

Outlook for Travel to Britain

- There is no indication for a significant revision of the optimistic outlook for travel to Britain.

Britain in the News

- There were 3,953 articles and reportages that mentioned Britain and 2,774 articles and reportages that mentioned England, across the main Czech newspapers, radios and TV. (Newton Media, 1/10-14/12). In comparison, for France there were 4,011, for Italy 3,574 and for Austria 2,892 articles.
- The articles relating to Britain were mostly about international politics, EU and business news whereas the articles with England are mostly about sport / football.
- Only 28 articles were related to the floods (from that 6 with Britain in headlines) and 111 to the H1N1 (swine) flu (from that 0 with Britain in headlines, but approx. 20 of them confirm Britain as the country with the highest spread of the flu in Europe). There were 86 articles related to incoming tourism that mentioned Britain.

General Market Mood

- The export-oriented Czech economy, which was hit by the collapse in global demand at the start of the year, now appears to have overcome the worst of the crisis. Quarter 2 GDP grew 0.3% according to revised figures and the ongoing stabilisation of neighbouring economies – Germany in particular – plus some tentative improvement in the industrial sector led to another positive performance in quarter 3. GDP grew 0.8% on the quarter in quarter 3, cutting the annual decline to 4.1% from 4.7% in quarter 2.
- But unemployment was still 3.3% points higher than a year earlier in October, at 8.5%, while wage growth has slowed significantly. As a result, consumption, which remained resilient in quarter 2, may prove weaker in the coming months.
- Legislative elections will now be held in June 2010. This leaves the management of the economy in what is still a very difficult situation to an interim cabinet. Meanwhile, government revenues declined 8% in the first ten months of 2009 and expenditures were up 9% over the same period. As a result, the budget deficit is expected to be equal to about 5.5% of GDP in both 2009 and 2010.
- According to the provisional IPS figures for 2009 holiday visits from Czech Republic to Britain are up on the same quarter last year for all 3 indicators (11% increase for visits, 6% for nights and 47% for spending). It is hard to predict whether the weaker Pound and better economic situation will outweigh the weaker consumption forecast.

Consumer Behaviour

- Since 18 November there is a new law that is finally giving the duty to the tour-operators to publish the final/all inclusive price of the packages. It used to be a common to present only the basic price and then the surcharges for travel guide, cleaning, etc. This is only allowed now for fuel surcharges.
- Since 1 November the Czech citizens and government institutes and authorities have to have a registration and access code to a central portal so to have all official (legal, taxation, local authorities) communication and transaction of affaires online and electronically.

- According to the survey of the European Commission, 51% of the Czech population use the internet at least once per week, 19% of the Czech population download the movies and music from internet.
- According to the survey of the Mather agency, 92% of the Czech consumers believe in the commentaries of the financial crisis and will postpone the purchase of non-essential goods but only 25% will start use the public transport to save money. 55% of the respondents increased their e-commerce activities to save money. More than 78% will restrict their purchases on credit and 83% expect to start saving. 61% of respondents preferred to spend their holiday in the Czech Republic.
- The top 10 most searched words in Google were mp3, free, video, TV, YouTube, hry(games), Facebook, práce(job), mapy(maps), počasí(weather).
- The top 10 most searched words in mobile phones were Facebook, IDOS(the railway timetable), lide.cz(local Facebook), YouTube, SMS zdarma (sms free), Libimseti.cz, (local Facebook), Mapy (maps),TV program, Gmail, ICQ.
- There has been change in the research methodology used to measure internet media. The total number of all internet users (6,829,580 users) is approx. by 10% higher than estimated by the old methodology.
- According to the telecommunication operators there are 1,500,000 mobile internet users (7% of the population).
- There are 1,870,000 Facebook users in the Czech Republic, at the start of the year it was 50% and one year ago 10% of the current number.

Media Matters

- According to the OMD the total online advertising budget will stagnate in 2009 and decrease by 5% in 2010. The total advertising expenditures will decrease by 25% this year and other 14% next year.
- According to the latest data from the Media project there are 318,000 less readers that read at least one newspaper in comparison with the last year. The total number of the newspapers readers is 3,894,000.
- The daily number of radio listeners increased by 134,000 persons to 5,720,000 listeners. The biggest radio is Impuls with 1,084 listeners per day. On the second place is Evropa 2 and third is Frekvence 1.

Routes and Fares

- This winter as last, the most popular destination will be Great Britain. Direct links from Prague are planned for 12 destinations in Britain this winter season.
- British low-cost air company Jet2.com started a sell of new flight Prague-Manchester for a summer 2010. Flights will operate each Monday, Thursday, Friday and Sunday.
- bmibaby started to operate the new route to East Midlands from 4 December (the flights are on each Monday, Friday and Sunday).
- Booked one month in advance Prague – Heathrow £100 (British Airways) , Prague – Gatwick £39.47 (easyJet)

Business Tourism

- According to the provisional IPS figures for 2009 the general positive data for the second quarter are not relevant for the business tourism which are still lower than the results in 2008.

Leisure Travel Trade

- According to the AČCKA, the association of the Czech travel agents and tour operators, there is a 10% increase of bookings for the coming Christmas and New Years Eve trips (last year there was 13% decrease).
- According to the Czech TV approx. 10% of all 1,096 registered tour operators will have problems to meet the conditions for signing the insurance insolvency contracts which are obligatory due to Czech law.
- According to the analysis of MAG Consulting the Czech travel agents dismissed 20% of staff in the year 2009. The industry is expected to stabilize in 2010 but no new entrants are expected.
- According to the company Creditreform 4 tour operators from the top 30 (Marco Polo, B&K Tour, Orbix and GTS Travel) could go bankrupt and even the third biggest tour operator in the country (Student Agency) is approaching this point. But a bigger problem than the possible insolvency of the tour operators is the opacity of the industry only 50% of tour operators are posting their financial results, even though this is obligatory under the law for all of them to do this.
- According to the same survey of Creditreform the top 30 tour operators will face the 15% decrease of sales in 2009.

Competitor Activity

- Österreich Werbung (Austria's NTO with a remit to promote domestic and international marketing) spent approximately £3.5 million for winter campaigns in the Czech Republic.
- The Swiss, French, Slovak and Italian tourist office are currently running winter campaign with off- and online elements using tactical offers for packages and hotels.
- The exotic destinations are promoting their destinations in co-operations with tour-operators.
- Kenya did a special 24 pages insert in the magazine Travel Digest.

VisitBritain Activity Update

- The workshop 'Meet the Czech Trade' took place on 4 November; with 25 workshop tables for UK travel trade. This received very positive feedback from the UK partners and new bookings already. See more on <http://www.youtube.com/watch?v=ZWbhp0QGRHQ>
- VisitBritain stand at the B2B travel fair MADI in Prague.
- Familiarisation trip, One Year to Ryder Cup with Visit Wales.
- Media Visit – TV Nova, 2 group press-trips related to the new Sherlock Holmes film.
- eCRM – according to the business plan – opening rate 14%.

Upcoming activity

- VisitBritain stand at the biggest travel fair Holiday World
- Best of Britain and Ireland – due to the business plan we are going to invite 6 Tour Operators.
- Media visit – TV Barrandov – with Petr Cech speaking about London and Vladimir Smicer about Liverpool.
- City Campaign – European campaign mid January-February
- Sherlock Holmes campaign – brand partnership started by 18 December
- Golf campaign – local campaign in February-March

Who's in Town?

- VisitBritain Prague was asked to help with the organization of the attendance of the London mayor Boris Johnson on the Prague International Advertising Festival in May 2010.