

2017

Visitor Arrivals Report Full Year

BERMUDA

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Executive Summary

The past two years of growth for the Bermuda tourism industry show a clear comeback for this important economic sector.

Thanks to the partnership of a wide array of stakeholders, the Bermuda Tourism Authority has guided industry performance to monthly year-over-year growth for 23 of the past 24 months in leisure air arrivals. The anomaly is September 2017, attributed to an exceptionally active Atlantic Hurricane Season. More importantly, the island's tourism industry experienced eight consecutive quarters of year-over-year growth in leisure air visitor spending. Cruise visitor spending saw more modest gains. However, a steadily improving air visitor spending number is more important to the industry's development because air visitors spend, on average, at least ten times more than cruise passengers when they visit Bermuda.

The total estimated amount directly injected into the island's economy by visitors in 2017 is \$431 million, which represents a sizeable 20% increase over the previous year. Meantime, the total amount of visitors in 2017 reached 692,947, the highest number in recorded history. Every key performance indicator finished pointing up at the end of 2017 when compared to the year before:

- Air leisure spending up 22.5%
- Cruise spending up 7.6%
- Leisure air arrivals up 11%
- Hotel occupancy up 9%

Furthermore, the number of visitors under 45 years-old continues to power the comeback. About 83% of the growth in leisure air arrivals in 2017 is from visitors under the age of 45. Align those visitor demographic trends with the new hotel inventory coming online in 2019 and beyond, there is reason for optimism as the island moves into the next five years of its tourism resurgence.

This year-end report, prepared by the Research and Business Intelligence team of the Bermuda Tourism Authority, presents the industry's data along with some context to help persons in the tourism industry mark our collective progress over the past year and set a course for the future.



Executive Summary

2017

PERCENTAGES ARE % CHANGE COMPARING 2016 AND 2017



11% ↑

LEISURE AIR ARRIVALS



8% ↑

AIR CAPACITY



20% ↑

TOTAL LEISURE SPENDING
(AIR & CRUISE)



83%

OF GROWTH IN LEISURE
AIR ARRIVALS WAS
UNDER AGE 45



LEISURE AIR ARRIVALS

BOSTON

16% ↑

NEW YORK

3% ↑

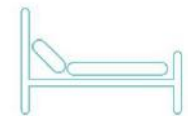
CANADA

19% ↑



2017
\$320 MM

2016
\$267 MM



9% ↑

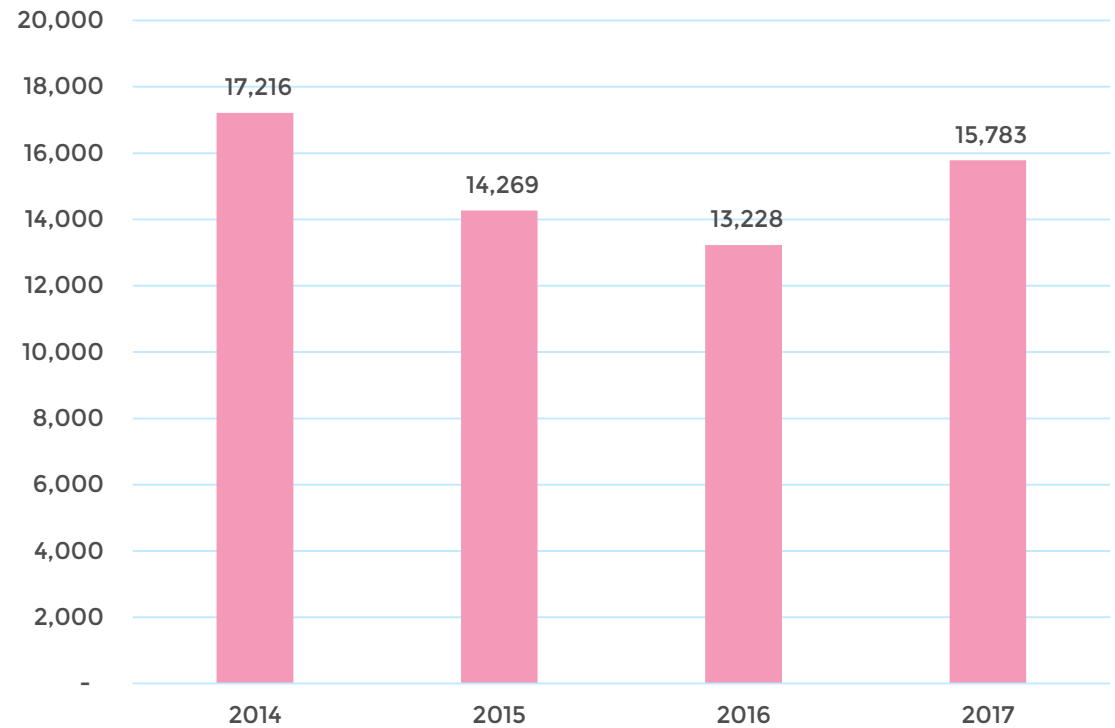
HOTEL OCCUPANCY

Canadian Comeback

In 2017, Canadian leisure air visitors increased by 19.3% or 2,555 additional visitors vs 2016. While not yet back to the levels of 2014, air leisure visitation has increased. Given BTA's new strategy in Canada for 2018, we expect this increase to continue.

