

## Quarterly Tourism Update– First Quarter 2015

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### Major indicators

With the considerable decline in the tourist arrivals to Maldives during the last quarter of 2014, the trend continued till January 2015 with a decline of (-7.8) compared to the same period in 2014. However it started to pick up from February and March 2015.

In the first quarter of 2015, Adh. Kudarah which was closed for renovation, re-opened with a bed increase of 42 beds in February 2015. 3 new Guest houses came into operation while no new hotels started operation during the first quarter of 2015.

With the opening of these new properties, the registered number of establishments in the Maldives reached 536 with 32,060 beds. Within these registered properties, on average 309 facilities with 27827 beds were operational upto the first quarter of 2015. These includes 107 resorts with 23473 beds, 15 hotels with 1508 beds, 108 Guest houses with 1644 beds and 81 Safari vessels with 1305 beds.

A significant drop in tourist bed nights was recorded (-3.5) during the first quarter of the year.

The occupancy rate for the quarter was 78.8% which is a decline of (-5%) from the same period in 2014. While the average duration of stay of the tourists was 6 days, which is a decline of -0.4 days compared with the same period last year.

**Figure: 1: Major indicators at end of March 2015**

Major Indicators 2014	Jan - Mar	Total
Arrivals	329,968	329,968
% Change over 2014	2.6	2.6
Bed Nights	1,967,169	1,967,169
% Change over 2014	-3.5	-3.5
Occupancy Rate	78.8	78.8
% Change over 2014	-5.0	-5.0
Operational Bed Capacity (Avg.)	27,827	27,827
% Change over 2014	2.7	2.7
Average Duration of Stay (Days)	6	6
% Change over 2014	-0.4	-0.4

Source: Ministry of Tourism

## INTERNATIONAL TOURISM TRENDS

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For 2015, UNWTO forecasts international tourist arrivals to grow between 3% and 4%. By region, growth is expected to be stronger in Asia and the Pacific (+4% to +5%) and the Americas (+4% to +5%), followed by Europe (+3% to +4%). Arrivals are expected to increase by +3% to +5% in Africa and by +2% to +5% in the Middle East.

### **Europe consolidates its position as the most visited region in the world**

Europe (+4%), the most visited region with over half of the world's international tourists, saw an increase of 22 million arrivals in 2014, reaching a total of 588 million.

### **Asia and the Pacific**

International tourist arrivals in Asia and the Pacific (+5%) increased by 13 million to 263 million. The best performance was recorded in North-East Asia and South Asia (both +7%). Arrivals in Oceania grew by 6%, while growth slowed down in South-East Asia (+2%) as compared to previous years.

### **Americas**

The Americas was the best performing region in relative terms with growth of 7%, welcoming an additional 13 million international tourists and raising the total to 181 million.

### **Middle East**

International tourism in the Middle East (+4%) shows signs of rebound with good results in most destinations. The region attracted an additional 2 million arrivals, bringing the total to 50 million.

### **Africa**

Africa's international tourist numbers grew by an estimated 2%, equivalent to an increase of one million arrivals. The region reached 56 million tourists. While arrivals to North Africa were weak (+1%), Sub-Saharan Africa saw international tourist numbers rise by 3% despite the Ebola Virus Disease outbreak in a few West African countries.

