

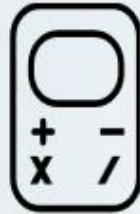
# Executive Summary: Vanuatu International Visitor Survey Annual Results



# November 2014 – November 2015 Respondents



**29,637** Emails Sent



**16%** Conversion Rate



**4,740** Respondents

5% of all visitor arrival  
during the annual period



Covering **9,593** people

10% of all visitor arrival  
during the annual period  
(covering spend)

# Visitor Characteristics

## People Covered



Adults  
Children

## Age



21% 25-49 years old  
25% 50-59 years old

## Gender



57% Females

## Household Income



38% Between  
\$50,001 - \$100,000

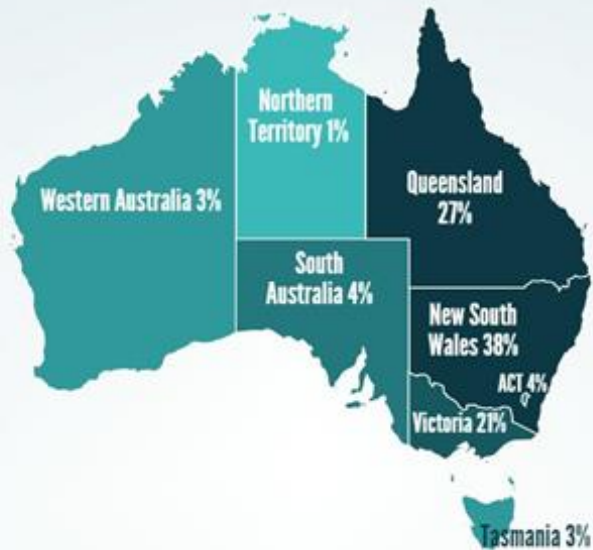
## Country of Origin



Australia  
New Zealand  
Pacific  
Long Haul

# Place of Origin

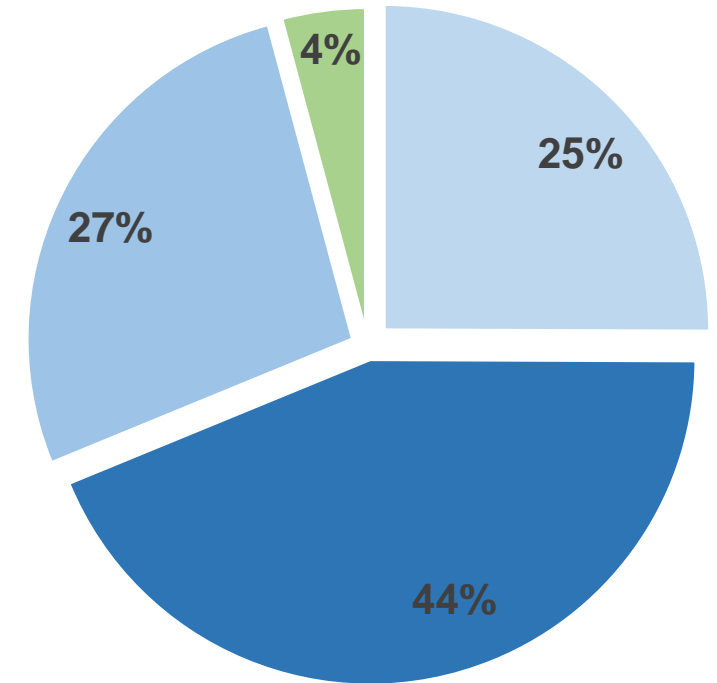
## Place of Origin, Australia



## Place of Origin, New Zealand



## Long Haul Market



North America Europe  
Asia Other

# Visitor Characteristics – Overview

## Airlines Used



47% Air Vanuatu  
28% Virgin Australia  
20% Air New Zealand

## Length of Stay



8.9 nights on average  
58% stay up to 1 week

## Previous Visits



60% First trip  
23% 1 or 2 times

## Islands Visited on Trip



97% Efate (Port Vila)  
15% Espiritu Santo  
15% Tanna

### Average Length of Stay- Market:

- Australia: 8.9 nights
- New Zealand: 8.4 nights
- Pacific: 7.8 nights
- Long Haul: 11 nights

## Travel Companions



38% One Companion  
13% Solo

## Purpose of Visit



67% Holiday  
11% Business/Conference  
8% Visits Friends/Family

### Other islands visited:

- 2% travel to Malekula
- 2% travel to Ambrym
- 1% travel to Pentecost
- 0.3% travel to Eromango



