



**PACIFIC REGIONAL TOURISM CAPACITY BUILDING PROGRAMME
(PRTCBP)**

QUARTERLY REVIEW OF TOURISM

Quarter 1, 2014

20th June 2014



This project is funded under the 10th EDF of the European Union

Overview

World tourist arrivals have been forecasted to increase by 4% to 4.5% in 2014. Regional prospects are strong for Asia and the Pacific (+5% to +6%), followed by Africa (+4% to +6%), Europe and the Americas (both +3% to +4%) and the Middle East with 0% to +5%. The table below provides international tourism projections for the year 2014.

	2013 Actual % Growth	2014 Projected % Growth
World	+5.0%	+4% to +4.5%
Europe	+5.4%	+3% to +4%
Asia and the Pacific	+6.0%	+5% to +6%
Americas	+3.6%	+3% to +4%
Africa	+5.6%	+4% to +6%
Middle East	+0.3%	+0% to +5%

Source: UNWTO

This quarter under review saw 350,281 tourists visiting the Pacific ACPs and SPTO member countries as seen in Table R1 below. This represents a growth of 3% when compared to the same period last year. This growth was attributed to the increasing numbers of tourist arrivals to French Polynesia (up by 3,994), Fiji (up by 3,949), Palau (up by 1,370), Samoa (up by 1,341) and Cook Islands (up by 801) during this quarter. Solomon Islands and Tonga recorded double digit decreases while performances of other countries of the region were mixed showing only slight changes.

Table R1: Tourist Arrivals By Pacific ACP/SPTO Destinations, Quarter and Relative Change

Destination	Q1, 2013	Q1, 2014	Absolute Change	% Growth	% Share
Cook Islands	20,493	21,294	801	3.9	6.1
Fiji (p)	129,591	133,540	3,949	3.0	38.1
French Polynesia	36,248	40,242	3,994	11.0	11.5
Kiribati (p)	1,665	1,757	92	5.5	0.5
Marshall Islands(p)	1,272	1,302	30	2.4	0.4
New Caledonia	24,289	23,194	-1,095	-4.5	6.6
Niue	798	739	-59	-7.4	0.2
Palau	31,828	33,198	1,370	4.3	9.5
Papua New Guinea (p)	36,759	37,493	734	2.0	10.7
Samoa	23,873	25,214	1,341	5.6	7.2
Solomon Islands	5318	4754	-564	-10.6	1.4
Tonga (p)	8068	7901	-167	-2.1	2.3
Tuvalu (p)	369	327	-42	-11.4	0.1
Vanuatu (p)	19,520	19,326	-194	-1.0	5.5
Total	340,091	350,281	10,190	3.0	100

Source: NTOs, NSOs and SPTO

Note: (p) - provisional figures

Market Performances

Australia Market

During the quarter under review this region has been dominated by Australian tourists, representing some 31.8% of the region's total. Australia's proximity and high frequency of direct air links to the Pacific islands makes it an important market for this region. Its quarter one 2014 tourist arrivals increased by 2.8% when compared with the same quarter of the previous year.

New Zealand Market

Tourist arrivals from New Zealand recorded a 5.2% growth in quarter 1, 2014 and remain the second most important market for the Pacific Island destinations, with a market share of 12.8% in the quarter under review. Together, Australia and New Zealand accounted for almost half (44.6%) of the total tourist traffic to the region.

USA Market

Reported figures from member countries showed 36,546 tourists from the USA visited the region during quarter 1 of 2014, an increase of 6.2% over the same period in the previous year. Its market share was 10.4% during the quarter under review.

Europe Market

During this quarter, 41,420 European tourists visited the region, representing an increase of 0.7% over the same period last year. It represents 11.8% market share.

Japan Market

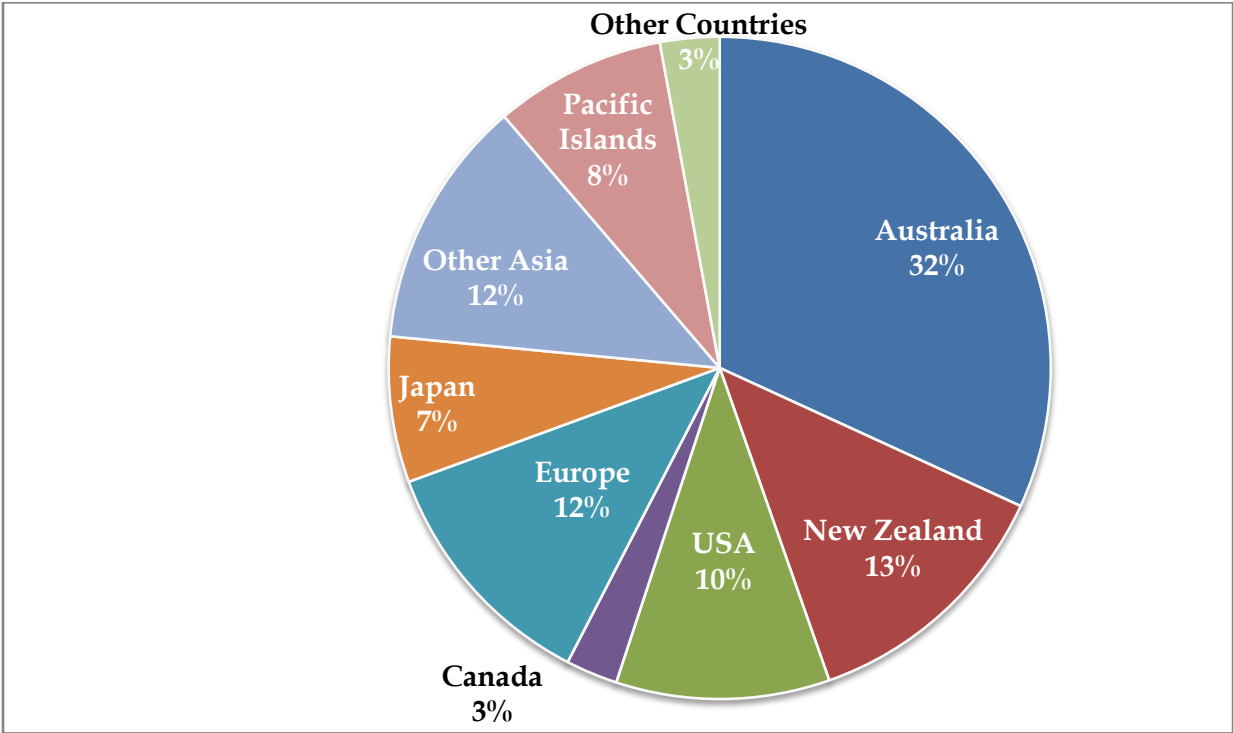
Tourists from Japan recorded an increase of 7.7% in quarter 1, 2014 over the same period in 2013. Of the total tourist traffic to the region, the Japanese tourists represented a market share of 7.2% in the first quarter of 2014.

