



HomeAway UK Marketplace Report Second Half 2010

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Dubai's revival & Morocco's continued strong growth

After a tumultuous few years during the economic crisis, with property prices plummeting and tourism struggling, HomeAway.co.uk reports that the **Dubai** holiday rentals market is showing definite signs of recovery. The revival of the global economy, coupled with an increase in the number of flights, a slow return of investors and improved infrastructure (such as new roads and the newly opened Metro) are putting Dubai back on the map.

On www.HomeAway.co.uk, after year-on-year growth of 60% and 61% in 2007 and 2008 respectively, total enquiries to Dubai property owners plummeted by 16% in 2009. However in Q4 2010 they grew 26% compared to Q4 2009 and for the whole year, recovered by 5%. Dubai was also among the top ten most enquired about cities during the second half of 2010 on the website.

Andy Dukes, a client with several luxury villas on HomeAway.co.uk, reports a huge increase in business over the last year and also managed to grow his portfolio of villas from four in 2009 to ten by the end of 2010, all the while maintaining high occupancy levels. Andy comments, "Effectively our business has increased by 250% in the period. We also experienced a huge post New Year rush, taking US\$180,000 of bookings in the first three weeks of January alone."

Another city that performed well during the second half of 2010 was **Marrakech**, which, although it wasn't in the top ten, was the 13th most popular city, showing its continued strong growth as a popular tourist destination in recent years. The introduction of new flights by easyJet and Ryanair, as well as the planned launch of British Airways flights from London to Marrakech in March 2011, have also made it an appealing and accessible option for property investors too.

Fastest growing markets for demand

A number of countries in the **Caribbean** and **Central America** topped the charts during the second half of 2010 on HomeAway.co.uk, suggesting a strong interest in exotic locations and a recovery of long-haul travel. According to the European Travel Commission's Q4 2010 report, last year long haul markets such as Japan, the USA and Canada were aided by a weaker Euro and further improvements are definitely evident.

Top 10 cities*

1. London
2. New York
3. Paris
4. Barcelona
5. Nice
6. Dubai
7. Bruges
8. Amsterdam
9. Berlin
10. Prague

**in terms of growth in booking enquiries during the second half 2010*

Top 10 emerging markets*

1. Guadeloupe
2. Virgin Islands (US)
3. Turks & Caicos
4. Costa Rica
5. Cayman Islands
6. Aruba
7. Mexico
8. Iceland
9. Puerto Rico
10. Egypt

**in terms of growth in booking enquiries during the second half 2010*



Germany, a new favourite for ski?

According to the European Travel Commission's Q4 2010 report, a key trend in 2010 was growth beating expectations in emerging economies as well as in certain developed markets such as **Germany**, in contrast to continuous stagnation in the 'peripheral' Eurozone countries. The report highlights Germany as one of the best performing markets, a trend mirrored on www.HomeAway.co.uk, where it climbed from the 12th most popular country in the second half of 2009 to the 9th most popular during the second half of 2010.

In addition, the mountain resort town of **Garmisch-Partenkirchen** in Bavaria ranked sixth out of the top ten most popular ski destinations on HomeAway.co.uk. The German resort came in above Samoens, Tignes and Meribel in France, and Haute Nendaz in Switzerland. Host to a variety of World Cup ski races, the resort has some of the best skiing areas in the country and was also recently voted the 'best emerging destination' in the world in TripAdvisor's Travelers' Choice rankings for 2010.

*Top 10 ski destinations**

1. Chamonix – Mont Blanc
2. Morzine – Portes du Soleil
3. Saas Fee – Valais
4. Les Houches – Mont Blanc
5. Zermatt – Valais
6. Garmisch-Partenkirchen – Bavaria
7. Samoens – Haute Savoie
8. Tignes – Val d'Isère
9. Haute-Nendaz – 4 Valleys
10. Meribel – The Three Valleys

**in terms of growth in booking enquiries during the second half 2010*

South Africa's post World Cup boom

Half a year on from the 2010 World Cup and **South Africa** is still reaping the benefits of the event. HomeAway.co.uk has continued to see strong inventory growth in the country and there is definite proof of sustained demand, with a 50% increase in total enquiries in January 2011 compared to January 2010.





