxing	42
Switching off (forget about everything)	39
Visiting places of interest/excursions	36
Hiking/walking	34
Enjoying meals and drinks	22
Experiencing a lot	20
Enjoying holiday life	20
Enjoying the accommodation	17
Social life parties	16
Swimming/sunbathing	15
Shopping	14
Cycling	11
Visiting friends and relatives	2

Source: IPK European Travel Monitor 2005

TOURISM ASSOCIATIONS, TOUR OPERATORS, TOURISM PLAYERS [2]

- 2,650 tour operators
- 6,000 sales outlets
- 40% in Madrid and Barcelona
- Large groups own several tour operators and travel agencies (Marsans, Iberostar, Globalia

Tour Operators

- Wholesalers who organize all types of tourism services and packages
- They can only sell through travel agencies

Table 12-4
Major Tour Operators

Name	Focus	Website
Iberojet	Europe and Latin America	http://www.iberojet.es
Travelplan	America, Asia, North Africa, Europe	http://www.travelplan.es
Soltour	Spain, Mexico, Dominican Republic	http://www.soltour.es
Pullmantur	Cruises, Spain, Latin America	http://www.pullmantur.es
Tiempo Libro/ Mundicolor	America, Asia, North Africa, Europe	http://www.mundicolor.es
Mundosenior	Spain	http://www.mundosenior.es
Serhs Turismo	Spain	http://www.serhstourism.com
Condor Vacaciones	Europe	http://www2.condorvacaciones.es
Panavision	Europe and North America	http://www.panavision.es
Politours	Worldwide	http://www.politours.es

Source: US and Foreign Commercial Service (2006)

Specialized Tour Operators

It is recommended to tourism service providers to target specialized tour operators.

Table 12-5
Specialized Spanish Tour Operators

Name	Website	Focus
Andes Fenix	http://www.andesfenix.com	South America
Agama – Taller de viatges	http://www.agama.net	Worldwide (in small groups)
Club de Vacaciones	http://www.clubvacaciones.es	Worldwide
Kananga y Ambar	http://www.pasaporte3.com	Worldwide
Ko Samui	http://www.ko-samui.com	China and South East Asia
Sanga	http://www.vsanga.com	Trekkings (Himalaya, Jungle)
Tierras polares	http://www.tierraspolares.es	Polar travels
Tuareg viajes	http://www.tuaregviatges.es	Africa (and the other continents)
Vivencia Andina	http://www.vivenciaandina.com	Andes and South America

Source: Facts Figures Future (2006)

Travel Agencies

- 2,000 retail agencies
- 1,400 branches throughout Spain

- They can sell only to the public

Table 12-6
Spanish Travel Agencies

Name	Website	Market Share 2004
Viajes El Corte Ingles	http://www.elcorteingles.es	30%
Halcon Viajes	http://www.halconviajes.com	15%
Viajes Marsans	http://www.marsans.es	15%
Viajes Iberia	http://www.viajesiberia.es	10%
Barcelo Viajes	http://www.barceloviajes.com	9%
Carlson Wagonlit	http://www.carlsonwagonlit.es	8%
Viajes Eroski	http://www.viajeseroski.es	4%
Viajes Ecuador	http://www.viajesecuador.com	4%
American Express Viajes	http://www.americanexpress.com/spain	3%
Racc Viajes	http://www.racc.es	2%

Source: US and Foreign Commercial Service (2006)

SWOT ANALYSIS SPAIN IN RELATION TO ARMENIA

Strengths

- Rich culture
- Numerous museums and places for sightseeing
- Easily recognizable religion
- Beautiful nature
- Specific cuisine
- Not associated with terrorism
- Low cost of internal transportation
- High amount of sun hours from April to mid-October
- Online visa access

Weaknesses

- No direct flights to Armenia
- Difficult transportation outside the capital
- Not all information available in English or Spanish
- Lack of promotion of the country as a holiday destination
- Difficult access to health care because of language
- Not developed infrastructure in regions

Opportunities

- The Spanish outbound market is growing rapidly
- The Spanish like discovering new landscape and nature
- City break is the most popular holiday type
- Spaniards spend relatively much money for outbound trips

Threats

- Most of the Spanish spend their holidays in Spain
- Lack of political stability /Karabakh conflict
- Currency fluctuation

- Spaniards like visiting places of interest, museums, exhibitions etc.
- Increasingly easy to travel to Armenia by air
- Spaniards are interested in knowing other people and their life style

13. Sweden

Size of population: 9,131,425

Number of outbound holiday trips in 2006: 10,000,000

Percentage of population making outbound holiday trips in 2005: Information not available

Major outbound holiday destinations 2006: Finland, Denmark, Spain

Average length of stay for outbound holiday trips in 2005: 8 nights (UK)

Average price for round-trip air ticket ARN-EVN in summer season (economy class):
Lowest—US$1,160, British Airways
Highest—US$,1803, Lufthansa

Number of direct flights to Armenia each week: None

Outbound holiday trips as a percentage of all outbound trips 2006: 80%

SOURCES OF INFORMATION

1. Statistics Sweden, http://www.scb.se/default____2154.asp
2. TUR Exhibition, http://www.pressinfo.se/tur2007/Svenska/Index.htm
3. Group of TAs and tour operators within Europe, http://www.ectaa.org/navigation
4. UFTAA, www.uftaa.com
5. Swedish Agency for economic and Swedish growth, http://www.nutek.se/sb/d/
6. Resurs AB/The Tourist and Travel Data Base (TDB)
7. The Swedish Tourist Authority, www.nutek.se
8. www.nutek.se/content/1/c4/30/59/Tourism20060522. pdf
9. CBI Market Survey, http://www.cbi.eu/marketinfo
10. Visit Britain, http://www.tourismtrade.org.uk/
11. Tourism Australia, http://www.tourismaustralia.com/content/Scandi/profiles_2006/scandi_purchasing_06.pdf
12. Wikepedia, www.wikepedia.org
13. Sika Report -2005, http://www.sikainstitute.se/Doclib/Import/104/sr_2005_2s.pdf

OUTBOUND TRAVEL NUMBERS AND DESTINATIONS [5],[7]

In 2005 the number of outbound trips increased by 24% compared to 2000. Thirty-five percent of the trips were to one of the neighboring Scandinavian countries. According to data from the Tourist and Travel Data Base[9], the number of outbound trips with overnight stays fell by 1.3 million in 2005, a drop of 9.4%.

Table 13-1
Total Yearly Swedish Outbound and Holiday Trips, 2004–2006

	2004	2005	2006
Total outbound trips	13,800,000	12,500,000	12,500,000
Total holiday trips	11,300,000	10,300,000	10,000,000

The total number of all trips to Finland and Denmark has grown significantly, with increases of 86% and 28.5% respectively. Top destination for Sweden outbound trips:

[9] Telephone interviews with 2,000 randomly selected Swedish residents

Table 13-2
Most Popular Swedish Destinations for Business and Leisure, 2005 and 2006

Destination	2005	%	Destination	2006	%
Finland	1,750,000	14	Finland	1,725,000	13.8
Denmark	1,625,000	13	Denmark	1,512,500	12.1
Spain	1,125,000	9	Germany	1,162,500	9.3
Norway	1,000,000	8	Spain	1,050,000	8.4
Germany	937,500	7.5	Norway	975,000	7.8
UK	712,500	5.7	UK	750,000	6
France	525,000	4.2	Italy	550,000	4.4
Italy	500,000	4	France	487,500	3.9
Greece	437,500	3.5	Greece	475,000	3.8
Turkey	375,000	3	Malay Peninsula	350,000	2.8

Table 13-3
Top Outbound Holiday Destinations in 2006

Destination	No. of Trips	Share of Outbound Holiday Trips (%)
Finland	1,559,000	15.6
Denmark	1,207,000	12.1
Spain	948,000	9.5

In 2004-2005 the three most visited developing countries were Turkey, Thailand, and Egypt. For years Thailand was the most visited developing country by the Swedish as many traditionally visited Thailand (mostly around Christmas) to get some highly appreciated sun hours during the dark winter. Compared to 2004 in 2005 the number of visitors to Turkey and Egypt increased with 43% (397,606) and 38% (122,772) respectively. Croatia received over 111,000 visitors from Sweden in 2005.

Table 13-4
No. of Holiday Trips to Developing Countries, by Region, Three Most Popular Countries per Region, 2001 and 2004

Country and Region	2001	2004	Growth 2001–2004(%)
Total	978,569	1,213,206	24
East Asia	377,268	408,407	8
Thailand	223,040	221,277	-1
China	52,807	87,174	65
Malaysia	35,053	25,960	-26
Europe	224,914	385,586	71
Turkey	189,795	278,047	46
Albania	1,282	2,749	114
Croatia	27,248	87,750	222
Serbia-Montenegro	3,172	10,533	232

Country and Region	2001	2004	Growth 2001–2004(%)
Armenia	71	194	173
Middle East	92,544	143,987	56
Egypt	57,909	88,965	54
Lebanon	11,746	20,218	72
Syria	12,405	19,069	54
Africa	152,591	131,326	-14
Tunisia	28,416	34,328	21
South Africa	18,576	32,247	74
Morocco	29,464	26,723	-9
Latin America	103,482	100,240	-3
Brazil	26,078	37,809	45
Chile	9,891	11,523	16
Dominican Republic	26,031	8,002	-69
South Asia	27,770	43,660	57
India	14,446	26,154	81
Sri Lanka	4,265	7,979	87
Pakistan	3,228	3,555	10

Croatia and Serbia Montenegro experienced more than 220% growth. Albania and Turkey had 114% and 46% growth correspondingly. Armenia reached 194 vs. 71 through 2001-2004 years.

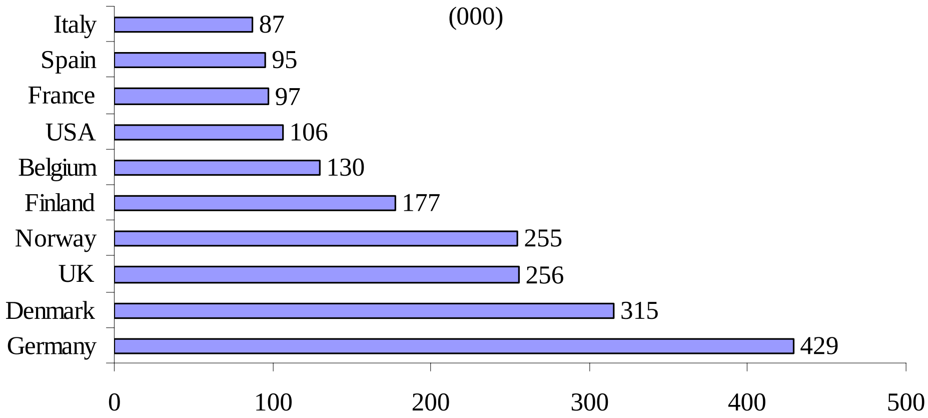
PURPOSE OF TRAVEL [1], [5], [6]

Swedish holiday travelers went primarily to meet friends and relatives, but getting away and sun and beach were almost as common.

Figure 13-1
Purpose of Swedish Travel 2005, 2006

With almost 430,000 trips, Germany was the top destination and accounted for nearly 17% of all business trips with overnight stays (2006).

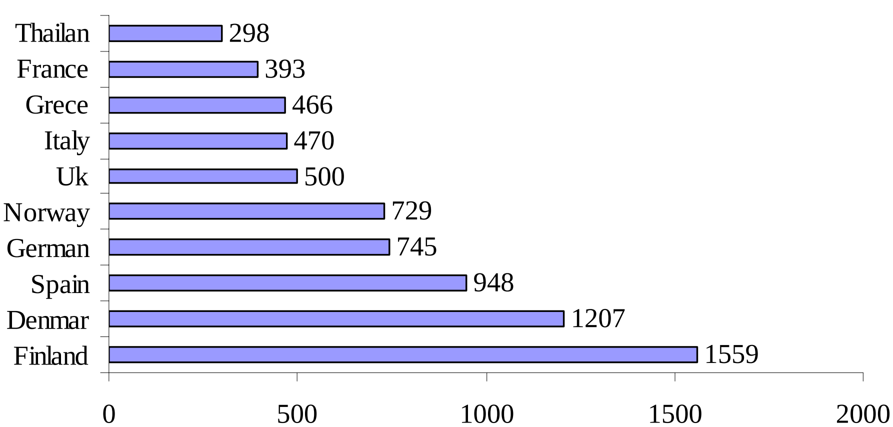
Figure 13-2
Main Swedish Business Trip Destinations, 2006



Purpose for business trips:

Purpose of Business Trips	Share
Individual bus. trip/external	31.9%
Individual bus. trip/internal	25.2%
Conference/convention/course/seminar	20.5%
Ordinary work at another location	13.4%
Trade fair/exhibition	4.5%
Study trip	3.0%
Incentive/reward trip	1.4%

Figure 13-3
Main Swedish Holiday Trip Destinations, 2006



Purpose of Swedish Holiday Trips:

Purpose of Holiday Trips	Share
Getting away	38.2%
VFR	27.2%
Peace and relaxation	25.2%
Sun and beach	25%
Pleasure and entertainment	20.4%
Spending time with other people	13.6%
Food and drink	12.5%
Shopping	11.3%

FACTORS AFFECTING CHOICE, SOURCES OF INFORMATION USED [7]

Factors

- Competitive prices—Scandinavians are very price-conscious, expecting value for money and efficiency.
- Reliability and security.
- Availability of activities related to entertainment and sport.
- High level of service.
- Good organization and the offer of interesting products.

Sources of information

- Internet
- Phone calling to travel agencies, airlines, etc.

INTERESTS OF THOSE TRAVELING ABROAD [7]

- Skiing, exotic destinations seem to be the most interesting for Swedes during Christmas.
- Only 6% of the Swedish travel abroad to discover new countries or cultures or to visit historical sights.
- The long-haul travelers like to meet “natives”, they are adventurous and like to go off the beaten track.
- Special interest or activity- led holidays (rafting, mountain climbing, etc) have become important to travelers.
- Swedes are eager to play golf and the Swedish golf season is relatively short. Swedes are interested in increased packaged tours as well as private golf trips.

TOURIST TRAVEL BY SEASON [1],[7],[10]

The minimum paid vacation in Sweden is 25 days. Swedish people regard holidays as a high priority and many of them take 3-4 breaks during the year. In general, they like to seek detailed information and plan their holidays before setting off to foreign countries, although the time between booking and departure is decreasing.

The summer 2005 gave a total of almost 10 million (holiday trips) nights at hotels, holiday villages and youth hostels. The summer months (June to August) normally account for almost 35% of the total volumes for the year measured by number of nights. The summer months always mean an increase in holiday travel, while business trips, which generate more revenue, decrease.

The busiest season for long-haul travel is June-October. During the summer 2005 volume increased every month except for July.

Public holidays

January 1	New Year's Day
January 6	Epiphany eve (Christian Feast day)
April 6	Good Friday
April 9	Easter Monday
May 1	Labor Day
May 17	Ascension Day, 40 days after Easter
May 27	Whit Sunday-Pentecost, 50 days after Easter
June 6	National day
June 23	Midsummer's day
November 3	All Saint's Day
December 24	Christmas Eve.
December 25	Christmas Day
December 26	Boxing Day

In addition to these official holidays are other days—Christmas Eve, New Year's Eve, and Midsummer's Eve—which are holidays for most government employees and many others, with restricted public services.

LENGTH OF STAY [8]

Although general information on length of stay was not found, in 2005, 86% of all Swedish visitors stayed in the UK for less than 8 nights with 55% visiting for a short break (1-3 nights).

- Holiday visitors showed a similar trend in terms of length of stay.
- VFR visitors tended to stay a little longer, with 24% staying in the UK for 8 nights or more.
- 81% of business visitors stayed in the UK for 3 nights or less in 2005.

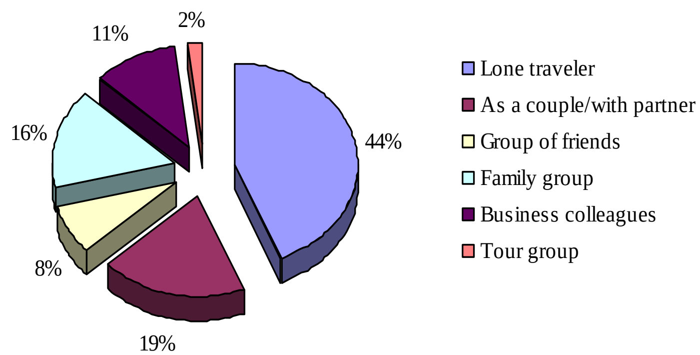
FREQUENCY OF TRAVEL

Information not available.

MAIN COMPANIONS OF TOURISTS [8]

In terms of the traveling group, 44% of the Swedish visitors UK were lone travelers in 2003. Visitors traveling as a couple were the next-largest segment of group composition (19%).

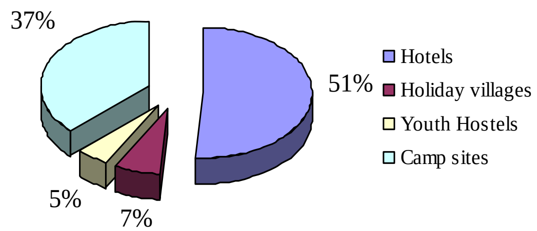
Figure 13-4
Companions of Swedish Travelers



ACCOMMODATION PREFERENCES [6]

Swedes are used to very high standards of facilities and cleanliness. En-suite bathrooms are essential. In general tiled floors and wooden floors in the bedrooms are certainly preferable to carpeted ones. Smoke free rooms are also highly appreciated.

Figure 13-5
Volume (Nights Spent) by Swedish Holiday Travelers by Type of Accommodation



Sources of accommodation selection:

- Form on the Internet
- Interactive web based dissemination of data
- Low-cost and safe system

TRANSPORT USED FOR OUTBOUND TRAVELING [6]

Air travel was the most common means of transport for both business and holiday trips with overnight stays. More than 50% of outbound holiday trips with overnight stays and over 75% of business trips were by air. Around 20% of all holiday trips with overnight stays (or 2 million trips) were by charter flights. Traveling by car, ferry and bus was considerably more common for holiday trips than for business trips.

Figure 13-6
Swedes' Business Trip Transportation Preference, 2006

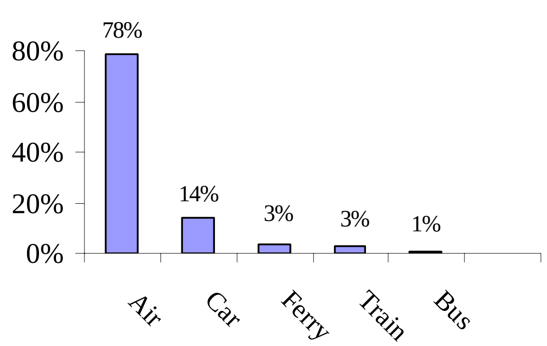
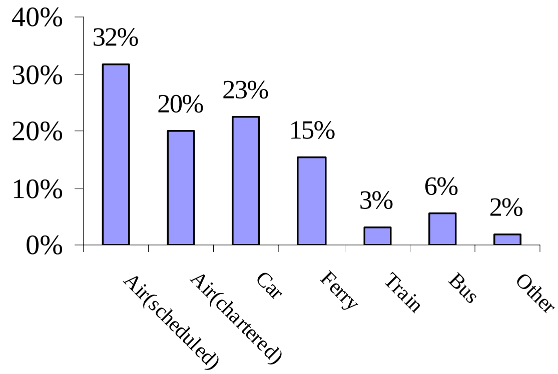


Figure 13-7
Swedes' Holiday Trip Transportation Preference, 2006

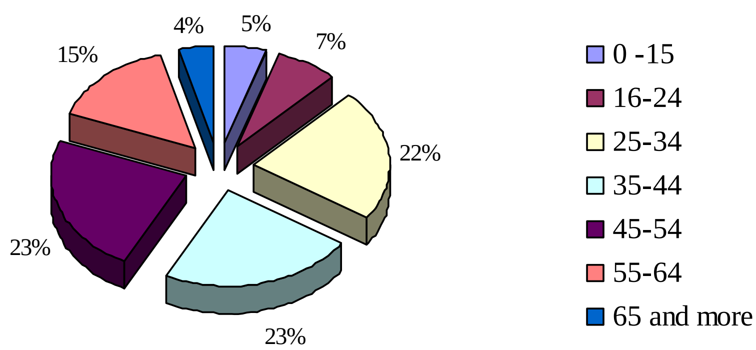


DEMOGRAPHICS OF OUTBOUND TOURISTS [8], [11]

The Swedes have the largest female online population in Europe, which is significant in terms of travel planning as women are often the decision makers.

