Euromonitor Consulting

DIVERSIFICATION OF CARIBBEAN TOURISM EXPERIENCES: WHAT DO VISITORS WANT AND HOW MUCH WILL THEY PAY?

Presentation prepared by Euromonitor International

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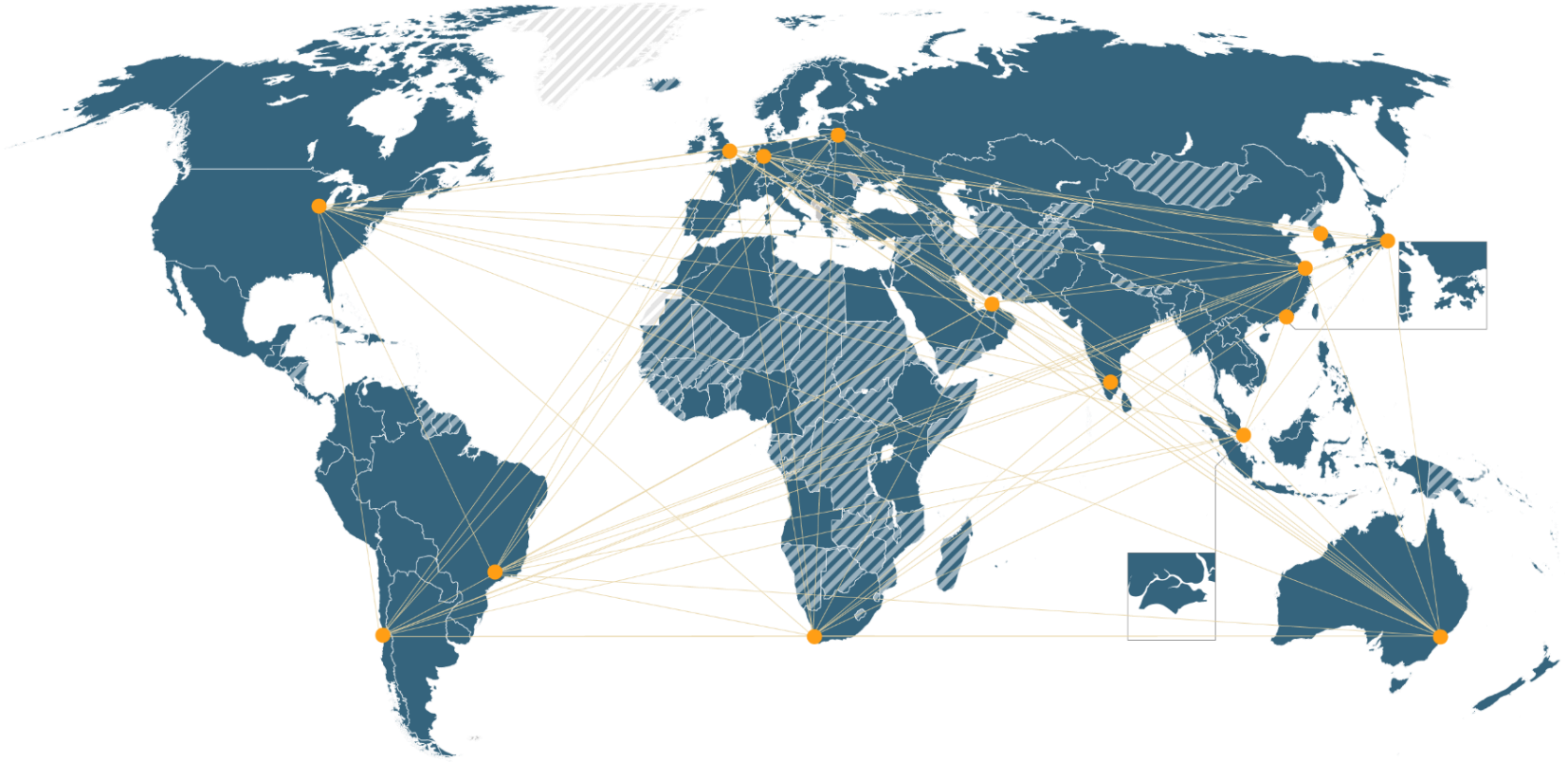
Strategic Global Market Research

with over 40 years of researching international markets



15 OFFICE LOCATIONS

London, Chicago, Singapore, Shanghai, Vilnius, Santiago, Dubai, Cape Town, Tokyo, Sydney, Bangalore, São Paulo, Hong Kong, Seoul and Düsseldorf