*Source: UNWTO World Tourism Barometer*

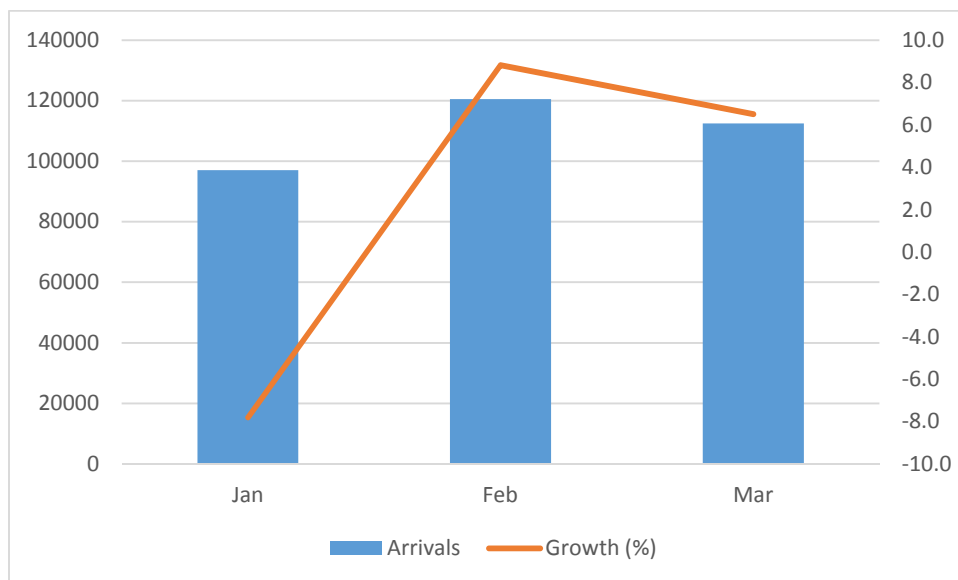
## TOURIST ARRIVALS TO THE MALDIVES

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Tourist arrivals was recorded an unusual decline in the last quarter of 2014 which continued till January 2015 (-7.8). This decline was mostly due to the decline in the North East Asian Markets, China, Japan, Korea and Taiwan which takes a huge market share of the total arrivals to the Maldives.

However these markets picked up in the month of February increasing the growth rate of the total arrivals by 8.8% and by the end of March it reached 329,968 arrivals with 6.5% growth compared to the same quarter in 2014.

**Figure 2: Tourist Arrivals and growth percentage to the Maldives 2015**



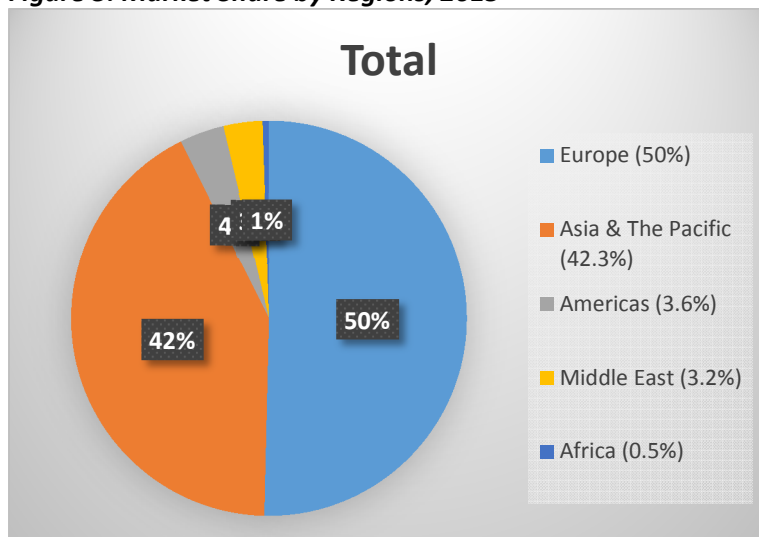
## MAJOR MARKETS

In terms of Market share, Europe has taken its place to the top by 50% shares in the first quarter of 2015. With arrivals reaching 166,179 the region observed a growth of 0.7% compared to the same quarter in 2014.

Asia and the pacific is the next market generator with 42.3% shares and received 139,501 tourists which is an increase of 2.7% compared to 2014.

Third leading market region was Americas with 3.6% shares and a growth of 13% compared to the same period last year. Middle East showed the highest growth of 25% with 3.2% market shares. African region accounted for the lowest market share with 0.5%.

