

## India govt asks for more seats

THE Government of India Tourist Office (GITO) wants an increase in flights from Australia to meet strengthening demand.

Niraj Sharon, GITO director for Australia, has asked airlines to increase seat capacity to meet projected increases in leisure and business travel. Preliminary figures show a rise of around 35,000 travellers since the start of Qantas direct flights to Mumbai and additional flights from Singapore Airlines to Jaipur, Bangalore, Ahmedabad and Malaysia Airlines to Calcutta and Ahmedabad.

Visitor arrival figures to India from Australia for 2003 were just 84,000.

Sharon says most of the new traffic is leisure, but business traffic is also improving. The GITO will focus on MICE this year and will have its largest ever delegation attending AIME in Melbourne. Eight companies - up from four last year - including Taj Hotels, Kerala Tourism, Sita Travels, Jet Airways and tour operators Air Cruise, Thomas Cook and Cox & Kings will participate on the India Tourism stand.

India expects Australasia to perform strongly over the next few years and will upgrade the Sydney office, with the appointment of Shankar Dhar to the post of regional director Australasia. Dhar, a former director of the GITO in Sydney seven years ago, is expected to return to Australia next month.

Meanwhile, the ministry of tourism in India has launched an ambitious domestic campaign to show the country the value of inbound tourists and how to treat them. The campaign *Atithi Devo Bhava* will provide training and orientation for taxi drivers, tourist guides, operators, immigration officers, tourist police and others who interact directly with foreign tourists.

### Aust decision blow to Sabah

AUSTRALIAN Airlines will cease flying to Sabah, Malaysia effective April 29. The airline, which began twice-weekly flights 29 June last year, says initial passenger loads on the new route were very promising but economical flights have not been maintained and the airline could not sustain continued losses on the route. A spokesperson for the airline said the carrier was reviewing its options on alternative arrangements.

## ONLINE CLOUD OVER UK MARKET

# UK court ruling threatens business tourism credit card spending

By Peter Needham

**THE FUTURE of online travel-related bookings and purchases by British business travellers visiting Australia hangs in the balance as a consumer case works its way through the UK courts.**

Many convention delegates and business visitors from Britain book elements of their trips directly with Australian suppliers, using credit cards via the internet. Some visitors, mainly in the leisure sector, book their whole trips with Australia-based inbound agents. Convention delegates are big spenders, customarily free with their credit cards while away from home.

Their largesse has been placed in jeopardy by a recent UK High Court ruling that British consumers using credit cards to book and buy goods and services from overseas suppliers are not fully protected. The ruling has significant ramifications for Australian suppliers.

For decades, UK travellers have relied on their Consumer Credit Act 1974. This Act states that if payment is made by credit card — whether the spending is on a flight, accommodation, rental car or any other aspect of travel — compensation will be paid by the credit card company in the event of a supplier collapsing or defaulting. The main proviso is that the booking be worth at least GBP100 and not more than GBP30,000. Almost all individual travel-related bookings and purchases fall into that bracket.

The High Court's decision means that UK travellers and holidaymakers buying goods and services from or in another country (Australia, for instance) will not automatically enjoy the same protection as those making purchases at home. It gives British travellers a major incentive to book with British agents and suppliers instead. The latest instalment has seen

Britain's Office of Fair Trading (that country's consumer and competition watchdog) launch an appeal against the ruling.

As things stand, however, any UK consumer buying travel services or product direct from an Australian supplier is not automatically covered by their credit card company if anything goes wrong or if the supplier goes out of business.

Until the appeal is heard — and these things take time — their safest course is to purchase through UK-based travel agents or operators. To their own advantage, UK travel agents and business travel suppliers are pushing as hard as possible to inform their customer base of the fact.

British travellers love plastic cards, both before and during their travels. Latest statistics show Britons are spending more on cards than ever — notching up an astonishing 220 debit and credit card transactions for every single second that passed in December. For the first time ever, British shoppers spent more on plastic cards than in cash over the Christmas period. Card transactions reached GBP584.6 million in December, a rise of 12.6 per cent on the previous year, according to APACS, the UK payments association representing card issuers.

Convention delegates are the big spenders of Australia's tourism industry and surveys conducted over the years show they are fond of plastic. A study of Sydney convention delegates conducted in 2001 by the Sydney Convention and Visitors Bureau showed 86 per cent of delegates used credit cards to purchase products and services while in Sydney. That represented an increase of 12 per cent over the 1999 figure and is probably now close to 100 per cent.