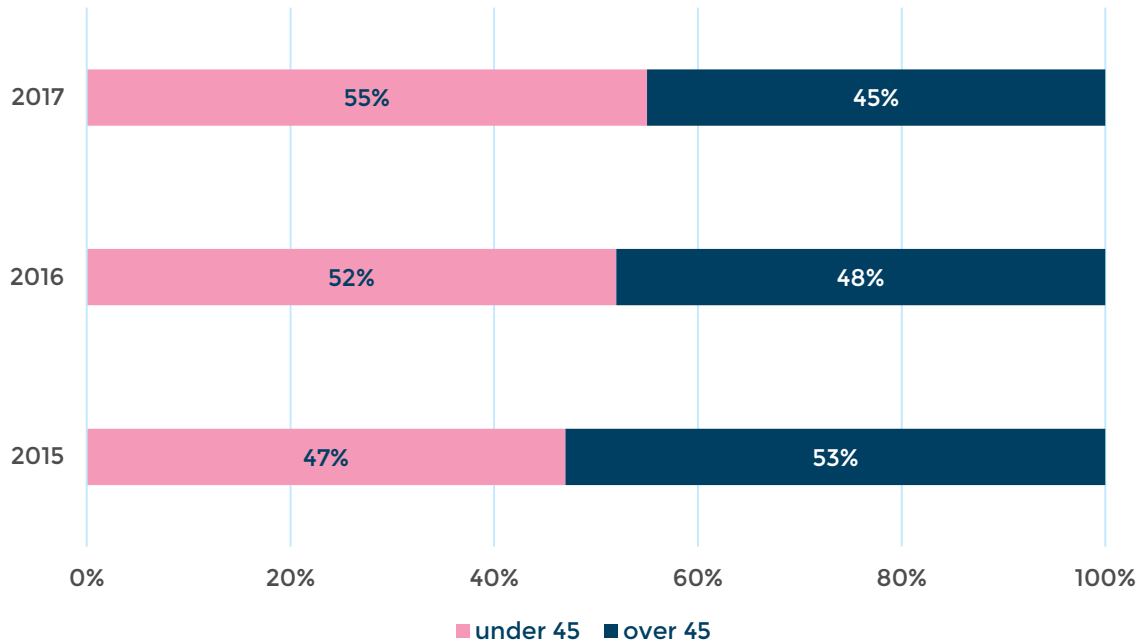
For further information on Country of Origin, please reference pg. 24

Canadian Leisure Air Visitors



	2016	2017	# YOY CHG	% YOY CHG
CANADIAN AIR VISITORS	13,228	15,783	2,555	19.3%

Air Leisure Visitors – Share by Age Group



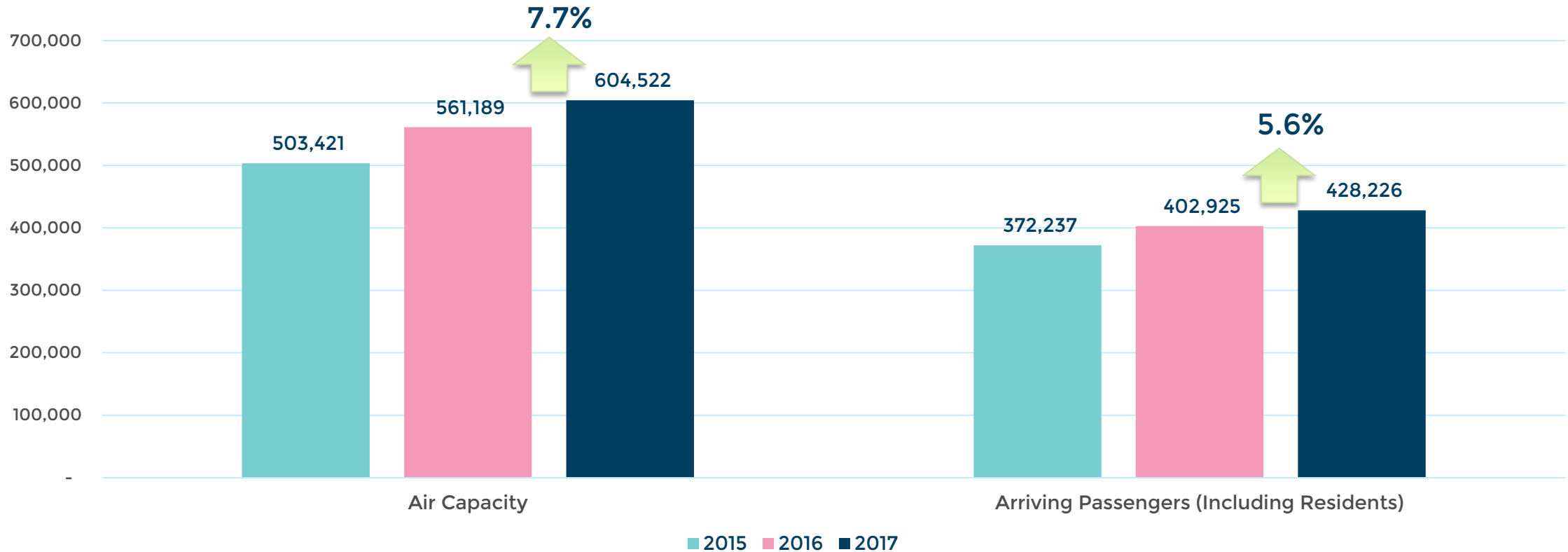
	2016	2017	# YOY CHG	% YOY CHG
0 - 17	19,006	20,107	1,101	5.79%
18 - 24	10,587	10,929	342	3.23%
25 - 34	29,091	37,941	8,850	30.42%
35 - 44	26,036	30,728	4,692	18.02%
45 - 54	30,460	30,473	13	0.04%
55 - 64	27,988	29,590	1,602	5.72%
Over 65	21,153	22,671	1,518	7.18%

