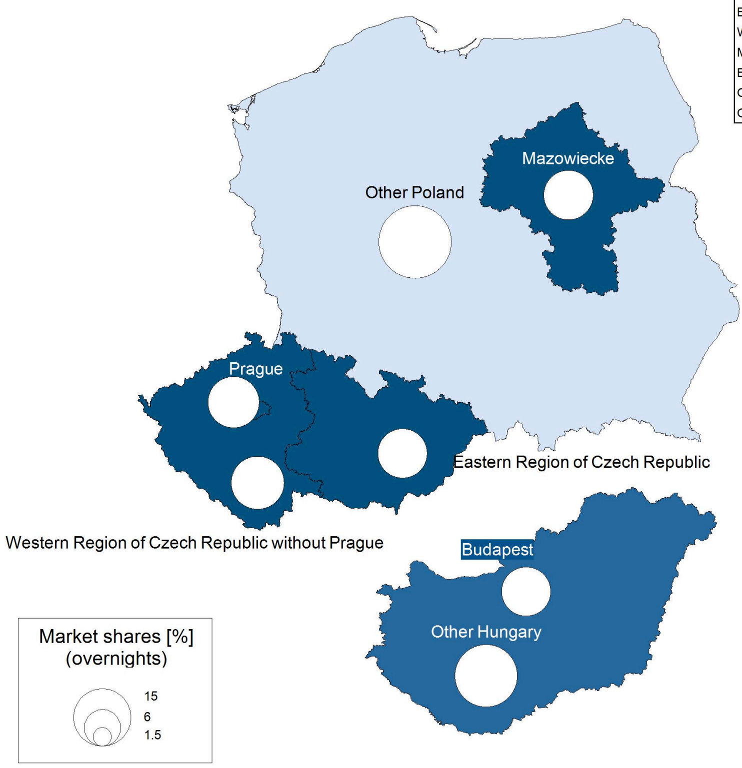
Research Report Poland, Czech Republic, Hungary.

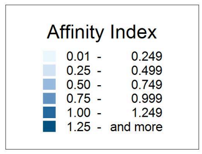
Market Analysis & Insights.

Market of origin: Poland, Czech Republic, Hungary

Poland, Czech Republic, Hungary	Share of: inhabitants	overnights	Affinity Index
Prague	2.0%	12.0%	5.92
Budapest	2.9%	11.0%	3.79
Western Region of Czech Republic without Prague	6.7%	12.8%	1.92
Mazowiecke	8.8%	11.2%	1.27
Eastern Region of Czech Republic	8.8%	11.1%	1.26
Other Hungary	14.3%	17.8%	1.24
Other Poland	56.4%	24.1%	0.43

Source: Tourism Monitor Switzerland 2013 / © Switzerland Tourism 2014





Polish, Czech and Hungarian tourists visiting Switzerland: their regions of origin.

Why invest in Poland: “Poland with 38 M inhabitants is the one of the few countries with positive growth of 3,3% in 2014. The growth rate for 2015 and 2016 is expected to be around 3,4%, followed by strengthening of middle class and upper middle class, resulting in more Poles travelling abroad. The rate of travels abroad is 26% (ca. 8,5 M) so there is still big potential for Switzerland as a travel destination. The growth of ON in 2014 was 5%, one of the biggest among all Europeran countries. The average length of stay is 3 days, almost the longest in the world. Polish tourists are visiting Switzerland equally in Summer and Winter (50/50%). Polish tourists are very attractive guests – they are travelling on regular basis, have wide interests, stay in hotels, spend quite high amount of money for additional excurions, shopping or in restaurants. They use mainly internet for booking their holiday – packages and accomodation, comparing the prices and looking for a bargain. Once going abroad they behave as tipical Western European tourists.

There are still many opportunities on the market to organize effective and visible promotions at relatively low costs. The label of Switzerland is very strong, recognizable and our campaigns with strong ST brand – very visible and creative, compare to other national tourist organisations present on the polish market ” (Adriana Czupryn, Market Manager Poland).

Why invest in Czech Republic: “Czechs are extraordinarily keen on traveling and enjoying holidays. Compare nr. of inhibitants and overnights above. Important part of overnights (58%) is in supplementary accommodation. Czech clients usually do not tend to have special demands and are therefore relatively easy to satisfy. Czech tourists come to

Switzerland either for active holidays in the mountains - winter (skiing/snowboarding) and summer (hiking, cycling and biking) or for roundtrips organized by travel agencies. Czech market has been growing steadily in the last 10 years and there is potential for further growth. The main goal is bringing Czech tourists to Switzerland for the first time since many like coming repeatedly after the first experience. Czechs don't mind traveling outside the main season – March, May, June, and September. They come mostly by a private car and stay for at least 4 days. The popularity of panoramic train tours has been growing in the last 5 years and this tendency seems to continue. For Czech people Switzerland is a dream destination with high affinity. Switzerland Tourism in Prague is not only active in the Czech Republic but in Slovakia as well. The growth of overnights for Czech Republic was +2,2% and for Slovakia +5,3% in 2014." (Alena Koukalova, Market Manager Czech Republic)

Quote of market manager: "Czech market has roughly the same overnight volume of accommodations (264.382 LN) than Poland that is bigger in nr. of inhibitants (268.387LN). In the first 3 months of 2014 there is a growth of overnights hotels from the Czech Republic +8,4% and from Slovakia +31,1%. Growth of overnights hotels from Czech Republic for whole 2014 is +2,2% and for Slovakia is growth +5,3%. Acording to statistics Czech tourists spend bigger amount of money than tourists from Poland."

Quote of market manager: "Even though the share of overnights in winter is steadily growing, summer has higher potential for the future, because there is a longer season – May-October and a wider range of reasons for visiting Switzerland. For Czech client there is main reason for visiting Switzerland in winter – skiing/snowboarding. Cross country skiing is recently becoming popular as well."

Quote of market manager: "The most popular regions are Zurich, Grisons, Lucern-Lake Lucern and Valais. High potential has Bernese Oberland and Bern Region, Lake Geneve Region and Eastern Switzerland. Destinations mentioned above are places, where travel agencies typically buy accommodation for their round trips. Travel agencies are permanently looking for new accommodation capacities for roundtrips – they search for 3star hotels with 45 beds in double rooms."

Quote of market manager: "In last few years Grisons invested in Czech market and it is noticeable in statistcs. Grisons and its regions are still higly interesting for Czech tourists and there is a big potencial."

Quote of market manager Czech Republic: "The main reason for Czechs to go to Switzerland are certainly high mountains – they like mountains and don´t have any in their own country, where the highest peek is 1.602 m. There are no lakes and waterfalls in the Czech Republic either. Czechs like the thermal spa and accommodation with a swimming pool even more than other nations. In wintertime they like accommodation on or close to slopes."

Quote of market manager Czech Republic: "Czechs like planing their holidays in advance and are looking forward to their holidays. At that time they read guidebooks and look up information needed for the holidays. They come prepared and they make their own travel books and photo galleries afterwards. That can work as an inspiration for their friends and our potential new clients.
It is for this reason we produce special issues about Switzerland with travel magazines, our guidebooks for Switzerland and print the brochures. Offers for summer need to be ready in January, for winter in September. In E-Marketing the PR articles with specific tips and offers are the most successful ones.

Quote of market manager Czech Republic: Having at least the welcome page of your websites in Czech is highly appreciated by Czechs, it does not cost much and we are ready to help you with it.

Czechs like short holidays – for Switzerland it should be at least 4 days. Czechs plan short holidays for national holidays combined with a weekend - 1.5., 8.5., 5.7., 6.7., 28.9., 28.10., 17.11. Your packages for this time will be successful.

Czechs like to go to the mountains and use cable cars and mountain railways, your „all inclusive"offers bring you new clients.

There are two new groups of clients from the Czech Republic - active 55+ people and group of young people. Active 55+ people is group of people (generation) that started their own firms after the Velvet revolution and are now getting retired, they have money and time. They are looking for comfortable active holidays in Europe, in low season with soft sports, such as hiking, nordic walking, cycling, cross country skiing etc. Second new group are young people who are looking for active and adventurous holidays with outdoor activities " (Alena Koukalova, Market Manager Czech Republic)

Why invest in Hungary: "Even though the economic situation in Hungary is not yet good, it has improved considerably – particularely in the upper middle class / upper class: travellers of this segment are interested and willing to spend money on holidays to Switzerland. Austria is attractive - but also very well known and common. Successful people and peers travel to Switzerland… Group- as well as FIT-operators are willing to extend their Switzerland program, media are interested in stories about our country. And new cross marketing partners offer new options with attractive conditions: an interesting and promising period to start (or continue) promotion-activities in Hungary for Swiss regions, destinations and touristic partners. (Urs Weber, Market Manager Austria/Hungary).