R2: Tourist arrivals by market and Quarter and Relative Changes and Market Share

Source Market	Q1, 2013	Q1, 2014	Absolute Change	% Growth	Market Share
Australia	108,579	111,627	3048	2.8	31.8
New Zealand	42,604	44,803	2199	5.2	12.8
USA	34,412	36,546	2,134	6.2	10.4
Canada	8,243	8,879	636	7.7	2.5
Europe	41,265	41,420	155	0.4	11.8
Japan	23,141	24,925	1,784	7.7	7.2
Other Asia	42,212	42,766	554	1.3	12.3
Pacific Islands	29,305	29,351	46	0.2	8.4
Other Countries	10,330	10,164	-366	-3.5	2.8
Total	340,091	350,281	10,190	3.0	100

Source: NTOs, NSOs and SPTO

Figure R3: Tourist Arrivals by Source Markets, Quarter 1, 2014



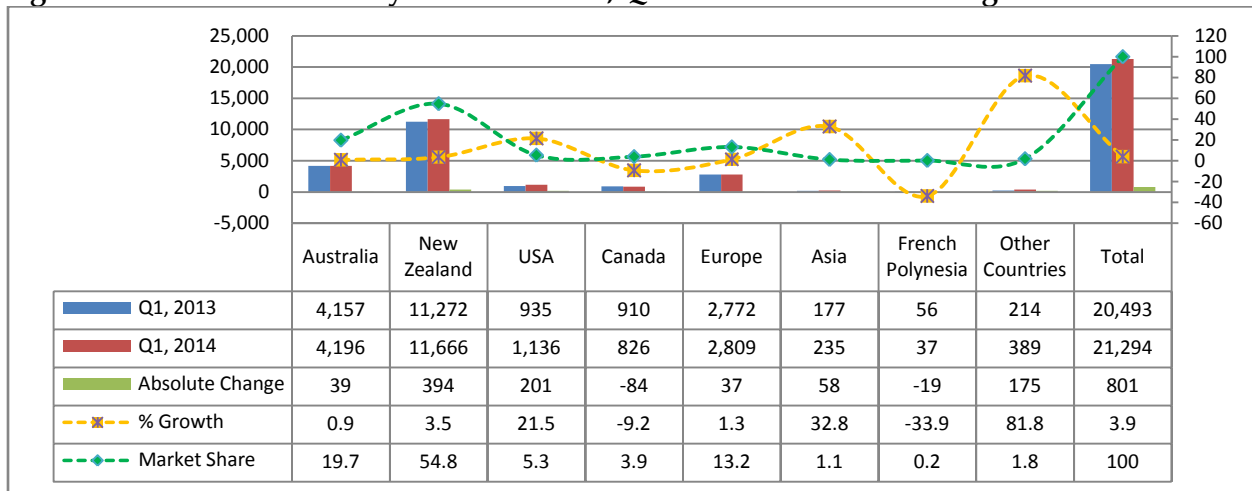
Source: National Statistics Offices, National Tourism Offices and SPTO

Performance by Destination

Cook Islands

New Zealand by far is Cook Islands most important single market, providing the country with 54.8% of total visitor arrivals during the first quarter of 2014, followed by Australia with 20%. Positive growths were recorded by most markets with double digit growths were recorded by USA (21.5%), Asia (32.8%) and Other Countries at 81.8%. Only Canada and French Polynesia recorded declines of 9.2% and 33.9% respectively.

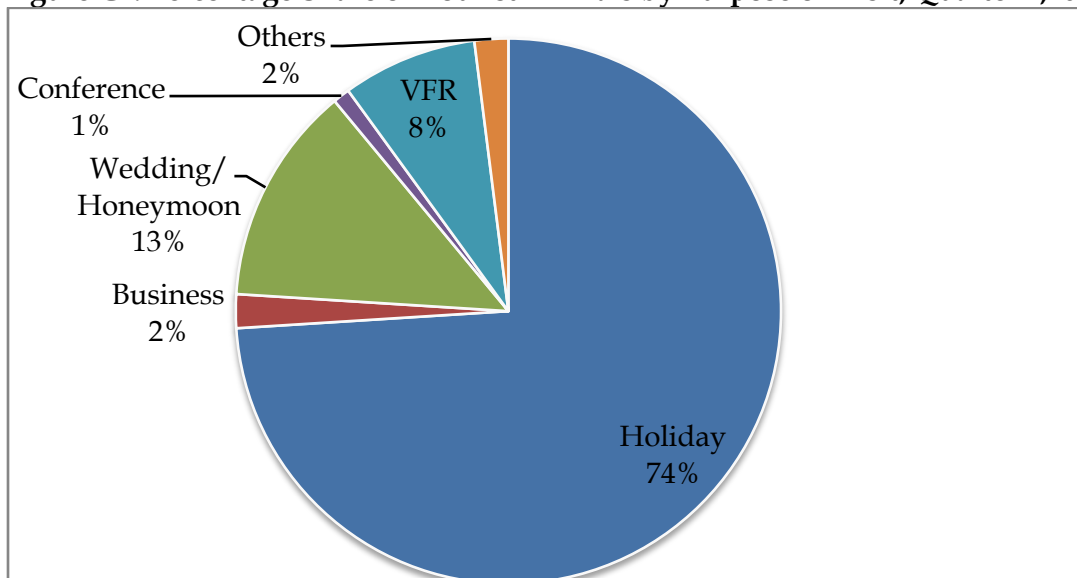
Figure C1: Tourist Arrivals by Source Market, Quarter and Relative Change.



