

TOURIST ARRIVALS TO PACIFIC ACP & SPTO MEMBER COUNTRIES QUARTER 1, 2013



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The preparation of this publication has been made possible through the Pacific Regional Tourism Capacity Building Programme funded by the 10th EDF of the European Union and implemented by the South Pacific Tourism Organisation.



Overview

During the quarter under review, Table W1, below provides a comparative growth analysis of the five regions of the world. It shows that the Asia & Pacific (Pacific ACPs and SPTO Member countries are a part) is the fastest growing region of the world with a rate of 6%. Whilst this growth is appreciated it is a declining growth as compared to the 8% increase in tourist arrivals to the same area in the same quarter of the previous year. Regions of Europe and Middle East registered the next highest growth rates of 5% each. Africa grew only at 2% and Americas 1%.

Table W1: % Growth of Tourist Arrivals in Major Regions of the World by Quarter

Region	Jan - April, 2012	Jan - April 2013
Asia& Pacific	8%	6%
Europe	4%	5%
Middle East	1%	5%
Africa	8%	2%
Americas	6%	1%

Source: UNWTO and SPTO

This quarter under review saw 327,199 tourists visiting the Pacific ACPs and SPTO member countries as seen in Table R1 below. This represents a slight decline of 2.6% when compared to the same period last year. This decline was attributed to Fiji's decreasing numbers (down by 6,830) of tourist arrivals during this quarter. Fiji was devastated by major Cyclone Evans twice in 2012 and the flooding in early part of the same year (in Fiji's main tourist hub) affected the region's decline. However despite the region's decline and Fiji's regrettable negative growth, individual countries performances highlighted some strong growth. The smaller countries of Kiribati, Marshall Islands and Niue registered very high positive growths with 38.5%, 23.4% and 20.9% respectively. The region's largest country, Papua New Guinea, recorded a slight positive growth of 0.4%. Other countries of the region performances were mixed and only showed slight changes.

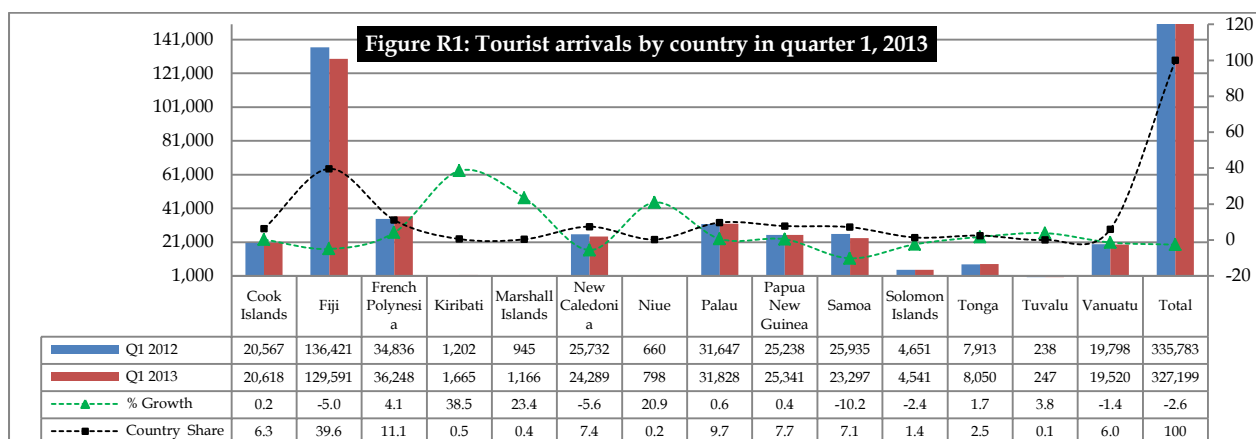
Table R1: Visitor arrivals to Pacific ACP and SPTO member countries by quarter, 2013, Absolute Change % Growth and Share

	2012 Q1	2013 Q1	Absolute Change	% Growth	Destination Share
Cook Islands	20,567	20,618	59	0.3	6.3
Fiji	136,421	129,591	-6,830	-5.0	39.6
French Polynesia	34,836	36,248	1,412	4.0	11.1
Kiribati	1,202	1,665	463	38.5	0.5
Marshall Islands*	945	1,166	221	23.4	0.4
New Caledonia	25,732	24,289	-1,443	-5.6	7.4
Niue	660	798	138	20.9	0.2
Palau	31,647	31,828	181	0.6	9.7
Papua New Guinea	25,238	25,341	103	0.4	7.7
Samoa	25,935	23,297	-2,638	-10.2	7.1
Solomon Islands*	4,651	4,541	-110	-2.4	1.4
Tonga *	7,913	8,050	137	1.7	2.5
Tuvalu*	238	247	9	3.8	0.1
Vanuatu	19,798	19,520	-278	-1.4	6.0
Total	335,783	327,199	-8,584	-2.6	100

Source: NSOs, NTOs and SPTO

Note:

- I. Cook Islands – 2012 Q1- revised
- II. * = SPTO estimate
- III. Includes Palau as a PACP country

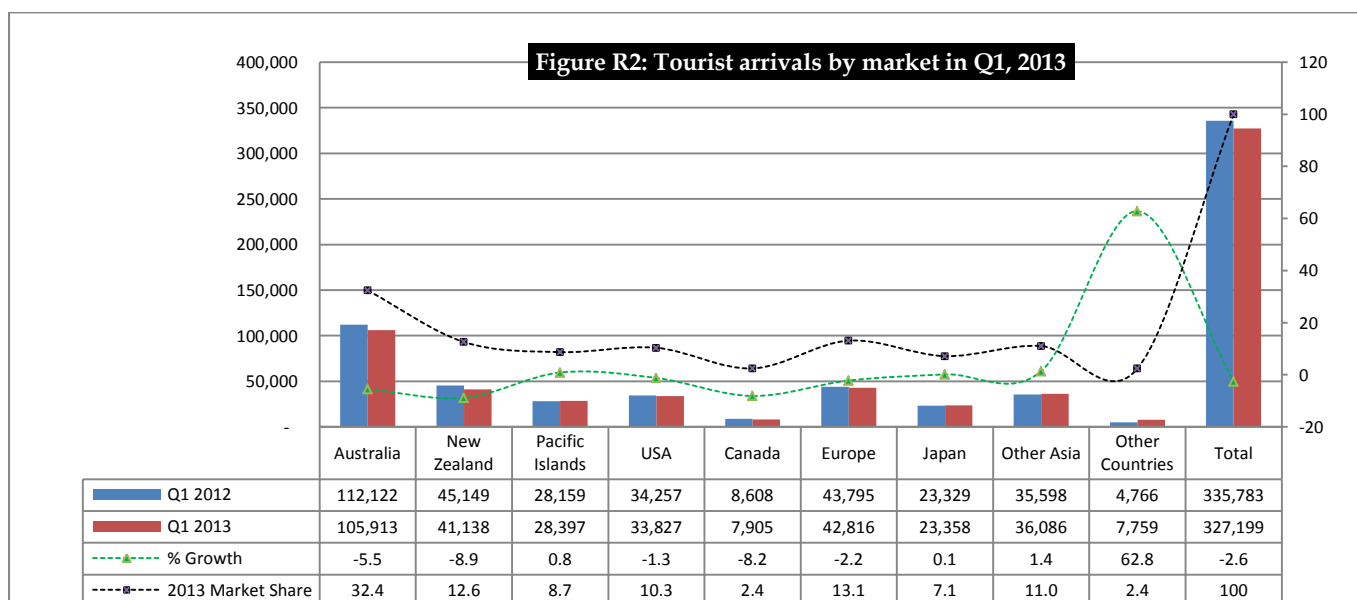


Source: NSOs, NTOs and SPTO

Table R2: Quarter 1 Tourist arrivals into Pacific ACPs and SPTO Member Countries by market

