



**Andy Dumaine, President, shrinkfootprint
Remarks To Caribbean Tourism Organization
Bridgetown, Barbados
October 9, 2010**

Thank You.

I am here for two reasons: First – I believe Caribbean tourism is leaving a huge opportunity on the table. Second – I want to challenge your assumptions about what tourism is and can be in a post-recession world.

If my 20+ years in travel and tourism marketing taught me anything it is that tourism is overly focused on how it is doing. How you are doing is all about finding reasons to validate the wisdom of your past decisions. A far more interesting and informative question is to ask how you *could be* doing if only... It is a question that forces you to look forward and consider new approaches and different ideas.

We have heard a lot of talk about what the recession did to tourism. Double-digit losses in some destinations. Many of you may find comfort in the fact that at least your destination did better than the worst. But is that the best way to look at it?

How *could you be doing* if only...? I took a look at the worst months of the recession and searched for any glimmers of good news. Were there any sectors of the U.S. economy that actually did well and, if so, what might that tell us about the potential for tourism here in the Caribbean?

House hold goods ↓ 30%
Farmer's Markets ↑ 20%
Organic labels ↑ 17%
ARM's Hammer ↑ 12%
Green Mountain Coffee ↑ 86%
Hansen Natural Corp ↑ 20%
Green Building Starts ↑ 200%
Green toilet paper ↑ 100%
(#2,000,000,000.00!)

Ithaca Sen Products ↑ 50%

When the demand for household goods in the United States fell 30%, visits and spending at farmer's markets in major urban centers on the east coast of the United States – your key tourism markets - remained undiminished at a 20% annual growth rate.

Astonishing!

Farmers markets are growing twice as fast as the overheated Chinese economy. Demand for local goods and contact with the people who grow our food is apparently immune to the gloom and doom scenarios filling the airwaves. How is this possible?

How many of you have ever visited a farmer's market in one of your feeder markets? I highly recommend scheduling a visit on your next trip stateside. Get there early and watch the cars pull into the parking lot. You will see everything from beat up Fords to brand new Range Rovers. Look at the bumper stickers. "Coexist" "God Bless The Whole World" "No Farmers = No Food."

Why are these people paying three to five times the cost of eggs or chicken at their local grocery store? It isn't because they have money to burn. The people at farmers markets in cities across the United States are a part of a growing global wave of consumers who are using their economic power to promote social and environmental change.

They are *values* conscious consumers NOT *value* conscious consumers and the implications for Caribbean tourism are impossible to overstate.

A recession is the worst possible time to sit around licking wounds. In a recession consumers reevaluate their brand choices. They are more open to new suggestions. Recessions are the ideal moments to capture market share.

The Arm and Hammer Company understood this and launched a new line of eco-cleaning products. They captured 12% of the market in the first year even though demand for well-established household goods was falling like a stone. It is counterintuitive – unless you're highly-strategic and deeply immersed in the sustainability revolution.

Or just plain lucky.

Scott Paper just happened to launch a line of toilet tissue made from recycled paper in 2008. A terrible time for a new product launch right? Wrong. Scott Paper sold two billion dollars in year one, four billion dollars in year two and are projecting \$10 billion in sales by 2015. 100% growth per year. What recession?

I don't know about you, but when money is tight I would think that toilet paper is one of the last things on people's minds. But...here is Scott Tissue up 100% per year in the worst economic meltdown since Herbert Hoover.

Why isn't the Caribbean up 100%?!? Aren't we more interesting than recycled toilet paper?!?

Kimpton Hotels – a leading green hotel chain in the United States – outperformed Ritz, Marriott, Hilton and many other established brands during the recession.

Recently, I was talking to Susan Biemans, the owner of Bucuti Beach Resort in Aruba – the first green globe certified hotel in the region. When visitor arrivals in Aruba were down 25%, she told me Bucuti's numbers were down "a bit." "The recession was a blip for us" were her exact words. The WTO says that sustainable tourism outperformed traditional tourism by 25%. Goldman Sachs – granted, not the name and reputation it once was – conducted a recent study that found socially responsible companies outperform traditional companies by 20%

So how *could* we be doing? We *could* be up.