Source: Cook Islands National Statistics Office

Analysis by purpose of visit reveals that 74% of the Cook Islands tourist traffic was classified as Holiday, followed by wedding/honeymoon (13%) and VFR (8%). The remaining 5% included conference, business tourists and those travelling for other purposes.

Figure C2: Percentage Share of Tourist Arrivals by Purpose of Visit, Quarter 1, 2014.



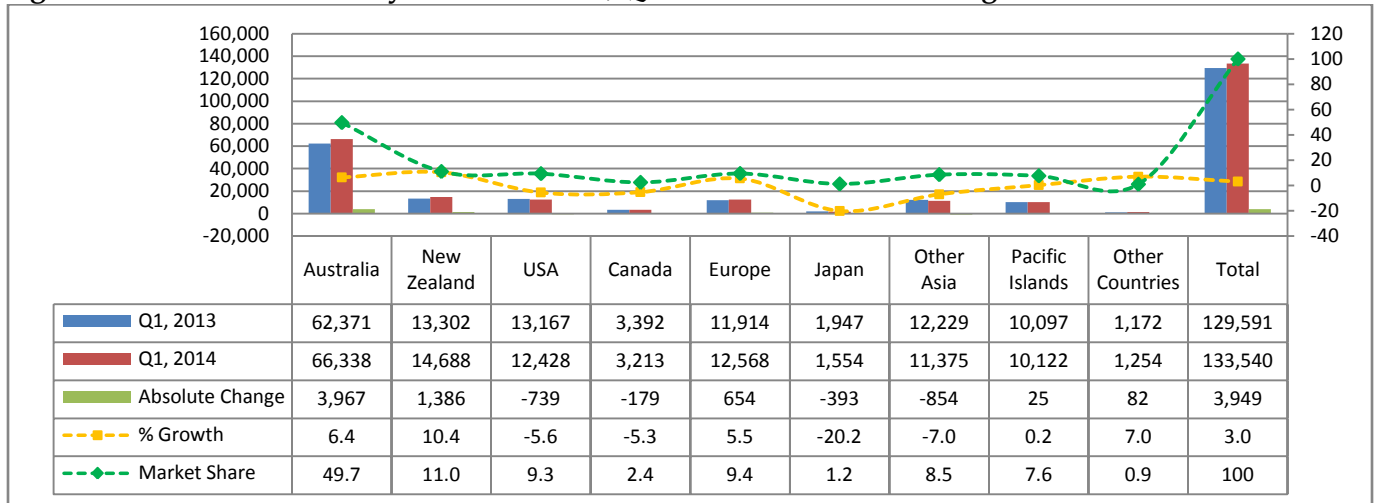
Source: Cook Islands National Statistics Office

Fiji

Fiji's quarter one, 2014 tourist arrivals recorded a positive growth of 3% when compared to the same period in 2013. Arrival numbers were dominated by Australian tourists, recording a market share of 49.7% and New Zealand travellers representing

11%. Europe accounted for 9.4%, USA with 9.3% and Other Asia at 8.5% share. The other countries accounted for the remaining 12.1%.

Figure C3: Tourist Arrivals by Source Market, Quarter and Relative Change



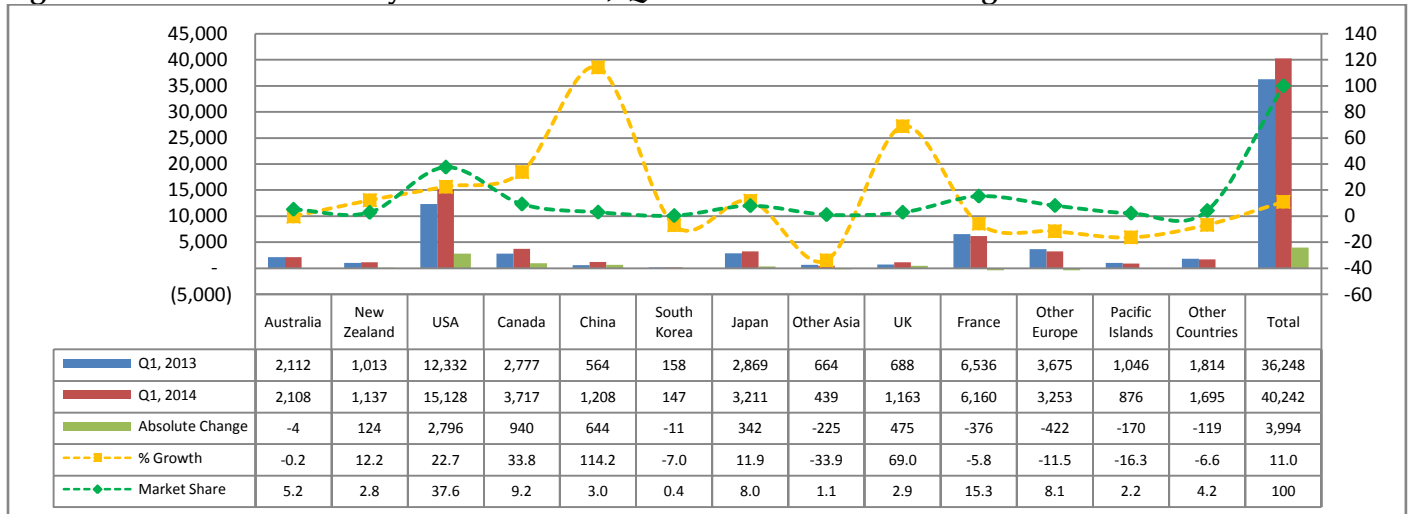
Source: Fiji National Statistics Office

Data on visitor arrivals by purpose of visit are not available.

