

Outlook for Travel to Britain

- London is very much in focus this winter. The Exchange rate is highly favourable and shopping is high on the list, as well as cultural pursuits, theatre and gastronomy. Prices are low for air travel and there is fierce competition among the airlines flying into the London airports as well as the regional UK airports.

Britain in the News

- There has been a lot of coverage in Danish TV and national press of the political scene, Gordon Brown versus David Cameron.
- Gordon Brown and his ministers, and other House of Parliament politicians', liberal use of taxpayers' funds for personal use, following the leak in the Daily Telegraph in October.
- The Conservative Party's policy in preparation of the coming election in 2010 – the hard-line policy of reduction of the public spending, increase of pension age levels, and maintaining present top-tax levels.
- Tony Blair – possible new EU President or David Miliband as the new EU Foreign Minister?
- Alex Salmond, SNP, new plan to take Scotland towards a national referendum about the future of Scotland in connection with the British national election.
- Mention of the Independent Monitoring Commission (IMC)'s latest report state that breakout groups within the IRA may attack the British mainland if opportunity arises. Grouping like RIRA and CIRA have said that they see anybody who cooperates with the British military as legitimate targets.
- Not since 1999 has the British Pound been as low as this autumn 22% below average. This fact has proven popular with among others tourists, who look to Britain for good bargain breaks.
- The Cumbria flooding was covered extensively in Danish media, but in a objective manner with no headlines of why tourists should not travel.
- Mention of Baroness Sayeeda Hussain Warsi's visit to Luton in December where she was the target for extremist Muslims' aggression.

General Market Mood

- Following the release of the SP savings in July (a compulsory 1% tax on annual earnings) turnover in the Danish retail trade has improved. Especially clothing, with an increase of 1.8% but also consumer goods in general are up by 1.6%.
- The travel trade has enjoyed an increase over the summer and autumn months, most likely also because of the release of SP funds.
- According to the National Statistical Office the balance of payments show an increase, compared with the quarter 3 of 2008, the third quarter for 2009 shows a plus of DKK 22.4 million.
- House prices have fallen to a level which means that a family with 2 children will be able to purchase the same size and quality house, as a similar family would be able to afford in 1999 with the same disposable income.
- The label of 'the highest tax level in the world' is still correct to use for Denmark, although the country is in the middle of a tax reform. Figures from OECD show that Denmark last year had a tax level of 48.3%.
- The National Bank lowered it lending rate from 1.35% to 1.25%.

Consumer Behaviour

- Travelmarket.dk conducted a survey in November to gauge whether the Danes' interest in travel has decreased during the recent economic downturn. The results show that 86% of respondents take 2 or more holidays a year and city breaks in Europe are most popular. 55% travel 3 or 4 times annually. 56% prefer EU countries, and prefer Asia destinations if travelling long haul. 61% prefer to travel on scheduled airlines, and 35% take charter holidays.
- Similar findings to the above came from a survey taken at a travel exhibition held in Copenhagen in October.
- London, Berlin and New York are the most popular cities for Christmas shopping.
- Ski holidays are coming up now. Ski destinations in the Nordics and Europe, as well as the US and Canada are popular. An expected 600,000 Danes will take skiing holidays this winter.
- Scotland was elected the 'Best Tourist Country 2009' at the Danish Travel Awards in November.
- The sale of Christmas gift cards to amounts of DKK 2,500-3,000 for travel destinations is well under way. Star Tours report sales figures similar to those of last year.

Media Matters

- Denmark went from analogue to digital TV signals on 1 November, and this has meant a great turnover in the electronic market as people have bought new flat-screen TVs.
- Commercial radio in Denmark is having a rough time. Radio 100FM went into liquidation in October and so far there are no new takers for the national radio waves. It is estimated that for 2010 the market for commercial radio will decline by 15%.
- A recent survey by the national media houses Berlingske Tidende, Børsen, and Ekstra Bladet together with SAS and the financial house Nykredit which Gallup conducted, show that netvideo can be of value as part of a major campaign like TV, when the campaign is response oriented. Click rates were 20 times higher compared to traditional campaigns for pre-rolls of 15-20 seconds.
- The Danish regional media houses are experiencing hard times. Most of the traditional regional papers are in deficit, and have had to make drastic cuts in staff and overall costs in order to carry on. Circulation is falling radically, and a number of media houses have consolidated themselves and amalgamated and try to run with similar regional news as well as local pages in order to survive.
- Part of the media houses problems are lack of advertisements. Electronic magazines are taking over. Travel search engines like Travelmarket.dk offer more than 300 travel catalogues from over 70 Danish tour operators.
- Berlingske Media have chosen Travelmarket.dk as their search engine for rejseliv.dk. Over one million Danes will be reached every month by the concern's newsletters.
- The Danish travel portal momondo.com has been selected as the best of 24 travel search engines in a recent survey made by the Norwegian Consumer Council. The survey showed that there is a great difference in price depending on which search engine used.
- Danes are keen internet shoppers. A shopping index by DIBS Payment Services shows that 96% of Danish internet users have made purchases within the last 6 months. Average purchases of DKK 5,400, while 18% were heavy spenders with purchases of DKK 10,000+.
- For 2009 the total net shopping is expected to reach DKK 34.5 million, which according to the survey is due to lower prices and the ease of purchase.
- Travel is the absolute winner – 36% of respondents have bought travel, while 18% have purchased electronics and 13% have bought clothes on the net.
- The media house JP/Politiken have taken over 15% of the online book shop saxo.com, in order to enhance their distribution channel for their consumer- and business line of book sales. The 10-year old saxo.com has for the past 2 years increased its turnover by 70%.