100 COUNTRIES

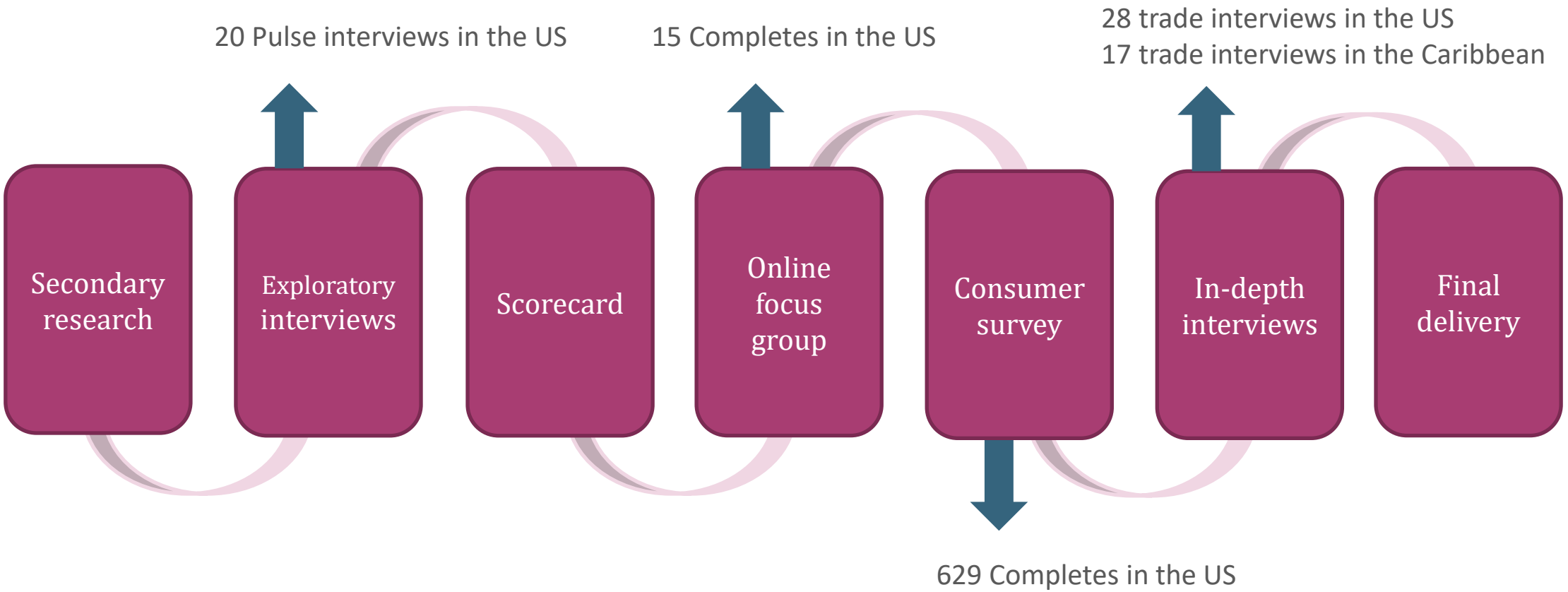
in-depth analysis on consumer goods and service industries

210 COUNTRIES AND TERRITORIES

demographic, macro- and socio-economic data on consumers and economies

ABOUT THE PROJECT

Step-by-step project methodology



Experience More

Tourists seek all-encompassing experiences such as creating their own ceramic pot with an artisan as opposed to simply purchasing a pot.

Ethical Living

Tourists are becoming more mindful of others, including the community and environment, and seek niche tourism experiences (sustainable tourism, ecotourism, impact tourism).

Personalization

More tourists are seeking one-of-a-kind experiences that are exclusive to the destination and align with their interests. Activities positioned as a “VIP experience” are perceived as more premium.