French Polynesia

French Polynesia's tourist arrivals during the quarter under review were dominated by tourists from USA (37.6%) and France (15.3%). Together they accounted for two-thirds (52.9%) of the tourist traffic in the first quarter of 2014. Canada ranked third with 9.2% followed by Other European countries (8.1%). Others accounted for the remaining 29.8%.

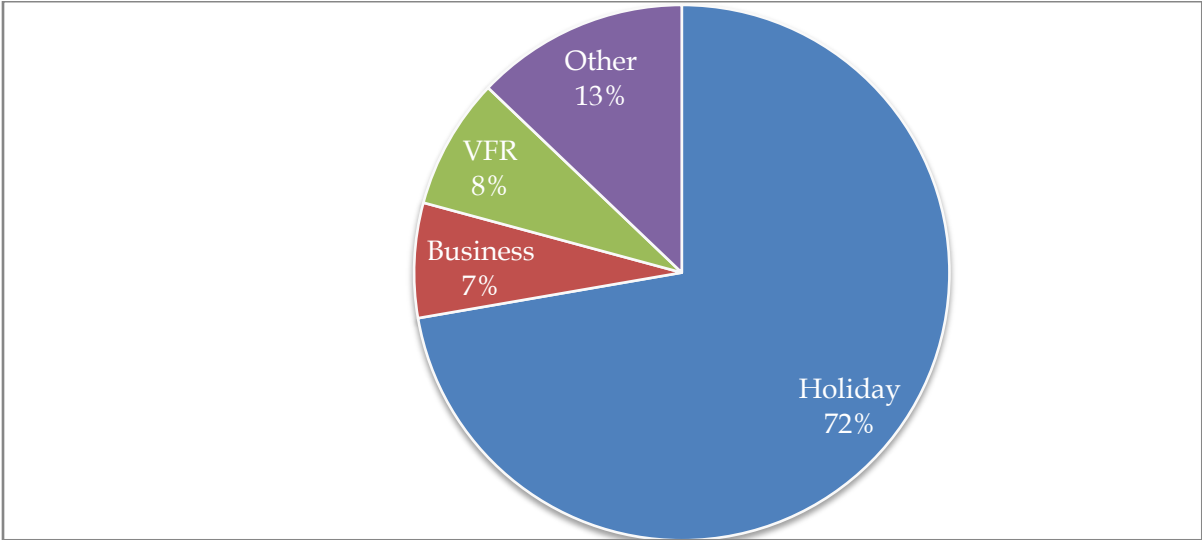
Figure C4: Tourist Arrivals by Source Market, Quarter and Relative Change



Source: French Polynesia Institute of Statistics

Analysis by purpose of visit reveals 72% of travelled to French Polynesia for Holiday, 13% for other reasons, 8% were visiting friends and relatives and 7% for business.

Figure C5: Percentage Share of tourist arrivals by Purpose of Visit, Quarter 1, 2014



Source: French Polynesia Institute of Statistics

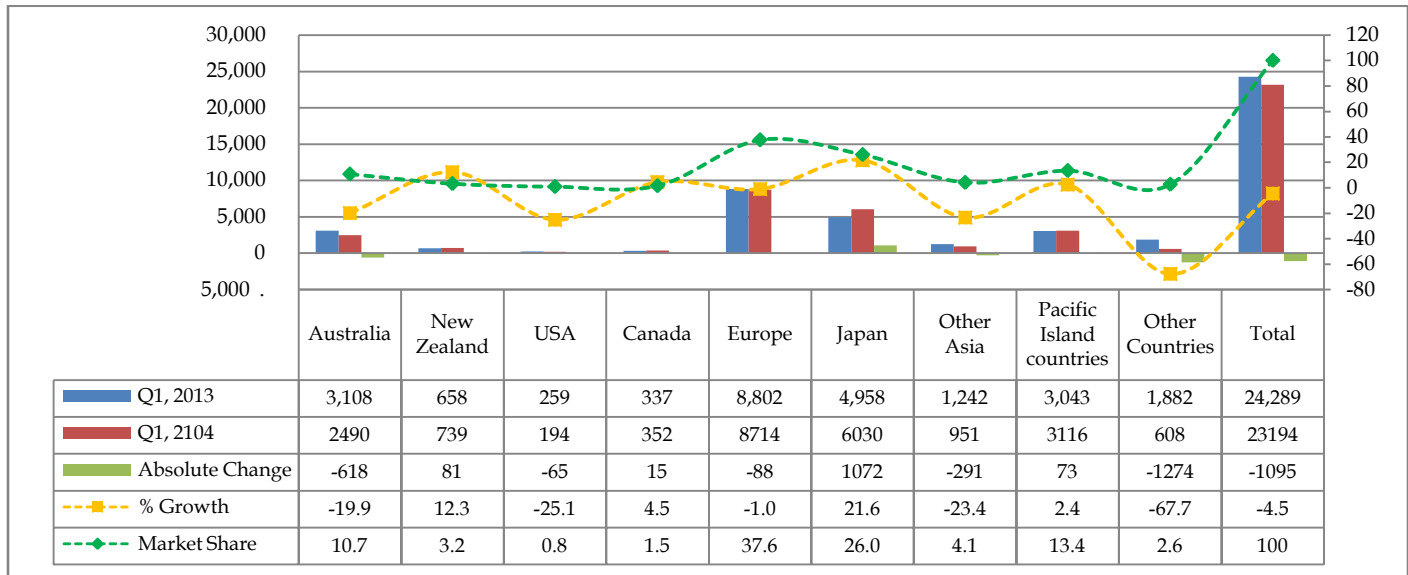
Kiribati and Marshall Islands

No data available when this went to print.

New Caledonia

Europe is the country’s dominant market accounting for 37.6% of total tourist traffic in the quarter under review. This is followed by Japan with 26%, Pacific Islands (13.4%) and Australia (10.7%). Japan, New Zealand, Canada and the Pacific Islands registered positive growths of 21.6%, 12.3%, 4.5% and 2.4% respectively. The other markets recorded a decline during quarter 1, 2014 over the same period in 2013.

