

RESEARCH HIGHLIGHTS

ETC



CET

THE NEWSLETTER
OF THE EUROPEAN
TRAVEL COMMISSION
RESEARCH GROUP



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LEADING THE WAY

by ETC Research Group Chairman



Welcome to this first edition of the 'Research Highlights' Newsletter, issued by the ETC Research Group.

The Group brings together a unique network of tourism researchers from the 33 ETC member NTOs, who place national interests aside and contribute to a Eurocentric mode of thinking, resulting in the generation of some unique research studies on tourism to Europe.

The ETC has given due recognition to the importance of the Research Group and, over the past 7 years, has invested more than € 1 million in an ambitious Research Programme managed by this Group. In return, the Group has delivered a cross-section of studies applicable both to the wider

European context and also to individual countries, whilst at the same time establishing important links with other international organizations - foremost amongst which is the World Tourism Organization.

The objective of this Newsletter is to alert recipients to what is being done by the ETC's Research Group, as part of a more aggressive communication strategy, which aims at ensuring that the hard work produced by the team, which I have the privilege to chair, reaches all parties concerned.

I would like to take this opportunity to thank the ETC for the faith it has always shown in its Research Group and my hard-working colleagues from across Europe, without whom the results would not have been possible.

Leslie Vella

THE WAY FORWARD

A Message from the President of the European Travel Commission



Arthur Oberascher was unanimously elected President of the European Travel Commission at its last General Meeting in April 2004.

The European Travel Commission wants to become the platform for the success of European tourism. In the years ahead, success in

our information and knowledge-based business will depend upon three factors: e-marketing, market intelligence and operational excellence. And so it is upon these three areas that we, as an organisation, must focus.

Indeed, it could be argued that market intelligence is the most important of the three, for without well-conceived and well-executed research, without accurate and up-to-date information about markets and customers, we have no basis for effective marketing and little by way of operational excellence to

deliver. The Research Group is a highly productive and creative force within the ETC. The recently released 'Image of Europe in North America Study' is a perfect example of the relevant, timely market research that it carries out. More of the same is needed - both to learn about customers' wishes and expectations, and to gain the information and insights for developing 'Brand Europe' - another ETC goal of wide-ranging importance.

One of our organisation's great strengths is its Europe-wide network and the tremendous platform this represents for the exchange of expertise and experience. I welcome the introduction of this, the first 'Research Group Newsletter', and look forward to it becoming a lively and vital forum to allow an ongoing and fruitful dialogue between members.

I look forward to working together with you to turn the challenges and opportunities ahead into success for the ETC and European tourism.

Arthur Oberascher

NEW RESEARCH

THE IMAGE OF EUROPE IN NORTH AMERICA

ETC has just released the results of a comprehensive new study on the way in which Americans and Canadians view Europe as a holiday destination. The research seeks to answer the question "what should Europe stand for as a brand in North America?"

This research, commissioned as part of the organisation's 2003 Research Programme, was delivered to members in June 2004.

This report presents highlights from trade and consumer research conducted on ETC's behalf by Menlo Consulting Group (MCG). The report identifies motivations and barriers influencing travel, and discusses the implications for marketing Europe in the US & Canada. The results of the survey are derived from in-depth interviews with members of the US & Canadian travel trade, and focus group discussions with international pleasure travellers from those markets.

Mr Tom Ylkänen of the Finnish Tourist Board (MEK), Vice-President of the Research Working Group,



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NEW RESEARCH



who oversaw the research exercise, noted that an assessment of Europe's branding and positioning is timely in the light of recent market volatility stemming from 9/11, the war in Iraq, and economic conditions in the US & Canada.



PERCEPTIONS OF EUROPE

Perceptions of Europe continue to be overwhelmingly positive, with Europe's primary appeals being its rich history, exceptional artistic and cultural attractions, appealing gastronomy and outstanding scenic beauty. Many travellers are also motivated by a desire to observe and experience the European lifestyle, which they perceive to be at a slower pace and more social and convivial than that in N. America.

SIGNIFICANT BARRIERS

Europe also faces a number of significant barriers in the N. American market. Americans and Canadians are increasingly concerned about the cost of travelling in Europe. Moreover, many Americans wonder whether they will be welcome in Europe in light of the political ten-

sions stemming from the war in Iraq. Also, some American travellers remain skittish about the safety of international travel.

