

# German holidaymakers avoid Egypt and Tunisia

NUREMBERG, GERMANY: The political unrest in North Africa has had far-reaching consequences for the tourism industry. According to GfK Retail and Technology, the majority of German holidaymakers have postponed any planned trips to Egypt and Tunisia and demand for the summer months also noticeably declined in the first few weeks of the year.

The Foreign Office's temporary travel warnings and the vacation deferments being offered by travel companies until the end of February, which allow vacations with departure dates up to mid-April to be rebooked free of charge, have resulted in many German holidaymakers postponing their trips to Egypt and Tunisia in the first few weeks of the year. For Tunisia, very few new bookings have been recorded since the major wave of cancellations at the beginning of January and cancellations of vacations to Egypt are clearly dominating at present. Sales generated by travel agents for vacations to Egypt dropped from €28 million (about R274 million) in the second week of January to minus €11 million (about R108 million) at the end of the fifth calendar week at the beginning of February.

The reluctance of German consumers to book vacations to Egypt and Tunisia is not limited to the present period, but stretches well into the summer season. Bookings of Tunisian vacations for the coming months have fallen by 85% overall. Until the first week of January, booking sales for this destination had been registering a 12% increase on the same period of the previous year. Booking sales have halved for Egyptian vacations over the same period, which in terms of absolute sales actually represents a greater decline than that suffered by Tunisia. After Spain and Turkey, Egypt is the third most popular package tour destination among Germans. Normally, almost one third of total annual sales for vacations to Egypt are generated by bookings in January. It remains to be seen how travel bookings will develop in light of the current easing of the political situation in Egypt.

## Alternative destinations: Turkey and Spain

Germans have so far been taking advantage of the free rebooking option offered by travel companies and are choosing to travel to other countries. Turkey and Spain, two popular vacation destinations for Germans, have particularly benefited from rebookings, experiencing growth of between 35% and 45% in the first few weeks of the year. Other alternative destinations include Italy and Cyprus, as well as Bulgaria and Croatia in particular. Above-average increases were also recorded in the booking sales for these destinations between the second and fifth calendar week of 2011. Overall, tourism demand in Germany is currently at an exceptionally good level. In the first few weeks of 2011, sales from bookings at travel agents were 24% higher than in the same period of the prior year.

## The survey

The analysis conducted by GfK Travel Insights, GfK Retail and Technology's Tourism Distribution Panel, is based on booking data from around 1200 travel agencies, which are representative of the high street travel market in Germany. GfK Retail and Technology collects an average of 340 000 booking records from this continuous sampling every month. The analysis produced by GfK Travel Insights is used to generate projections for the market as a whole. This makes it possible to draw reliable conclusions about the booking behaviour of German holidaymakers and understand the latest trends and developments in the tourism market. The current data is based on the evaluation of bookings made by the end of the fifth calendar week on 6 February 2011 and represent snapshots.