CITY PROFILES

the travel business partnership tbp

No. 14 – December 2003

in this issue:

City Profiles
is published monthly by:

The Travel Business Partnership
1 chemin de la Bâtie
1213 Petit-Lancy
Geneva
Switzerland

Fax: (41) (0) 22 793 3813

UK Office
(Editorial, marketing, subscriptions)
38 Redcliffe Road
London SW10 9NJ

Tel: (44) (0) 7352 5796
Fax: (44) (0) 7349 8567
Mobile: (44) (0) 7887 952 617
Email: info@t-bp.com

Editor: Nancy Cockerell
Contributors: Jill Trew, Luc Citrinot, David Stevens

Annual subscription rates 2004:
£350 / €590

The Travel Business Partnership

The Travel Business Partnership provides strategic research and market intelligence on the international travel and tourism industry. In addition to *City Profiles* it publishes *Travel Markets* – a monthly analysis of travel and tourism demand – as well as a range of customised research reports.

Symbols for tables
na = not available
– = not applicable

ISSN 1473-6349

Comment

Are the Olympics really good for tourism?

The subject of one of our main city profiles this month, London, is all agog about the recent decision to bid for the 2012 Summer Olympics. A successful bid could lift London's tourism profile over the next few years, some in the sector believe, but failure could simply serve to emphasise London's difficulties as a tourism destination.

Clearly, in the longer term, the Olympics would bring improved infrastructure, new facilities and especially the regeneration of a large swathe of socially deprived ex-industrial land in east London, from the lower River Lea at Bromley-by-Bow to the old dog racing track and future stadium at Hackney Wick. Furthermore, among the many claims made by those backing the bid to bring the 2012 Olympics to London is the hope that a London Olympics would inspire a future generation of athletes at a time when British athletics is in the doldrums.

Yet, although these would all be positive developments for the city as a whole, it is not at all certain that the tourism industry would stand to benefit. Big events are known to discourage normal tourism and the likely media frenzy about London's overloaded transport systems and inadequate tourist accommodation would not help. The focus of infrastructure preparations on a part of London that has few other tourism attractions will do nothing to relieve central London's well-known deficiencies in these respects.

Anyway, London must first win the 2012 Games. And few of the city's supporters, including a large share of the tourism industry itself, seem to have any idea of the strength of the competition the UK capital faces – even just in Europe.

Paris thinks so …

A visit to the World Athletics Championships last summer – not to mention a walk around the streets in the neighbourhood of the Stade de France – was a reminder of how far off the pace London is, both in terms of proving its ability to handle such an event and in terms of infrastructure development. The French government reportedly committed €28.2 million of the total €59.5 million budget for the nine-day athletics event – not solely because of its commitment to athletics, but because it wanted to impress those who will decide where to stage the 2012 Olympics.

After the Football World Cup, the final stages of the Tour de France and world championships in a number of other sports, such as volleyball, handball, boxing, judo and table tennis, the French capital has had ample opportunity to impress the leaders of international sport. And neither the government nor big business (nor for that matter the public) seems scared of the potential cost of hosting the Olympics – between €2 billion and €7 billion.

Brussels, Milan and Prague are now said to be thinking of bidding to host the 2016 Summer Olympics, but none of these is likely to win if 2012 goes to a European city. Of the three, Brussels has to be the favourite as the bid – actually from the regional government of Flanders, but backed by the Brussels City Council – has the support of Jacques Rogge, chairman of the International Olympic Committee (IOC), and a Belgian. Rogge has already gone on record *praising Brussels's many hotels, the proximity of the airport to the city centre and the King Baudouin Stadium, which seats 47,500.*

The IOC will not select a host until 2009 and the Belgian capital's potential non-European competitors include Pusan (in South Korea) and an undetermined city in Chile.

… but few in Greece believe the Athens Olympics will stimulate tourism growth

Meanwhile, necessary infrastructure and superstructure developments for next year's Athens Olympics are months behind the strict schedule laid down by the IOC's experts. Transport is one of the major areas of concern – especially work on tram and rail lines.

While grudgingly admitting that the 2004 Games will probably open on target, despite all the problems, Greece's travel and tourism industry is much more concerned about the Greek government's failure to leverage the Olympics to boost tourism demand. Investment in marketing and promotion has been negligible, most say, and one of the major advertisements to be developed would seem to have missed the mark completely:

"There is no place like home," the advertisement reads, suggesting to potential foreign tourists that they might as well stay in their home countries rather than – as the ad was intended – going to Greece where the Olympics all began.

Markets

The Asian market in Europe

A sharp difference in trends from one city to another

Although the relevant data is missing for some of Europe's key cities – notably, London and Barcelona – there are few surprises at the top of the ranking of Asian arrivals and nights in European cities in 2002.

Paris's performance was well ahead of the rest of the field. The city attracted more than 720,000 arrivals and 1.7 million overnights from Asia last year – over 50% more than its closest contender in the ranking, Rome. But while Asian arrivals and nights in Paris stagnated, Rome reportedly achieved a 63% increase in overnight volume (despite a decline of 16% in arrivals), taking average length of stay of Asians in the city to 2.5 nights. Clearly, the dramatic difference in trends between arrivals and overnight volume needs to be interpreted with caution.

Dubrovnik generated the highest average stay, of 2.7 nights, ahead of Budapest with 2.6. And three cities – Rome, Dresden and Düsseldorf – achieved a 2.5-night average length of stay.

It should be noted that the 'Asia' market referred to in the table does not necessarily relate to the same source countries for each city. In some cases, it includes the Middle East. However, the Pacific – including Australia and New Zealand – is excluded from the Asia count. The data from which the table is compiled is filed with the European Cities Tourism database on TourMIS.

Asian arrivals and nights in key[a] European cities[b], 2002

City	Arrivals	% change on 2001	Nights	% change on 2001	Av stay (nights)
Paris[c]	721,366	1.0	1,677,401	-2.8	2.3
Rome	441,877	-16.4	1,083,576	63.4	2.5
Milan	491,283	117.8	988,916	121.5	2.0
Vienna	285,371	85.5	615,294	81.1	2.2
Amsterdam	na	na	611,000	9.3	na
Budapest	175,352	-15.9	460,896	-14.5	2.6
Venice	155,536	7.7	288,074	3.9	1.9
Madrid[d]	123,660	0.1	249,626	-1.2	2.0
Düsseldorf	74,982	91.3	184,083	113.0	2.5
Brussels	88,129	43.5	176,148	55.7	2.0
Helsinki	97,774	100.1	176,054	137.9	1.8
Copenhagen[cd]	na	na	163,300	93.0	na
Salzburg	87,663	76.7	132,042	63.4	1.5
Munich	68,975	-13.6	131,445	-11.7	1.9
Frankfurt	73,585	-10.0	115,614	-9.8	1.6
Seville	84,858	na	111,118	na	1.3
Berlin	46,664	-7.3	109,275	-4.5	2.3
Innsbruck	90,565	426.3	103,609	324.2	1.1
Zurich	48,097	-16.0	69,196	-13.8	1.4
Stockholm	na	na	63,004	2.6	na
Nuremberg	27,760	19.4	59,548	12.3	2.1
Bergen	na	na	51,762	22.6	na
Heidelberg	36,327	-13.4	47,195	-8.8	1.3
Dresden	16,617	-12.8	41,758	13.9	2.5
Dubrovnik[c]	14,967	na	40,751	na	2.7
Aix-en-Provence	na	na	37,167	-40.8	na
Basel	na	na	35,717	377.8	na
Hamburg	15,252	-1.9	35,384	-0.5	2.3
Bern	na	na	34,924	-22.7	na
Lucerne	24,815	-20.9	34,264	-15.9	1.4
Oslo	na	na	33,635	-7.5	na

[a] Arrivals and nights in all accommodation establishments except where indicated
[b] Cities attracting more than 30,000 tourist nights by Asians in 2002, and filing their data on TourMIS
[c] Arrivals and nights in hotels and similar establishments only [d] Greater city area

Source: European Cities Tourism database on TourMIS (www.tourmis.info)

Profiles

London

After two years of decline, short-term forecasts are still fairly gloomy

London's tourism sector has been struggling since 2000, suffering a steep drop in arrivals, nights and spending over the period. Although the well-rehearsed explanations (excuses) – the high value of sterling, the impact of 11 September, continuing terrorist threats, declines in the US economy, the Iraq war etc – have affected all urban destinations, London has fared worse than many other cities in the UK and indeed in Europe. There is no current solid research on visitor perceptions of London, yet it appears the gloss has gone off the capital as a leisure destination, while business travel is suffering from the economic downturn.