Source Market	Q1 2012	Q1 2013	% Growth	Market Share
Australia	112,122	105,913	-5.5	32.4
New Zealand	45,149	41,138	-8.9	12.6
Pacific Islands	28,159	28,397	0.8	8.7
USA	34,257	33,827	-1.3	10.3
Canada	8,608	7,905	-8.2	2.4
Europe	43,795	42,816	-2.2	13.1
Japan	23,329	23,358	0.1	7.1
Other Asia	35,598	36,086	1.4	11.0
Other Countries	4,766	7,759	62.8	2.4
Total	335,783	327,199	-2.6	100

Source: NSOs, NTOs and SPTO



Source: NSOs, NTOs and SPTO

Source Market Performances

Australia Market

Sources from the Australian Bureau of Statistics recorded 1,788,600 as outbound travelers for the first quarter of 2013, representing an increase of 5% over the same quarter of the previous year. The majority (30%) of its visitors were visiting New Zealand and Indonesia, while this region only received (6%).

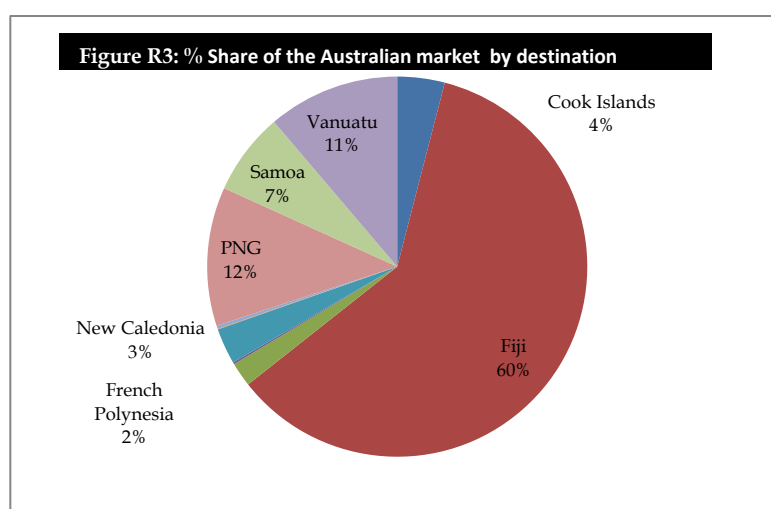
Of the 101,946 Australian outbound travelers to this region, the main beneficiaries were Fiji (60%), PNG (12%) and Vanuatu (11%). During the quarter under review this region has been dominated by Australian tourists, representing some 32.4% of the region's total. This market obviously is an important one for this region. Its quarter one 2013 tourist arrivals dropped by 5.5% when compared with the same quarter of the previous year.

Table R3: Australian tourists by Destination in Quarter 1, 2013 and destination share

Destination	Australian visitors	% share
Cook Islands	4,107	4.0
Fiji	61,506	60.3
French Polynesia	2,112	2.1
Kiribati	159	0.2
New Caledonia	3,108	3.0
Niue	55	0.1
Palau	281	0.3
PNG	12,038	11.8
Samoa	7,136	7.0
Vanuatu	11,444	11.2
Total	101,946	100

Note: figures not available from FSM, Nauru, Marshall Islands, Solomon Islands, Timor Leste, Tonga and Tuvalu.

Source: NSOs, NTOs and SPTO



New Zealand

Total outbound New Zealand travelers during the quarter under review amounted to some 388,240. The majority (62%) of these were reported to be visiting the Oceania and Asia regions.

Table R4: New Zealand Outbound Travelers to major regions

Region	Q1, 2012	Q1, 2013	% Share
Oceania	243,420	241,180	62.1
Asia	63,000	60,680	15.6
Europe	19,820	16,520	4.3
Americas	24,100	24,900	6.4
Africa	6,920	6,340	1.6
Not Stated	41,660	38,620	9.9
Total	398,920	388,240	100

Source: Statistics New Zealand and SPTO

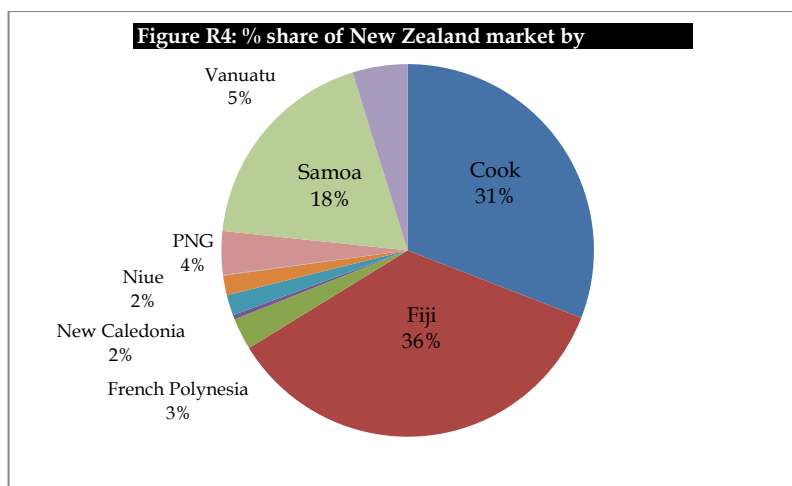
Of the 37,000 that reported to have visited the Pacific ACP and SPTO member countries, Fiji received 36%, Cook Islands 31% and Samoa 18%. These three countries accounted for 85% of the New Zealand tourist traffic to the region. The remaining 15% visited the other countries of the region.

Table R5: New Zealand tourists by destination in Quarter 1, 2013 and destination share

Destination	NZ visitors	% share
Cook Islands	11,420	31.0
Fiji	13,059	35.5
French Polynesia	1,013	2.8
Kiribati	144	0.4
New Caledonia	658	1.8
Niue	629	1.7
Palau	22	0.1
PNG	1396	3.8
Samoa	6,857	18.6
Vanuatu	1,768	4.8
Total	36,966	100

Note: figures not available from FSM, Nauru, Marshall Islands, Solomon Islands, Timor Leste, Tonga and Tuvalu.

Source: NSOs, NTOs and SPTO



USA Market

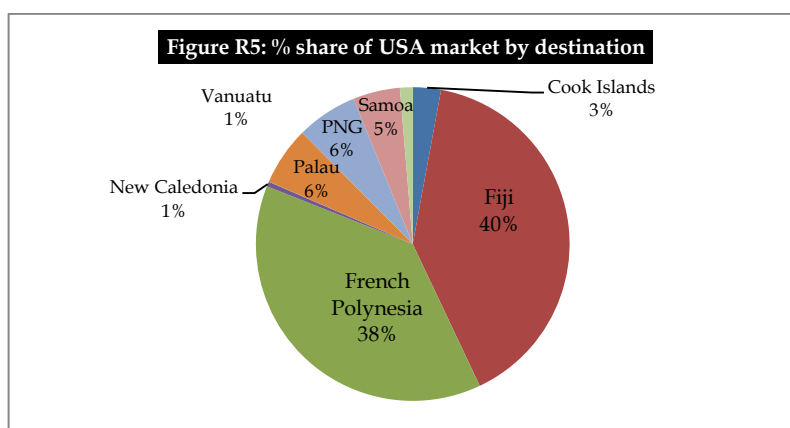
Reported figures from member countries showed some 32,000 tourists visiting the region during quarter 1 of 2013. Of this the main beneficiaries of this market are Fiji and French Polynesia with 40% and 38% respectively.

