



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

**TOURIST ARRIVALS TO PACIFIC ACP AND SPTO MEMBER COUNTRIES
QUARTER 2, 2013**

10 February 2014



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

Overview

Table W1 below provides comparative analysis of the five regions of the world. During the first six months of 2013, the Asia & Pacific (Pacific ACPs and SPTO Member countries are a part) was the fastest growing region of the world with a rate of 5.2. 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. The regions of Africa and Europe registered the next highest growth rates of 4.7% and 4.0 respectively. The Americas grew only at 2.2% and Middle East 1.1%. During this same period, World tourism grew at 3.9%.

Table W1. Tourist Arrivals by world regions, January to June, 2013 and % Growth

By Regions	% Change Jan - June 2012	% Change Jan - June 2013
World	3.7	3.9
Europe	3.2	4.0
Asia and the Pacific	8.0	5.2
Americas	3.0	2.2
Africa	5.8	4.7
Middle East	-7.0	1.1

Source: UNWTO and SPTO

This quarter under review saw 384,812 tourists visiting the Pacific ACPs and SPTO member countries as seen in Table R1 below. This represents a slight decline of 0.4% when compared to the same period last year. This decline was attributed to decreases in Palau (21.1%), Samoa (15.9%) and Solomon Islands (10.6%) during this quarter. However despite the region's decline, individual countries performances highlighted some strong growth. Vanuatu and Fiji recorded positive growths of 8.9% and 8.3% respectively. Niue registered a double digit growth of 44.3%. Kiribati, Marshall Islands and Tuvalu also registered positive growths with, 7.8%, 5.8% and 9.3% respectively. The region's largest country, Papua New Guinea, recorded a decline of 6.9%. Other countries of the region performances were mixed and only showed slight changes.

Table R1: Tourist Arrivals to Pacific ACP/SPTO member countries by quarter, Absolute Change, % Growth and Destination Share

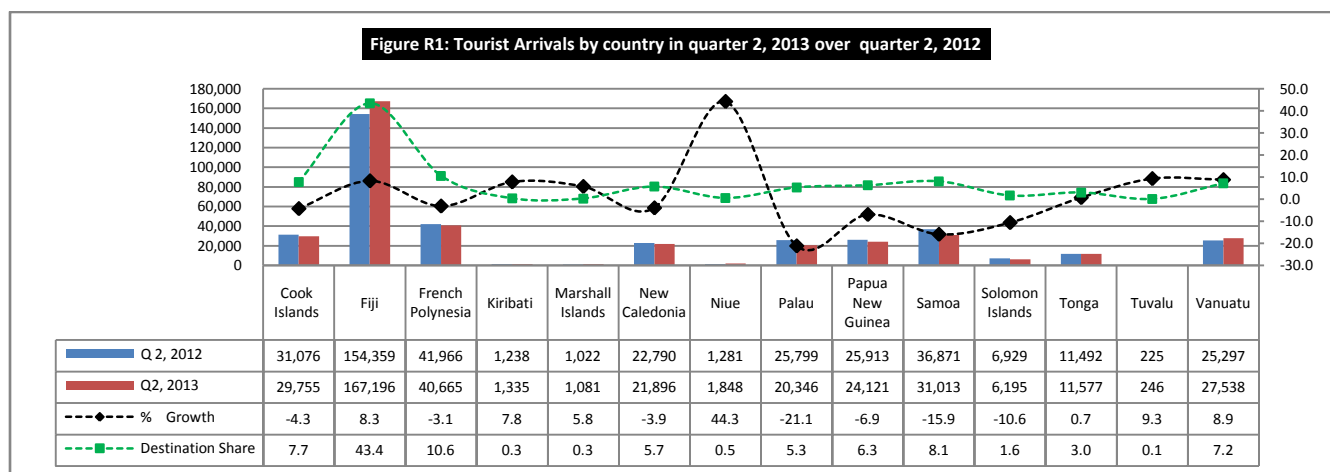
Member Countries	Q 2, 2012	Q2, 2013	Absolute Change	% Growth	Destination Share
Cook Islands (r)	31,076	29,755	-1,321	-4.3	7.7
Fiji	154,359	167,196	12,837	8.3	43.4
French Polynesia	41,966	40,665	-1,301	-3.1	10.6
Kiribati	1,238	1,335	97	7.8	0.3
Marshall Islands*	1,022	1,081	59	5.8	0.3
New Caledonia	22,790	21,896	-894	-3.9	5.7
Niue	1,281	1,848	567	44.3	0.5
Palau	25,799	20,346	-5,453	-21.1	5.3
Papua New Guinea	25,913	24,121	-1,792	-6.9	6.3
Samoa	36,871	31,013	-5,858	-15.9	8.1
Solomon Islands	6,929	6,195	-734	-10.6	1.6
Tonga *	11,492	11,577	85	0.7	3.0
Tuvalu*	225	246	21	9.3	0.1
Vanuatu	25,297	27,538	2,241	8.9	7.2
Total	386,258	384,812	-1,446	-0.4	100

Note: Figures not available for FSM, Nauru and Timor Leste.

*Figures for Marshall Islands, Tonga and Tuvalu are SPTO estimates

© Revised figure Cook Islands

Source: NSOs, NTOs and SPTO



Source: NSOs, NTOs and SPTO

Fiji had the largest share of tourist arrivals with 43.4% during quarter 2, 2013. French Polynesia followed with 10.6%. Samoa, Cook Islands, Vanuatu, PNG and New Caledonia having 8.1%, 7.7%, 7.2% and 5.7% respectively. The remaining countries shared 17.3% of tourist arrivals in the quarter under review.