## ESPIRITU SANTO



18-29 YEARS	21%
30-39 YEARS	23%
40-49 YEARS	16%
50-59 YEARS	26%
60-69 YEARS	12%
70-79 YEARS	2%

AVERAGE  
ANNUAL  
INCOME  
**US\$101,617**



**53%**  
FEMALE

REPEAT  
VISITORS TO  
VANUATU **38%**

**41%** TRAVELS WITH  
1 COMPANION

**16%** TRAVELS WITH  
2 COMPANIONS

AVERAGE LENGTH  
OF STAY **12.4** NIGHTS  
IN VANUATU



## COUNTRY OF ORIGIN



# TANNA

## VISITOR PROFILE



18-29 YEARS	22%
30-39 YEARS	22%
40-49 YEARS	17%
50-59 YEARS	23%
60-69 YEARS	13%
70-79 YEARS	2%

AVERAGE  
ANNUAL  
INCOME  
**US\$79,033**



REPEAT  
VISITORS TO  
VANUATU **26%**

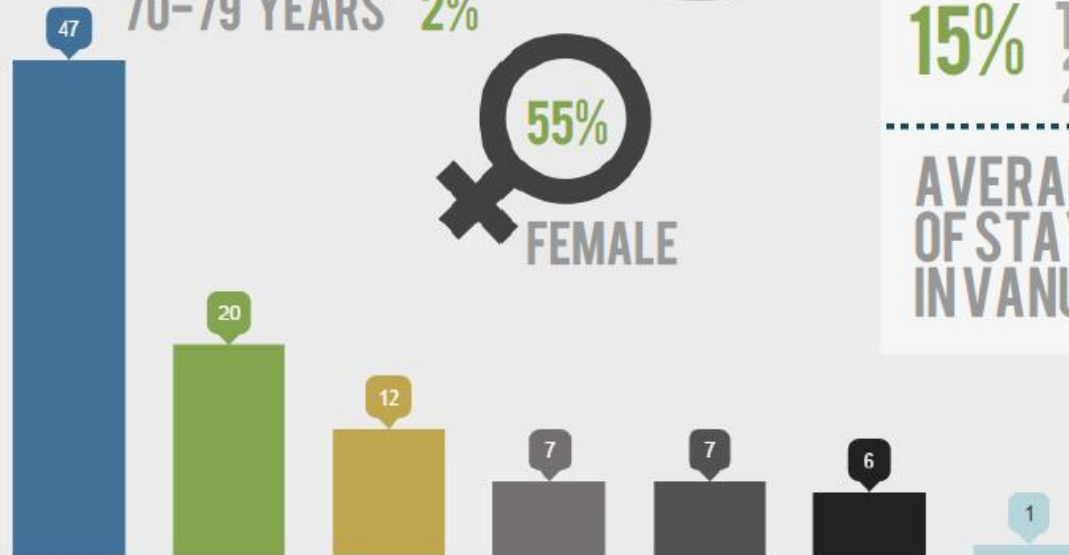