Table R6: USA tourist arrivals by destination and share, Quarter 1, 2013

Destination	USA Visitors	% share
Cook Islands	938	2.9
Fiji	12,995	40.1
French Polynesia	12,332	38.0
New Caledonia	159	0.5
Niue	8	0.0
Palau	1,956	6.0
PNG	2,036	6.3
Samoa	1,577	4.9
Vanuatu	424	1.3
Total	32,425	100

Note: Figures not available from FSM, Nauru, Marshall Islands, Solomon Islands, Timor Leste, Tonga and Tuvalu.

Source: NSOs, NTOs and SPTO



Europe Market

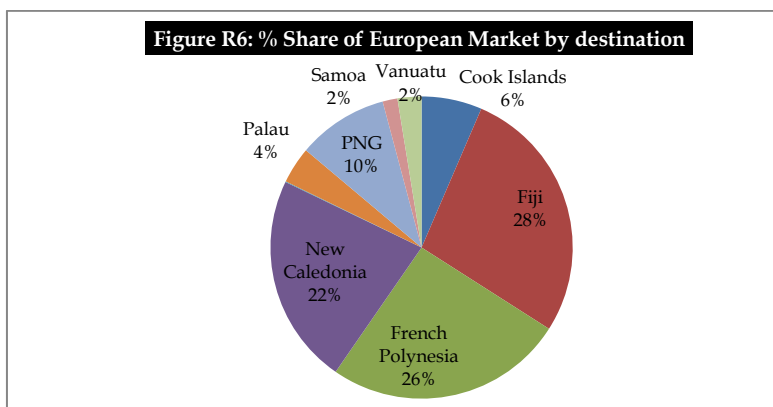
During this quarter some 43,000 European tourists visited the region with details shown in Table R5 below. Fiji, French Polynesia, New Caledonia and PNG accounted for the majority (86%) of these visitors with Fiji and French Polynesia alone taking half (54%) of the European visitors.

Table R7: European Tourists arrivals by destination and share, Quarter 1, 2013

Destination	Europe visitors	% share
Cook Islands	2,753	6.5
Fiji	11,738	27.6
French Polynesia	10,899	25.6
New Caledonia	9,584	22.5
Niue	32	0.1
Palau	1,666	3.9
PNG	4,139	9.7
Samoa	675	1.6
Vanuatu	1,092	2.6
Total	42,578	100

Note: figures not available from FSM, Nauru, Marshall Islands, Solomon Islands, Timor Leste, Tonga and Tuvalu.

Source: NSOs, NTOs and SPTO



Japan Market

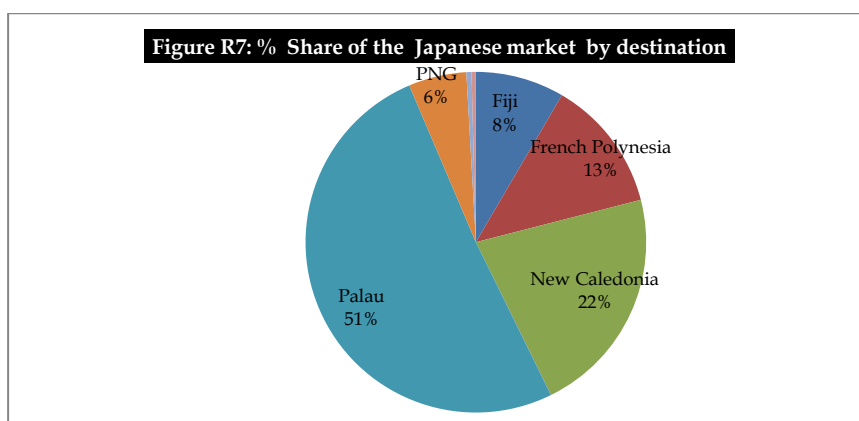
Preliminary figures released by the Japan National Tourism Organization, showed a total of 4,443,000 Japanese outbound travelers during the first quarter of 2013. Of these, the region only received 0.5% of the Japanese outbound traffic. The main beneficiaries were Palau (51%), French Polynesia (13%), New Caledonia (22%), Fiji (8%), and PNG (6%). Obviously Palau is the most favored destination in the Pacific for the Japanese outbound traffic.

Table R8: Japanese tourists by destination and share, Quarter 1, 2013

Destination	Japan visitors	% share
Fiji	1,925	8.4
French Polynesia	2,869	12.6
New Caledonia	4,958	21.7
Niue	5	0.0
Palau	11,613	50.9
PNG	1,256	5.6
Samoa	111	0.5
Vanuatu	94	0.4
Total	22,831	100

Note: figures not available from FSM, Nauru, Marshall Islands, Solomon Islands, Timor Leste, Tonga and Tuvalu.