Source Market Performance

Table R2: Tourist Arrivals by market, Quarter, Absolute Change, % Growth and Market Share

Market	Q2 2012	Q2 2013	Absolute Change	% Growth	Market Share
Australia	134,497	137,666	3,169	2.4	35.8
New Zealand	81,716	78,039	-3,677	-4.5	20.3
Pacific Islands	31,793	30,186	-1,607	-5.1	7.8
USA	38,566	39,871	1,305	3.4	10.4
Canada	5,884	5,241	-643	-10.9	1.4
Europe	39,240	40,277	1,037	2.6	10.5
Japan	15,021	13,941	-1,080	-7.2	3.6
Other Asia	32,522	32,357	-165	-0.5	8.4
Other Countries	7,019	7,234	215	3.1	1.9
Total	386,258	384,812	-1,446	-0.4	100

Source: NSOs, NTOs and SPTO

Australia Market

During the quarter under review this region has been dominated by Australian tourists, representing some 35.8% 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 two 2013 tourist arrivals increased by 2.4% when compared with the same quarter of the previous year.

New Zealand Market

Although a decline of 4.5% was recorded in tourist arrivals from New Zealand in quarter 2, 2013, it is still the second most important market to the Pacific Island destinations, with a market share of 20.3% in the quarter under review. Together, Australia and New Zealand accounted for more than half (56.1%) of the total tourist traffic to the region.

USA Market

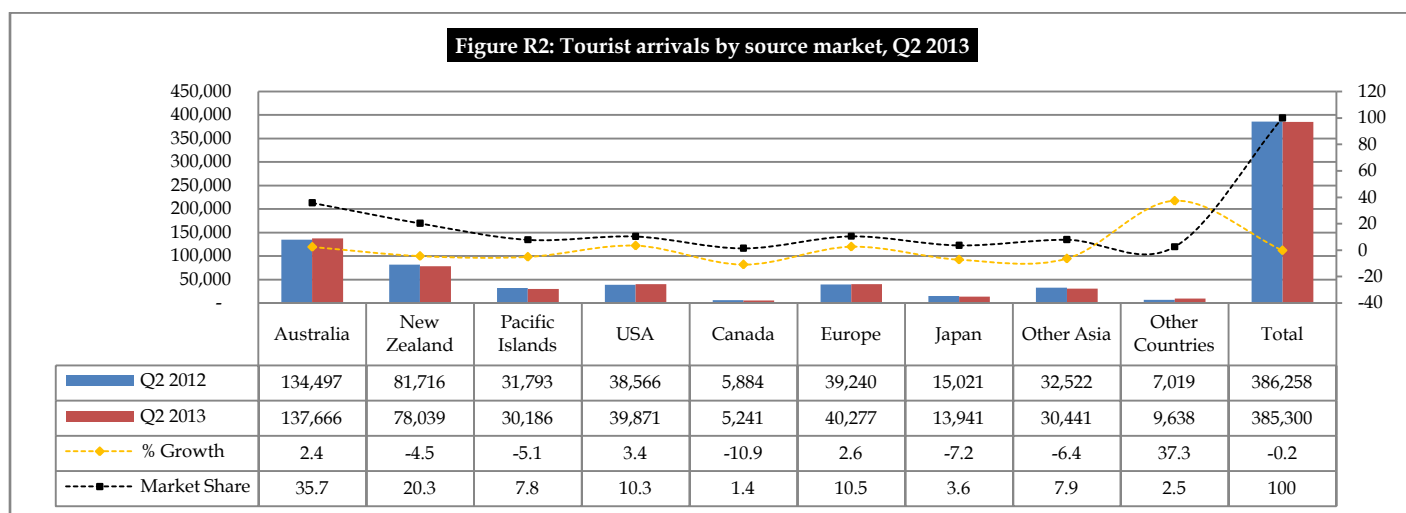
Reported figures from member countries showed 39,871 tourists from the USA visiting the region during quarter 2 of 2013, an increase of 3.4% over the same period in the previous year. Its market share was 10.3% during the quarter under review.

Europe Market

During this quarter 40,277 European tourists visited the region, representing an increase of 2.6% over the same period last year. This number represents a market share of 10.5%.

Japan Market

Tourists from the Japanese market recorded a decrease of 7.2% in quarter 2, 2013 over the same period in 2012. Of the total tourist traffic to the region, the Japanese tourists represented a market share of 3.6% in the second quarter of 2013.