A1. Market attractiveness: Poland.

Market Opportunities

- **Past overnight development** is **very positive**.
- **High market potential** due to strong GDP growth and due to high share of young and first-time visitors.
- 29.2% of tourists from Poland visit Switzerland in **off-season.**
- **Length of stay** (3.0 nights) significantly above the average.
- Tourists from Poland tourists **strongly recommend the destination** visited (57.0%).

Market Challenges

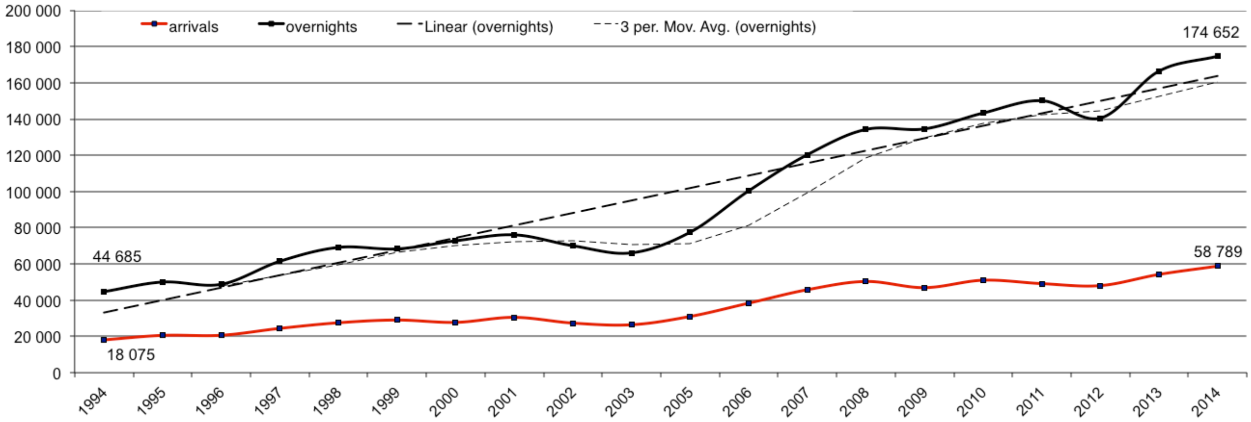
- Poland is a rather small market: it ranks **18th** in terms of total overnight volume and **24th** in terms of turnover.
- Expected decline between 0 and -5% until 2018.
- Decline in population

Quote of market manager: "Switzerland has a very positive image, also in terms of offers quality. A lot of Poles, who could actually afford their stay in Switzerland, still THINK that financially it is out of their reach. Our task is to convince them, that it is worth to visit Switzerland and not of their reach as they sometimes presume. We are also addressing tourists, who have already visited other West European contries. With Grand Tour of Switzerand we will attract more of them. The current stable exchange rate PLN/CHF helps a lot. The TOs react with the attractive offers, introducing new products as scenic routes by train or bike packages. Still a relatively small number of Poles travels abroad so the potential is high"

Dimensions of market attractiveness

Market size & turnover	PL		all markets abroad
overnight volume hotels 2014	174'652	(market share: 0.9%)	19'907'377
overnight volume all accommodations 2014	281'697	(market share: 0.9%)	30'494'294
daily expenditure 2014 p.p.	CHF 130		CHF 180
total turnover 2014	CHF 36.6 M	(market share: 0.7%)	CHF 5'584 M

Market growth			
mid-term: 2015-18 (prognosis)	-0-5%		+0-5%
short-term: 2013-14★★	+5.0%		+0.9%
mid-term: 2005-14★★	+125.4%	(9.5%per annum)	+8.7%
long-term: 1992-14 (regression trend) ★★★	strongly positive		slightly positive



Market potential / market dynamic			
share first-time visitors	46.0%	(HU/CZ/PL total)	33.4%
share visitors age < 35 years★★★	64.7%	(HU/CZ/PL total)	36.4%
GDP growth 2015-2019 cumulative★★	24.7%		18.1%
population growth 2010-2030 cumulative	-5.0%		21.2%

Price perception & sensitivity			
positive value for money-perception★★★	34.3%	(HU/CZ/PL total)	25.3%
not considering change in destination if 10% higher prices★	41.8%	(HU/CZ/PL total)	40.2%

Loyalty & active recommendation

6+ visits★	15.8%	(HU/CZ/PL total)	36.9%
active recommendation of destination★	57.0%	(HU/CZ/PL total)	53.5%

Miscellaneous

share off-season (April-May; Oct-Nov)★	29.2%		26.8%
diversification: market share of destinations *without* top 10★★	56.2%		55.9%
length of stay (hotel) ★★★	3.0		2.2

further information / source of data of section A1:

> market size: market analyses "Poland" based on SFSO visitor statistics p. 1, 2.
> daily expenditure: TMS-report "HU/CZ/PL" based on ST guest survey p. 13
> turnover: calculated by market size and daily expenditure (see above)
> prognosis: ST estimation based on Oxford Economics and BAKBasel
> market growth: market analyses "Poland" based on SFSO visitor statistics p. 1, 2.
> length of stay: market analyses "Poland" based on SFSO visitor statistics p. 2, 4.
> frequency visiting Switzerland: TMS-report "HU/CZ/PL" based on ST guest survey p. 34
> age: TMS-report "HU/CZ/PL" based on ST guest survey p. 15
> daily expenditure: TMS-report "HU/CZ/PL" based on ST guest survey p. 13
> GDP growth: http://en.wikipedia.org/wiki/List_of_countries_by_future_GDP_(PPP)_per_capita_estimates
> population growth: http://en.wikipedia.org/wiki/List_of_countries_by_past_and_future_population
> price sensitivity: TMS-report "HU/CZ/PL" based on ST guest survey p. 34
> active recommendation: TMS-report "HU/CZ/PL" based on ST guest survey p. 34
> positive value for money perception: TMS-report "HU/CZ/PL" based on ST guest survey p. 25f
> share off season: market analyses "Poland" based on SFSO visitor statistics p. 3.
> market share: market analyses "Poland" based on SFSO visitor statistics p. 5.
> length of stay: market analyses "Poland" based on SFSO visitor statistics p. 5.
> daily expenditure: TMS-report "HU/CZ/PL" based on ST guest survey p. 13

A2. Market attractiveness: Czech Republic.

Market Opportunities

- **Past overnight development** is **very positive.**
- **High market potential** due to strong GDP growth and due to high share of young and first-time visitors.
- Tourists from HU/CZ/PL **strongly recommend the destination** visited (57.0%).

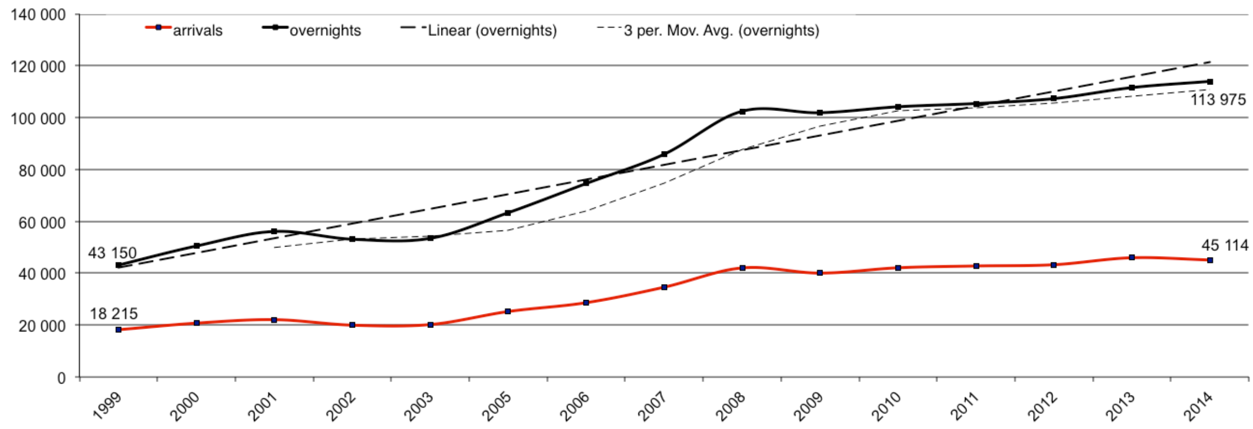
Market Challenges

- Czech Republic is a small market: it ranks **20th** in terms of total overnight volume and **23rd** in terms of turnover.
- Decline in population.
- Expected decline between 0 and -5% until 2018.