Routes and Fares

- The route net out of Denmark to the UK is divided between SAS, with routes into London Heathrow, London City Airport, Birmingham, Manchester, Aberdeen, Edinburgh and Glasgow; British Airways into London; CimberSterling into London Gatwick and Newcastle; easyjet into London Stansted and Gatwick, and Manchester; Norwegian into London Gatwick and Edinburgh, and Ryanair into London Stansted and Gatwick, Birmingham and Edinburgh. As well as the 3 times weekly sea route between Esbjerg and Harwich.
- Fare levels - Copenhagen to London return start from DKK 1181 / £145 on SAS a month from now. On Cimber Sterling prices start from DKK 617 / £76.
- Copenhagen Airport report an increase of 10% on departures to London in September, compared with September 2008.
- Competition on low cost air fares out of the Danish airports is very fierce. Airlines CimberSterling, Air Berlin, Norwegian, Easyjet, Ryanair and Transavia offer prices from DKK 250 to almost all European destinations.
- Virgin Atlantic has signed CimberSterling up as a feeder airline into Gatwick Airport, for long haul transfers.
- Continental Airlines has opened its Nordic hub office in Copenhagen and has entered the Star Alliance where SAS and Lufthansa are members. Continental Airlines are in competition with SAS and Delta Airlines on routes primarily to New York.

Business Tourism

- The Danish B2B sector is still having a rough time, although large operators feel things are picking up for 2010. American Express expects an increase in demand for 2010 in the Nordic countries. Airlines have reduced their capacity and companies have had focus on reducing their travel budgets, which means that demand will fit supply and prices will increase by 7-9% overall.
- Latest figures from IATA show that the average price for air tickets sold in Denmark has been reduced by 20% compared with 2008. Prices have never before been this low.
- Sun Air of Scandinavia, based in Jutland, report good business flying franchise for British Airways into London and Manchester, as well as for ad hoc-business, flying rock bands on tour and football clubs from the European leagues.
- The two business agencies Jysk Rejsebureau and Kilroy Denmark have merged their business strategies and have changed name to Horizons A/S. The new head office will be in Aarhus.

Leisure Travel Trade

- DFDS Seaways report a 7% increase of passengers on their Esbjerg-Harwich route, which has 3 departures per week. Their MiniCruise packages to Colchester start from DKK 274.
- London is the number one city break destination this winter (and all other winters before). The MyTravel /Spies group survey rates London before Berlin and New York.
- Bravo Tours presented their 2010 programme and state that the market for next summer is expected to be similar to this year. Danes are interested in buying their summer holidays earlier now than the previous years.
- Discovery Travel, an agency specializing in individual holidays from DKK 40,000 have had a 35% increase in sales this autumn and see this trend to continue for next year.
- Royal Caribbean have seen a growth in the Danish market of 52% compared with last year.
- Football packages to Manchester United and other clubs are offered by the trade, also big concerts and events at venues like O2, by SAS online and Arte Udland.
- A new golf agency has started up: Golf Plus will promote the high-end of the market, golf in combination with gastronomy, opera and wellness. England and Scotland will be featured, as well

as British Open and Ryder Cup. Golf Plus is owned by the agency Sydeuropacentret, which for years have organized special tours and sports training for companies and organizations.

Competitor Activity

- Ski holidays are dominant, especially family holidays to Sweden and Norway, as well as Austria, France and Italy.
- Sun holidays to Egypt and the Emirates, prices from DKK 2,229 for a week in four and five star hotels, and long haul destinations like Australia, DKK 9,925 for 24 days and South America, top end of the market, from DKK 28,980.
- The US market is growing fast. Helped by the low dollar, a total of 256,604 Danes visited the US in 2008. New York is popular for long weekend shopping breaks.
- The top 10 list of the Danes favourite European countries to visit in 2008: Germany, Sweden, Spain, France, Norway, UK, Italy, Greece, Austria and Turkey.
- The top 5 overseas destinations are: the US, Thailand, Egypt, China and Singapore/Canada.
- There are big January sales offers: Spies Rejser and Star Tours offer reductions of up to 50% for sun destinations like the Canary Islands, Thailand and Cap Verde. Prices will increase from February.

VisitBritain Activity Update

- Nordic e-newsletter sent out to B2B database.
- 2 E-newsletters to the general Danish database with sponsorship competitions from CimberSterling.
- Easyjet inauguration press trip to Manchester for 4 Danish journalists.
- CimberSterling press trip to London, Bath and the Cotswolds for 4 Danish journalists.
- Participation in Antor Denmark press event for 25 members of the press.

Upcoming activity

- Planning meeting with UKTI and British Council scheduled for 5 January 5 regarding the 2012 Olympics.
- Sherlock Holmes film promotion.
- Cities promotion.
- VisitBritain and DFDS Seaways – planned web-campaign for the spring months in Denmark, Sweden and Norway.
- Coordination of Best of Britain event programme in March for Danish agents.
- Danish input to VB Nordic TUR Exhibition in March.

Who's in Town?

- UN climate meeting 'COP 15' in Copenhagen 6-19 December – Prince Charles will take part, as well as Gordon Brown and a number of ministers.
- All of Copenhagen will be filled with exhibitions and concerts, given by performers from all over the world.