Almost half of visitors from Sweden to UK were aged 25-44. Overall, 56% of visitors were male and 44% were female.

Figure 13-8
Distribution of Swedish Outbound Travelers by Age Group



Until 2020, the average income will increase for the whole country. However, the proportion of high-income earners is expected to be considerably greater in Eastern Central Sweden than the average for the country in 2020 as well.

The intensity of employment, i.e. the proportion of gainfully employed in relation to the population of working age is a few percentage points higher in Eastern Central Sweden than the national average, while unemployment is slightly lower.

The single most significant group in Sweden is 16-44 years-olds, either single or couples with no children.

TRAVEL COSTS [6],[7]

In 2005, the Swedish tourist spent an average of $105 per day for an outbound holiday trip. The expenditures rose with 4%, compared with 2004.

In 2006, Swedish business travelers spent an average of SEK 3,011 (US$430) per person per day during an outbound trip, which represents a decrease of more than 10% since 2005. At the same time, holiday travelers increased their average expenditure per person per day by almost 5% to SEK 843 (US$120.5).

USE AND TRENDS IN BOOKING PATTERNS

	2005	2006
Holiday	$114.7	$120.5
Business	$478	$430

Internet penetration level in Sweden is 74.7% (2007). A research from the biggest tour operator in Sweden showed that in 2005 their services were bought in the following ways (approximately):

Source	Share (%)
Phone	50
Internet	30
Travel agency	20

In 2006 online travel sale were divided between travel agencies (64%) and travel suppliers (36%).

In Sweden, booking on the phone is still the most popular way of booking an outbound trip. All traditional travel agencies have a booking line and employ many people only offering their services via the phone.

Market shares for the traditional booking ways are slowly decreasing as the Internet continues to take over part of the business.

After the phone, Internet, the trade fairs TUR and several travel trade, trade press and consumer magazines are most suitable to reach potential groups such as tour operators, travel agents and consumers.

Margins: in Sweden tour operators will mostly receive between 20-30% commissions. Retail travel agents earn about 10% commission on the packages and tourism products sold.

TRAVELERS' DEMANDS, EXPECTATIONS AND BEHAVIOR [7]

Behavior

- Swedes like to establish personal relationships. However, they keep business and private life separated.

- Expect to call a person by his or her first name.
- Swedes are open and direct in their communication.
- Swedish people are very conscious of environmental issues. Any efforts made will be appreciated.
- In general the Swedish are very friendly people. A warm welcome is considered important.
- If they stay a night at a luxury hotel and meet an unfriendly staff member, remember that person and tell others about it.
- Swedes are very proud of their origins, and don't like to be mistaken for another nationality.

Demands and Expectations:

- They have a good command of the English language and generally do not mind receiving information or brochures in English. However, brochures in their own language will create an enormous amount of goodwill.
- Punctuality is very important.
- Swedes respect people who come to them with knowledge and experience. They are very detail-oriented.
- Do not show emotions during a meeting. Swedes see consensus as the only way to make a decision.
- Visits are important because Swedes often rely on business honesty and "handshake" deals and therefore need to be assured of the trustworthiness of the people they are dealing with.

BUSINESS PROCEDURES WITH TRAVEL COMPANIES [7]

- Swedish businesses are far from hierarchic. Generally flexible and easygoing.
- Swedes are sensitive about wasting valuable business time. They do not like meetings without a clear objective.
- Decisions are never taken during a first meeting. Several meetings will be necessary to work out all details and answer all questions.
- Swedes are known for their consensus decision-making, and prefer to stick to carefully considered plans, rather than make "on-the-fly" changes.
- Cold calling is not advised. It is necessary to make appointments with Swedish one to two weeks in advance and reconfirm the appointments a few days before.
- Brochures should be sent in advance to Swedes in order to give the recipient time to prepare.
- Follow-up is very important. After a visit, call or e-mail the Swedish business relation as soon as possible and express appreciation for the meeting and the

newly established contact. Even if it is just an acknowledgement of receipt, always respond to their e-mails and faxes within 24 hours.

MEDIA INFORMATION RELATED TO TOURISM [7]

Sweden has good range of newspapers and magazines covering almost every interest, including travel trade and travel magazines. Major daily newspapers and magazines have travel sections. Many newspapers and magazines are also available on the Internet, which is becoming an increasingly important media.

Below are the main travel trade magazines in Sweden:

Name	Circulation
Travelnews (www.travelnews.se) the travel trade magazine for the Swedish and Norwegian markets	15,000
Meetings International	13,000
Hit and Dit	
RESFLEX	11,000
Konferensvarlden	19,000

Table 13-5
Relevant Swedish Consumer Magazines

Name	URL	Information
Allt om Resor	http://www.alltomresor.se	Circulation 40,000 monthly
Scandinavian Dive Magazine	http://www.dykmag.net/sv/index.php	Circulation 60,000 monthly
RES	http://www.res.se	
Vagabond	http://www.vagabond.se	A magazine about active outdoor life and adventurous holidays for both Sweden and Norway; circulation 30,500 monthly
Dagens Industri		Circulation 118,000 (business, top management)
Dagens Nyheter		Circulation 361,000
Svenska Dagbladet		Circulation 176,300
Metro		Circulation; 270,000 (Stockholm), 80,000
Aftonbladet RESA		Circulation 450,000
Check In		Circulation 50,000(general travel magazine)

Updated information about the Club of Swedish Tourist Journalists, can be found at the website of the European Travel Press (http://www.eurotraveljournalists.org).

Internet

- The Swedish people have among the highest Internet accessibility in the world. It is expected to have 42% of Swedish households using broadband by the end of 2007.
- In 2005, 73% of Swedish households had Internet access at home and 76% of the Swedish population 16–74 years used the Internet more than once a week.

- Looking at the population under 45 years old the percentage of Internet users was 95%.
- In the beginning of 2005, 36% of Swedes had bought articles of any kind on the Internet, as 16% of the Swedish between 16-74 years old had bought a traveling product on the Internet. Among highly educated people the percentage using net was 28%.
- The Internet is both used for booking purposes and for pre-researching destinations. The use of the Internet for choosing a holiday destination, booking a trip and finding more travel information is increasing. A few percentage of total European online travel market belongs to Swedish people.

Table 13-6
Examples of Tourism and Travel Websites in Sweden, 2006

Name	Website	Remarks
Apollo	http://www.apollo.se	Tour operator
Expedia	http://www.expedia.se	General travel and online booking site
Fritidsresor	http://www.fritidsresor.se	Tour operator
My planet	http://www.myplanet.se	Travel site to mainly western long-haul destinations
My travel	http://www.mytravel.se	Tour operator
Odenresor	http://www.odenresor.se	Mainly flight tickets
Resfeber	http://www.resfeber.se	General travel and online booking site
Scandinavian Airlines	http://www.sas.se or http://www.sas.no	Mainly flight tickets
Seat24 Travel AB	http://www.seat24.se	Online travel agent
Ticket	http://www.ticket.se	Travel agent
Travel partner	http://www.travelpartner.se	First Swedish online travel agent

TRAVEL FAIRS [2]

Sweden's official travel trade association, RTS, was founded in 1992 and has a membership of some 500 travel-related companies.

The 'TUR' (http://www.tur.se) is Sweden's most important trade and consumer travel exhibition that takes place in Gothenburg. The trade that lasts four days considered as an ideal for those companies who are only able to participate in one of the Scandinavian shows. The first two days are exclusively reserved for trade travel.

2006 StatisticZs

Exhibitors	1,200
Participating countries	94
Media	488
Visitors	55,000

Figure 13-9
Services Offered at TUR

Service	Description	Price ($)
Space only	12–150 sq. m.	231 per sq. m.
Space only	More than 151 sq. m	214 per sq. m.
All-in-one package	from 12 sq. m on (includes: Stand area, stand construction according to package, furniture and contents according to package, Internet connection, stand cleaning, handling and storage of empty packaging, loading and unloading pallets containing goods, 10 exhibitor lunches)	427 per sq. m
Marketing package	Internet Link, descriptive text, max. 600 key strokes (incl. blank spaces), logotype in exhibition catalogue, printed and on-line versions, VIPS (Visitor Information Processing System)	738
Basic charge	Obligatory, includes information in fair catalogue (paper version and on-line version) plus 600 key strokes, VIPS (Visitor Information Processing System), access to Service Centre, Exhibitor Lounge and Press Centre.	533
Exhibitor insurance	Obligatory	153*

Note: Prices are exclusive of VAT

Sweden ranked 11th among the world's convention countries with 124 conventions, followed by Finland in thirteenth place with 111 conventions. Stockholm was in ninth place among the world's major conference cities in 2004, joint with Budapest. 64 conventions were held, which is six fewer than in 2003. There are also a number of consumer and golf fairs in Sweden every year.

TRAVELERS' INTERESTS, HABITS, AND MOTIVATION [7]

- All-inclusive holidays are drawing a big percentage of the Swedish tourists traveling to developing countries.
- Sun, sea and relaxing is the most important holiday type for the sun deprived Swedes.
- Many Swedes also take a skiing break in February or March, which they mostly spend in one of the Nordic countries.
- A relatively large part of the Swedish population love playing golf (500,000 Swedes are registered golf players) and 57 selling golf trips. On average Swedish golfers travel abroad 1.5 times per year to play golf and spend $2,200 per year on their sport (2005).
- Other holiday types that gaining more interest are eco-tourism and active vacations built around cultural events or adventurous sports such as mountain hiking/climbing, rafting and even hunting.
- Long-haul travelers in general are looking for unique, memorable experiences for their holidays and are highly independent and experienced travelers.

TOURISM ASSOCIATIONS, TOUR OPERATORS, TOURISM PLAYERS [3], [4], [7]

The Swedish travel trade can be split into several categories; tour operators, specialized tour operators and travel agencies. The most interesting travel trade partners are specialized tour operators, as they focus on long-haul destinations.

Tour Operators

In 2005, the 100 biggest tour operators in Sweden together realized a turnover of $2.36 billion.

The four largest tour operators were responsible for 58% of the total. It is estimated that a total of 550 tour operators are active on the Swedish travel market.

Table 13-7
Major Tour Operating Groups/Companies in Sweden, 2005

Name	Sales 2005 (million $)	Website
My Travel (Ving and Always)	534	http://www.mytravel.se
TUI (Fritidsresor)	418	http://www.fritidsresor.se
Kuoni (Apollo)	297	http://www.kuoni.se
Solresor	135	http://www.solresor.se
STS International	84	http://www.stsinternationaltours.com
Travelocity Nordic/ Resfeber	82.5	http://www.resfeber.se
Inca Tours	51	http://www.inca.se
Scandorama	47	http://www.scandorama.se
Airtours City Breaks	45	http://www.airtours.se
Detur	44	http://www.detur.se

Source: Travel News (2006)

Specialized Tour Operators

For tourism service providers in developing countries, it is recommended to target the specialized tour operators, since they focus on long-haul destinations and will probably be easier accessible than the large tour operators.

Table 13-8
Specialized Tour Operators in Sweden

Name	Website	Focus
ABC Tours	http://www.abctours.se	
Globetrotter	http://www.globetrotter.se	
Inca Tours	http://www.inca.se	South America
Jambo Tours	http://www.jambotours.se	
Kilroy Travels	http://www.kilroytravels.se	
STA Travel	http://www.statravel.se	Youth travels
Tour Africa	http://www.tourafrica.nu	Africa

For instance the specialized tour operator Inca Tours (http://www.inca.se) includes a new destination when they see a potential or a new demand on the market. Countries will be selected only if the safety of Swedish tourists can be more or less guaranteed. The best way to come into contact with Inca Tours is at travel trade fairs.

Travel Agencies

There are about 530 outlets of travel agencies in Sweden. The turnover in 2005 was slightly higher than in 2004, but in comparison with 2000 the decrease was 27.5%, about $3.8 billion.

Table 13-9
Major Travel Agents Sweden, 2005

Name	No. of Offices	Sales 2005 (million $)	Website
American Express	± 40*	796	http://corp.americanexpress.com/gcs/intl/sweden/businesstravel
Hogg Robinson Nordic	± 14	369	http://www.hrgworldwide.com/se
Ticket	85	334	http://www.ticket.se
Resia	58	320.5	http://www.resia.se
Carlson Wagonlit	6	157	http://www.carlsonwagonlit.com/sv/countries/se

Next to travel agents, there are also are several travel agency groups for independent travel agencies. The agencies attached to these groups are financially independent but work together on several fronts such as purchasing and computer programs.

Table 13-10
Travel agency Groups Sweden, 2005

Name	No. of offices	Sales 2005 (million $)	Website
TNN Travelgroup	45	221	http://www.tnn.se
Swetravel	35	177.5	http://www.swetravel.se

The Association of Swedish Travel Agents (Svenska Resebyråföreningen, SRF) was founded in 1937 and now represents almost 90% of Sweden's travel agencies. SRF has about 130 member companies and represents 400 sales offices. The member companies employ just over 3,400 people.

SWOT ANALYSIS OF SWEDEN IN RELATION TO ARMENIA

Strengths	*Weakness*
• High amount of sun hours from April to mid-October • Beautiful nature, mountainous landscape • Interesting flora and fauna • Possibility of hiking, climbing and other open door activities • Numerous museums and places for sightseeing • Online travel information • Online visa access • Different types of accommodation available • Low cost of internal transportation • Armenia is not associated with terrorism	• No beaches • No direct flights to Armenia • Difficult transportation outside the capital • Huge gaps in providing services in regions • Not all information available in English, Swedish • Lack of promotion of the country as a holiday destination • Difficult access to health care because of language • Poor online booking systems
Opportunities	*Threats*
• Special interest or activity- led holidays (rafting, mountain climbing, etc) have become important to travelers. • Eco-tourism and active vacations built around cultural events or adventurous sports (mountain hiking/climbing, rafting and hunting) are becoming popular • Increasing number of trips to Armenia	• Only 6% of the Swedish travel abroad to discover new countries or cultures or to visit historical sights. • Swedish are interested in all-inclusive holidays in developing countries: cheap all-inclusive holidays are available in competitor countries like Turkey, Croatia • Sun, sea and relaxing is the most important holiday type for the sun deprived Swedes • Lack of political stability/ Karabakh conflict

14. Switzerland

Size of population: 7,554,661

Number of outbound holiday trips: Information not available

Percentage of population making outbound holiday trips: Information not available

Major outbound holiday destinations in 2006: France, Italy, Germany, Spain, Austria, United Kingdom

Average length of stay for outbound holiday trips in 2005: 7 days

Prices for round-trip air ticket in summer season (economy class)

Zurich–Yerevan

Lowest—US$679, Czech Airlines; Highest—US$1,737, Austrian Airlines

Geneva–Yerevan

US$1,342 – British Airways

Basel–Yerevan

US$1,209 – British Airways

Number of direct flights to Armenia each week: None

Outbound holiday trips as a percentage of all outbound trips: Information not available

SOURCES OF INFORMATION

14. OECD Tourism Committee-Swiss Tourism Policy, www.oecd.org
1. Travel and Trade Workshop, http://www.ttw.ch
2. Tourism Australia, www.tourism.asutralia.com
3. Fespo, www. Fespo.ch
4. Swiss National Bank-The Economist, www.snb.ch
5. Tourism Trade UK, http://www.tourismtrade.org.uk/Images/Switzerland_PDF 16M_tcm12-32258.pdf
6. US Commercial service, www.buyusa.ch
7. World Tourism Directory, http://www.worldtourismdirectory.com/directory/europe/switzerland/category/travel_associations_services/t4/tour_operators/index.html
8. Industry Canada, www.ic.gc.ca ; www.northamerica.ch
9. USAID, Geographical and Activity-based market Research for Croatia Report-Annexes (hard copy)
10. Wikipedia, www.wikepedia.org

OUTBOUND TRAVEL NUMBERS AND DESTINATIONS [3], [6], [7]

Switzerland's land-locked status has contributed to the Swiss love of traveling. According to the latest figures published[10] by the leading Swiss tour operators outbound trips to countries around the world grew faster than expected. After a slow start in the beginning of 2005, as a result of the natural disasters in Asia, outbound tourism grew rapidly in the months of March and the first weeks of April, compared to the same period of time in 2004 by 10 – 20%, depending upon the tour company.

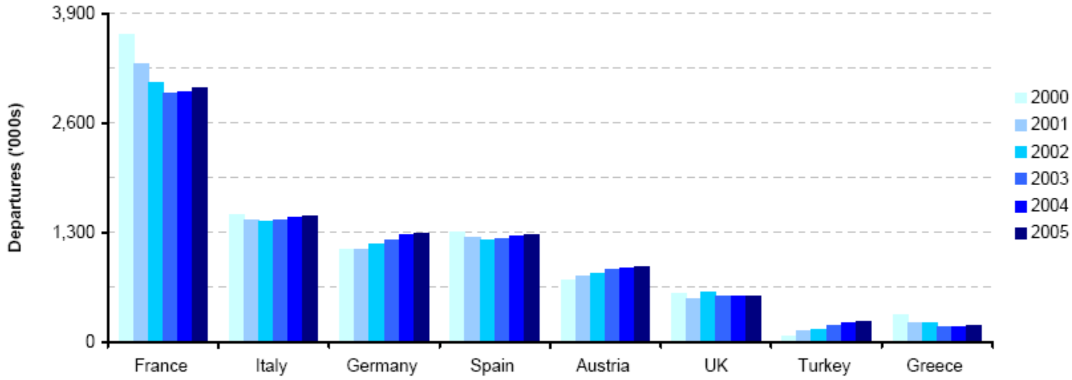
In 2005 the most popular outbound destinations were

- France
- Italy
- Germany
- Spain
- Austria
- United Kingdom [11](5.8% market share).

[10] U.S. Commercial Service report on Switzerland outbound tourism-2006

[11] http://www.tourismtrade.org.uk/Images/Switzerland_PDF_16M_tcm12-32258.pdf

Figure 14-1
Swiss Departures by Destination, 2000–2005



Source: Euromonitor estimates

Table 14-1
Total Swiss Outbound Travel, 2004 and 2005

	2004	2005	Average Growth (2004–2005)
Total outbound trips	10,989,150	11,657,000	5.7%

Swiss tourism to the U.S., after decades of booming growth, took a slap after 9/11. A “cheap” dollar provides a significant incentive for Swiss travelers to States. Swiss tourism to the U.S. climbed back again to 300,000 annual arrivals by 2005.

The Swiss took slightly more trips to Australia (up 300 or 0.6%). In 2005, 41,475 Swiss visited Australia, an increase of 1 per cent from 2004, making Switzerland Australia’s 21st-largest market for arrivals.

Outbound trips to other destinations such as Canada (1.4%) and others (3.1%) have increased as well while the Swiss took fewer trips to Thailand (6.6%) and Egypt (16.0%).