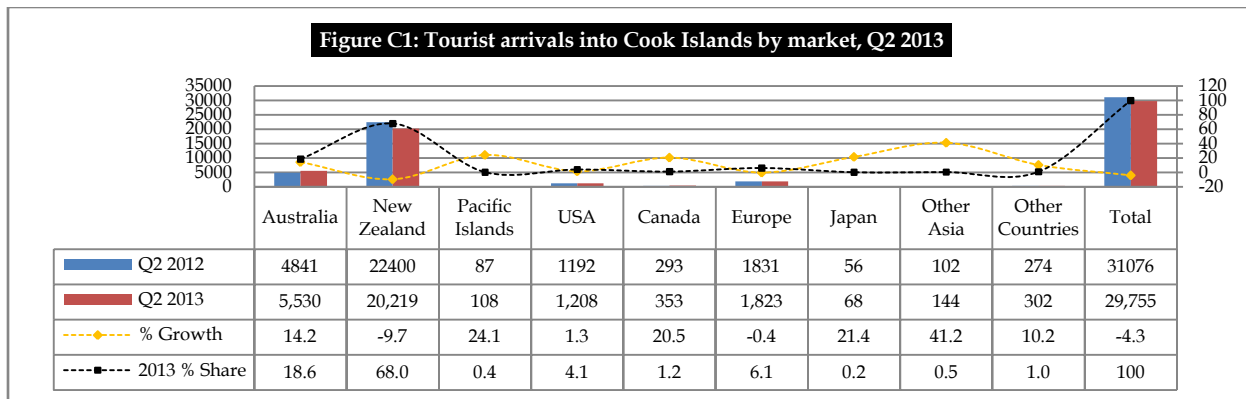


Source: NSOs, NTOs and SPTO

Destinational Analysis

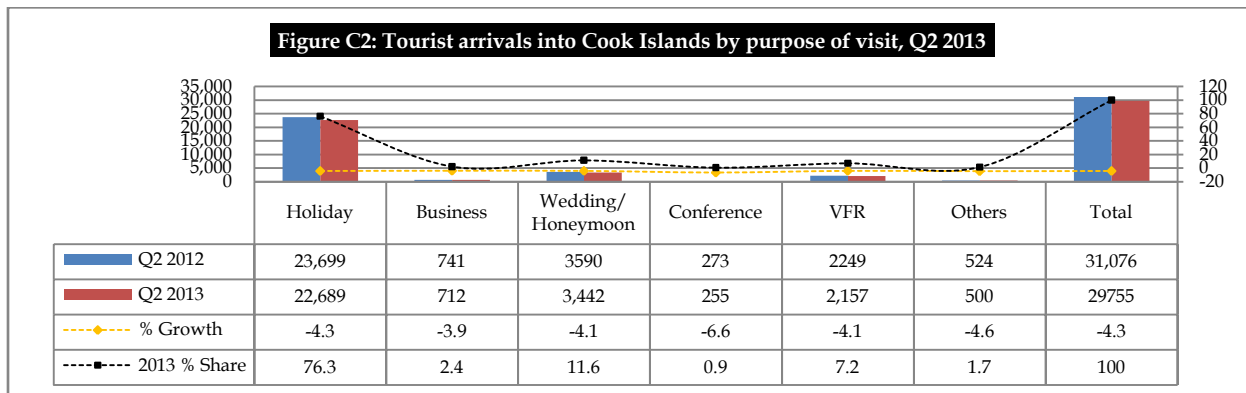
Cook Islands

New Zealand by far is Cook Islands most important single market, providing the country with 68% of total visitor arrivals during the second quarter of 2013. Australia is the country's next most important market accounting for some 20% of the tourist traffic to the Cook Islands. Positive growths were recorded by most markets. Double digit growths were recorded by Australia 14.2%, Canada 20.5%, Japan 21.4%, Pacific Islands 24.1%, Other Asia 41.2% and Other Countries at 10.2%. Only New Zealand and Europe recorded a decline of 9.7% and 0.4% respectively.



Source: Cook Islands National Statistics Office

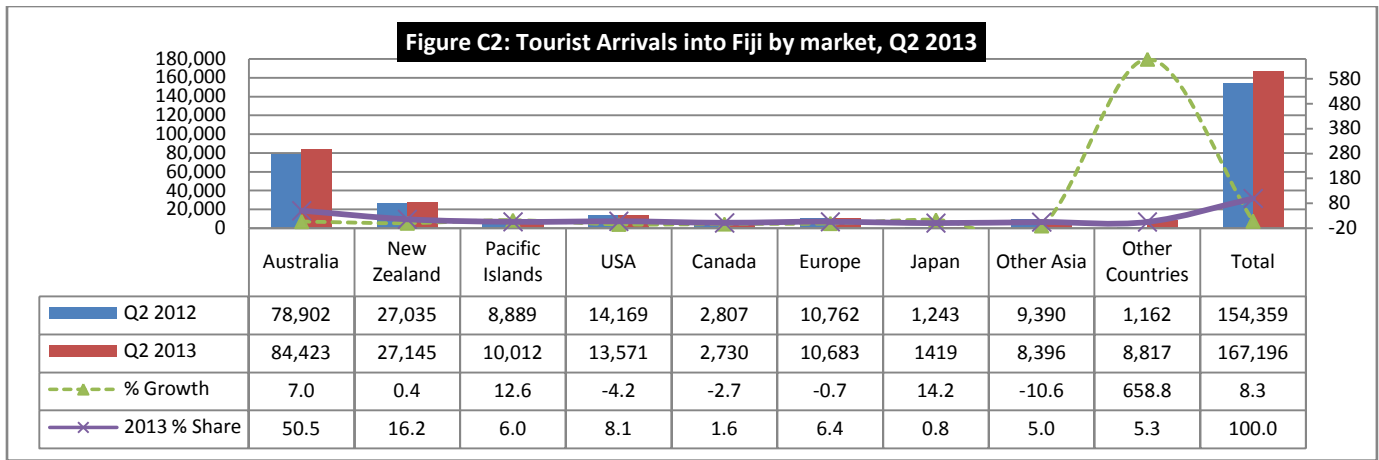
Analysis by purpose of visit reveals that 76% of the Cook Islands tourist traffic was classified as Holiday, followed by wedding/honeymoon and VFR. All classifications recorded decreases during the quarter under review over the same period the previous year.



Source: Cook Islands National Tourism Office

Fiji

Despite the devastations caused by cyclone Evans in mid December 2012, the resilience of Fiji's tourism industry was evident in the positive growth of 8.3% recorded in quarter 2, 2013 over the same period in 2012. Fiji's second quarter tourist arrivals were dominated by Australian tourists, recording 50.5% share and New Zealand travelers at 16.2% share. USA accounted for 8.1%, Europe with 6.4 % and Pacific Islands at 6.0% share. The other countries accounted for the remaining 12.8%.

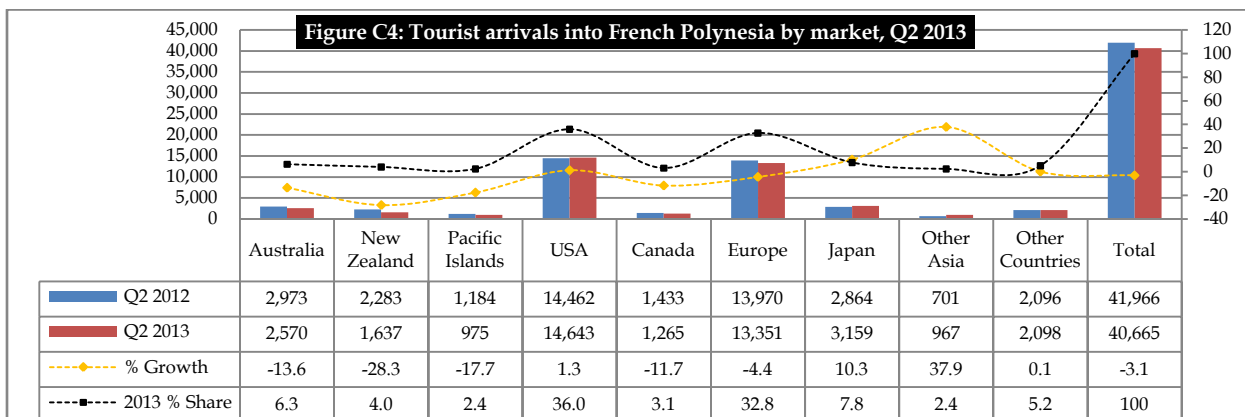


Source: Fiji Bureau of Statistics

Fiji's visitor arrivals by purpose of visit had not been available to SPTO and therefore no analysis had been carried out.