Trip Planning & Booking Reinvented

As mobile wallets continue to gain traction in source markets, tourism providers will need to incorporate this method quickly, and sustain it over the long term.

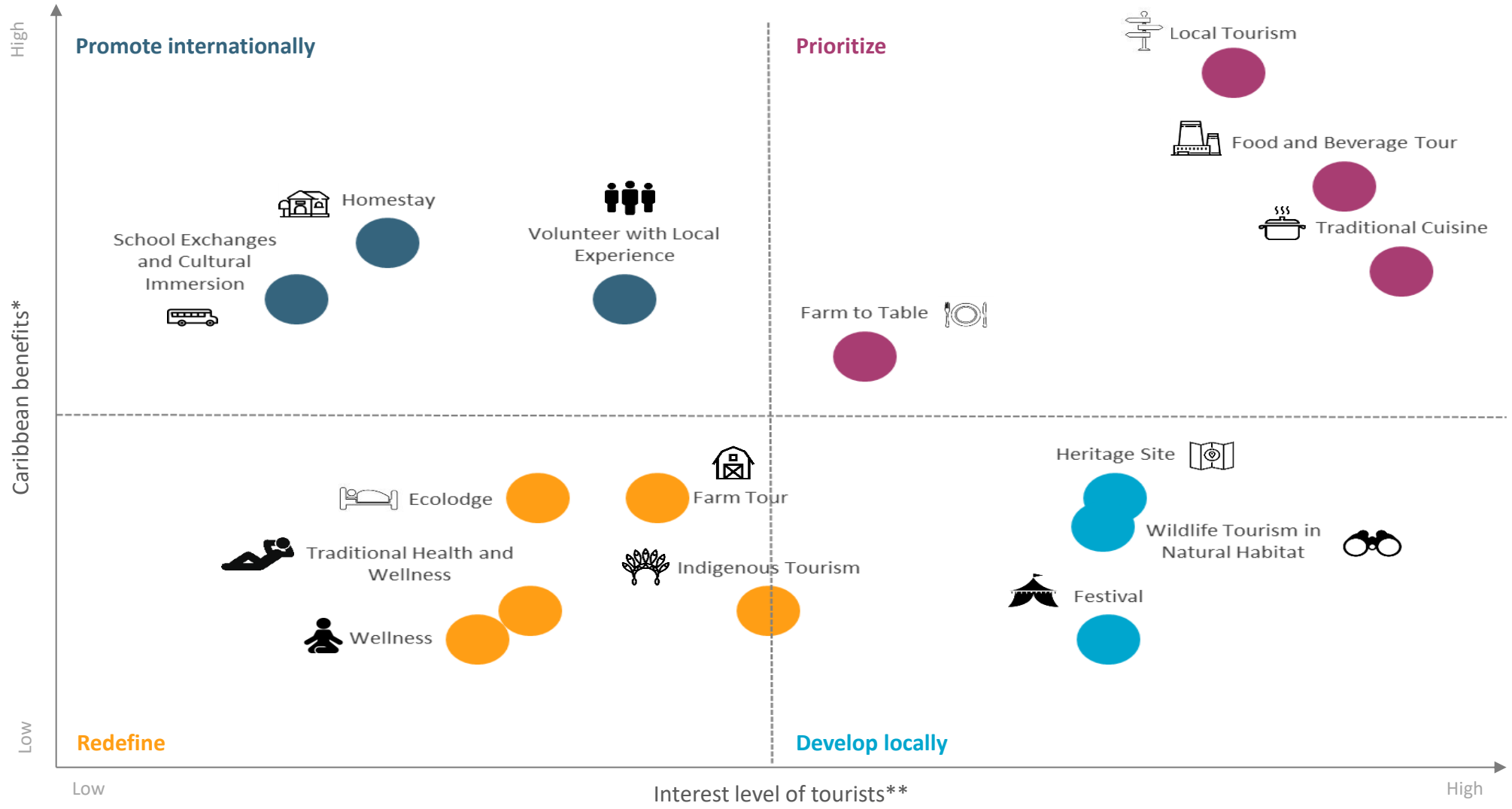
CHARACTERISTICS OF SUCCESSFUL COMMUNITY-BASED TOURISM

Activities should be unique to destination, supported by key stakeholders, and accessible online

