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What are the opportunities?
The Master Plan defines implementable solutions and opportunities for Bermudians.
Opportunities

Stakeholders across the Tourism Value Chain have an important role to play in the implementation of the Plan.

The Tourism Plan creates opportunities for employment and entrepreneurs throughout the sector.
The major shift from to cruise visitors over the past 30 years has had a major impact on the whole sector; hotel supply decreased by 44% in the past 30 years.
Challenges

**Bermuda is highly seasonal (average occupancy 56%): limited business, limited job opportunities**

Bermuda is highly seasonal, with May to August having the highest average occupancy rates of 70 – 80%; occupancies from December to February are lower than 30%
Challenges

Top challenges for tourism development in Bermuda:

1. Lack of clear positioning and brand identity
2. High competition
3. Limited demand drivers
4. Highly seasonality; low occupancy rates
5. Air vs. cruise imbalance and lack of focused market strategy
6. Limited quality of products and services
7. Limited local human resources capacity and lack of pride in sector
8. Transportation challenges: air lift, land and water circulations
9. Need for further inter-ministerial co-operation, continuity and PPP
10. Low investment appeal: high investment costs and high operational costs

Lack of real value in tourism industry: for international visitors and local community
Opportunities

Top strengths which need to be leveraged:

1. Historical legacy as high-end destination
2. Unique cultural and natural resources with international appeal
3. Distinctive tourism hubs
4. High end market appeal
5. Strong cruise market arrivals; yachters and boat market with high potential
6. Business reputation, developing products for business tourists
7. High repetition rate
8. Successful collaborations and PPP
9. Close proximity to major key source markets
10. Passionate people

Bermuda has many opportunities to further develop its brand and tourism offering in order to regain its international appeal and increase market share.
How will it be achieved?
8 Strategic objectives of the Master Plan to reinvent the tourism industry:

1. Build unique and create competitive positioning
2. Create new demand and reduce seasonality
3. Rebalance air vs. cruise 52% air and 47% cruise by 2022
4. Increase visitor spending $1,471MM by 2022
5. Improve quality throughout Tourism Value Chain
6. Build pride and create jobs 6,157 direct jobs by 2022
7. Support business development and attract investment
8. Create economic ($513MM by 2022), social and environmental sustainability
5 Programmes for Implementation

5 Programmes with implementable solutions

1. Marketing Programme
   - New positioning
   - New niche marketing
   - Build pride campaign

2. Product and Destination Development Programme
   - New destination hubs
   - New products

3. Total Quality Management Programme
   - Total quality solutions
   - New training solutions

4. Infrastructure Programme
   - New infrastructure solutions
   - Protection of natural and cultural resources

5. Global Governance Programme
   - New support for small business
   - New supportive governance structure

5 Programmes with actions: Quick Wins, medium to long term actions
Leverage Bermuda’s unique and internationally competitive assets to build competitive advantage and highlight its authenticity.

**Physical elements**
- Underwater heritage: Mary-Celestia
- Healthy Coral Reef: Sargasso Sea
- Bermuda Moon Gate
- Bermudian Artistic Expressions
- St George UNESCO World Heritage Site
- Maritime Heritage
- Bermuda Iconic Architecture
- Pink beaches

**Emotional elements**

Leverage Bermuda’s physical and emotional attributes to create a place with uniquely Bermudian experiences … emotional elements create the soul of the place.
Bermuda has a real opportunity to position itself as uniquely different from the Caribbean and other competitive destinations.

The positive attributes of familiarity and comfort should be transformed into a real competitive advantage.
Marketing Programme - Position and Vision

Aspirational vision statement and underlying values

Bermuda is an **innovative, modern** and **sophisticated year round** destination

The treasure of the **Atlantic**

With **enchanting natural beauty** and **cultural heritage**

Which leverages its **unique resources**

To create **authentic Bermudian experiences**

A secret place where you have time to discover and **build unforgettable memories**

Where you **feel at home** in a world away, closer than you imagine

The vision statement presents the imagine of how Bermuda, as a tourism destination, will be regarded by the international community, what it has to offer to the guests, and what kind of experiences will be gained by visitors in 2015 and beyond.
Bermuda has 5 distinct tourism hubs, or centres of characterized tourism interests, which offer unique and attractive destinations.