**Figure 3: Market Share by Regions, 2015**



**Figure 4: Tourist Arrival Growth by Regions, 2015**

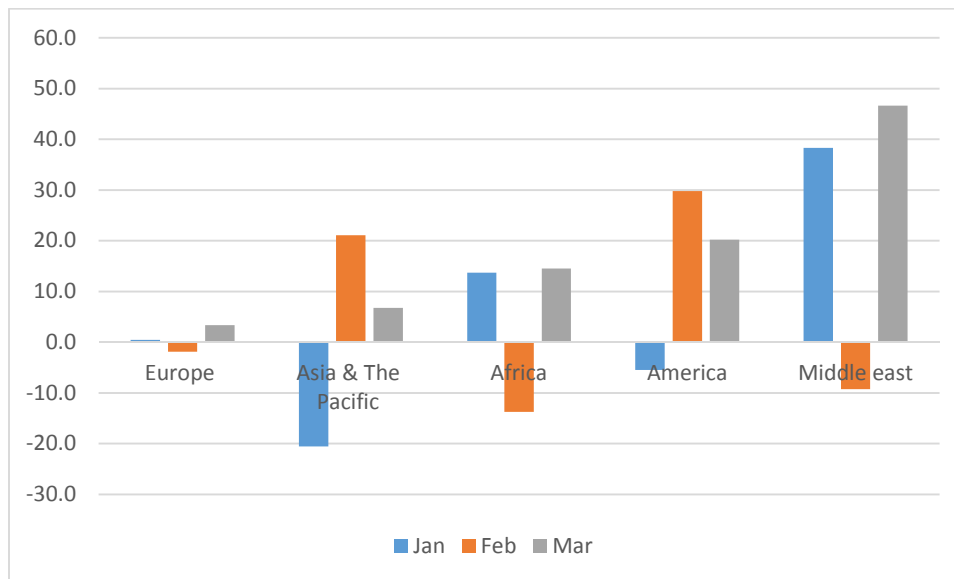


Figure 4 shows the growth trend of Markets over the period of January - March 2015.

In January Asia and the Pacific showed a huge unexpected decline and increased its arrival in February 2015. However Africa and Middle East showed a decline in the growth rate in the month of February.

The arrivals started to increase in the month of March hence the growth rate was observed to be positive for all markets in the month of March.

## MAJOR EUROPEAN MARKETS

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From the main market generators in the region, three markets showed negative growth rates compared to 2014 (figure 6). Highest decline from the top 10 markets was observed in Russian market with -43% decline compared with the same period last year.

The leading market in this market segment is Germany as of the same as the previous quarter with a share of 8.5% of the total arrivals. During the first quarter of the year German arrivals was seen the highest in the month march with 28,175 arrivals.

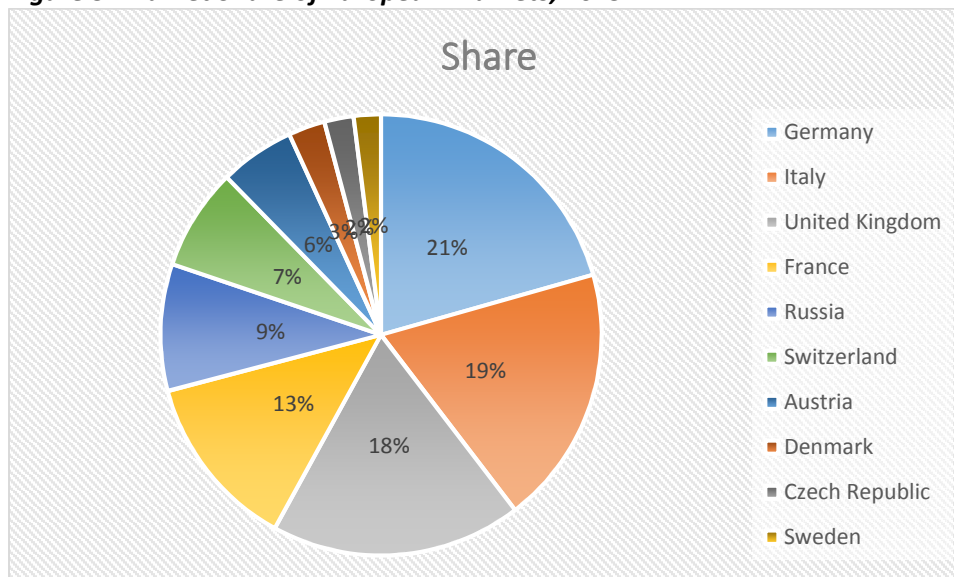
Second best performing market in terms of market share was Italy with 7.9% shares and showed an increase in growth of 16% compared to the same quarter in 2014.

Initially the second market generator United Kingdom dropped its market share and came 3<sup>rd</sup> with 7.6% of the shares. UK also recorded the highest number of tourist arrivals in the month of March 2015.