International arrivals declined by 10% in 2001, picked up marginally in 2002 and, according to September 2003 forecasts (which admittedly may prove overly pessimistic) are projected to stagnate in 2003. Meanwhile, overnight volume was down 12% in 2002 on its 1999 peak and is forecast to decline by a further 1-2% in 2003. International expenditure, in contrast, should rise by some 2%, after decreasing by 16% from 2000 to 2002.

Recent and forecast trends in London's tourism, 1999-2003

	1999	2000	2001	2002	% change 2002/01	Forecast 2003[a]	Forecast % change 2003/02[a]
Arrivals (mn)							
Domestic	15.5[c]	18.5	16.9	16.1	-4.7	15.0	-6.8
International	13.2	13.1	11.5	11.6	0.9	11.6	0.0
Total	28.7	31.6	28.4	27.7	-2.5	26.6	-4.0
Nights (mn)							
Domestic	37.5[b]	42.4	39.8	35.4	-11.4	32.7	-7.6
International	85.8	82.0	76.1	75.4	-0.9	74.2	-1.6
Total	123.3	124.4	115.9	110.8	-4.4	106.9	-3.5
Expenditure (£ mn[c])							
Domestic	2,066	3,070	2,995	2,818	-5.9	2,625	-6.8
International	6,708	6,902	5,845	5,788	-1.0	5,916	2.2
Total	8,774	9,972	8,840	8,606	-2.6	8541	-0.8

[a] See text for explanation of 2003 forecasts
[b] 1999 domestic data has been adjusted to reflect industry estimates of the likely volume and value of trips following the change in survey methodology in 2000
[c] Average exchange rates: £1 = €1.52 (1999), €1.64 (2000), €1.61 (2001), €1.58 (2002), €1.45 (2003 forecast)

Sources: Visit London and VisitBritain, from the UK Tourism Survey (UKTS) for domestic data and the International Passenger Survey (IPS) for overseas data

Even in the context of the UK's lacklustre international performance in 2001 and 2002, London's results have been poor. While international arrivals in the UK as a whole picked up by 5% in 2002, the capital failed to attract back visitors lost in 2001. Similarly, international tourism expenditure in the UK increased by 4% in 2002, but London's tourism spend showed little improvement on the previous year's level.

The following table shows the extent to which London has lost share of international tourism in the UK using all three measures since 2000. This decline in part reflects the growth of direct air services to regional destinations in the UK and the push by more UK cities to develop international short-break markets. But it is nonetheless serious for a city that claims that 8% of its GDP is generated by tourism.

London's share of international tourism in the UK, 1999-2003 (%)

	1999	2000	2001	2002	2003[a]
Arrivals	52.0	52.2	50.2	48.6	46.4
Nights	40.5	40.2	40.2	38.2	36.2
Expenditure	54.2	53.9	52.3	50.2	46.0

[a] Forecast

Sources: Visit London and VisitBritain

Domestic market failed to save the day

Although there have been a number of promotions to encourage the domestic market, as part of an attempt to compensate for lost international visitors, the capital's domestic visitor count has also declined sharply since 2000, and is forecast to register a further decline in 2003 – although early year projections were much more bullish. Overnight volume and spending by domestic visitors have also fallen, and continue to fall.

Holiday travel hit hardest – in both domestic and international markets

International leisure travel fell dramatically in 2001 – from 6.1 million holiday trips to 4.8 million – and, worryingly for London, there was only a marginal increase in 2002, to 4.9 million. VFR visits (to friends and/or relations) from abroad increased from 2.5 million in 2000 and 2001 to 2.7 million in 2002.

There is anecdotal evidence to suggest that visitors who come to study in London – the majority for English language courses – have also declined dramatically. European enrolments in London's language schools are down by a third, according to one source. A recent spate of bankruptcies at non-accredited language schools in London has exacerbated the situation.

Given the economic downturn, it is not surprising that international business visits to the capital decreased from 3.1 million in 2000 to 2.8 million in 2001 and 2002. Domestic business travel has been more resilient, however, with overnight trips remaining relatively stable – 3.8 million in 2000 and 3.9 million in each of the last two years.

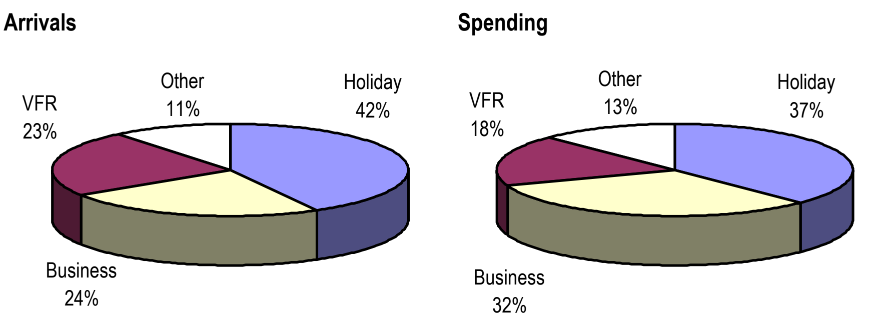
Overall, in 2002, holiday travel accounted for 42% of international arrivals and 37% of spending, while business travel generated 24% of arrivals and 32% of expenditure.

Prospects for business travel looking up

London's international business travel sector believes the US market will start to recover quite rapidly – both for independent and organised business travel – although it will not regain 2000 levels for a couple of years. Aside from the need for a new convention venue, issues of perceived high costs in London and continuing transport difficulties need to be addressed urgently to attract more business from the domestic and European MICE sectors (meetings, incentives, conferences and exhibition travel).

The Scandinavian market has remained strong, despite the Iraq war, and London's business travel sector is seeking to develop integrated packages targeting the large Scandinavian multinational companies. China and India have been identified as the most important emerging business markets for London, while Russia has considerable potential at the luxury end of the business travel market. The Middle East is another interesting source, but a business leaders forum believes that London must address the demands of the younger Middle Eastern generation, whose tastes are quite different from those of their fathers.

Breakdown of international arrivals and tourism spending in London by purpose of trip, 2002



Source: Visit London

Little change in key source markets …

Despite declines in visitor numbers, the shares of London's key source markets have changed little over the past few years. The all-important US market declined from 22% in 2000 to 21% in 2001 and 2002, but its share of spending has remained constant. Italy gained share in arrivals in 2002 – accounting for a 5% share as against 4% in 2001 and 2000 – although spending declined. Spain generated a 4% share of international arrivals in 2002, compared with 3% in 2000 and 2001; its spend also increased. Encouragingly, the Japanese market also shows signs of picking up again. Although figures for smaller markets are not available, it is likely that these contain promising new sources of business – Russia, India etc.