Air Visitors: *Younger Demo*

With a focused effort over the last two years to attract more adventure seekers and experience enthusiasts and develop corresponding on-island product, Bermuda has grown the number of young visitors to the island while still retaining older visitors. Of the growth seen in 2017 leisure air visitors, 83% was in those under the age of 45.

For further information on Visitors by Age, please reference pg. 28

Steadily Increasing Airlift



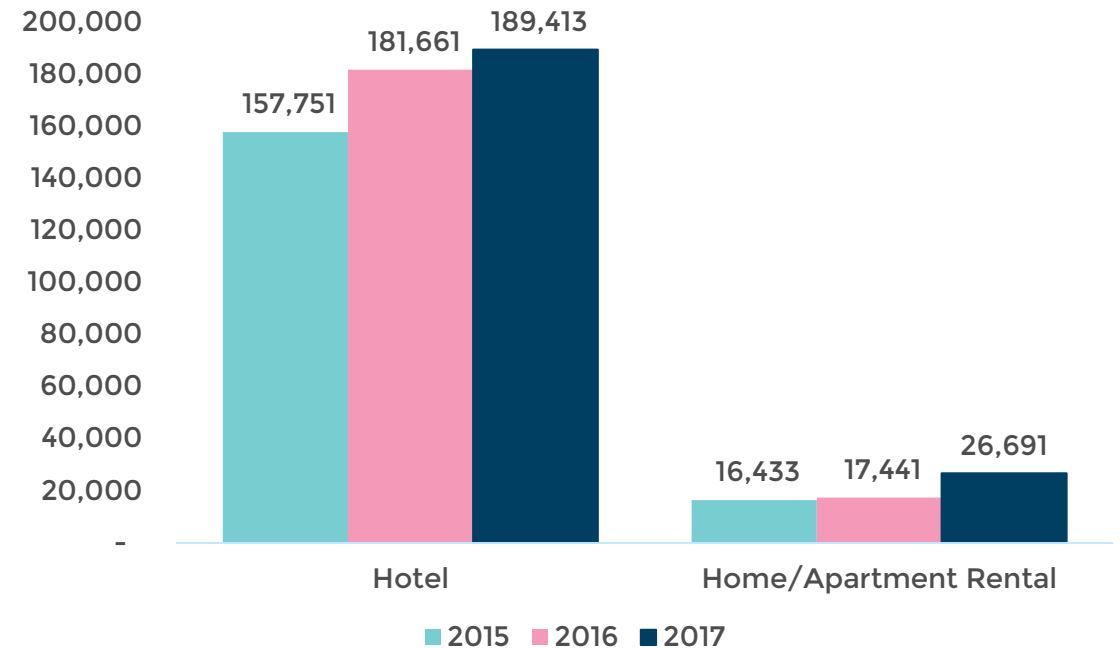
Over the last three years we have seen not only an increase in capacity but also the number of seats sold to meet the capacity increase. With the development of a new airport terminal under way, we expect to add additional capacity in the future as well.

Growth Across Accommodation Types

Home rentals have opened Bermuda up to a new kind of visitor with a 53% increase year-over-year. The number of visitors choosing hotels also continues to rise, growing 4% year-over-year.

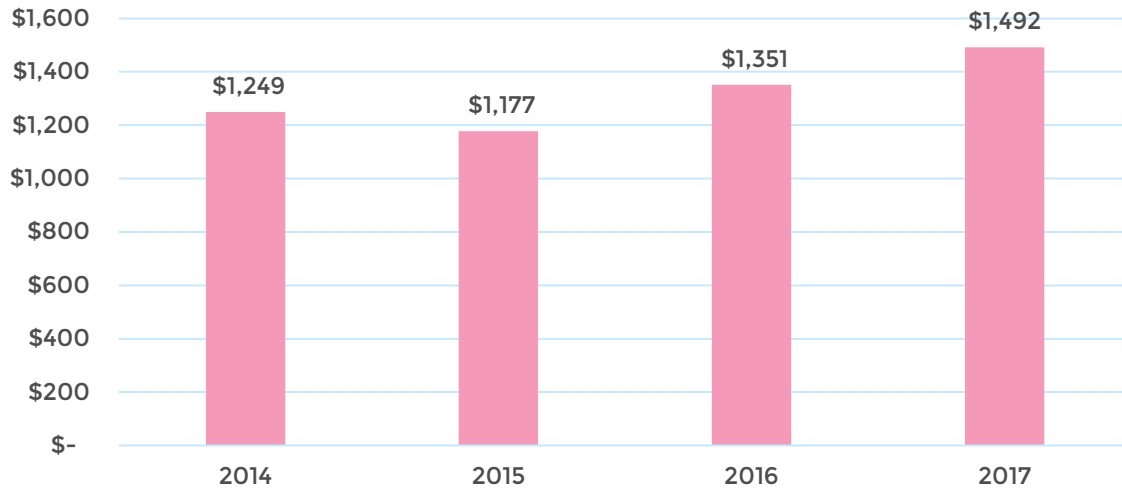
For further insight on Air Visitors by Accommodation Type, please reference pg. 27