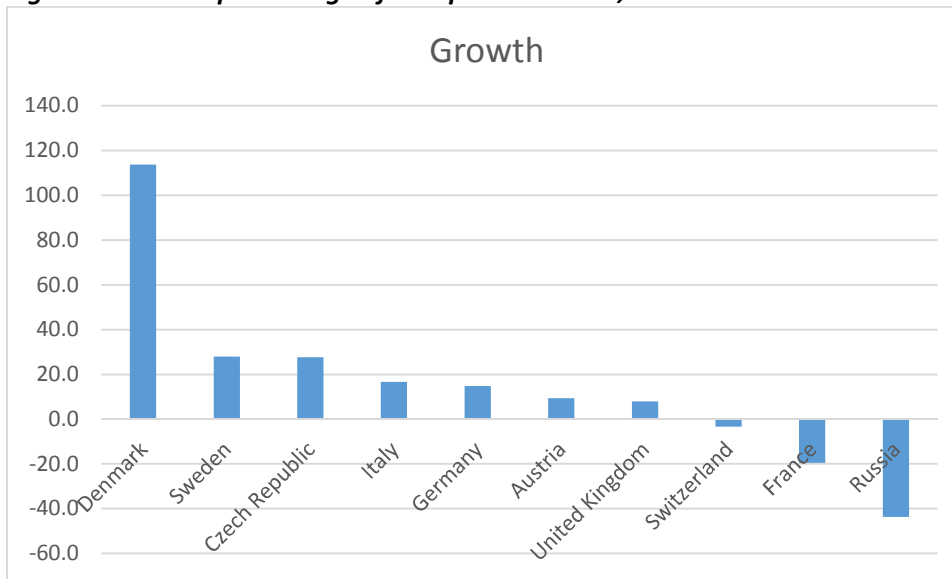
French market was the fourth best performing from the region with 5.4% market share of the total tourist arrivals. However it showed a negative growth of -19.5% compared with the first quarter of 2014. French arrivals shows a gradual decline over the past 3 months of the quarter.

The next best market performer in terms of market share was Russia with 3.9% however Russian market is in a huge decline in the growth rate with -43%. Followed by Russia is Switzerland (3.1%) and Austria (2.3%) market shares.

**Figure 5: Market Share of European Markets, 2015**



**Figure 6: Growth percentage of European Markets, 2015**



## MAJOR MARKETS FROM ASIA AND THE PACIFIC

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At the end of the 3<sup>rd</sup> quarter, Asia and the Pacific came as the second best market generating region to the Maldives with 42% of the market share with 139,501 tourist arrivals. In the last quarter of 2014, Asia and the Pacific took over Europe to the top of the table as the best market generator with its high North East Asian arrivals. The huge decline in the North East Asian arrivals during the month of January resulted in the drop in the market share of this region.

In this region, China has remained as the best market generator in the region as well as the overall number one market generator to the Maldives. However, China experienced a dramatic drop in tourist arrivals with -33% negative growth compared to the same quarter in 2014.

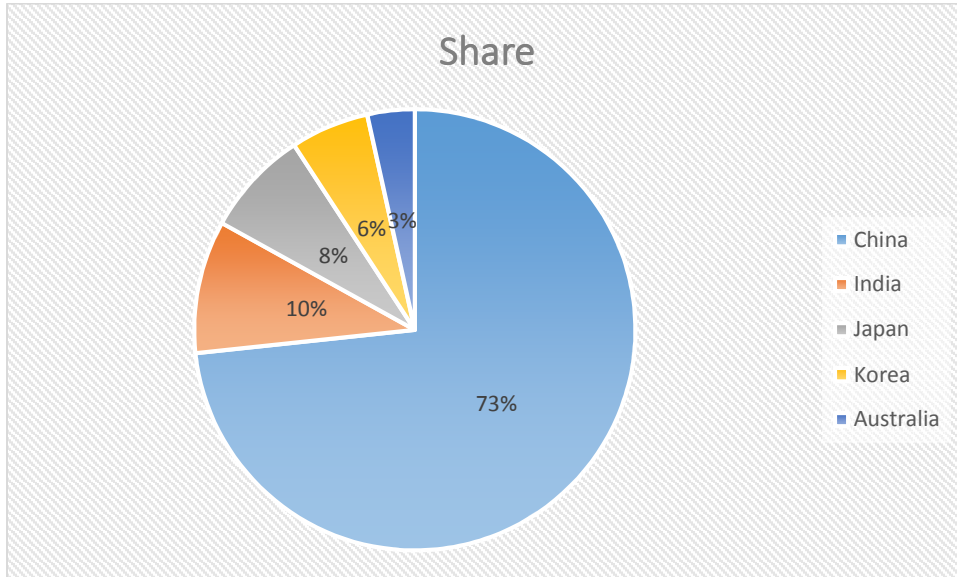
The second largest market to the Maldives within the Asia & the Pacific region is India with 3.6% market share. The Indian market registered a growth of 16.9% in 2015 compared to the same period last year.