PURPOSE OF TRAVEL [3], [6],[7]

Figure 14-2
Purpose of 41,475 Swiss Travelers to Australia, 2005

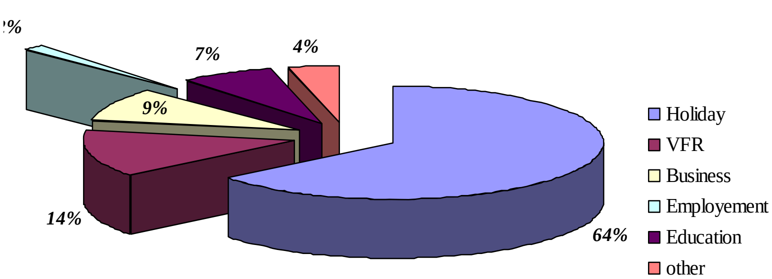
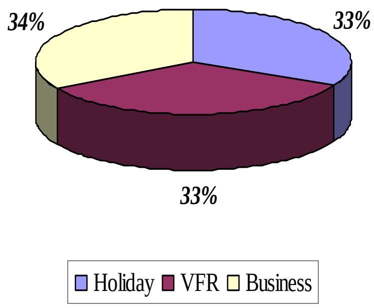


Figure 14-3
Purpose of Swiss Travelers to UK (2005)



Business to United States:

- Close and substantial economic links between the two countries
- University studies, particularly at the management level (MBA)

FACTORS AFFECTING CHOICE, SOURCES OF INFORMATION USED [1],[7]

Factors

- Safety and security are very important to Swiss.
- The rate of exchange of the Swiss franc with the dollar is a key factor in travel decisions.
- Easy accessibility, the availability of direct flights at low fares, and efficient connections, are playing competitive advantage role for Swiss travelers traveling to long-haul destinations such as United States.
- If money were no object, Swiss outbound travelers would head off to Canada, Australia, and New Zealand instead of Europe.

Sources of Information

In 2006, for the first time for Swiss outbound holiday travelers, the most commonly used source of information was a travel agent, which was used by 44% of first-time visitors when planning their travel. The following are the main sources of information for outbound trips:

Source	Share
Tour operator brochures	42%
Word of mouth	29%
Internet	27%
Other	2%

The Swiss government produces a daily report with relevant security and safety recommendations covering most countries of interest.

INTERESTS OF THOSE TRAVELING ABROAD [3], [6]

Main activities of Swiss visitors to Australia 2005:

Activity	Share
Eat out/dine at restaurant and/ or café	94%
Go shopping for pleasure	91%
Go to the beach	74%
Visit national/state parks	69%
Pubs clubs discos	62%
Visit botanical or other public gardens	59%
Go to the markets	56%
Charter boat/cruise/ferry	54%
Visit wildlife parks/zoos/ aquariums	54%
Bushwalking and rainforest walks	49%
Visit museums or art galleries	48%
Visit history, heritage buildings, sites	47%
Go on guided tours or excursions	40%
Visit the out back	34%
Experience aboriginal art/craft and cultural displays	28%
Snorkeling	28%
Go whale or dolphin watching	22%
Attend theatre concerts or other performing arts	20%
Visit farms	19%
Visit wineries	19%

Interests and Activities of Swiss in UK 2007

City Breaks. The city-break market has been one of the fastest growth sectors for Swiss tour operators in the last few years.

History / Culture / Scenery. There is a strong affinity between the Swiss and the British. The main appeal to Swiss visitors is Britain’s scenery/ countryside followed by the British way of life, history and culture. According to Swiss National Brand Index (SNBI) research, 74% said they would be very likely to go sightseeing around famous monuments and buildings and 72% said they would be very likely to visit castles / stately homes if they were to visit Britain. Visiting churches and cathedrals and museums is also popular.

Bars / Clubs. Seventy percent of the Swiss interviewed by SNBI affirmed that they would be very likely to go to bars and clubs if they were to visit Britain for a holiday and just over half would be keen to visit a British pub.

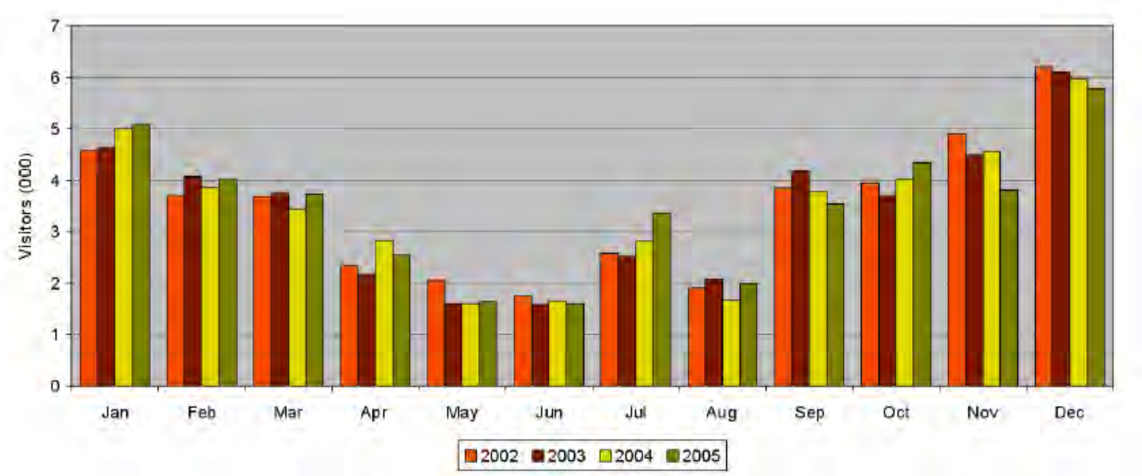
Music. In the same research, the Swiss said they are very likely to go to live music concerts and events and are also interested in going to musicals.

Relax. The main reason for the Swiss to take a holiday is for rest and relaxation, a response cited by over 40% of the participants in SNBI survey. The countryside takes second place, particularly for older travelers, with culture, sport and social contacts following in order of importance.

TOURIST TRAVEL BY SEASON [3], [6], [11]

Over 35% of the population takes both a winter and a summer holiday trips. In general, December was the peak month followed by January. The demand during 2002-2005 years was altered, with more Swiss traveling in July or October compared with 2002. On the contrary, the number of travelers on November and May declined significantly during 2002-2005.

Figure 14-4
Seasonality of Swiss Outbound Trips



Vacations

The Swiss have 4-6 weeks paid vacations depending upon the industry and employee's age. The vacations are supplemented by 9 public holidays.

Public Holidays

Table 14-2
Swiss Public Holidays

Date	Name		Remark
	German	English	
January 1	Neujahrstag	New Year's Day	-
Varying*(April 6)	Karfreitag	Good Friday	Jesus' day of death
Varying*(April 9)	Ostermontag	Easter Monday	-
May 1	Tag der Arbeit	Labor Day	-
Varying*(May 17)	Auffahrt	Ascension Day	Jesus' ascension
Varying*(May 28)	Pfingstmontag	Whit Monday	-
August 1	National feiertag	National Holiday	August 1, 1291 has been declared Switzerland's birthday
December 25	Weihnachten	Christmas	-
December 26	Stephanstag	Stephan's Day	Boxing Day

School Holidays

April	3 weeks (Easter)
July/August	5 weeks
September/October	3 weeks
December/January	2 weeks (December 24-January 6-Th)
February/March	2 weeks

LENGTH OF STAY [3], [6]

The average length of stay of an outbound trip has fallen from 13 (2004) to 7(2005) days.

However, the same figure for Swiss visitors to Australia in 2005 was 41 nights, much higher than the average of 27 nights for all visitors. During 2005 visitors from Switzerland spent 1.6 million nights in Australia, 1% of all visitor nights.

Regarding UK, average length of stay is 6 days; this is the same for both holiday and VFR. For business this figure is 3 days.

FREQUENCY OF TRAVEL [3], [6], [9]

In the period of 2002-2004, Swiss outbound incident rate varies from 2.17 to 2.47.

83% of all Swiss traveled in 2004 at least once for holiday or business. Two to three trips per year beyond the borders of Europe are not exceptional.

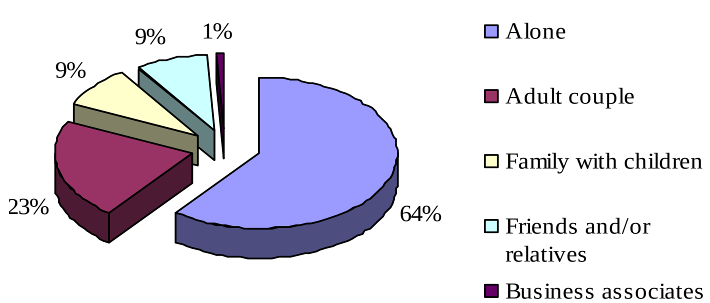
In 2005, 46% of Swiss visitors to Australia (17,896) were repeat visitors.

MAIN COMPANIONS OF TOURISTS [3]

The majority of visitors from Switzerland traveled as an alone traveler or an adult couple. However, the Swiss are still among Europe's most independent travelers (60%).

In 2005 the number of unaccompanied visitors from Switzerland was 25,087 or 64% of all visitors from Switzerland to Australia.

Figure 14-5
Outbound Swiss Traveling Companions, 2005

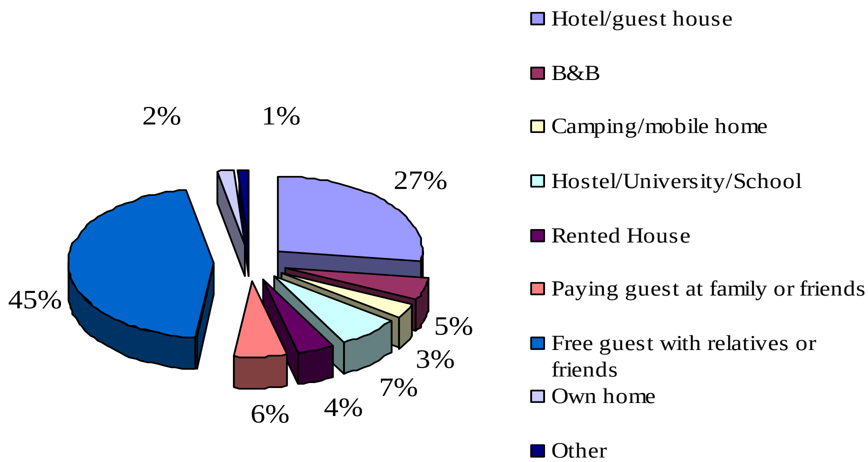


ACCOMMODATION PREFERENCES [6]

- Swiss more likely look for hotels and resorts in lesser known areas of destination.

- Generally speaking, Swiss will opt for the hotel over the guest house, B&B or self catering option.
- Fly-drive products are widespread.
- Country House or Castle accommodation is also a popular option for part or all of the stay.

Figure 14-6
Accommodation Preferences of Swiss Outbound Travelers in UK, 2005



TRANSPORT USED FOR OUTBOUND TRAVE6],[7]

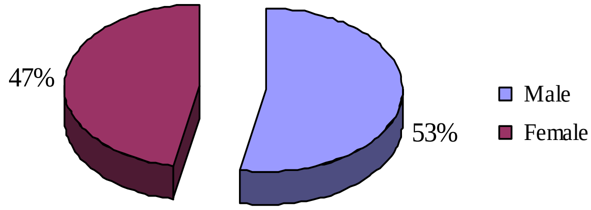
Outbound trips to US: Travel between the two countries is greatly facilitated by the high number of daily direct flights between major U.S. gateways and Switzerland. "Swiss" International Airlines, now belonging to Lufthansa, continues to offer direct service to New York (twice daily), Boston, Miami, Chicago and L.A.

In 2005, 95% of all visitors from Switzerland to the UK traveled by air.

DEMOGRAPHICS OF OUTBOUND TOURISTS [3],[6],[7]

In 2005, the sex ratio of outbound travelers from Switzerland to Australia is 111 males per 100 females.

Figure 14-7
Gender Distribution of Swiss Outbound Travelers



- Population from major urban centers traveled most frequently.
- In terms of spending 25-34 are more spenders than other groups.

- The German Swiss are generally multilingual but have little in common with either Germans or the French-speaking Swiss, the "Suisses-Romands." The Romands are keen travelers.

Swiss between 35 and 54 years old are the market segment with the best potential to travel especially to the United States. The most significant market growth has come from the 25–34 age group.

The number of young people 18–30 who have never traveled to the United States is over three times higher now than a decade ago. The main reason younger Swiss cite for their distance from the United States is that they consider many of their values incompatible with American values.

Figure 14-8
Age Distribution of Swiss travelers to Australia

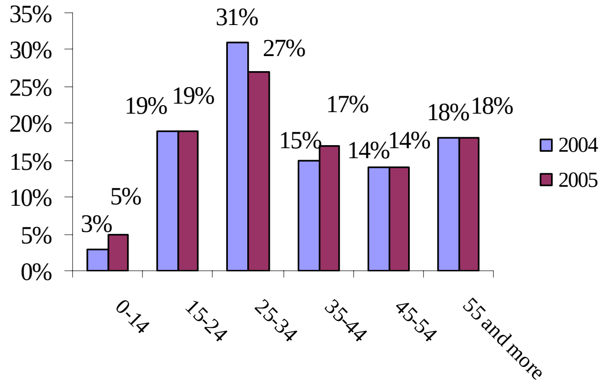
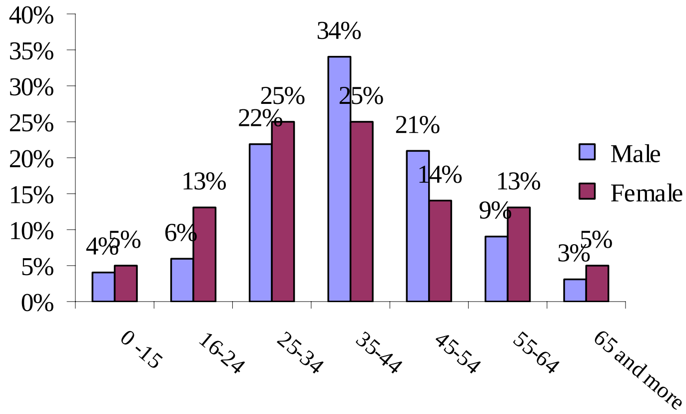


Figure 14-9
Age and Gender Distribution of Swiss Travelers to UK



TRAVEL SPENDING [3], [6], [10]

The Swiss are among the highest travel spenders in outbound travel markets. The Swiss spend more than Scandinavians and Belgians.

Swiss people tend to spend a large proportion of their trip expenditure on renting cars or other vehicles.

The figures below shows the main items of expenditure by average cost for all outbound travelers from Switzerland:

Item	Average ($)
International airfares	2,126
Food, drink and accommodation	1,781
Shopping to take home	278
Education	480
Package tour	1,008
Other	1,610

In 2005 travelers from Switzerland spent a total of US$241 million on trips to Australia, with an average expenditure of US$6,140 per trip.

While their stay at UK, their expenditure raised by 26% from US$557 million in 2004 to US$703 million in 2005.

USE AND TRENDS IN BOOKING PATTERNS [3], [6], [7]

Forty-five percent of outbound travelers had actually made a travel booking online. These purchases were generally flights or accommodation; long-haul destinations were rarely booked online as a whole travel package.

Younger Swiss travelers are likely to book air only, waiting until arrival to finalize ground arrangements. Older group travelers are more likely to purchase a pre-departure, modular tour holiday, relying on their travel agent for advice.

In 2005, 52% of holiday and VFR travelers had started planning their trip six month prior to arrival in Australia whilst 23% began planning more than six months before arrival.

When booking flights, 16% of holiday travelers booked their ticket within one month of arrival, while 30% of VFR travelers booked within one month. 11% of Swiss holiday travelers booked their flight more than 6 months in advance.

U.S. Commercial Service Report on Switzerland Outbound Tourism-2006

Product managers have reported advance bookings in 2005 up 60% over the same period of time in 2004. Two key factors influencing this growth are a more positive image of the U.S. among the Swiss as well as the strong Swiss Franc.

Individual travel seems to be replacing to a large extent organized and group travel, particularly for so-called safe and developed destinations like U.S.

The traditional round trips have been loosing ground in favor of modular type packages giving traveler a high level of individual flexibility.

TRAVELERS' DEMANDS, EXPECTATIONS, AND BEHAVIOR [6], [7],[10]

Demands and Expectations

- Switzerland is an extremely mature travel market, almost spoiled for choice of overseas destination, with high expectations and discerning taste.
- They look for unlimited opportunities as they most likely experience in the US.
- The majority of Swiss consumers obviously still prefer personal counseling and liability to anonymous bookings on the Internet.
- They tend to be rather well informed, sophisticated travelers willing to pay for quality.
- Swiss like to travel individually as opposed to in groups.
- The use of credit cards among the Swiss is widespread, permitting retrieval of cash from ATM's.
- Recognize that Swiss are not Germans (nor French, nor Italians).
- They are expecting a clean, reliable and well functioning environment.
- Very detailed information of all activities planned is very important for Swiss visitors.
- The Swiss travelers see the Italians as the most welcoming and they would most like to have a Canadian as a close friend.

Behavior

- They can be very demanding and fast to complain if they are unhappy with a service.
- It is a multilingual society used to dealing in different languages and with singular mentalities.
- The vast majority of "active" outbound Swiss travelers have accepted the machine-readable passport as a handy document making use of current state-of-the-art technology.
- Group travel is mostly popular among senior citizens or special interest groups (associations, etc.).
- The average Swiss consumer seems willing to pay for travel agents' service, in particular, for long-haul travel and trips to destinations outside of Europe.
- The Swiss are accustomed to traveling freely with very few restrictions.

BUSINESS PROCEDURES WITH TRAVEL COMPANIES [3], [7]

- When buying travel there are a number of distribution channels available to consumers.

- Swiss may research and book their trip using a combination of traditional distribution partners and online options.
- Newly established, aggressive direct marketing companies have gained market share in the fields of short trips and beach vacations.
- Direct marketing companies, some owned by large local tour operators, offer packages at very low prices with a minimum of service.
- For long-haul travel, the safety-minded Swiss still prefer to purchase from experienced travel agencies.
- Major tour operators are now investing in refurbishing their retail agencies to make them more “service friendly.” Investments are also made in new web-based systems to complement personal service and cater to younger clients.
- In the past few years, over 90% of all expensive long-haul travel of Swiss, including to the U.S is still covered by the travel trade.

MEDIA INFORMATION RELATED TO TOURISM [3], [9], [10]

- Printed and electronic media are very effective means to attract Swiss consumers.
- Familiarization trips for travel writers and radio and TV staff have proven to be highly productive.

Print Media

The Swiss have access to a much larger range of newspapers and magazines than any other European country: 2,560 titles are available on a regular basis.

Table 14-3
Popular Swiss Newspapers and Magazines

Name	Days of the Week	Circulation
GERMAN-SPEAKING		
Neue Zurcher Zeitung/ NZZ am Sonntag	Daily/ Sunday	159,000/ 90,000
Tages Anzeiger/ Sonntags, Zeitung	Daily/ Sunday	236,000/202,000
Blick/ SonntagsBlick	Daily/ Sunday	275,000/ 300,000
20 Minuten	Daily Mon–Fr	369,000
FRENCH-SPEAKING		
Tribune de Geneve	Daily	73,000
Le Matin	Daily/ Sunday	69,000/207,000
24 heures	Daily	86,000
ITALIAN-SPEAKING		
Corriere del Ticino	Daily	39,000

Giornale del Popolo	Daily	21,000
Il Caffe	Sunday	51,000

Travel Trade Press

- Schweizer Toursitik published weekly in German only.
- Travel inside published weekly in separate German and French editions

Internet

- Over two-thirds of all Swiss households have direct access to the web (68%).
- 4,484,434 Swiss have access to the Internet, with 68% having access at home or 36% at their workplace.
- 58% use the Internet for travel planning. This number would be much higher, if people were less reluctant to give personal details such as credit card numbers over the web.
- Half of all Swiss with an Internet connection have at least once purchased an airline ticket or another travel related product. Total e-sales to consumers are estimated to be US$ 500 million by the end of 2005.
- The most common use of travel websites is still for information gathering. Customers are making use of online booking facilities to make straightforward flight bookings or pick up last minute package deals. In addition, nowadays the Internet has become the main source of information for potential travelers looking for hotels, attractions, cars, etc.
- The Swiss are increasingly using the Internet as a way to book less complex and cheaper trips within Europe.
- Internet sales are focusing on short trips, flights and less complex products. According to the company E-Bookers, on-line sales and bookings will keep growing fast as the older generations are also getting used to the Internet.
- In 2005, a total of or 49% of visitors from Switzerland used the Internet when planning their trip to Australia. Most visitors from Switzerland used the Internet to find out more about Australia after they decided to visit.