If I had to divide my clients between those that enjoy remarkable success from those that simply muddle along, one of the key differences is their respect for the power of story to transform the trajectory of their businesses. When I look at how this region and the world communicate sustainable tourism –there is a huge opportunity to improve the narrative.

Sustainable tourism is not tourism on a diet. It is a new tourism super food. Sustainable tourism is not about doing less, cutting back, saving or fixing anything. Sustainable tourism is about creating something even better and connecting your new story to the hundreds of millions of *values conscious* consumers who put their money where their beliefs are.

IF we did a better job of framing our narratives so that sustainable travelers understood that Caribbean values matched theirs – look out! It is a whole new day in Caribbean tourism.

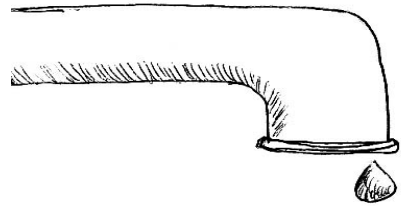
I could spend the entire conference talking about how to frame the sustainable tourism narrative, but we don't have time. Suffice it to say – sustainable tourism has been overly focused on incremental technical fixes that do not engage or inspire anyone. When was the last time you found yourself wishing a toilet used less water? Get your narrative right! Tell the story so people are inspired and engaged!

Connect with sustainable tourists – the WTO refers to them as experiential travelers – by demonstrating that you share the belief in the supremacy of social and ecological interest over the shortsighted interests of corporations.



Sustainable tourism is about advocacy and involvement. Not selling. It is about a belief system that insists business must make the world more livable – not less.

Sustainable travelers believe that traditional tourism takes something pure and overproduces and overpackages it until the essence is diminished or destroyed. Traditional tourism is like bottled water. It takes a natural substance and wraps it in a skin of hydrocarbons until all of these unwanted chemicals leech into the water. Study after study show that tap water in the United States is purer than most bottled waters. Think of the shocking amount of waste bottled water represents! If you want your tourism to grow – especially during a recession – make sure it isn't like bottled water.



STOP LEAKS

Sustainable travelers want local experiences and you should too. Local experiences are the antidote to economic leakage - which is a huge challenge for the region. WTO and UNEP indicate that 75 cents of every visitor dollar spent in the region only stays here for a millisecond before being deposited in a bank in Dubai or London or Beijing or Madrid or Toronto or... Not Bridgetown. Not Kingston. Not Rosseau. Not Port Au Prince.

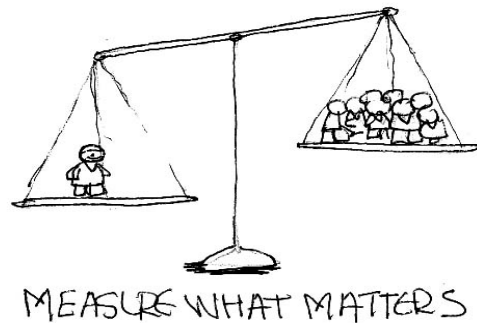
If you work a ten-hour day, you are spending seven and a half hours promoting the wealth and health of someone who doesn't live here and just two and half hours promoting the health and happiness of your own people.

The reason tourist boards are always so frantic is that everyone is trying to fill a huge bucket that has an enormous hole in the bottom of it. Economic leakage creates a sense of desperation that causes tourist boards to crash tourism into their communities and ecologies with devastating long term consequences.

Sustainable tourism is about creating something better - tourism that delivers on the promises made to local communities 50 years ago.

I have been attending CTO conferences for more than ten years. At every single conference there is a lot of talk about the need for more collaboration among member states. Collaboration is a big applause line, but it needs to be more. It is time to translate talk into action.

The forces of change will not wait for this region –or any region – to get all of its political ducks in a row. Globalization has dramatically accelerated the pace of change. Standing still and talking about change is the same thing as falling behind.