Breakdown of international arrivals, overnights and tourism spending in the UK by main markets, 2001-02
(%)

Market	2001 Arrivals	Nights	Spend	2002 Arrivals	Nights	Spend
USA	21	18	25	21	19	25
France	10	7	5	9	6	5
Germany	8	6	5	8	5	5
Italy	4	4	4	5	4	3
Ireland	5	3	3	5	3	3
Australia	4	5	4	4	4	4
Spain	3	4	2	4	4	4
Netherlands	5	2	2	4	3	3
Japan	2	2	3	3	3	3
Switzerland	3	2	3	3	2	2
Sweden	3	2	2	3	2	2
South Africa	2	4	2	1	3	2
Others	30	40	40	30	42	39
Total	100	100	100	100	100	100

Source: VisitBritain from the IPS

… but younger visitors stay away

There has been a shift towards older visitors since 2000. The share of international visitors to the capital aged 24 or younger declined from 20% in 2000 to 18% in 2002, while the 25-34 group increased its share from 24% to 26% and the 35-44 group from 21% to 22%. There has been a parallel shift in the domestic market, with the share of 16-24 year-old domestic visitors decreasing from 23% in 2000 to 21% in 2002. (The UKTS does not measure 0-15 year olds).

New support system for London's tourism

Unfortunately for London, the decline in visitors coincided with a major shake-up in the tourism administrative framework, following the introduction in 2000 of a new government structure under an elected mayor for the capital. The tourism sector – and the London Tourist Board – went through many months of uncertainty over future policy and funding for the industry at the very moment that strong leadership and additional funds for marketing were most needed.

In 2002 the London Development Agency (LDA), which drives the capital's economic development on behalf of the mayor, emerged as the holder of the city's tourism purse-strings and as the body responsible for activating the mayor's new Plan for Tourism, which was launched in 2002.

The role of the former London Tourist Board, re-named Visit London, has been pared down to focus primarily on marketing and promotion. Funding from the LDA has been significantly increased, enabling Visit London to embark on large-scale marketing campaigns for the first time. While the LDA has appointed Visit London to carry out the marketing activities outlined in the mayor's tourism plan, the arrangement is initially only for two years. The LDA makes it clear that it can switch to another organisation if Visit London does not match up to expectations.

The LDA's lack of experience in the tourism sector, coupled with its ability to access considerable funds, is of course good news for the usual band of tourism consultants who have been called in to produce numerous reports on a range of tourism issues.

Much-needed boost for marketing and promotions

The LDA has allocated core funding of £3.8 million (€5.4 million) to Visit London for each of the financial years 2003/4 and 2004/5. An additional £15 million has been granted to fund six campaigns to boost London's profile. This is the first time London has had funds to launch large-scale campaigns. Some £3.8 million has already been spent for a Totally London campaign targeting local source markets, which began in May 2003, and £6 million is targeting the UK and Europe. Visit London joined VisitBritain's campaign in the USA following the Iraq war, and has put a business travel representative in place in New York for the first time.

In November 2003, a £4 million six-month campaign was launched to attract visitors back to the capital, specifically aiming to establish the capital as a destination with a unique character and vast choice of things to see and do. The campaign has included TV advertising and advertisements in regional newspapers, coupled with value offers from suppliers in the UK (in November) and in France and Germany (in December 2003). London has also participated in VisitBritain's city-break campaign in key international markets.

This step-change in the marketing of London also features a new corporate brand for Visit London and a new Visit London chief executive (recruited from the private sector and receiving a substantially higher salary than his predecessor). There has been a major internal re-structuring in Visit London, with additional staff for marketing – especially business tourism – and membership, and the loss of others in planning and development.

Infrastructure developments slow to materialise, whether for the Underground …

There has been some progress in crucial infrastructure developments for London, but major improvements – especially to the Underground rail system – are still several years off. Traffic congestion charges in central London have improved city-centre mobility for visitors, although the perception that public transport costs are the highest in Europe will be vindicated when new Underground fare hikes are brought in at the start of 2004.

One positive development is the long-overdue (but still not quite final) decision to go ahead with the £10 billion Crossrail scheme, which would link Paddington station on the west side of London to Liverpool Street on the east, with onward connections to the international stations of Stratford and Ebbsfleet. This would eventually ease pressure on the Underground and reduce travel time across London. However, work will not start until the end of 2004, leaving little chance for the project to be ready by 2012, when London is hoping to host the Olympics.

Access to London from Europe by Eurostar is expected to improve by 2007, when the North Kent station of Ebbsfleet (just off the M25) will open, allowing passengers to travel from Paris in just two hours. So far forecasts on passenger traffic to London from Europe have proved to be over-optimistic. It was anticipated that, by 2003, Eurostar would be carrying 12 million passengers in and out of London's Waterloo. In reality, it carried 7.1 million in 2002 and 2.9 million in the first six months of 2003. Also, the forecast balanced two-way flow of traffic has not materialised – the number of French using the service to travel to London is only about half that of UK residents travelling to France.

… or London's airports

Congestion at Heathrow's terminals will be eased when the fifth terminal, now under construction, opens the first phase of the development in 2008. But the decision to delay, for at least a decade, the building of a third runway for Heathrow could well have a negative impact on tourism growth to the UK capital – especially on higher-yield business from abroad. Instead, London Stansted will get an extra runway by 2011-12 – the first new runway for London's airports for 20 years – primarily boosting capacity for no-frills airlines such as Ryanair.

But a major convention centre now looks more likely

The much-needed, large-scale international convention centre for London has moved a step closer following an initiative from the LDA. Although the industry has been pleading for a facility for decades, until now there has not been an organisation with enough interest, or clout, to get the project going. A feasibility study will be conducted by April 2004, and a decision taken on its location. The centre, says the LDA, should be on a central brown-field site – possibly Battersea Power Station or the site behind Kings Cross station, or perhaps further east, nearer ExCel, Canary Wharf etc. Facilities for exhibitions have improved at ExCel, near which, finally, more hotel rooms are opening.

One interesting new project – dependent on government reform of current gaming laws (likely in 2005) and on planning permission – is a joint-venture agreement between Earls Court and Olympia Group and the US group MGM Mirage to develop a Las-Vegas style £150 million gaming and entertainment complex. This would be located in the Olympia Exhibition Centre, alongside the existing exhibition and conference space. There are also reports that Sol Kerzner, head of Sun International and famed especially for resorts such as Atlantis in the Bahamas, is talking of a new casino and resort complex involving the London Dome.

London's hotels see some light at the end of the long tunnel

Clearly the UK capital's hotels have had a tough time, although it appears the worst may now be over. Deloitte Touche's *HotelBenchmark Survey* showed that, for the first time in 18 months (ignoring the impact of 11 September 2001), hotels in central London reported a rise in revenue per available room (revpar) in September. Average room rate (ADR) also recorded an increase of nearly 2% and occupancies strengthened, up 5% to 84%. Results for the month of October from TRI Consulting also point to improved performances for London's hotels, although both occupancy and ADR were still well down on October 2000's levels.

Malta

A much better year, thanks largely to the UK market

Preliminary results for the first half of 2003 suggest that 2003 will prove much better in terms of tourism for Malta than the previous two years, with arrivals up 3% from January through June to 497,029. The UK market increased by 8% to just under 200,000. Other growth markets included Austria, Switzerland and Finland, but there were reportedly declines from Germany, Libya and Italy.

Given the uncertainties of the marketplace, the Malta Tourism Authority (MTA) has been cautious in its optimism for the full 12 months of the year, projecting around 2% growth. But, if realised, this would compare with declines of 4% and 3% in 2002 and 2001 respectively.

Details of overnight volume during the past few years are not available. However, length of stay, while dropping sharply in 2000, has averaged around 9.4 to 9.6 nights for the past eight to ten years.