Air Visitors by Choice of Accommodation



	2015	2016	2017	# YOY	% YOY
HOTEL/B&B VISITORS	157,751	181,661	189,413	7,752	4.3%
HOME/APT RENTAL VISITORS	16,433	17,441	26,691	9,250	53.0%

Estimated Per Person Leisure Air Visitor Spending



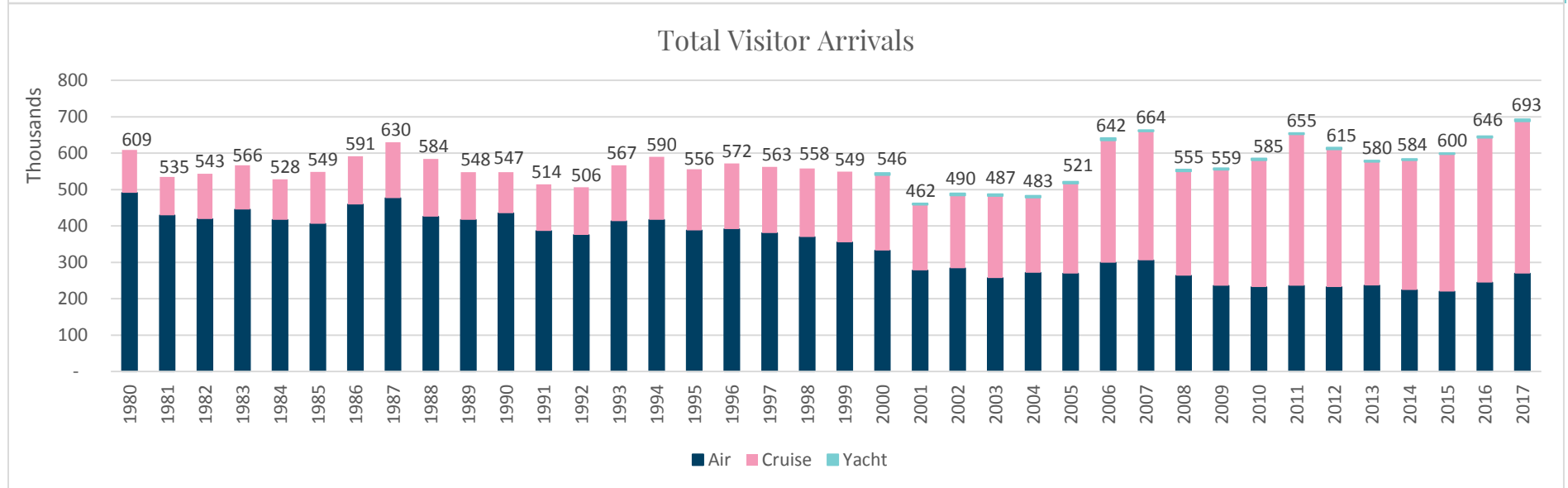
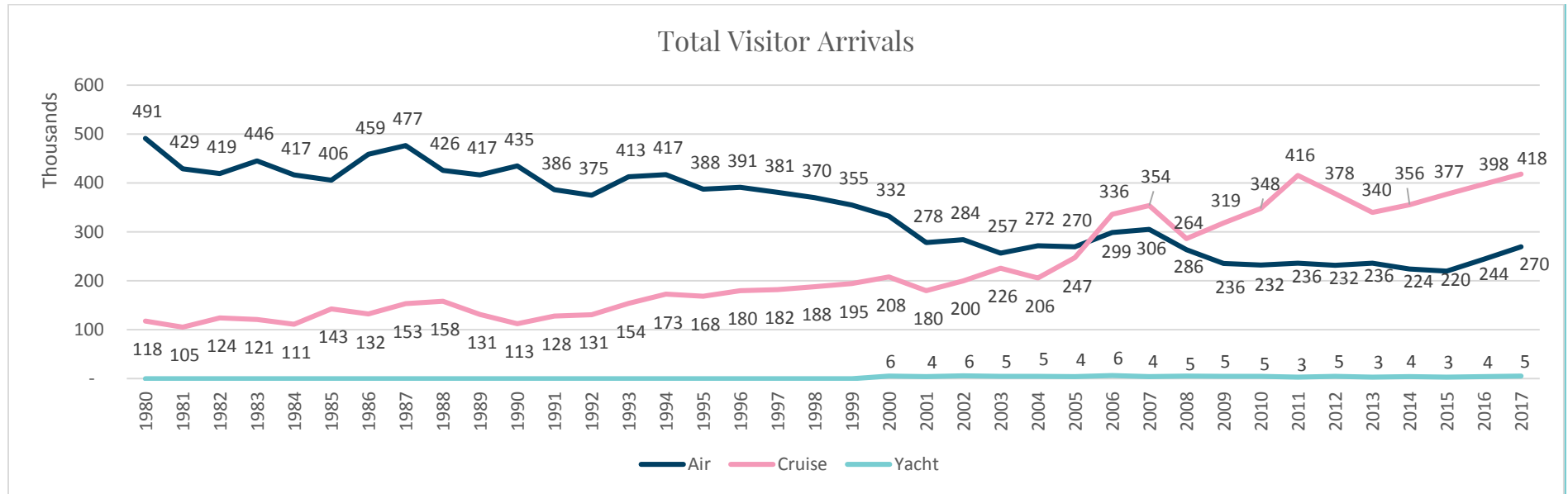
Per Person Spend	2016	2017	# CHG YOY	% CHG YOY
Accommodations	\$671	\$724	\$53	8.0%
Restaurant Meals/Beverage	\$326	\$369	\$43	13.2%
Store-bought groceries/liquor	\$61	\$69	\$8	13.4%
Gifts and Souvenirs	\$77	\$87	\$10	13.4%
Recreation/Leisure	\$103	\$116	\$13	12.6%
Transportation	\$76	\$83	\$6	7.8%
Telecommunications	\$7	\$9	\$2	24.8%
Other Shopping	\$30	\$35	\$4	14.1%
TOTAL	\$1,351	\$1,492	\$140	10.4%

