

State of the Industry Conference 2015

Press Conference

Date: October 23, 2015

Time: 8:00 a.m. – 8:55 a.m.

Place: Wayaká Room, World Trade Center, Curaçao

Conference Anchor: Anita Mendiratta

Rapporteur: Mike Samson

MODERATOR: Johnson Johnrose (Caribbean Tourism Association)

MEDIA REPRESENTED: Several members of the international and local media.

PANELISTS:

1. Hon. Stanley M. Palm, Minister of Economic Development, Curaçao;
2. Hon. Richard L. Sealy, Minister of Tourism and International Transport, Barbados & Chairman Caribbean Tourism Association;
3. Hugh Riley, Secretary General & CEO Caribbean Tourism Association;
4. Emil Lee, President, Caribbean Hotel and Tourism Association.

Key Summary:

- I. **Some regions are growing faster than the Caribbean. Although we are seeing increases, sometimes they are modest and there is still potential for growth.**
- II. **We have to constantly recognize that we need to compete with other warm islands in the world. We need to invest. We need to keep the markets where we are growing and focus on new markets e.g. Latin America.**
- III. **The Caribbean has a relatively low market share compared to other economies but it is growing at a faster speed than average. We cannot grow at the same speed as South East Asia because they are benefiting from China's sizeable growth.**
- IV. **Caribbean Open Skies is very desirable. However, there are several jurisdictions and languages in this region which makes it complex when interacting and creating bilateral agreements. The CTO Aviation Facilitation Task force is a main catalyst towards this end.**
- V. **The Caribbean is collectively regarded as an extremely safe region to visit. Crime aimed at tourists is still very low in the region. There are mechanisms to confront this such as the Tourism Police (PoliTur in Curaçao) and we have to see that it continues to remain that way.**

Opening & Introduction:

The press conference is opened after which dignitaries and CTO Board members and prominent members of staff are introduced.

The Honourable Richard Sealy starts off with a briefing (sheet available) on key tourism information. Indicators and statistics mentioned include: tourism figures in the region, hotel occupancy, revenue, growth expectations, and cruise tourism. Notably this year's SOTIC had more social media coverage than at any other time. The keynote address by JetBlue's CEO is mentioned as one of the highlights of the conference. CTO's research department is working on a tool to help member countries determine their best possible prospects.

The Honourable Stanley Palm starts off mentioning that he is very happy with the 3rd JetBlue flight to Curaçao as announced by their CEO. The Minister thanks the organization and the whole CTO staff as well as the local team who made the conference possible. He also thanks the media and the tour operators. He is very happy to host this event and reminds all of the closing reception this evening.

General Q & A session for the press:

Ms. Janet Silvera (Jamaica Media): *Asks for explanation, despite of all the positives and increases mentioned throughout SOTIC, how it is possible that we are losing market share? Is there any hope for the Caribbean region's tourism related to China?*

- Hon. Richard Sealy believes that Ms. Silvera did not quite get the statement correct. We are not growing as fast as some of the other regions, but the numbers out bunked us globally. Some regions are growing faster than the Caribbean; that was the statement by UN's Mr. Vogeler. Although we are seeing increases, sometimes they are modest and there is still potential for growth. That is where we are now in terms of tourism for the region.

Mr. Fraiser (Trinidad Media): *What does CTO propose to do as for promoting the Caribbean as a destination?*

- Hon. Richard Sealy indicates that it is not just about one solution. We have to accept that 20 or maybe 40 years ago competition was different. The world has options now as for other warm islands as destination. We have to constantly recognize that we need to compete. We need to invest. There are markets where we are seeing modest increases, e.g. the European market where our growth is modest, and we need to focus on new markets e.g. Latin America.
- Mr. Carlos Vogeler (in the audience) explains that the Caribbean - as a separate region within the Americas - has a relatively low market share compared to other economies but it is growing at a faster speed than average. Last year worldwide growth was 4.3% while the Caribbean grew by over 6%. Still the overall market share remains low. The sub-region in the world with the highest growth rate is South East Asia because they have China as important source market next to them. Year-to-date China is growing at a pace of 48% and this is benefiting South East Asia. It is difficult for our region to grow at the same speed.