International tourist arrivals and overnights in Malta, 1995-2003

Year	Arrivals ('000)	% annual change	Nights ('000)	% annual change	Av stay (nights)
1995	1,116	-5.1	10,473	na	9.4
1996	1,054	-5.6	10,014	-4.4	9.5
1997	1,111	5.4	10,939	9.2	9.8
1998	1,182	6.4	11,326	3.5	9.6
1999	1,214	2.7	11,658	2.9	9.6
2000	1,216	0.1	10,266	-11.9	8.4
2001	1,180	-2.9	11,067	7.8	9.4
2002	1,134	-3.9	na	na	na
Jan-Jun 2003	497	3.1	na	na	na

Source: Malta Tourism Authority (MTA)

Unhealthy dependence on the UK

A projected 6% growth from the UK in 2003 would take the British market to over 40% of total arrivals – up one percentage point on 2002's result. True, without the growth from the UK, 2003 would end the year in negative figures again, and the 40% share is anyway well down from the 60% the UK represented in 1988. Part of the reason the market has returned to good growth is the depreciating Maltese lira, which is now worth £1.60 compared with £1.83 at its peak in the late-1980s. But when it was at its peak, UK tour operators were supported by the Tour Operators' Support Scheme (TOSS), effectively an exchange rate subsidy linked to a pre-specified annual arrivals threshold, which was phased out in 2001.

There are of course a number of other reasons why the UK should be so important to Malta, not least the two nations' shared history and language. In addition, UK tour operators were the first to develop the senior market to Malta which, as is discussed below, generated the highest share of arrivals in 2002 and has provided a major boost to Malta's tourism over the past decade.

International tourist arrivals in Malta, 2002

Market	Arrivals ('000)	% change on 2001[a]	% market share[a]
UK	444	-1.6	39.2
Germany	142	-11.3	12.5
Italy	101	7.8	8.9
France	80	-3.1	7.1
Netherlands	44	-12.5	3.9
Austria	24	-11.6	2.2
Belgium	24	1.4	2.1
Russia	23	3.9	2.0
Ireland	21	-2.5	1.9
Switzerland	20	-16.4	1.8
USA	20	0.5	1.8
Denmark	17	-4.2	1.5
Others	174	na	15.3
Total	**1,134**	**-3.9**	**100.0**

[a] Percentages calculated on rounded numbers

Note: The Maltese Lira (LM) averaged €2.48 in 2002 and was €2.05 in December 2003

Source: MTA

Other leading markets continue to be disappointing

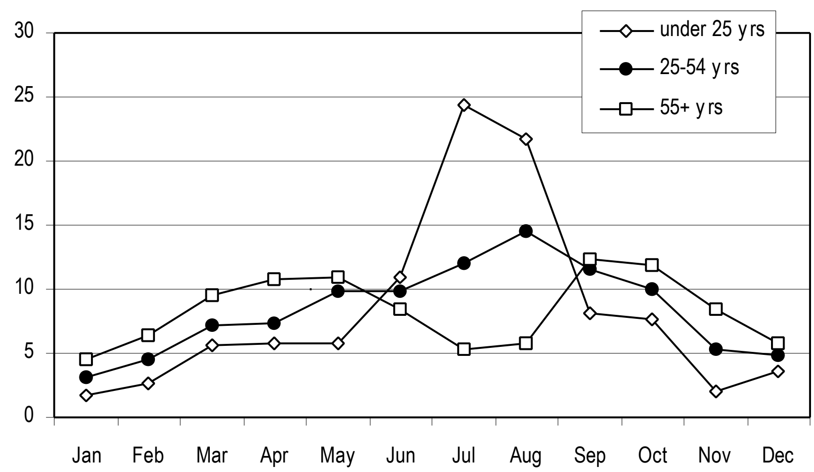
Among other leading source markets, Germany, the Netherlands, Italy and France are all expected to record declines in 2003 (Germany's is projected at -8.5%). This follows a year of negative growth for all those markets except Italy in 2002. Two other markets that recorded double-digit declines in 2002 – Austria and Switzerland – are expected to show an improvement in 2003. The USA, meanwhile – which managed a modest increase in 2002 – is also forecast to rise by a healthy 5%, highlighting the fact that some of Europe's smaller, or less well-known, destinations are already seeing a revival in US tourism.

Diversification has reduced seasonality problems …

During the 1980s and the first part of the 1990s, Malta developed an image of being a low-cost, low-yield, mass-market destination, catering almost exclusively to the sun and beach holiday sector, primarily using self-catering facilities. As a result, its product deteriorated, intensifying its negative image. However, over the past decade, the national tourism organisation has made considerable efforts to improve its product and diversify the destination's appeal – with considerable success.

One of Malta's problems used to be the high seasonality of demand, due to the fact that the destination was marketed primarily for low-cost summer sun and beach holidays. In fact, as tourists have increasingly realised, its islands have a lot more to offer than most competitive Mediterranean destinations, and Malta has learned not to short-sell itself by concentrating on promoting sun, sand and sea attractions.

Seasonality of arrivals in Malta by age group, 2002
(% of total annual arrivals in each age group)



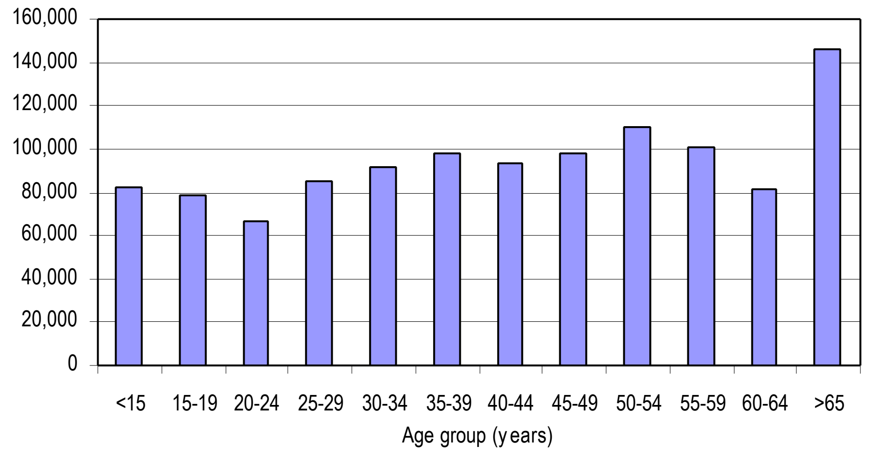
Source: MTA

… thanks largely to the senior market

The above graph highlights the fact that, for young people, summer sun holidays are still the main attraction. But demand from the 25-54 year-old age group has become more evenly spread throughout the year, and the 55-plus age group favours the shoulder and winter seasons. This is due to the fact that Malta has been extremely successful in promoting the attractions of the islands – notably the mild weather conditions – during the winter months. So demand from mainly retired senior citizens has grown sharply.

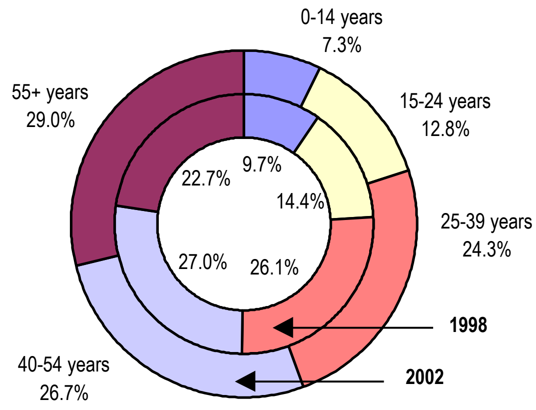
The importance of the 55-plus age group is shown in the following charts. Its share has increased from less than 23% to 29% of the total market in the 14 years to 2002.