The visitors who will help you build your future understand that the forces driving the need for sustainability are global and systemic. Therefore incremental, individual, property-specific, destination-focused solutions are unlikely to inspire or impress them. There isn't time, money or resources for everyone to come up with their own plan.

Recently, I ran a two-day strategic workshop for 100 Florida mayors and county commissioners. One of the first questions I asked them was how many had a sustainability plan. Every hand in the room went up. I then told them that I was looking at 99 reasons why their plans would fall short. We share these problems! We must share the solutions! Having 100 plans to solve the same problem is like asking 100 captains to steer one ship. The Caribbean Tourism Organization promotes the idea of "One Caribbean, One Voice." I would add "One Plan" to the mix.

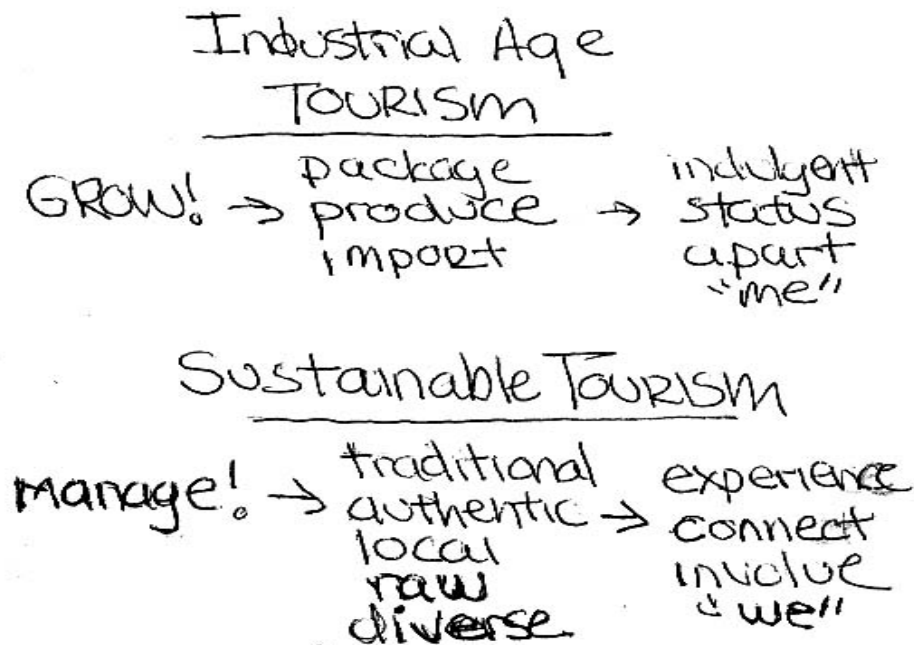
When it comes to sustainability, incrementalism doesn't work. Sustainable tourists respect leaders and are repelled by followers and half measures. Either you are all in or you are in the way. One hotel that saves water or electricity is nice, but woefully insufficient. One destination that protects one reef is laudable, but less than what is required given the forces of change headed this way. The visitors you need are unimpressed by slick brochures touting green accomplishments on a small scale. The Caribbean must lead the charge on a grand scale.

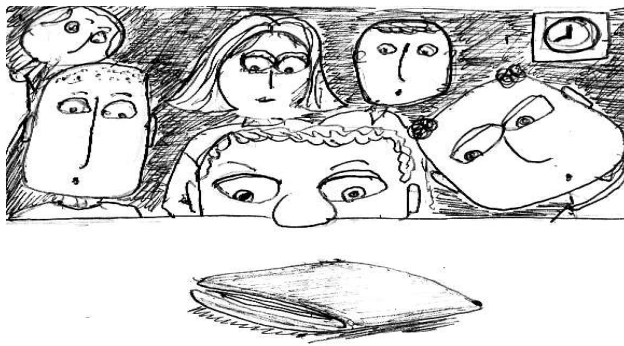
Leading the charge means localizing tourism experiences wherever you can. Sustainable tourists don't want to hide behind the walls of some generic resort sipping fruity drinks with umbrellas. They do not travel for status and image reasons. They travel to connect, engage, experience and contribute. They don't want to be shown – they want to share.

