Belgium & Luxembourg

Market & Trade Profile



Updated January 2006

1) Market Snapshot – Belgium

GENERAL MARKET CONDITIONS	• Population 10.3 million – slight growth & ageing • IMF Forecasts 2006: GDP (based on PPP per capita) USD$32,469. GDP Growth Rate 2%. Inflation 1.9%. Unemployment 8%.
ACCESS OVERVIEW	• NO visa required • Gateways / Routes to UK – 43% travel via tunnel and 33% by sea. Flights from Antwerp and Brussels to London and from Charleroi to Glasgow
MARKET SIZE / MARKET SHARE	• 16.7 million outbound in 2004. UK has 6.6% market share • UK ranked 3rd outbound destination (top two are: France and Spain) • 1.1 million visits in 2004 (+18% on 2003) • £217m spent in 2004 (+16% on 2003). AEV £196; AED £74
MARKET SHAPE / MARKET DYNAMICS	• 39% are BUSINESS visitors; 34% HOLIDAY • 51% stay 1-3 nights • 30% visit in April-June season
PRODUCT / MARKET FIT	• History / Heritage, Gardens, Walking, Shopping
DEMOGRAPHICS / POTENTIAL CONSUMER SEGMENTS	• Youth, Young Professionals, Families, Empty Nesters & Seniors
REACHING THE BELGIAN CONSUMER	• Internet access 57% • Travel trade heavily used.

Market Snapshot – Luxembourg

GENERAL MARKET CONDITIONS	• Population 463,000– growing & ageing • IMF Forecasts 2006: GDP (based on PPP per capita) USD$70,044. GDP Growth Rate 3.2%. Inflation 2.7%. Unemployment 5.2%.
ACCESS OVERVIEW	• NO visa required • Gateways / Routes to UK – Luxembourg - London City (Luxair, VLM) Luxembourg - Gatwick (BA), Heathrow (Luxair) Luxembourg – Manchester (Luxair)
MARKET SIZE / MARKET SHARE WARNING: IPS low sample size	• 63,000 visits in 2004 (+51% on 2003) • £19m spent in 2004 (+10% on 2003). AEV £295; AED £76
MARKET SHAPE / MARKET DYNAMICS	• 35% are VFR visitors; 33% BUSINESS • 48% stay 1-3 nights • 36% visit in October – December season
PRODUCT / MARKET FIT	• History / Heritage, Gardens, Walking, Shopping
DEMOGRAPHICS /POTENTIAL CONSUMER SEGMENTS	• Youth, Young Professionals, Families, Empty Nesters & Seniors
REACHING THE LUXEMBURGER CONSUMER	• Internet access 59%

2) General Market Conditions

Population / Languages - Belgium

The US Census Bureau puts the population of Belgium at 10.3 million in 2004.

The population is forecast to grow slightly to 10.4 million by 2014.

The proportion of the population aged 35-44 is forecast to decline, whilst the proportion aged 50-69 is forecast to grow. The population is decreasing in Wallonia (35%), while slightly increasing in Brussels (10%) and Flanders (55%).

The Foreign and Commonwealth Office estimate that there are around 27,000 British nationals living in Belgium, with a similar number of Belgians living in the UK. IPS figures for 2004 reveal that although 75% of visitors to the UK from Belgium were indeed Belgians, some 12% were in fact British nationals who currently live in Belgium.

Languages: Dutch (official), French (official), German (official). Flemish the local variant of Dutch, is used by more than 60% of the population.

Economics / Politics - Belgium

Economic policy in the coming months is expected to focus on measures to boost employment, small businesses and research spending, but will be constrained by the aim of keeping the general government budget in balance. Belgium has one of the lowest employment rates in the EU and one of the most stubbornly high public debts.

Belgium and the UK have close economic ties, with Britain accounting for around 8% of Belgium's exports and imports.

The Economist expects only a modest quickening in the rate of economic growth during 2006 after a very sluggish 2005.

The next major elections in Belgium are scheduled for spring 2007, with the Economist Intelligence Unit forecasting that the current government will be defeated.

Economic indicators for Belgium for the coming year would suggest a relatively stable environment that bodes well for British tourism. GDP forecasted growth is 2.4%. However, it will be highly important to keep our eyes and ears open on outcome of the price of petrol, as this could cause major problems both with airlines and ferries, and yet again increase the price of transport for the Belgian traveller. More “value for money” transport should be promoted with the help of carriers.

Belgian Politics are just as complicated as the cultural differences within this small country with 3 Federal Governments (Flanders, Brussels, Wallonia) and 3 Communities (French, Flemish and German), each sharing varied responsibility in the running of the country. To add to this complex environment, each Government is represented with a proportion of seats to reflect the various political parties voted within the Government. So as a Belgian, you vote on average once a year and one is never quite sure whether voting for the Federal, Community, Communal (city councils) or European. Ironically but not surprisingly, this highly complex structure results in a fairly stable political environment (where change is almost impossible to plan with any sense of vision in the long term).

Overall, the political colours tend to be liberal-democrat in Flanders and labour in Wallonia, which reflects the economic environment of Belgium where the economy is clearly stronger in Flanders in comparison with Wallonia, which is still struggling to sustain some of the traditional industries, which still employ large numbers and therefore represent a real threat in unemployment terms.

Holidays / Annual Leave - Belgium

Employees receive 20 days annual leave in Belgium.

General Emerging Consumer Trends - Belgium

Growth from French-speaking regions

Traditionally, over 85% of visitors to Britain from Belgium came from Flanders and the Greater Brussels area. Outbound traffic from the French speaking part of Belgium (e.g. Wallonia) has been low. However, anecdotal evidence is beginning to emerge that there is potential growth for Britain. At exhibitions, requests for brochures in French increased by over 30% in the past year alone, and the VisitBritain Touring Campaign saw an increase in over 30% in enquiries by French-speakers.