French Polynesia

French Polynesia's tourist arrivals during the quarter under review were dominated by tourists from USA (36.0%) and Europe (32.8%). Together they accounted for two-thirds (68.8%) of the tourist traffic in the second quarter of 2013. Japan ranked third with 7.8% followed by Australia (6.3%). Others accounted for the remaining 17.1%.



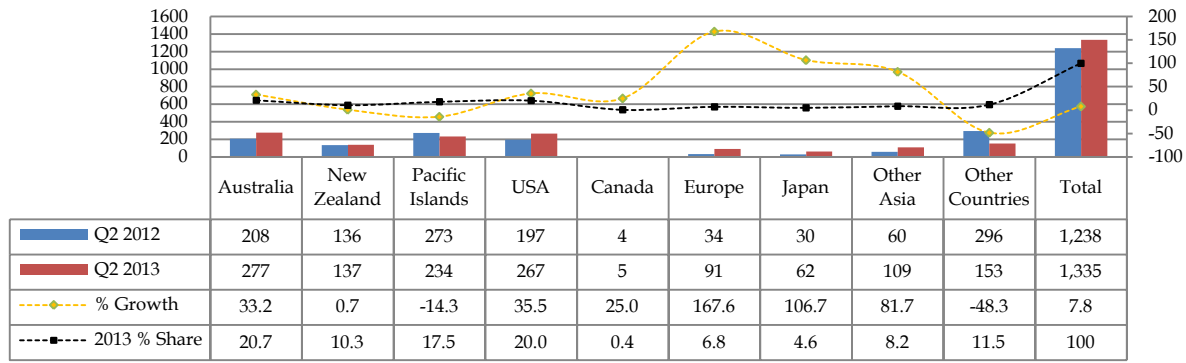
Source: <http://www.ispf.pf>

Note: Figures by purpose of visit, not available.

Kiribati

This member country received a total of 1,335 tourist arrivals during the second quarter of 2013, representing an increase of 7.8% of the same period the previous year. The country's major markets are Australia (20.7%) followed by USA (20%) and then Pacific Islands (17.5%) - others constituted the remaining market shares. New Zealand only accounted for 10.3% share of the total arrivals followed by Europe (6.8%). While most markets registered increases in arrivals during the quarter under review, Pacific Islands and Other Countries recorded decreases as shown in C5 below.

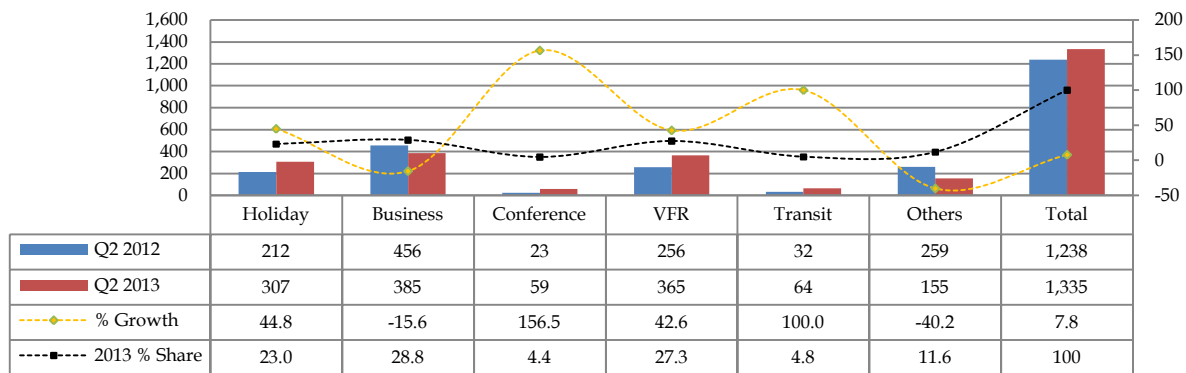
Figure C5: Tourist arrivals into Kiribati by market, Q2 2013



Source: Kiribati National Tourism Office

Kiribati’s purpose of visit for holiday/leisure, business and VFR are evenly distributed (see table 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 C6: Tourist arrivals into Kiribati by purpose of visit, Q2 2013

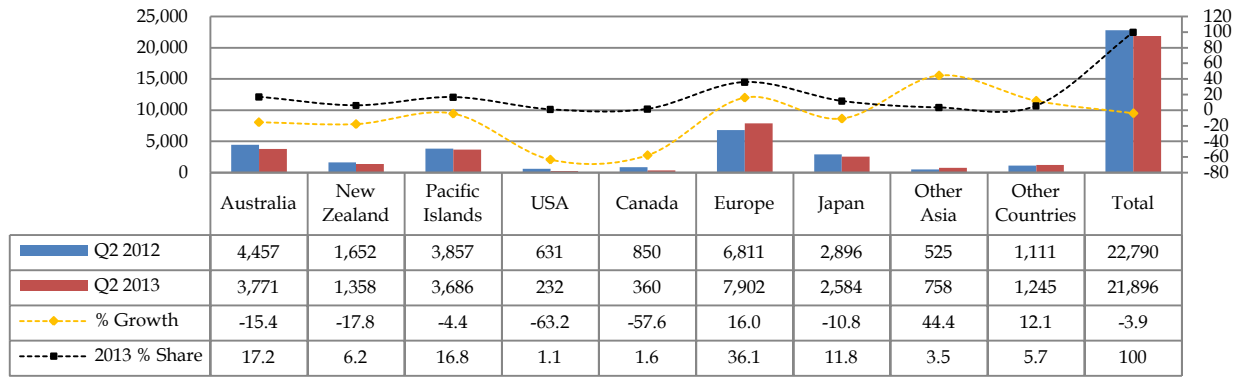


Source: Kiribati National Tourism Office

New Caledonia

Europe is the country’s dominant market accounting for 36.1% of total tourist traffic in the quarter under review. This is followed by Australia with 17.2%, Pacific Islands (15.8%) and Japan (11.8%). Almost all markets registered declines in arrivals to New Caledonia except two, Europe, Other Asia and Other Countries category that recorded positive growths of 16.0%, 44.4 % and 12.1% respectively.