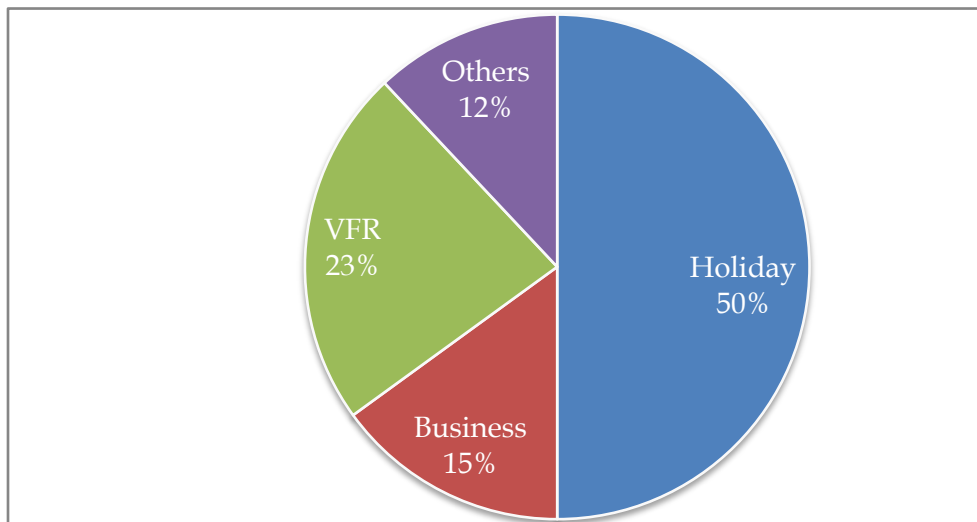
Figure C6: Tourist arrivals by Source Market, Quarter and Relative Change



Source: www.isee.com

Holidaying tourists to New Caledonia accounted for 50% of the total tourist traffic, followed by VFR (23%), Business (12%) and those visiting for other purposes represented 12% of the total tourist arrivals.

Figure C7: Percentage Share of Tourist arrivals by Purpose of Visit, Quarter 1, 2014.

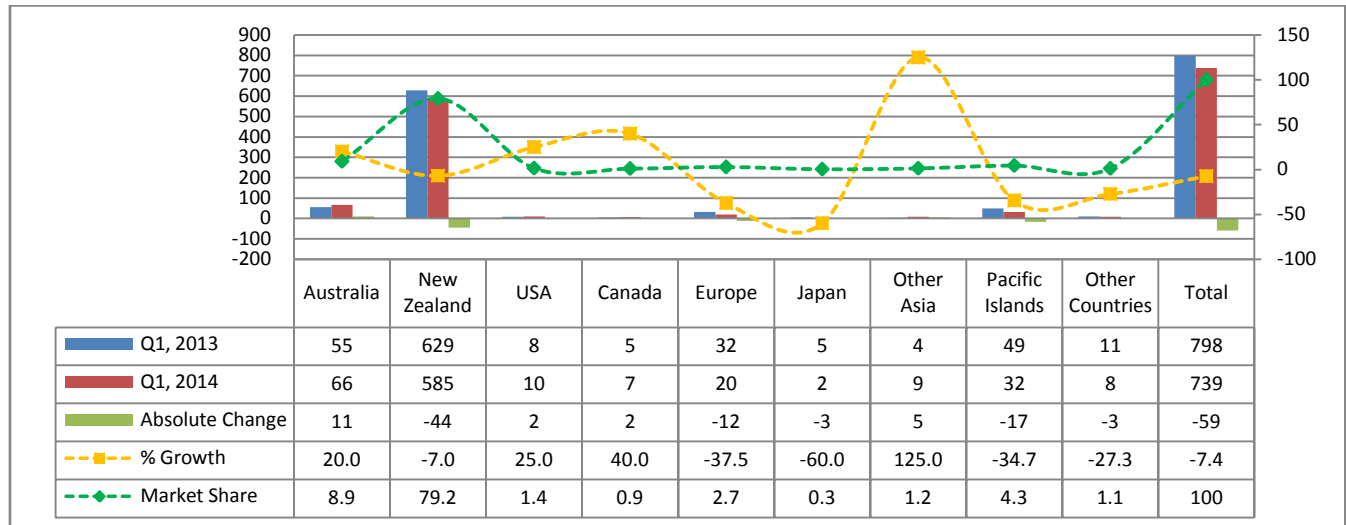


Source: www.isee.com

Niue

Niue received 739 tourists in the first quarter 2014, representing a decrease of 7.4%. This decline was attributed to decreases in tourist numbers from New Zealand (down by 44), Europe (down by 12), Japan (down by 3), Pacific Islands (down by 17) and Other Countries (down by 3). Understandably New Zealand provides Niue with the bulk (79.2%) of its total tourist traffic.

