

## Your October 2012 Tourism & Hospitality Newsflash!

**2.635 million international visitor arrivals in the year ending August 2012. This is a 5.3% increase on the same period in 2011.** 33.8% increase in visitor arrivals from China when comparing the year ending August 2012 with the same period in 2011.

**\$1512 was the average expenditure by each Australian visitor in the year ending June 2012 compared with \$1601** in the same period in 2011. This is a 5.6% decrease.

**\$2300 was the average expenditure per visitor to New Zealand in the year ending June 2012 compared with \$2400** in the same period in 2011, a 4% decrease.

**\$37,493 was the average expenditure per Tertiary Foreign Fee-paying student in New Zealand in 2011, including GST, which equates to \$1000 per week.** Tertiary FFP students spend an average of \$622 (165%) more than a typical New Zealand resident each week.

Source: MED, NZ Government

**August 2011 to August 2012, arrivals were down from the UK (-25.6%), Europe (-15.6%) and the Americas (-12.6%)** reflecting changing travel markets and global economic conditions. **Arrivals from Asia continue to drive growth, up 14.4% on August 2011.** China continued to perform strongly, up 21.3%. Visitor arrivals from Japan continued to recover after a period of low growth following the earthquakes in Christchurch and Japan. Arrivals from Japan were 25.9% up on August 2011 and encouragingly 4.3% higher than August 2010 levels. **Visitor arrivals from Indonesia ranked in the Top 10 for the first time, up 36.4% on August 2011.** This was driven by targeted marketing campaigns including luxury website and social media activity attracting Indonesian visitors to Auckland as part of Auckland Airport's Ambition 2020 initiative to focus on the growing market potential in Asia.

Source: Auckland Airport.

**Don't Innovate, Anticipate...in a world loaded with apps, gadgets and gimmicks, the customer still comes first.** Hoteliers are judged by anticipating guests' needs and delivering on the day-to-day. The next big thing isn't what guests will remember after they return home. Let's face it, great service is difficult to train and even harder to maintain. It's time for those of us in the hospitality industry to talk about getting the right things done, right now. The only course of action is to understand our guests and their needs. Stop wasting time on innovating and get on with anticipating.

Source: Brad Callahan

**Does Your Customer Service Strategy Include Social Media? .... By the end of the year, 80 percent of companies plan to use social media for customer service.**

On the consumer side, 62 percent of customers have already used social media for customer service issues. Gartner predicts one billion users will be on social networks by the end of 2012. The social landscape is evolving, but one thing remains certain: Your ability to serve your customers, in the channels they wish to be served in, is critical to your business's success. But social customer service isn't a cute tool to be

used by opportunistic marketing departments to big up the brand; it is an essential method of communication that needs to become part of a clearly defined organizational model.

Source: Harry Rollason

**Best Western is now embracing your travel reviews. Just this month they added a prominent link to TripAdvisor to enable potential customers to see reviews about their locations more efficiently and quickly.** Thus, hopefully enabling them to not totally leave their website and still book straight through Best Western. Hotel brands are now hoping to move toward more customers staying loyal and using only their own branded websites or phone their own customer service representatives to book hotel stays and also those importantly hotel and spa deals. Best Western's move was included as an update to their website. **It was well thought out, so that the TripAdvisor reviews open in a small box and do not take the customer away from Best Western's own website.** Hotels are now embracing the reviews (sometimes even not so good ones) as a chance to interact with both current customers and potential customers. **Responding to a bad review on TripAdvisor shows that the hotel has a beating heart and customers just love that type of authenticity in a hotel chain.** Remember "We'll leave the light on for you"? This is now the digital age's way of leaving the light on for you.

Source: Ava Roxanne Stritt

**The Shrinking Cost of Space Tourism...**More than half a century ago, U.S. President John F. Kennedy called the race to space "a great new American enterprise." **Today, private companies are flying reusable vehicles into the atmosphere and beyond. Competing at the forefront of this space race is Richard Branson's Virgin Galactic and Elon Musk's SpaceX-both hope to send paying passengers to the near edge of space by 2013.** The Federal Aviation Administration and Space Florida, the state agency tasked with promoting interstellar tourism, predict suborbital flights alone could generate up to \$1.6 billion in revenue during their first 10 years of operation. And fear not frugal adventurers: the cost to book your own space odyssey, depending on which option you choose, is slowly descending to the earth's atmosphere.