Quote of market manager: "Czech market has roughly the same overnight volume of accommodations (264.382 LN) than Poland that is bigger in nr. of inhibitants (268.387LN). In the first 3 months of 2014 there is a growth of overnights hotels from the Czech Republic +8,4% and from Slovakia +31,1%."

Dimensions of market attractiveness

Market size & turnover	CZ		all markets abroad
overnight volume hotels 2014	113'975	(market share: 0.6%)	19'907'377
overnight volume all accommodations 2014	270'083	(market share: 0.9%)	30'494'294
daily expenditure 2014 p.p.	CHF 140		CHF 180
total turnover 2014	CHF 38 M	(market share: 0.7%)	CHF 5'584 M
Market growth			
mid-term: 2015-18 (prognosis)	-0-5%		+0-5%
short-term: 2013-14★	+2.2%		+0.9%
mid-term: 2005-14★	+79.9%	(6.7% per annum)	+8.7%
long-term: 1992-14 (regression trend) ★★	strongly positive		slightly positive



Market potential / market dynamic			
share first-time visitors	46.0%	(HU/CZ/PL total)	33.4%
share visitors age < 35 years★★★	64.7%	(HU/CZ/PL total)	36.4%
GDP growth 2015-2019 cumulative★	17.9%		18.1%
population growth 2010-2030 cumulative	-5.6%		21.2%
Price perception & sensitivity			
positive value for money-perception★★★	34.3%	(HU/CZ/PL total)	25.3%
not considering change in destination if 10% higher prices★	41.8%	(HU/CZ/PL total)	40.2%
Loyalty & active recommendation			
6+ visits★	15.8%	(HU/CZ/PL total)	36.9%
active recommendation of destination★	57.0%	(HU/CZ/PL total)	53.5%

Miscellaneous

share off-season (April-May; Oct-Nov)	25.3%	26.8%
diversification: market share of destinations *without* top 10★★★	62.6%	55.9%
length of stay (hotel)★★	2.5	2.2

further information / source of data of section A2:

> market size: market analyses "Czech Republic" based on SFSO visitor statistics p. 1, 2.
> daily expenditure: TMS-report "HU/CZ/PL" based on ST guest survey p. 13
> turnover: calculated by market size and daily expenditure (see above)
> prognosis: ST estimation based on Oxford Economics and BAKBasel
> market growth: market analyses "Czech Republic" based on SFSO visitor statistics p. 1, 2.
> length of stay: market analyses "Czech Republic" based on SFSO visitor statistics p. 2, 4.
> frequency visiting Switzerland: TMS-report "HU/CZ/PL" based on ST guest survey p. 34
> age: TMS-report "HU/CZ/PL" based on ST guest survey p. 15
> daily expenditure: TMS-report "HU/CZ/PL" based on ST guest survey p. 13
> GDP growth: http://en.wikipedia.org/wiki/List_of_countries_by_future_GDP_(PPP)_per_capita_estimates
> population growth: http://en.wikipedia.org/wiki/List_of_countries_by_past_and_future_population
> price sensitivity: TMS-report "HU/CZ/PL" based on ST guest survey p. 34
> active recommendation: TMS-report "HU/CZ/PL" based on ST guest survey p. 34
> positive value for money perception: TMS-report "HU/CZ/PL" based on ST guest survey p. 25f
> share off season: market analyses "Czech Republic" based on SFSO visitor statistics p. 3.
> market share: market analyses "Czech Republic" based on SFSO visitor statistics p. 5.
> length of stay: market analyses "Czech Republic" based on SFSO visitor statistics p. 5.
> daily expenditure: TMS-report "HU/CZ/PL" based on ST guest survey p. 13

A3. Market attractiveness: Hungary.

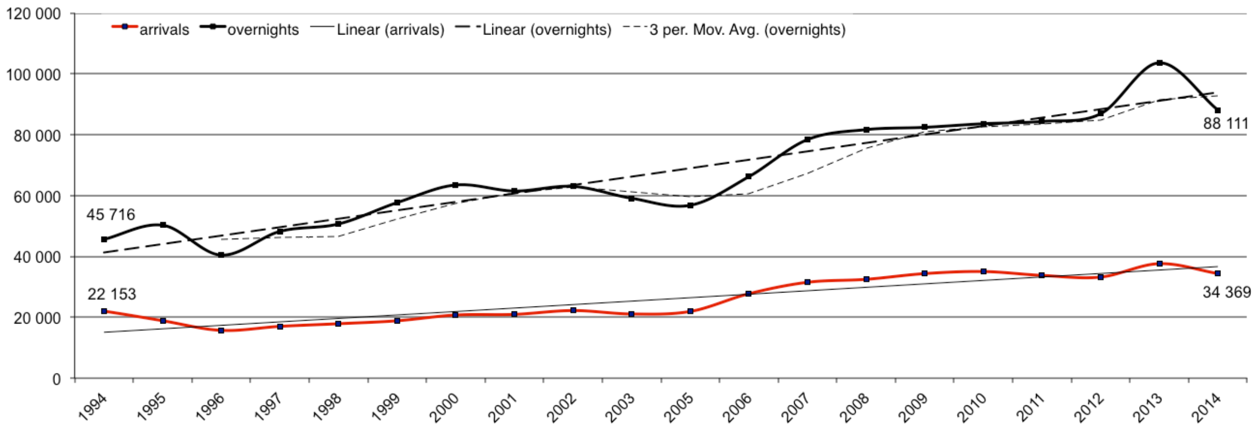
Market Opportunities
- **Past overnight development** is **very positive.**
- **High market potential** due to high share of young and first-time visitors.
- 30.4% of tourists from Hungary visit Switzerland on **off-season.**
- Tourists from HU/CZ/PL **strongly recommend the destination** visited (57.0%).

Market Challenges
- Hungary is a small market: it ranks **28th** in terms of total overnight volume and **31st** in terms of turnover.
- Decline in population
- Expected decline between -10 and -15% until 2018.

Quote of market manager: ”Hungarians are attracted by brand names of the touristic landscape – but interested to stay in places nearby, in order to get more for their money. Touring becomes more and more attractive – using also locations which do not belong to the “big- resp. brand-names”. The Grand Tour of Switzerland is a taylor-made-program for Hungarians. And the big difference to our (very succesful) competitor Austria: trips to Switzerland appear more attractive, have a lot higher prestige!”

Dimensions of market attractiveness

Market size & turnover	HU		all markets abroad
overnight volume hotels 2014	88’111	(market share: 0.4%)	19’907’377
overnight volume all accommodations 2014	123'925	(market share: 0.4%)	30'494'294
daily expenditure 2014 p.p.	CHF 110		CHF 180
total turnover 2014	CHF 14 M	(market share: 0.2%)	CHF 5’584 M
Market growth			
mid-term: 2015-18 (prognosis)	-10-15%		+0-5%
short-term: 2013-14	-15.0%		+0.9%
mid-term: 2005-14★	+55.1%	(5.0% per annum)	+8.7%
long-term: 1992-14 (regression trend) ★★	strongly positive		slightly positive



Market potential / market dynamic			
share first-time visitors	46.0%	(HU/CZ/PL total)	33.4%
share visitors age < 35 years★★★	64.7%	(HU/CZ/PL total)	36.4%
GDP growth 2015-2019 cumulative★	17.3%		18.1%
population growth 2010-2030 cumulative	-5.7%		21.2%

Price perception & sensitivity			
positive value for money-perception★★★	34.3%	(HU/CZ/PL total)	25.3%
not considering change in destination if 10% higher prices★	41.8%	(HU/CZ/PL total)	40.2%

Loyalty & active recommendation

6+ visits★	15.8%	(HU/CZ/PL total)	36.9%
active recommendation of destination★	57.0%	(HU/CZ/PL total)	53.5%

Miscellaneous

share off-season (April-May; Oct-Nov)★★	30.4%		26.8%
diversification: market share of destinations *without* top 10★	55.4%		55.9%
length of stay (hotel)★★	2.6		2.2

further information / source of data of section A3:

> market size: market analyses “Hungary” based on SFSO visitor statistics p. 1, 2.
> daily expenditure: TMS-report “HU/CZ/PL” based on ST guest survey p. 13
> turnover: calculated by market size and daily expenditure (see above)
> prognosis: ST estimation based on Oxford Economics and BAKBasel
> market growth: market analyses “Hungary” based on SFSO visitor statistics p. 1, 2.
> length of stay: market analyses “Hungary” based on SFSO visitor statistics p. 2, 4.
> frequency visiting Switzerland: TMS-report “HU/CZ/PL” based on ST guest survey p. 34
> age: TMS-report “HU/CZ/PL” based on ST guest survey p. 15
> daily expenditure: TMS-report “HU/CZ/PL” based on ST guest survey p. 13
> GDP growth: http://en.wikipedia.org/wiki/List_of_countries_by_future_GDP_(PPP)_per_capita_estimates
> population growth: http://en.wikipedia.org/wiki/List_of_countries_by_past_and_future_population
> price sensitivity: TMS-report “HU/CZ/PL” based on ST guest survey p. 34
> active recommendation: TMS-report “HU/CZ/PL” based on ST guest survey p. 34
> positive value for money perception: TMS-report “HU/CZ/PL” based on ST guest survey p. 25f
> share off season: market analyses “Hungary” based on SFSO visitor statistics p. 3.
> market share: market analyses “Hungary” based on SFSO visitor statistics p. 5.
> length of stay: market analyses “Hungary” based on SFSO visitor statistics p. 5.
> daily expenditure: TMS-report “HU/CZ/PL” based on ST guest survey p. 13

B. Customer preferences & trends.

Tourist needs: the most relevant and the most typical

- Relevance: The most relevant tourist needs of Central European tourists (HU/CZ/PL) are **mountains, nature, good price/benefit ratio,** vacation that are **interesting** and **historic experiences**.
- In terms of overrepresentation, Central Europeans typically like vacations that are **fascinating, hip or cool** and **interesting** on the one hand and **historic experiences** and **adventures** on the other hand.
- Wellness & beauty services, few/restricted traffic at destination and exclusivity are less important to Central European tourists compared to other tourists.
- Poles typically travel in **March** and **August**. **Winter** season has a share of 50.3%.
- Czechs typically travel in **July** and **August**. Main travel season is **summer** with a share of 58.3%.
- Hungarians typically travel in **July** and **August**. Main travel season is **summer** with a share of 61.8%.

Quote of market manager Czech Republic: ”Even though the share of overnights in winter is steadily growing, summer has higher potential for the future, because there is a longer season – May-October and a wider range of reasons for visiting Switzerland. For Czech client there is main reason for visiting Switzerland in winter – skiing/snowboarding. Cross country skiing is recently becoming popular as well.”

Quote of market manager Poland: ”For Polish people holiday means relaxation and active stay – biking, walking, trekking, skiing, visiting local attractions – museums, sites of culture. They are using extended weekends for short trips. With off season offers it is possible to achieve positive booking results. Also new flight connections (total WAW –ZRH 3 x daily by SWISS and from May 1st KRK – ZRH 3 x weekly) make Swizterland much easier reachable, also for city breaks and short vacations. According to my estimation and experience, „hospitality“ and „price benefit“ are two of the top priorities for Poles. With Grand Tour of Switzerland we can offer many new ideas for (re)discovering the country.”

Quote of market manager Hungary: ”Hungarians have a quite distinct preference for summerholidays in Switzerland. Touring becomes more and more attractive. Since the average age of Hungarian travellers is rather low, we are taking a closer look at their interest in outdoor-activities such as biking, hiking, climbing, swimming, skating. Further on, we support the implementation of new FIT-touroperating products with a smart combination of city & mountainside”

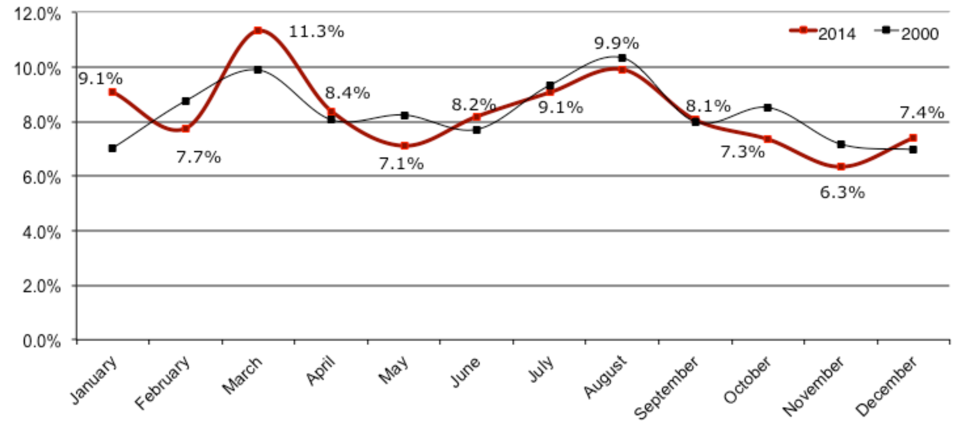
Tourist needs

top 10 (relevance)

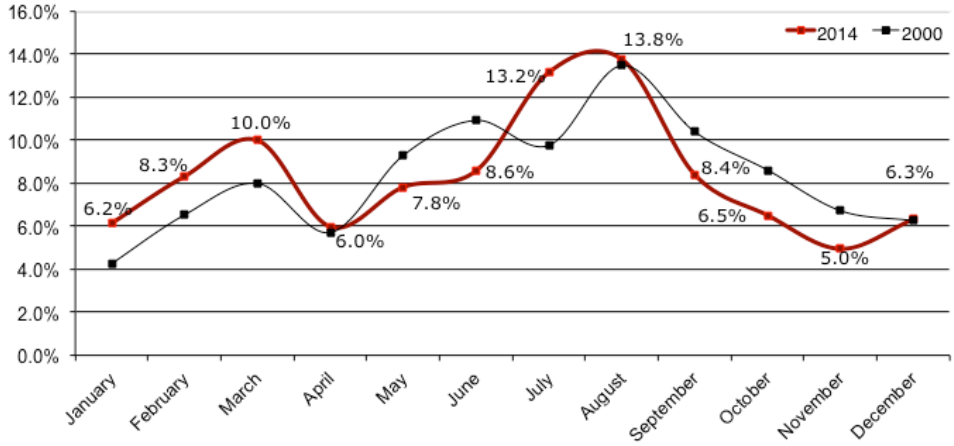
1.	mountains	>40%	6.	atmosphere	
2.	nature		7.	fascinating	
3.	good price / benefit ratio		8.	hospitality	
4.	interesting	>30%	9.	peace and quiet	
5.	historic experience value		10.	easy to reach	> 20%

	“typically HU/CZ/PL” (high affinity)		“untypically HU/CZ/PL” (low affinity)
1.	fascinating	1.	wellness & beauty services
2.	hip or cool	2.	few / restricted traffic at destination
3.	adventure	3.	exclusivity
4.	interesting	4.	recreational value
5.	historic experience value	5.	sport activities

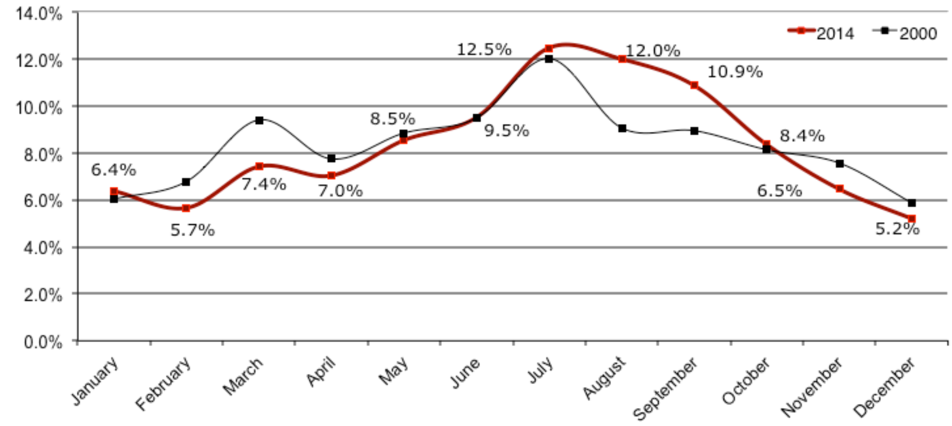
Poland: Monthly distribution of nights spent in Swiss hotels