New Destination Hubs

1. Hub 1: Castle Harbor
2. Hub 2: St George & St David’s Island
3. Hub 3: City of Hamilton
4. Hub 4: South Shore Bermuda
5. Hub 5: Offshore Bermuda

Offshore Bermuda offers a unique concentration of cultural and natural tourism attractions important enough to become a stand-alone tourism hub.
New Destination Hubs

Hub 1 - St. George World Heritage Destination & St. David's Island

Destination Concept

- A World Heritage Destination
- Connecting the past and present
- Colonial architecture and cultural heritage
- Current artistic expressions and activities
- Enjoyment of the natural environment

Business Opportunity

- Walking tours
- Boutique retail
- Outdoor dining,
- Artisans and craft makers markets
- Heritage museums
- Live entertainment
- Waterfront experiences
- Sailing and yachting
- Pristine nature

A World Heritage charming village with Bermudian artistic expressions
New Destination Hubs

Hub 2 - Hamilton City

Destiny Concept

- Vibrant and dynamic modern city
- Business community and visitors needs
- Connects authentic Bermudian flare with state of the art modern facilities

Business Opportunity

- Conference facilities and services
- Performing arts,
- Signature restaurants
- High-end retail
- Live entertainment
- Nightlife venues
- Waterfront enjoyment

An iconic modern city with Bermudian flare
New Destination Hubs

Hub 3 - South Shore Area

Destination Concept

- Attractive natural open spaces
- Offering excellent services
- Diverse day activities and gastronomy as a remedy for stress

Business Opportunity

- Sun and beach activities and facilities
- Signature golf
- Recreational sports
- First-rate restaurants
- Cultural programs

A special place with island beauty and active experiences
New Destination Hubs

Hub 4 - Royal Navy Dockyard

Destination Concept

• Multi-purpose recreational and edutainment hub
• Multiple leisure activities
• Authentic Bermuda cultural heritage

Business Opportunity

• Retail (duty free)
• Edutainment centers/programs
• Heritage museums/itineraries
• Artisan workshops
• Bermudian gastronomy
• Water sports
• Boating and sailing

A versatile and fun place in a distinctive Maritime setting

Bermuda National Tourism Plan
Hub 5 - Offshore Bermuda

**Destination Concept**

- A Fascinating **eco-destination** set in the most northerly coral reef system in the world
- Unique underwater **heritage system of shipwrecks**
- **Pristine** coral reef dive sites
- Internationally recognized sports **fishing sites**

**Business Opportunity**

- Shipwreck diving
- Game fishing
- Whale watching
- Snorkeling
- Water sports
- Yachting
- Sailing
- Glass bottom boats

A fascinating and unspoilt marine destination to discover
The Product Development Strategy is focused on the development of 7 tourism products in order to create demand drivers and reduce seasonality.

“Quickwin” opportunities in: Luxury, Events, Groups and continuous innovation by product portfolio.
New Product Development

Core: Cultural Tourism

Product Portfolio

- Bermuda’s architecture
- British colonial heritage
- Linkages to USA history
- Ship wreckages
- Watercolor artistic legacy
- Gastronomy
- Lifestyle
- Music
- Dance
- Handicraft

New Business Development

- St. George World Heritage Destination
- Underwater Heritage Interpretation center
- Performing Arts Centre
- Cultural heritage trails
Core: Business & MICE (Meetings, Incentives, Conferences, Events)

Product Portfolio

• Executive business meetings market
• Improve MICE services
• Small conferences
• State of the art facilities and services
• Extended stay of business and MICE visitors

