Diasporic Tourism & Investment in the Caribbean

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IDRC-Funded Project: The Case Studies

Homelands and Global Cities

- Jamaica -> London
- Dom. Rep -> New York
- Guyana -> Toronto
- Suriname -> Amsterdam
Diasporic Populations in Global Cities

<table>
<thead>
<tr>
<th>Country</th>
<th>Global City</th>
<th>% of Global City population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jamaica</td>
<td>London</td>
<td>4%</td>
</tr>
<tr>
<td>Guyana</td>
<td>Toronto</td>
<td>3%</td>
</tr>
<tr>
<td>Suriname</td>
<td>The Netherlands**</td>
<td>2%</td>
</tr>
</tbody>
</table>

* Larger even than Chinese population (excl. HK & Taiwan) in Metropolitan NY (6%)
** Population distributed throughout several cities (Amsterdam, Rotterdam, the Hague)

Source: MPI (2005)
## Diasporic Tourism Impact on the Caribbean

<table>
<thead>
<tr>
<th>Country</th>
<th>Est. Share of Diasporic Tourism in Total Arrivals (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dominican Republic</td>
<td>45</td>
</tr>
<tr>
<td>Guyana</td>
<td>66</td>
</tr>
<tr>
<td>Suriname</td>
<td>62</td>
</tr>
<tr>
<td>Jamaica</td>
<td>30 - 35</td>
</tr>
</tbody>
</table>
Frequency of immigrant travel to home country, percent
(Source: Data from M. Orozco’s 2003-4 survey)

<table>
<thead>
<tr>
<th>Country Of Origin</th>
<th>3 Times or more a year</th>
<th>Twice a year</th>
<th>Once a year</th>
<th>Once every two years</th>
<th>Once every 3 years</th>
<th>Travel Little</th>
<th>Never traveled</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ecuador</td>
<td>10</td>
<td>12.2</td>
<td>39.2</td>
<td>35.1</td>
<td>4.1</td>
<td>9.5</td>
<td>0</td>
</tr>
<tr>
<td>Dominican Rep.</td>
<td>11.6</td>
<td>24.5</td>
<td>33.3</td>
<td>10.9</td>
<td>3.4</td>
<td>16.3</td>
<td>0</td>
</tr>
<tr>
<td>Guyana</td>
<td>5.8</td>
<td>12.1</td>
<td>26.7</td>
<td>18.4</td>
<td>10.7</td>
<td>26.2</td>
<td>0</td>
</tr>
<tr>
<td>Jamaica</td>
<td>4.5</td>
<td>24</td>
<td>40</td>
<td>14</td>
<td>1.5</td>
<td>8</td>
<td>8</td>
</tr>
</tbody>
</table>
Surinamese Immigrants in Netherlands, 2000 – 2009
Source: Statline Database

- Surinamese Diaspora as a share of Netherlands population: **2%**
- Surinamese Diaspora as a share of Suriname’s population: **72%**
“Ties” may be an even more useful indicator given that 62% of visitors have connection to Suriname based on available data.
Dominican Republic Diaspora
Visitor Trends

Visitors to the Dominican Republic

- Europe: 44.9%
- North America: 48.5%
- USA: 32.5%
- Canada: 16.0%
- Other: 6.6%

DR Tourist Arrivals by air 2009

- Dominicans: 14%
- Foreigners: 86%
Tourist Arrivals to DR: Trends & Policy Initiatives

• Tourist industry in the DR is relatively young, but tremendously vibrant attracting tourists from N. America, Latin America & Europe.

• The expansion of the tourist sector was positioned as an important development sector for the Dominican economy.

• Evolving into a high-end destination, thanks to the increased flight services, more foreign investment flows (fiscal incentives) – diversification of tourist product and expansive markets.

• Niche market for diasporic tourism.
Of the 190,000 visitors from the UK to Jamaica annually, about ¼ is Jamaican Diaspora (JTB 2010)

Peak periods for visits from UK Diaspora include Christmas, Easter and Independence

Top reasons for visits include funerals, weddings and visiting friends and relatives

Jamaican Diaspora from London generally goes home less frequently but spend more
- They send home more remittances
- Greater spending power
- Stay in private homes/hotels
Guyana – Canada Diaspora visitor

- 74% have been living in Canada over 20 years
- **GENDER**
  - Male – 56%
  - Female – 44%
- High tourism expenditure – US$1000 per stay