City Breaks and London

While the short-breaks market is the one, which offers greatest potential for growth in general but also for Britain, the city-break market (now 25% of all short-breaks – WES 2004) is the one with greatest potential for growth in the short- to medium-term. However, this trend is not necessarily good news for Britain, which is not very competitive (from a pricing point of view) compared with the emergence of new and cheaper destinations in Central Europe in particular. The best potential for Britain is in the touring market in spring and summer (8 to 10-day breaks) and the autumn short-breaks and city-breaks.

Over the last few years, there has been a shift in regional spread with a higher proportion of visits to London. This is primarily due to an increase in the market to London, thanks to excellent Eurostar offers and their very powerful communication in Belgium. While this development may sound negative, it is actually good news. Eurostar is contributing to increasing Britain’s market share and building back an increasing number of potential first-time visitors to Britain.

2) General Market Conditions continued

Population / Languages - Luxembourg

The US Census Bureau puts the population of Luxembourg at 462,000 in 2004.

The population is forecast to grow to 521,000 by 2014.

The proportion of the population aged 30-44 is forecast to decline, whilst the proportion aged 45-69 is forecast to grow.

The Foreign and Commonwealth Office note that Luxembourg does not currently have its own fully-fledged university. Britain is a clear beneficiary of this situation as it is estimated that one-in-ten Luxembourg undergraduates opt to study in Britain, with figures from UCAS showing that in 2004 169 Luxemburgers accepted offers of places at UK Universities.

Languages: Lëtzebuergesch (oral communication, mix of Flemish, French and German), French and German. The “predominant” second language tends to be French

Economics / Politics - Luxembourg

As one would expect, economic indicators for Luxembourg are far more positive, especially unemployment with one of the lowest levels in Europe. Knowing that just fewer than 40% of the population are on high average levels of income, Luxembourg is an attractive (though niche) market.

Luxembourg's prosperity was formerly based on steel manufacturing. With the decline of that industry, Luxembourg diversified and is now best known for its status as a tax haven and banking centre.

But Luxembourg's strict laws on banking secrecy mean the system can be exploited for the purposes of tax evasion and fraud.

Luxembourg's politics are characterised by stability and long-serving administrations. Luxembourg opted to join European monetary union in 1999 and gave up its national currency for the euro in January 2002.

Luxemburgers approved the draft EU Constitution in a referendum, but by a far narrower margin than had been expected.

3) Access Overview

Political Situation

No political issues currently exist to restrict travel to Britain from Belgium or Luxembourg.

Passport and Visa Issues

Belgian and Luxemburger visitors do NOT require a visa to visit the UK.

Gateways / Access to Britain

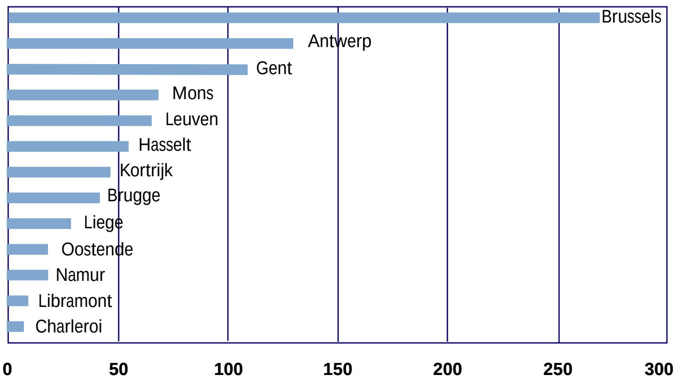
Belgians and Luxemburgers have plenty of choice when it comes to access and will use all means possible from either Belgium, or nearby ports in the Netherlands or France.

In 2004 (IPS), 80% of Luxemburger visitors traveled to UK by air, 12% via the Channel Tunnel and 8% by sea.

Luxembourg is connected to London City by both Luxair and VLM, with typically seven flights per day, and linked to both Gatwick and Heathrow by BA and Luxair respectively. The only regional connection from Luxembourg is a daily Luxair service to Manchester.

In 2004, 43% of visitors from Belgium travelled to the UK by tunnel, 33% by sea and 24% by air. (IPS). More than twice as many Belgium visitors come from Brussels than from any other region in Belgium.

Visits to the UK by Belgium region of residence



Visits in 2003 (000s)
Source: IPS

The Channel Tunnel is the most popular means by which to travel to Britain from Belgium, with air travel back in third position. A key factor is the reduction in Eurostar journey times delivered by Phase 1 of the High Speed Link.

Eurostar now has a significant market share for travel from Brussels to London, with a journey time of around 2 hours 20 minutes and up to 8 services per day.

Sea-crossings

The most popular route (in numbers) is Calais – Dover with Seafrance, P&O Ferries (who also operate the very popular Zeebrugge – Hull route) and the emerging and commercially aggressive carrier Norfolkline investing in the Belgian market since 2005. Hoverspeed is a big loss for the Belgians, having first ceased their Ostend operations, now followed by Calais. Finally, a newcomer on the scene is Transeuropa Ferries (mostly freight with a new passenger service) are operating a service between Ostend and Ramsgate.

Superfast is also a very important player with a direct link from Zeebrugge to Rosyth (Edinburgh) though this service is reduced from daily to 3 times a week during Winter.