Existing community assets are unique to tourists	**Community Assets:** Community members with an existing knowledge, lead CBT activities that focus on their community assets, natural and cultural.
Workforce and infrastructure development	**Public and Private Organizations** develop and implement policy, regulation, and investment strategies to build regional capacity.
Position as a unique and authentic experience	**Tourists** seek unique and authentic experiences; causes such as wildlife protection, cultural preservation, food security resonate well with the socially responsible tourist.
Offer digital booking options to stay relevant	**Digital Booking** is the evolution of the ever-changing trip planning process that includes online reservation and credit card payment.

SELECTED CBT ACTIVITIES IN THE CARIBBEAN

Activities were divided into four groups based on regional benefits and tourist interest



Source: Euromonitor International

*Caribbean benefits refer to the combination of metrics from the scorecard (community involvement, employment potential, capacity, activity price, and number of businesses)

**Interest levels based on consumer survey, N = 629

Local Tourism

- Most are willing to pay as much as US$300 per activity.
- Over half are willing to pay more if they know the ticket price % that goes back to the community and VIP options.

Food & Beverage Tour

- Most are willing to pay up to US$300 per activity.
- 35% are willing to pay more for attributes like Organic certification, locally sourced, benefits everyone fairly, etc.
- Around 20% are willing to pay at least 25%-50% more for VIP options and access.

Traditional Cuisine

- Most are willing to pay as much as US$100 for their experience.
- Half of respondents are willing to pay more for food sourced locally, and nearly 40% for organic produce.

Farm to Table

- Majority would pay as much as US$100 for their experience.
- About half of respondents are willing to pay more if the experience is locally sourced, embraces environmental sustainability, and offers VIP options or access.

ADDITIONAL INSIGHTS ABOUT CBT ACTIVITIES IN THE CARIBBEAN

MSMEs should consider other key findings from US tourist survey responses

1

Ensure safety and hygienic conditions for US tourists as part of customer service

Certifications to show that standards have been met, and provide needed credibility for US tourists.

2

Bundle Wellness with high-interest CBT activities to generate greater demand

Wellness activities currently see low interest among US tourists however they show more interest when combined.

3

Opportunity in high-interest/low-benefit activities for CBT providers as a CBT pioneer

MSMEs focused on community benefit have opportunity in Heritage, Festival and Wildlife Tourism yet will likely require significant capital funds to differentiate from competition.

4

‘Redefine’ activities generate highest average WTP presenting value opportunity for MSMEs

Activities with lower Caribbean benefit and lower tourist interest have a higher average ticket price.

5

Include attributes (example, transportation, local guide) to meet US tourist basic expectations

At least 20% of US tourists expect local transportation to be included in activity price (except Wellness).