OPPORTUNITIES

The report concluded that the opening of Eastern Europe provides an opportunity for broadening the positioning and branding of Europe. However, the vast majority of American and Canadian travellers have little knowledge of what the countries of Eastern Europe have to offer as tourist destinations. And even many travel writers and members of the travel trade know little about the region, and the perceptions they have are often outdated.

CONTEMPORARY VS. HISTORICAL EUROPE

It is important for 'Brand Europe' to be kept fresh and lively, and travellers are receptive to depicting Europe in a more-cutting edge way. However, the Report cautions against making contemporary Europe a central feature of ETC's positioning. The research clearly demonstrated that N. American travellers are much more interested in 'Historical Europe' than in 'Contemporary Europe'!

COMMUNICATING THE RESULTS:

As part of ETC's new Communications Strategy, the report was launched formally to EU and Brussels-based media. It was presented by ETC's new President Dr. Arthur Oberascher and new Executive Director Rob Franklin OBE at a Press Conference in Brussels on 1 September.

THE CORPORATE MEETINGS & INCENTIVE MARKET SEGMENT IN NORTH AMERICA

The long-awaited ETC Study on the MICE Segment in N. America was finally delivered to ETC members in July. The main objectives of this research exercise, co-ordinated by Brian Maher of Failte Ireland, were :

- To provide key insights with regard to the potential Corporate Meetings & Incentive market in the US & Canada for Europe.
- To identify European locations of recent meetings.
- To determine how the selection decision process works, including information resources and timeframe.

- To understand what is important in the selection, and what are the essential ingredients to a successful meeting or incentive trip in Europe.

- To deliver recommendations for a practical and operational marketing strategy.

The Report is organised into 2 main sections: a discussion of the qualitative findings, with an Executive Summary, followed by a quantitative report illustrated by tables.

WHERE TO FIND ETC RESEARCH

- Remember to check out our corporate website: www.etc-corporate.org where you can find all past and present studies under the section Research - Research Reports.

You can also find sections on national & international statistics, links to TourMIS, and an excellent list of online newsletters to which you can subscribe (see the Press Resources section).

If you have any ideas or comments on how to improve our service to ETC Members - or new items you would like to see online - please send them to lisa.davies@etc-corporate.org. We always welcome your input!

ETC Executive Unit, Brussels.
info@etc-corporate.org

The full version of both Studies can be downloaded from the ETC corporate website www.etc-corporate.org. An Executive Summary and a Power Point presentation are also available from the ETC Executive Unit : info@etc-corporate.org

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MEMBERS' PROJECTS

THE IMAGE AND POSITIONING OF FRANCE ABROAD

A Study by Maison de la France - 2004

A comprehensive opinion survey was carried out by Ipsos for Maison de la France in order to determine France's image as a tourist destination and its positioning compared to its four main competitors : Italy, Spain, Great Britain, the United States.

12 outbound markets were analysed and the survey aimed at three targets :

- the public/tourists
- decision-makers of the tourist industry
- journalists and other mediators having an influence on the perception of France

More than 11 000 tourists were interviewed and around 1 000 in depth-interviews of key professional players were carried out in the beginning of year 2004.

This survey was used as strategic and benchmarking tool as part of Maison de la France's 2005-2010 Strategy unveiled on September 27th 2004.

KEY LEARNING POINTS

A good overall image of France as a tourist destination

- Three out of four travellers have a good overall image of France.
- A very strong image amongst the opinion leaders both among tourist industry professionals or journalists who consider France as the most attractive destination.
- A culturally rich destination appreciated for the quality of its surroundings, its gastronomy and the opportunities offered for having fun and going out.
- A destination recommended both by those who have visited it and by opinion leaders.



Some weaknesses to be offset

- A poorer image in terms of the way visitors are welcomed, the quality of the accommodation and the value for money.
- A gap between the very favourable way tourism professionals and journalists perceive France and a more reserved perception expressed by the public.
- A very close image to Italy.
- France challenged by Italy and Spain.

EUROPEAN TOURISM FORUM 2004 IN BUDAPEST 15-16 OCTOBER

● The recently enlarged European Union is the largest tourism destination and market worldwide. With the objective of enhancing cooperation between the various stakeholders involved in European tourism, the European Commission will hold its annual European Tourism Forum 2004 in Budapest, Hungary.