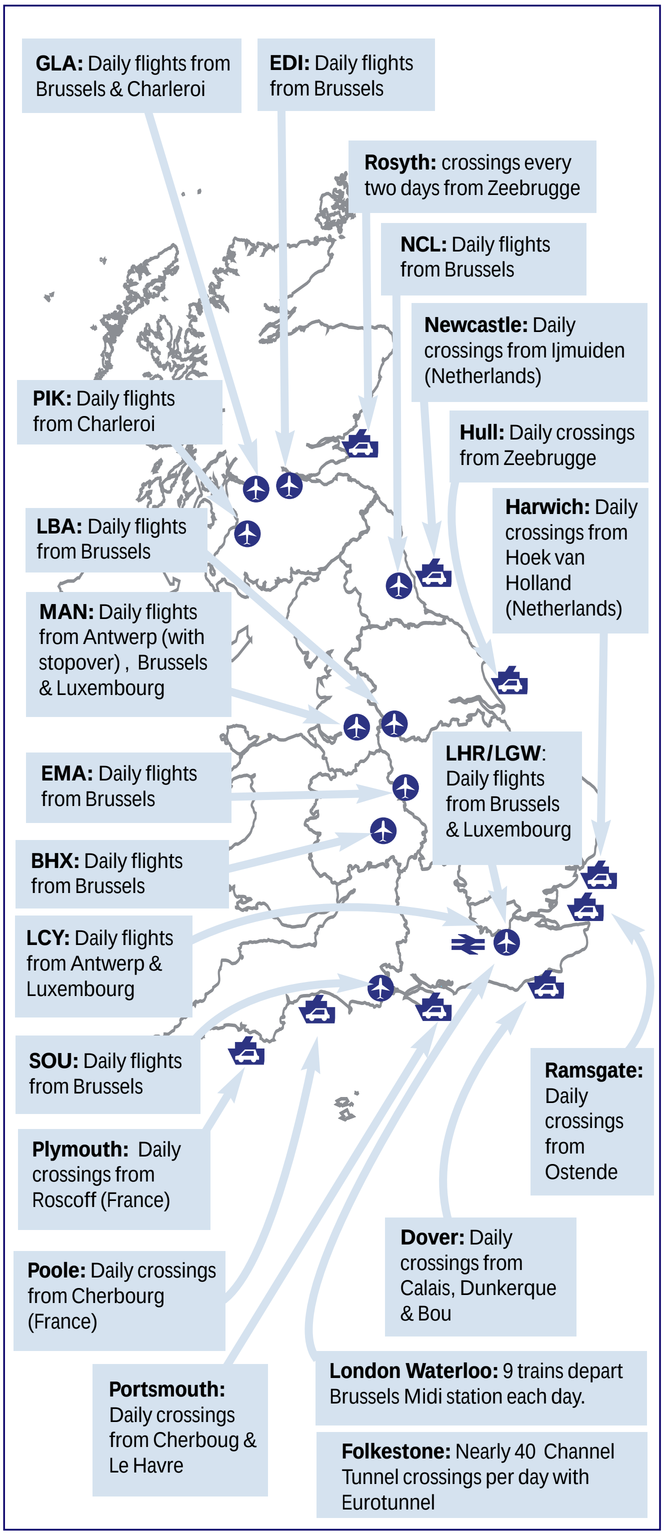
Collectively, all these operators offer up to 60 crossings a day in the High Season.

Departure ports – Zeebrugge & Ostend (and Calais)

Arrival ports – Rosyth, Hull, Ramsgate, Dover

Eurotunnel, with nearly 40 crossings each way per day is one of the preferred means of crossing, Calais being just over 30 min. away from the Belgian border, with excellent direct motorway access.

One must keep in mind however that there are a multitude of other departure ports which Belgians will use, being so close, such as Calais, Dunkerque, all the way to Boulogne, Ijmuiden and Hoek van Holland. Other more distant ports such as Roscoff and Cherbourg are occasionally used by Belgians too.



3) Access Overview continued

Air Access

Air access has lost market share to Eurostar in the past years, and some direct flights have been affected as a result of this shift.

The low-cost airline "syndrome" has affected Belgium too, but maybe not as successfully as some of Belgium's neighbour countries. Ryanair virtually dominates the market out of "Brussels South" (Charleroi), though connections to Britain are not as varied as we could have expected. The main reason for this is that it is really the UK market, which would create the sustainable volume of traffic. And to put it bluntly, Belgium is probably not attractive enough to potential British short-breakers. In the meantime, the low-cost effect has had a positive impact on the pricing policy (for leisure breaks) of the regular airlines, which continue to service the huge individual corporate business visits out of Belgium.

Antwerp

28 flights per week to London City operated by VLM

Brussels

Multiple daily flights to London and regional airports across the UK operated by BA, SN Brussels, VLM, Eastern and bmi.

Charleroi

Ryanair now have only a daily flight to Glasgow

Flight times from Belgium are approximately 1 hour.

4) Market Size / Share

Current & Forecast Market Size - Belgium

Global Insight estimates that there were 16.7 million outbound overnight visits from Belgium in 2004. There are forecast to be 19 million such trips by 2010. UK currently accounts for around 6.6% of outbound trips from Belgium.

Current Volume and Value Statistics / Trends - Belgium

IPS	2003	2004	Change year on year
Total Visits	936,000	1,104,000	+18%
Visits Rank (League Table No. Visitors to UK)	8	8	No change
Total Spend	£187m	£217m	+16%
Spend Rank (League Table £Spend in UK)	14	15	Down 1 place
Average Spend per Visit (AEV)	£200	£196	-2%
AEV Rank	Outside top 30 rankings		
Average Spend per Day (AED)	£70	£74	+6%
AED Rank	20	14	Up 6 places

1996 was the record year for Belgium, with 1.6 million visits and spend of £261m

Key Competitor Destinations – actual - Belgium

Global Tourism Navigator shows us that UK was 3rd in the actual ranking of top destinations (short and long haul included) for Belgian outbound travel in 2004.