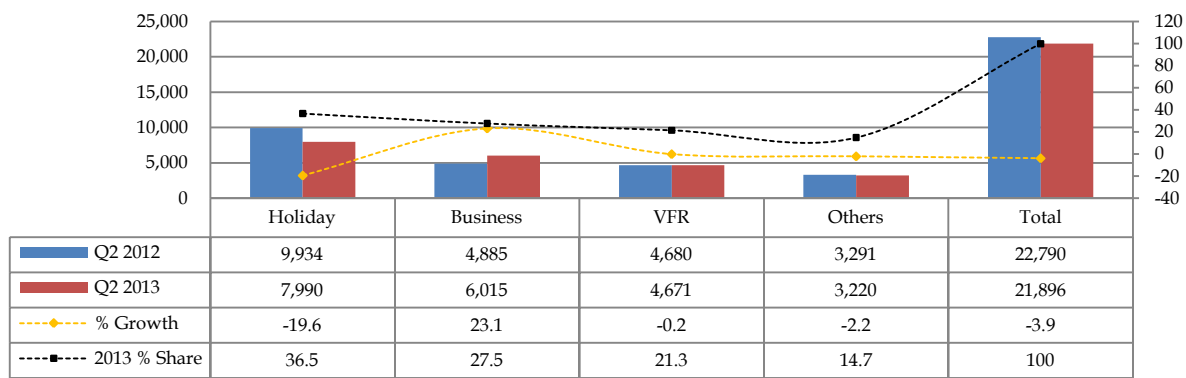
Figure C7: Tourist arrivals into New Caledonia by market, Q2 2013



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

The holiday component of the purpose of visit accounted for 36.5%, while Business represented 27.5%, VFR 21.3% and others 14.7%. All other purposes of visit classifications recorded declines as shown in C8 below, while only the Business segment showed an increase of 23.1%.

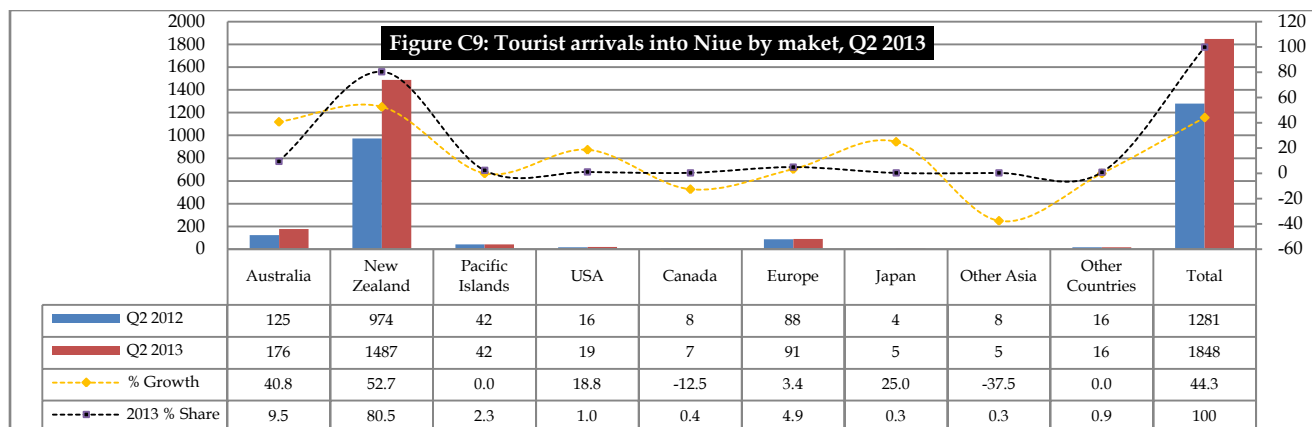
Figure C8: Tourist arrivals into New Caledonia by purpose of visit, Q2 2013



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

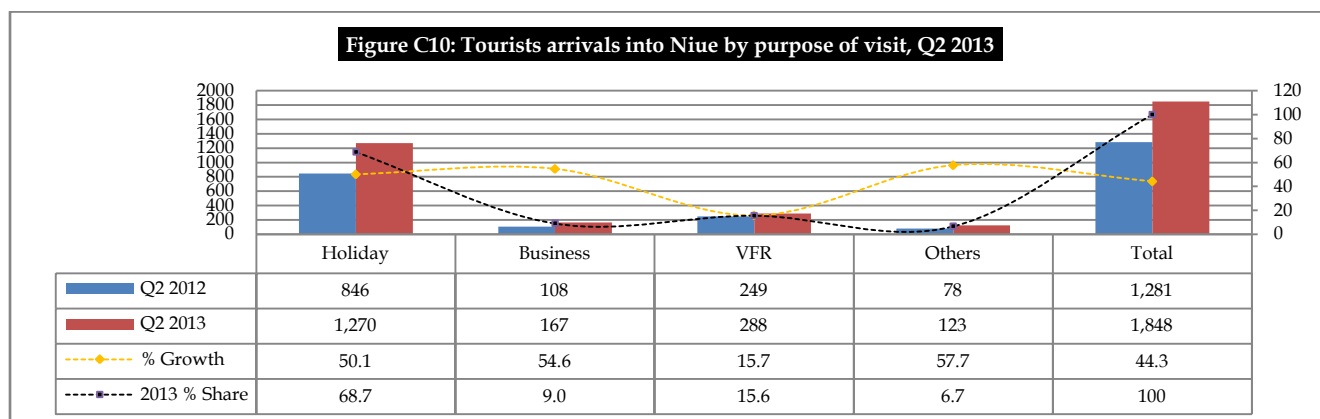
Niue

Niue received 1,848 tourists in the second quarter 2013, representing an increase of 44.3% or 567 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 (80.5%) of its total tourist traffic.