New Business Development

• Extend existing conference and meeting facilities and services
• New Conference Center facility
New Product Development

Core: Sports Tourism

Product Portfolio

- Competitive sporting events
- Expanding key niche sports: Golf, Diving, Game fishing
- Development of infrastructure and tailored services and marketing actions.
- Attract new markets

New Business Development

- Multisport Training facility development
- Niche sport facility development (Diving/Sports Fishing/Golf)
New Product Development

Complementary: Leisure and Entertainment Tourism

Product Portfolio

- High quality Leisure & Entertainment product
- Authentic Bermudian entertainment
- L&E experiences: shopping, dinning, gaming and other
- Attract new market segments
- Attract new players to the industry

New Business Development

- Hamilton Waterfront Development
- Shopping Tourism Development
  - Hamilton High-end retail hub
  - St. George Boutique shopping hub
  - Dockyard Duty-free shopping
- High-end Gaming facility
New Product Development

Complementary: Nautical Tourism

Product Portfolio

• System of mix development marinas
• Specialized yacht services
• International events
• Become a must-stop hub for the yachters market
• Become a recognized boat charter destination

New Business Development

• Full service marina with commercial and residential component
• Yachters support services
• Network of full service Marinas
New Product Development

Complementary: Eco-beach & Nature Tourism

**Product Portfolio**

- Combine the rich and vast natural assets in both inland and shore areas
- Develop the beach and nature product
- Offer beach shore activities and nature experiences
- Maintain the integrity of the resource

**New Business Development**

- Coopers Island Nature Reserve
  - Non-Such Island Living Museum
  - Castle Island exclusive itineraries
- Beach Experience development
  - Active beach facilities Network
  - “Pristine” beaches Network
- Island wide Nature trails
New Product Development

Complementary: Cruise Tourism

Product Portfolio

- Expand the luxury cruise market
- Improve Transportation system efficiency
- Develop tailored programs and events for visitors
- Contain accelerated cruise tourism growth
- Increase daily expenditure

New Business Development

- **Cruise Visitor Management Plan**
  - New modes of transportation and de-concentration options
- **Pocket cruise tourism development in St. George**
Product development and commercial efforts will focus on key luxury segments, niche markets and groups and events.

- **Groups**
- **Events**
- **Luxury**
- **Niche Markets**
- **Product Innovation**

Strategies across all Products Portfolios

Groups and Events will play a key role in reducing seasonality.
A Total Quality Management (TQM) system will be developed in order to guarantee quality, build competitiveness and create value.

<table>
<thead>
<tr>
<th>Physical Facilities and Services</th>
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Quality guarantees of physical facilities/services and human capacity throughout the Tourism Value Chain is critical.
The people of Bermuda have a key role to play in the development of the Tourism Plan; training and awareness programmes are a key aspect of the plan.

<table>
<thead>
<tr>
<th>People</th>
<th>How?</th>
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<tbody>
<tr>
<td>• Build pride</td>
<td></td>
</tr>
<tr>
<td>• Create awareness</td>
<td></td>
</tr>
<tr>
<td>• Provide skills and training</td>
<td></td>
</tr>
<tr>
<td>• Develop business incubators</td>
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</table>

The plan will need skilled people to implement it.
New infrastructure solutions are needed to support the Tourism Plan; resources need to be managed in a sustainable manner.

**Infrastructure & Sustainability**

**How?**

- Manage sustainable resources
- New national connectivity transportation solutions
- New infrastructure solutions
  - Airport, new transportation solutions, signage
  - Pier and marina development
- Protect and preserve resources
- Capacity management and land/marine usage planning
- Awareness and incentives

Sustainability is a core element in the new model of tourism development for Bermuda.
Support business development and create investment opportunities

Planning and Support

- Strategic Alliances and Partnership - PPP
- Investment attraction and facilitation
- Business Development Incubators

Opportunity and Wealth Generation

- Business Opportunities
- Job generation
- Productive infrastructure
Governance model requires policy, strategic and operational support; through increased inter-ministerial collaboration and PPP structures.
### Tourism Awareness