1	France	6	Italy
2	Spain	7	Turkey
3	**UK**	8	Austria
4	Netherlands	9	Greece
5	Germany	10	Switzerland

Current Volume and Value Statistics / Trends - Luxembourg

IPS	2003	2004	Change year on year
Total Visits	42,000	63,000	+51%
Visits Rank (League Table No. Visitors to UK)	Outside top 30 rankings		
Total Spend	£17m	£19m	+10%
Spend Rank (League Table £ Spend in UK)	Outside top 30 rankings		
Average Spend per Visit (AEV)	£408	£295	-28%
AEV Rank	Outside top 30 rankings		
Average Spend per Day (AED)	£112	£76	-32%
AED Rank	1	12	Down 11 places

Note: The expenditure figures for Luxembourg have to be read with caution, as the sample size is small for this market.

2004 was the best ever recorded year in terms of visitor numbers, with 1998 being the best-recorded year for spend at £27m.

5) Market Shape / Dynamics

Purpose of Visit – Belgium

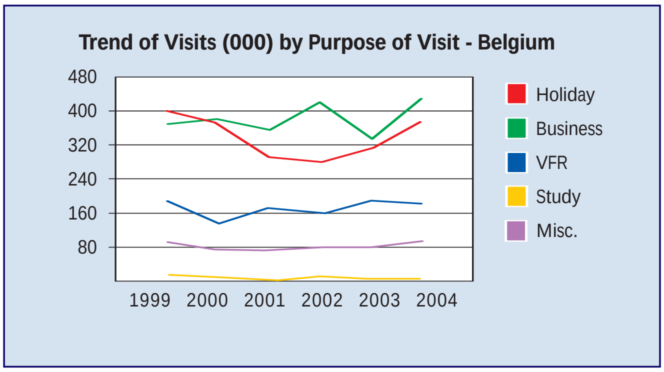
39% of the visitors from Belgium to the UK come for the purpose of business.

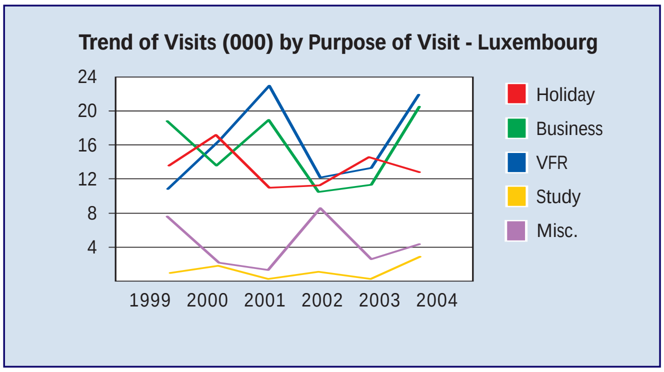
34% come for holiday and 17% come for visiting friends or relatives (VFR).

Purpose of Visit – Luxembourg

In 2004, 35% of the visitors from Luxembourg to the UK came for the purpose of visiting friends and relatives (VFR).

20% came for holiday and 33% came for business.





Length of Stay – Belgium

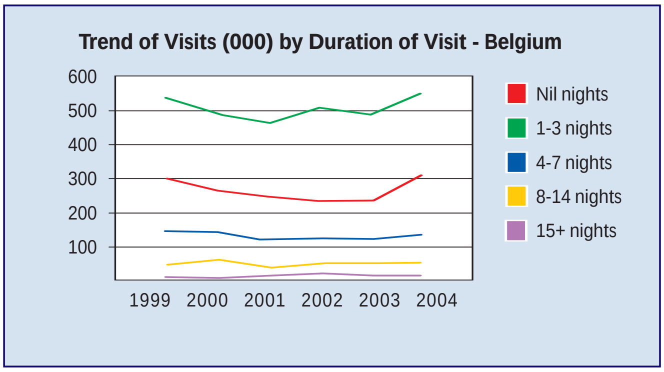
Over half of Belgian visitors stay in the UK for 1-3 nights and 29% are nil night visitors.

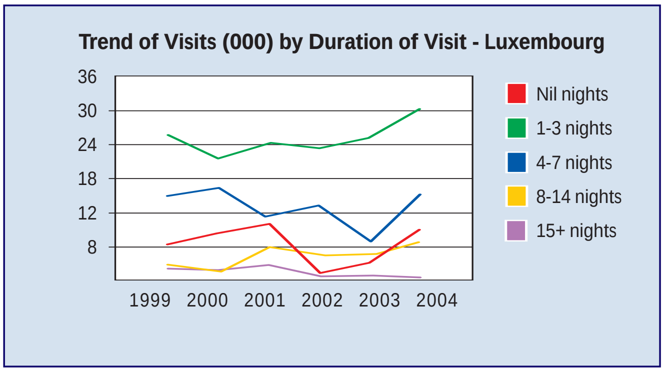
44% of Holiday visitors stay in the UK for 1-3 nights and 36% were day trippers.

VFR visitors tend to stay longer with 47% staying in the UK for 4 nights or more.

Length of Stay – Luxembourg

In 2004, 88% of Luxemburger visitors stayed in the UK for less than 8 nights with 48% coming for a short break (1-3 nights).





Regional Spread / Top Towns

85% of visitors from Luxembourg stayed in England, 61% in London, 2% in Scotland and 1% in Wales in 2004. (IPS)

66% of visitors from Belgium stayed in England, 33% in London, 3% in Wales and 2% in Scotland in 2004 (IPS).