Source: Niue National Statistics Office

Holiday tourists accounted for 68.7% of Niue's tourist traffic during second quarter under review, business represented 9.0%, VFR 15.6% and others 6.7%. All purpose of visits recorded increases as shown in Table C10 below.

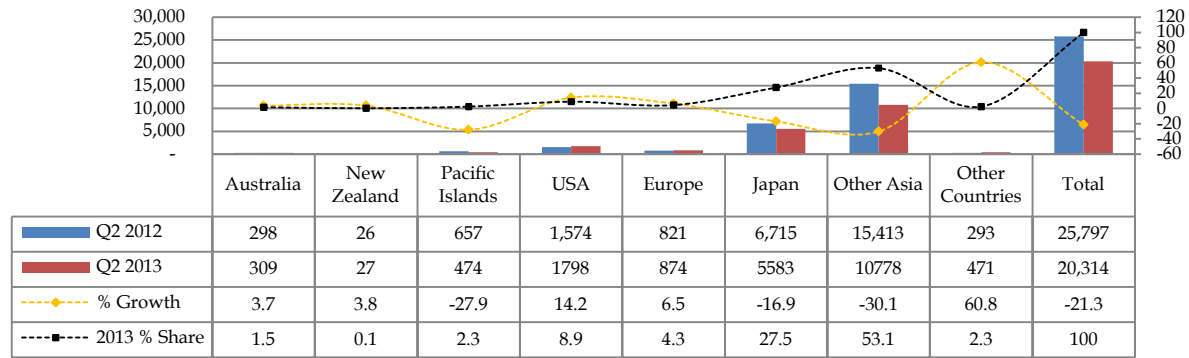


Source: Niue National Statistics Office

Palau

The country's tourist traffic was dominated by arrivals from Asia (Japan, South Korea, China and Philippines) accounting for 80.6% of its total visitor arrivals during quarter 2 of 2013. Japan and Other Asia are Palau's two most important markets contributing a share of 27.5% and 53.1% respectively. Australia and New Zealand arrivals are understandably negligible with shares of 1.5% and 0.1% respectively. The US and Europe accounted for 8.9% and 4.3% respectively. Overall, total tourist traffic decreased by 21.3% in this quarter as compared to the same quarter the previous year.

Figure C11: Tourist arrivals into Palau by market, Q2 2013



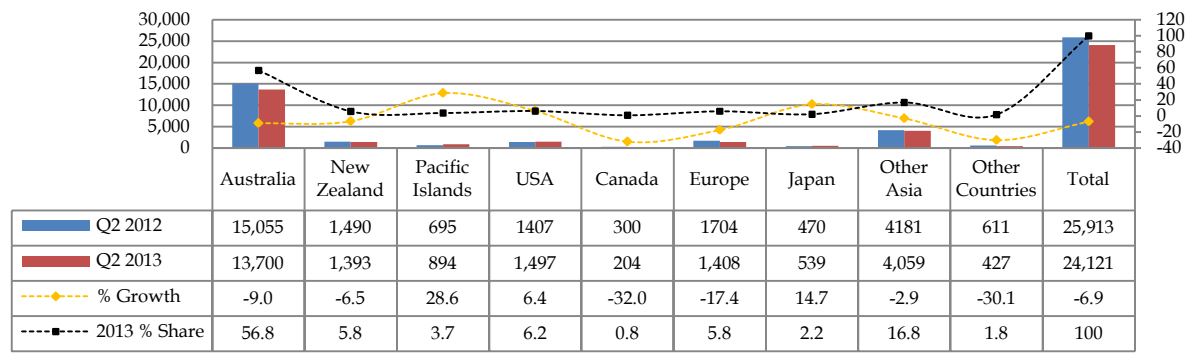
Source: Palau National Tourism Office

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

Papua New Guinea

PNG’s performance during the quarter under review is detailed in C12 below. Like many South Pacific Island countries Australia dominated the destination with a share of 56.8%. Other Asia ranks second with 16.8% share. USA, New Zealand and Europe accounted for 17.8% share. Others recorded the remaining 8.6%. Only Japan, USA and Pacific Islands registered positive growths of 16.4%, 28.6% and 14.7% respectively. The others recorded a decline.

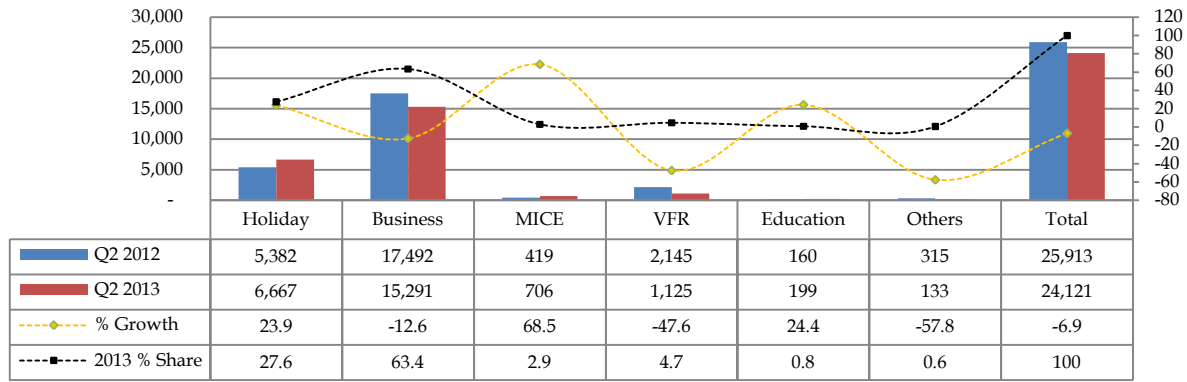
Figure C12: Tourists arrivals into PNG by market, Q2 2013



Source: PNG National Tourism Office

PNG’s dominant purpose of visit category is the business segment with 63.4%. Holiday only accounted for 27.6%. VFR represented 4.7% with Meetings and Conference, 2.9% and others 0.6%. In this quarter the business segment took a dive by 12.6% while the holiday/leisure component registered positive growth by 23.9%. VFR slumped by some 47.6%. Other components recorded small changes in number terms but with large corresponding percentages.

