

Outlook for Travel to Britain

- As Singapore has become a late-booking market, agents have not received overwhelming confirmed sales for next year. However, compared to January to March 2009, they have registered much higher number of enquiries; hence they are not worried about closing the sales. Agents are confident of F&E and FIT movements during Chinese New Year period (14 & 15 February 2010), and are looking forward to NATAS travel mart end February.

Britain in the News

- London's spot on the Lonely Planet Guide best value destinations was reported in the local publications, as well as a spate of articles in consumer magazines highlighting value and affordability of Britain. These help strengthen Britain's positioning as a value destination.
- The move to tighten controls on visas for students and professionals as reported by Reuters has also been picked up by the local newspapers; however, no follow-ups were seen after the initial report.

General Market Mood

- The Ministry of Trade & Industry has given a revised (more positive) forecast of the year's economic growth to be between -2.5% and 2%.
- Consumer price inflation is forecast between -0.5% and 0.5% this year.
- Positive outlook for 2010 - Singapore economy could grow at 3% next year, after what currently looks like a "healthy" fourth quarter, says Minister Mentor Lee Kwan Yew. (The Straits Times, 9/11)

Consumer Behaviour

- The Mastercard Worldwide Index of Consumer Confidence for the first half of 2009 recorded a low rating, but we are expecting it to rise with the pick-up of the economy in the later half of 2009.
- According to travel agents, the planning and booking period for long-haul has shortened to as low as 2-3 weeks due partly to global airfare promotions throughout the course of this year.
- Based on the Ministry of Community Development, Youth & Sports Singapore survey on Singapore's baby boomers aged 44 to 61, this senior segment are willing to pay for products and services catering to the silver market. Most popular are senior-centric travel packages and leisure activities.
- Growing interest from consumers to visit movie destinations is increasing, especially when a distinctive Hollywood movie is released. As a result, travel agencies in Singapore are riding on hit movies such as 'Angels & Demons' to promote destinations and travel packages.

Media Matters

- The Media Development Authority (MDA) of Singapore is aggressively campaigning for international co-productions, signing 20 media cooperation agreements to date. In the UK, MDA signed an agreement with South West Screen, whereby both firms will put up £25,000 to fund two productions, and with Media Labs and the History Channel to produce a documentary.

Routes and Fares

- High demand for travel in November and December. This year, pent-up demand coupled with decreased flight capacity, has led to an earlier than usual clamour for airline tickets and tour

packages for year-end travel as the economy picks up. Some airlines have increased flights and added new destinations to tap on this opportunity, e.g. Silkair has added flights to Thailand and China.

- Low cost carriers not only continue to aggressively expand routes in Asia but also increase frequencies to Australia. Jetstar has commenced its daily service between Singapore and Perth. In response to the strong and growing demand from travellers, Air Asia X has ramped up frequencies from Kuala Lumpur to Melbourne from 7 to 11 flights weekly from 1 December, increasing seat capacity by 1,532 each way.
- Singapore Airlines launched its new Airbus A330 to Adelaide in June 2009 and began daily direct A380 flights between Singapore and Melbourne on 29 September, increasing seat capacity to Melbourne by 10%.
- Ethiad Airways will fly a daily Abu Dhabi-Kathmandu service from January 2010. The boost in frequency from the previous four-times weekly service comes as the airline reports average load factors of between 80% and 90% on both inbound and outbound flights. The airline attributes the popularity of the route to a growth in corporate travel and inbound tourism into Nepal.
- There is a likelihood of ticket prices rising in 2010. Airlines are still operating on reduced capacity, and are adopting a wait-and-see attitude to assess how well the economy is recovering. If they do not increase the supply quickly enough to match the demand, the prices of tickets are going to rise.

Business Tourism

- Travel agencies are reporting an improvement in bookings for corporate travel, compared to the same period last year

Leisure Travel Trade

- Travel agencies are also reporting that flights and tours are booked out for UK (due to the reduced capacity), and they are finding it hard to confirm the seats. They have turned away businesses from October for year end travel.
- Dynasty Travel soft launched its redeveloped website and is currently market testing a full site where instant confirmation is available on a range of products, including group tours. Another key feature is the incorporation of VOIP capability where consumers can contact sales staff instantly with enquiries whilst online.
- More travel agents are enhancing their website to cater to the growing trend of consumer direct bookings. For instance, Chan Brothers Travel has enhanced its website, UOB Travel has developed website with online booking engine etc.

Competitor Activity

- Tourism Victoria and Singapore Airlines ran an advertising campaign to promote the latter's new aircraft A380 into Melbourne on 29 September 2009.
- In its bid to attract more inbound travellers to Thailand, the Tourism Authority of Thailand launched the Thai Ultimate Explorer campaign in September 2009, a similar campaign to Tourism Queensland's Best Job in the World, where applicants were required to use social media to promote themselves to gain a place in the finals. The winning team stands a chance to win a holiday package and cash prizes worth up to US\$15,000.
- The French Tourism Board is promoting the French regions (beyond Paris) in Singapore and has recently launched a campaign promoting great art, good living and culinary delights in Burgundy. This is a clear indicator that they are targeting repeat visitors from Singapore.
- Taiwan is aggressively promoting itself through advertising campaigns and public relations activities focusing upon short breaks and key regions of the destination.

- Japan, after seeing strong declines as a result of H1N1 (swine) flu, is investing significantly to attract the year end traveller. Major consumer campaigns and partnerships with travel agencies are available in the market. Singapore will see more of marketing from Japan next year for 'Visit Japan Year 2010'.

VisitBritain Activity Update

- Media activities in Singapore yielded 12 consumer articles from October to December covering London, England, Scotland, Wales, and Britain, as well as corporate articles in trade publications.
- Press visits resulted in 6 broadcast episodes in Singapore, and 18 consumer articles covering London, England, Scotland, Wales and Britain.
- BritAgent graduation ceremonies in Singapore and Malaysia in December 2009 – A total of 142 agents have been accredited to sell Britain tourism offerings.

Upcoming activity

- Quarterly update of Britagent.
- Best of Britain and Ireland.

Who's in Town?

- Prince Andrew visited Singapore as part of a regional trip in October to grace various events
- Neil Gaiman hosted a reading session and book signing at the Singapore Writers Festival 2009.