Source: Steve Brearton

**Adults-Only Tourism Grows in Asia...**Adults-only resorts are increasingly popular in other parts of the world, in particular the Caribbean Islands, with several hotel chains such as the Sandals group, Secret Resorts, and Ibero Hotels & Resorts targeting adult travellers who prefer to go on a romantic vacation without children. Hoping to target honeymooners and romance vacationers, the tourism industry in Asia is implementing more adults-only features. Source NY Daily News

**STR Global reports Asia/Pacific pipeline for August 2012... The Asia/Pacific hotel development pipeline comprises 1,638 hotels totalling 375,078 rooms,** according to the August 2012 STR Global Construction Pipeline Report. Among the region's markets, **Shanghai, China, ended the month with the largest number of rooms in the total active pipeline with 12,721 rooms.** Five other markets reported more than 5,000 rooms in the total active pipeline: New Delhi, India (11,856 rooms); Bali, Indonesia (8,671 rooms); Jakarta, Indonesia (7,121 rooms); Manila, Philippines (6,438 rooms); and Beijing, China (6,134 rooms).

Source: Jeff Higley STR

**After a Slack Period, Hotels Are Sprucing Up....Hotel owners in the United States are increasing their spending on improvements to their properties this year, upgrading guest rooms, restaurants, technology and other amenities.** A new survey of owners estimated that spending would reach \$5 billion this year, the most since 2008 and up from \$3.75 billion last year. Capital expenditures fell to \$3.3 billion in 2009, in the depths of the recession, and dropped further, to \$2.7 billion, in 2010.

Source: Jane L. Levere

**Where To Find Europe's Best Deals This Autumn, several European cities are shaping up as bargains compared to the same time last year, according to two discount travel sites.** Don't look to the longtime standbys, where a steady stream of business travellers tends to keep hotel rates high year-round. Rather Hotwire group, suggests cities that are "secondary but still wonderful." Instead of London, Paris or Zurich, how about Berlin, Budapest, Geneva or Prague? Current rates in these cities are down 21, 30, 31 and 37 per cent respectively compared to last autumn, as measured by hotwire .com.

The four factors are :

**1 - The Olympics.** Because of London 2012, This summer, Europe became an even hotter destination than usual.

**2 - Post-Olympic** oversupply of hotel rooms. We're seeing a similar thing happen in Europe that happened in Canada right after the Vancouver Winter Olympics.

**3 - Annual fluctuations:** Hotel rates normally decline after the summer peak season, even without special events like the Olympics.

**4 - European economic malaise:** "As the continent in general sinks into what looks like a recession," Europeans are traveling less, and more hotel rooms are going begging. Stats from the low-cost accommodation specialist budgetplaces .com bear this out. While its figures differ from Hotwire's, in four of Europe's most economically distressed countries, Greece, Spain, Portugal and Italy, budgetplaces .com finds nightly rates down significantly: 20 percent in Athens, 13 percent in Seville, 11 percent in Rome, and 10 percent in Porto, Valencia and Venice.

Source: Andrew Bender

**Pinterest Board Ideas for Hotels...**Unless you've been living under a rock, you've probably heard of social media's newest craze: Pinterest. **Pinterest is a visual pinboard that is used to bookmark websites, recipes, and much more using pictures. The site is great for expanding your social media presence and increasing brand awareness, with 11.7 million unique visitors per month. With an average daily usage of 15.8 minutes, the demographic is mainly women ages 25-34 with children, and 28% are from households with an annual income of over \$100,000...** What does this mean for hotels? In most cases, the women in the household take on the duties of planning family vacations from doing research to booking hotels. Many use Pinterest to help them in the planning process, and if your hotel wants bookings from this demographic, it's a good idea to get on board! While Pinterest does not guarantee instant bookings, it does foster engagement and builds hotel brand loyalty. Once you join the site and choose a username that reflects your hotel, the next thing you should do is brainstorm ideas for boards so you know what to pin – like: Hotel photos, Local Attractions, Wedding Pictures, Special Interest items and Vintage Hotel Photos.

Source: Golda Criddle

**Prediction of 1 Billion International Tourists for 2012... With a record 467 million tourists traveling in the first half of 2012, international tourism is on track to reach 1 billion tourists by the end of the year.** Despite concerns over the global economy, international tourism demand continues to show resilience. The number of international tourists worldwide grew by 5% between January and June 2012 compared to the same period of 2011 (22 million more). Although a slight slowdown in growth can be expected for the rest of the year, international arrivals are forecast to exceed 1 billion by the end of 2012. Amid the current economic uncertainty, tourism is one of the few economic sectors in the world growing strongly, driving economic progress in developing and developed countries alike and, most importantly, creating much needed jobs. International arrivals were up in all regions between January and June. **Asia and the Pacific (+8 %) led growth by region, boosted by the recovery of Japanese inbound and outbound tourism as well as by the continued strong performance of other major source markets throughout the region. Destinations in South Asia and South-East Asia (both +9%) showed some of the best results world wide.**