Figure C8: Tourist arrivals by Source Market, Quarter and Relative Change

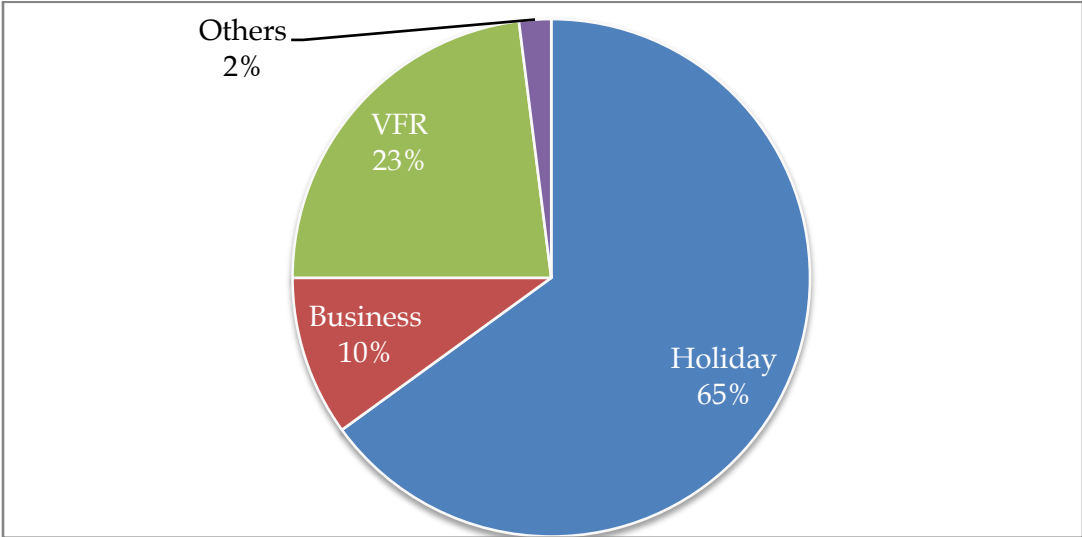


Source: Niue National Statistics Office

Niue

Holidaying tourists accounted for 65% of Niue's tourist traffic during the first quarter under review, business represented 10%, VFR 23% and others 2%.

Figure C9: Percentage Share of Tourist Arrivals by Purpose of Visit, Quarter1, 2014



Source: Niue National Statistics Office

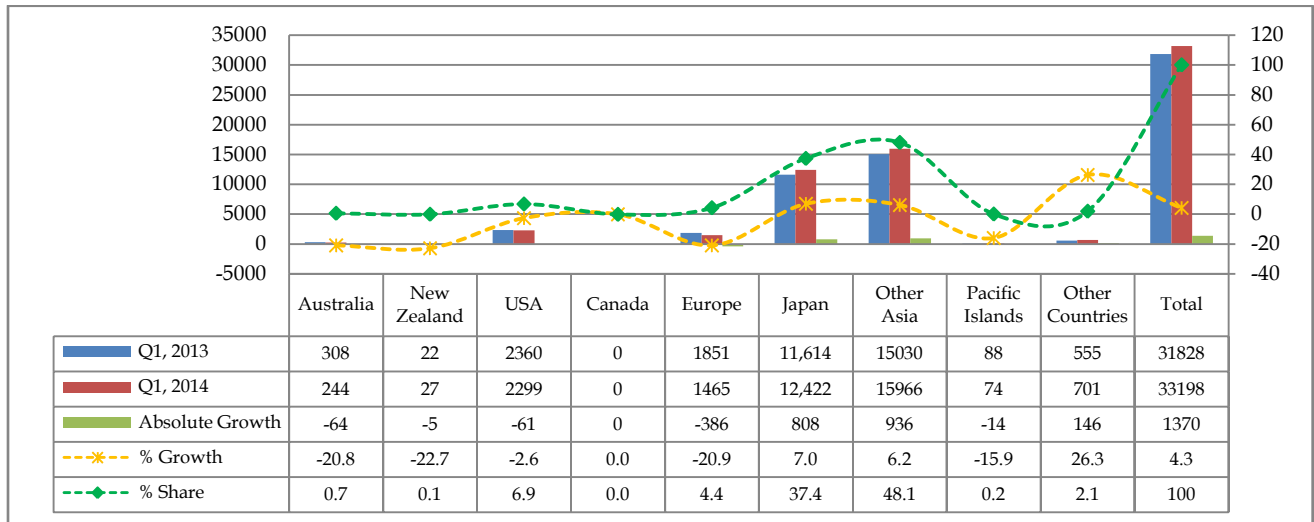
Papua New Guinea

No data available when this went to print.

Palau

The country’s tourist traffic during the quarter under review was dominated by arrivals from Asia (Japan, South Korea, China and Philippines) accounting for some 86%. Japan and Other Asia are Palau’s two most important markets contributing a share of 37.4% and 48.1% respectively. Australia and New Zealand arrivals are understandably negligible with shares of 0.7% and 0.1% respectively. The US and Europe accounted for 6.9% and 4.4% respectively. Overall, total tourist traffic increased by 4.3% in this quarter as compared to the same quarter the previous year.

Figure C10: Tourist Arrivals by Source Market, Quarter and Relative Change



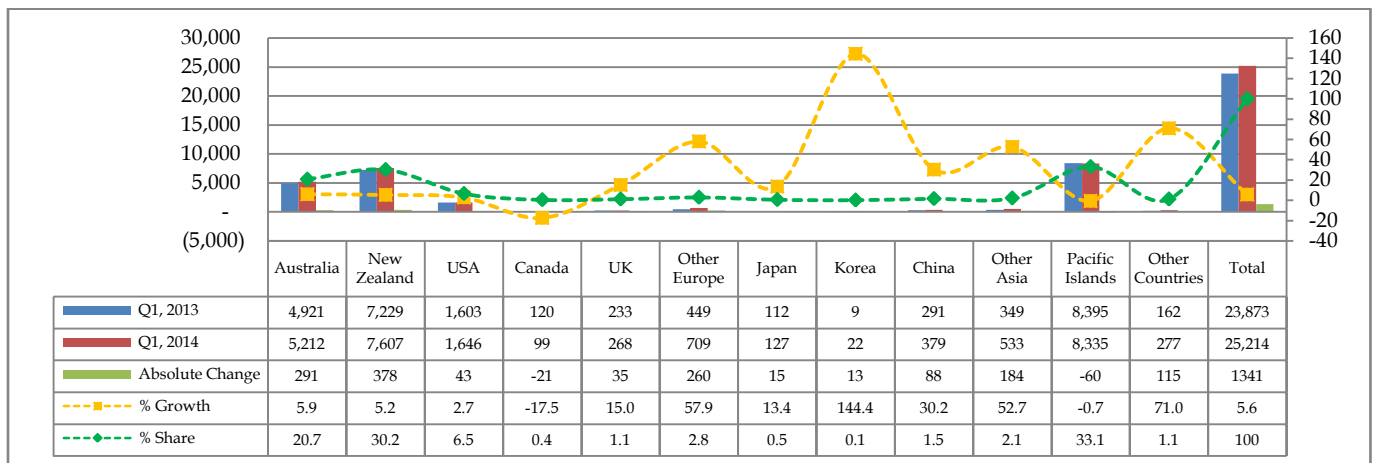
Source: Palau Visitors Authority

Purpose of Visit data unavailable.