Czech Republic: Monthly distribution of nights spent in Swiss hotels



Hungary: Monthly distribution of nights spent in Swiss hotels

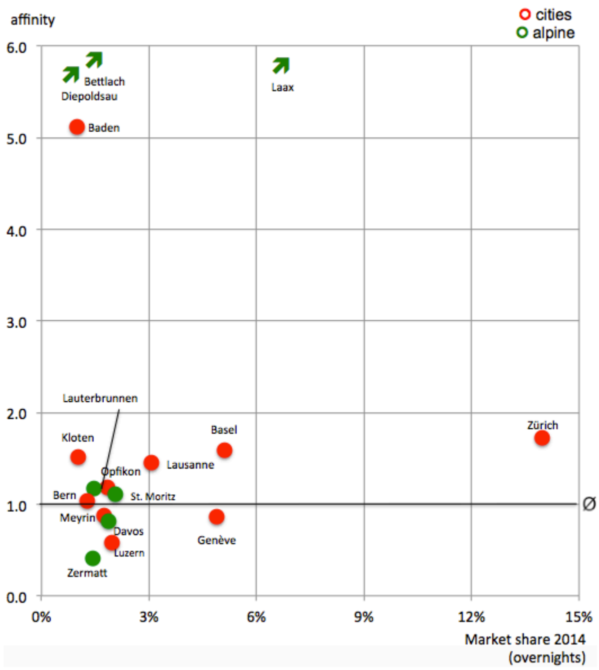


Tourism regions and destinations typically visited by Poles

- Poles typically prefer **rural zone** (affinity: 1.90 = overrepresentation of 90%) and **big cities** destinations (affinity: 1.35).
- In terms of overrepresentation (compared to other tourists), tourists from Poland typically visit **Basel Region, Zurich Region** and **Fribourg Region**. Top 3 tourism regions in terms of overnight volume: **Zurich Region, Grisons, Basel Region.**
- Destinations typically preferred by Poles are: **Diepoldsau** (affinity: 32.1) **Laax, Bettlach, Baden, Zürich, Basel** and **Kloten** (all of which with an affinity of > 1.50).

Quote of market manager Poland: "The reason why Bettlach and Diepoldsau are on the list is that those places are the stopovers of travel buses on their round trips trough Switzerland and to other countries, like France or Spain. Laax (the rock resort), with the exclusive contract, is the main winter offer destination in the catalogue of Zero Gravity, one very active, specialized in winter and Laax only, touroperator, which brings more than 2'000 Polish guests every season. Thanks to the flight connections offered by Easy Jet from Krakow to Basel 3 x weekly more and more Polish tourists are visiting Basel."

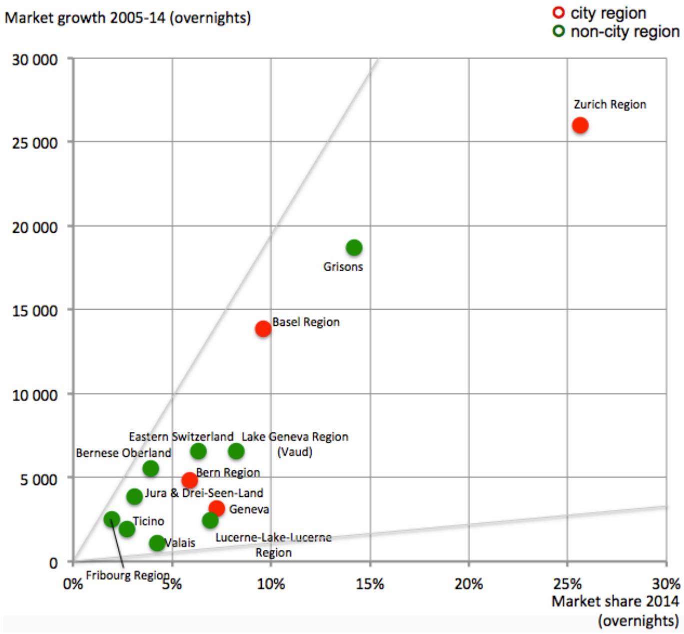
Poland: Market share and affinity to tourism regions / destinations

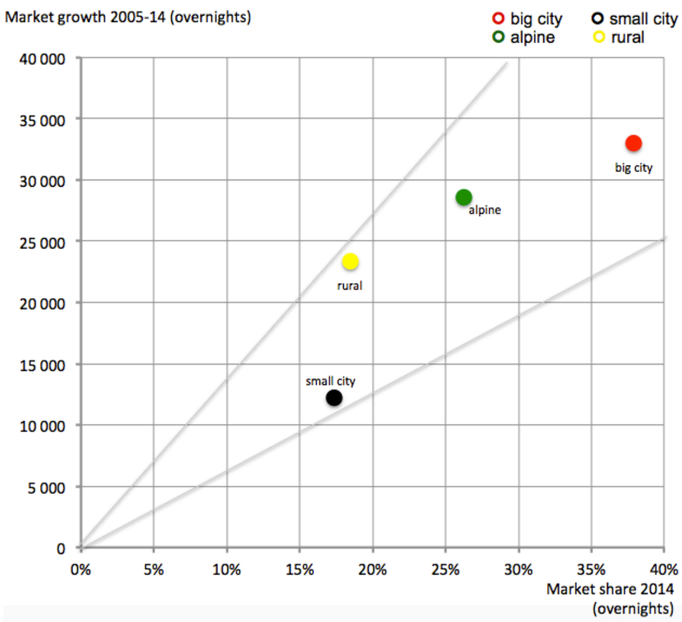


Tourism zone and region: overnight trends (Poland)

- **Rural zone** (+263.2%; +23'338 overnights) and **alpine zone** (+165.6%; +28'588 overnights) performed the best between 2005 and 2014 in terms of *relative* growth.
- *Absolute* growth in overnights: Of the Swiss tourism regions, **Zurich Region, Grisons** (>18'000) and **Basel Region** gained at least 13'000 overnights since 2005. Top winning destinations are: **Zurich, Laax, Basel** and **Lausanne**.

Poland: Market growth and market size of tourism zones / regions





further information / source of data of section B:

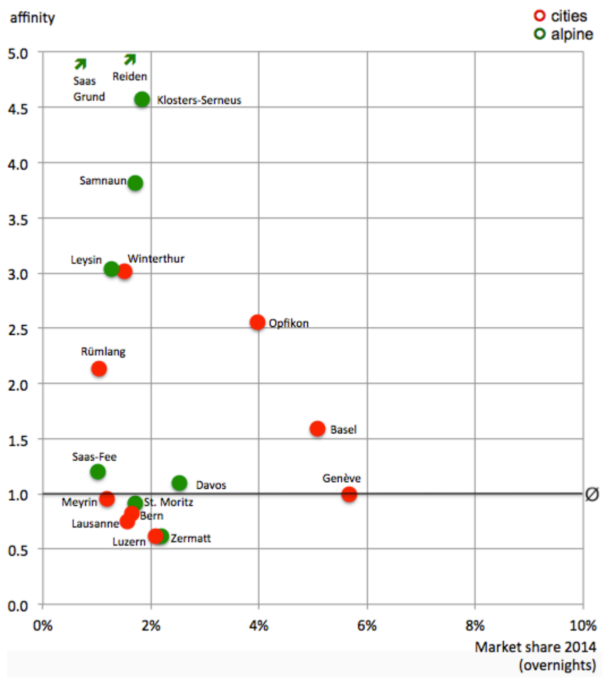
> tourist needs: TMS-report "HU/CZ/PL" based on ST guest survey p. 23f.
> tourist activities: TMS-report "HU/CZ/PL" based on ST guest survey p. 19-22
> market share: market analyses "Poland", "Czech Republic" and "Hungary" based on SFSO visitor statistics p. 5-9
> market affinity: market analyses "Poland", "Czech Republic" and "Hungary" based on SFSO visitor statistics p. 5-9
> market growth: market analyses "Poland", "Czech Republic" and "Hungary" based on SFSO visitor statistics p. 5-9

Tourism regions and destinations typically visited by Czechs

- Czechs typically prefer **big cities** (affinity: 1.27 = overrepresentation of 27%) and **rural** destinations (affinity: 1.22).
- In terms of overrepresentation (compared to other tourists) tourists from Czech Republic typically visit **Jura & Drei-Seen-Land, Zurich Region** and **Basel Region**. Top 3 tourism regions in terms of overnight volume: **Zurich Region, Grisons** and **Valais.**
- Destinations typically preferred by Czechs are: **Reiden** (affinity 57.4) **Saas-Grund, Klosters-Serneus, Samnaun, Leysin, Winterthur, Opfikon** and **Rümlang** (all of which with an affinity of > 2.00)

Quote of market manager: "The most popular regions are Zurich Region, Grisons, Lucern-Lake Lucern and Valais. High potential has Bernese Oberland and Bern Region, Lake Geneve Region and Eastern Switzerland. Destinations mentioned above are places, where travel agencies typically buy accommodation for their round trips. Travel agencies are permanently looking for new accommodation capacities for roundtrips – they search for 3star hotels with 45 beds in double rooms."