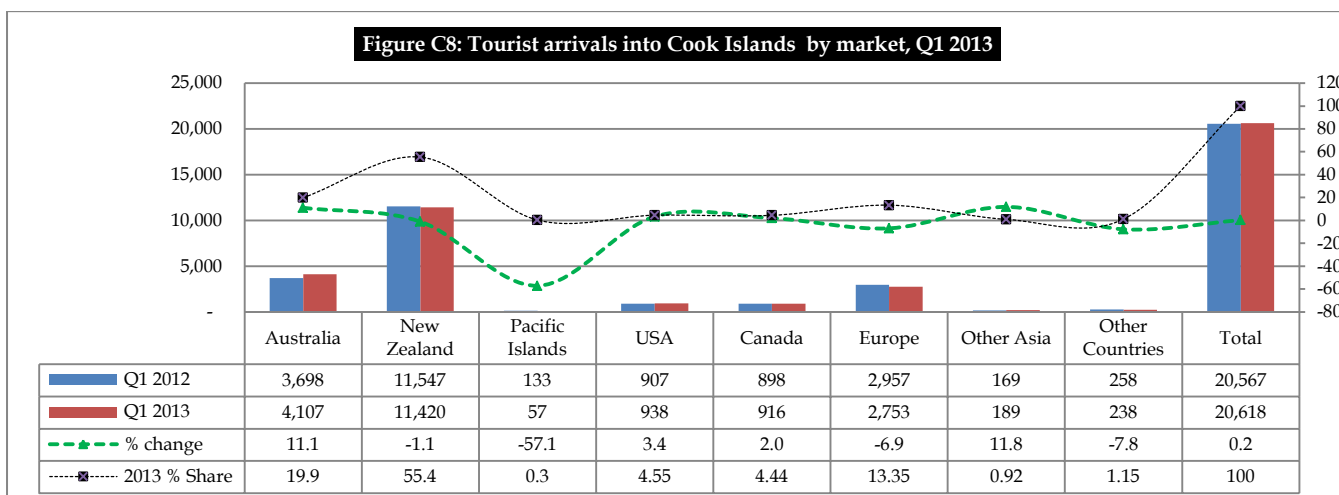
Source: NSOs, NTOs and SPTO



Destination Analysis

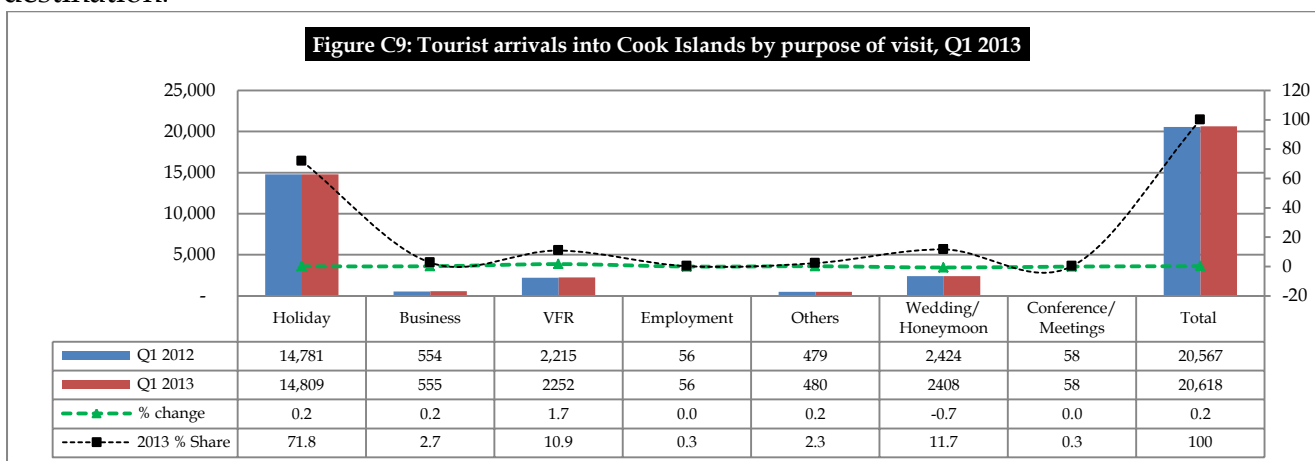
Cook Islands

New Zealand by far is Cook Islands most important single market that provides the country with 55% of total visitor arrivals during the first quarter of 2013. Australia is the country's next most important market accounting for some 20% of the tourist traffic to the Cook Islands. Only 3 markets, Australia, USA, Canada and the classification, 'Other Asia' grew positively - the remaining markets declined as shown in Figure C8 below.



Source: Cook Islands National Tourism Office

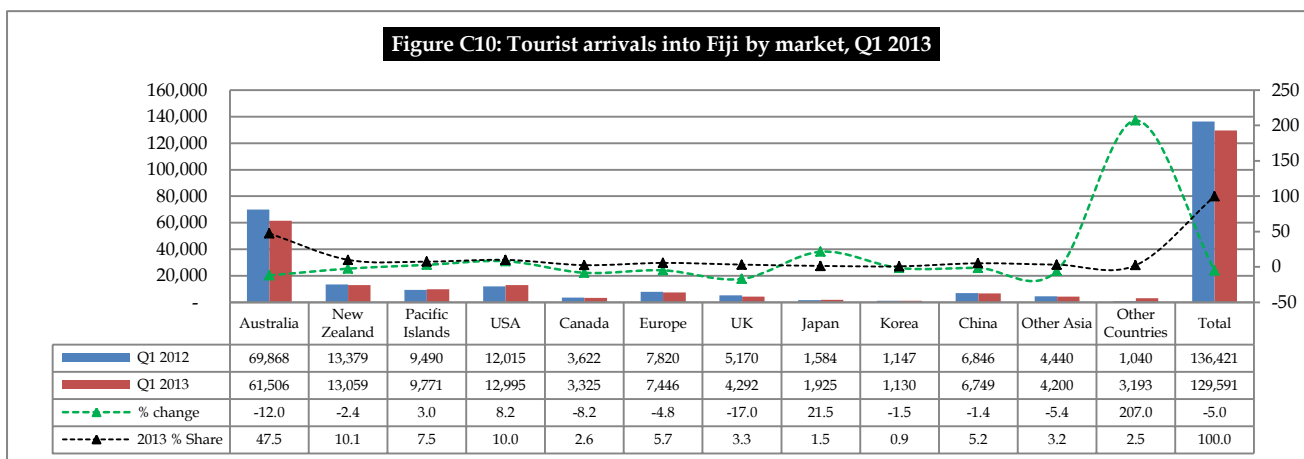
Analysis by purpose of visit reveals that 72% of the Cook Islands recorded tourist traffic were classified as Holiday/Pleasure, followed by wedding/honeymoon and VFR. The pleasure/holiday classification increased by some 28% during the quarter under review over the same period the previous year. This showed Cook Islands to be an increasingly pleasure/holiday destination.



Source: Cook Islands National Tourism Office

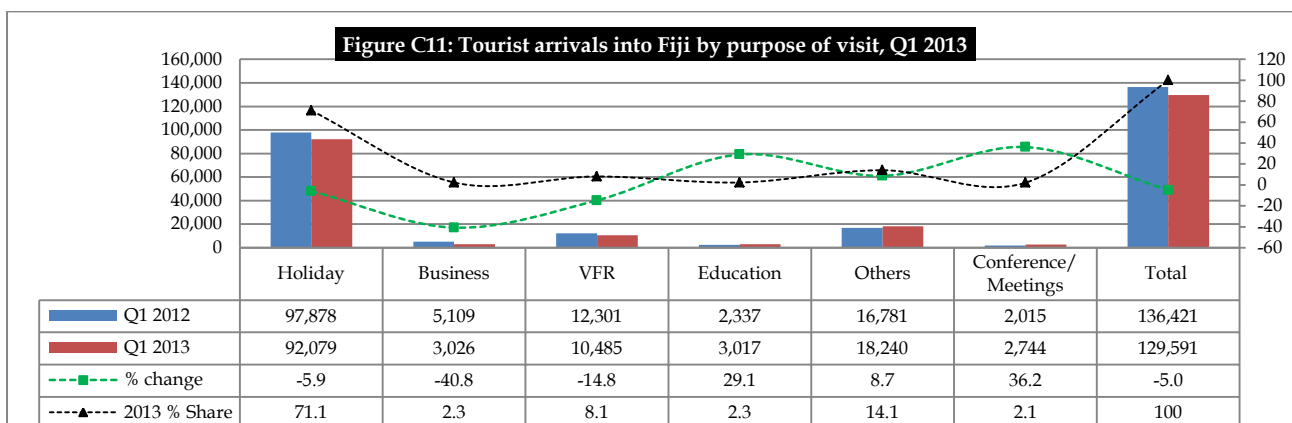
Fiji

Fiji's first quarter tourist arrivals were dominated by Australian tourists (47.5%) followed by New Zealand (10.1%), USA (10.0%), Pacific Island Countries 7.5% and Europe (5.7%). The other countries accounted for the remaining 19.2%. Overall, the tourist traffic to Fiji declined somewhat by 5.0% when compared to the first quarter of the previous year. This decline was attributed to decreases by arrivals from Australia (11.97%), New Zealand (2.39%), Canada (8.16%), Europe (4.78%), UK (16.98%) and Korea, Japan and Other Asia also registered negative growths. These decreases were due to Fiji's devastation by Cyclone Evans and the Flooding in the West of Viti Levu during the later part of 2012



Source: Fiji National Statistics Office

Obviously, pleasure and holidaying tourists accounted for about three-quarters (71.1%) of the tourist traffic during the quarter under review. The classification, VFR, accounted for 8.1%, business (2%) and education (2.3%). Others recorded 14.1%. Obviously the cyclone and flood in the later part of 2012 and early 2013 impacted negatively on the Holidaying/pleasure, business and VFR segments of the purpose of visit. It did not affect education, conferences/meetings and others - all recorded positive growths as shown in C11 above.