TRAVEL FAIRS [2], [4]

Each major Swiss city has its own, annual consumer (vacation) show. The best-known shows are held in Zurich (FESPO), Basel, Bern, Geneva and St. Gallen. They are all organized by WIGRA-EXPO with offices in Zurich.

FESPO

Date: January 31- February 3, 2008
Venue: Exhibition Center Zurich

Table 14-4
FESPO Prices

Service	Description	Price ($)
Modular stand without furniture	12 sq. m	4,397
	15 sq. m	5,369
	18 sq. m	6,300
Space only	from 18 sq. m on	232 per square meter
Stand with several open sides	2 open sides	54 per square meter
	3 open sides	66 per square meter
	4 open sides	83 per square meter

Contacts

Address: Butzenstrasse 39,
CH-8038 Zurich
Tel. +41 (0)44 487 43 30
Fax +41 (0)44 487 43 43
E-mail: info@fespo.ch
Website: www.fespo.ch

Zurich is the largest holiday show in Switzerland for the sports and holiday market. Attached to the show is the event “World of Golf,” a hall dedicated to golf. The total number of visitors was 72,000 in 2005.

Vacances, Sports et Loisirs, Geneva is the largest exhibition for the Swiss French market and dedicated to holidays, sport and good living. The number of visitors to the fair in 2004 was over 25,000 with 200 exhibitors attending.

TTW- Travel Trade Workshop

October 26–27, 2007
Montreux , Vaud , Switzerland

2006 Statistics

Total Exhibitors 2006	533
Countries represented at TTW 2006	44
Total surface	5,110 per square meter

Fee details on http://www.ttw.ch/cms/download/Exhibitor%20Brochure%2007.pdf and http://www.ttw.ch/cms/download/Application%20Form%202007%20-%20screen%20version.pdf

Contacts

Tel.: +41 21 3848484
Fax: +41 21 3848480

E-mail: info@ttw.ch
Website: http://www.ttw.ch

The annual Travel Trade Workshop (TTW) is the main Swiss trade event (32 nd being held in 2007) covering Switzerland's outbound travel market. It is often described as the "smaller sister of ITB". TTW features 1,000 exhibitors from over 100 countries.

TRAVELERS' INTERESTS, HABITS, AND MOTIVATION [9]

Generally, the Swiss visitor will take time to check the opportunities of their specialist interest such as garden, whisky, golf or other active pursuit and will seek the experience as well as the exclusive.

- Fly, drive and sleep packages or specific package parts
- Short city trips for shopping and cultural events
- Incentive travel
- Activity such as wilderness, river rafting, adventure trips, helicopter skiing, etc.
- Cruises (incl. river cruises)
- Special interest travel such as golfing, cultural events, technology, sports, culinary (wine)

TOURISM ASSOCIATIONS, TOUR OPERATORS, TOURISM PLAYERS [5], [6], [8], [10]

- The structure of Switzerland's travel market has changed considerably. The resultant restructuring of the industry came at the cost some 600 travel agencies to disappear. At the end, the total number of Swiss travel agencies reduced from 3,000 to 2,400 in the end of 2004.
- Newly established, aggressive direct marketing companies have surfaced (some owned by the large local Tour Operators), avoiding the traditional sales channels. They are considered to hold a market share of some 5% at this time.
- Swiss consumers still purchase some 95% of all long-haul trips from travel agencies. According to a survey of Elvia (travel insurance), 40% of all holidays are booked through travel agencies, especially long-haul and package tours.
- According to the Swiss national travel agents association (SRV), the top 10 tour operators in Switzerland probably account for 70% of the total market. Most of the leading groups are both tour operators and TAs and it is difficult to distinguish between their operations.
- Clearly, Switzerland's travel trade in 2006 is now leaner and meaner as a result and should be fit to face the coming challenges.

Travel Agents

- Commission Level: 8.5 – 13.5%
- Switzerland currently has above 2,000 retail travel agents and over 527 tour operators.

- Competent travel agencies remain the main source of information and the place where the Swiss do their booking.
- The level of travel agent training on Australia is probably better in Switzerland than anywhere else in Europe. This is largely due to fact that most major wholesalers, as well as specialist operators, conduct workshops and training in conjunction with TA and the STO's.
- TA and STO's are working with major wholesalers including Knecht Reisen, Kuoni and Hotelplan to run training workshops for agents.
- Only 25% of all travelers did not use the services of a travel agency in 2005 (up from 18% in 2002). Some 30% of all travelers purchased trips from agencies twice or more and 45%, at least once per year.

Travel Agent Associations

Organization	Website
Fédération suisse des agences de voyages	http://www.srv.ch
STAR Swiss Travel Association of Retailers	http://www.star.ch
Baltic Sea Tourism Commission	www.balticsea.com
WATA / World Association of Travel Agencies	www.wata.net

Wholesalers/Large Agents

Commission Level: 20 - 30%

- There are approximately 25 tour operators selling Australia in Switzerland. All of the major tour wholesalers have dedicated Australia brochures.
- The traditional travel industry distribution chain remains strong in Switzerland, which is beneficial to the distribution of destination product.
- Tour operators and travel agencies still carry the main burden for promotional programs and education. The new low-cost, direct marketing agencies seem to have overcome some of their credibility problems. They have also started to market the U.S., but only for groups.

Travel Associations and Services

- STV / Schweizer Tourismus-Verband, fax (+41) 313023357
- Verband Schweizerischer Verkehrsvereine (Union des sociétés suisses de développement), fax (+41) 564411402
- Association suisse des directeurs d'offices du tourisme (Verband schweizerischer Kur- und Verkehrsdirektoren), fax (+41) 414107260
- Common Market Travel Association, fax (+41) 227387246
- Vereinigung Kunsttourismus Schweiz KTS, www.kunsttourismus.ch
- Buspartner Schweiz Carpartenaire Suisse, fax (+41) 17102403

Tour Operators

- Aare Seeland Tours, http://www.aare-seeland-tours.ch
- ACS Viaggi, fax (+41) 919234413
- Agences Location Val d'Anniviers, http://www.anniviers-location.ch
- Aletsch Ferien, http://www.aletsch.ch
- American Express International, fax (+41) 13846229
- Anker Travel, fax (+41) 413971112
- Bucher Travel, Inc., fax (+41) 414185500
- Conventus of Switzerland, fax (+41) 216174380
- Engadin Ferien, http://www.engadinferien.ch
- Eurotrek/Eventure AG, http://www.eurotrek.ch
- Explorer Tours and Travel Ltd, explorer.ett@bluewin.ch
- Fert Tours International, fax (+41) 227331950
- Glarnerland Tourismus, http://www.glarnerland.ch
- Graubünden Tours AG, http://www.graubuendentours.ch
- ITO Travel, fax (+41) 414109213
- Jech Travel Service, jech@bluewin.ch
- Kuoni Travel Ltd. , fax (+41) 227327617
- Kuoni Travel Holding Ltd., http://www.kuoni.com
- Matterhorn-Group, www.zermatt.ch/matterhorn-group
- MCI Destination Management AG, fax (+41) 12513149
- MCI Travel Switzerland, http://www.mci-group.com
- Outventure AG , http://www.outventure.ch
- Railtour Suisse, http://www.railtour.ch
- Reisebüro Kuoni AG, http://www.kuoni.ch
- Scuol Tourismus AG, http://www.scuol.ch
- Spectrum Events AG, http://www.spectrum-ch.com
- St. Gallen-Bodensee Tourismus, http://www.st.gallen-odensee.ch
- Trekking Team AGhttp://www.worldtourismdirectory.com/directory/europe/sweden/entry/63232/index.html , http://www.trekking.ch
- USP Touristik AG, http://www.usp-touristik.ch
- Welti-Furrer Personentransport AG, fax (+41) 14441464
- Winterhalder Tours Ltd., fax (+41) 14627276
- Zerzuben Touristik AG, fax (+41) 279464600

SWOT ANALYSIS OF SWITZERLAND IN RELATION TO ARMENIA

Strengths	*Weakness*
• Rich culture • High amount of sun hours from April to mid-October • Specific cuisine	• No direct flights to Armenia • No beaches • Difficult transportation outside the capital • Not all information available in English,

• Numerous museums and places for sightseeing • Rich in night life activities • Beautiful nature, mountainous landscape • Possibility of hiking, climbing and other open door activities • Online visa access • Flexible packages • Low cost of internal transportation • Not associated with terrorism	German, French or Italian • Lack of promotion of the country as a holiday destination • Difficult access to health care because of language
Opportunities	*Threats*
• Increasing number of outbound trips • Swiss mostly travel to Europe • Swiss like active holidays • Swiss are fond of cultural events • They like dining at restaurants and nightlife	• Swiss prefer sun and beach holidays • Cheap all-inclusive holidays in competitor countries like Turkey, Egypt • Lack of political stability/Karabakh conflict

15. United Arab Emirates

Size of population 2005: 4,104,695

Number of outbound holiday trips:

Percentage of population making outbound holiday trips in 2005:

Major outbound holiday destinations: Egypt, Italy, Greece, Spain, Monaco, Cyprus, Turkey (Izmir), Malta

Average length of stay for outbound holiday trips in 2005: 10 nights

Average price for round-trip air ticket DXB -EVN in summer season: US$275 (Argo Tour)

Number of direct flights to Armenia each week: 2

Outbound holiday trips as a percentage of all outbound trips in 2004: 69%

SOURCES OF INFORMATION USED

1. http://www.tourismtrade.gov.uk
2. www.ameinfo.com/63199.html
3. www.ftnnews.com/index138.htm
4. Hakobyan travel (Cinthia Hakobyan)
5. http://commercecan.ic.gc.ca/scdt/bizmap/interface2.nsf/vDownload/ISA_2991/$file/X_1512245.DOC
6. www.tedad.ae/english/population_results.html
7. http://www.arabiantravelmarket.com
8. www.ipkinternational.com

OUTBOUND TRAVEL NUMBERS AND DESTINATIONS [3], [4]

In 2004, 2.86 million trips were undertaken by UAE outbound travelers. The wealthy segment of outbound travelers prefers trips to US and Australia (Sydney).

Main outbound destinations in 2004:

Destination	%
Australia	45%
Far East	25%
Singapore	
Thailand	
Malaysia	
United States	10%
Other	20%

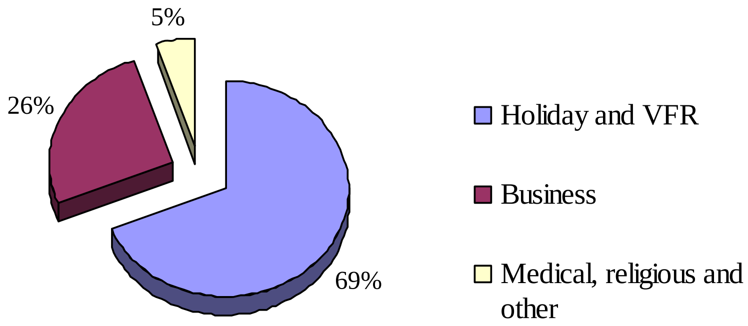
Main outbound holiday destinations (2006):

- Egypt
- Italy
- Greece
- Spain
- Monaco
- Cyprus
- Turkey (Izmir)
- Malta

PURPOSE OF TRAVEL[3]

The majority of UAE travelers go abroad for holiday and VFR trips. UAE travelers spent 51.1 million nights on all outbound trips in 2004, of which 87% were spent on holiday and VFR trips.

Figure 15-1
Emirate Outbound Trip Purpose



FACTORS AFFECTING CHOICE, SOURCES OF INFORMATION USED [4]

- Availability of luxury casinos (like in Las Vegas)
- They would like to run away from hot weather
- Availability of special activities (golf, tennis courts)
- Price is not a key factor for decision making

Family and friends are key influencers in selecting a destination (53%), followed by travel agents (18%). Planning a holiday usually involves the whole family. The final decision mainly is made by the parents or male spouse. The UAE National Decision Making Process Research conducted in 2004 showed that the father funds the trip, but the young people and the women in the family play role in the decision-making process for destination.

INTERESTS OF THOSE TRAVELING ABROAD [4]

Shopping is very important for Arab travelers. Top activities for visitors to the US from the UAE:

- Shopping
- Pleasure
- Sightseeing
- Education
- Outdoors dining
- Medical reason

TOURIST TRAVEL BY SEASON [4],[5]

The people of the UAE have 4 weeks of paid vacation.

The peak months for outbound trips are March-April and summer months (due to school holidays)

Public Holidays

January 1	New Year's Day
Variable	Day of the Sacrifice, Eid ul-Adha

March	Islamic New Year
Variable	Night Journey, Isra's wa al Miraj
December 2	National Day, Al- Eid Al Watani
Variable	End of Ramadan, Eid Ul- Fitr

School Holidays

Primary School

The dates given below are approximate and may vary from school to school and year to year:

Autumn	September 8 to December 12
Spring	January 5 to March 27
Summer	April 7 to June 26

Secondary school

Midterm	January 16th to February 2nd
Summer	June 14th to September 10th

LENGTH OF STAY [3], [4], [5]

- On average they spend 24 nights abroad per trip in 2004.
- According to Hakobyan Travel in 2006 they stayed abroad at least 10 nights during holiday trips.
- The length of stay in the US is about 7 nights for a business trip and 1 month for holiday trip.

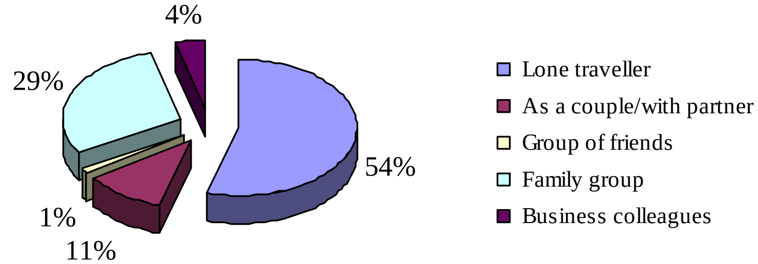
FREQUENCY OF TRAVEL [3], [5]

In 2004, 64% of all UAE outbound tourists traveled abroad at least once a year. An emirate and the upper end western expatriate would make four trips per year – two each for business and holiday.

MAIN COMPANIONS OF TOURISTS [1], [3], [4]

Sixty-six percent of holiday makers travel with family members (if applicable, with two wives).

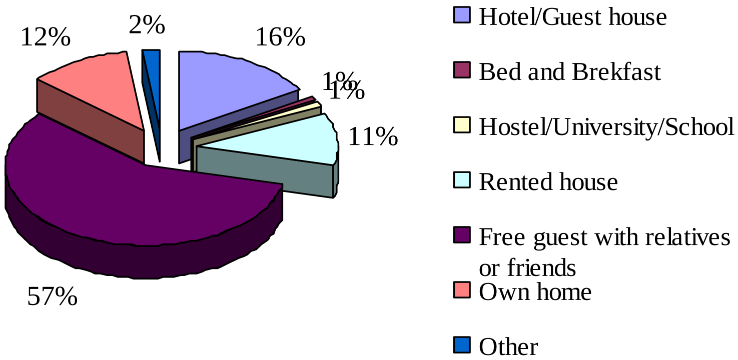
Figure 15-2
Companions of Outbound UAE Travelers to UK



ACCOMMODATION PREFERENCES [1], [3]

50% of outbound holiday travelers prefer to stay in four- and five-star hotels or furnished apartments.

Figure 15-3
UAE Accommodation Preferences in UK



TRANSPORT USED FOR OUTBOUND TRAVEL [5]

Air and cruises are the most preferred transportation means for UAE outbound travelers.

Outbound passengers from Dubai International Airport (2004):

Year	No.
2000	5,517,000
2001	6,285,000
2002	7,377,000
2003	8,523,000
2004	10,297,000

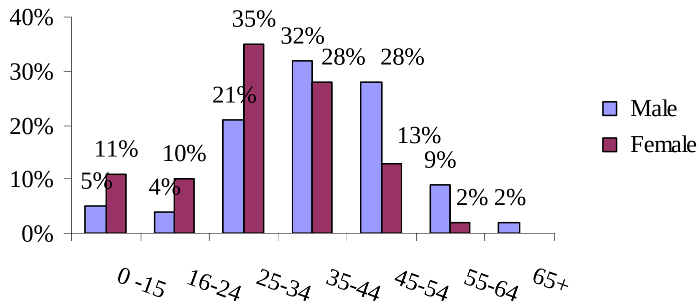
Outbound passengers from Abu Dhabi International Airport:

Year	No.
2000	1,440,000
2001	1,418,000
2002	1,726,000
2003	1,893,000
2004	2,365,000

DEMOGRAPHICS OF OUTBOUND TOURISTS [1]

Large numbers of expatriates live in the UAE. Of those traveling from the UAE to the UK, 51% are of British nationality, 15% of Indian nationality and 11% are Emirate (IPS).

Figure 15-4
Age Distribution of Male and Female Passengers from UAE to UK



TRAVEL SPENDING [4], [5]

The UAE has a high density of millionaires; its is the world's richest nation.

The total expenditure of outbound UAE travelers amounted to US$4.9 billion in 2004. An average expenditure per outbound trip was over US$1,700 (for 10 nights) in 2006.

A traveler from the UAE spends approximately US$350-400 per day in US, which includes hotel costs, meals and incidentals but not airfares.

USE AND TRENDS IN BOOKING PATTERNS [8]

The United Arab Emirates has the highest online population in the Middle East with 36% of the population.

All Internet travel users	8%
On-line booking	3%
Only information	5%
Non Internet travel user	92%

UAE travelers are last-minute bookers. A 2002 study found that when booking air travel, 43% of respondents book three to four weeks in advance and 29% book two weeks in advance. Fifty-five percent book through a travel agent and 40% directly with an airline.

When booking a hotel, 37% book three to four weeks in advance and 27% two weeks in advance. Forty-seven percent book through a travel agent and 39% directly with a hotel.

TRAVELERS' DEMANDS, EXPECTATIONS, AND BEHAVIORS [1]

- Travelers from UAE demand a very high level of service.
- Arab nationals of the UAE also fear that they may be discriminated against and exploited.
- It is culturally insensitive to ask an emirate whether they want bacon with eggs, or include a half bottle of wine with the table menu.
- UAE travelers prefer suites or interconnecting rooms which allow parents easy access to their children.

