UNWTO Workshop on Sustainable Tourism Product Development in the Pacific Islands
31st March 2021

SESSION 2: HARNESSING THE POTENTIAL OF INTRA-REGIONAL TOURISM AND SUSTAINABLE PRODUCT DEVELOPMENT

WHAT IS NEEDED TO ACHIEVE THE POTENTIAL?

Presented by Jennifer Bartlett
Sustainable Tourism & Economic Development Advisor
Intra-regional prospects

1. Top performing geographic tourist source markets for PICs pre-COVID*:
   - Australia
   - New Zealand
   - Other PICs
   - China

2. Markets willing and able to form safe travel bubbles.

3. Markets with indications that tourist demand for PICs will resume.

Data source: SPTO, 2019
* By available visitor numbers, notwithstanding yield is preferred indicator.
What is needed to achieve the potential of intra-regional tourism & sustainable product development

- Launch safe travel bubbles
  ... and something we have more control over...
- (Continue to) ensure readiness for the resumption of travel from target markets.
  - Respond to pre-COVID target market insights with product & visitor experience development.
  - Respond to changing tourism trends with (relevant) product development.
  - Respond to evolving traveller sentiment with relevant marketing messaging.
  - Respond to changing travel industry landscape with tailored solutions.
Ensuring Readiness: Responding to pre-COVID target market insights

- Prevailing market research is more important than ever to inform ongoing product & visitor experience development.
  - Past market segmentation research.
  - Past visitor survey findings (IVS/operators).
- The promotion of ‘new & improved’ destination experiences will help (re)stimulate demand from target markets in competitive times.
Ensuring Readiness: Responding to new (relevant) tourism demand trends

Based on the (sometimes weak, contradictory & ad hoc) commentary on post-COVID tourism demand trends, it can be reliably surmised that tourists will make travel decisions based on:

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<tr>
<th>LOW RISK DESTINATIONS</th>
<th>HIGH APPEAL DESTINATIONS</th>
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<tbody>
<tr>
<td>Health considerations:</td>
<td>Consideration of ‘appeal’ subjective, but trends incl:</td>
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<td>• Incidence of COVID at destination.</td>
<td>• Destinations and products with sustainable tourism credentials:</td>
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<td>• Airline, airport, &amp; hotel hygiene protocols (formal + global best practice).</td>
<td>• Social.</td>
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<td>• Availability of contactless technology.</td>
<td>• Environmental.</td>
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<td>• Completion of vaccination programs.</td>
<td>• Destinations offering product in growing niche market segments e.g: Wellness tourism; Nature-based tourism; Culinary tourism; Slow Travel.</td>
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<td>• Accessibility to medical services.</td>
<td>• Destinations offering ‘undertourism’ experiences.</td>
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<td>Financial considerations:</td>
<td>• Destinations that suit respective preferences for travel distance, transport modes and/or trip duration.</td>
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<td>• Booking cancellation policies.</td>
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<td>• Pricing consistency (vs pre-COVID).</td>
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<td>• Travel insurance costs/coverage.</td>
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These factors should inform visitor servicing efforts and product development - where relevant to target segments. They should also be reflected in marketing strategies.
### Ensuring Readiness: Responding to evolving traveller sentiment insights

Current market-specific sentiment research is limited, it dates quickly, and is sometimes conflicting, but it is useful to consider when targeting marketing messages. Some sample insights relevant to PICs:

<table>
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<tr>
<th><strong>AUSTRALIA</strong></th>
<th><strong>NEW ZEALAND</strong></th>
<th><strong>CHINA</strong></th>
<th><strong>GLOBAL</strong></th>
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<tbody>
<tr>
<td>Travel &amp; Tourism Forum (TTF) Travel Sentiment Survey, June 2020.</td>
<td>NZ Tourism Travel Sentiment Survey June 2020.</td>
<td>Dragontail Chinese Traveller Sentiment Survey, March 2021</td>
<td>Blackbox/Dynata/Language Connect Travel Sentiment Study, July 2020</td>
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<tr>
<td>- 42% of respondents indicated they wanted to travel overseas in the (then) next 12 months.</td>
<td>- 8% of respondents indicated that in the long term, they want to travel overseas more often than before COVID.</td>
<td>79% of respondents are willing to travel overseas, with the following top 5 deciding factors:</td>
<td>- 63% of respondents said they would resume long-haul trips within a year.</td>
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<td>- Fiji ranked #10 (9% of responses).</td>
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<td>- 76% of respondents said they would not go on a cruise ship within the (then) next 12 months. (*Conflicts with Cruise company surveys).</td>
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<td>- 66% were nervous about travelling to overseas destinations (exc. NZ).</td>
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<td></td>
<td>- 80% of respondents are willing to pay more for safer accommodation</td>
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<tr>
<td><strong>Tourism Australia Travel Sentiment Tracker, March 2021</strong></td>
<td><strong>NZ Tourism Travel Sentiment Survey June 2020.</strong></td>
<td><strong>Less important was:</strong></td>
<td><strong>'Nature Lovers' &amp; 'Adventurers' are the most confident about travelling overseas in the (then) next 12 months.</strong></td>
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<td>- 49% of traveller respondents said they now feel more likely to travel overseas due to roll vaccine roll out.</td>
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<td>- 12% were actively planning an overseas trip.</td>
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<td><strong>Affordability of travel product (35%)</strong></td>
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- **Friendliness to Chinese travellers (62%)**
- **Zero COVID cases in destination (56%)**
- **No quarantine (56%)**
- **Flight schedules (45%)**
- **Their own vaccination (43%)**

Less important was:
- **Affordability of travel product (35%)**
- **Availability of medical response in the destination (29%)**

Blackbox/Dynata/Language Connect Travel Sentiment Study, July 2020
- 63% of respondents said they would resume long-haul trips within a year.
- 76% of respondents said they would not go on a cruise ship within the (then) next 12 months. (*Conflicts with Cruise company surveys).
- 80% of respondents are willing to pay more for safer accommodation
- 'Nature Lovers' & 'Adventurers' are the most confident about travelling overseas in the (then) next 12 months.
Ensuring Readiness: Responding to the changing travel industry landscape

- Changes in travel distribution systems since COVID began:
  - Closure/potential closure of players in travel distribution systems.
  - Digital transformation of tourism operations.
    - Need to revise coop marketing activity (partners, budgets).

- Changes in supply due to impacts of COVID:
  - Losses - closures/losses in accommodation, transport, tours.
  - Gains - new product development / visitor experience enhancements
    - Need to re-educate destination specialist agents.
Questions welcome

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