Samoa

In the quarter under review, tourist arrivals to Samoa rose by 5.6%. Most source markets registered positive growths except for Canada and the Pacific Island countries category that recorded declines of 17.5% and 0.7% respectively. The Pacific Islands, New Zealand and Australia accounted for 84% share of the total tourist arrivals. The remaining, 16% being shared by other source markets.

Figure C 11: Tourist Arrivals by Source Market, Quarter and Relative Change

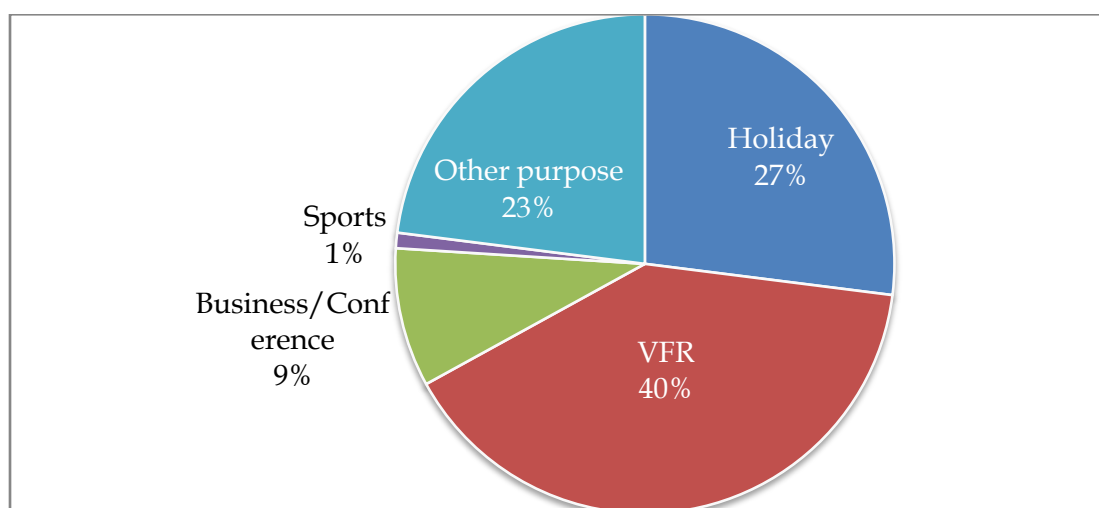


Source: Samoa Tourism Authority

Samoa

Samoa's tourist arrivals characterized by its significant VFR component and during this quarter accounted for 40%. The Holiday category accounted for 27%, while Other purposes 23%, Business and conference 9% and Sports registered 1% share.

Figure C12: Percentage Share of Tourist Arrivals by Purpose of Visit, Quarter 1, 2014

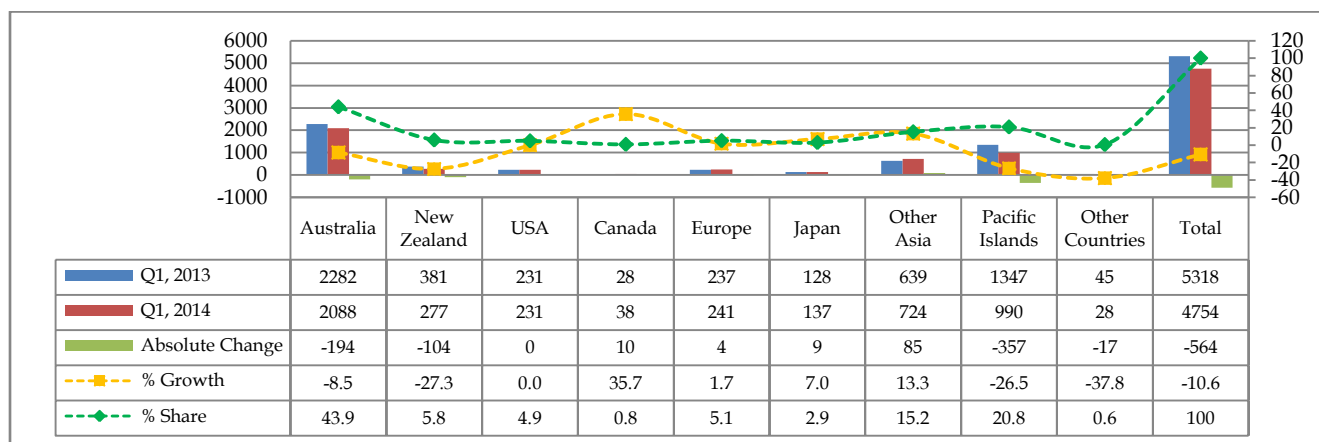


Source: Samoa Tourism Authority

Solomon Islands

This quarter under review saw a decline in tourist arrivals to Solomon Islands by 10.6%. Decreases were recorded by New Zealand (27.3%), Pacific Islands (26.5%) and Australia (8.5%). On the positive side as shown in figure C13 below, Canada, Other Asia, Japan, and Europe registered positive growths in quarter 1, 2014 over the same period in 2013.