Figure C13: Tourist arrivals into PNG by purpose of visit, Q2 2013

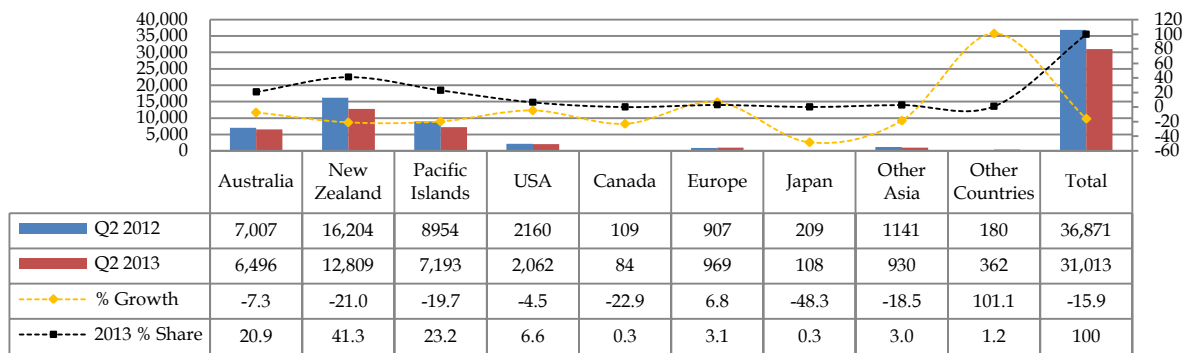


Source: PNG National Tourism Office

Samoa

The negative consequences of cyclone Evans in December 2012 continued to be felt by Samoa’s tourist numbers in quarter 2, 2013. Samoa’s tourist traffic took a double digit dive by 15.9% in the quarter under review. On the positive side, Europe recorded a positive growth of 6.8%. Tourists from the remaining key source markets declined. These declines may be attributable to the cyclone that devastated Samoa and Fiji.

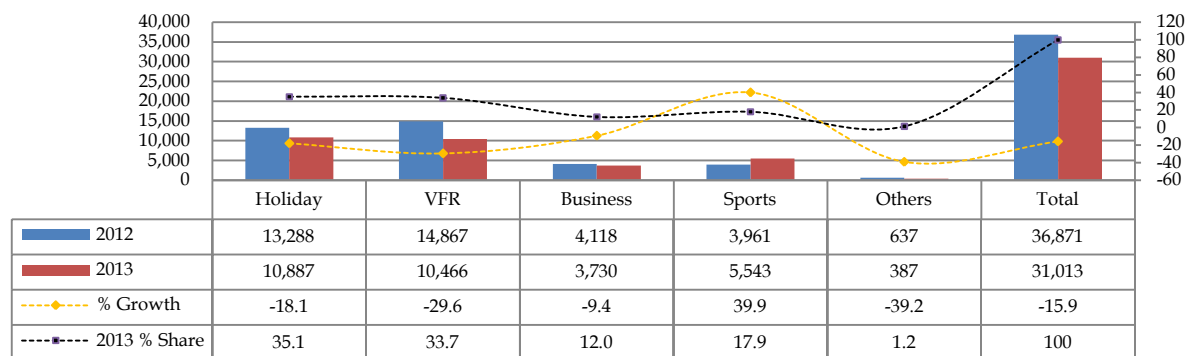
Figure C14: Tourist arrivals into Samoa by market, Q2 2013



Source: Samoa Tourism Authority

Samoa’s tourist arrival was characterized by its significant Sports component and this category recorded a positive growth of 39.9%. The remaining categories registered a decline. In terms of share, the Holiday and VFR components accounted for 68.8%. Business had 12%, Sports 17.9% and Others, 1.2%.

Figure C15: Tourist arrivals into Samoa by purpose of visit, Q2 2013

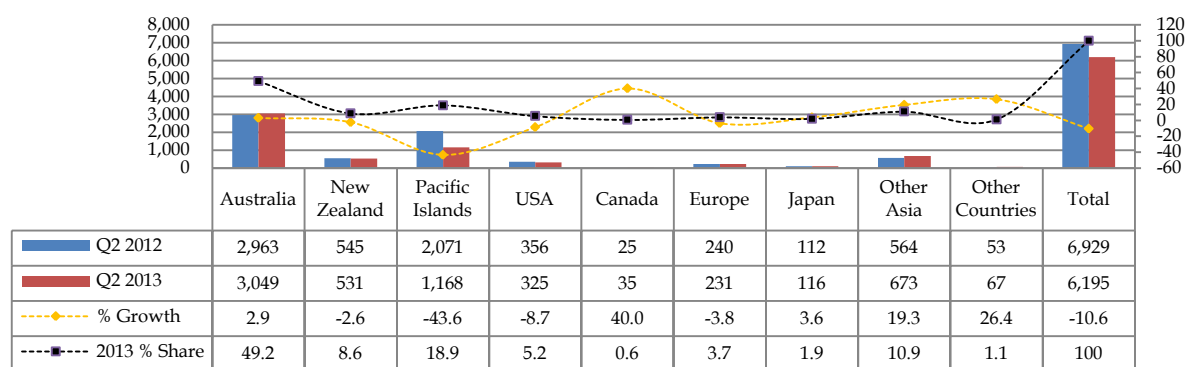


Source: Samoa Tourism Authority

Solomon Islands

The Solomon Islands felt the impact of cyclone Sandra in early March 2013. The cyclone had an effect on tourists wanting to visit the island destination, thus recording an overall 10.6% decrease in the quarter under review. On the positive side as shown in figure C16 below, Australia, Canada, Other Asia and the Other Countries category registered positive growths in quarter 2, 2013 over the same period in 2012. Decreases were recorded by New Zealand (2.6%), USA (8.7%) and Europe (3.8%).

