

Asia climbs up tourist league table

Asian countries have been making more of an impact in the league table of the world's top tourist destinations in 2004. The three best performers in terms of attracting tourist numbers remain unchanged on the previous year, with France in pole position, attracting 75.1 million tourist arrivals in 2004, followed by Spain (53.6 million arrivals) and the USA (46.1 million arrivals – up by 12 per cent on 2003).

Surprisingly, however, China is in there at number-

four, surpassing Italy for the first time. A 27 per cent increase in arrivals proved that China had shaken off the setback of the Sars epidemic and is set to become one of the tourism destinations of the future. Fortune did not favour Italy so, which saw a decline in arrivals of over six per cent to 37.1 million.

Hong Kong made an appearance in the league table in seventh position, behind the UK, with a 40 per cent jump in arrivals to this country recorded in the 12-month period. Mexico and Germany follow Hong

Kong, with Austria assuming tenth position.

Aside from Hong Kong's entry, the league table has been quite constant in the last decade, according to the World Tourism Organisation (WTO), which produces regular barometers of the industry. However, growth rates have differed. Mexico and the USA have seen the slowest growth in arrivals over the last decade, while Spain has exhibited the healthiest growth pattern with an average growth rate of five per cent per year. ●

Travel Update

- A new budget airline was launched in India earlier this year and has been greeted with enthusiasm by Indian travellers: 37,000 tickets were sold online on the first day of operation. **Spicejet** is offering 9,000 seats on domestic flights for as little as 99 rupees (US\$2) for the first three months of operation. Mark Winders, CEO of Spicejet, said that they hoped to make a profit within six months.

- US carriers **US Airways** and **America West** have announced a merger deal that will enable them to stay competitive in the face of increased competition from low-cost carriers. The carriers will be known as US Airways and will receive US\$1.5 billion in new capital from a group of investors. Douglas Parker, Chief Executive of America West, said, "A combined US Airways/America West places the new airline in a position of strength and future growth that neither of us could have achieved on our own."

- UK airline **bmi** has expanded its long-haul routes to include a four-times-a-week service to Mumbai in India and has also earmarked 14 other destinations it hopes to fly to in the future. The carrier hopes to fly to Riyadh in Saudi Arabia before the end of the year, while flights to Hong Kong, Cape Town, Narita in Japan as well as several destinations in the USA are also expected to start soon.

- A new Argentinian carrier, **LAN Argentina**, is hoping to challenge the dominance of Aerolineas Argentina in the South American country and expects to achieve 14 per cent of the market share of the domestic market by the end of the year. The new carrier is part-owned by the LAN group, one of Latin America's largest carriers, and hopes to control 27 per cent of Argentine air traffic in 2006.

- Flight restrictions between the **UK** and **New Zealand** are to be eased, according to a statement from the UK Department of Transport, opening up the potential for a number of new routes between the countries for airlines. A new air services agreement will relax the current rules that only allow seven flights a week from both UK and New Zealand.

- The Hungarian airline, **Malev**, has signed a memorandum of understanding to join the Oneworld airline association led by American Airlines and British Airways. Janos Gonci, Malev Chief Executive, said that the airline would not gain full membership for between six and 18 months but added, "Everything should be in place by the summer 2006 schedule." Benefits of membership for Malev include code-shared flights and joint marketing plans.

- US carrier, **United Airlines**, will soon be able to offer passengers wireless Internet access on flights after receiving approval from the US government. The carrier was able to demonstrate that the use of wireless technology within the cabin does not affect the aircraft's operation.

Malaysia marketing itself

PRIORITY is being given in Malaysia to examining the tourism brand and improving the country's appeal to visitors. Malaysia's Deputy Prime Minister, Najib Razak, has formed a cabinet-level committee to assess the situation.

"Our main task is to rebrand and market Malaysia," he said. "We should do it in an imaginative manner to make it more attractive to tourists." Razak compared the current brand "Malaysia Truly Asia" with Thailand's attractive image. "How do we rank ourselves with 'exotic Thailand', for example?" he noted.

As well as improving the country's perceived status, Razak also hinted that more flights into and out of the country may be offered and the eco-tourism, health tourism and education tourism sectors will be examined. Malaysia has also been keen to increase the number of international students in the country and improve quality and regulation in the sector.

According to one news report, foreign students in the country will soon be issued with a student ID card, and private colleges are to be required to submit periodical reports on the movements of their international students. ●

Learn Japanese with Virgin Atlantic

RICHARD Branson's airline, Virgin Atlantic, has added Japanese/English to the language tuition on offer in the in-flight entertainment system. The company has revealed that it hopes to add other Eastern languages soon, such as Cantonese and Mandarin. Spanish to English or English to Spanish tuition was introduced in August last year.

"We are sure [customers] will find the Univerb service both educational and fun, particularly when flying on our popular route between London and Tokyo," said Katie Marks at Virgin Atlantic. "Passengers can learn basic phrases or can brush up on fluent conversation, which is perfect for business or leisure travellers." ●

Italian airline confirms restructuring deal

THE AILING Italian carrier Alitalia has been thrown a lifeline after a restructuring deal was approved by the European Commission earlier this year. Under the deal, the airline will receive a 400 million euro (US\$489 million) loan from the Italian government and will

be split into AZ fly, which will handle air operations, and AZ Services, which will deal with ground operations.

The deal has been strongly opposed by rival European airlines that argue that the government loan constitutes illegal state aid for the carrier. ●