Czech Republic: Market share and affinity to tourism regions / destinations

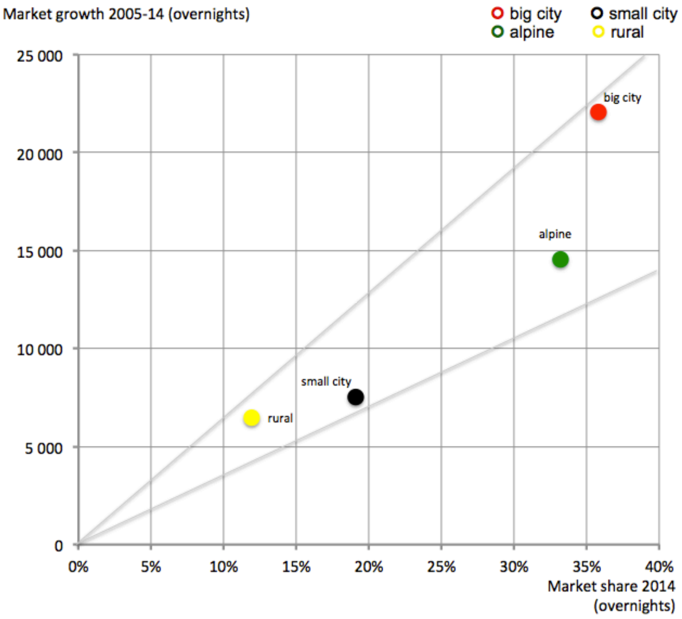


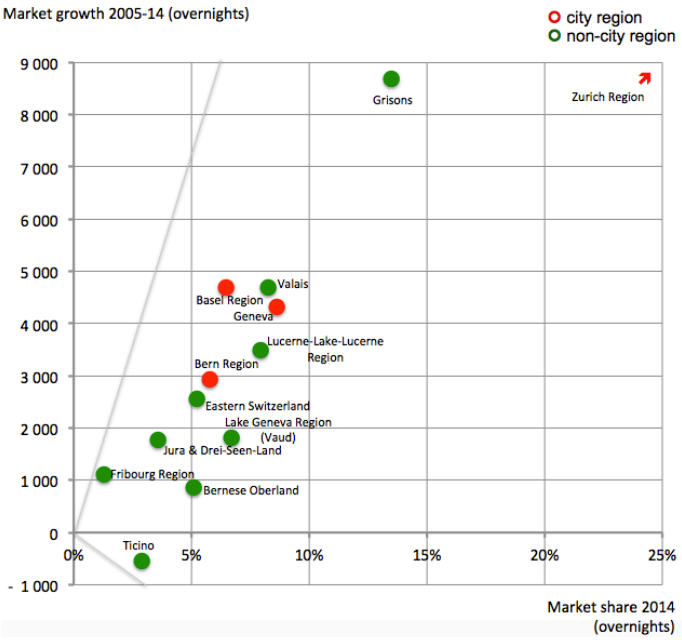
Tourism zone and region: overnight trends (Czech Republic)

- **Big cities** (+117.7%; +22'076 overnights) and **rural zone** (+92.1%; +6'499 overnights) performed the best between 2005 and 2014 in terms of *relative* growth.
- *Absolute* growth in overnights: Of the Swiss tourism regions, **Zurich Region** and **Grisons** gained at least 8'000 overnights since 2005. Top winning destinations are: **Zurich, Basel,** and **Opfikon**.

Quote of market manager: "In last few years Grisons invested in Czech market and it is noticeable in statistcs. Grisons and its regions are still higly interesting for Czech tourists and there is a big potencial."

Czech Republic: Market growth and market size of tourism zones / regions





further information / source of data of section B:

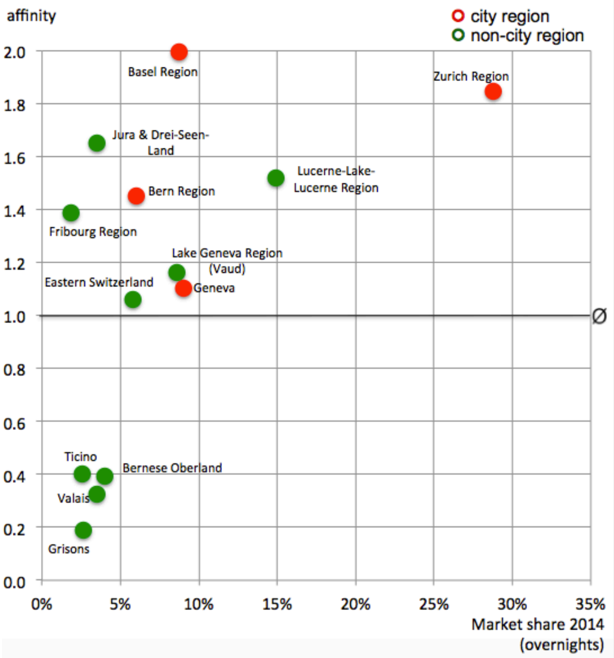
> tourist needs: TMS-report "HU/CZ/PL" based on ST guest survey p. 23f.
> tourist activities: TMS-report "HU/CZ/PL" based on ST guest survey p. 19-22
> market share: market analyses "Poland", "Czech Republic" and "Hungary" based on SFSO visitor statistics p. 5-9
> market affinity: market analyses ""Poland", "Czech Republic" and "Hungary" based on SFSO visitor statistics p. 5-9
> market growth: market analyses "Poland", "Czech Republic" and "Hungary" based on SFSO visitor statistics p. 5-9

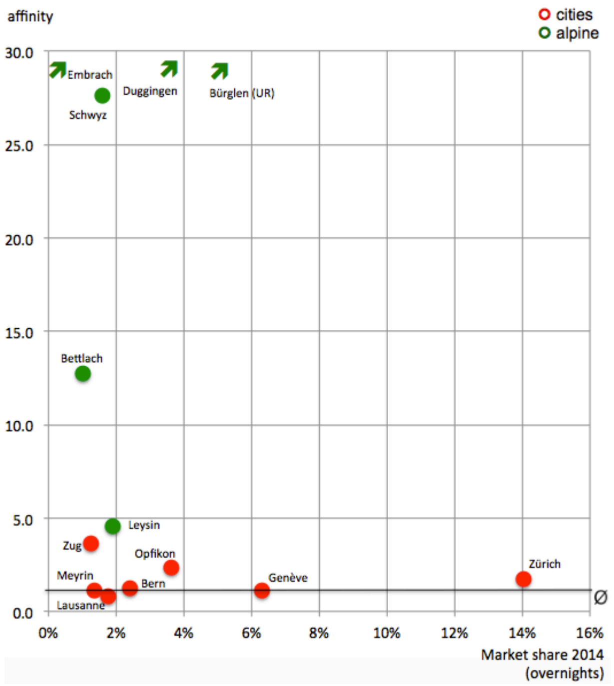
Tourism regions and destinations typically visited by Hungarians

- Hungarians typically prefer **rural zone** (affinity: 2.00 = overrepresentation of 100%) and **big cities** (affinity: 1.42).
- In terms of overrepresentation (compared to other tourists) tourists from Hungary typically visit **Basel Region, Zurich Region** and **Jura & Drei Seen Land**. Top 3 tourism regions in terms of overnight volume: **Zurich Region, Lucerne / Lake Lucerne** and **Geneva.**
- Destinations typically preferred by Hungarians are: **Bürglen (UR), Duggingen** (aff. >50.0), **Embrach, Schwyz, Bettlach, Leysin** and **Zug** (all of which with an affinity of > 3.50).

Quote of market manager: "Switzerland itself is as a brand already very attractive – which means that also yet rather unknown areas attract visitors from this country. Additionally, Hungarians stay also in places close to the "top brands", i.e. Saas Grund, Täsch, Interlaken in winter, Lauterbrunnen in summer, etc. in order to save money."