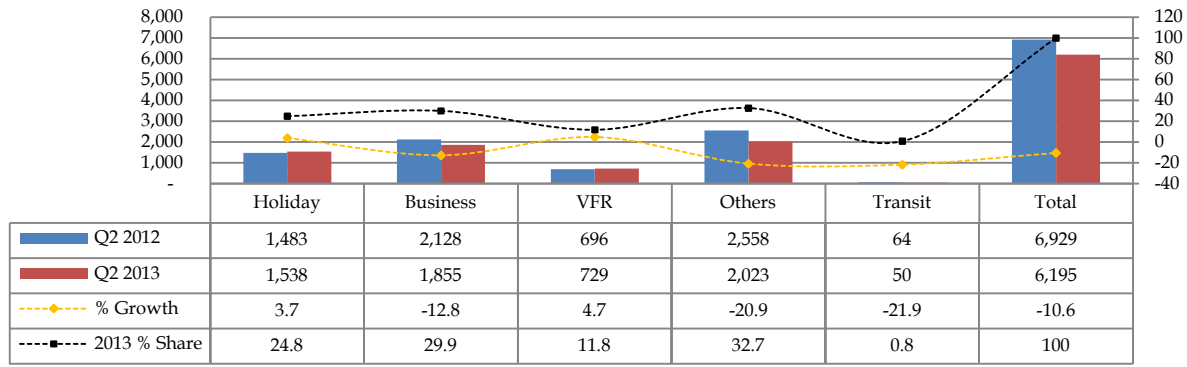
Figure C16: Tourist arrivals to Solomon Islands by market, Q2 2013



Source: Solomon Islands National Statistics Office

The Business and Others category shared 62.6% of tourist traffic to Solomon Islands. Holiday tourists accounted for only 24.8% share, and the remaining categories shared 12.6%. In terms of growth, only Holiday and VFR registered positives results of 3.7% and 4.7% respectively.

Figure C17: Tourist arrivals to Solomons Islands by purpose of visit, Q2 2013



Source: Solomon Islands National Statistics Office

Tonga

Tonga’s tourist arrivals by source market and purpose of visit had not been available to SPTO, despite repeated reminders, and therefore no analysis could be carried out.

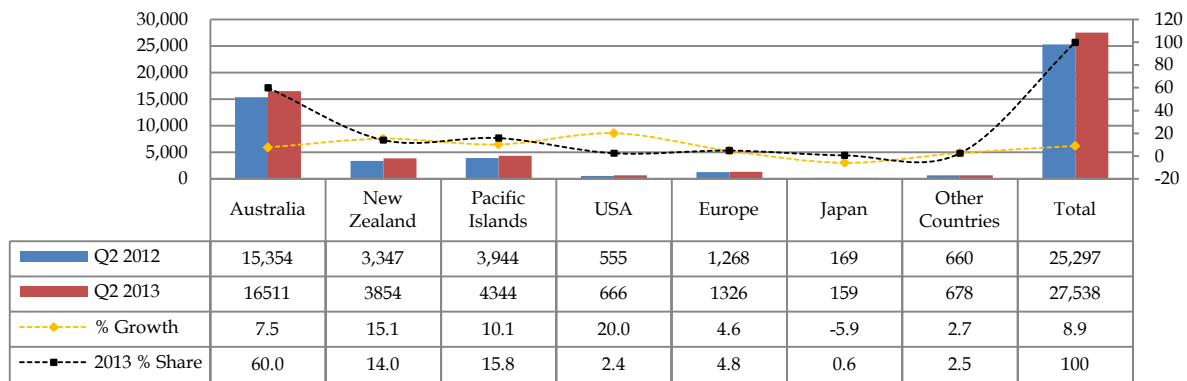
Tuvalu

Tuvalu’s tourist arrivals by source market and purpose of visit had not been available to SPTO despite repeated reminders, and therefore no analysis could be made.

Vanuatu

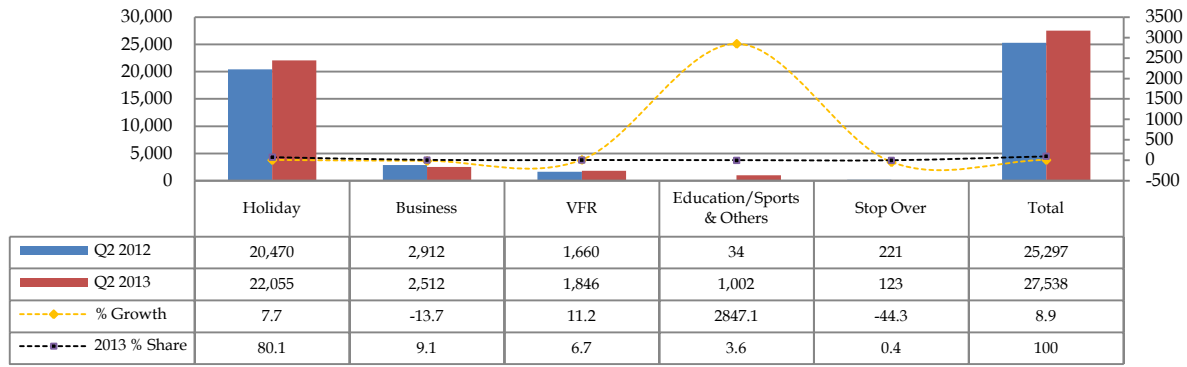
Australia is Vanuatu’s single most important market. In quarter two where 27,538 tourist arrivals were recorded, 60% were tourists originating from Australia. Analysis by market reveals that the Pacific Islands represented 15.8%, New Zealand 14%, Europe 4.8% and USA 2.4%. This quarter is understandably Vanuatu’s low season.

Figure C18: Tourists arrivals into Vanuatu by market, Q2 2013



Source: Vanuatu National Statistics Office

Figure C19: Tourist arrivals into Vanuatu by purpose of visit, Q2 2013



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 Islands depicting the country as predominantly a holidaying destination. The remaining 20% was shared by business segment (9%) and VFR and others accounted for the remaining balance.

For more information, please contact

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