Strategic Tourism Planning at a National Level in Fiji

6th UNWTO Asia/Pacific Executive Training Program on Tourism Policy and Strategy

Monday June 25
Key discussion points

- Context
- Tourism Strategic Plans in Fiji
- Indicators and Benchmarking
- Lessons learnt
- New Direction
Context

- Overview of Fiji
  - Location
  - Population
  - Geography
- Projections
  Importance and Impact
  - Gross Domestic Product (GDP)
Location
Importance & impact

Fiji: Total Contribution to Travel & Tourism to GDP

Source: World Travel & Tourism Council “Travel & Tourism Economic Impact 2012 Fiji”
Tourism Strategic Plans in Fiji

Fiji Tourism Development Plan
- Definition
- Background
- Analysis of previous plans
- Key determinants and changes
Definition of a Tourism Development Plan

The Tourism Development Plan for Fiji is intended to improve Fiji’s asset base in concert with the marketing plan that focuses on increasing visitor numbers (Fiji Tourism Development Plan 1998-2005)
Background

- 1\textsuperscript{st}: National Tourism Programme document by Belt and Collins in 1973
- 2\textsuperscript{nd}: Fiji Islands Tourism Master Plan by Coopers and Lybrand in 1989
- 3\textsuperscript{rd}: Fiji Tourism Development Plan by Deloitte and Touche in 1998
- 4\textsuperscript{th}: Fiji Tourism Development Plan (FTDP) 2007-2016 was the result of a joint exercise between Sustainable Development Consortium and the University of the South Pacific in Fiji.
• Analysis
  ▫ Focus/objectives
  ▫ Factors impacting achievements
  ▫ Changes to strategic objectives
## Objectives/Focus of Past Plans

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<td>Physical environment</td>
<td>▪ Pursue development of community based activities</td>
<td>▪ Promote sustainable tourism development and</td>
<td>Sustainable Tourism Development</td>
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<td>▪ Establishment of Ecotourism Unit within the Ministry of Tourism</td>
<td>▪ Ecotourism</td>
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<td>▪ Post coup (1987) recovery</td>
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## Factors impacting Achievements

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<td>- It failed to anticipate developments in aircraft technology</td>
<td>- Ecotourism Policy and Strategy for Fiji (grant)</td>
<td>- 2000 Coup</td>
<td>- Marketing Plan rather than a development Plan</td>
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<td>- It did not incorporate development at Pacific Harbour and Denarau Island</td>
<td>- Devaluation of Fijian dollar</td>
<td>- 2002: new policy that requires visitors to reapply for visitors permit after 1 months stay</td>
<td>- Too ambitious</td>
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<td>- 1987 Coup</td>
<td>- Introduction of Air Pacific service to Tokyo saw an increase in visitor arrivals from Japan</td>
<td>- 2003: F$11 million was allocated for the development of tourism infrastructure – National budget</td>
<td>- Devaluation of the Fijian dollar</td>
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<td>- Withdrawal of Continental Airlines from Fiji in 1987</td>
<td>- 1990 Gulf war</td>
<td>- F$13 million as marketing grant to the Fiji Visitors (Tourism Fiji)</td>
<td>- F$23.5 million marketing grant to Tourism Fiji</td>
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<td>- Withdrawal of Canadian Airlines in 1991</td>
<td>- Devaluation of the Fijian dollar</td>
<td>- F$3 million operating grant</td>
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<td>- Introduction of Value Added Tax</td>
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<td>- Restructure of i-Taukei Land Trust Board</td>
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<td>- Development in infrastructure to meet visitor expectation</td>
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<td>- Tax incentives</td>
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Changes to Strategic Objectives

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<tr>
<td>▪ Improve the Asset base of Fiji through sustainable tourism development</td>
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<td>▪ Increase the visitor arrivals</td>
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<td>▪ Improve the average length of stay</td>
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<td>▪ Increase the visitor yield</td>
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<td>▪ Improvement in the standard of living for the locals</td>
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Key determinants and changes

- Infrastructure
  - Land/Air/Sea
- Transport Linkages
- Investment Incentives
  - “Look north policy”
- Budgetary allocation
- Land issues and customary rights
  - Land bank
- New and revised legislations
Indicators and Benchmarking

- Visitor arrivals
- Average length of stay
- Visitor spend
Total visitor arrivals last 12 years

Fiji annual VA 2000 - 2011

- VA + CO Dec 09
- Intercon mid 09
- 675,050

Compressed demand
Raddison + Port Denarau (2007)

- Jan floods
- GFC
- TF Budget

Ministry of Public Enterprises, Communications, Civil Aviation & Tourism
Visitor arrivals - projected

Projection assumptions – room inventory, flights
Tourism Fiji’s business goals 2012

Visitor numbers
- 2010: 632k
- 2012: 680k
- 2016: 732k

Average length of stay
- 2010: 9.7 days
- 2012: 9.5 days
- 2016: 9.7 days

Average daily spend per visit
- 2010: $160
- 2012: $165
- 2016: $170

Overall contribution
- 2010: FJ$ 979.8m
- 2012: FJ$ 1.066bn
- 2016: FJ$ 1.2bn

2012 Target
- 680k visitors
- 9.5 average days stayed
- $165 average spend per day

FJ$ 1.066bn contribution
Lessons learnt

- Tourism Development Plan to have more realistic timeline
  - 1998-2005 Tourism Development Plan – 8 years
  - 2007-2016 FTDP -10 years
- No mechanisms for effective review of the plan
- No integration of key determinants development plans
- More focused on development rather than marketing
New Direction

• Establish a practical time line – 5yrs rather than 10 yrs
• Establish a mechanism for effective annual review of the plan
• Integrate and align with projected development strategies for infrastructure and other key determinants
• Identify geographic areas with potential tourism value and provide methods to develop tourism in such areas
Vinaka