This will be the third time that leading representatives from the tourism industry, civil society, international organisations and European, national and regional institutions and authorities discuss the challenges faced by the tourism sector. The 25-country EU aims to retain its global competitiveness in a sustainable manner, whilst at the same time improving the quality of life for European citizens.

Hungary will be organising the event - in cooperation with the European Commission, and with the involvement of the European tourism sector in Budapest.

The main topics of discussion will be:

- ✓ Internal market for services in 'EU25'
- ✓ Employment & training in the tourism industry
- ✓ New trends in tourism

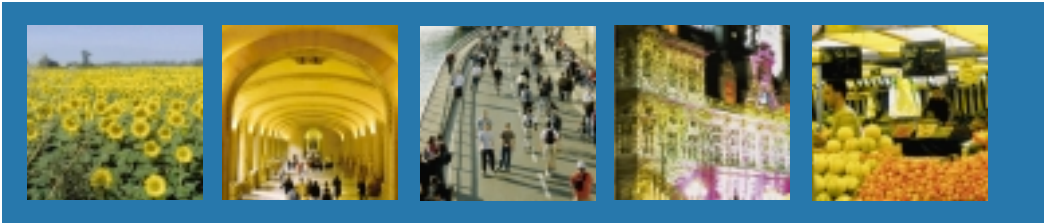
Further information on the 2004 Forum can be found at: www.etf2004budapest.hu and www.hungary.com



An executive summary is available from Maison de la France
Contact :
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MEMBERS PROJECTS

THE IMAGE OF THE "VISEGRAD 4 COUNTRIES" IN THE UNITED STATES



The 'V4' Countries - the Czech Republic, Hungary, Poland & Slovakia - have recently commissioned new market research on the image of the V4 Countries in the USA 2003-2004 from Menlo Consulting Group, Inc.

Research Objectives: The main objective of the research was to get to know and better understand the perceptions of the V4 region and its individual countries by American travellers. The research was split into two parts: consumer (focus groups) and travel trade research (in-depth interviews). The research differentiates between visitors and non-visitors amongst those who have taken at least one vacation trip to Europe over the past 3 years (2001-2003).

Image: The research shows that the countries have a better image individually than the V4 region as a whole. The negative aspects are associated with historic struggles (especially the World Wars and Communism) and economic performance / prosperity. As tourist destinations, however, the image of the countries tend to be more positive.

The most attractive aspects of the V4 countries are the architecture, the "Old Europe" feeling, the V4 countries as 'one of the last bastions of unspoiled Europe', and lower prices as compared with the rest of Europe. The negative aspects are associated with the tourism infrastructure, and the fact that people are not expected to speak English.

Perceptions are strongly influenced by the media and stories shared by people who have lived in or visited the V4 region. As American travellers are generally unaware of the distinctive attributes of each country, they are in favour of seeing the V4 countries marketed jointly in the USA.

Of the V4 countries, Hungary and Poland are perceived to be the most similar and economically most developed. The Czech Republic and Hungary are mainly known for their capitals - Prague and Budapest. Besides that, the region is considered to be new and undiscovered. Prague, however, is thought however to be somewhat overrun.

The Czech Republic enjoys generally positive perceptions, as many Americans believe that the Czech Republic is an idealized version of what "Old Europe" must have looked like. Hungary is distinguished by its unique cultural offerings, Jewish heritage sites, and thermal spas. Poland is less well known, and is primarily associated with World War II and the Holocaust. Anyway, visitors who have been to Poland are extremely positive about the country. Slovakia is the least well-known of the V4 countries.

Interest in visiting the V4 region is high; more than a third of those interviewed were likely to visit the region in the next three years. Most travellers are interested in visiting some combination of the V4 countries, especially the Czech Republic and Hungary. They prefer travelling independently. Amongst the information sources used, the most popular is the Internet and guidebooks. Furthermore, recommendations from past visitors also play a role in their travel planning.

The travel trade (tour operators, media and transportation companies) consider the V4 region as an emerging destination. Unlike the travellers, the travel trade mentioned mostly positive associations. Amongst the attractive elements are the sightseeing opportunities, beautiful architecture, interesting history, rich musical and artistic traditions, rural landscapes, and nature / natural attractions. Amongst the negative aspects, tourism infrastructure and transport (air services and local rail service) were mentioned.