Travel Weekly requests to receive the figures mentioned by Hon. Richard Sealy.

- The moderator informs that it should already be in the media's e-mail inboxes.

Mr. Fraiser (Trinidad Media): asks CTO to give their input on investment requirements for growth.

- Mr. Lee explains about a change in philosophy where there is a systematic approach to helping the industry to improve and become more profitable. The same model can be applied to the ministerial government as well, i.e. sharing lessons.

Mr. Fraiser (Trinidad Media): What does that mean in practical terms?

- Mr. Lee points to an event in January, the Caribbean Market Place. We are focused into evolving the event about how to grow revenue. Having operators and hotel events is a critical part of our business. We want to help our members to become better marketers. E.g. improve website hits, benchmarking conversion rates, etc. We are providing granular hands on training for our members.

Eleanor Garby (E-Turbo News): How much do tourists spend in average and what markets are they spending in the most and staying in the longest?

- Mr. Riley indicates that the average spending is \$30 (per day) in the Caribbean. A breakdown will be provided to the press. There are several matrixes to assess tourism growth, arrivals is just one of them. We are pleased to see that the spending and average room rate is going the right direction. We need to demonstrate how to close the gap during the recession. A list of markets doing best in terms of spending and stay will be made available.

Eleanor Garby (E-Turbo News): In terms of more specifics e.g. medical tourism, and specific targets?

- Mr. Riley explains that the more we know about the visitors coming to our member countries, the more we are better able to target them to get them to come several times during the course of their lifetime. If we really start targeting who our customers really are, we will be able to find the people that have the same characteristics, wherever they are in the world. He points to JetBlue opening new hubs and would like to hear from them based on their research what the best possible customers are for e.g. Curaçao. Each member country has a very specific model of tourism and all these need to be met.

Dorian Hodge (Daily Herald St. Maarten): Yesterday the Open Skies agreement was mentioned. Please summarize limitations and give a timeline and other countries in region as whole for implementation of (the Caribbean equivalent)?

- Mr. Riley explains that the whole notion is to allow airlines certified to operate in Caribbean more freedom. There are several jurisdictions in the Caribbean therefore it is not as simple. Also there are several languages spoken in the region which makes things complex when interacting and creating bilateral agreements. He mentions the facilitation session later today, and recent expansion announcements made by regional airlines e.g. Insel Air and LIAT. One of the main catalysts for change is the CTO aviation facilitation task force. He is pleased to see the progress that was made during this conference.

Mr. Fraiser (Trinidad Media): He mentions a recent homicide involving a tourist. In response to the crime the British put out a (negative) travel advisory for Barbados. Is CTO not getting very concerned about security of tourists? And what can be done at a regional level in respect to tourism?

- Hon. Richard Sealy expresses sympathy to the family of the victim concerned. One incident is one too many when such things happen. In a majority of instances these crimes are solved quickly. The Caribbean is collectively regarded as an extremely safe region to visit. The crime region-wide is very low. Such occurrences will happen regrettably and we are sorry that they do. This region is still not crime free but the incident rate is low.

Mr. Fraiser (Trinidad Media): Does it alarm CTO sufficiently to make a move on behalf of the tourism industry?

- Hon. Richard Sealy: Certainly, we as Ministers of tourism all have seats in the Cabinet of our respective countries. We have contact with the Attorney General and there are also other mechanisms such as the Tourism Police (PoliTur) in Curaçao. His assessment is that crime aimed at tourists is still very low in the region. We have to confront this but at the same time we know that it is a rarity and we have to do all to see that it continues to remain that way.

*** The Press Conference is concluded just about 9:00 a.m. ***