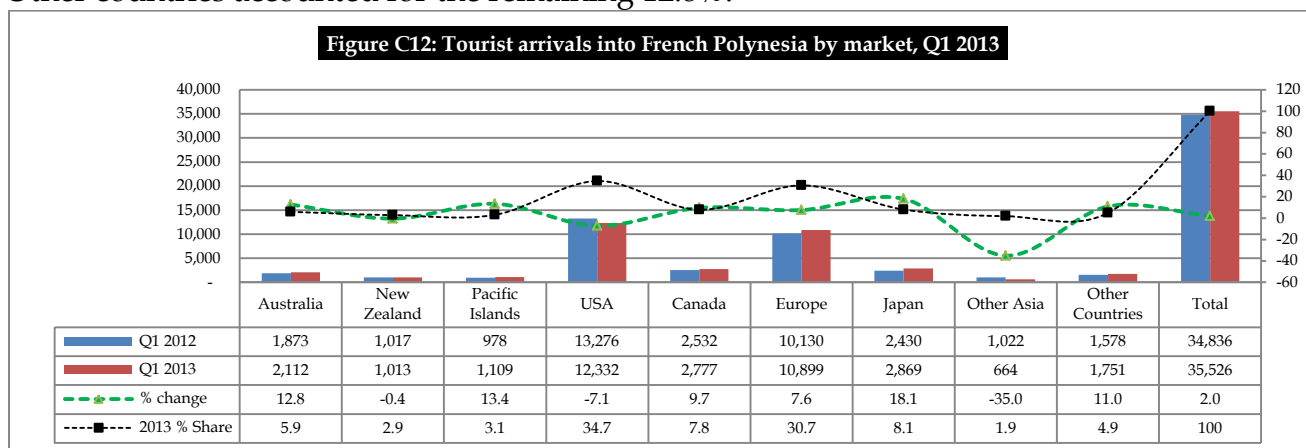


Source: Fiji National Statistics Office

French Polynesia

French Polynesia's tourist arrivals during the quarter under review were dominated by tourists from USA (34.7%) and Europe (30.7%). Together they accounted for two-thirds (65.4%) of the tourist traffic in the first quarter of 2013. Japan ranked third with 8.1% followed by Canada (7.8%).

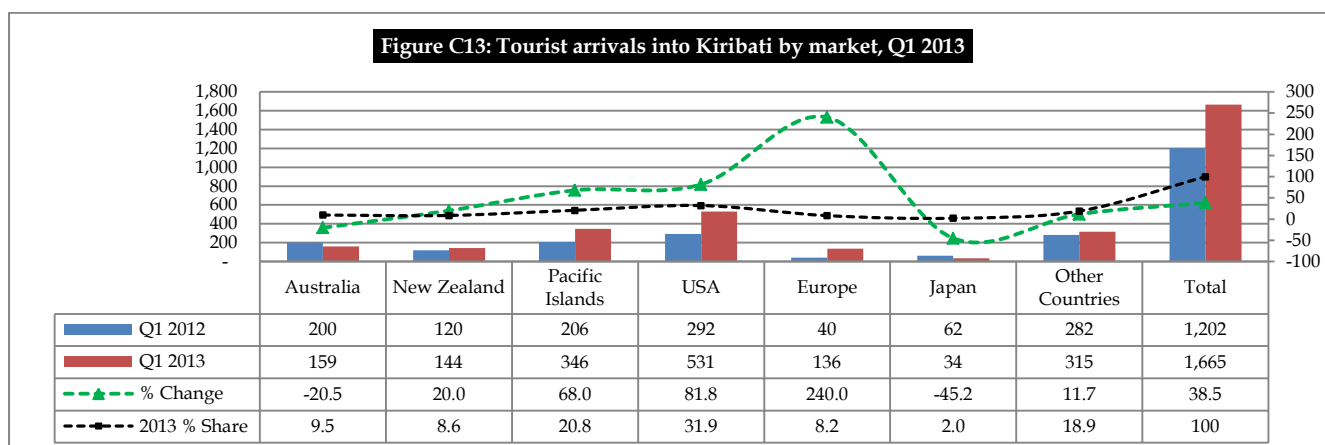
Interestingly, Australia (accounted for only 5.9%) is not a major market for French Polynesia. Other countries accounted for the remaining 12.8%.



Source: <http://www.ispf.pf>

Kiribati

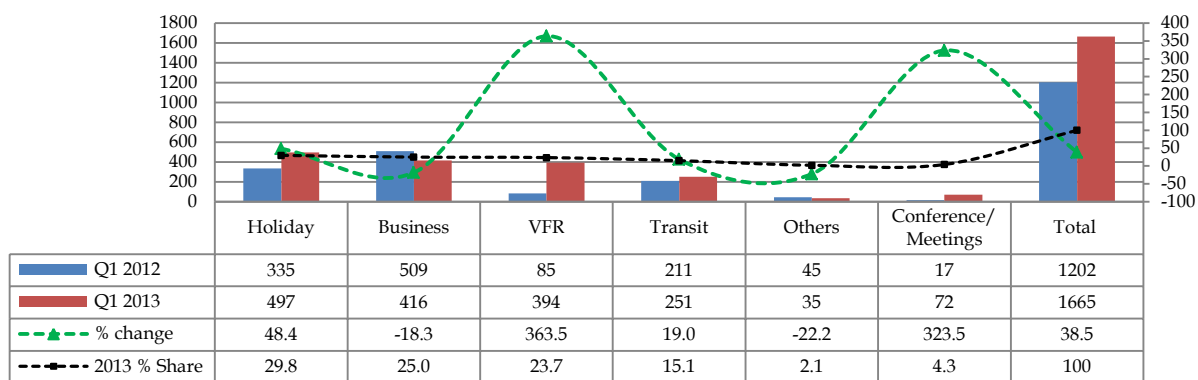
This member country received a total of 1,665 tourist arrivals, an increase of 38.52% from the first quarter of the previous year. The country's major market is USA during this quarter and accounted for 31.9% followed by Pacific Islands (20.8%). Other Countries represented 18.9%. Australia only accounted for 9.5% share of the total arrivals followed by New Zealand with 8.6% and Europe (8.2%). While most markets registered increases in arrivals during the quarter under review, Australia and Japan recorded decreases as shown in C13 below.



Source: Kiribati National Tourism Office

Kiribati's purpose of visit for holiday/leisure, business and VFR are evenly distributed (see table C14 for details). Whilst the business segment decreased during the quarter under review as compared to the same quarter last year, holiday and VFR segments increased. Kiribati's phenomenal increase in arrivals for conference/meetings may be attributable to some organized meetings taking place during the quarter under review.

Figure C14: Tourist arrivals into Kiribati by purpose of visit, Q1 2013

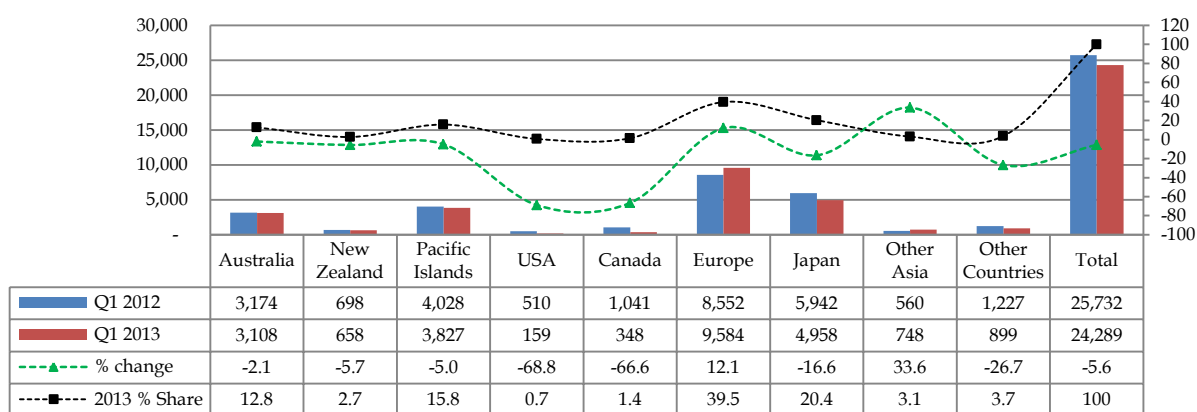


Source: Kiribati National Tourism Office

New Caledonia

Europe is the country's dominant market accounting for 39.5% of total tourist traffic in the quarter under review. This is followed by Japan with 20.4%, Pacific Islands (15.8%) and Australia (12.8%). Almost all markets registered declines in arrivals to New Caledonia except two, Europe and Other Asia that recorded positive growths of 12.07% and 33.57% respectively.