- Air conditioning in hotels during the summer is a big selling point.
- City centre locations are the most popular; the more adventurous will be prepared to stay in alternative forms of accommodation such as cottages and castles in the country, although preferably with easy access to city center facilities.
- Entertainment for the children is important
- UAE travelers have a preference for five-star hotels and high-quality serviced apartments.
- It is important to provide separate male and female areas or time for recreational areas.
- It is an advantage to have concierges who are aware of what interests UAE travelers have, and who are able to suggest tours which suit UAE preferences.
- Provide non-alcoholic minibars on request.
- Provide the type of bathroom fittings which UAE are comfortable with - this includes a spray hose in the toilet.
- UAE tourists appreciate it if hotels are also able to indicate the direction of Mecca in their rooms. It would also be useful if they were able to provide a list of local prayer times. These are small gestures, easily implemented, that would be very welcoming to the UAE visitor and indicate cultural respect
- Eating out is an important aspect of a holiday. During meals, tourists will eat meat dishes as well as drink water or fruit juices.
- Specify which foods contain pork, or alternatively offer Halal (acceptable) options, just as you would offer vegetarian options on a menu.
- UAE nationals eat a great variety of food, not just Arabic. Indian, Chinese, Italian and Thai are very popular. However, they are often reluctant to try out dishes when traveling, unless they are sure they are Halal. Availability of Asian and Arabic (Halal) food in the destination is important.
- In their own countries, Arabs are unlikely to drink alcohol. However, they will do so overseas away from their families. Beer is particularly popular.
- Arab customers are unlikely to use public transport, preferring taxis or limousines. If they are traveling in large parties, they are likely to use a chauffeur-driven mini-bus or even a motor bus for their group.

BUSINESS PROCEDURES WITH TRAVEL COMPANIES

Information not available

MEDIA INFORMATION RELATED TO TOURISM [5]

Major Trade Publications

- Aviation (published in UAE)
- Business Traveler (published in the UK)
- Middle East Travel Talk (published in UAE)
- The Arab Traveler (published in Bahrain)
- Travel Trade Gazette (published in Cyprus)

Satellite TV Channels

- Dubai TV
- Dubai Business
- Dubai Sports
- Abu Dhabi TV
- Emirates TV

Consumer Publications (English)

- Emirates Woman
- TimeOut Dubai
- UAE Today

TRAVEL FAIRS [7]

Arabian Travel Market

Site: Dubai World Trade Centre

Date: May 6-9, 2008

Statistics 2007

Exhibitors	2,185
Countries	59
Visitors	23,449
Countries	108
Press	1,000

Table 15-1
Arabian Travel Market Services

Service	Description	Price (US$)
Space Only	Use your own suppliers to design and construct the stand to meet your requirements	484 per square meter
Space with Shell Scheme	Space plus basic exhibition stand comprising: whitewalls, ceiling grid, carpet tiles, name board in English, 3 x 100W spotlights, 1 x 13 amp electric socket, 1 table, 2 chairs, waste bin and stand cleaning for every 9m²	547 per square meter

Contacts

Organizer: Reed Exhibitions

Tel.: +44(0)2089107968

Fax: +44(0)2083340747

E-mail: michelle.kearney@reedexpo.co.uk Michelle Kearney (Asia/Pacific, Europe and Americas)

Website: http://www.arabiantravelmarket.com

TRAVELERS' INTERESTS, HABITS, AND MOTIVATION

Information not available

TOURISM ASSOCIATIONS, TOUR OPERATORS, TOURISM PLAYERS [3]

Number of travel agencies operating in Dubai	63
Number of tour operators in Dubai	202[12]
Number of international airports in Dubai	1 (two terminals)
Number of international airports in the UAE	6

Table 15-2

Travel Agents in Abu Dhabi, Dubai, and Sharjah

Name	Details	Website
Salem Travel Agency	Salem Travel is the general sales agent (GSA) of Syrian Arab Airlines, Ethiopian Airlines, SAS Scandinavian Airlines, Thai Airways, Cyprus Airways, Varig Brazilian Airlines, China Airlines, American Airlines, Air Mauritius, Olympic Airways, and Turkish Airlines	www.salemtravelagency.com/
Al Tayer Travel Agency	AlTayer Travel is also a member of IATA, WATA, PATA, and American Society of Travel Agents (ASTA) and represents a range of leading travel and entertainment companies world-wide, which includes Walt Disney, Alamo, Greyhound, Amtrak, Carnival, Silver Sea Cruises and Star Cruises.	www.altayer-travel.com
Al Naboodah Travel and Tourism Agency	AlNaboodah Travel and Tourism Agency is the general sales agent (GSA) of Air France, Cathay Pacific Airways, Air Zimbabwe, Hemus Air, Turkish Airlines, Australian Airlines, and Air Canada	http://goliath.ecnext.com/coms2/product-compint-0001222171-page.html
Sharjah National Travel and Tourist Agency	Sharjah National Travel and Tourist Agency is the UAE's first ISO certified travel, tourism and cargo company and is owned by Sheikh Abdul Aziz Bin Mohammed Al Qasimi. SNTTA has offices in Sharjah and Dubai and is the general sales agent (GSA) of Emirates Airlines, Pakistan International Airlines (PIA), Singapore Airlines, SriLankan Airlines, Kuwait Airways, Royal Jordanian, Sudan Airways, Air Malta, Iraqi Airways, Bhoja Air, Somalia Airlines, and Shaheen Air International.	www.sntta.com
Aerovista Holidays		www.aerovista.ae
Airlink International UAE		www.airlinkuae.com
Al Aabdi Travel		www.alaabditravel.com

[12] Some companies also offer cargo services and car rentals.

Al Abbas Travels		http:///abbastrv@emirates.net.ae
Al Ahli Travel Agency		al_ahli@emirates.net.ae
Al Arabi Travel Agency		admin@alarabitravel.ae
Al Barakat Travels		albrakat@emirates.net.ae

Outbound Tour Operators

- Al Ahli Travel and Tourist Agency, www.alahlitraveldxb.com
- Al Thuraya Tourism, thurayat@emirates.net.ae
- Africa Connection Tourism, www.africaconnectiondubai.com
- Airlink International UAE, www.airlinkuae.com
- Al Arabi Travel Agency, admin@alarabitravel.ae
- Al Deyar Tourism, www.deyartourism.com
- Al Fajer Travel and Tourism, www.afttc.ae mailto:info@afttc.ae
- Al Fal Tourism, alfaltourism@yahoo.com

SWOT ANALYSIS OF UAE IN RELATION TO ARMENIA

Strengths

- Small distance
- Rich culture
- Numerous museums and places for sightseeing (monasteries, medieval temples, fortresses, ruins)
- Beautiful nature, mountainous landscape
- Online travel information
- Online visa access
- Armenia is not associated with terrorism
- Availability of Arabian cuisine
- Availability of 4* and 5* hotels
- Different types of accommodation available
- Low price of tickets to Armenia
- Direct flights to Armenia
- Cheap internal transportation
- Tsakhadzor winter resort (skiing opportunity)

Weaknesses

- No beaches
- Difficult transportation outside the capital
- Huge gaps in providing services in regions
- Lack of promotion of the country as a holiday destination
- Different religion
- Difficult access to health care because of language

Opportunities	*Threats*
• Rich segment	• Arabians like luxury entertainment (casino)
• United Arabian Emirates travel agency	• Lack of political stability/ Karabakh conflict
• Business Opportunities	• Language barriers

ANY RELEVANT REPORTS TO READ

Travel and Tourism United Arab Emirates—Industry Sub-sector Analysis, August2005
www.commercecan.ic.gc.ca/scdt/bizmap/interface2.nsf/vDownload/ISA_2991/$file/X_1512245.DOC

UAE MARKET AND TRADE PROFILE

www.tourismtrade.org.uk

16. United Kingdom

Size of population in 2005: 58,500,000

Number of outbound holiday trips in 2005: 44,176,000

Percentage of population making outbound holiday trip:

Major outbound holiday destinations 2005: Spain, France, Ireland, Italy, USA

Average length of stay for outbound holiday trips in 2005: 9.8 nights

Prices for round-trip air ticket LHR–EVN in summer season (economy class):
Lowest—US$647, Czech Airlines
US$945, British Airways
Highest—US$1,490, Austrian Airlines

Number of direct flights to Armenia each week: 3

Outbound holiday trips as a percentage of all outbound trips 2005: 76% (holiday + VFR)

SOURCES OF INFORMATION USED

1. www.cbi.nl
2. www.spain.info/NR/rdonlyres/08A01D77-203F-4B22-996E-499E3156C068/0/TheUKOutboundTravelMarket.pdf
3. http://www.statistics.gov.uk/cci/nugget.asp?id=352
4. http://www.tourismireland.com/UserFiles/File/GB_full_report.pdf
5. http://www.buyusa.gov/uk/en/uk_public_holidays.html
6. http://www.accenture.com/NR/rdonlyres/55E6AF9F-108F-4579-B4BE-FA48F295D6C9/0/AccentureUKPoVJune06.pdf
7. http://www.hvcb.org/media/documents/TIU2003.03.21.pdf
8. www.wtmlondon.com
9. www.johnfishexhibitions.co.uk
10. www.adventureshow.co.uk
11. http://www.tra.australia.com/content/documents/Visitor%20Profile/United%20Kingdom_visitor_profile_07.pdf
12. www.destinationsshow.com

OUTBOUND TRAVEL NUMBERS AND DESTINATIONS [1], [3], [4]

Table 16-1
Comparison of Numbers of Outbound Trips 2005 and 2006

Year	Total Outbound Trips	Total Outbound Holiday Trips	Share of Total Outbound Trips
2005	66,441,000	44,176,000	66.5%
2006	68,547,000	44,832,000	65.4%

Table 16-2
Favorite Destinations Abroad in 2005

Destinations	Outbound Trips (000)	Outbound Holiday Trips (000)	Share of Outbound Holiday Trips (%)
Spain	14,785	12,387	30
France	9,650	6,261	15
Ireland	3,677	2,901	7
Italy	3,915	2,565	6
USA	4,334	2,466	6
Asia/Pacific	4,598	2,499	6
Greece	2,670	2,290	5
Portugal	1,690	1,419	3
Turkey	1,760	1,454	3

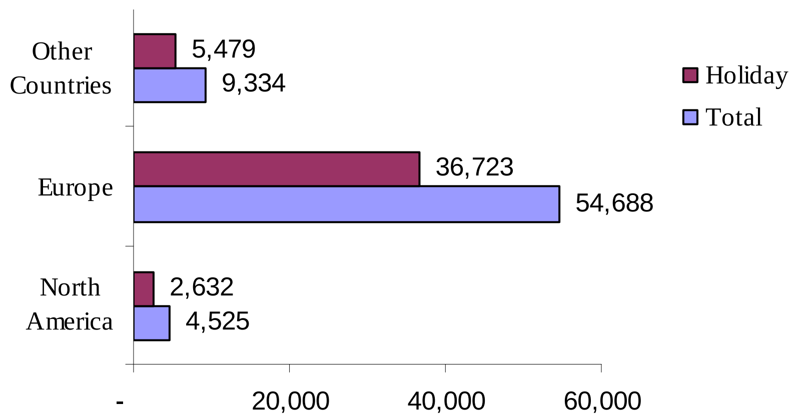
Destinations	Outbound Trips (000)	Outbound Holiday Trips (000)	Share of Outbound Holiday Trips (%)
Netherlands	1,998	695	2
Belgium	1,596	735	2
Cyprus	1,355	850	2

Source: ETM 2005

Figure 16-1
Favorite Destinations for Total Outbound Trips in 2006

Destinations	Outbound Trips (000)	Share of Total Outbound Trips (%)
Spain	14,359	21
France	10,847	16
Ireland	4,587	7
USA	3,834	6
Italy	3,343	5
Germany	2,665	4
Greece	2,418	4
Netherlands	2,377	3
Portugal	1,927	3
Belgium	1,790	3
Turkey	1,391	2

Figure 16-2
*Total and Holiday Outbound Trips by Destination Region, 2006 (T**housands)***



The number of trips to developing countries in 2004 was 8 million.

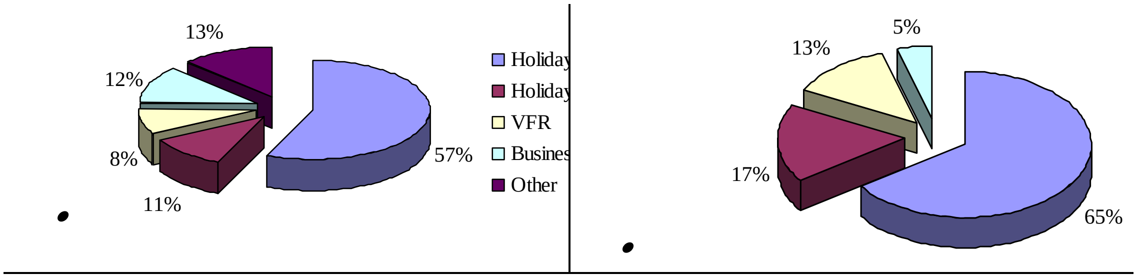
Table 16-3
No. of Holiday Trips from U.K. to Developing Countries by Region and Three Most Popular Countries Per Region, 2001, 2004

Country and Region	2001	2004	Growth 2001–2004 (%)
Total	**6,381,623**	**8,143,787**	**28**
East Asia	**1,550,313**	**1,730,800**	**12**
Thailand	517,974	628,679	21
China	302,527	418,148	38
Malaysia	262,423	204,409	-22
Europe	**839,228**	**1,564,174**	**86**
Turkey	684,102	1,248,732	83
Croatia	106,960	208,359	95
Albania	15,572	31,186	100
Armenia	1,554	5,988	285
Latin America	**1,194,161**	**1,442,998**	**21**
Dominican Republic	138,063	196,525	42
Barbados	217,466	213,945	-2
Cuba	94,794	161,189	70
Africa	**1,340,368**	**1,341,715**	**0**
South Africa	356,759	456,368	28
Tunisia	314,741	300,784	-4
Morocco	135,734	150,354	11
South Asia	**761,526**	**1,050,852**	**38**
India	405,472	555,907	37
Pakistan	144,408	196,301	36
Maldives	77,151	113,991	48
Middle East	**696,027**	**1,013,248**	**46**
Egypt	324,821	546,892	68
Bahrain	145,136	191,003	32
Oman	85,029	92,887	9

Source: World Tourism Organization (2006)

PURPOSE OF TRAVEL [3], [4]

Figure 16-3
Comparison of Purpose of U.K. Travel, 2005 and 2006



FACTORS AFFECTING CHOICE, SOURCES OF INFORMATION USED [1]

Price is the most important criterion for UK tourists, especially for mass-market destinations.

The most important sources of information are:

- Internet
- Personal recommendations from family and friends.

INTERESTS OF THOSE TRAVELING ABROAD [4]

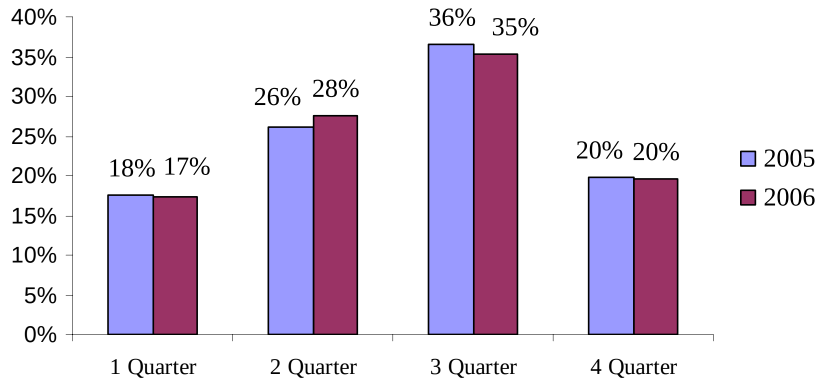
Sun, sea and beach holidays are the most popular type, followed by touring holidays and city breaks. Relatively cheap sun and beach holidays draw thousands of British tourists to the most popular countries, as smaller countries attract the more adventurous British.

Figure 16-4
Main Types of U.K. Holidays Abroad

Source: ETM 2004

TOURIST TRAVEL BY SEASON [1], [4], [5]

Figure 16-5
Outbound Holiday Traveling Period, U.K., 2005 and 2006



- The British have 20-25 days of paid vacation.
- Most British go on holiday between half July and the end of August.

School Vacations

October	5 days
Christmas holidays	2 weeks
February	5 days
Easter holiday	12 days
End of May	5 days

Summer Holiday 39 days

Public Holidays

January 1	New Years Day (*)
January 2	2nd January (S)
March 17	Saint Patrick's Day (I)
April 6	Good Friday (*)
April 9	Easter Monday (*)
April 16	Spring Holiday (S)
1st Monday in May	May Day Holiday (*)
Last Monday in May	Spring Bank Holiday (*)
July 12	Orangeman's Day (I)
1st Monday in August	Summer Bank Holiday (S)
Last Monday in August	Summer Bank Holiday (EIW)
December 25	Christmas Day (*)
December 26	Boxing Day (*)

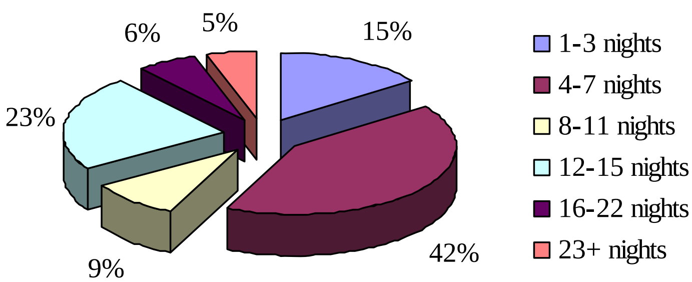
Key

E — England
I—Northern Ireland
S—Scotland
W—Wales
*—All

LENGTH OF STAY [4]

In 2005 the average length of stay for an outbound holiday trip was 9.8 nights.

Figure 16-6
Length of Stay of U.K. Holidays

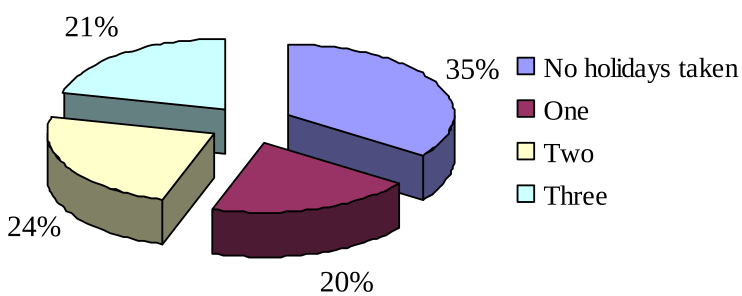


Source: ETM 2005

FREQUENCY OF TRAVEL [1]

Many British people take at least two outbound holidays per year.

Figure 16-7
Frequency of U.K. Travel, 2005



Source: ETM 2005

The British who are more than 55 years old travel most:

Age group	Trips per Year
15-34	2.6
35-54	2.57
55 +	2.82

Those with a higher education level are more likely to take holidays abroad than average.

Education level	Trips per Year
Low education	2.6
Medium education	2.57
High education	2.82

MAIN COMPANIONS OF TOURISTS [1], [11]

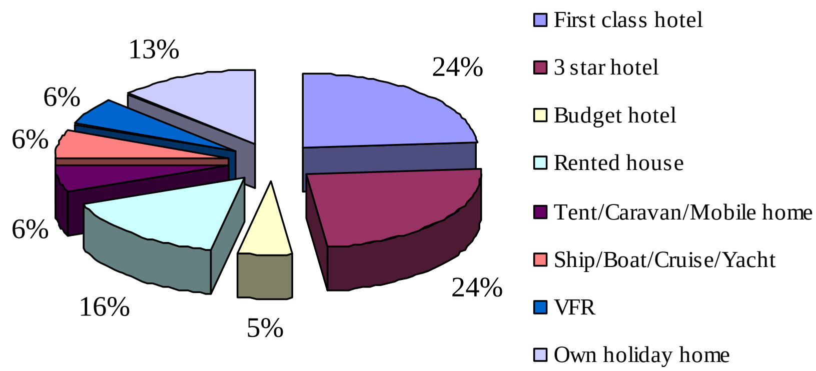
Table 16-4
Companions of UK Visitors to Australia Aged 15 Years or Over

Companion	2004		2005		2006	
	000	%	000	%	000	%
Unaccompanied traveler	318.7	50	314.2	48	347.3	51
Adult couple	217.3	34	239.2	36	232.0	34
Family group - parent(s) and children	42.2	7	47.2	7	44.3	6
Friends and/ or relatives traveling together	48.5	8	53.5	8	56.5	8
Business associates traveling together with or without spouses	5.2	1	5.8	1	5.8	1
Total	**631.9**	**100**	**659.9**	**100**	**685.9**	**100**

ACCOMMODATION PREFERENCES [1], [4]

Hotels were the most popular accommodations for the British in 2004.