Air Visitor Spending: *Significant Stimulus for Local Economy*

With a focused effort over the last two years to develop and promote on-island experiences, Bermuda has been able to increase average air leisure visitor spending 10.4% per person or \$140. Total leisure spending increased from \$258.8 million to \$383.2 million or 12.1%.

For further insight on Visitors Spending, please reference pg. 32 & 33

Historical Arrival Totals



* Yacht statistics not available prior to 2000

Air Source: Immigration Landing Cards

Cruise/Yacht Source: HM Customs

Visitors by Month 2017

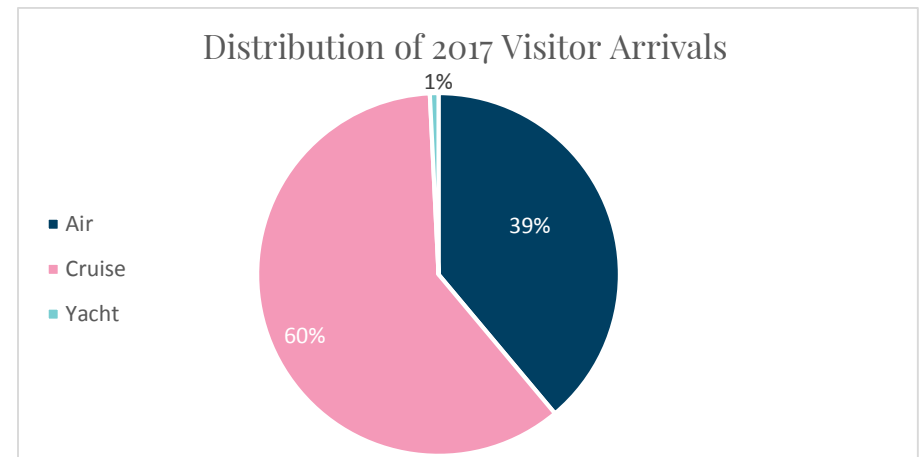
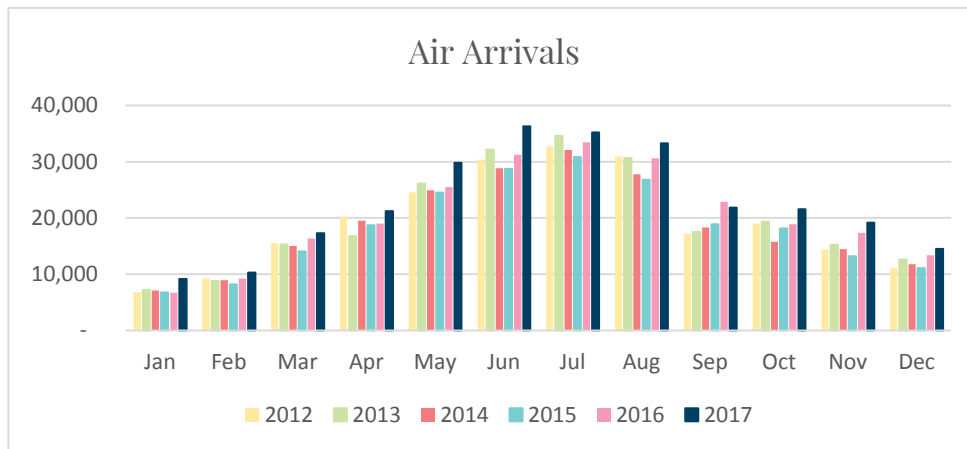
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	YoY # Δ	YoY % Δ
Leisure	4,845	5,863	10,994	14,418	19,047	24,331	26,322	26,194	15,819	13,600	11,521	9,485	182,439	18,118	11.0%
Business	2,961	3,123	4,093	3,997	6,168	4,839	3,803	2,558	3,646	5,500	5,453	1,948	48,089	4,151	9.4%
VFR	1,087	1,179	1,901	2,429	4,006	6,426	4,569	4,127	2,116	2,176	1,884	2,874	34,774	2,453	7.6%
Other	239	143	324	395	615	680	517	384	266	262	281	168	4,274	363	9.3%
All Air	9,132	10,308	17,312	21,239	29,836	36,276	35,211	33,263	21,847	21,538	19,139	14,475	269,576	25,085	10.3%
Cruise	3,571	0	5,711	20,026	77,526	68,008	80,678	81,405	38,372	34,988	6,946	818	418,049	20,145	5.1%
Yacht	14	7	249	491	2,494	1,335	76	22	33	87	431	83	5,322	1,252	30.8%
Total	12,717	10,315	23,272	41,756	109,856	105,619	115,965	114,690	60,252	56,613	26,516	15,376	692,947	46,482	7.2%