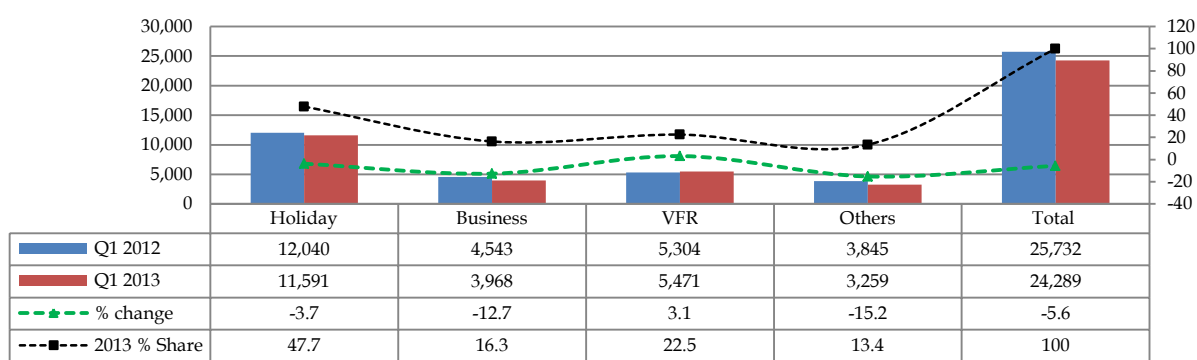
Figure C15: Tourist arrivals into New Caledonia by market, Q1 2013



Source: <http://www.isee.nc>

The holiday component of the purpose of visit accounted for 47.7%, while VFR represented 22.5%, business 16.3% and others 13.4%. All other purposes of visit classifications recorded declines as shown in C16 below, while only the VFR segment showed an increase of 3.15%.

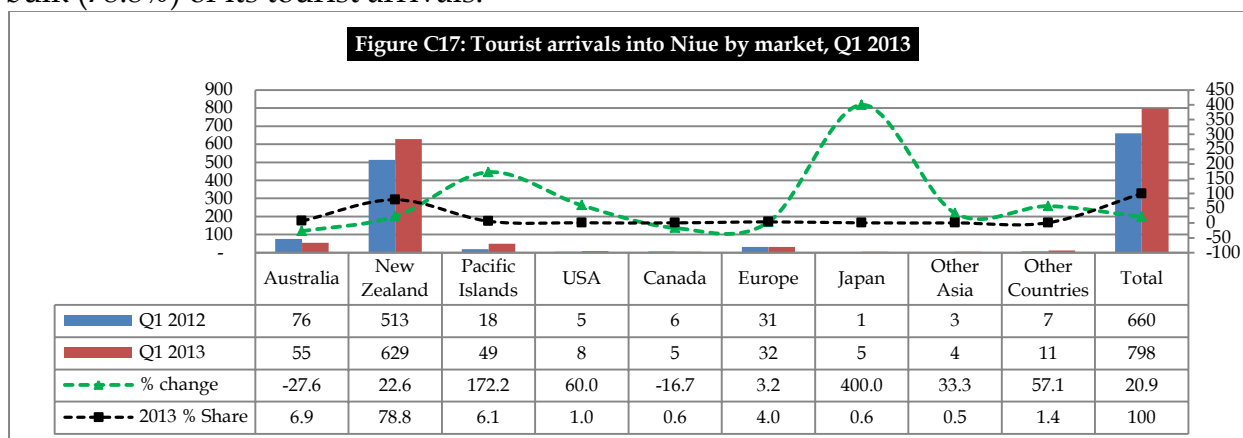
Figure C16: Tourist arrivals into New Caledonia by purpose of visit, Q1 2013



Source: <http://www.isee.nc>

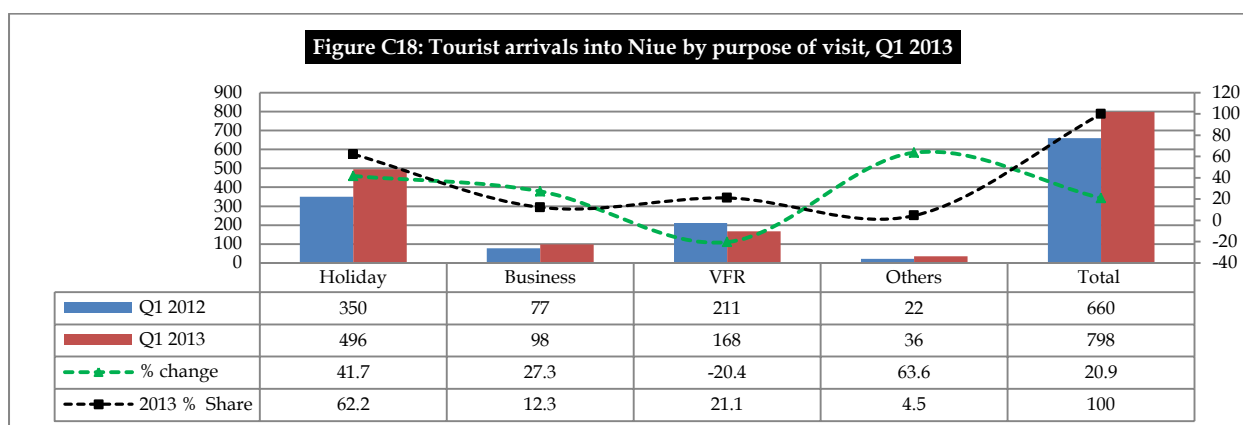
Niue

Niue received 798 tourists in the first quarter 2013, representing an increase of 20.91% or 138 in absolute terms. Because the numbers are small any slight movement in a particular direction would trigger sizeable responding change. Understandably New Zealand provides Niue with the bulk (78.8%) of its tourist arrivals.



Source: Niue National Statistics Office

62.2% of Niue's tourist traffic during first quarter under review were holiday/leisure tourists, business represented 12.3%, VFR 21.1% and others 4.5%. All purpose of visits recorded increases as shown in Table C18 below, except VFR declined by 20.38%.