ETC MEETING CALENDAR

FEBRUARY 2005

- 2-6 Annual ETC Research Directors' Meeting 2005 - Sofia, Bulgaria

NOVEMBER 2004

- 15 Research Working Group Meeting - Brussels, Belgium.

OCTOBER 2004

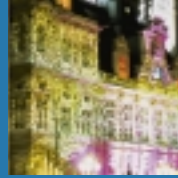
- 18-19 ETC General Meeting (N° 67) - Budapest, Hungary
- 28-29 ETC-IPK World Travel Monitor Forum 2004 - Pisa, Italy (organised by IPK International for ETC-ETM Pool Members).

SEPTEMBER 2004

- 1 ETC Press Conference - Brussels, Belgium.
- 6 Research Working Group Meeting - Paris, France.

A full Calendar of ETC Meetings can be found on our website www.etc-corporate.org under the section 'about ETC' under the sub-menu 'calendar of events'.

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COMING SOON

3 QUESTIONS TO...

CITY TOURISM AND CULTURE STUDY

● Next on the list for publication is ETC-WTO's joint Study on **City Tourism & Culture : The European Experience**. The Study, commissioned as part of our 2003 Research Programme, was carried out by Dutch consultancy LAgrou, is currently awaiting final approval, and will be published during the course of September. It is hoped to launch it at the World Travel Market in London in November. Watch this space..... !

STUDY ON NTO BUDGETS 2004

● Another hotly-awaited item is **ETC's Study on NTO Budgets - 2004 version**. Some 20 NTOs participated in the 2003 study, which was conducted for ETC by Herman Bos (Netherlands). Although it was circulated only amongst those countries who submitted data, more countries have submitted data for the 2004 version. We hope that this will become an annual item. This year's version should be published in time for ETC's Autumn General Meeting in Budapest from on 18 & 19 October.

STATISTICS – TOURISM YEAR 2004

● We are currently collecting NTOs' first available data 2004 for our annual presentation on the **'European Inbound Performance 2004' at the IPK World Travel Monitor Forum** in Pisa on 28 & 29 October.

Please could you therefore start inputting your 'First Available Data' for 2004 into the 'TourMIS' system !

The resulting presentation on 'European Inbound Tourism 2004' and the accompanying written 'Overview of 2004' will be distributed to all NTOs straight after the Pisa meeting. The more replies we get – the better the quality, so we are relying on you !

The results will also be presented at the World Travel Market's '2004 Global Travel Report Forecast Forum' on 8 November along with partners IPK, WTO, PATA and the US Dept. of Commerce.

ROB FRANKLIN OBE

ETC Executive Director

What are your first impressions ?

My first impressions have been very favourable. I arrived in Brussels on 7 July, and I am thoroughly enjoying the challenges of the new job. We have a great team with lots of experience at ETC, and I would like to pay tribute to my predecessor Jaime Ruiz for all his hard work during his tenure as Executive Director. We wish him well in his new job as Director for France for Turespaña.



What will be your main priority ?

My immediate priority has been to take stock of what ETC has been doing and to work closely with the new President, Dr Arthur Oberascher, to establish how best to build on all the good work that has been done in the past. This has led to the drafting of a 3-year Corporate Business Plan setting out ETC's core business goals and objectives. We want to be seen as a research-based, new media and e-marketing focused organisation, operating through a global virtual presence, and specific Operations Groups in key international markets.

How do you see ETC's future ?

ETC's future looks very bright, but in order to ensure success, we must be clear on what our aims are. Our challenge is to

remain the main platform of reference for marketing Europe as a tourism destination.

● We see China (PRC) as a window of opportunity for us, as well as the facilitation of promotional information through our members' own national web sites on an inter-European basis closer to home.

● We are fortunate that the European Commission has agreed to fund the development of a new web portal which will be handed over to us towards the

end of 2005. This new portal will form the basis of our e-marketing strategy for the foreseeable future.

● At the same time we are keen to provide added value to our membership through the sharing of best practice, market intelligence and knowledge management.

● We must increase our visibility both at home and overseas, and aim at times, if necessary, to "punch above our weight".

● We must champion the interests of the NTOs and help enhance their core competencies and establish strategic partnerships as appropriate.

At ETC we have a "can do" philosophy, which we will channel into helping grow Europe's global market share.

This newsletter is produced by
the European Travel Commission
in collaboration with
Maison de la France.

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