Figure 16-8
Accommodation Preferences of U.K. Outbound Holiday Travelers, 2004



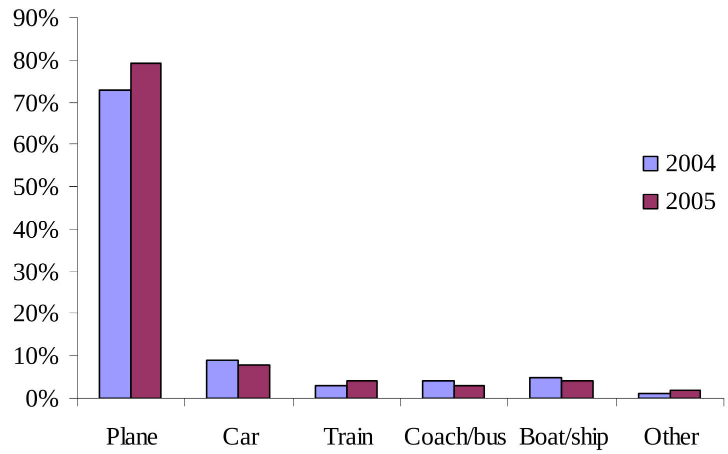
Source: ETM 2004

Outbound UK travelers are traveling and spending more on hotel bookings according to statistics released by a leading online accommodation reservation service, HolidayCity.com. There was an increase of 42.5% in the number of hotel bookings made by UK travelers from January to March 2007.

TRANSPORT USED FOR OUTBOUND TRAVE4]

The main type of transport used for outbound holiday trips in 2005 was plane (79%)

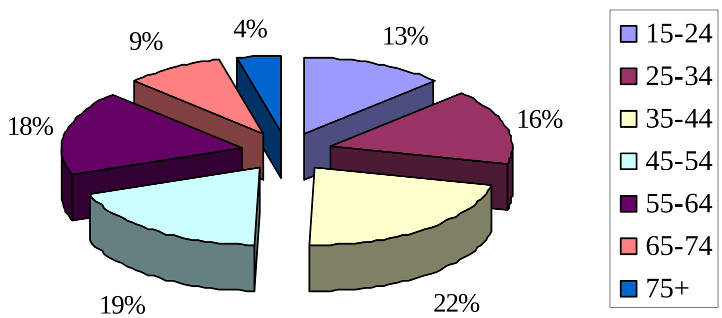
Figure 16-9
Mode of Transport for U.K. Outbound Holiday Trips in 2005



Source: ETM 2004, 2005

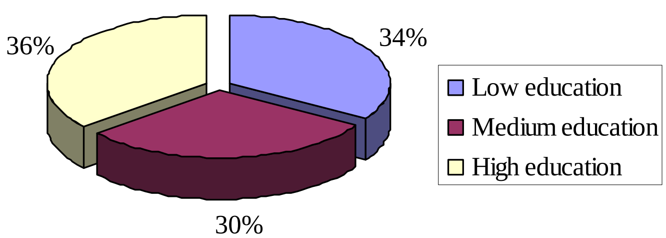
DEMOGRAPHICS OF OUTBOUND TOURISTS [4]

Figure 16-10
UK Outbound Holiday Travelers by ***Age Group***



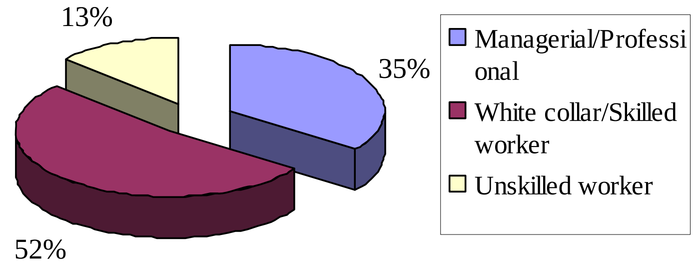
Source: ETM 2005

Figure 16-11
Outbound UK Holiday Travelers by Education Level, 2004



Source: ETM 2004

Figure 16-12
UK Outbound Holiday Travelers by Social Class, 2004

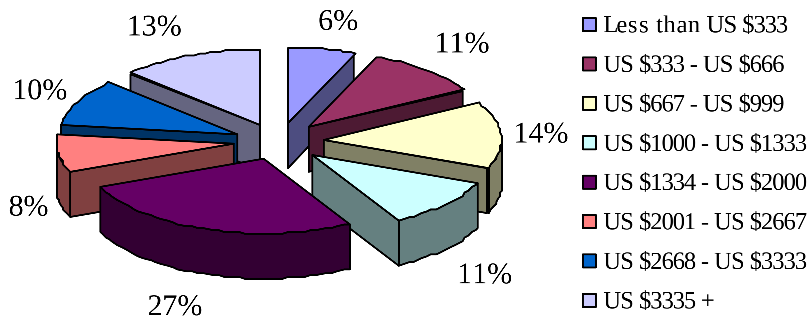


Source: ETM 2004

TRAVEL SPENDING [1], [4]

In 2004 the average expenditure was US$2,190 per outbound holiday trip and US$207 per night.

Figure 16-13
UK Trip Spending 2004

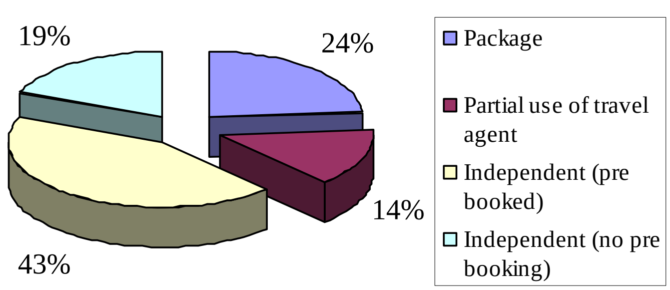


Source: ETM 2004

USE AND TRENDS IN BOOKING PATTERNS [1], [4], [2]

Most long-haul reservations are made between December and March.

Figure 16-14
UK Travel Arrangements, 2004



Source: ETM 2004

- In 2004 over 40% of the British used the Internet to book their holidays.
- Flight tickets, accommodations, short breaks and short haul destinations are most likely to be booked online.
- About a third of the British still book their holidays with a travel agent.
- 78% of customers, booking a traditional package holiday, book through a travel agent or call centre.
- In case of an independent trip, 64% of customers book over the Internet.

Popular tourism and travel websites, United Kingdom (Facts Figures Future 2006_

- E-bookers, www.ebookers.com
- Expedia, www.expedia.co.uk
- Lastminute.com, www.lastminute.com
- Opodo, www.opodo.co.uk
- Travelocity, www.travelocity.com

TRAVELERS' DEMANDS, EXPECTATIONS, AND BEHAVIORS [1]

- The British traveler is getting more and more interested in destinations that offer a unique experience.
- Distance does not really matter anymore.
- The British are used to traveling and are very experienced.
- The interest in agro and eco tourism is increasing.
- The British are becoming more and more aware of the impact of tourism on the destinations and want to contribute to the preservation of a clean environment and the authenticity of the destination.
- They are interested in meeting the inhabitants.

BUSINESS PROCEDURES WITH TRAVEL COMPANIES [1]

Business Culture

When visiting UK trade partners, remember the following cultural tips:

- Privacy is very important to the British. Asking personal questions or staring intensely at another person should be avoided.
- Gifts are generally not part of doing business in the UK.

Practical Tips

- British tour operators start planning their programs early, up to 1.5 to 2 years in advance.
- Making appointments a few weeks in advance is advisable. Confirm a few days before your arrival.

- Always be punctual in the UK. Arriving a few minutes early for safety is acceptable.

Finding Business Partners

The following sources are very helpful in finding potential business partners:

- Association of British Travel Agents - http://www.abta.com
- Association of Independent Tour Operators - http://www.aito.co.uk
- Europages – http://www.europages.com
- Federation of Tour Operators – http://www.fto.co.uk

MEDIA INFO RELATED TO TOURISM [1]

Table 16-5
Trade Press and Consumer Magazines

Name	Description	Link
Business Travel Magazine	Publishing travel magazines, destination guides, etc.	http://www.bmipublications.com
E-Tid.com	Travel and hospitality industry digest	http://www.e-tid.com
Journal of the Institute of Travel and Tourism		http://www.itt.co.uk
Travel Bulletin	Magazine for the UK travel trade	http://www.travelbulletin.co.uk
Travel Trade Gazette		http://www.ttglive.com
Travel Weekly		http://www.travelweekly.co.uk
Travelmall		www.travelmall.co.uk

Table 16-6
*Relevant Consu**mer Magazines***

Name	Link
Adventure Travel Magazine	http://www.atmagazine.co.uk
Condé Nast Traveller	http://www.cntraveller.co.uk
The Sunday Times Travel Magazine	http://travel.timesonline.co.uk
Wanderlust	http://www.wanderlust.co.uk

TRAVEL FAIRS [1], [8], [9], [10], [12]

World Travel Market

Date: 12-15 November 2007
Venue: ExCeL London

2006 statistics

Exhibiting companies (main stand holders)	623
Exhibiting companies (exhibiting partners)	4,982
Visitors	23,967
Journalists	3,144
Participating countries	202

Table 16-7
World Travel Market Prices

Service	Description	Price
Registration fee	obligatory	$308
Stand insurance	obligatory	$205
Only space		$588/sq.m
Shell scheme		$695/sq.m
Stand package		£8,302–18,963
Structural plan approval	obligatory	$205 - 308

*Prices are subject to 17.5% VAT

Contacts

Simon Beck, Regional account manager (Middle East)
Tel.: +44 (0) 208 910 7026
Fax: +44 (0) 208 334 0767
Email: simon.beck@reedexpo
Website: www.wtmlondon.com

Holiday and Travel Show

Date: January 2008
Venue: G-Mex Manchester; SECC Glasgow

2007 Statistics

	Manchester	Glasgow
Exhibiting companies	800	
Visitors	71,723	49,296
Participating countries	100	

Table 16-8
Holiday and Travel Show Prices

Service	Price
Only space	$344 /sq m
Shell scheme	$406 /sq m
Corner sites surcharge	+ 5%
3 sides open site	+ 10%

Contacts

Alison Felstead – Sales and Marketing Executive
Monument House
Woodthorpe Drive
Mapperley, Nottingham NG3 5JL
Tel: +44 (0) 115 9245520
Fax: +44 (0) 115 9245530
E-mail: alison@johnfishexhibitions.co.uk
Website: www.johnfishexhibitions.co.uk

Daily Telegraph Adventure Travel Show

Date: 25-27 January 2008
Venue: Business Design Centre
Islington, London

2007 STATISTICS

Exhibitors	250
Visitors	25,000

Contacts

Tel: 020 8387 3200
Fax: 020 8387 3201
E- mail: michelle.higgins@eme-uk.com (Michelle Higgins)
Campbell.gillett@eme-uk.com (Campbell Gillett)
Websites: www.adventureshow.co.uk

Destinations Holiday and Travel Show

Date: February 2008
Venue: Earls Court

2007 Statistics

Visitors	54,000

Contacts

Tel.: +44 (0) 207 370 8092
E-mail: destinations@clarionevents.com
Website: www.destinationsshow.com

TRAVELERS INTERESTS, HABITS AND MOTIVATION [1]

Popular activities during outbound holidays are relaxing, shopping, outdoors sports, attending large sports events and visiting historical and/or cultural sites.

Table 16-9
Activities Abroad—Touring Holidays

Activity	Touring (%)	Activity	Countryside (%)	Activity	City Breaks (%)
Relaxing	46	Relaxing	43	Sightseeing/visiting objects of interest	63
Visiting objects of interest	43	Enjoying meals & drinks	25	Enjoying meals & drinks	44
Enjoying holiday life	35	Switching off	23	Shopping	36
Visiting cities	34	Visiting friends & relatives	23	Sauntering, enjoying the atmosphere	33
Enjoying the landscape	32	Swimming & sunbathing	22	Visiting museums	21
Visiting museums, exhibitions	28	Discovering landscape & nature	20	Visiting friends & relatives	20
Enjoying meals & drinks	24	Visiting objects of interest, excursions	15	Visiting exhibitions	17
Getting to know locals & lifestyle	23	Hiking, walking	14	Nightlife	14
Experiencing a lot	21	Shopping	14	Visiting parks, participating in city park life	10
Switching off (escapism)	21	Enjoying holiday life	14	Visiting theatres	6
Swimming & sunbathing	13	Social life, parties	13	Visiting concerts, musicals etc.	5
Experiencing adventures	12	Experiencing a lot	10	Visiting festivals	3
New impressions	12	Experiencing hospitality	7	Visiting sporting events	2
Being free	9	Enjoying the accommodation	6		

TOURISM ASSOCIATIONS, TOUR OPERATORS, TOURISM PLAYERS

Tour operators and travel agents are the most important players in the UK travel business. In the

UK the line between tour operators and travel agencies is very thin. Many tour operators also have travel agencies and similar services.

Tourism Associations

Association of Independent Tour Operators (AITO)
Address: 133A St Margaret's Road, Twickenham, Middlesex TW1 1RG
Tel.: 020 8744 9280
Fax: 020 8744 3187
E-mail : info@aito.co.uk
Website: www.www.aito.co.uk

British Guild of Travel Writers
Address: BGTW Secretariat
51b Askew Crescent, London W12 9DN
Tel/Fax: 020 8749 1128
Website: www.bgtw.org

Travelwriters UK
Website: www.travelwriters.co.uk/index.shtml

Major Tour Operators

- First Choice Group, www.firstchoice.co.uk
- My travel, www.mytravelgroup.com
- Thomas Cook AG, www.thomascook.com
- TUI (Thomson), www.thomson.co.uk

Specialized Tour Operators

- Audley Travel, www.audleytravel.com
- Cox and Kings, www.coxandkings.co.uk
- Explore!, www.explore.co.uk
- Holiday on the menu, www.holidayonthemenu.com
- Naturetrek, www.naturetrek.co.uk
- Somak Holidays, www.somak.com
- Tribes Travel, www.tribes.co.uk
- Walks Worldwide, www.walksworldwide.com
- Exodus, www.exodus.co.uk

Table 16-10
Major Travel Agents

Name	Link	No. of Outlets
TUI (Thomson)	www.thomson.co.uk	793
Going Places Leisure Travel UK	www.goingplaces.co.uk	650
Thomas Cook AG	www.thomascook.com	584
First Choice Group	www.firstchoice.co.uk	308
Co-operative group (CWS)	www.travelcare.co.uk	349

SWOT ANALYSIS OF UK IN RELATION TO ARMENIA

Strengths	*Weaknesses*
• Rich culture • Easily recognizable religion (Christian) • High amount of sun hours from April to mid-October • Specific cuisine • Numerous museums and places for sightseeing • Beautiful nature, mountainous landscape • Interesting flora & fauna • Armenia is not associated with terrorism • B&B possibility outside the capital • Different types of accommodation are available • Low cost of internal transportation • Online visa access • Direct flights from London to Yerevan • UK Embassy in Yerevan • Armenian Embassy in UK • Developing agro tourism services • Developing online services	• No beaches • Difficult transportation outside the capital (bad roads) • Not all information available in English • Lack of promotion of the country as a holiday destination • Difficult access to health care because of language
Opportunities	*Threats*
• High level of online bookings by British travelers • The average expenditure of the British is high • The British outbound market is the second largest in the EU, ranking after Germany • The British are interested in destinations that offer a unique experience • Armenian Diaspora	• Most British prefer sun and beach holidays • Lack of political stability • Cheap all-inclusive holidays in competitor countries (Turkey)

ANY RELEVANT REPORTS TO READ

http://www.accenture.com/NR/rdonlyres/55E6AF9F-108F-4579-B4BE-FA48F295D6C9/0/
ccentureUKPoVJune06.pdf

17. United States

Size of population in 2005: 288,400,000

Number of outbound holiday trips in 2005: 45,721,440 (including to Canada and Mexico)

Percentage of population making outbound holiday trips in 2005: 15.85% (overseas)

Major outbound holiday destinations: Europe, Canada, Mexico, Caribbean

Average length of stay for outbound holiday trips in 2005: 16.4 nights (overseas)

Average price for round-trip air ticket LAX-EVN in summer season (economy class):
US$1,680, British Airways Office in Yerevan

Number of direct flights to Armenia each week: None

Outbound holiday trips as a percentage of all outbound trips, 2005: 72%

SOURCES OF INFORMATION

1. Tourism British Columbia, www.tourismbc.com/reserach; www.tourism.bc.ca/PDF/TAMS%20US%20%20Overview.pdf
2. European Travel Commission, www.etc-corporate.org
3. Tourism Ireland, www.tourismireland.com/corporate
4. TIA Travel Industry Association, www.tia.org/researchpubs/index.html
5. Ministry of Tourism Ontario- Travel Activities sand Motivations Survey(TAMS), http://www.tourism.gov.on.ca/english/research/travel_activities/TAMS%202006%20Overview%20U.S.%20Report%20(FINAL).pdf
6. ITA office of Travel & Tourism Industries, www.tinet.ita.doc.gov/
7. Tourism Vancouver Island, www.tourismvi.ca/research/pdf/Research-Newsletter-April2007.pdf
8. Wikipedia, www.wikepedia.org
9. Greater Hauston Partnership, http://www.houston.org/internationalbusiness/travellersChecklist.asp
10. Discover Abroad, http://www.discoverabroad.com/US/LivingAbroad/Business/USBusinessCulture.htm
11. USAID, Geographical & Activity-based market Research for Croatia Report- Hard Copy,
12. Tourism & Trade UK, www.tourismtrade.org.uk/Images/USA_Reach_Consumers_tcm12-34662. pdf -
13. Tourism Industry Marketing, http://www.tourismarket.com/tradmarket.htm
14. World Tourism Directory, http://www.worldtourismdirectory.com/directory/usa/
15. Destinations Showcase, www.destinationsshowcase.com
16. New York Times Travel Show, www.nytravelshow.com
17. New Media Review, www.etcnewmedia.com/review/

OUTBOUND TRAVEL NUMBERS AND DESTINATIONS [1], [3], [7]

Outbound trips have increased since 1995 due to an overall increase of +51% in overseas travel from the United States. Trips to Europe grew by almost 40% from 1995 to 2005.

In 2005–2006, 14% of American travelers took an overnight trip to Canada. Ontario had the most travelers (8%) followed by British Columbia (4%) and Quebec (3%).

In terms of destinations the greatest share growth has been to Asia and Central America since both of these regions have growing populations in the States.

- Total U.S. residents visiting overseas destinations: 28,787,000 (excluding Mexico and Canada)
- In the last ten years, as well as in the last two years, Canada was the top outbound destination visited by Americans for overnight trips.
- During 2004-2005, 30% of American travelers visited Canada, Mexico or the Caribbean while 16% took an overnight trip outside North America.
- The U.S. overseas travel market has grown over the last 3 years (2004-2006) and in 2005 the market showed growth of 5% over the year 2004.

