



## Could Europe's Largest Market be at Risk of Drying Up?

The largest market for inbound tourism to Europe is the USA, which represents an annual spend of \$40bn. The US dollar is at its weakest against both Sterling and the euro for fifteen years and yet demand has shown itself to be surprisingly resilient. Tom Jenkins, Executive Director of the event's organiser, the European Tour Operators Association (ETOA) said: *"We normally expect demand for Europe to track currency fluctuations. A strong dollar normally sees a surge in demand, a weak dollar a drop. Indeed the collapse in demand for Europe from America in 2003 probably had more to do with the state of the currency than reaction to 9/11."*

*What is surprising is that the connection between currency and demand has not been absolute. Since 2003 we have seen consistent growth in European arrivals from the US, despite a decline in the value of the dollar. If we were to have another return to the dollar's historic levels against European currencies, demand from the US could become overwhelming. However, if the slide continues and an adverse event takes place, such as a terrorism strike, demand could suddenly dry up.*

*It is worth noting that during the late 1990's the growth from America delivered an additional million visitors per year - substantially more than the total number of visitors from China".*

Because of its evident importance, the US market will be the main subject of the morning session of the ETOA conference at the Global European Marketplace (GEM) on November 9<sup>th</sup> at Earls Court, London. There will be a short presentation on how to identify promising origin markets, given by David Edwards, Head of Statistics, Visit Britain and Simon Carkeek, Executive Director, Eye4Travel, will unveil new research in to the behaviour of the American consumer online.

The main discussion will take place between Arnie Weissmann, Editor in Chief, Travel Weekly US and William Maloney CEO, American Society of Travel Agents (ASTA). They will reflect on the developments in travel distribution in the USA and forecast what is likely to happen in the future. They will address several questions, including:

- Will travel agents continue to be relevant?
- Is the internet a threat to their existence or can it be used to help a distribution channel that still sells the most expensive packages?
- The internet appears to be empowering consumers: is this a threat or an opportunity?

[http://www.etoa.org/GEM\\_Conf.aspx](http://www.etoa.org/GEM_Conf.aspx)

ENDS

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### **About the Global European Marketplace**

ETOA's Global European Marketplace is the most important gathering of the European inbound tourism industry. It takes place on Friday November 9<sup>th</sup>, at the Brompton Hall, Earls Court, London, immediately before World Travel Market in London and all the major players participate, including Accor, Amadeus, American Express, British Airways Holidays, Cosmos, Ebookers, Eurostar, Expedia, Globus, Gullivers, Hilton, Historic Royal Palaces, InterContinental, Kempinski, Kuoni, London Eye, Marriott, Sixt, Sol Melia, Starwood, Tauck World Discovery and Tussauds Group.

The event comprises a conference, workshop, exhibition and black tie dinner at the Café Royale with entertainment provided by the Moulin Rouge. The conference is attended by over a hundred top executives, high-level consultants and the media. The workshop facilitates approximately 7,500 one-on-one meetings between senior-level buyers and sellers, with the buyers seated at tables and sellers circulating to meet them. The exhibition surrounds the coffee area for both events.

### **About ETOA**

Since its foundation in 1989, ETOA has grown exponentially to include over 400 member organisations, of which more than a hundred are Tour Operators. Collectively, ETOA represents over €7 billion spending on accommodation and travel services annually.

ETOA provides representation at the European government level for companies involved in bringing tourists to Europe. The Association promotes greater awareness of the benefits provided by the group travel industry in Europe - particularly increased income and employment. ETOA also influences European tourism policy and legislation.

Areas of specific activity include:

- Promoting Europe as a tourism destination
- Establishing codes of conduct and guidelines for its members
- Establishing commercial opportunities between buyers and sellers
- Working with other travel & tourism associations to raise the industry's profile