Localize tourism and the economic benefits multiply. A cooking class in a local village has two to three times the economic benefit of a cooking class in a major hotel. Localizing it does not mean packaging local experiences! Do not think in terms of selling local – think instead of involving and engaging visitors with local communities. Build the bridge and they will spend.

Sustainability is about changing mindsets, beginning with our own.

Sustainable tourism isn't about growing tourism – it is about managing existing assets better. For example, this Hilton Hotel can be so much more than a nice, familiar place for guests to spend the night and enjoy themselves. This hotel *could be* a hub for Barbados to send visitors deeper, into local experiences. Every time you serve up an experience a visitor can get anywhere – a fruity drink by the pool -you give them one more reason not to come back here. Every time you connect a visitor to your destination on a deeper level you give them countless reasons to return.





Everywhere I go, tourism bean counters ask me for the numbers. How big is this market? Why don't we see any demand for the experiences you describe in our islands? I have numbers, but before I share them let me offer up a few words of caution.

Caribbean tourism must not make the same mistake the American automotive industry made just a few years ago. When Detroit bean counters took a look at the demand for high efficiency vehicles guess what they found? No demand. No infrastructure. No market. No need to change. Their shortsightedness cost them billions of dollars and double digit declines in market share.

A corporation may be able to go bankrupt. A region can't. The lesson here is to look beyond the simple and the obvious. When you look at the deeper forces driving sustainability there is no question this market is here to stay.

The WTO estimates that sustainable travel will be 25% of the market within ten years. Some 475 million travelers on a global basis. How many visitors do you need? 500,000? One million? Two million? Even the WTO's numbers don't begin to tell the whole story. According to studies by National Geographic, TIES and UNEP – one sustainable traveler has the economic benefit of 18 cruise ship passengers or six all-inclusive guests. So the WTO's 475 million sustainable travelers represent the economic equivalent of three billion traditional travelers.

As the world grows more chaotic, demand for the peace of these islands...the beauty of these islands...the food of these islands...the joy of these islands... will only grow.

SINCE 1900	
WORLD POP.	↑ 400%
Water use	↑ 900%
Energy use	↑ 1600%
marine catch	↑ 3500%
food prod.	↑ 300%
ag. energy use	↑ 800%
Forests	↓ 50%
Toxic load	↑ 50%

The Caribbean offers one of the last places on earth where people can experience life as it was meant to be lived. You must protect it at all costs. There isn't a price to be put on the sense of peace and hope these islands instill in everyone fortunate enough to spend any time here. But you cannot afford to wait until the results from the last survey are tabulated before you act.

Scientists with really big brains will tell you the planet has ten to twenty years to get this right. Ms. Sylvia Earle, the world-famous oceanographer and highly-respected explorer-in-residence at National Geographic says the next ten years will be more important than the previous ten thousand.

World demand for resources – water, food, land, energy and air – is already 25% beyond nature's ability to replenish or restore itself. The quality of life for your children and their children has already been diminished. And yet, the planet will welcome two to three billion new residents in the next twenty or thirty years.

95% of those people will be born in the very places that are already water stressed, food stressed, health stressed, land stressed, security stressed, opportunity stressed.

Today the wealthiest nation on earth has some 40 million citizens who cannot afford to feed themselves and the United States will welcome an additional 100 million citizens in the next two or three decades. Which is one of the reasons why the US Department of Agriculture predicts that the United States will cease to be a food exporter well within the lifetimes of everyone in this room.



There is no shortage of sobering statistics that argue for urgent action. Even the most rabid climate change denier knows not to wait until a car accident to put on his or her seatbelt.

The world must not wait until the need for sustainability is clear to the biggest doubting Thomases among us. This is not the end of the world, but it is the beginning of a new one. The Caribbean has what this new world needs to capture a huge share of the sustainable tourism market. Don't wait. Act! Time is short. In fact, my time is done.

Thank you very much.

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