**40%** TRAVELS WITH  
1 COMPANION

**15%** TRAVELS WITH  
2 COMPANIONS

AVERAGE LENGTH  
OF STAY **10.9** NIGHTS  
IN VANUATU

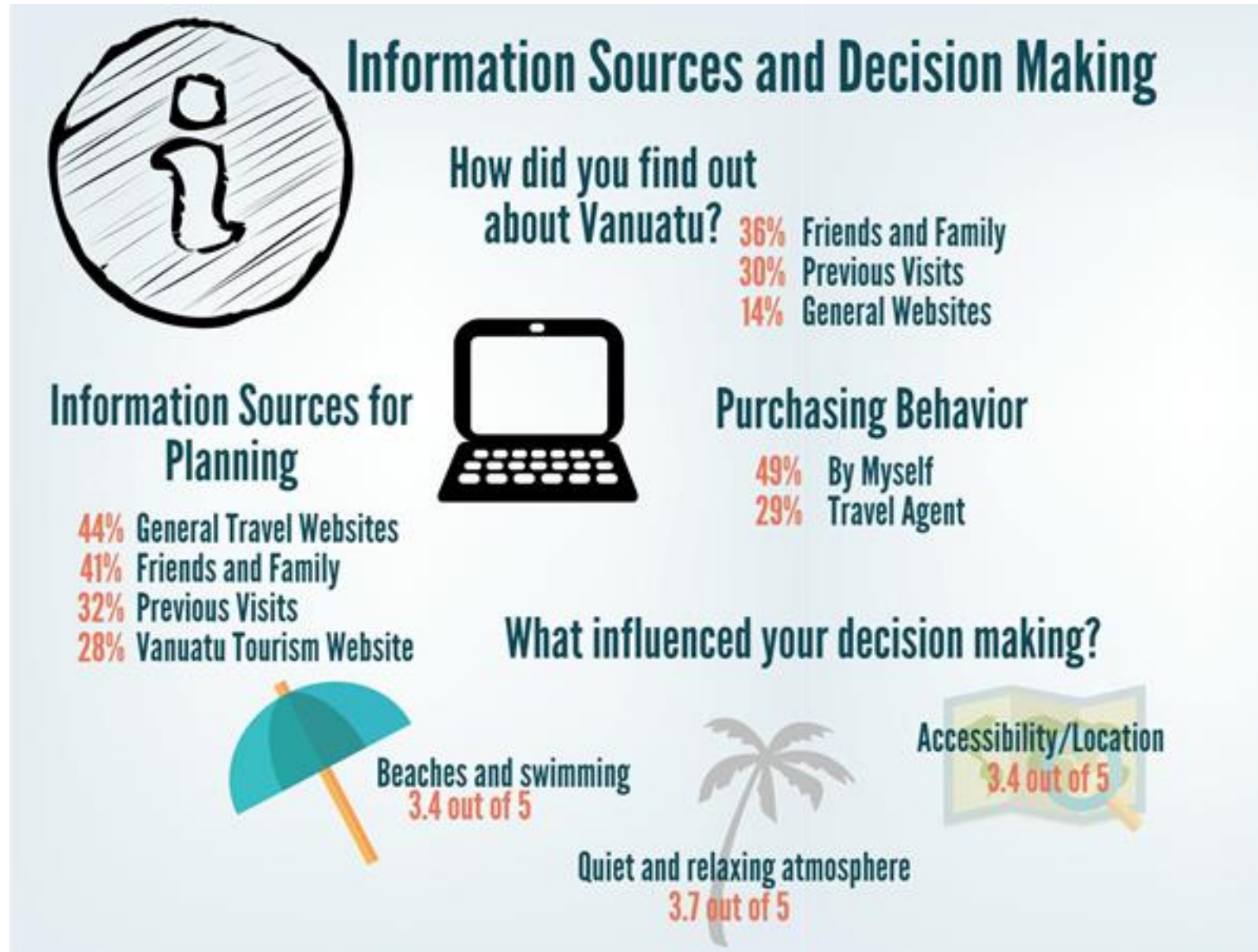
**55%**  
FEMALE

- Australia
- New Zealand
- Europe
- Pacific
- Asia
- North America
- Africa



## COUNTRY OF ORIGIN

# Information Sources

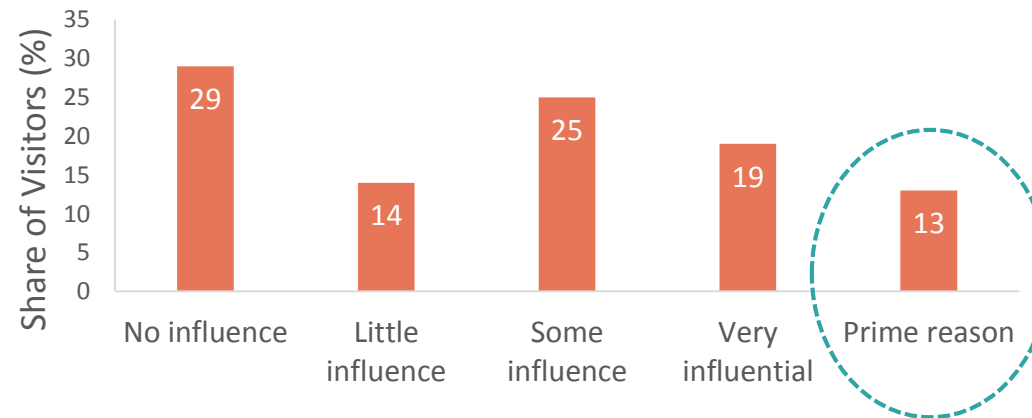


# Previous Cruise Visitors and Cruise Influence



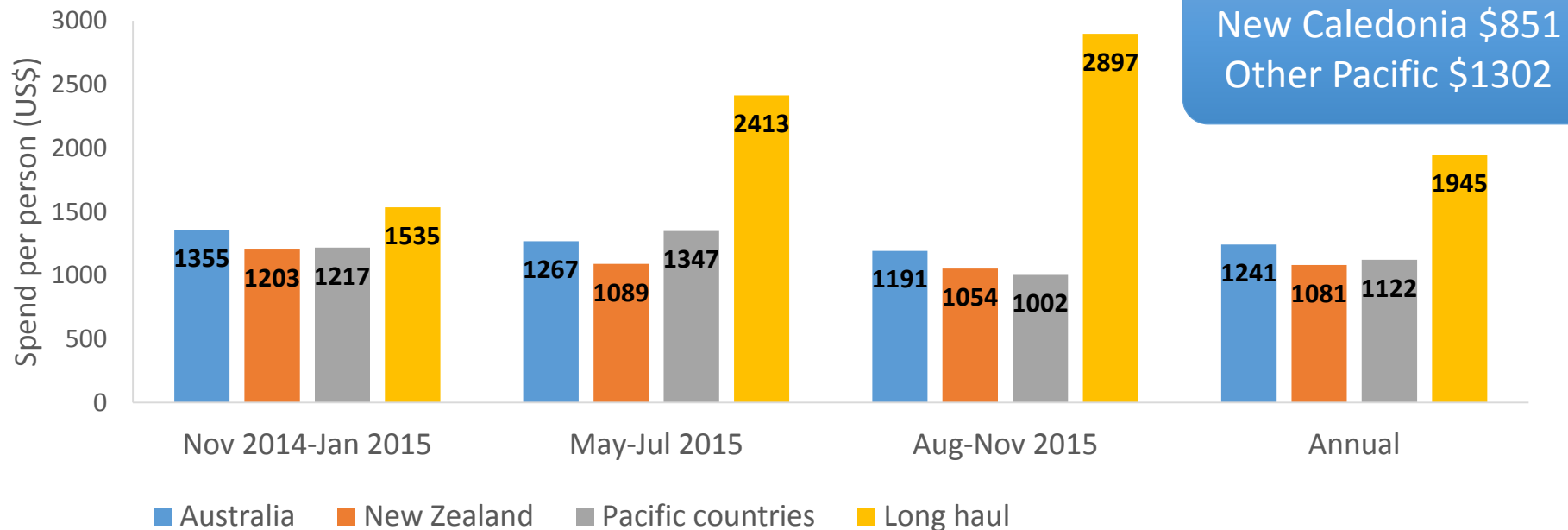
**10%** of visitors have been to Vanuatu previously on a cruise

The more recently a cruise was taken, the greater the degree of influence exerted on return travel decisions.