Hungary: Market share and affinity to tourism regions / destinations



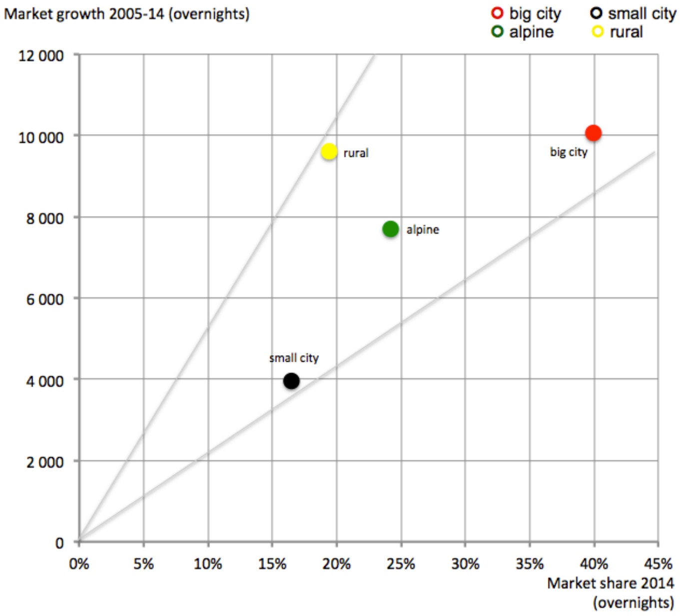


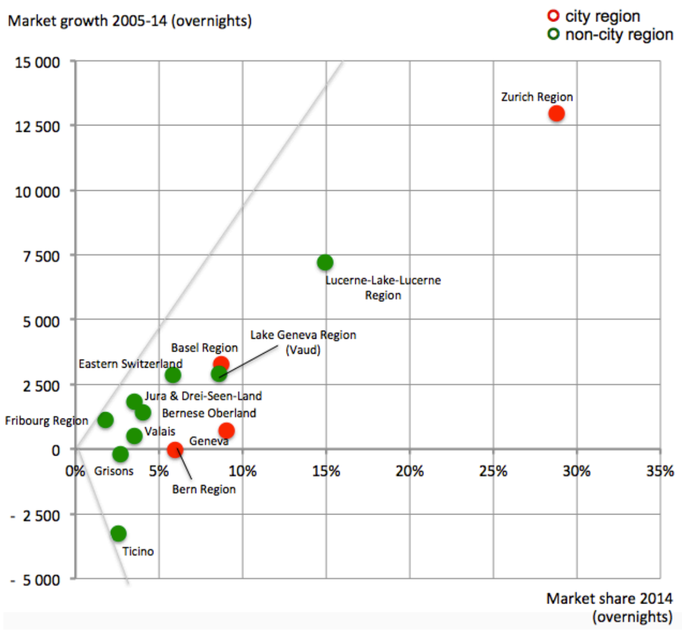
Tourism zone and region: overnight trends (Hungary)

- **Rural zone** (+127.8%; +9'606 overnights) and **Alpine zone** (+56.8%; +7'711 overnights) performed the best between 2005 and 2014 in terms of *relative* growth.
- *Absolute* growth in overnights: Of the Swiss tourism regions, **Zurich Region, Lucerne / Lake Lucerne** and **Basel Region** gained at least 3'000 overnights since 2005. Top winning destinations are: **Zurich, Duggingen** and **Opfikon.**

Quote of market manager Hungary: "Hungarians are no Switzerland-specialists yet – many first time visitors. Investing money in marketing-activities is worthwhile – as you can see with the top three growth-winners from the last years. And they tend to visit places which fullfil their typical image of Switzerland – mountains, lakes, cheese, chocolate, pocket knives. Shopping, attractive old towns, excursions, day-trips to highlights such as Zermatt, Jungfraujoch, Rhinefall, etc. are attractive for visitors from Hungary."

Hungary: Market growth and market size of tourism zones / regions





further information / source of data of section B:

> tourist needs: TMS-report "HU/CZ/PL" based on ST guest survey p. 23f.
> tourist activities: TMS-report "HU/CZ/PL" based on ST guest survey p. 19-22
> market share: market analyses "Poland", "Czech Republic" and "Hungary" based on SFSO visitor statistics p. 5-9
> market affinity: market analyses "Poland", "Czech Republic" and "Hungary" based on SFSO visitor statistics p. 5-9
> market growth: market analyses "Poland", "Czech Republic" and "Hungary" based on SFSO visitor statistics p. 5-9

C. Strengths of destination.

Top strengths seen by tourists from Central Europe (HU/CZ/PL)

- **Nature, mountains** as well as "easy to reach", **panorama/scenery/landscape** and **water (rivers, lakes, waterfalls etc.)** are the most often mentioned tourist strengths seen by tourists from HU/CZ/PL.
- In terms of overrepresentation (compared to other tourists), **foreign language skills**, **tourist attractions** and **architecture** are typically strengths seen by tourists from HU/CZ/PL

Quote of market manager Austria/Hungary: "Besides the natural beauty of Switzerland, please do not forget about the prestige-value of trips to Switzerland! Travelling to Austria is nice – but nothing to write home about. Citytrips, touring, outdoor-activities to Switzerland are just something different."

Quote of market manager Czech Republic: "The main reason for Czechs to go to Switzerland are certainly high mountains – they like mountains and don´t have any in their own country, where the highest peek is 1.602 m. There are no lakes and waterfalls in the Czech Republic either. Czechs like the thermal spa and accommodation with a swimming pool even more than other nations. In wintertime they like accommodation on or close to slopes."

Quote of market manager Poland: "Switzerland´s top strength in Poland is the immaculate reputation of a beautiful country with great nature and high mountains. Nobody disputes over that. Typical brands like cheese, watches, trains and chocolate have very positive connotations, too. There is always a kind of admiration when talking about Switzerland."

Strengths of destination

top 10 (relevance)

1.	nature	> 9%	6.	public transportation	
2.	mountains		7.	culture / variety of cultural events	
3.	easy to reach / centrally located		8.	atmosphere	
4.	panorama / scenery / landscape		9.	friendly / welcoming / charming	
5.	water	> 5%	10.	cleanliness	> 3%

"typically HU/CZ/PL" (high affinity)

1.	foreign language skills / information in	4.	museums / gallerias / exhibits
2.	tourist attractions / points of interest	5.	natural attractions
3.	architecture		

further information / source of data of section C:
> strengths of destination: TMS-report "HU/CZ/PL" based on ST guest survey p. 27f.
> image of destination: TMS-report "HU/CZ/PL" based on ST guest survey p. 25f.
> guest satisfaction: TMS-report "HU/CZ/PL" based on ST guest survey p. 25f.

D. Marketing communication.

Most appropriate marketing messages for the source markets "PL, CZ, HU"

- Top marketing / communication messages with high relevance *and* high affinity for HU/CZ/PLans are: **nature, panorama &landscape, mountains, easy to reach** and **interesting** (top right corner)
- Marketing / communication messages with high relevance but rather low affinity for tourists from HU/CZ/PL is: **good price / benefit ratio** (bottom right corner)
- Marketing / communication messages with medium relevance but high affinity for tourists from HU/CZ/PL are: **adventurous vacations, tourist attractions, architecture, history** and **water** (top left corner)
- Top sources of information are: **word of mouth**, **guidebooks** and **MySwitzerland.com**. MySwitzerland.com and brochures of Switzerland Tourism rank 3rd and 8th respectively of a total of 28 sources of information.