Arrivals in Malta by age group, 2002



Source: MTA

International tourist arrivals in Malta by age group, 1988 and 2002



Source: MTA

Broader visitor mix encompasses language courses, wellness and cruises

Sectors that have shown good growth include the English language study market, one of the most profitable sectors for Malta in recent years. An estimated 25% of all the islands' tourists are intent on improving their English language skills. And while the number of Germans seeking courses is falling, more and more east Europeans are showing interest. Malta is much more attractive in terms of price than, say, the UK, and 35% of Malta's English Language Academy's enrolments come through the internet.

Wellness is another sector that has been developing – both in terms of supply and demand, with Germans leading the market for this type of product. But the sector that has shown huge growth in the last few years is the cruise business. Malta recorded almost a five-fold increase in cruise passengers between 1996 and 2002, to 342,000. A new cruise terminal is due to be completed in 2004, and this will enable Malta to promote its central location as a starting point for Mediterranean cruises.

Growing demand for short breaks

Malta's long and fascinating history – evidence of which forms much of the attraction of its capital, Valletta, and other parts of the islands – is also starting to boost demand for short breaks. Marketing and promotion of Malta's wide range of attractions is still inadequate – how many people know that Valletta has been awarded the designation of World Heritage City by UNESCO, for example? Yet there are signs that visitors are now increasingly asking to visit Valletta's museums, the Grandmaster's Palace, the other residences of the Knights of St John and the thousands of years old archaeological remains.

Currently, only 8% of tourists stay in hotels in Valletta, but sightseeing tours are increasingly popular. A study undertaken by the MTA shows that 45% of visitors spend at least four to six hours on sightseeing tours of the capital.

Hawaii

Tourism is big business, especially for Honolulu

In 2002 the state of Hawaii generated a 10% share of international arrivals in the USA – or just over 2 million – the fourth highest behind New York, Florida and California. Total arrivals increased by nearly 2% to 6.5 million, and visitor days were up 4% to 60.5 million. Estimates from Hawaii's Department of Business, Economic Development & Tourism (DBEDT) suggest that, of the total arrivals, 4.3 million visited the capital of Honolulu on the island of Oahu – the same level as in 2001.

The resort of Waikiki alone accounts for some 44% of all visitors present in the state on an average day, as well as about 8% of Hawaii's gross state product and 10% of civilian jobs statewide for the year. These figures come from a new report by the DBEDT – the first in a series of reports that will focus on the economic contribution to Hawaii's economy of major resort areas around the state. The report says that Waikiki also accounts for about 45% of all visitor units in the state such as hotels, condominiums and other accommodation.

Visitor arrivals and average length of stay in Hawaii by major markets, 2002

Market	Arrivals ('000)	% change on 2001	Days ('000)	% change on 2001	Av stay (days)	% change on 2001
Air arrivals						
US West Coast	2,487	4.8	25,119	7.1	10.1	2.1
US East Coast	1,583	-0.4	17,095	3.5	10.8	3.8
Japan	1,483	-3.0	8,760	-4.8	5.9	-1.9
Canada	190	-12.5	2,359	-10.6	12.4	2.2
Europe	111	-11.7	1,497	-1.6	13.5	11.5
Oceania	109	34.1	931	36.7	8.6	1.9
Other Asia	111	9.3	874	13.4	7.9	3.7
Latin America	13	-11.2	137	-10.7	10.5	0.6
Other	301	10.1	3,318	18.3	11.0	7.4
Total	6,389	1.4	60,092	4.0	9.4	2.6
Cruise ship arrivals						
Total	64	36.9	446	24.8	7.0	-8.9
Total	**6,453**	**1.6**	**60,538**	**4.2**	**9.4**	**2.5**

Source: Hawaii Visitors & Conventions Bureau (HVCB)

More than 30,000 workers are employed in the Waikiki area (including the adjacent Kapahulu area). In addition, the 1,600 businesses in this area paid over US$800 million in salaries in 2000.

Average length of stay for the Hawaiian islands as a whole was 9.4 days in 2002, up 2.5% over the previous year. This average clearly masked variations from one source market to another, with Europeans and Canadians generating the highest stays.

Visitor spending rises faster than arrivals

Total visitor expenditure in Hawaii rose 7% in 2002 to more than US$9.8 billion and average daily spend per air arrival increased from US$159 to US$163. Although spending by visitors arriving by cruise ship comprised only 0.5% of total visitor spending, it was up 43% over the previous year's level due to a surge in cruise visitors.

Spending by visitors from the US West Coast represented the largest portion of the total, at 36%, followed by that of US East Coast visitors at 28%. Spending by Japanese visitors declined by 3 points to a 21% share overall. Despite lower arrivals and a slightly shorter average length of stay, average daily spending per Japanese visitor rose 2% and remains the highest among all visitor groups at US$232 per day. However, while Japanese visitors spent the most on a daily basis, their average length of stay was the shortest among all visitors to the islands, which resulted in their having only the fifth highest per trip expenditure at US$1,371. European visitors spent the most per trip at US$1,764 (+20%).

Tourism expenditure in Hawaii, 2002

Market	Total spend (US$ mn)	% change on 2001	Spend per person per day (US$)	% change on 2001	Spend per person per trip (US$)	% change on 2001
Air arrivals						
US West Coast	3,506.3	11.1	139.6	3.7	1,409.9	5.9
US East Coast	2,768.9	8.6	162.0	4.9	1,749.6	8.9
Japan	2,032.8	-2.7	232.1	2.2	1,370.6	0.3
Canada	260.8	-15.7	110.5	-5.7	1,373.3	-3.6
Europe	196.3	6.2	131.1	7.9	1,764.2	20.3
Oceania	118.4	31.1	127.1	-4.1	1,087.6	-2.2
Other Asia	130.8	12.1	149.6	-1.1	1,174.9	2.6
Latin America	16.0	-23.8	117.1	-14.7	1,225.1	-14.2
Other	741.6	24.0	136.9	4.9	1,504.3	12.7
Total	9,771.8	6.8	162.6	2.5	1,529.5	5.2
Cruise ship arrivals						
Total	44.1	42.6	98.7	14.2	690.9	4.1
Total	**9,815.9**	**6.8**	**162.1**	**2.5**	**1,521.2**	**5.1**

Source: HVCB

Cruise ship business continues to increase

Cruise ship business is of growing importance to Hawaii. The number of visitors on cruise ships touring the islands increased by 52% in 2002, to 242,000 passengers – of whom 97% from out of state – and the first quarter of 2003 saw a further 16% rise. In the last full year a total of 27 Hawaii-home-based and out-of-state cruise ships made 133 tours around the islands.

The total average length of stay by out-of-state visitors in 2002 was seven days. In addition to an average 4.6 days spent on board ship, an average 1.2 days was spent on shore after the end of the cruise and 1.2 days before it started. Passengers from Canada stay the longest – before and after their respective cruises. Average spend by out-of-state cruise visitors is about US$100 per person per day. Interestingly, US East Coast visitors spend the most – US$105, or US$12 per day more than European cruise passengers.

Hawaii's cruise ship business, 2002-03

	2002	% change 2002/01	% change Jan-Mar 2003/02
No. of ships	27	3.8	6.7
No. of tours[a]	133	9.9	12.5
No. of passengers	242,144	52.3	15.9
Out-of-state visitors	235,027	52.3	17.3
- arrived by ship	63,776	36.9	2.3
- arrived by air	171,251	58.9	23.9
Hawaii residents	7,117	52.3	-34.3

[a] A tour starts when a ship first calls at a Hawaiian port or when all passengers embark at a Hawaiian port

Source: HVCB

Australia

Sydney attracts 56% of all foreign visitors to Australia …

As might be expected, Sydney attracts by far the largest share of foreign visitors to Australia – 56% in 2002 as against 26% for Melbourne in second position in the city/region ranking. Sharing third place are the Gold Coast, Tropical North Queensland and Brisbane – all with an 18% share.