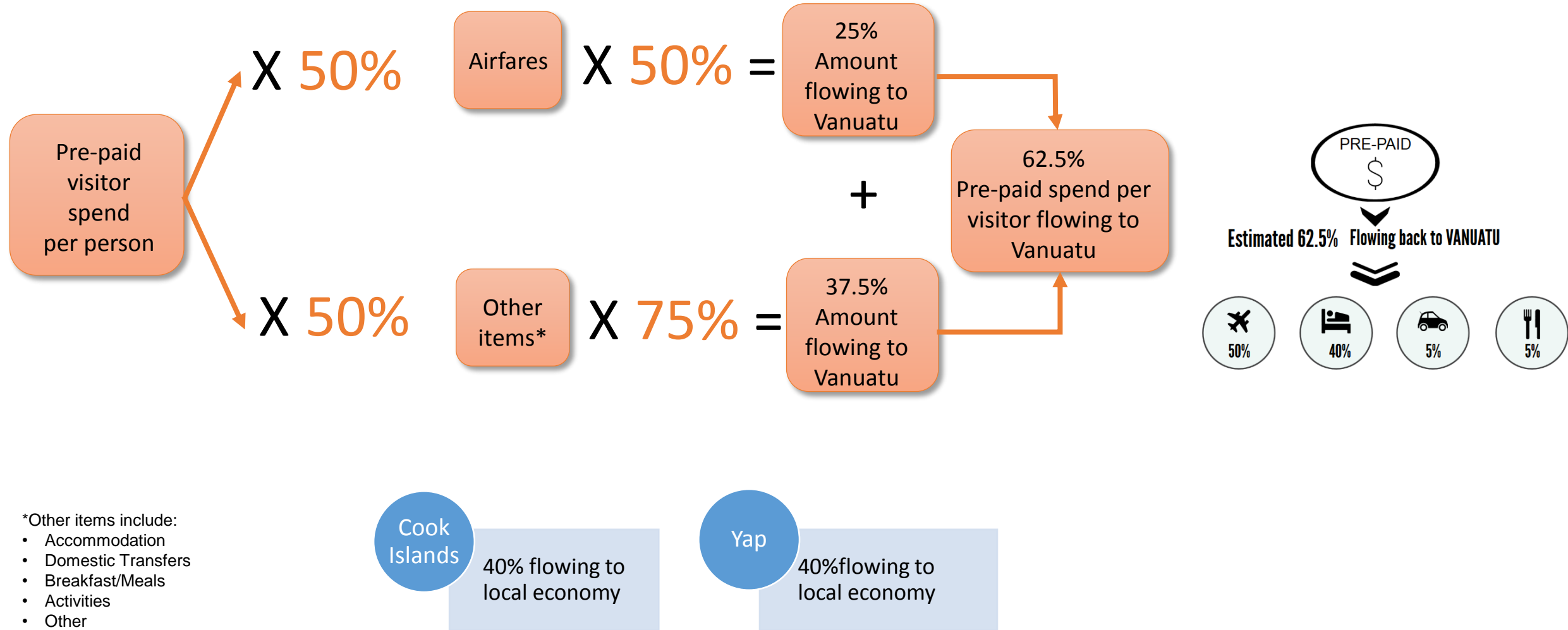


# Average Spend Prior to Arrival – Country of Origin

	Australia	New Zealand	Pacific countries	Long haul
<b>Nov 2014-Jan 2015</b>	\$1355	\$1203	\$1217	\$1535
<b>May-Jul 2015</b>	\$1267	\$1089	\$1347	\$2413
<b>Aug-Nov 2015</b>	\$1191	\$1054	\$1002	\$2897
<b>Annual</b>	\$1241	\$1081	\$1122	\$1945

