

FRANCE: NOT A GOOD WINTER SEASON BUT HOPES FOR THE SUMMER



It is not a surprise French tour operators have suffered during this winter, and we are seeing a decrease of 7.9% in their activity between November 2013 and February 2014. This bad news is nonetheless mitigated a much smaller decrease (in the same parameters) of their revenues, a decrease of 4.5% (€923 Million) for the 707,845 clients transported.

"It is true that we have had fewer clients," the President of Seto/Ceto Rene-Marc Chickli recognizes. "However, by reducing the stock used by the TO, we managed to maintain a slight increase in unit revenue of 3.7% (€1,303)." Of course, the winter season isn't completely over yet, but there won't be any miracles.

Medium haul destinations were hit the hardest.

Medium haul destinations were the most severely affected and were down by 10.4%. The number of clients transported to these destinations totaled 238,003 which have plummeted by 11.4%. The long haul revenues have also suffered a decrease of 4.4%, with a decrease in customers but an increase in the unit revenue.

Asia is an exception and has remained fairly stable this winter as well as the Caribbean, Mauritius, and the Dominican Republic; all of the "major destinations" (America and Africa in particular) are neglected by the clients in the winter.

As for the destination of France, it is the "Valuables Safehaven" of our TO which registered a gain of 7% in business activities and is equivalent to €101 million; recent unit revenue is up by 10.2%. "For the summer, however, it is necessary to be more optimistic", says Rene-Marc Chickli.

According to the latest figures from Seto, "Commands" for the departures between May and October 2014 have increased significantly compared to the previous year: +7% in terms of revenue for permanent traffic.

Will Tunisia return this summer?

According to the registrations made by the TO in Continental Spain, Greece, the Canary Islands, Croatia, and Morocco, the demand to these destinations grows rapidly. Also as the President of Seto emphasizes in the case of Tunisia: "Would certainly a great success this summer. Presently, we are still at -3% in terms of frequent attendance. The trend is being reserved, and in the summer, it will be found by long gone French tourists!" There is also good news for TO, who in an agreement with the Tunisian authorities, intends to keep the attractive prices, but "it's surely not a large market; we knew that there was a small one," Indicated RMC.

In terms of the financial results, it should be noted that if the health of TO is not yet "successful" it remains relatively stable in a very difficult economic environment. It should be noted the TO has extensively widened their IT investments.

Finally, it should be known the "big problems" that seemed to be controversial between distributors and producers are not in fact a major issue. Although, the TO find their direct sales increased by 5%,

while indirect sales decreased by 6%.

“It is true that economic models evolve,” says Rene-Marc Chickli. More and more producers “choose” their distributors, while the latter are the same with respect to their suppliers.

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