6

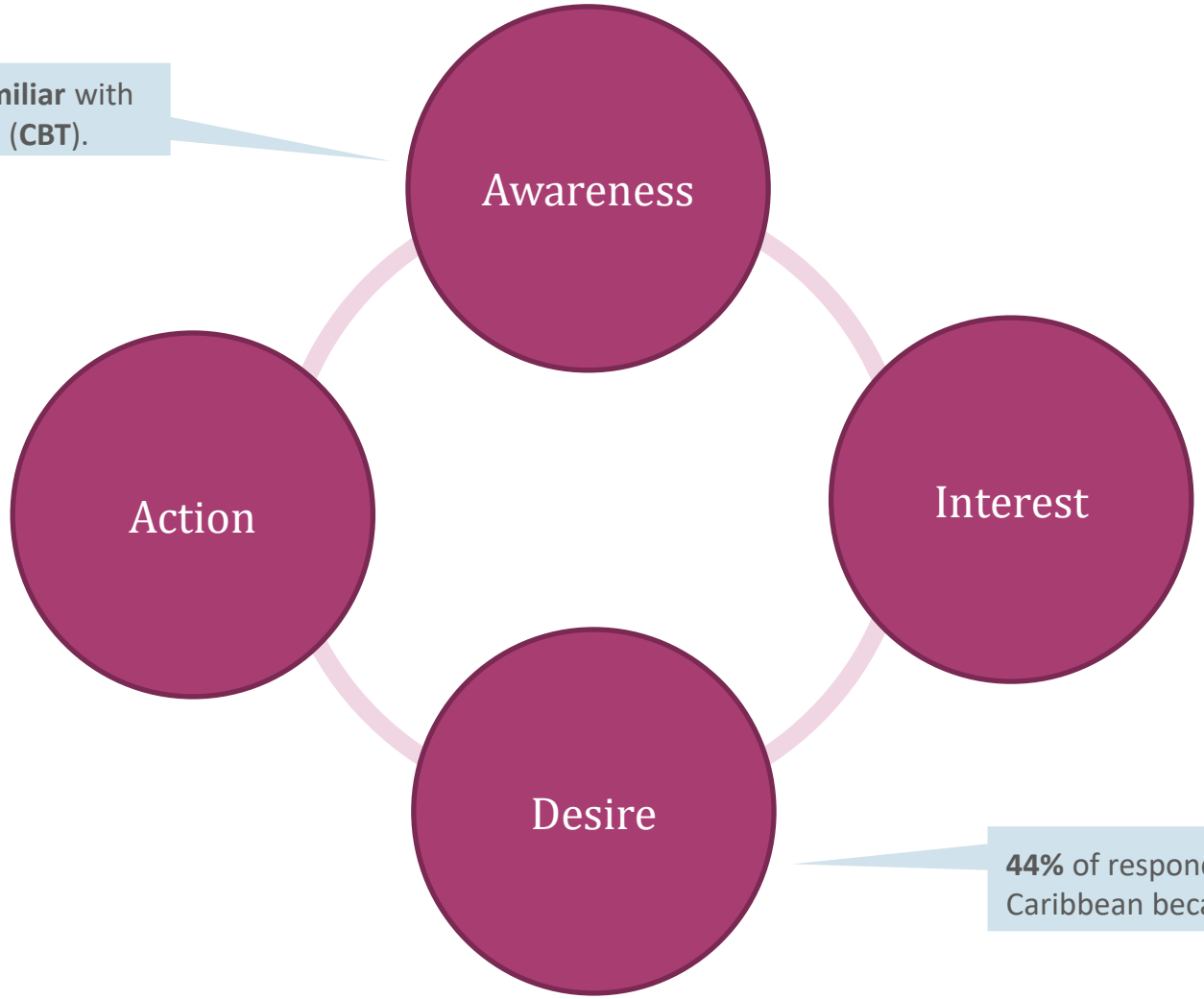
Offer tiered CBT experiences (basic, advanced, and premium packages) to capture greatest WTP

Tiered pricing often encourages consumers to opt for middle-priced options.

GENERAL US TOURIST OVERVIEW

Greater CBT awareness among US tourists will generate more long-term CBT participants

21% of respondents are **familiar** with **Community-Based Tourism** (**CBT**).



Across all respondents, **Traditional Cuisine** had been experienced by 39%, **Local Tourism** by 34%, **Festival** by 26%, and **Heritage Site** by 26%.

79% of US tourists would be **interested** in doing CBT in the Caribbean once they became aware of the term.