Air – Leisure = Air arrivals indicating purpose of visit upon arrival as Vacation, America’s Cup Vacation, Destination Wedding, Concert/Festival/Carnival, or Sporting Event/Training

Air – Business = Business, America’s Cup Team Business, Incentive, and Conferences/Meeting

Air – VFR = Visiting Friends or Relatives Vacation, Personal, America’s Cup

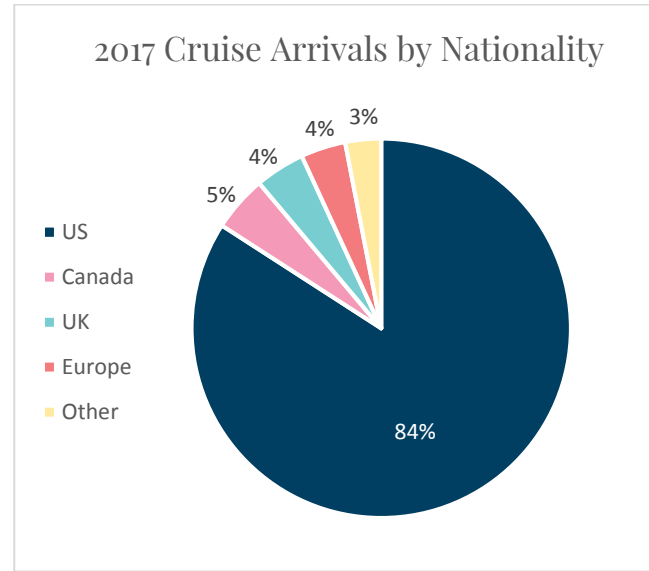
Air – Other = Study & Others



Cruise Visitor Statistics

Cruise Passengers

	2014	2015	2016	2017	# Δ vs 2016	% Δ vs 2016
Jan	-	-	-	3,571	3,571	100%
Feb	-	319	1,761	-	-1,761	-100%
Mar	-	-	1,580	5,711	4,313	261.5%
Apr	25,433	18,392	23,535	20,026	-3,509	-14.9%
May	53,397	59,194	64,109	77,526	13,417	20.9%
Jun	68,086	68,893	63,167	68,008	4,841	7.7%
Jul	69,795	70,924	77,938	80,678	2,740	3.5%
Aug	59,562	67,460	70,954	81,405	10,451	14.7%
Sep	40,489	43,872	41,441	38,372	-3,069	-7.4%
Oct	28,375	43,815	42,713	34,988	-7,725	-18.1%
Nov	9,783	3,374	9,142	6,946	-2,169	-24.0%
Dec	960	1,155	1,564	818	-746	-47.7%
Total	355,880	377,398	397,904	418,049	20,145	5.1%



Cruise arrivals have increased by 20,145 or 5.1% year-over-year. This increase is the result of additional calls through the island. The US was the major source market, accounting for 84% of all arrivals but significant increases in passengers from Canada and the UK were seen in 2017.

Cruise Calls Per Month

	2014	2015	2016	2017	# Δ vs 2016	% Δ vs 2016
Jan	0	0	0	2	2	-
Feb	0	1	1	0	-1	-100.0%
Mar	0	0	3	7	4	133.3%
Apr	12	13	14	12	-2	-14.3%
May	18	22	22	27	5	22.7%
Jun	22	22	20	24	4	20.0%
Jul	21	21	23	24	1	4.3%
Aug	19	20	21	25	4	19.0%
Sep	13	13	13	14	1	7.7%
Oct	12	16	15	18	3	20.0%
Nov	6	2	5	6	1	20.0%
Dec	2	2	2	2	0	0.0%
Total	125	132	139	161	22	15.8%

Cruise arrivals by Country of Origin

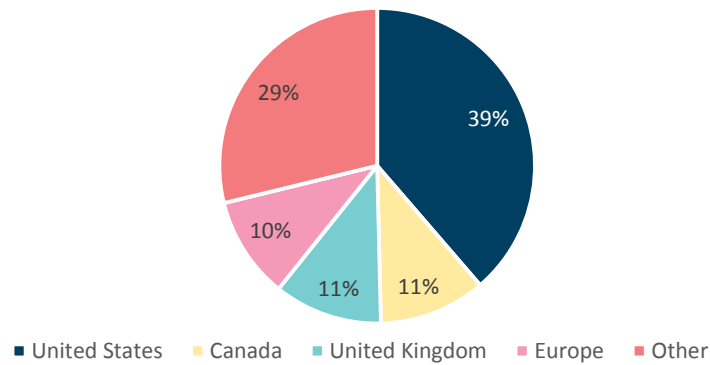
	US	Canada	UK	Europe	Other
Jan	130	28	3,184	136	93
Feb	-	-	-	-	-
Mar	1,601	220	2,449	1,363	78
Apr	13,082	2,157	2,756	1,190	841
May	68,806	4,289	1,031	1,142	2,258
Jun	61,545	1,784	1,106	638	2,935
Jul	73,518	3,297	700	971	2,192
Aug	72,661	4,150	1,289	1,041	2,264
Sep	33,054	1,783	2,158	363	1,014
Oct	24,398	1,699	1,534	6,540	817
Nov	2,292	417	1,471	2,535	231
Dec	572	56	81	65	44
Total	351,659	19,880	17,759	15,984	12,767
# Δvs 2016	11,388	4,084	4,457	1,084	-868
% Δvs 2016	3.3%	25.9%	33.5%	7.3%	-6.4%