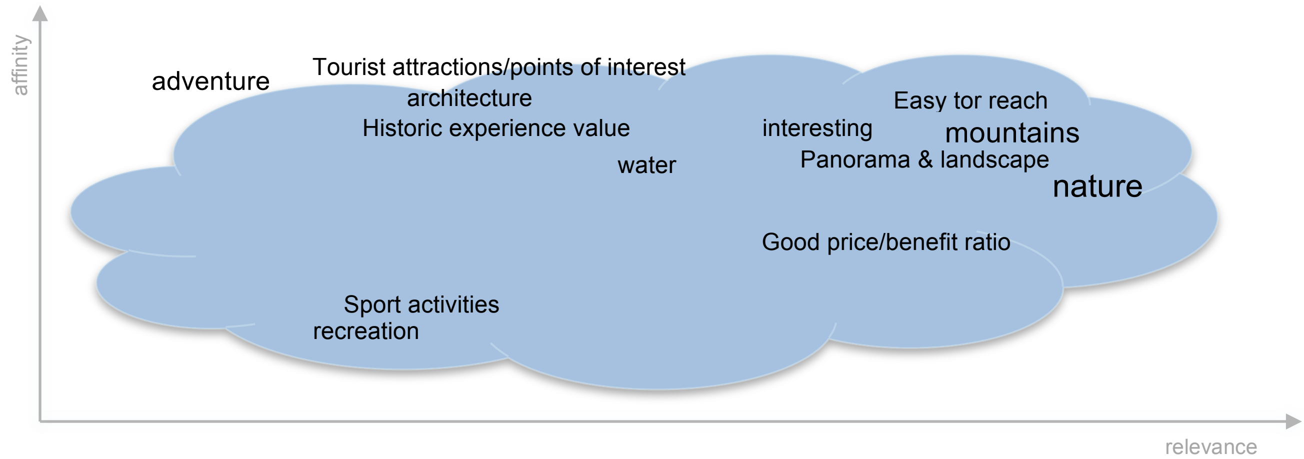
Quote of market manager Czech Republic: "Czechs like planing their holidays in advance and are looking forward to their holidays. At that time they read guidebooks and look up information needed for the holidays. They come prepared and they make their own travel books and photo galleries afterwards. That can work as an inspiration for their friends and our potential new clients.

It is for this reason we produce special issues about Switzerland with travel magazines, our guidebooks for Switzerland and print the brochures. Offers for summer need to be ready in January, for winter in September. In E-Marketing the PR articles with specific tips and offers are the most successful ones."

Quote of market manager Poland: "Thanks to the joint promotions under the Swiss label and corporate design we can achive great visibilty and recognisability on the market. Online channels (also mobiles) and social media as well as direct mail should be used, also brochures/maps as inserts are effective. With a new travel guide about Grand Tour and its promotion by the biggest Polish publisher, Agora, we will offer a profesional written product and gain more awareness. PR Texts should be translated into Polish by professionals, marketing has to be creative and innovative in order to be effective. Added value should always be underlined when presenting any offer. Internet is for Polish people the main source of booking and comparing offers. They also check blogs and forums, search engines as well as regions and destiantions sites. They are planning their holiday 1-4 month in advance, but often making final decision – about one month before actual stay."

Quote of market manager Hungary: "Guidebooks have an important influence, same as regular media coverage. But especially word-of-mouth and peergroup-choices have a big influence on the travel decissions of the Hungarian – decissions which usually are made close to the actual holidays. With an integrated approach using online, print, key accounts, partners (such as SWISS, Victorinox, Ricola, La Prairie. Swiss Cheese Marketing) we try to accompany and influence these customers permanently."

Marketing messages (tourist needs / destination strengths seen by tourists from PL, CZ and HU)



Information sources (strong influence: 8-10 on a 10-point scale)

top 10 (relevance)

1. word of mouth — > 70%
2. guidebooks — > 35%
3. mySwitzerland.com
4. report in a newspaper / magazine about Switzerland
5. internet site of accommodation
6. internet site of a regional/local tourist organisation
7. report on TV/radio about Switzerland — > 20%
8. brochure, leaflet.. from Switzerland Tourism
9. report in a newspaper/magazine about destination
10. brochure, leaflet.. from accommodation — > 15%

"typically HU/CZ/PL" (high affinity)

1. guidebooks
2. word of mouth
3. report in a newspaper / magazine about Switzerland
4. brochure, leaflet.. from Switzerland Tourism
5. report on TV/radio about Switzerland

further information / source of data of section D:

> strengths of destination: TMS-report "HU/CZ/PL" based on ST guest survey p. 27f.
> tourist needs: TMS-report "HU/CZ/PL" based on ST guest survey p. 23f.
> sources of information: TMS-report "HU/CZ/PL" based on ST guest survey p. 16.

E. Good to know: practical information from market manager.

Quote of market manager Hungary: “Hungary is a marathon – not a short sprint. So a continous presence over several years is crucial! Since the media coverage in the recent years could be attractively expanded, the interest and demand for holidays to Switzerland is increasing. And the tour operators are interested and willing to co-operate… The economic situation particularely for our target group (upper middle- and upper class) has improved; they tend to come even more frequently to Switzerland!”

Keep in mind the important national bank holiday March 15: particularely if this is a Monday, Tuesday, Thursday or Friday

Quote of market manager Czech Republic: “Having at least the welcome page of your websites in Czech is highly appreciated by Czechs, it does not cost much and we are ready to help you with it.
Czechs like short holidays – for Switzerland it should be at least 4 days. Czechs plan short holidays for national holidays combined with a weekend - 1.5., 8.5., 5.7., 6.7., 28.9., 28.10., 17.11. Your packages for this time will be successful.
Czechs like to go to the mountains and use cable cars and mountain railways, your „all inclusive“offers bring you new clients.
There are two new groups of clients from the Czech Republic - active 55+ people and group of young people. Active 55+ people is group of people (generation) that started their own firms after the Velvet revolution and are now getting retired, they have money and time. They are looking for comfortable active holidays in Europe, in low season with soft sports, such as hiking, nordic walking, cycling, cross country skiing etc. Second new group are young people who are looking for active and adventurous holidays with outdoor activities.”

Quote of market manager Poland: “Do not use Poles simply for filling in some gaps. Tourists pay a lot of money and expect to get a good quality products, especially from Switzerland. They are willing to spend money on holiday, enjoy local offers, visiting shops and restaurants, but still like bargains and insider tips. They want/expect flexibility according to their needs.

Be present on the market at least for three years in order to bulid up the position on your destiantion. Be also prepare for more Polish tourist during the long weekend in May (1 & 3 are the bank holidays), around Corpus Christi and August 15th.

Poles see themselves as Central Europeans. Please also do not call them tourists from “Eastern Europe” and don’t try to speak Russian with them which in Poland is being understood as an insult and as a form of ignorance – Poland is a member of the European Union since 2004 and Russia, Belarus or Ukraine are another world for Polish people. Geographically and now also politically Poles are in the Central Europe.

Polish tourists expect specific Information (no PR language) and they like to be able to calculate offers and plan costs in advance. A lot of them carry laptops and expect free WiFi (WLAN) access in hotels. It is important to communicate in the correct local language, so let professionals translate your texts.”

F. Further information.

> travel group: TMS-report “HU/CZ/PL” based on ST guest survey p. 7
> touring share: TMS-report “HU/CZ/PL” based on ST guest survey p. 7
> means of transport: TMS-report “HU/CZ/PL” based on ST guest survey p. 8, 12
> airport & airline: TMS-report “HU/CZ/PL” based on ST guest survey p. 8-11
> booking behavior: TMS-report “HU/CZ/PL” based on ST guest survey p. 18
> image of destination: TMS-report “HU/CZ/PL” based on ST guest survey p. 25f.
> guest satisfaction: TMS-report “HU/CZ/PL” based on ST guest survey p. 32f.
> share suppelementary accommodation / hotel star categories: market analyses “Poland”, “Czech Republic” and “Hungary” based on SFSO visitor statistics p. 1, 8

> all information available on our partner website: http://www.stnet.ch

G. Key.

Overrepresentation:	★	moderate overrepresentation
	★★	strong overrepresentation
	★★★	very strong overrepresentation (top 10%)

The **affinity** of a certain market to a certain tourism region / destination indicates the factor by which the market share is over- or underrepresented in this region / destination (based on its market share in Switzerland):
e.g. affinity of 1.4 = 40% overrepresentation
e.g. affinity of 1.0 = market share in region / destination equals market share in total CH
e.g. affinity of 0.8 = 20% underrepresentation

H. Contact information.

Poland:

Adriana Czupryn
Market Manager Poland
Switzerland Tourism
c/o Ambasada Szwajcarii
Aleje Ujazdowskie 27
PL-00-540 Warszawa

adriana.czupryn@switzerland.com
0048 22 628 04 81

Czech Republic:

Alena Koukalova
Market Manager Czech Republic
Switzerland Tourism
c/o HST Obchodní komora Švýcarsko - Česká republika
Jankovcova 1569/2c
CZ-170 00 Praha 7

alena.koukalova@switzerland.com
00420 222 521 125

Hungary:

Urs Weber
Market Manager Österreich/Ungarn
Schweiz Tourismus
Schwindgasse 20
AT-1040 Wien

urs.weber@switzerland.com
0043 1 513 26 40 11