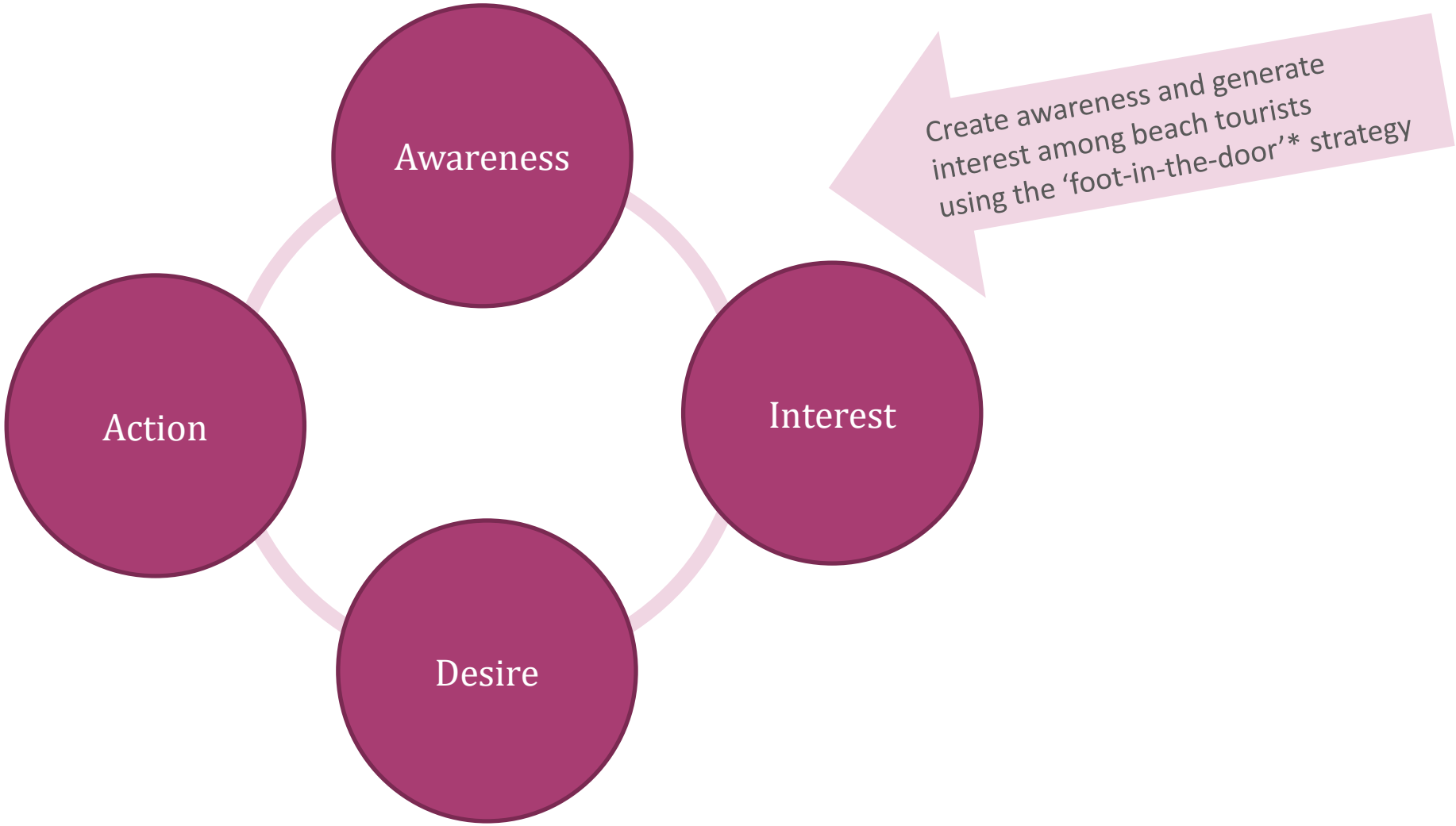
10% of US tourists show a high level of interest and are looking to participate in **CBT on their next trip** to the Caribbean. These are potential customers for Caribbean MSMEs to target.

44% of respondents would **consider doing CBT** in the Caribbean because it would be a **learning experience**.

Source: Euromonitor International based on consumer survey in the US. N=469

HOW TO GENERATE INTEREST IN CBT AMONG BEACH TOURISTS

Offer and promote CBT activities as complementary to standard Beach Tourism itinerary



*Foot-in-the-door refers to a commercial technique in which a person is more likely to agree to a larger request (doing more activities at the destination) by having them agree to a modest request first (visiting the Caribbean for Beach Tourism for their own willingness).

Offer as add-on secondary activities

Complement tourist time at the beach with CBT activities.

Position CBT activities towards interests

The majority of tourists are not familiar with CBT yet have interests that align with CBT activities.

Promote at hotels

Promote activities at hotel sites encouraging CBT participation during their beach vacation.

Thank you

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