*Source: HM Customs

Yacht Visitor Statistics

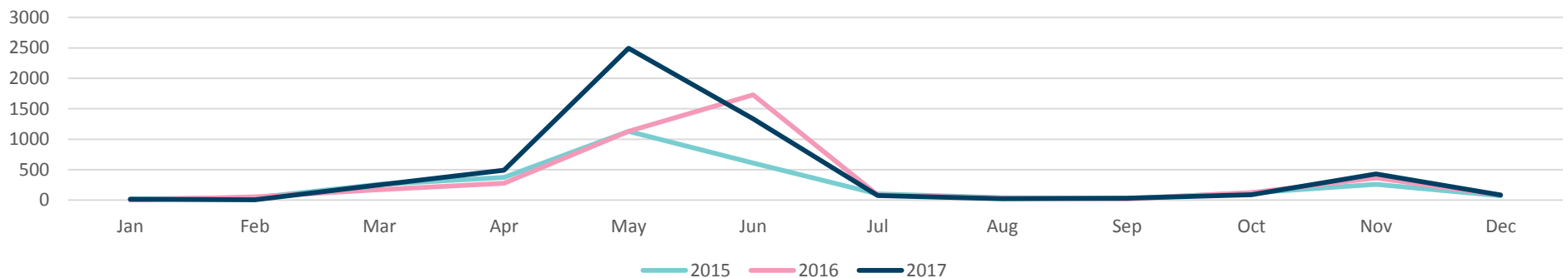
Arrivals	2014	2015	2016	2017	# Δ vs 2016	% Δ vs 2016
United States	2,213	1,113	2,125	2,058	-67	-3.2%
Canada	251	187	262	556	294	112.2%
United Kingdom	346	397	447	592	145	32.4%
Europe	1,032	1,104	908	1,533	625	68.8%
Other	355	248	328	583	255	77.7%
Total	4,197	3,049	4,070	5,322	1,252	30.8%

2017 Yacht Arrivals by Nationality



Yacht arrivals have increased by 1,252 or 30.8% year-over-year. 2017 was the 35th America's Cup which was a major contributor to this increase. While the number of persons arriving from the US fell slightly, all other regions increased greatly.

Yacht Arrivals

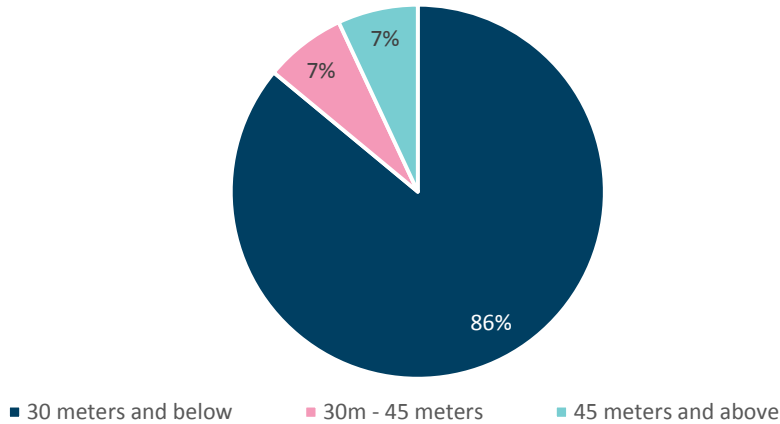


*Source: HM Customs

Yacht Vessel Statistics

Yacht Vessel Length	2015	2016	2017	# Δ vs 2016	% Δ vs 2016
30 meters (97ft) and below	659	746	879	133	17.8%
30m – 45 meters (98ft – 147ft)	35	26	72	46	176.9%
45 meters (148 ft) and above	35	42	71	29	69.0%
Total	729	814	1,022	208	25.6%