- First Generation Migrant – 86%
- Second Generation – 14%

- **AGE**
  - 26-34: 4%
  - 35-44: 15%
  - 45-54: 28%
  - Over 55: 53%

**Travel Patterns**

- 17% Once per year
- 14% Every 2 years
- 11% Every 3 years
- 9% Other
- 4% I have never been back
- 9% Two times per year
- 45%
Key Findings

• The diaspora is Guyana’s most important market segment
• It presents an opportunity for Guyana to fashion a “new” type of tourism
• No clear diaspora strategy: Absence of a tourism plan and/or a marketing plan
• Need to liaise constantly with travel agent
• Safety and security
• Greater on-line presence and sophistication
• Critical need to provide a satisfying visitor experience
Typology of Diasporic Tourism

- Vacations
- Heritage
- Event/Festival
- Medical
- Education
- Business
Diasporic Tourism and the Diasporic Economy

Diasporic Tourism

- Trade
- Nostalgic Goods, Services & IP
- Financial Transfers
- Telecoms
- Media
- Travel Airline & freight
Telesur

- Largest mobile phone provider in Suriname
- Invested in the Dutch market:

<table>
<thead>
<tr>
<th></th>
<th>Q1 2009</th>
<th>Q3 2009</th>
<th>Q1 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of Customers</td>
<td>17,500</td>
<td>19,500</td>
<td>27,000</td>
</tr>
<tr>
<td>Market Share</td>
<td>0.7%</td>
<td>0.8%</td>
<td>0.9%</td>
</tr>
</tbody>
</table>

- Main USP is calling at reduced prices both to and in Suriname and also within the Netherlands.
- SIM card has both a Suriname phone number and a Dutch phone number in one SIM card
- A special benefit for its subscribers is that no roaming fees are applied when making use of the Dutch phone number in Suriname.

Laparkan

• A Caribbean diasporic conglomerate
• Largest investments in the region in freight (sea and air)
• Money transfer:
  • The second largest remittance company in Guyana) and travel agencies.
• Offices located in all the major Caribbean diasporic communities in the US and Canada along with offices in most Caribbean countries.
• Majority shareholder in the Guyana National Industrial Corporation. which offers wharf operations and transportation logistics services for containerized and break bulk cargo for imports and exports
• Owner of the largest department store in Guyana (Fogarty’s).
• Laparkan is the largest employer in Guyana after the government.

http://www.laparkan.com/
## Policy Recommendations

### Regular Innovations
1. Improve and increase employee industry training
2. Develop, adopt and enforce industry standards
3. Prioritise safety and security
4. Improve communication and confidence among industry players

### Niche Innovations
1. Prioritise marketing and product development
2. Audit current destination products
3. Create and combine existing products in new ways
4. Harness diaspora tourism potential through stimulation of entrepreneurial opportunities

### Revolutionary Innovations
1. (Re)visit collaborative and strategic alliances—e.g. Air Canada, tour operators, cruise companies
2. Create an integrated destination management system
3. Make environmental management a pillar in transforming the industry
4. Increase destination awareness and reach out to 2nd generation through all social media for a

### Architectural Innovations
1. Create or partner with Centres of excellence for research and knowledge transfer—e.g. Ryerson, PEI, UWI
2. Redefine the legislative and regulatory infrastructure to encourage tourism investment
3. Integrate tourism in the national policy agenda
4. Develop a clear statement of intent on a diaspora strategy
Policy Recommendations: Strategic Planning

1. Mapping and documentation of Diasporic Economy for strategic planning

2. Planning for demographic shifts: $3^{rd}$ and $4^{th}$ generation and ethnic decomposition

3. Facilitate enterprise development, investment and business planning in key economic and business sectors
Policy Recommendations: Strategic Marketing

Develop targeted marketing strategy for the multiple and varied diaspora communities and markets

Exploit the synergies between the various elements of diasporic economy: financial transfers, tourism, travel, trade, telecoms, media

Utilize the airline, media and nostalgic goods, services and IP sectors for cross-promotion and co-sponsorship
Policy Recommendations: Enterprise Development

Exploit the synergies between diasporic entrepreneurship and the key components of the diasporic economy: trade, travel, financial transfers, telecoms and media.

Build and develop industry associations that facilitate networking, advocacy and lobbying both in the sending and receiving countries.

Facilitate enterprise and development through grant funding, venture capital schemes and human resource development.
thank. you.

Strategic Opportunities in Caribbean Migration: Diasporic Tourism and Investment

www.shridathramphalcentre.org