Top Towns for Belgian visitors in 2004 were:

		Visits(000)
1	London	359
2	Manchester	32
3	Birmimgham	21
4	York	12
5	Northampton	11

5) Market Shape / Dynamics continued

Seasonal Spread – Belgium

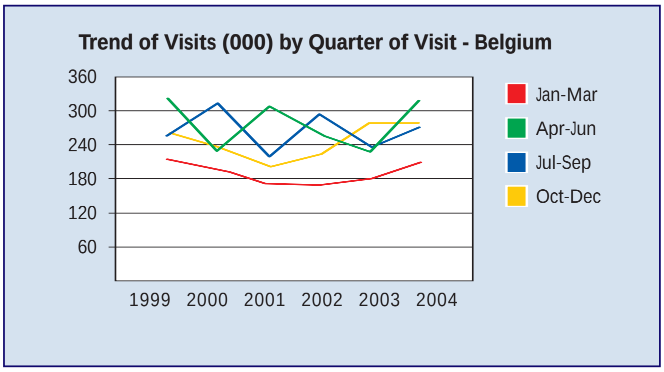
In 2004 the months April-June were the most popular period for Belgian residents to visit the UK (30%).

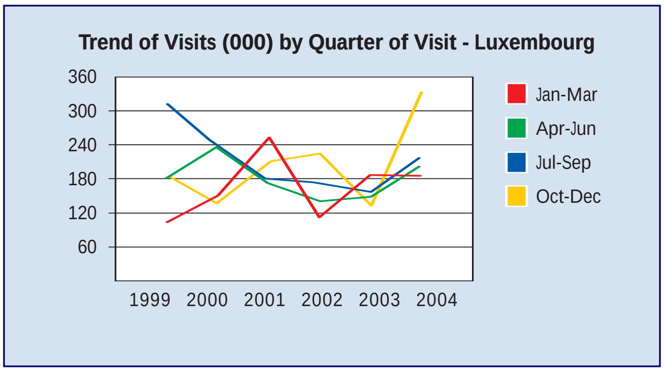
The spring months were more popular for Holiday visitors as 33% of them travel to the UK in April-June.

VFR visitors preferred the period October-December to visit the UK (30%).

Seasonal Spread – Luxembourg

In 2004 the months October-December were the most popular period for Luxemburger residents to visit the UK (36%).





Accommodation Type – Belgium

50% of Belgian visitors who stay at least 1 night in the UK stay in Hotel or guesthouse, which accounts for 36% of nights spent.

63% of Holiday staying visitors stay in Hotel/guesthouse.

88% of VFR staying visitors are free guests.

61% of Business staying visitors stay in Hotel or guesthouse.

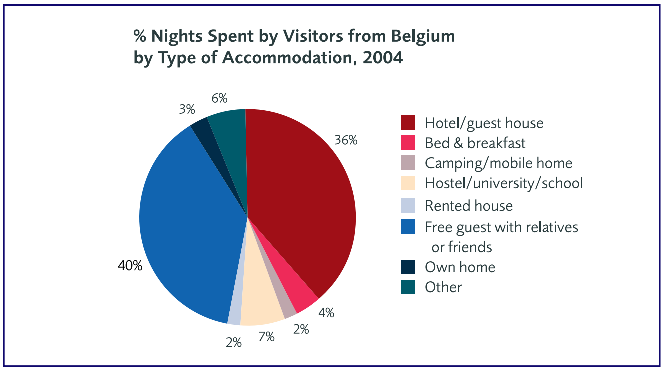
Accommodation Type – Luxembourg

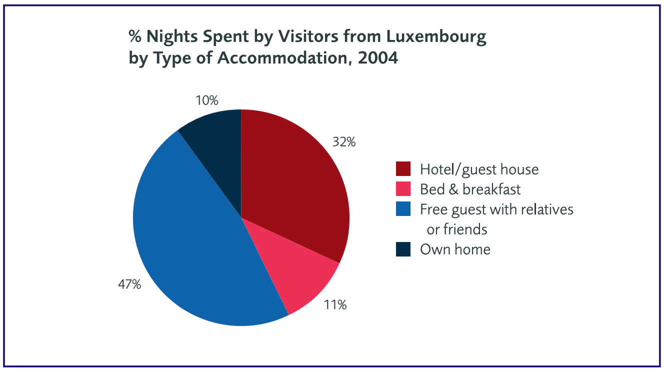
In 2004, half of Luxemburger visitors stayed as a free guest with friends and family when they visit the UK, which accounts for 47% of nights spent.

60% of Holiday visitors stayed in Hotel/guesthouse.

80% of VFR visitors were free guests.

86% of Business visitors stay in Hotel or guesthouse.





6) Britain's Brand Image in Belgium

Britain as a Destination Brand – DEPTH, HEART & VITALITY

Britain's Depth and Heart attributes have strong appeal in Belgium. Britain is famous for historic houses, gardens, picturesque country lanes, quaint villages, pubs and warmth of hospitality. It is seen as being 'cosy'.

Traditionally, Belgians want a mix of city break and countryside. Belgians are extremely interested in the countryside, gardens, castles and the British way of life including British eccentricity.

From a brand perception point of view, Belgians will often confuse England and Britain. While the name "Britain" sounds more political and serious, it reminds Belgians of International Diplomacy issues (for which Britain is not always perceived in a positive light and seen to be too pro-US and anti-European).

However, when it comes to regional brands of Britain, the perception softens and becomes quite positive. Belgium's proximity and affinities with Britain has led to a fairly good knowledge of the key English regions, Scotland and Wales.

The images are fairly classic and traditional and we should make every effort to build on these positive images of being slightly eccentric, quaint, charming but also on the forefront of fashion and culture when it comes to our great Cities.

7) Product / Market Fit

What products / experiences are most attractive to Belgian visitors?

History / Heritage

Britain's history / heritage has strong appeal to the Belgian visitor.

Walking / Gardens

Belgians also love to walk, and they also love visiting gardens.

Shopping and Eating

Shopping is still very high on the list of priorities for the Belgian short break traveller abroad and so is eating - culinary experiences are very important.