While the majority of destinations attract mainly leisure travellers, both Sydney and Melbourne rely heavily on the corporate travel market, especially meetings, incentives, conventions and exhibitions (MICE) business.

… thanks in no small part to its MICE market appeal

According to Sydney Convention & Visitors Bureau (SCVB), convention delegates spent on average A$1,058 (US$575), which was four times more than was spent by the average international tourist to Australia. The state of New South Wales accounted for A$2.3 billion of the estimated A$7 billion value of the meetings and exhibitions sector last year.

The top ten cities/regions visited in Australia, 2002

City/region	State	Arrivals ('000)	% share[a]
Sydney	New South Wales	2,468	56
Melbourne	Victoria	1,163	26
Gold Coast	Queensland	786	18
Tropical North Queensland	Queensland	781	18
Brisbane	Queensland	719	16
Perth	Western Australia	542	12
Adelaide	South Australia	278	6
Petermann	New Territories	240	5
Whitsundays	Queensland	210	5
Sunshine Coast	Queensland	205	5

[a] Shares add up to more than 100% as multiple destinations visited

Source: Australian Tourist Commission

The results of a study released in mid-2003 by the SCVB showed that the significant areas of delegate spending over the duration of their stay (four nights on average), were: domestic air travel (A$561), registration (A$523), hotel accommodation (A$370), shopping (A$153), restaurants (A$126), recreational facilities (A$112), convention social functions (A$96), and tours (A$95), illustrating the immediate flow-on effect to the community of these lucrative visitors.

Domestic delegates (intra- and inter-state), who comprised 82% of the survey sample, spent on average of A$942 during their stay at the conference location.

The study also revealed that 37% of delegates travelled with at least one companion, while a substantial 40% were accompanied by two or three others, and 11% took four or more, generating an even more impressive yield from delegates. A significant proportion of delegates said they would take a holiday in their conference location or other parts of the country before or after the convention. Some 22% of delegates took pre- or post-conference tours, with Sydney being the main beneficiary (52%), followed by the Blue Mountains (16%).

Improved hotel performance in first half of 2003

Despite Australia's significant decline in visitor arrivals in the second quarter of 2003, Deloitte Touche's *HotelBenchmark Survey* suggests that the Australian hotel industry managed to improve its performance during the first half of the year. Of the eight cities tracked across Australia, the star performers were Brisbane, Hobart and Perth, which reported increases in revpar of between 7.5% and 13%.

Following the collapse of Ansett towards the end of 2001, the Hobart and Perth hotel markets understandably suffered, but both cities have benefited from airlines such as Qantas and Virgin Blue engaging in price discounting activities in an effort to stimulate domestic demand during the holiday seasons. Brisbane hoteliers, who managed to increase average room rates by 10% to A$126 (at around A$1.65 to US$1) during the first half of 2003, have also benefited from minimal additions to rooms supply over the last year.

Conversely, however, both Adelaide and Cairns reported the largest declines in revpar, of 7% and 4% respectively. Cairns, a major tourism destination with a high dependency on the Asian market, suffered the highest occupancy declines (of over 5%) of any of the cities tracked. New supply coming online as well as the poor global trading conditions also put pressure on Adelaide occupancy levels, which fell by 4.5% during the first half of the year to 69%.

Australian hotels' operating performance, January through June 2002-03

	2002	**2003**	**% annual change**
Average occupancy (%)	67.6	68.4	1.3
Average room rate (A$)	138	139	0.8
Revpar[a] (A$)	93	95	2.1

[a] Revpar = revenue per available room

Note: US$1 = A$1.85 in 2002 and A$1.63 in 2003 (period averages for Jan-Jun)

Source: *HotelBenchmark Survey*, Deloitte Touche

Comparative Trends

BAA's UK airports

Not a bad first six months

In the first six months of fiscal 2003/04, BAA's UK airports achieved a 2.5% increase in passenger traffic throughput, reflecting the progressive improvement in the airports' performance every month since the end of the Iraq war and SARS. London Heathrow and Aberdeen were the only UK airports run by BAA whose traffic numbers remained below those of the same period in 2002/03. But passengers were nonetheless up for Heathrow in both August and September.

BAA UK traffic, April through September 2003

Airport	**Passengers ('000)**	**% change on Apr-Sep 2002**
London	61,207	1.8
Heathrow	33,306	-0.8
Gatwick	17,709	1.0
Stansted	10,192	13.1
Southampton	722	64.5
Glasgow	4,742	4.0
Edinburgh	4,045	7.9
Aberdeen	1,351	-2.9
BAA UK total	**72,067**	**2.5**

Source: Company report

A busy start to winter 2003/04 for Southampton and Stansted

The best performances over the six months were turned in by Stansted (up 13%) and Southampton (up 65%). And both can expect a busy winter. Additional services to/from London's Stansted nclude flights to/from six international points that are firsts for the airport. These include Tampere in Finland and Valladolid in Spain (both Ryanair), as well as new low-fare service to Budapest (Sky Europe) and Amsterdam (easyJet). Stansted, according to the details contained in the UK Government's new White Paper on Aviation, is to benefit from a new runway by 2011-12.

Southampton has launched new daily services to Prague and Salzburg and a third new route, to Chambéry in the French Alps, opens in mid-December. These new ski routes are in addition to the well-established daily services to Geneva, Toulouse, Milan and Malaga, providing access to all the major ski resorts in the Italian, Swiss and Austrian Alps, the Pyrenees, plus ski resorts in Andorra and in the Sierra Nevada. Flybe's winter services are providing the most comprehensive skiing schedule from any UK regional airport.

This will also be the first winter that travellers can benefit from low fares to the Spanish winter sun destinations of Alicante, Malaga and Murcia, as Flybe. Is extending its summer sun programme into year-round holiday options.

City Statistics

Graz leverages its year as European Cultural Capital to boost tourism

Relatively few cities in Europe have released data for the first half of 2003. But of those that have, Austria is certainly the number one country in terms of urban destination coverage. All the country's leading tourism cities, with the exception of Graz – Cultural Capital of Europe for 2003 – recorded declines in the first half of the year.

Graz, in contrast, attracted a 15% increase in domestic arrivals and a 22% rise in international arrivals. In terms of media coverage and number of successful events, which totalled around 6,000 over the whole year, Graz's exposure exceeded all expectations, confirming that for European cities, being named European Cultural Capital is much more than an honour. In fact, the return on investment can be substantial.

Another European city expected to benefit from increased exposure over the next few years is Valencia, which has been chosen by the Swiss winners of the Americas Cup, the Alinghi team, as the site of the next Americas Cup, where they will defend their title. Close to 100 European cities put in bids to host the event, reflecting the enormous benefits it can be expected to generate.