Figure C13: Tourist Arrivals by Source Market, Quarter and Relative Change

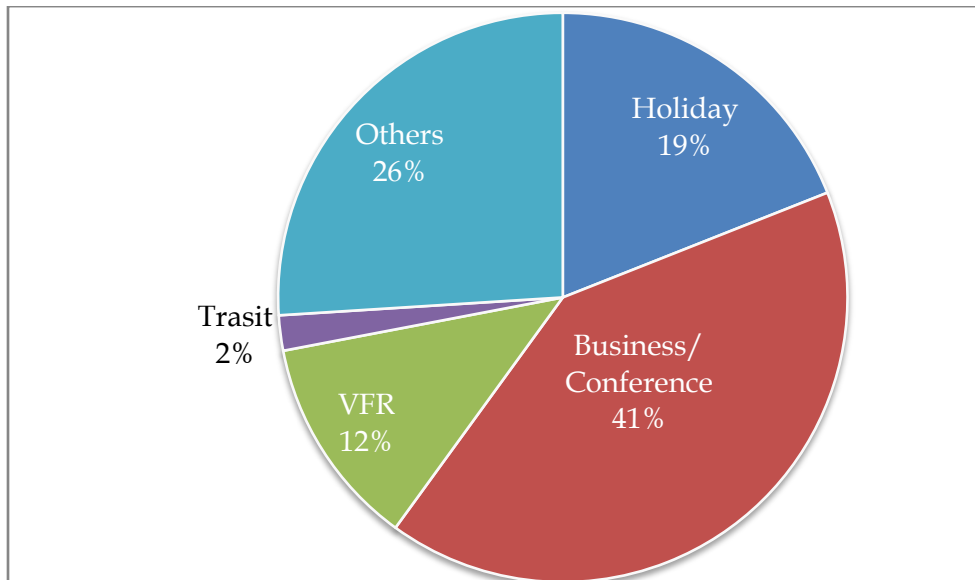


Source: Solomon Islands National Statistics Office

Solomon Islands

The Business and Others category shared 67% of the total tourist traffic to the country. The holiday segment accounted for only 19% share, and the remaining categories shared 14%.

Figure C14: Percentage Share of Tourist Arrivals by Purpose of Visit, Quarter 1, 2014.



Source: Solomon Islands National Statistics Office

Tonga

No data available when this went to print.

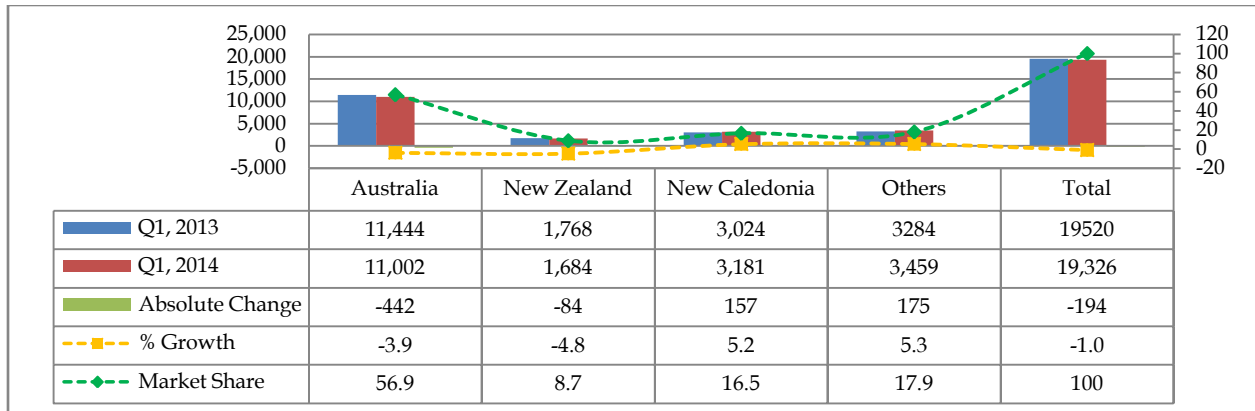
Tuvalu

No data available when this went to print.

Vanuatu

Australia is Vanuatu's single most important market accounting for 57% (or 11,002 in absolute numbers) during the quarter under review. New Caledonia represented 16.5%, New Zealand 8.7%, and the 'Others' including all other countries amounted to almost 18%. This quarter is traditionally Vanuatu's low season.

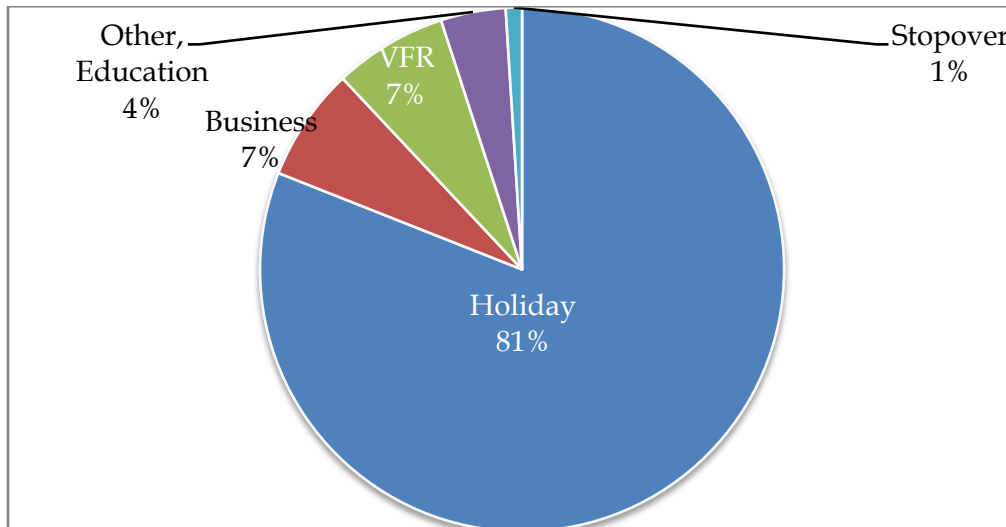
Figure C15: Tourist Arrivals by Source Market, Quarter and Relative Change



Source: Vanuatu National Statistics Office

Analysis by purpose of visit revealed 81% of Vanuatu's tourist traffic were the holidaying and leisure segment – this is a very high percentage share compared to most countries of the Pacific Islands depicting the country as predominantly a holidaying destination. The remaining 19% was shared by business segment (7%), VFR (7%), Educations/Others (4%) and Stopovers recording 1% share.

Figure C16: Percentage Share of Tourist Arrivals by Purpose of Visit, Quarter 1, 2014.



Source: Vanuatu National Statistics Office



South Pacific Tourism Organisation

Level 3, FNPF Place, 343-359 Victoria Parade

P.O. Box 13119, Suva, Fiji Islands.

Phone: +679 3304177 | Fax: +679 3301995

Email: tourism@spto.org

Website: www.spto.org

'Marketing and Developing Tourism in the South Pacific'