Top 10 growth markets for supply

Increased listings in Egypt, Turkey & Malta, plus unexpected growth for Greece, Portugal & Ireland

Egypt, Turkey and Malta continued to grow, in terms of property listings on HomeAway.co.uk, following sustained growth over the past two years. Before the recent crisis in Egypt, both supply and demand for holiday rentals were growing rapidly and it was one of the best performing destinations during the second half of 2010. Even in spite of recent events, both enquiries per property and total enquiries for Egypt were both up in January 2011 v. January 2009. Turkey and Malta also continued to perform well and were 9th and 10th respectively among the top ten destinations for inventory growth on HomeAway.co.uk.

Portugal and Ireland, the 'peripheral Eurozone countries' as described by the European Travel Commission, also saw a steady growth in the second half of 2010, with 19% and 17% increases in listings respectively in the second half of 2010, despite their struggle to overcome the financial crisis.

Surprisingly, it seems the global recession has actually had a positive effect on the **Greek** holiday rentals market, as travellers looked for cheaper accommodation alternatives. Holiday home owners advertising on HomeAway.co.uk have hardly noticed any negative impact on bookings; on the contrary, some of them have experienced unexpected growth. Jo Kirk, owner of a stone house in Rhodes commented, "We have been renting out our property for three years now. The first year we only had a few guests, but during 2009 we were booked for about 8 weeks of the season, and then in 2010 we were almost fully booked between April and October with 22 weeks occupancy."

Another rising destination was **Montenegro**, which saw a strong 31% increase in the number of property listings on HomeAway.co.uk in the second half of 2010. The country was also the fastest growing destination for British, French, German and American travellers in 2010, according to the European Travel Commission.

*Top 10 destinations**

1. Jamaica (+85%)
2. Netherlands (+55%)
3. South Africa (+45%)
4. Montenegro (+31%)
5. Greece (+30%)
6. Egypt (+29%)
7. Croatia (+28%)
8. Bali (+28%)
9. Turkey (+24%)
10. Malta (+23%)

** in terms of inventory growth on HomeAway.co.uk during the second half 2010*





London calling – the Olympic effect

It might still seem a long while until the onset of the 2012 London Olympics, but the countdown has begun and travellers are beginning to look for London accommodation well in advance. In fact, on HomeAway.co.uk, enquiries started to increase towards the end of 2010 and there was a huge increase in enquiries for the Olympics dates as at the end of January 2011 compared to January 2010 (+3,804%), compared to just a 5% increase in enquiries for the same dates in January 2010 compared to January 2009.

Properties near the Olympics sites, or in central zones within easy reach of transport links and London's prime attractions are most in demand and, despite the fact that owners will charge premium rates, holiday apartment rentals in London will still offer an extremely cost-effective option during the Olympics, most likely working out around half the cost of similar standard hotels.



Top 10 London boroughs for the 2012 Olympics*

1. Westminster & West End
2. Greenwich
3. Camden & Covent Garden
4. Kensington & Chelsea
5. Canary Wharf & Docklands
6. Hammersmith & Fulham
7. Islington
8. South Bank & Southwark
9. City of London Financial District
10. Putney & Wandsworth

**in terms of number of enquiries on HomeAway.co.uk during the second half 2010*

About HomeAway, Inc.

HomeAway is the worldwide leader of the online holiday rentals market, representing over 540,000 vacation rental home listings across more than 120 countries. The company has contributed significantly to the popularity of holiday home rentals, making it easier than ever for both owners to advertise and profit from their second homes and for millions of travellers to find the perfect holiday rental. HomeAway operates sites in 11 European countries, including HomeAway Holiday-Rentals and Owners Direct in the UK, plus the market-leading sites in the USA and Brazil.