Arrivals in leading European cities, 2000-02[a]

City	Measure	Year	Domestic ('000)	% annual change	Foreign ('000)	% annual change	Total ('000)	% annual change	Av stay (nights)
Aix-en-Provence[b]	AA	2000	590	16.0	339	0.9	910	7.7	2.0
		2001	477	-19.2	400	18.1	877	-3.6	2.0
		2002	581	21.9	281	-29.9	862	-1.8	2.0
Amsterdam	AA	2000	521	9.5	3,494	1.7	4,015	2.7	1.9
		2001	508	-2.5	3,609	3.3	4,117	2.5	2.0
		2002	532	4.5	3,552	-1.6	4,084	-0.8	2.0
Barcelona	AG	2000	983	-24.9	2,158	18.9	3,141	0.6	2.5
		2001	1,267	28.9	2,112	-2.1	3,379	7.6	2.4
		2002	1,289	1.7	2,292	8.5	3,581	6.0	2.4
Basel[b]	AA	2000	108	-4.2	239	5.9	347	2.5	1.9
		2001	114	5.2	227	-4.7	341	-1.6	1.9
		2002	100	-12.1	230	1.0	330	-3.3	1.9
Bath	AG	2000	na	na	300	0.0	na	na	4.7[c]
		2001	na	na	220	-26.7	na	na	5.5[c]
Bergen[b]	AA	2000	393	5.8	224	-6.4	618	1.0	1.8
		2001	398	1.2	227	1.1	625	1.2	1.8
		2002	381	-4.3	225	-0.8	606	-3.0	1.8
Berlin	AA	2000	3,792	18.9	1,214	23.6	5,006	20.0	2.3
		2001	3,767	-0.7	1,163	-4.2	4,930	-1.5	2.3
		2002	3,550	-5.7	1,200	3.2	4,750	-3.6	2.3
Bilbao	AA	2000	276	na	141	na	417	na	1.9
		2001	249	-9.7	133	-5.9	382	-8.4	1.9
		2002	280	12.3	134	1.1	414	8.4	1.9
Bremen	AA	2000	490	6.7	137	21.4	628	9.6	1.8
		2001	500	2.0	116	-15.7	616	-1.9	1.8
		2002	489	-2.3	118	1.4	606	-1.6	1.7
Bristol	AG	2000	1,200	10.9	360	20.0	1,560	12.9	5.6[c]
		2001	na	na	310	-13.9	na	na	8.4[c]
Brussels	AA	2000	220	20.1	2,161	4.0	2,381	5.3	1.9
		2001	257	16.4	2,083	-3.6	2,340	-1.8	1.9
		2002	242	-5.9	2,227	6.9	2,468	5.5	1.9
Budapest	AA	2000	343	9.4	1,560	12.3	1,903	11.8	2.6
		2001	331	-3.4	1,631	4.6	1,962	3.1	2.6
		2002	340	2.7	1,585	-2.8	1,925	-1.9	2.6
		Jan-Jun 2003	173	2.7	666	-6.7	838	-4.9	2.6
Copenhagen[b]	AGS	2000	625	7.0	1,315	10.0	1,940	9.0	2.0
		2001	632	1.3	1,345	2.2	1,978	1.9	2.0
		2002	649	2.5	1,347	0.1	1,996	0.9	2.0
Dijon	AA	2000	331	6.9	214	2.5	545	5.1	1.4
		2001	330	-0.2	227	5.8	557	2.2	1.4
		2002	326	-1.3	230	1.3	556	-0.2	1.4
		Jan-Jun 2003	243	50.7	112	21.3	355	40.0	na
Dresden	AA	2000	977	9.3	167	29.0	1,144	11.7	2.1
		2001	993	1.6	157	-6.3	1,149	0.5	2.2
		2002	839	-15.5	136	-13.3	975	-15.2	2.1
		Jan-Jun 2003	397	-10.5	65	-3.7	462	-9.6	2.2
Dublin	AZS	2000	943	-25.6	3,433	9.0	4,376	-0.9	3.9
		2001	1,046	10.9	3,461	0.8	4,507	3.0	4.2
		2002	779	-25.5	3,494	1.0	4,273	-5.2	4.4

(continues)

Arrivals in leading European cities, 2000-02[a] (continued)

City	Measure	Year	Domestic ('000)	% annual change	Foreign ('000)	% annual change	Total ('000)	% annual change	Av stay (nights)
Dubrovnik	AD	2000	55	na	162	106.3	217	74.7	3.4
		2001	57	3.6	187	16.3	245	12.8	3.5
		2002	53	-7.0	199	6.4	252	2.9	3.4
Düsseldorf	AA	2000	800	1.2	472	7.9	1,272	3.6	1.9
		2001	822	2.8	447	-5.3	1,270	-0.2	1.9
		2002	832	1.2	471	5.2	1,303	2.6	1.9
Edinburgh	AA	2000	2,820[d]	4.8	920	-8.0	3,740	1.4	3.2
		2001	3,080[d]	9.2	850	-7.6	3,930	5.1	3.2
Florence	AA	2000	717	7.6	2,082	13.7	2,799	12.1	2.5
		2001	679	-5.3	1,921	-7.7	2,601	-7.1	2.6
Frankfurt[b]	AA	2000	1,210	12.0	1,163	10.0	2,373	11.0	1.8
		2001	1,243	2.7	1,099	-5.5	2,342	-1.3	1.8
		2002	1,193	-4.0	1,068	-2.8	2,261	-3.4	1.7
Geneva	AA	2000	185	4.1	878	11.7	1,063	10.3	2.2
		2001	190	2.6	849	-3.3	1,039	-2.3	2.2
Genoa	AA	2000	315	3.9	178	7.9	492	5.3	2.2
		2001	318	1.2	175	-1.8	493	0.1	2.4
		2002	312	-1.9	185	6.1	498	0.9	2.2
Glasgow	AA	2000	2,800[d]	na	430	na	3,230	na	3.3
		2001	2,700[d]	-3.6	400	-7.3	3,100	-4.0	3.2
Göteborg[b]	AGS	2000	629	3.8	288	-3.3	917	1.5	2.0
		2001	646	2.8	313	8.8	959	4.6	2.0
		2002	674	4.3	334	6.7	1,008	5.1	2.0
Graz	AA	2000	179	4.1	153	3.1	332	3.7	1.9
		2001	178	-0.9	157	2.6	334	0.7	1.9
		2002	184	3.7	175	11.9	360	7.5	1.9
		Jan-Jun 2003	101	15.3	87	21.5	188	18.1	2.0
Hamburg	AA	2000	2,070	-0.2	574	7.0	2,644	1.2	1.8
		2001	2,021	-2.4	533	-7.1	2,554	-3.4	1.9
		2002	2,185	8.1	535	0.4	2,720	6.5	1.9
Heidelberg	AA	2000	264	1.3	250	2.3	514	1.8	1.7
		2001	268	1.6	210	-15.9	478	-6.9	1.7
		2002	281	4.8	220	4.8	501	4.8	1.7
Helsinki	AA	2000	659	8.5	762	13.6	1,421	11.2	1.8
		2001	632	-4.1	777	2.0	1,409	-0.8	1.8
		2002	613	-3.1	765	-1.6	1,377	-2.2	1.8
Innsbruck	AA	2002	149	-0.1	504	-3.3	653	-2.6	1.8
		Jan-Jun 2003	75	2.2	184	-12.7	259	-8.8	1.9
Lausanne	AZS	2000	139	6.0	259	4.2	398	4.8	2.1
		2001	137	-1.0	241	-6.7	379	-4.8	2.2
		2002	140	1.9	238	-1.4	378	-0.2	2.3
Linz	AA	2000	158	0.0	183	6.9	341	3.6	1.7
		2001	166	5.5	185	0.8	351	2.9	1.7
		2002	170	2.0	179	-2.9	349	-0.6	1.7
		Jan-Jun 2003	83	-3.2	74	4.7	157	-3.9	1.7
Lisbon	AA	2000	616	1.0	1,321	1.8	1,937	1.6	2.2
		2001	584	-5.2	1,199	-9.2	1,783	-7.9	2.2

(continues)

Arrivals in leading European cities, 2000-02[a] (continued)