Americans total overseas outbound trips:

2000	29,903,738
2004	27,416,190
2005	28,787,000

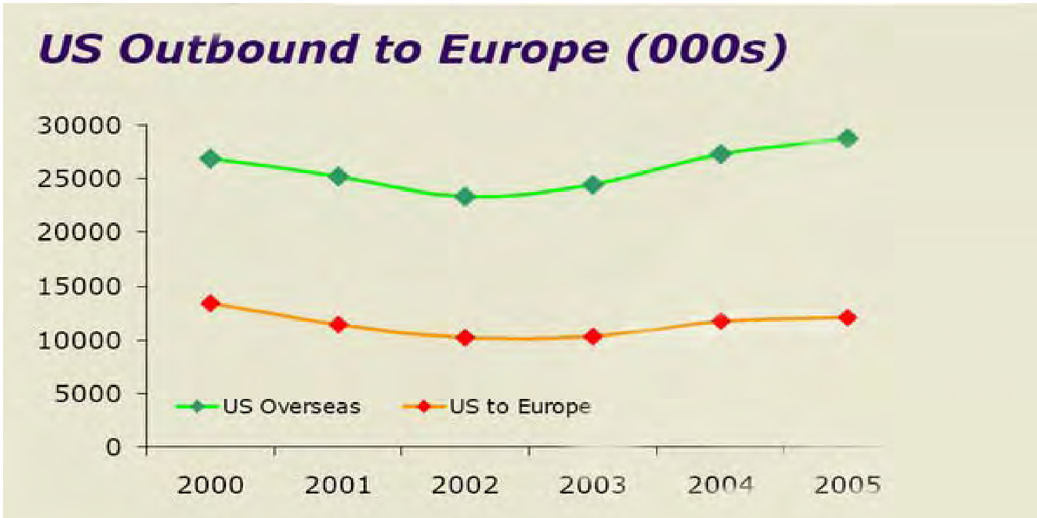
Table 17-1
Growth in U.S. Outbound Travel by Destination, 1995–2005

Destination	1995	2005	Growth (%)
Europe	8,596,000	11,976,000	39
Caribbean	3,621,000	5,182,000	43
Asia	3,564,000	6,074,000	70
S. America	1,620,000	2,361,000	46
Middle East	1,010,000	1,094,000	8
C. America	762,000	1,756,000	130
Oceania	591,000	835,000	41
Africa	419,000	576,000	37

Table 17-2
Main Destinations 2005

Destination	All Trips (000)	Visitors' Share of Total (%)	Holiday/VFR(%)
Mexico	20,235	32	-
Canada	14,390	23	-
All Overseas	28,787	45	-
Europe	12,090	43	43
U.K	3,742	13	12
France	2,303	8	8
Italy	1,727	7	7
Germany	1,727	7	6
Netherlands	864	3	3
Spain	864	3	4
Republic of Ireland	576	2	3

Figure 17-1
U.S. Outbound Trips 2000–2005



Source: Survey of U.S. international airline travelers

Outbound travel to Europe was on the increase in 2005 after a dip between 2002 and 2004.

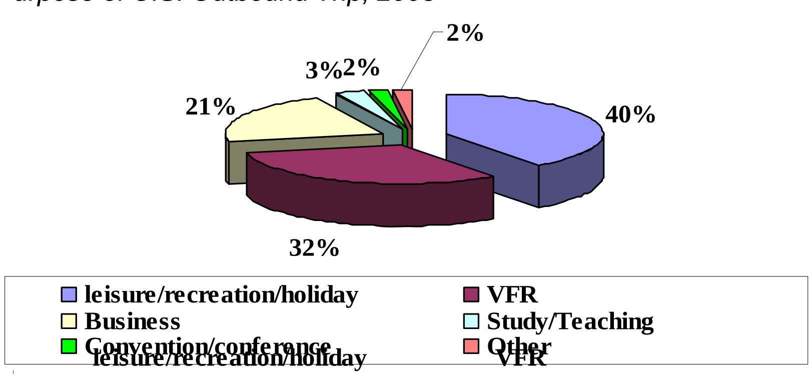
PURPOSE OF TRAVEL (HOLIDAY, BUSINESS, ETC.) [3]

The majority of American overnight holiday travelers started their trip-planning process by considering the destination they wanted to visit, rather than activities or travel experiences.

Table 17-3
Purpose of U.S. Outbound Travels, by Year, 2002–2005

Purpose of Trip	2002	2003	2004	2005
Leisure/Recreation/Holidays	37%	39%	38%	40%
Visit Friends/Relatives	30%	31%	33%	32%
Business	26%	22%	22%	21%
Study/Teaching	2%	3%	2%	3%
Convention/Conference	2%	2%	2%	2%
Other	3%	3%	3%	2%

Figure 17-2
Purpose of U.S. Outbound Trip, 2005



- Holiday & VFR account for over 70% of all outbound trips.
- 40% of all US residents trips are for the purpose of holiday and almost a third (32%) are for the purpose of VFR.
- Conference travelers are increasing as a reason for overseas trips from the United States (+3%) since 2004.
- The overseas business market has suffered most and during 2002-2005 has lost share by 5% to both Holiday and VFR travel13.
- Traveling to overseas for business has dropped by 5% to 21% of outbound travel. A poor US economy amongst other factors may have contributed to this downturn.

FACTORS AFFECTING CHOICE, SOURCES OF INFORMATION- 2006 [3], [7]

The followings were the key factors in Americans decision in 2005

- Advice from friends and relatives are the most important factors for US holidaymakers when choosing a holiday destination.
- Feeling safe at the destination (72%)
- Among American travelers, comfort and safety rated as highly important. (79%)
- Price elasticity
- The cost of travel as highly important (67%)
- Hygienic issues
- Roads circumstances
- Airfare
- The significant, proportion of a population care about the distance to the destination, and are more likely to choose near places. About 51% of US people are willing to have convenient access to the destination by car.
- Convenient schedule is decisive for both VFR and business vacationer. 15% of VFR and 20% of business people go for convenient schedule, preferring a non stop flight (15% and 12% correspondingly) or few hours stop on the way to destinations.
- Previous good experience takes only 7% on both business & VFR travelers' decisions

While planning and choosing an outbound destination the following sources of information play a vital role for US outbound travelers.

---

[13] From 2002 to 2005 Holiday percentage was changed from 37% to 40% whilst VFR has risen from 30% to 32%.

Table 17-4
Sources of Information for U.S. Outbound Travelers

Source	Choosing	Planning
Advice from friend or relative or business associate	47%	41%
Internet	31%	59%

Source Ireland report summary2006

Table 17-5
Sources of Information for U.S. Outbound Travelers by Purpose of Travel, 2005

Information Sources	VFR	Business
Company Travel Dept	3%	23%
Travel Agency	37%	39%
Friends/Relatives	17%	3%
Tour Company	6%	2%
Internet	38%	30%
Airline	26%	24%
Travel Guides/Timetables	6%	3%
Newspapers/ Magazines	2%	1%

When planning overnight holiday trips, Americans were more likely to use hotel or travel websites such as Expedia and Travelocity than government-related websites.

INTERESTS OF THOSE TRAVELING ABROAD [4]

Although American travelers' preference average on shopping and dining is 79%, those are not what bring them to the destination.

- Dining was the main reason for taking overnight trips in only 12% of all the trips that included dining as an activity.
- Similarly, only in 13% of the trips in which Americans engaged in shopping, was shopping the main reason for taking the trip.

Table 17-6
U.S. Outbound Travel Activities 2005

Activities	Holiday & VFR Travelers	Business & Convention
Dining in Restaurants	84%	90%
Visit Historical Places	57%	41%
Touring the Countryside	39%	21%
Nightclub/ Dancing	25%	17%
Guided Tours	20%	9%
Concert, Play, Musical	15%	12%
Cultural Heritage Sights	36%	21%
Art Gallery, Museum	29%	21%

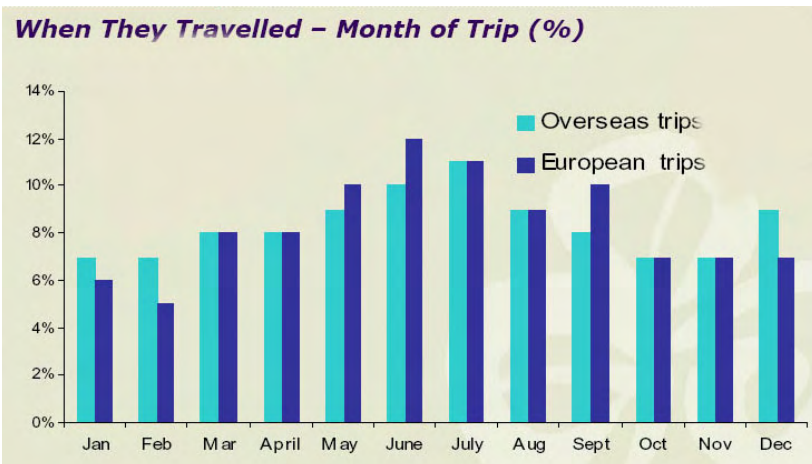
Activities	Holiday & VFR Travelers	Business & Convention
Shopping	79%	68%
Visit Small Towns/Villages	49%	27%
Sightseeing in Cities	47%	34%

TOURIST TRAVEL BY SEASON [1], [3],[8]

Traveling Periods

Overseas travel is becoming less peaked, with fewer traveling in the months of July and August.

Figure 17-3
Month of Trip of U.S. Travel



Vacations

- Paid holidays are provided by employer's decision. In that case the holiday lasts 14-21 days[14], which makes long-haul trips difficult. Only 4% of American travelers received an overnight vacation planned and paid by their employers as a reward.
- 14% of all American travelers received no paid vacation days from their employer.
- In 2005 20% of all American travelers received 1-14 days of paid vacations from their employer; 22% of those did not use any of their vacation days and 39% used between 1 and 14 days. Among those who used one or more days of their paid vacations in 2005, 9% did not use any days for travel and 41% used just one week for travel.

---

[14] Employer's initiative

Public holidays

There are 12 public holidays spread throughout the year. Individual states may additionally have one or two of their own holidays.

Federal holidays

January 1	New Year's Day
Third Monday in January	Birthday of Martin Luther King, Jr.
January 20 every fourth year (after presidential election)	Inauguration Day
Third Monday in February	Washington's Birthday
Last Monday in May	Memorial Day
July 4	Independence Day
First Monday in September	Labor Day
Second Monday in October	Columbus Day
November 11	Veterans Day
Fourth Thursday in November	Thanksgiving Day
December 25	Christmas Day

School holidays

School holidays are taken as follows, and vary somewhat depending on location:

Spring	1 week, any time in March or early April
Summer	10–11 weeks, late May to early September
Winter	1–2 weeks, late December to early January

LENGTH OF STAY [3], [7]

In 2005, the average length of stay of overseas holiday trips was 16.4 nights, and of business trips, 14 nights.

Table 17-7
Length of Stay

Travel Pattern 2005	Business Travelers	Holiday/VFR
Length of trip-nights outside US	14	16.4
Outbound trips-Canada, Mexico	2.3	4.5
Outbound trips during 2000-2005 years	8.8	18.6

Retired people take longer holidays: 30% of them spent more than 15 nights on their last holiday, compared with 12% of all other holidaymakers.

FREQUENCY OF TRAVEL [3], [6] ,[7]

The frequency of outbound holiday travel among American travelers varied considerably by state with Washington State and California both having a higher frequency of traveling than average.

According to the 2006 Travel Activities and Motivations Survey (TAMS), during 2004-2006 years, 79% of adult Americans, or 176 million Americans, took at least one overnight trip, while 46 million Americans did not take any such trips. Ninety-three percent of people on an overseas holiday visit have been overseas before.

Table 17-8
Number of Countries Visited Among All 28,787,000 U.S. Overseas Travelers, 2005

	Share	Holiday and VFR	Business
One country	81%	81%	74%
Two countries	13%	13%	17%
Three or more countries	7%	7%	9%
Average(countries)	1.3	1.3	1.4

Although VFR and holiday travelers' percentage for one country is higher than that of business and convention travelers, the percentage of business travelers for more than one country is higher than that of the US holiday and VFR travelers.

Table 17-9
Number of Destinations Visited by U.S. Overseas Travelers, by Purpose, 2005

No. of Destinations	Holiday and VFR	Business	Combined Purposes
One destination	59%	55%	60%
Two destinations	21%	25%	21%
Three or more destinations	20%	20%	19%
Average (number of destinations)	1.8	1.8	1.8

In 2005 about 40% of all US travelers visited more than 1 destination. Average countries visited by Americans are less than 1.5.

Table 17-10
Share of First-time U.S. Travelers Abroad, by Purpose 2005

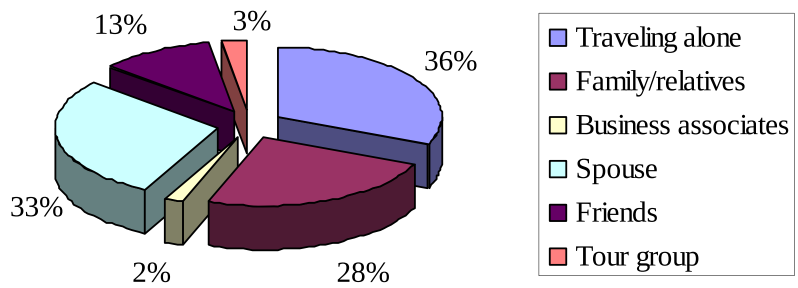
First Time or Repeat	Holiday and VFR	Business and Convention
First-time visitors	7%	3%
Repeat visitors	93%	97%

In United States people had massive repeat element for overseas travel.

MAIN COMPANIONS OF TOURISTS [3], [6]

In 2005, fully independent travel (FIT) grew, but group travels made a comeback among older, upscale travelers, especially as tour operators introduce flexibility in tour programs.

Figure 17-4
U.S. Holiday Traveling Companions



In 2005 holiday travelers traveled alone less and more opted to travel with spouses, friends or family.

Figure 17-5
Outbound Business Traveler Companions

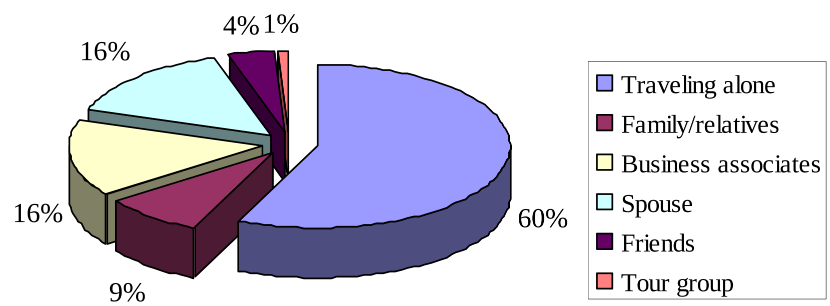


Table 17-11
*U.S. T**ravel Party Size, by Travel Purpose** 2005*

Travel Party Makeup	Holiday and VFR	Business and Convention
Adults only	91%	97%
Adults and Children	9%	3%
Average Party Size	1.6	1.3

ACCOMMODATION PREFERENCES [6]

Table 17-12
*U.S. Outbound T**ravelers**' Accommodation Preferences and Length of Stay, by Travel Purpose, 2005*

Type of Accommodation	All U.S. Travelers	Holiday and VFR	Business and Convention
Hotel/Motel	64%	61%	79%
Average Number of nights	8.8	8.8	8.4
Median Number of nights	7	7	6
Private Home	44%	49%	29%

Type of Accommodation	All U.S. Travelers	Holiday and VFR	Business and Convention
Average Number of nights	17.3	16.5	17.1
Median Number of nights	10	10	8
Other	6%	6%	6%
Average Number of nights	17.8	15.3	17.2
Median Number of nights	7	7	8

- Hotels ranked first by covering 64% of accommodation type US travelers used in 2005. However, the length of stay for both VFR and business travelers were less due to high prices being charged staying at hotels.
- Private homes comprised 44% of housing.
- Other type of accommodations covered about 6%.
- Despite Hotels and Motels both private houses and other types of accommodations length of stay were more by business people than those of VFR travelers.

TRANSPORT USED FOR THE OUTBOUND TRAVELING [4]

- Most outbound trips are by air.
- The top 5 airports account for 55% of overseas travel are los Angles, New York, Miami, Chicago, and Newark
- While traveling with plane both VFR and business vacationer Americans choose economy class seats 82% and 55% correspondingly.
- More inexperienced US visitors as a rule travel heavy often with larger bags15.

DEMOGRAPHICS OF OUTBOUND TOURISTS [3], [5], [6]

The vast majority of American travelers live with a spouse or partner and about one third have children under the age of 18.

Table 17-13
*Age and Gender of U.S. Travelers' by Tra**vel Purpose, 2005***

Characteristics	All U.S. Travelers	Holiday and VFR	Business and Convention
Male Adults	57%	52%	75%
Female Adults	43%	48%	25%
Average age of males	46.1	46.1	46.2
Average age of females	43.9	44.2	43.2

[15] It is from USAID report copied from UK report

- In 2005, 13% of overseas holidaymakers were retirees, combined with ongoing changes in holiday consumer behavior and needs.
- Average annual household income for VFR travelers was US$106,200 the corresponding figure for business travelers was $137,900.
- Over 38% of American travelers had a university degree.

Table 17-14
Occupation of Outbound U.S. Travelers by Travel Purpose

Occupation -2005	All U.S. Overseas Travelers	VFR and Holiday Travelers	Business Travelers
Professional/Technical	38%	38%	41%
Manager/Executive	27%	23%	48%
Retired	11%	13%	3%
Student	7%	8%	1%
Homemaker	6%	7%	1%
Clerical/Sales	5%	5%	2%
Craftsman/Factory worker	3%	3%	1%
Government/military	2%	2%	2%

The majority (61%) of overseas holiday travelers belong to the top occupational groups.

Almost 30% of American travelers belong to a frequent flyer program and 42% are members of an automobile club such as the American Automobile Association (AAA).

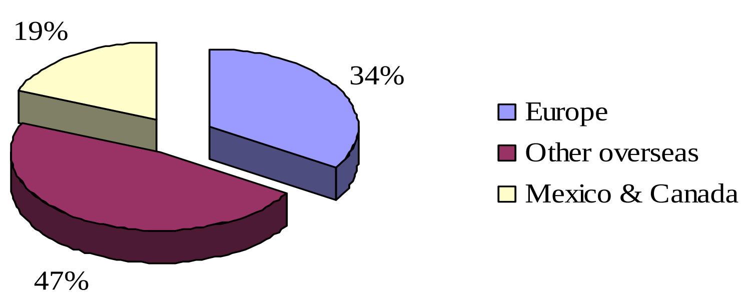
TRAVELING SPENDING [3]

In 2005, outbound travel spending by U.S. residents exceeded 2000 levels and surpassed $95 billion. Europe accounts for 34% of U.S. outbound expenditure.

Table 17-15
Spending Outside by U.S. by Travel Purpose, 2002 and 2004

Spending	Holiday and VFR		Business and Convention	
	2002	2004	2002	2004
Per Travel Party	$1,889	$1,988	$2,291	$2,315
Per Visitor	$1,200	$1,231	$1,811	$1,815
Per Visitor Per Day	$74	$75	$130	$129

Figure 17-6
U.S. Spending by Regional Travel Destination, 2005



USE AND TRENDS IN BOOKING PATTERNS [3], [5], [6], [17]

- In 2004-2005, the majority (63%) of adult Americans was personally involved in planning all of their overnight, out-of-town holiday or vacation trips. 76% of this proportion of travelers used the Internet as one of their trip planning tools. However, in 2006, 78% of online Gen Y-ers and 61% of online Seniors aged 62 and up book or research travel online
- In 2005 Business pre booked lodging was 69% meanwhile for VFR it was 50%
- The average advance planning for VFR planners is 102 days; US business travelers average advance airline reservation is 51.7 days.
- In the U.S, to figure out where to go for their vacations methods used by Internet users in 2005 (as a percentage of respondents) were as following:
  a)- Personal recommendation (PR) 54% b)- Web search (WS) 58%
- On the other hand, according to some studies, only in the summer of 2005, nearly 9 out of 10 consumers used the Web to plan their trips or purchase travel.
- In 2005, the US online leisure/unmanaged business travel sales, increased by 25.5% compared with 2004 and reached to $ 65.4 billion.
- Despite the growing trend towards fully Individual travels, US tour operators say that special interests and customized group travel is expected to grow, with older, more experienced travelers choosing to travel with like-minded people rather than on their own. However, today the challenge remains for travelers seeking destinations closer to home.
- Online booking continues to grow and in 2005, 27% booked their flights online. Booking times are getting later with a larger proportion now taking place over the Internet.