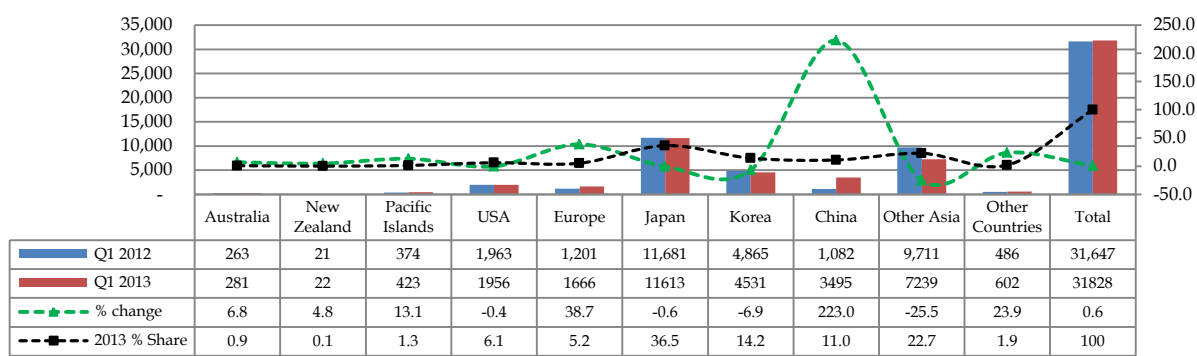
Source: Niue National Statistics Office

Palau

The country's tourist traffic was dominated by arrivals from Asia accounting for 84.4% of its total visitor arrivals during quarter 1 of 2013. Japan is Palau's single most important market contributing a share of 36.5%. Australia and New Zealand arrivals are understandably negligible with shares of 0.9% and 0.1% respectively. The US and Europe accounted for 6.1% and 5.2% respectively.

Overall, total visitor arrivals only increased by 0.57% over the same quarter the previous year.

Figure C19: Tourist arrivals to Palau by market, Q1 2013

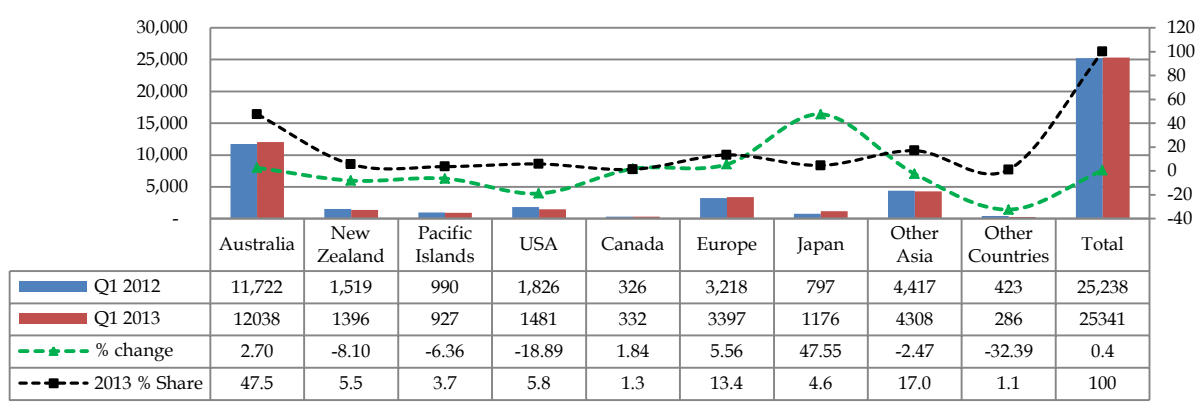


Source: Palau National Tourism Office

Palau’s visitor arrivals by purpose of visit had not been available to SPTO and therefore no analysis had been made pursuant to this.

PNG

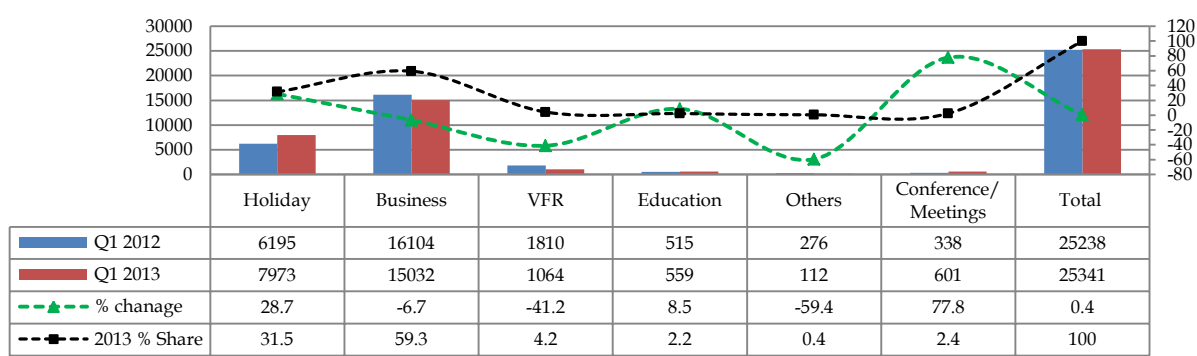
Figure C20: Tourist arrivals to PNG by market, Q1 2013



Source: PNG National Tourism Office

PNG’s performance during the quarter under review is detailed in C20 above. Like many South Pacific Island countries Australia dominated the destination with a share of 47.5%. Europe ranked second with 13.4% share and Asia including Japan represented 21.6%, USA 5.8% and New Zealand 5.5%. Others accounted for the remaining 19.6%. Arrivals from Australia grew at some 2.7% over the same period last year. USA arrivals took a dive by some 20%, New Zealand and Pacific Islands registered declines. Arrivals from other markets grew with Japan very strong at 48%.

Figure C21: Tourist arrivals into PNG by purpose of visit, Q1 2013



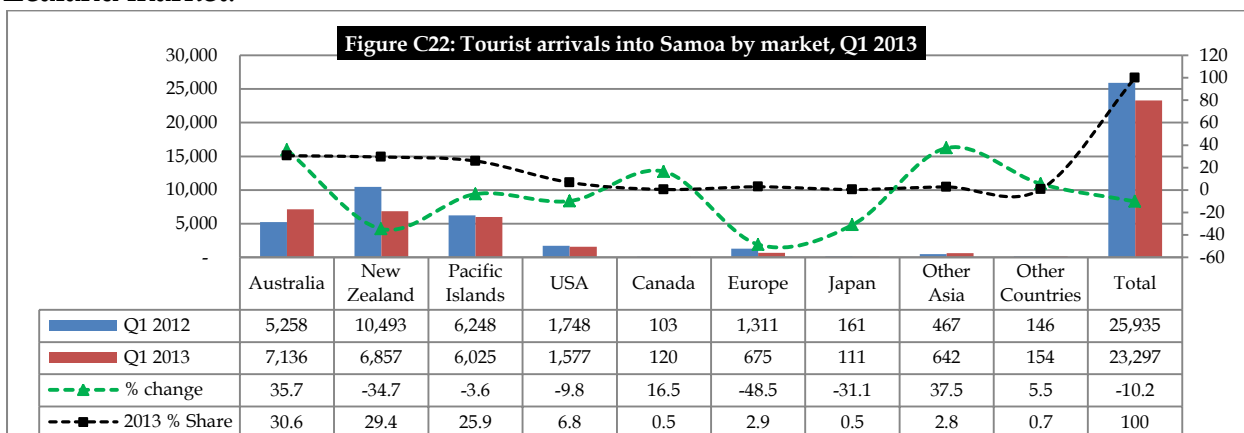
Source: PNG National Tourism Office

PNG's dominant purpose of visit category is the business segment with 59.3%. Holiday/leisure only accounted for 31.5%. VFR represented 4.2% with Education, 2.2% and others 0.4%.

In this quarter the business segment took a dive by some 7% while the holiday/leisure component registered positive growth by some 29%. VFR slumped by some 41%. Other components recorded small changes in number terms but with large corresponding percentages – because of the small numbers it is statistically dangerous to analyse such small numbers with any meaningful conclusions.

