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CTO Hires Tourism Economics For Global Tourism Analysis

Aimed at providing its member countries with a clear-cut analysis of the U.S. and global economies, the Barbados-based Caribbean Tourism Organization (CTO) has teamed with the Pennsylvania-based consulting company Tourism Economics.

Beginning next month, the company will produce seasonal reports that will assess the immediate and future implications of the economic downturn on travel from the Caribbean's key source markets. These reports will enable CTO members, including more than 30 governments and myriad other entities, including Air Jamaica, Spirit Airlines and Caribbean Airlines, to anticipate trends in order to develop strategies in four key areas — partnerships, packages, promotions and pricing.

Hugh Riley, interim secretary general of CTO, said, "Through this new partnership, our members and partners will have access to the latest research and global data collection and will, in turn, be able to make the most appropriate marketing, investment, and policy decisions."

"Airlift is fundamental to Caribbean tourism performance," said Adam Sacks, managing director of Tourism Economics. "Airlift can spur or reduce demand for any given island. Reductions in airlift hit destinations on multiple levels, and lower airlift often translates into higher fares due to reduced competition. Reductions in frequency and direct access also reduce demand which is why many islands have guaranteed certain minimum levels of revenue or seats to an airline in order to secure added airlift." The decisions airlines make, therefore, "have significant repercussions on the performance of Caribbean economies," Sacks said.

Tourism Economics designs market strategy models, recommends tourism policies and forecasting models, and interprets tourism economic impact studies. -*Melanie Reffes, melR6@hotmail.com*