

The Untapped German Goldmine.

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FRANKFURT and DREIEICH, Germany, Nov. 13 /PRNewswire/ -- The German gay and lesbian community is one of the highest opportunity target groups within the travel category worldwide. Only a few brands have recognized and begun to capitalize on this truly "untapped goldmine." Communigayte, the first full service gay marketing and advertising agency servicing the German market, is led by two seasoned professionals and is available to assist clients across all product categories to market and advertise to this lucrative group.

Germans spend more on international travel than any other nationality in the world: according to the UNWTO, a whopping \$71 Billion (57.1 Billion Euros) in 2004. Germans even outspent the USA (\$66 Billion) -- despite having less than a third the population. According to the estimates from the Dresdner Bank, this trend continued in 2005, with Germans spending over \$72 Billion (58.2 Billion Euros).

But why do Germans spend so much on international travel? A high standard living, plenty of free time, with an average 30-37 vacation days and over a dozen national holidays a year, and an innate Wanderlust -- a passion to see and experience the world.

But even more remarkable is that recent research conducted to assess the habits and practices of German gays and lesbians in the travel category shows that German gays travel significantly more than their mainstream German counterparts. What does that mean? Quite simply, that the German gay and lesbian target is one of the highest opportunity target groups in the travel category worldwide. However, only a few brands in the travel category have recognized and begun to capitalize on this truly "untapped goldmine."

The USA has recognized the power of "pink marketing" in the travel category for many years. In fact, a substantial number of the major airlines and hotel chains conduct gay marketing efforts in the US to attract the highly lucrative gay target. Companies are in the beginning stages of "going global" and expanding this successful business strategy, actively marketing to the gay and lesbian community in the high opportunity German market.

Gays are a large target group within the large German economy, with conservative sociological estimates at over 5.5 million (7% total population). Given German gays have no (or less) children to support, higher salary levels versus heterosexuals and are often in dual income households, they have more disposable income than heterosexuals. German gays also have more "disposable time" vs. heterosexuals.

Because they do not commit a large amount of their time parenting children, they have significant free time to pursue their personal interests, from traveling to clubbing, from working out to dining out.

Unlike heterosexual consumers -- who are often annoyed with thousands of ad messages that bombard them each week -- German gays are actually longing to see gay-tailored messaging. And they reward those Brands who directly speak to them with both trial and loyalty. German gays are also trend setters. Whether it is music, fashion, travel or films, they often set trends which then follow and develop in the mainstream German community. Additionally, German gays can be reached with highly efficient spending in the highly targeted gay marketing and media vehicles. And there is little concern about mainstream consumer backlash to gay marketing efforts, given Germany's liberal culture, where gay and lesbian civil unions have been legalized since 2001; and openly gay politicians, like Klaus Wowereit, the mayor of Germany's capital city Berlin, actually get re-elected.

While many specialized gay marketing agencies in the US have been assisting Brands in their gay marketing and advertising efforts for years, no such agencies existed in Germany, until recently. The lucrative, untapped goldmine of the German gay market convinced two senior, experienced marketing and advertising professionals to found the first full service gay agency in Germany: Communigayte.

Michael Drescher has almost 20 years experience in major Advertising Agencies both in Germany and the USA (eg. Saatchi and Saatchi, J. Walter Thompson), having worked as a senior creative director with over 100 Blue Chip Clients including Vodafone, Nestle, Kraft, Procter & Gamble, Unilever, Mazda, Rolex and DeBeers. His partner, Jeff Wahl has 18 years experience working in senior marketing positions for Blue Chip Companies in both the USA and Germany, like Procter & Gamble, Gillette and McDonald's, where he was in charge of McDonald's Germany's marketing efforts and McDonald's worldwide sports marketing efforts.

Communigayte offers a full range of services, including market research, strategic planning, marketing plan and creative development, as well as execution of marketing tools across the marketing mix, from event marketing to sampling to PR.

"Communigayte works either independently with clients -- or in tandem with clients' mainline agencies - depending upon each individual client's needs. We are flexible," says Drescher.

"We have personally met and are in contact with all the leading gay marketing and advertising agencies in the USA. They have provided us with valuable learnings and resources as we move forward. In fact, we just completed first of its kind market research regarding German gays' habits and practices in the travel category, in partnership with San Francisco based Community Marketing Inc.," says Michael Drescher, founder of Communigayte.

Communigayte's comprehensive German gay travel market research includes preferred domestic and international destinations, key travel decision criteria and brand preferences for all aspects of travel, preferred travel months, booking habits and a host

of other data related to gay and lesbian travel.

"With today's pressure to further build sales, savvy marketers must focus their efforts and spending to maximize their ROI. Whether the goal is to source new business, or focus brand spending on the highest potential client base, it is difficult to find a more lucrative target group worldwide than the German gay community in the travel category. Additional untapped and high opportunity product categories also include personal care and fitness, home decor, pet care, investment and insurance, internet and cell phones, autos, alcoholic beverages and pharmaceuticals," says Wahl.

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Additional Information from Communigayte's 2006 Gay and Lesbian
Travel Research

German Gay and Lesbian Travel Trends.....

- * Leisure Trips:
 - * Trips of 5 or more nights: Median of respondents was 3 such trips. 79% take two or more. 22% take 4 or more.
 - * Trips of 4 or less nights: Median of respondents was 4 such trips. 80% take 2 or more. 40% take 4 or more.
- * Business Trips:
 - * Trips of 5 or more nights: Median of respondents was 1 such trip. 25% of respondents take 2 or more. 11% take 4 or more.
 - * Trips of 4 or less nights: Median of respondents was 1 such trip. 41% take 2 or more. 27% take 4 or more.
- * 92% of respondents said that "known as being gay friendly" influences their decision for airlines, hotels, auto rentals, travel agents and cruise lines.
- * 84% of respondents said that "speaks directly to the gay community" influences their decision for airlines, hotels, auto rentals, travel agents and cruise lines.
- * Respondents spent a median of 22 nights in a hotel during the last year.
- * 60% of respondents book their hotels directly.
- * Respondents took a median of 7 flights in the last year.
- * 58% of respondents book their flights directly.
- * Respondents took a median of 2 long distance train rides in the last year.
- * Only 6% of respondents took a cruise in the last year. Less than 1% have ever taken a gay or gay organized cruise.
- * Respondents rented a car a median of 3 times in the last year.
- * Extensive additional information, including preferred domestic and international destinations, brand preferences, travel decision criteria, preferred travel timing and methods of booking are also contained in this research.

German Gay & Lesbian Traveler Demographics.....

- * 85% of those who took the survey are gay men, 13% are lesbian, and 2% are bisexual.
- * Median age of German respondents is 42 years.
- * Median after tax household income of German respondents is 36,000 Euros (app. \$46,000), above the median German national income level of

- 32,400 Euros (app. \$41,000).
- * 24% of German respondents live in households earning after tax over 54,000 Euros (app. \$68,000).
 - * 66% are in committed relationships, of which 43% live in the same household.
 - * 66% of respondents travel with their partner, 57% with friends/family, and 37% alone.

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