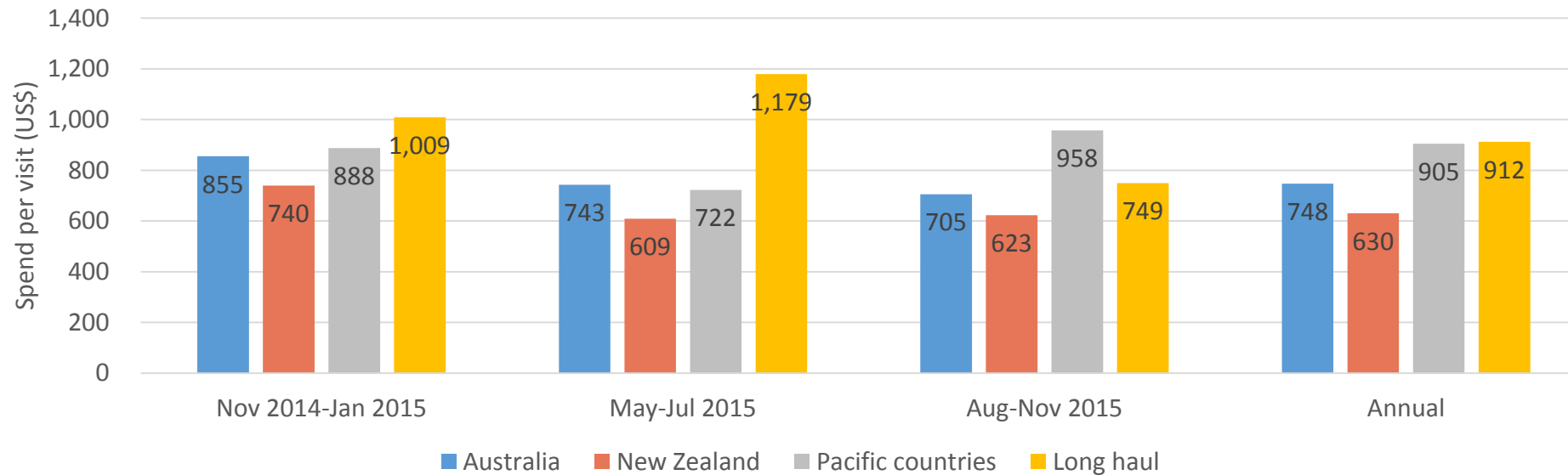


# Visitor Expenditure Prior to Arrival

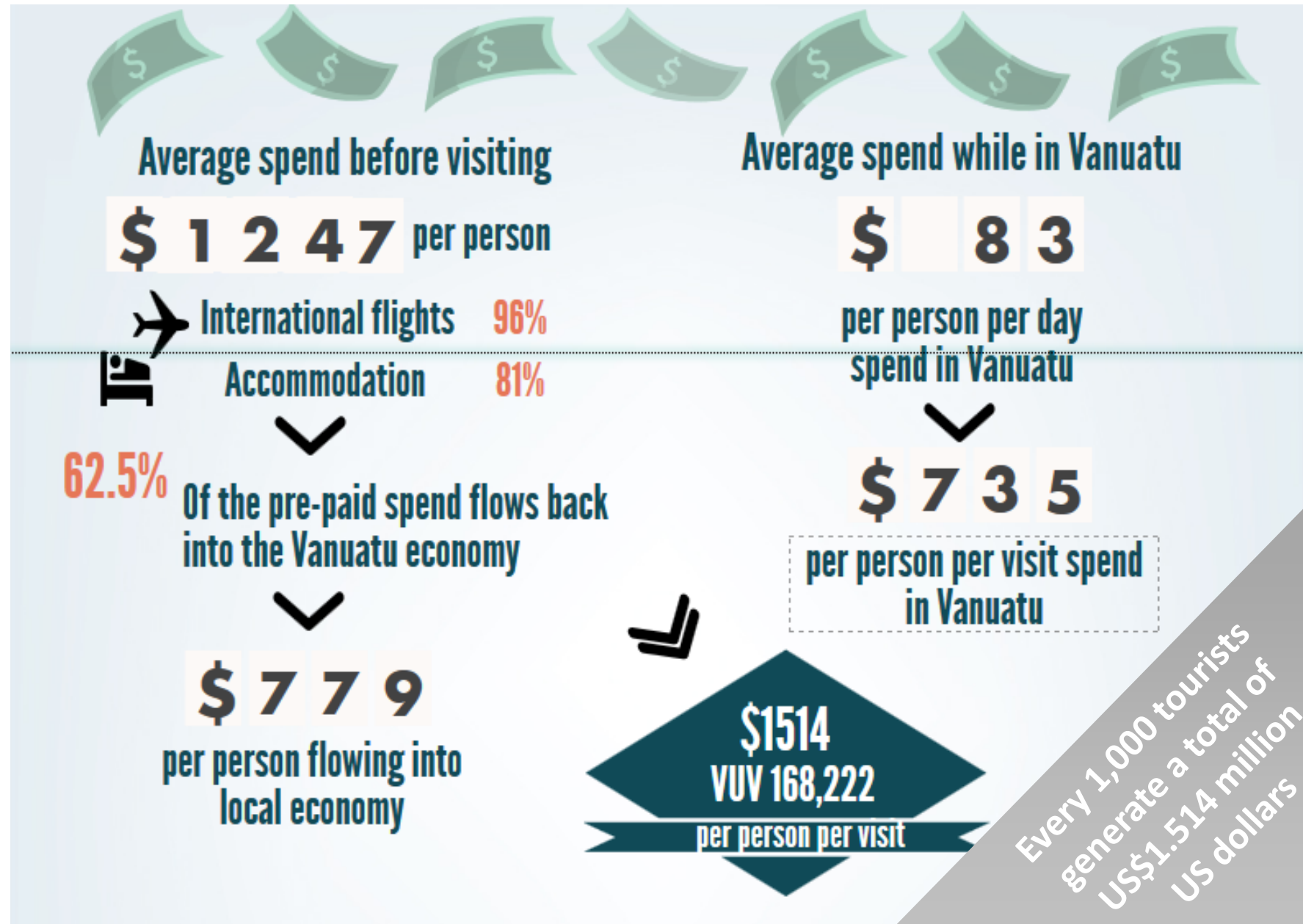


# Average Local Spend Per Visit – Country of Origin

	Australia	New Zealand	Pacific countries	Long haul
<b>Nov 2014-Jan 2015</b>	\$855	\$740	\$888	\$1,009
<b>May-Jul 2015</b>	\$743	\$609	\$722	\$1,179
<b>Aug-Nov 2015</b>	\$705	\$623	\$958	\$749
<b>Annual</b>	\$748	\$630	\$905	\$912