Japan was the third best market from the region, contributing to 2.8% of the market shares. However, the market recorded a negative growth of -5.1% at the end of the first quarter of 2015.

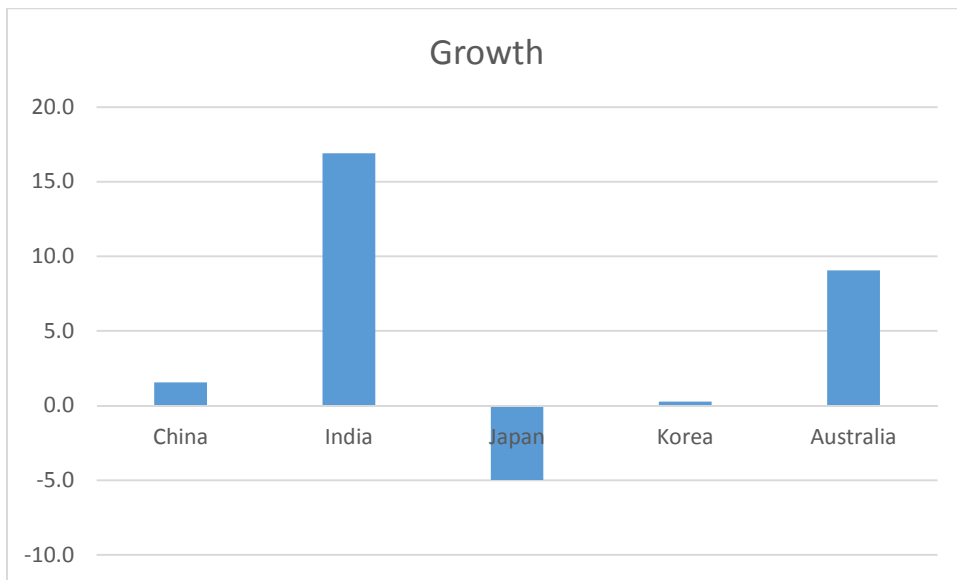
Korean market stood at the fourth position in the region with a share of 2.1% with a slight growth of 0.3% compared with the same period in 2014.

Australians have picked up in the number of visitors and has contributed to the market share with 1.3%, while the growth rate was increased by 9% in 2015

**Figure 7: Market Share of Asia & the Pacific, 2015**



**Figure 8: Market Growth percentage of main markets of Asia & the Pacific, 2015**





# OTHER MAJOR MARKETS

In the African region, the largest market generator was South Africa with a market share of 0.2% with a growth of 4.2% compared to the first quarter of last year.

USA stood as the top market among the Americas with a market share of 2.2% with a growth rate of 14.4%.

The second best performing market within Americas was Canada with 0.6% shares with a slight growth of 1.1% in the arrivals.

Saudi Arabia was the leading market from the Middle East region with 1.4% of the market shares, followed by Kuwait (0.5%), UAE (0.5%), Qatar (0.2%), Egypt (0.2), Lebanon (0.1). The highest growth rate was observed in UAE with 64.2%.

Figure 10: Market Share 2015, African and Americas

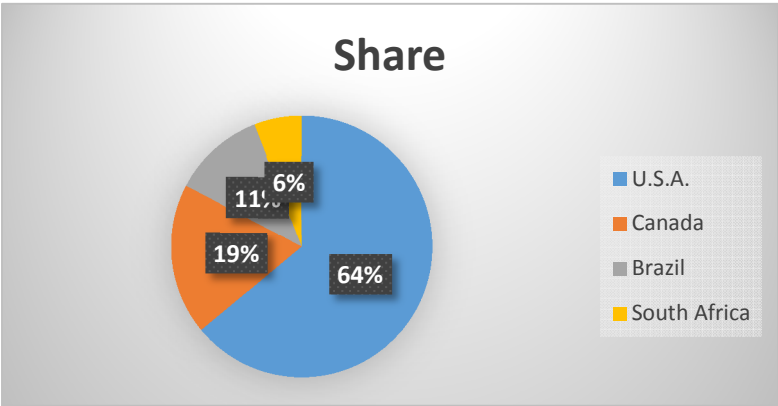


Figure 11: Market Share 2015, Middle East