Samoa

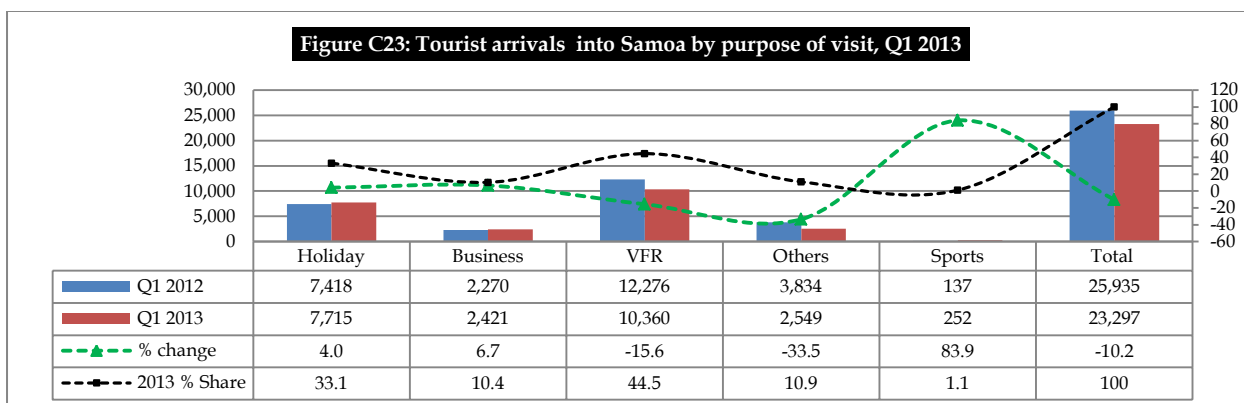
Like Fiji, Samoa was devastated by Cyclone Evans in December 2012. Reported news of such natural disasters has often had negative consequential impact on tourism as its infrastructure is perceived to have been devastated by such natural phenomena. Samoa's tourist traffic took a dive by 10% in the quarter under review. Traveler as a hindrance been allowed to reach the travelling and intending travelers in source markets such as Australia and New Zealand. Tourists from New Zealand used to dominate the destination by some 40% in quarter 1 of last year, however, in 2013 it slumped by 35% to a level lower than that of Australia. Interestingly whilst tourist arrivals from NZ declined, that from Australia rose by 36%. Arrivals from markets of USA, Europe and Japan declined as shown in C22 below. Reported flight cancellations from New Zealand may have contributed somewhat to the decline in tourist arrivals and affected sharp declines in the New Zealand market.



Source: Samoa Tourism Authority

Characteristic of Samoa's tourist arrivals was its significant VFR component. This quarter it represented some 45% of Samoa's total tourist traffic. The holiday component represented some 33%, business 10% and Others, 12%.

Consistent with C23 above, the business and holiday components recorded positive growths, VFR and the others classification decreased with the VFR declining at 16% when compared with the same quarter last year.

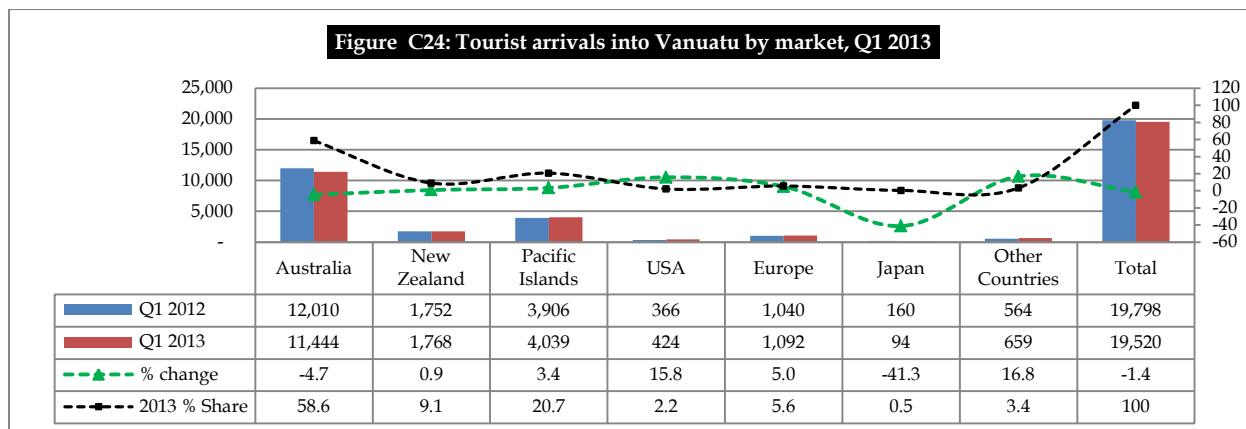


Source: Samoa Tourism Authority

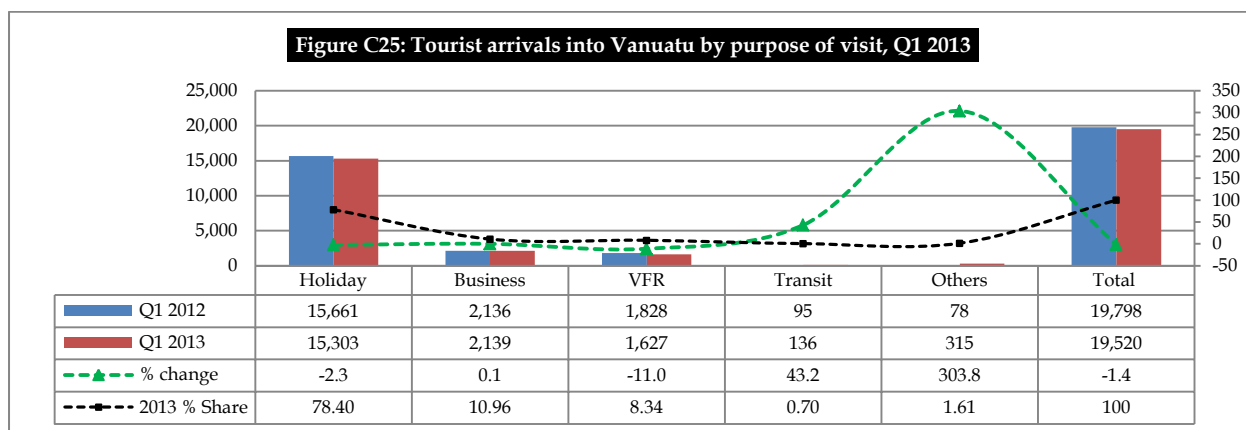
Vanuatu

Australia is Vanuatu's single most important market. In quarter one where 19,520 tourist arrivals were recorded, almost 60% were tourists originating from Australia. Analysis by market reveals that the Pacific Islands represented 21%, New Zealand 9%, Europe 6% and USA 2%.

Overall, their tourist industry weakened by 1.4%, this quarter is understandably Vanuatu's low season.



Source: Vanuatu National Statistics Office



Source: Vanuatu National Statistics Office

Analysis by purpose of visit showed almost 80% of Vanuatu's tourist traffic were there on holiday and leisure - this is a very high percentage share compared to most countries of the Pacific. The remaining 20% was shared by business segment (11%) and VFR and others accounted for the remaining balance.

Source:

- I. NTOs - National Tourism Office
- II. NSOs - National Statistics Office
- III. UNWTO – World Tourism Organisation
- IV. Australia Bureau of Statistics
- V. New Zealand Statistics Office
- VI. USA Office of Travel and Tourism Industries
- VII. Japan National Tourism Organisation
- VIII. www.adb.org/pacmonitor
- IX. SPTO Research and Planning Division

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