Figure 17-7
U.S. Outbound Travel Booking Patterns, 2003 and 2005

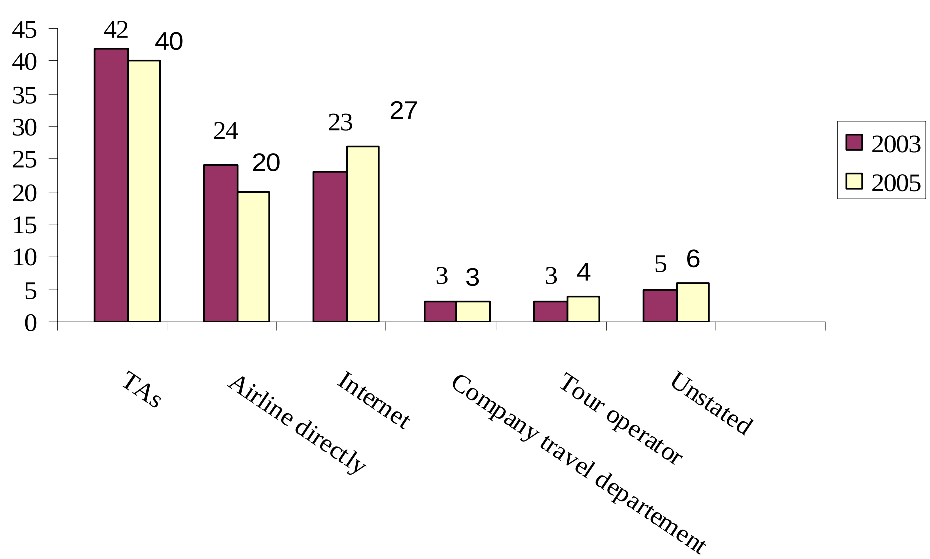


Table 17-16
Trends in U.S. Air Trip Booking Patterns, 2005

Booking Method	All U.S. Travelers	Holiday and VFR	Business and Convention
Travel agent	40%	40%	40%
Internet	25%	27%	18%
Airline directly	19%	20%	15%
Company travel department	8%	3%	24%
Tour operator	4%	4%	1%

According to the Pew Research Center, (Travel Wirenews, November 2006) the Internet already surpassed TAs and gets consumers' preferred method for researching travel, with more than 10 million US Internet users researching travel online daily.

Figure 17-8
Types of Travel Services Purchased on the Internet (2005)

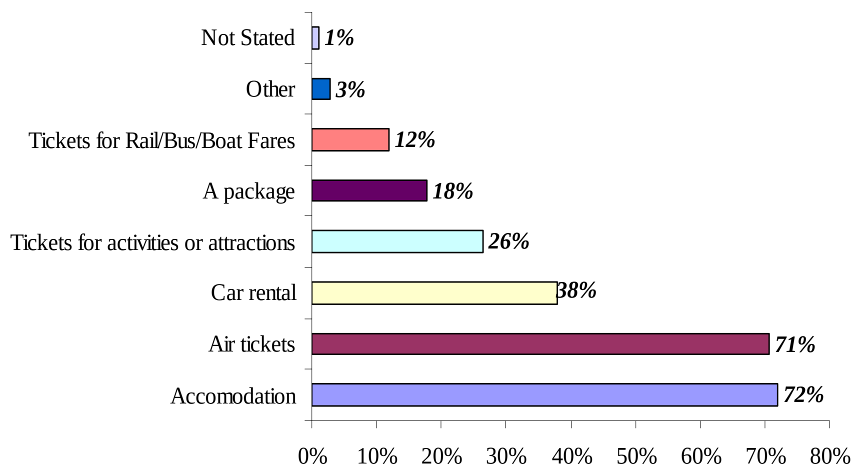


Table 17-17
Sources for Booking Lodging, by Travel Purpose,2005

Source	VFR	Business trip
Company travel dept	3%	21%
travel agent	16%	16%
Friend/relative	6%	3%
Tour operator	7%	2%
Hotel/motel	10%	12%
Business associate	2%	12%

TRAVELERS' BEHAVIOR, DEMAND, AND EXPECTATIONS [2], [9], [11]

- Americans are considered to be hard workers and various studies have shown that an increase in holiday time is unlikely at the present time despite employees showing a willingness to accept a cut in pay for more time away.
- They care about first welcome and hospitality especially when something is wrong with the offered service as they arrive to destination.

- Popular sectors and products are spa, wellness tourism and cruising, including demand for both Mediterranean Sea and European river cruises.
- Americans are used to larger rooms than are generally found in Europe and, without exception, to having private bathroom facilities.
- In short Americans want to come back from vacation feeling as if they have achieved or experienced something.
- Americans prefer dining at restaurants that offer local ingredients and recipes, shopping for clothing, shoes or jewelry
- Visiting amusement parks and strolling around a city to observe destinations' buildings and architecture are among activities that seem interesting to American travelers.
- Americans may be perceived as demanding, will expect good value and will not hesitate to complain if something is not to their liking.
- When doing transaction with Americans deal promptly and courteously.
- Because many Americans speak only one language, they may not be sensitive to the difficulties of other individuals (hosts) trying to speak English.

BUSINESS PROCEDURES WITH TRAVEL COMPANIES [9], [10], [11]

- Being on time is a very important rule of business etiquette. Every effort should be made to arrive on time to meetings and appointments. If you will be late, call to announce the expected delay. Regularly arriving late or missing appointments will have a negative impact on your business. Good eye contact during business and social conversations shows interest, sincerity, and confidence.
- It is customary for business meeting with people from outside your company to begin and end with a firm handshake. Eye contact should be maintained during the handshake and whenever someone is speaking to you.
- During introductions, listen carefully to the pronunciation of the person's name so that you could address properly. While introducing yourself, give your full name not just the first name.
- Business conversation may take place during meals. However, many times you will find more social conversation taking place during the actual meal.
- Business meetings may be arranged as breakfast meetings, luncheon meetings, or dinner meetings depending on time schedules and necessity. Generally a dinner, even though for business purposes, is treated as a social meal and a time to build rapport.
- Gift giving is discouraged or limited by many U.S. companies. A gracious written note is always appropriate and acceptable.
- Americans value information that is straightforward and to the point.

- Golf is another popular sport, especially among businesspeople. In the United States it is often a place for business discussions and deals.
- In the United States, money is a high priority and an issue that will be used to win most arguments. Status, protocol, and national honor play a smaller role. Similarly, "saving face" and other social formalities vitally important to other cultures are not as important in the United States.
- In general, people from the U.S. will not hesitate to answer "no." Businesspeople are direct and will not hesitate to disagree with you. This communication style often causes embarrassment to business travelers who are unaccustomed to dealing with Americans or direct communication in general.

MEDIA INFORMATION RELATED TO TOURISM [3], [5], [12]

Internet

The Internet is more important at the planning stage with almost 6 in 10 using it as a source of information in 2005.

In 2005 there were 208 million Internet users (70% of population) - 32% have broadband (66,560,000).

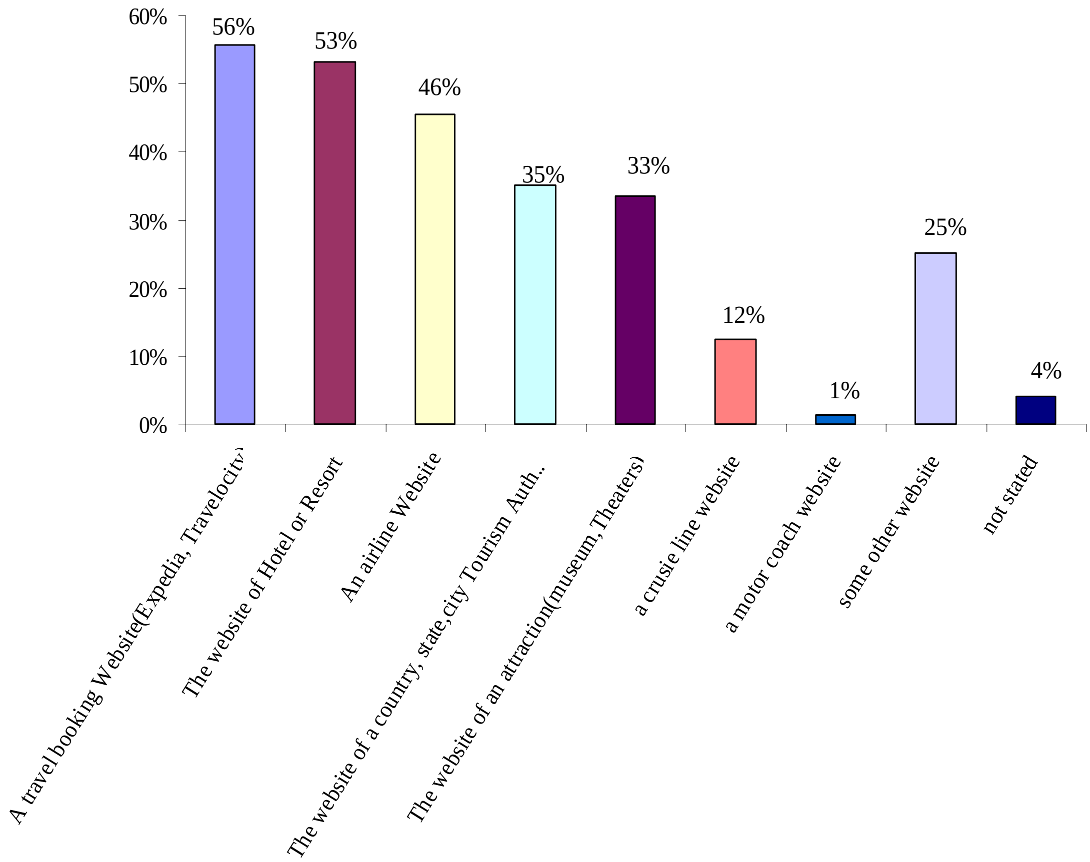
Almost half of the American outbound holiday makers used the Internet to make travel purchases (such as airline tickets).

Americans use the Internet for the following travel-related purposes

- Find low airfares
- Learn about events for a trip
- Learn more about the place
- Find accommodation
- Buy airline tickets
- Research places to go
- Make car rental reservations

Figure 17-9

Main Sources Websites for Planning Outbound Pleasure Trips, 2004-2005



Examples of websites:

- www.vacation.com, vacation selling network
- www.virtuoso.com, luxury travel network
- www.ensembletravel.com, international collection of expert travel agencies

Media

- Newspapers and magazines are extremely popular in America. Each city has its own newspaper(s), with only one or two being truly national. However, all have online editions that are read across the country.
- About 60% of American travelers read the weekday edition of a newspaper in a typical week and an additional 26% read it occasionally or rarely. Similar proportions read the weekend edition of a newspaper.
- 42% of American travelers read the travel section of a daily newspaper and 49% read the travel section of a weekend edition frequently or occasionally.
- Entertainment and music magazines, such as People and TV Guide, enjoyed the highest magazine readership among American travelers (34%).

- Movies on TV and dramas (such as Law & Order, The West Wing and the OC) had the highest audience among American travelers (70% and 63% respectively). Only 3% of American travelers stated that they do not watch TV on a regular basis.
- Nearly all American travelers reported listening to the radio on a regular basis.

Table 17-18
Popular U.S. Travel Magazines

Name	Description	Link
The National Geographic	Circulation: 9 million worldwide, in all languages; monthly	www.nationalgeographc.com
USA Weekend	600 newspapers; circulation: 23.4 million	www.usaweekend.com
Travel and Leisure Magazine	Circulation: 4,368,562; monthly	www.travelleisure.com
Travel Magazine	Monthly online magazine aimed at the independent or adventurous traveler	www.travelmag.com
Big World	Online magazine about entertainment and travel	www.bigworld.com
Executive Travel magazine	Circulation: 250,000, 6 times a year	www.executivetravelmagazine.com
Condé Nast Traveler	Circulation: 783,762 Monthly	http://www.magsdirect.com/condenasttraveler-magazine3.html
Country Discoveries Magazine	6 times per year	www.countrydescoveries. Com
Travel World News	Circulation: 31,171;	www.travelworldnews.com

The following U.S. newspapers include sections on travel and tourism, prices, packages in short and advertisements:

- USA Today (www.usatoday.com/travel/news/)
- New York Post (www.nypost.com)
- Washington Times (www.washingtontimes.com/)
- Washington Post (www.washingtonpost.com)
- Chicago Tribune (www.chicagotribune.com/travel/)
- New York Times (www.travel.nytimes.com)
- Houston Chronicle (www.chron.com/travel/)
- Wall Street Journal (www.tour.wsj.com/dhtml/tour)
- Los Angeles Times (www.travel.latimes.com)
- New York Daily News (www.nydailynews.com/travel)
- San Francisco Chronicle (www.sfchron.com)

TRAVEL FAIRS [15], [16]

The major travel fairs in the Unites States include the following:

Destinations Showcase (Conference & Expo)

Date: March 2008 (1 day)
Venue: Washington Convention Center

Contacts

Address: 2025 M Street NW, Suite 500
Washington, DC 20036
Tel.: 202.296.7888
Fax: 202.296.7889
E-mail: service@hes-staff.com
Website: www.destinationsshowcase.com

New York Times Travel show- New York

Date: 29 February – 2 March 2008
Venue: Javits Center, New York

Contacts

Cyndie Gardner
Tel.: 203.622.7081
E-mail: cyndie@msemgmt.com
Website: www.nytravelshow.com

TRAVELERS' INTERESTS, HABITS, AND MOTIVATION [1], [3], [5]

Water sports and cultural and ethnic heritage sites are prized by VFR visitors, while businesspeople prefer camping/hiking, attending sport events, and playing golf or tennis. Activities including walking and trekking, cycling and mountain biking, rafting and cross-country skiing, beaches were also popular among Americans while traveling overseas in 2005.

Table 17-19

Popular Activities of U.S. Travele*rs, by Travel Purpose, 2005*

Activity	VFR and Holiday Traveler	Business Traveler
Ethnic heritage sites	14%	8%
Cultural heritage sites	36%	21%
Amusement/ theme parks	12%	6%
Visit national parks	11%	6%
Casinos/ gambling	9%	4%
Cruises/ 1 or more nights	7%	3%
Camping, Hiking	5%	4%
Environmental/ ecological sights	7%	4%
Golf/Tennis	6%	5%
Attend Sporting Events	4%	3%
Hunting/Fishing	3%	2%

Water Sports/Sunbathing	24%	11%

Of the single activities that Americans engaged in during their overnight trips

- 78% of trips containing hunting for big game were primarily motivated by hunting big game (3.6% of all travelers went on at least one trip that included big game hunting)
- 76% of trips that included a package golf tour were primarily motivated by taking a package golf tour (1.3% of all travelers went on at least one trip that included a package golf tour)
- 72% of trips containing downhill skiing were mainly motivated by downhill skiing (6.2% of all travelers went on at least one trip that included downhill skiing)

TOURISM ASSOCIATIONS, TOUR OPERATORS, TRAVEL AGENCIES [11], [13], [14]

Retail Agents

- There are approximately 24,000 individual travel agency outlets and 8,000 travel agents. The number of TAs is declining compared to ten years ago (32,446 agencies - 1995). The biggest change to retail travel industry is the fee structure. Revenue from commission continues to fall representing only 63% in 2004.
- The majority of agencies are individually owned, although many are members of consortia or chains.
- Smaller agencies normally sole/location operations in suburban areas, have traditionally controlled the lines share of the holiday or personal travel booking.
- Only 5 of the top 50 retail agency chains make more than 30% of their gross revenue from holiday sales.
- The main travel agency networks specializing in holiday travel sales are American Automobile Association and Liberty Travel.

Large Agents/Wholesalers

There are more than 2,100 tourism wholesalers in the states. Most successful FIT wholesalers in the USA focus on a single destination or region of the world. Mergers, acquisitions of tour operators to form mega companies are a feature of the United States travel industry in recent years. The relationship between wholesalers and agents is becoming closer and more highly integrated.

Tour Operators

A list of tour operators with contact information is available on the following website: http://www.worldtourismdirectory.com/directory/usa/united_states_of_america_general/category/travel_associations_services/t4/tour_operators/index.html

Associations

American Tourism Society
(promotes travel to Eastern Europe, the former Soviet Union, and the Middle East)
Address: 545 Madison Avenue, 13th Floor
New York, NY 10022, U.S.A.
Tel: (+1-212) 893-8111
Fax: (+1-212) 893-8153
E-mail: info@americantourismsociety.org
Website: www.americantourismsociety.org

Adventure Travel Trade Association
Address: 601 Union Street, 42nd Floor
Seattle, WA 98101, U.S.A.
Tel: (+1-360) 805-3131
Fax: (+1-360) 805-0649
E-mail: info@adventuretravel.biz
Website: www.adventuretravel.biz; www.adventuretravelworldsummit.com

American Society of Travel agents (ASTA)
Address: P.O.Box 23992
Washington, DC 20026-3992, U.S.A.
Tel: (+1-703) 739-2782/3
Fax: (+1-703) 684-8319 general
E-Mail: asta@astanet.com; sales@astanet.com; askasta@astahq.com
Website: www.astanet.com; http://www.travelsense.org

Association of Retail Travel Agents (ARTA)
Address: 3161 Custer Drive, Suite 8
Lexington, KY 40517-4067, U.S.A.
Tel: (+1-859) 269-9739
Fax: (+1-859) 266-9396
E-mail: info@artaonline.com
Website: www.artaonline.com

United States Tour Operator Association (USTOA)
Address: 275 Madison Avenue, Suite 2014
New York, NY 10016-1101, U.S.A.
Tel: (+1-212) 599-6599
Fax: (+1-212) 599-6744
E-mail: ustoa@aol.com; information@ustoa.com
Website: www.ustoa.com

National Tour Association (NTA)
Address: 546 East Main Street
Lexington, KY 40596-3071, U.S.A.
Tel: (+1-859) 226-4444
Fax: (+1-859) 226-4447
E-mail: questions@ntastaff.com
Website: www.ntaonline.com; www.nta.com

SWOT ANALYSIS OF UNITED STATES IN RELATION TO ARMENIA

Strengths

- Rich culture
- Numerous museums and places for sightseeing
- High amount of sun hours from April to mid-October
- Specific cuisine
- Availability of outdoor cafés and luxury restaurants
- Beautiful nature, national parks
- Online travel information
- Online visa access and Embassy available
- US has huge Armenian community
- Different types of accommodation available
- Low cost of internal transportation

Weaknesses

- Big distance
- Expensive tickets to Armenia
- No direct flights to Armenia
- No beaches
- Difficult transportation outside the capital
- Huge gaps in providing services in regions
- Not all information available in English
- Poor promotion of the country as a holiday destination
- Difficult access to health care because of language
- Poor online booking systems

Opportunities

- Large Armenian Diaspora
- The number of American Armenians visiting their homeland is increasing by each year
- Many TAs have lots of information about Armenia, especially in 3 states
- A huge number of American travelers prefer dining at restaurants
- Americans like cultural sightseeing
- Increasingly easy to travel to Armenia by air

Threats

- Americans like sun and beach holidays
- Cheap all-inclusive packages in competitor destinations
- Lack of political stability/ Karabakh conflict
- Currency fluctuation