Themed Holidays

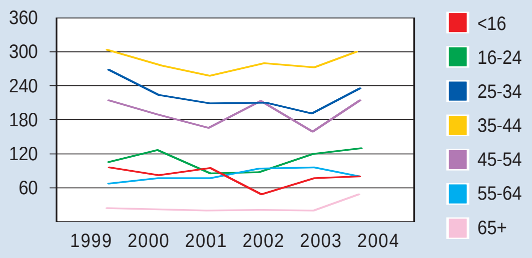
Increasing consumer interest towards themed holidays and leisure activities in general. This trend has led to the emergence of new lifestyle exhibitions.

8) Who is the Belgian and Luxemburger visitor?

Demographics – Belgium

50% of visitors from Belgium are aged 25-44. Holiday visitors are younger with 52% being 34 or less. 43% of VFR visitors are less than 35 years old.(IPS 2004)

Trend of Visits (000) by Age of Visit - Belgium



Overall, 66% of visitors are male and 34% female. This difference in proportion between the two genders is due to a high number of business visitors.

	Male %	Female %
0-15	4	13
16-24	9	17
25-34	**23**	**19**
35-44	**32**	**19**
45-54	**21**	**17**
55-64	7	9
65+	4	5

In terms of Travelling Group – 41% of the Belgium visitors were lone travellers in 2003.

Visitors travelling as a family group were the other biggest segment of group composition (26%).

Travelling Group 2003	% of Visits
Lone traveller	**41**
Family group	10
As a couple/with partner	**19**
Business colleagues	10
Tour group	10
Group of friends	6
Don't know	1

Source: IPS

VB Key Market Segments – Belgium

Britain appeals to the whole of the Belgian market from young to old. Key customer segments cover the full spectrum:

1. Youth, 12-18 years old, targeted through clubs or schools.

2. 'Young professionals', 25-39 years old. Couples with no children, higher education and an above average income.

3. Families between 25-39 years old with children between 0-17 years old with higher education and above average income.

4. 'Empty Nesters'. Couples from 40 years old travelling without children and with a double income.

5. Mobile retired people with more than just a state pension and with a high income.

1st Timers & Repeat Visitors – Belgium

In 2004, 85% of visitors from Belgium had visited the UK previously within the last 10 years (IPS).

Demographics – Luxembourg

In 2004, 76% of visitors from Luxembourg were aged 25-44.(IPS 2004)

Overall, 62% of visitors were male and 38% female.

1st Timers & Repeat Visitors – Luxembourg

In 2004, 83% of visitors from Luxembourg had visited the UK previously within the last 10 years (IPS).

9) Understanding Belgian Culture

Language / Information Provision

Belgians are good linguists and confident when travelling abroad. They are happy to speak English.

The Belgian 'bon vivant' mentality means that Belgians are especially sensitive to good service, good food and comfort. In their view Britain does not have the best reputation in this respect, so be prepared!

Belgian visitors like to know what to expect. They like to be left alone to enjoy their visit at their own pace but they also appreciate guidance. In a B&B for instance, they will appreciate advice as to where to go in your area, what to do and where to eat.

Belgians will not complain easily: if they are not happy, you won't hear about it immediately, but be sure that not only will you never see them again, but they will make sure their friends and relations hear about it!

Accommodation / Food and Drink

Belgians are great lovers of value-for-money accommodation, and are especially interested in good quality B&Bs where they will receive a warm personal welcome. Small country houses are high on their wish list as is anything, which will give them the "Britain experience" such as dainty pubs etc.

They are always interested in tasting British gastronomy. Internal research proved that their perception of British food is better than anticipated.

10) Reaching Belgian Consumers

Deciding, planning & booking patterns

The percentage of bookings through the travel trade remains stable and shows no decrease - even though Belgians are slowly discovering and exploring the Internet as a medium to book their holidays.

The WES study published in 2004 states that for 15% of holiday (+4 nights) bookings and 18% of short break bookings, the holiday or part of the holiday was booked via the Internet. Of these, at least 40% of holiday bookings and 25% of short break bookings were for the British Isles (UK + Ireland).

Like most European consumers, Belgians will continue to look for modular tailor-made holidays rather than fixed packages, except for short city breaks.

While the Tour Operators, Coach Operators and niche retail agencies still play an important role and should be remembered when approaching the Belgian market, it is quite clear that direct communication with the consumer is vital. Thanks to the increasing usage of Internet in Belgium, it is now possible to do so on a cost-effective basis.

The WES research 2004 highlighted an important element concerning group organisers and group travel. According to this research, 8% of all holidays and 12% of all short-breaks were in groups. However, in the case of short-breaks, this proportion climbed to 33% in the case of Britain!

The car remains the preferred mode of transport for Belgians (57% for holidays 4+ nights and 76% for short-breaks)

The average booking lead-time for holidays was 3.8 months, though this time estimated to be considerably lower for destinations like Britain (more likely to be 4 to 8 weeks, based on travel trade feedback and VB Brussels enquiry patterns)

Belgians tend to be independent travellers and will prefer (for destinations like Britain) to organise the trip themselves, rather than go through a tour operator product (except for London). Nevertheless, there is still a market for the Belgian tour operators, coach operators and niche retail agencies.

Online Environment

Internet penetration continues to increase. To date, according to ETC New Media Review, 57% of Belgians have access to Internet. Belgium has excellent broadband access and ranks seventh globally for broadband penetration (Figures 2002 International Telecommunication Union United Nations).

Obviously, the 15-34 age range represents a large majority of these surfers, but being steadily followed by 35-44 (71%) and 45-54 (64%) age categories. The largest progression is women 55+ and seniors

Travel represents the majority of online purchases in Belgium, (95% of Internet users have recently surfed the web for travel information!) but Belgians are still concerned about online payments. (Source: IPSA Belgian Internet Mapping Insights 2005).

