

## **Invitation of the Hellenic Association of Travel & Tourist Agencies (HATTA) to its General Assembly**

**Date:** 27<sup>th</sup> of March 2013

**Place:** Hotel Grande Bretagne, Syntagma Square, Athen 105 64, Griechenland

Speech of the President of the German Travel Association (Deutscher ReiseVerband), Jürgen Büchy (*approx. 15 minutes*)

### **Growing demand for holiday tours: Tour operators and travel agencies achieve new sales records in 2012**

Last year was a very successful year for our sector. Despite all the talk about economic crisis, the Germans enjoy travelling and they travel more frequently, spending even more money than before for their most beautiful weeks of the year. The Germans are willing to pay more for travel, and they attach great importance to quality and service.

### **Growing sales in medium-haul travel and cruise markets in 2012**

In the financial year 2011/12 tour operators' sales rose by 5.5 percent to a new all-time high of EUR 24.4bn; this is an even stronger increase than predicted in the association's projections from the end of November 2012. The highest sales growth rates with a plus of 8.5 percent were achieved in flights to medium-haul destinations. Sales revenues in the cruise segment were up by a high one-digit percentage rate. The total number of holidaymakers travelling with tour operators rose by more than one percent in the past twelve months compared with 2011 - another new record.

### **Germans ready to start into the travel season 2013**

The first advanced booking trends for the current year give reason to be optimistic. There is a plus in the one-digit percentage range compared with the previous year. In Germany, the early booking season for the summer holidays runs often until the end of March; the following conclusions can be drawn from bookings made in the last weeks: The Germans continue to enjoy travelling; also in 2013 most Germans are planning to go on holiday enjoying the most beautiful weeks of the year, take a timeout from the daily routine and / or spend time with their families - they literally have their bags packed. As regards travel organized by tour operators and travel agencies, the German Travel Association expects, also for 2013, one-digit growth percentage rates in sales revenues and numbers of participants. Currently a

strong growth from tour operators' classical catalogue business is noticeable. As flight capacities of airlines are often reduced, fewer volumes are available for daily offerings at short notice.

### **Germans remain loyal to their favourite destinations: Significant increase in bookings to the Mediterranean for the summer holidays**

Customers attach more importance to quality: In 2012, Germans spent more money on their holidays than in the previous year; they are again willing to pay more on travel contrary to all "talks about crisis". The outlook for the coming season continues to be very optimistic. "Tour operators and travel agencies were able to draw the attention of their guests to the quality of organized travel products and convince them that it is worthwhile having their holiday trips professionally organized.

This summer - this is already a clear trend - most holidaymakers will again be attracted by the beaches of the Mediterranean and those of the North and Baltic Seas. So far, tour operators have recorded strong growth rates compared with the previous years in bookings to the Balears, - mainly to Mallorca -, Turkey and Greece. In 2013, especially Greece enjoys a comeback with prices being stable, catching up on the number of visitors - after last year's decline. Many tour operators are recording double-digit percentage growth rates.

This year, there is a trend towards city and wellness trips in addition to cruises which remain in vogue.

### **Looking back on the most popular destinations of Germans in 2012**

Again Germany and the Mediterranean countries Spain, Italy and Turkey are ranking at the top of the popular destinations list, showing that Germans remain loyal to their favourite destinations. As regards Germany as host country, tour operators noticed significant growth rates in city trips overcompensating declines in bookings for destinations on the North and Baltic Seas. Egypt and Tunisia also saw growing visitor numbers last year.

## **Great expectations for Greece**

In 2013 tour operators will expand their offers concerning hotels, flights and programs to Greece. Concerning a comeback and an ongoing growth for the Greek tourism industry we suggest investment in the touristic infrastructure such as hotels and airports. The majority of the tour operators expects a better year in tourism for Greece and proposes that it has good chances for a comeback.

Greece – especially its coast and islands – belongs to the most favourite travel destinations of Germans mainly in the summer season. Germans are fond of the cultural heritage, the magnificent countryside, the history and the great hospitality of the Greek. It is of the utmost importance to preserve this positive image as well as the Greek authenticity.

To preserve the positive image can be achieved only if top priority is placed on environmental protection and on investment in infrastructure. For example various tourism areas of the 60s and 70s are in need of renovation or “cleaning up”. Also the infrastructure, in particular airports, must be improved. Most tourists enter and leave Greece through the airports. The first and especially the last impression of this gate to the holiday destination will stick to their memory for a long time and has an eminent impact on their holiday decisions in future.

Greece has good pre-conditions and should make a good name for itself in quality tourism. There is a great opportunity, but this could be endangered by an excessive increase in the low-cost business. For Greek destinations it is important to focus on their USP and not to for example of an increase of all-inclusive resorts.

The demand for cultural tourism, which traditionally has been important for Greece, is declining. Conveying the cultural heritage of the country must therefore be shifted in the direction of tourism which provides adventure or an experience.

As revealed by customer surveys, Greece has weaknesses compared to competing tourism destinations in the Mediterranean of value for money, service and accommodation. So masterplans need to be worked out to create regional differentiation of the tourism offering and improve the touristic infrastructure.

The tourism offering must be adjusted to suit customer needs and the new target groups that have sprung up (in this respect the demographic change must be taken into account which encourages trends such as wellness). Also tourism marketing and advertising the country should be “rejuvenated“. The latest target groups need to be addressed in different advertising terms than those used in the 70s and 80s.

The German tourism industry has a strong interest in an increase of German tourists, because of its importance for the German and the Greece market. Therefore we will support our Greek partners in any subject we are able to support, so that we all will profit from its unique product. Even if strikes or demonstrations sometimes are in focus of the media, Greece has to convince through its service, hospitality, good infrastructure and a variety of different accommodation as well as their cultural heritage. All these aspects together characterize Greece as a unique holiday destination.