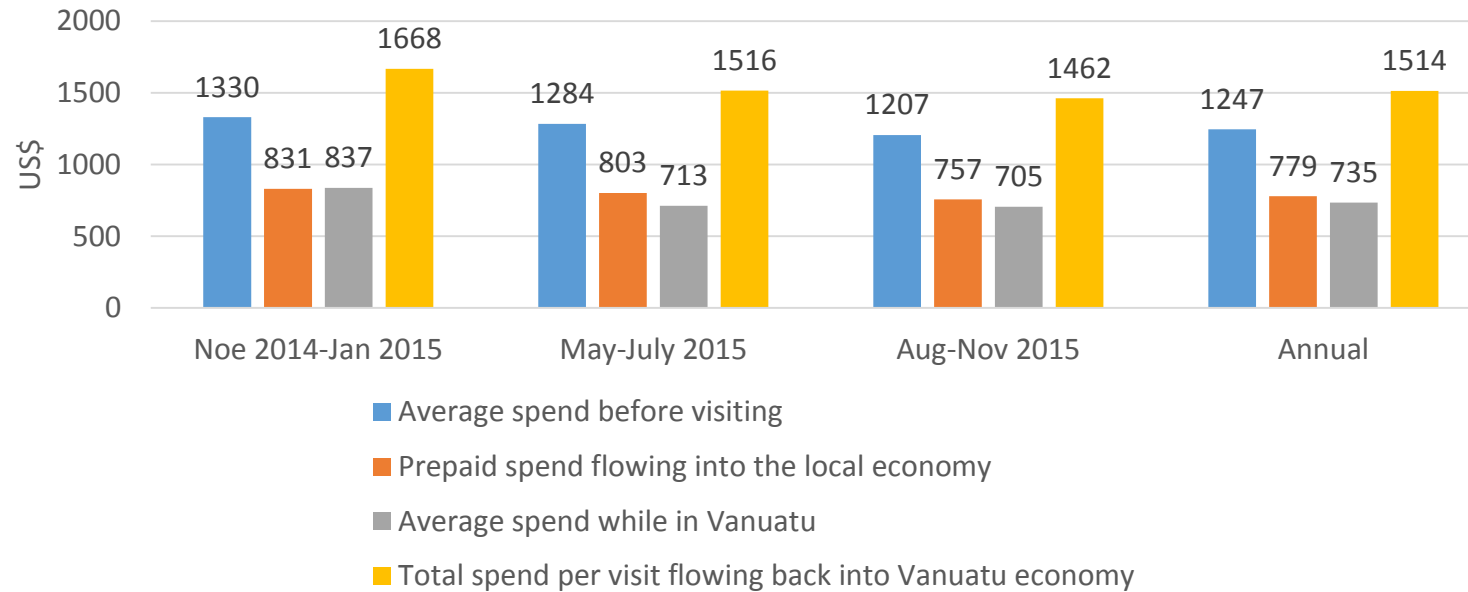


# Visitor Expenditure



# Visitor Expenditure - Trends

## Seasonal trends (per person per visit)



## First Time Visitor vs Repeat Visitor

Comparison	First time visitors N=2514	Repeat visitors N=1711
Total	\$86	\$78

# Economic Impact of Visitors (Air)

## Total Direct Economic Impact

VUV 17 billion

\$150  
Million

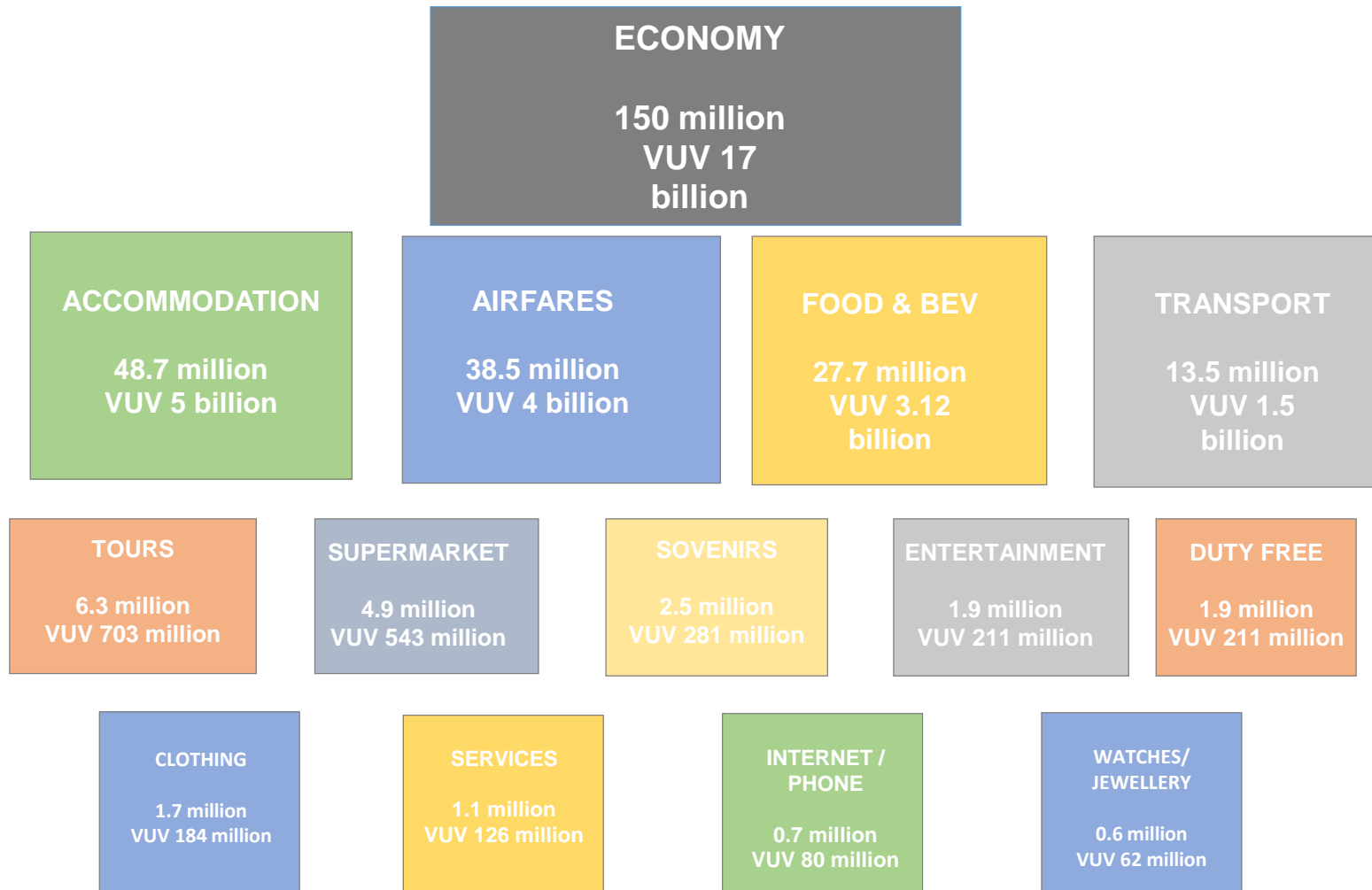
The Vanuatu economy

US\$1,514 per visitor

99,115 arrivals



# Economic Impact Distribution (pre arrival and in country)

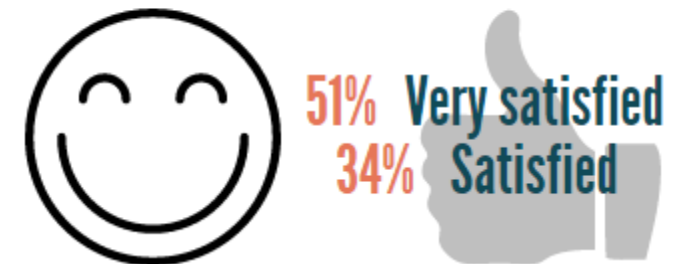


# Visitor Satisfaction Highlights

## Most Appealing Factors



## Overall Satisfaction



# Visitor Satisfaction Highlights

## Least Appealing Factors



## Lower level of satisfaction

- Rubbish collection and general cleanliness
- Internet and phone availability, cost and coverage
- General shopping experience

## Suggestions for Improvement

- Public services and infrastructure
- Entertainment, activities, transport
- Flights equal with food quality and price

# Return and Potential Visits to Outer Islands



**81%** would return to the Vanuatu

**85%** would like to include an outer island on their next trip



# Summary

## ECONOMIC IMPACT OVERVIEW:

- Tourism is a vital resource for the Vanuatu economy: **The total direct economic impact of tourism is over \$150m or VUV 17 billion per year.**
- **Each visit contributes more than \$1500 or VUV 164,000 to the local economy.**
- **Tourists spend an average \$171 or VUV 18,954 per day with long-haul travelers spending the most, at \$187 or VUV 20,728 per day** – pre-paid and in-country spend.
- **Long haul Chinese tourists stay longer than average and spend considerably more:** \$2,005 or VUV 222,253 compared to the average of \$1,217 or VUV 134,903 pre-travel and also spend in-country per day, \$116 or VUV 12,858 compared to the average of \$83 or VUV 9,200.
- **Visitor expenditure is spread across a number of economic sectors** – not just accommodation, tours and restaurants. For example 7% of visitor spend in Vanuatu is on taxis, buses and car hire while a further 3% is spent on handicrafts, souvenirs and artwork.