Consumer Exhibitions

Countryside is a highly publicised Belgian lifestyle show that attracts over 50,000 DINKs, empty nesters, and active seniors, all with high disposable income and time. Britain is the only destination with its own pavilion. The exhibition takes place at the end of October in Gent.

Vakanz is the only consumer exhibition in Luxembourg. Although it attracts small numbers (approximately 12,000), it has an excellent reputation for the quality of its visitors. This exhibition takes place during the 3rd week of January and VB will trial this for the first time in 2007.

Salon de Vacances takes place in Brussels in mid February and is the only annual national holiday exhibition in Belgium, attracting 80,000 visitors from all over the country.

Liège Holiday Show takes place in Wallonia just after Salon des Vacances. This 5-day exhibition attracts 40,000 visitors.

Reismarkt takes place in Brugge in March. Reismarkt is a unique "Traveller informs Traveller" consumer show, aimed mainly at active travellers seeking in-depth information on destinations. Visitors are travel enthusiasts and are part of the Wegwijzer club of travellers, which is unique in its kind. This is "the" active traveller show in Belgium, which welcomes up to 7,000 paying visitors. Exhibitor attendance is by invitation only, with a huge waiting list.

Meise Garden Show is Belgium's largest garden exhibition and takes place in the Royal Botanical Gardens of Brussels in mid-June.

Media Habits

The media landscape in Belgium is rapidly changing with the emergence of new lifestyle publications, while the more traditional mass-communication media struggle sometimes to keep their head above water. Due to Internet penetration, the media consumption in Belgium is even more diverse.

The media is the key to reaching the vast majority of potential Belgian visitors to Britain.

Most newspapers have their own holiday sections or leisure supplements and there is a wide choice of weekly special interest magazines. TV and radio also have dedicated leisure or holiday programmes. The growing short break market is in need of specific information, which can only be provided by this type of editorial, and which cannot be found in traditional holiday brochures.

VisitBritain Brussels has ongoing communication with selected travel writers, editors and producers, and sends a number of journalists to the UK every year, resulting in substantial media coverage. VisitBritain also has agreements with the TV producers of the two main holiday programmes in Belgium to co-ordinate a series of carefully planned topics to be featured throughout the year.

Key newspapers: De Morgen, Het Nieuwsblad, de Standaard, Het Laatste Nieuws (Flemish), le Soir, La Libre Belgique (French) and Metro in both languages.

As far as Luxembourg is concerned, newspapers printed in the Grand Duchy are mostly in German, but some cultural articles, many advertisements and social announcements are in French too.

11) The Trade

Overview of trade structure

The Belgian travel trade is made up of tour operators, coach operators and travel agencies. In addition, associations such as walking and cultural clubs or evening college will also organise holidays for their members.

Tour operators sell their products through their own or independent travel agencies. Increasingly, they also sell directly to the consumer through the Internet (although for holidays to Britain, number of direct sales are probably not significant).

Coach operators usually sell their products (coach tours) through their own or independent travel agencies.

Group Operators are limited in Belgium but very important to Britain and represent a high volume of visits. These operators tend to split into the youth, seniors and special interest segments.

Travel agencies usually sell products produced by tour or coach operators. Some travel agencies, however, also have a group department, which organises holidays for associations.

As Belgium is a little under average on Internet access European-wide, and as customer confidence in the Internet (especially payments) is far lower than the Dutch/British levels, the travel trade is still very important, particularly for the purchase of transport tickets. However, Britain generally - with the exception of London - is not a medium or big player in the travel trade due to low revenue earnings and (with the exception of London) is very often 'terra incognita', certainly with the younger staff.

Tour Operators

Belgian tour operators are always looking for new ideas and products in order to get one step ahead of the competition and respond to the 'tailor-made' preference of the ever-demanding holidaymaker. They usually go directly rather than using the expertise of ground handlers.

Major operators: The tour operating industry has changed considerably over the last few years with now only two market-leaders who share close to 80% of the tour operating market: TUI Belgium and Thomas Cook, with their different tour operating branches (brands) and also their own retail outlet networks. They are all located in the North part of Belgium (Flanders). The travel agencies are working closer with the major operators as this spares them time and money but often results in standardised products across the market.

For the moment Belgium's key tour operators for Britain are:

Seagull (part of TUI/Jetair)

- Thomas Cook (NUR)
- Transeurope Citytrips
- Gallia
- DELETE Odysseus

Specialist operators: While the total number of key tour operators is reducing, we are monitoring an increasing number of niche operators (special interest holidays such as cycling, walking, cultural, theme and garden tours) who are planning programmes to Britain.

Coach operators: There are 488 coach companies in Belgium but only a minority have their own brochure. The majority produce flyers with short programmes/offers and mail these to their faithful customers. Approximately two thirds of these are Dutch/Flemish speaking. Special attention should be given to them, as the coach market is the one that has declined most over the recent years. Although last year's figures showed a decline in total coach tour holidays market, carriers have reported fairly encouraging signs of recovery from the group market for Britain.

Unless one comes with a spectacular offer, the large companies reaching the masses are difficult to reach and influence, whilst smaller operations are easier to contact and can provide tailor-made services, but only to a small number of clients.

Brochure planning takes place from January to March for the winter brochures (valid November to March) and June to October for the summer brochures (usually valid from April or Easter to October).

Travel Agents

There are almost 2,000 retail outlets in Belgium - too many according to travel industry experts. Airlines have stopped giving commission and the Belgian travel agents have to create added value to survive and are aiming to do so through adding value to their services and/or expanding their services online.

In general, the agencies will sell tour operators' products, but some also have groups departments, which plan special tours and excursions for an association or a newspaper to support an article about a special destination.

Finally, approximately 600 travel agencies are part of a chain (Thomas Cook, TUI, etc)

11) The Trade continued

Reaching the Trade / Sales Calls

Timing

Tour operators start preparing their winter programmes in March/April and their summer brochures in August/September. Avoid calls in July and the first half of August as people are generally on holiday.