City	Measure	Year	Domestic ('000)	% annual change	Foreign ('000)	% annual change	Total ('000)	% annual change	Av stay (nights)
Ljubljana	AA	2000	22	-6.7	151	26.2	172	20.9	2.1
		2001	22	-0.4	173	14.9	195	13.0	2.0
		2002	20	-9.4	191	10.1	210	7.9	2.0
London	AAS	2000	18,500	19.4	13,146	-0.2	31,646	10.3	3.9
		2001	16,900	-8.6	11,452	-12.9	28,352	-10.4	4.1
		2002	16,100	-4.7	11,638	1.6	27,738	-2.2	4.0
Lucerne	AA	2000	126	10.1	456	16.8	582	15.2	1.7
		2001	128	1.6	396	-13.2	524	-10.0	1.7
		2002	128	-0.1	361	-8.7	489	-6.6	1.7
Luxembourg City	AA	2000	12	-4.2	367	2.0	379	1.8	2.1
		2001	13	4.5	367	0.0	380	0.3	2.2
		2002	13	5.7	380	3.5	393	3.5	2.2
Madrid	AAS	2000	3,021	2.0	2,671	11.1	5,692	6.1	2.2
		2001	3,060	1.3	2,513	-5.9	5,578	-2.0	2.2
		2002	3,214	5.0	2,473	-1.6	5,687	2.1	2.2
Manchester	AA	2000	4,700	na	680	na	5,380	na	2.9
		2001	5,000	6.4	670	-1.5	5,670	5.4	2.7
Milan	AA	2000	837	-16.7	1,150	-22.5	1,987	-20.1	2.5
		2001	1,006	20.1	1,414	22.9	2,420	21.8	2.4
		2002	1,190	18.3	1,701	20.3	2,891	19.5	2.3
Monaco	AGS	2000	na	na	300	7.8	300	7.8	2.9
Moscow	AD	2000	na	na	1,523	na	na	na	na
		2001	na	na	1,715	12.6	na	na	na
		2002	na	na	2,259	31.7	na	na	na
Munich	AA	2000	2,164	4.1	1,578	7.4	3,743	5.5	2.1
		2001	2,158	-0.3	1,479	-6.3	3,637	-2.8	2.1
		2002	2,031	-5.9	1,418	-4.1	3,449	-5.2	2.0
Nice[b]	AGS	2000	1,287	na	1,853	na	3,140	na	na
		2001	1,346	4.6	1,714	-7.5	3,060	-2.5	na
Nuremberg	AA	2000	724	4.0	268	10.8	992	5.7	1.9
		2001	722	-0.3	236	-11.9	958	-3.4	1.9
		2002	687	-4.8	247	4.5	934	-2.5	1.9
Oslo[b]	AA	2000	834	2.4	556	-5.7	1,390	-1.0	1.8
		2001	881	5.6	556	0.0	1,437	3.4	1.8
		2002	878	-0.4	554	-0.5	1,432	-0.4	1.8
Padua	AA	2000	215	3.8	173	7.3	388	5.3	1.9
		2001	220	2.7	158	-8.6	379	-2.4	2.2
		2002	218	-1.0	150	-5.1	368	-2.7	2.4
Paris	AG	2000	5,625	na	9,194	na	14,819	na	2.3
		2001	5,873	4.4	8,789	-4.4	14,662	-1.0	2.2
		2002	5,841	-0.5	8,993	2.3	14,833	1.2	2.2
Prague	AA	2000	645	-2.1	1,839	-11.7	2,484	-9.4	3.2
		2001	449	-30.4	2,473	34.4	2,921	17.6	2.8
Rome	AA	2000	2,243	2.8	4,049	6.1	6,292	4.9	2.3
		2001	2,301	2.6	4,089	1.0	6,390	1.6	2.4
		2002	2,324	1.0	3,762	-8.0	6,086	-4.8	2.4
St Petersburg	AG	2000	na	na	3,622	9.1	na	na	2.7
	AA/AG	2001	900	na	3,088	-14.7	3,988	na	2.7

(continues)

Arrivals in leading European cities, 2000-02[a] (continued)

City	Measure	Year	Domestic ('000)	% annual change	Foreign ('000)	% annual change	Total ('000)	% annual change	Av stay (nights)
Salzburg	AA	2000	229	9.8	666	3.4	895	5.0	1.8
		2001	239	4.6	669	0.4	908	1.5	1.9
		2002	257	7.3	654	-2.2	910	0.3	1.8
		Jan-Jun 2003	118	-1.7	264	-0.9	382	-1.1	1.8
Stockholm	AA	2000	1,471	3.3	809	1.2	2,280	2.6	1.8
		2001	1,413	-3.9	848	4.9	2,261	-0.8	1.9
		2002	1,466	3.8	841	-0.9	2,307	2.0	1.8
Stuttgart	AA	2000	836	-1.4	270	6.0	1,106	0.3	1.8
		2001	912	9.1	247	-8.7	1,158	4.7	1.9
		2002	884	-3.0	254	3.0	1,138	-1.7	1.9
Tallinn	AA	2000	70	102.6	626	16.9	697	16.3	1.4
		2001	73	4.3	685	9.5	758	8.8	1.5
		2002	73	0.0	690	0.8	764	0.7	1.5
Tarragona	AA	2000	265	-5.1	119	43.4	383	6.0	2.1
		2001	167	-36.9	94	-20.5	261	-31.8	3.4
		2002	125	-25.3	102	8.6	227	-13.1	4.0
Turin	AA	2000	527	-28.4	826	157.0	1,353	27.9	1.8
		2001	512	-3.0	229	-72.2	741	-45.3	3.0
		2002	521	1.8	266	16.0	787	6.2	2.9
Valencia	AA	2000	542	5.5	274	20.2	815	10.1	1.9
		2001	606	11.9	272	-0.5	879	7.8	1.9
Venice	AA	2000	178	-9.9	1,198	4.2	1,375	2.2	2.3
		2001	182	2.2	1,215	1.4	1,397	1.5	2.3
		2002	173	-5.1	1,122	-7.7	1,294	-7.3	2.3
Vienna	AA	2000	659	7.2	2,609	3.7	3,268	4.4	2.4
		2001	699	6.1	2,557	-2.0	3,257	-0.4	2.4
		2002	705	0.9	2,528	-1.1	3,233	-0.7	2.4
		Jan-Jun 2003	344	0.3	1,091	-2.9	1,435	-2.2	na
Zagreb	AA	2000	112	-5.4	180	23.2	292	10.4	2.0
		2001	114	2.2	206	14.6	321	9.8	1.9
		2002	130	13.6	241	16.6	371	15.5	1.9
Zurich	AA	2000	261	16.7	884	9.9	1,145	11.4	1.9
		2001	293	12.5	883	-0.2	1,176	2.7	1.9
		2002	273	-7.0	834	-5.6	1,107	-5.9	1.9

[a] Data for 2001 and 2002 is in some cases provisional [b] Estimates based on bednight counts [c] Average stay for international visitors only
[e] UK visitors

Note: Data is not strictly comparable as cities measure arrivals differently.

AA = Tourists in all accommodation establishments
AG = Tourists in hotels and similar establishments;
AZ = Tourists in all forms of accommodation (incl VFR)
AD = Visitors (incl same-day visitors)
AAS = Tourists in all forms of accommodation in greater city area
AGS = Tourists in hotels and similar establishments in greater city area
AZS = Tourists in all forms of accommodation (incl VFR) in greater city area
ADS = Visitors (include same-day visitors) in greater city area

Sources: TourMIS (a project of the Austrian National Tourist Office and the Austrian Society for Applied Research in Tourism - ASNART); European Cities Tourism; respective city tourist offices