## VISITOR PLANNING AND EXPERIENCE:

- While friends and **family/word of mouth and previous visits are the most important factors in making the decision to travel to Vanuatu** the **internet is the number one tool used to actually plan the journey.**
- The **importance of word of mouth and the internet as key influences** on decision making and planning highlights the need for the use of **focused cost effective online marketing strategy and the careful monitoring of user generated content.**
- **Australian and New Zealand markets** tend to be more influenced in their desire to come to Vanuatu by **accessibility and the opportunity to relax. Long haul travellers** are more likely to be influenced in their decision to come by **cultural and environmental facets.** However, all markets rate **local people, environment and activities as their key highlights.**
- **Public services/infrastructure, price of goods and services and the quality of the environment/waste management** are the factors that are most highly rated as least appealing aspects of visitor experiences.

# Summary cont.

## OUTER ISLAND VISITATION:

- With the exception of Tanna, **visitors to outer islands have a higher household income and greater economic impact per visit** than those tourists who only go to Efate.
- **Long haul travellers are more likely to visit outer islands** than their shorter haul counterparts.
- Of the 81% of visitors who say they will return to Vanuatu approximately **85% say they would like to visit an outer island when they do**.

## CYCLONE PAM IMPACT:

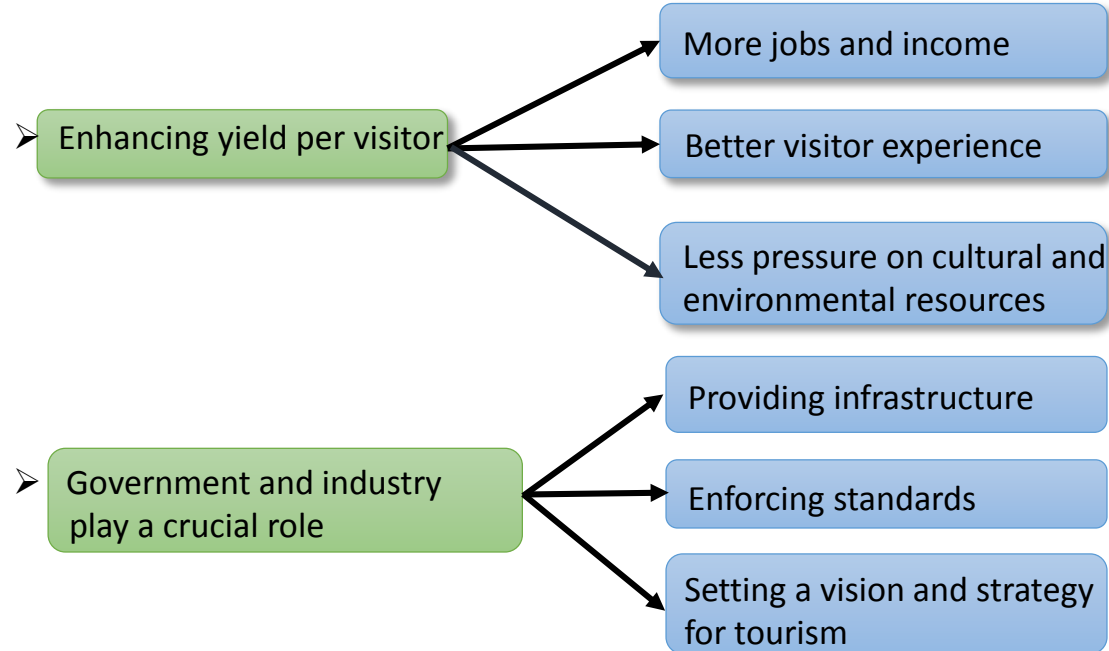
- **Yield per visitor across all visitor markets diminished significantly** in the wake of Cyclone Pam.
- The hardest hit market in terms of yield reduction was **'Long Haul' (- 30%)**, the Pacific market was the least hard hit and has largely rebounded.
- The **New Zealand (-19%) and Australian (-13%) yield figures remain considerably lower** than the pre-cyclone statistics.
- **Average length of stay has decreased slightly** from the pre-cyclone period but appears to be returning to pre-disaster levels.

## INCREASING TOURISM'S IMPACT:

- A key challenge that lies ahead is **how to increase visitor spend across all market segments** and to **identify marketing and product development strategies that can increase overall yield**.
- The **Australian, New Zealand both offer opportunities for enhanced yield generation**. In particular there appear to be good opportunities to **build the propensity for outer island travel and to develop immersive cultural and natural environmental experiences as well as improving shopping opportunities**.
- **Long haul markets are relatively high yield**, exhibit a greater tendency to visit outer islands and have a longer average length of stay.
- Longer haul visitors also tend to be less satisfied with their experiences than their shorter haul counterparts. There are **clearly opportunities to build yield through enhanced delivery of visitor experiences (service, value for money, greater 'sense of place')**
- **Pacific markets (both New Caledonia and other) are relatively high yield and there are opportunities to grow yield in retail and activities**. There is also the **potential to build yield from the many business travellers** in this market.

# Final Observations

- The tourism industry makes a **vital**, and undoubtedly **undervalued**, contribution to the Vanuatu economy



- The Vanuatu tourism industry must place considerable emphasis in the future on providing **higher quality visitor experiences** that represent **good value for money**