Public Holidays 2006

- 1ST Jan
- 17th April – Easter Monday
- 1st May – Labour Day
- 25th May – Ascension
- 5th June – Whitsun
- 21st July – National Day
- 15th August – Assumption
- 1st November – All Saints
- 11th November – Armistice
- 25th December – Christmas Day

Transport

You are better off travelling by car, unless in the Brussels area. Driving is more aggressive than in Britain and motorways can be congested, but agents are situated all over Belgium and a car is a necessity if you want to meet them.

Etiquette

There are a few very basic rules:

send contacts a letter of presentation with a simple fact sheet about your company

make an appointment by phone and ask them to send you their brochure; study the Britain content and the competition featured

reconfirm your appointment by phone, fax or e-mail a couple of days before your visit

Prove that you mean business by following up as soon as you get home. Finally, remember that loyalty pays. Remain faithful to your Belgian business partner and they will remain faithful to you.

Language/ culture/ currency

It's generally easy in Belgium to get by with English. Flemish is the spoken language in the northern part of Belgium. If you cannot make yourself understood in English, only change into French if you are invited to. Do not suggest doing so yourself and do not produce literature in French when talking to a Flemish agent or vice versa.

12) Business Visits / Events

Business Visitors Belgium	Visits2004	% Business Visits	Spend 2004	% Business Spend
	(000)	%	£m	%
Trade Fair/ Exhibition	6	1.3	2	1.9
Conference/ Large Meeting	49	11.2	24	25.7
Other Business	379	87.5	67	72.5
Business Visitors Belgium	**AEV**	**AED**	**AELS**	
	£	£	Days	
Trade Fair/ Exhibition	303	242	1.3	
Conference/ Large Meeting	487	258	1.9	
Other Business	176	96	1.8	

Source: IPS

Business Visits Statistics

33% of travel from Luxembourg to the UK is for business purposes, and this accounted for 31% of spend (IPS).

39% of travel from Belgium to the UK is for business purposes, and this accounted for 42% of spend (IPS).

Belgian Business visits are made up of 12% Conferences, Large Meetings, Trade Fairs or Exhibitions and 88% individual business travel.

Business Visits Trends

Around 29% of the private Belgian enterprises with at least 50 employees are active in the MICE sector (40.400 seminars, 12.100 conferences and 6.900 incentives were organised in 2004).

The main industry sectors are Car, Chemical, Finance and Pharmaceutical. The key characteristics of corporate travel are short lead-in times of between one and three months; small group sizes of 20 employees (seminars), 60 (conferences) and 45 (incentives). 2-3 nights length of stay and a seasonal spread between September & April; the most popular means of transport is the car (please remember that the n.1 destination for the Belgian MICE industry is Belgium) followed by the airplane and the train; 4-5 star city centre hotels are the preferred accommodation with daily budgets considerably varying per person. (Source INRA Marketing Research 2003)

London & Scotland are the most popular destinations. They are viewed as well known and highly recommended destinations offering culture, heritage, entertainment and plenty of unusual activities.

The most likely business out of Belgium will be small meetings (20 to 40 delegates) with incentive type activities, preferably in a world famous and accessible City Centre in a 4-star hotel or in a rural “retreat” where unusual and historic residential corporate venues will be sought.

In Belgium there is a small number specialised incentive houses (or incentive departments of large business travel agency chains), PCO’s and an even smaller number of major corporations, which have a dedicated meeting planner. Beyond this audience, Brussels is also the home of several industry associations (SITE, BATM, MPI, Initiative) as well as the headquarters of a huge number of International or European Associations for the conference business (the current estimation is 2,000)

13) VisitBritain in Belgium

Working in partnership with VisitBritain

There are many ways of working in partnership with VisitBritain in any of our 37 global markets. We deliver numerous marketing campaigns and produce various targeted guides and publications which are seen by millions of potential visitors throughout the world - offering excellent advertising and partnership opportunities.

We undertake both print and online advertising, and produce e-newsletters communicating with both consumers (via our substantial databases) and our trade partners on-territory whilst the exhibitions, workshops, sales missions and media events we organise provide the perfect platform to promote your product firsthand to trade, press and consumer visitors.

In some markets where the travel trade remains a crucial element of the booking process we produce Agents' Sales Guides and offer Agents' on-line training programmes to ensure both the destination and range of British tourism product is at the forefront of the travel agent's mind.

For more details on these and other diverse opportunities in markets of interest to you, please visit our UK Industry Website and read our worldwide marketing prospectus, or contact your VisitBritain representative in London or overseas.

www.visitbritain.com/ukindustry

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London Contacts / Further information

For any further information relating to the Belgian and Luxembourg markets, please contact the London-based International Markets Team: **www.tourismtrade.org.uk/visitbritaincontacts/OverseasMarkets.asp**

Alternatively, visit VisitBritain's dedicated website for the UK tourism industry: **www.visitbritain.com/ukindustry**

Why not sign up to our Industry E-Newsletter, or register with VisitBritain to be kept up to date with all that's new in Belgium and Luxembourg and other markets worldwide?

Information Sources used to compile this report

International Passenger Survey figures (IPS) 2004 (Office for National Statistics)

NB: *Data from International Passenger Survey has been made available by the Office for National Statistics and has been used by permission. The ONS do not bear any responsibility for the analysis or interpretation of the data reported here.*

- Foresight – January 2006
- IMF / Economist / US Census Bureau
- BBC websites
- Global Tourism Navigator
- FCO (Foreign & Commonwealth Office)
- ETC (European Travel Commission) and ETC New Media Review
- VisitBritain Belgium Business Plans, Insights and Intelligence Reports 2005
- WES – Belgian Travellers 2004



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