**Multiple levels of tourism awareness campaigns are introduced through the Tourism Plan**

<table>
<thead>
<tr>
<th>Awareness</th>
<th>How?</th>
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<tbody>
<tr>
<td>International brand awareness</td>
<td>• International brand awareness</td>
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<tr>
<td>Local tourism awareness of tourism benefits</td>
<td>• Local tourism awareness of tourism benefits</td>
</tr>
<tr>
<td>Tourism job opportunity awareness</td>
<td>• Tourism job opportunity awareness</td>
</tr>
<tr>
<td>Sustainability awareness and incentive programme</td>
<td>• Sustainability awareness and incentive programme</td>
</tr>
</tbody>
</table>

Awareness and stakeholder engagement in all levels of tourism development is key success factor
What’s in it for you?
Rebalance air and cruise arrivals, grow yacht: more demand for goods and services, business, new jobs, more activities

Air arrivals surpasses cruise arrivals by 2021 and reaches 52% market share by 2022
Reduce seasonality:
Longer season, longer employment, new products, new business

What’s in it for you?

Quick wins
Marketing and Promotion now
Organisation of resources

- New brand and positioning
- Product development (Events and Groups)
- Niche marketing
- Training and awareness

Reduce seasonality through new products, new positioning, new niche marketing
Focus on Groups and Events

Air Arrivals by month

2011 air arrivals: 236,038
2015 air arrivals: 305,942
2022 air arrivals: 481,715
Visitor expenditures to grow from $422MM in 2011 to $1,471MM in 2022: More people spending more money during a longer season

Visitor Expenditures (US$)

Air arrivals expenditure: increase from $357MM to $1,355MM by 2022 ($1,511 to $2,814 per trip*) by 2022
Cruise arrival expenditure: increase from $65MM to $115MM by 2022 (from $156 to $263 per trip),
Tax income contribution is expected to grow to $100MM by 2022: More tax revenues to benefit tourism sector

Tax Income Revenues ($US MM)

Air tax revenues is expected to reach $68 MM by 2022
Cruise tax revenues is expected to reach $29MM by 2022
Direct contribution to GDP is expected to increase from $300MM to $513MM by 2022 (5% yearly growth)

Tourism Direct contribution to GDP

GDP organic growth rate is expected to increase at a 3%* steady rate, meaning that the tourism industry would grow at a higher rate and therefore its contribution to the economy will increase from 5.2% to 6.4%

* source: World Bank /US CIA projections
Direct job positions supported by the Tourism Industry are expected to increase from 3,600 in 2011 (9% of job pool) to 6,157 by 2022 (15% of job pool).

Tourism Direct Job positions and % of Job Pool

- 2011: 3,600 (9%)
- 2012: 3,780 (9%)
- 2013: 3,969 (10%)
- 2014: 4,167 (10%)
- 2015: 4,376 (11%)
- 2016: 4,595 (11%)
- 2017: 4,824 (12%)
- 2018: 5,066 (13%)
- 2019: 5,319 (13%)
- 2020: 5,585 (14%)
- 2021: 5,864 (15%)
- 2022: 6,157 (15%)

60% of the expected jobs are in hotels
40% of the jobs are across the industry
Bermuda National Tourism Plan

Now what?
The Tourism Plan reinvents and reenergizes the tourism industry Bermuda

**New opportunities**: New positioning, new products, new destination hubs, new niche markets

**Reduce seasonality** and realigns air vs. cruise

**Build pride** in tourism sector

**Improves quality**

**Makes business sense**: supports business

**Sustainable**: social, environmental, economic

**Creates value**
Now what?

Where should you start?

Don’t need major investment to start

Need Quick Wins

Investment in people and organisation of current resources

Collaboration, organisation, common objectives

People with energy and determination

The Tourism Master Plan is achievable and implementable—a great opportunity for Bermuda
Thank you