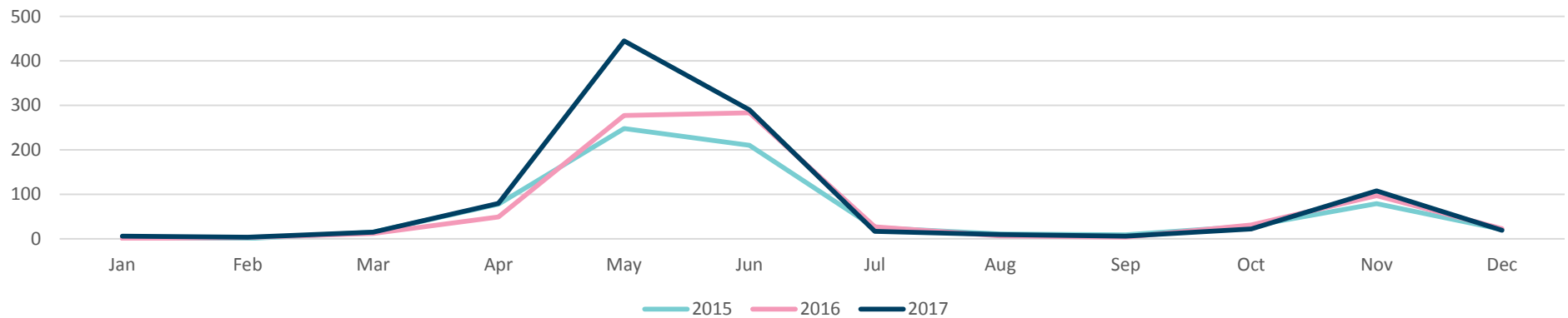
2017 Yacht Arrivals by Length of Vessel



There is no doubt 2017 will be considered a landmark year for sailing and yachting in Bermuda. On this page we look at vessels by length. Over 30 meters is considered to be a superyacht. While the 35th America's Cup took place in June, most yachts arrived during May in preparation.

While the total number of yachts grew by 26%, vessels in the 30m-45m category grew by 177% and vessels 45m and above grew by 69% year-over-year.

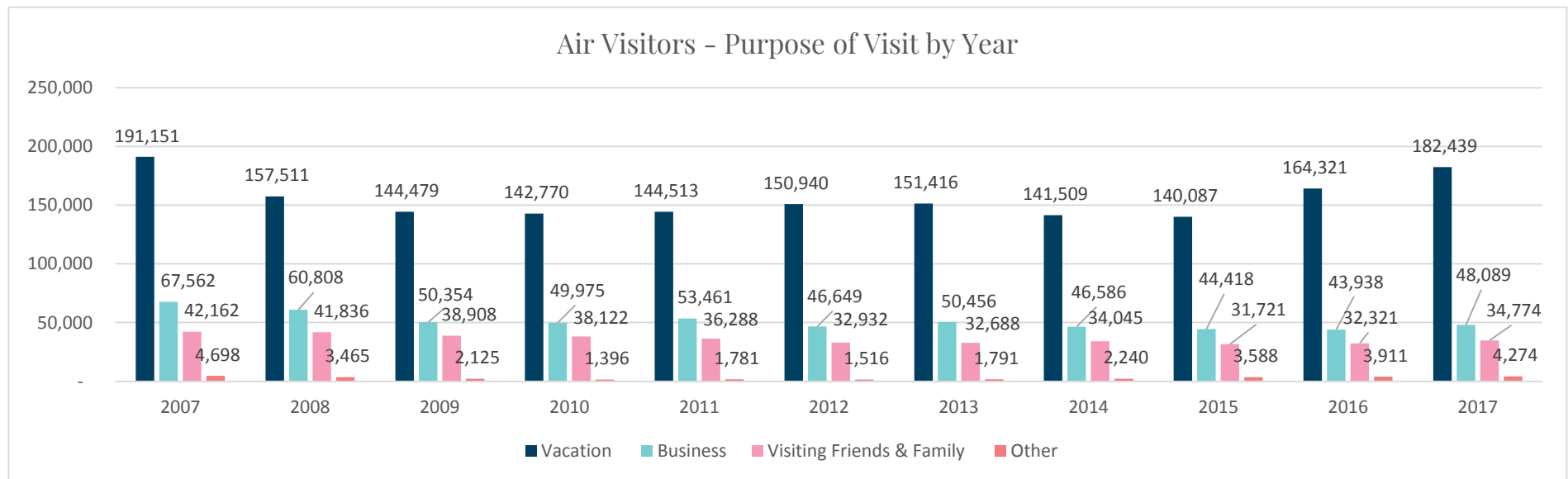
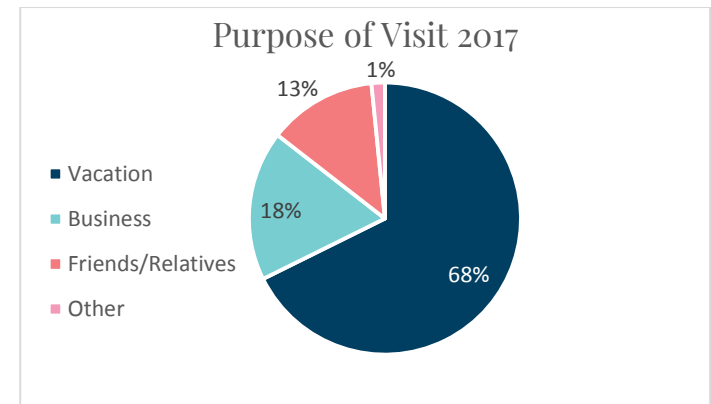
Yacht Vessel Arrivals



*Source: Department of Marine & Ports – Harbour Radio

Air Visitors Purpose of Visit

Air Arrivals by Purpose of Visit	2014	2015	2016	2017	# Δvs 2016	% Δvs 2016
Vacation/ Leisure	141,509	140,087	164,321	182,439	18,118	11.0%
Visiting Friends & Family	34,045	31,721	32,321	34,774	2,453	7.6%
Business	46,586	44,418	43,938	48,089	4,151	9.4%
Other	2,240	3,588	3,911	4,274	363	9.3%
Total	224,380	219,814	244,491	269,576	25,085	10.3%



*Source: Immigration Landing Cards

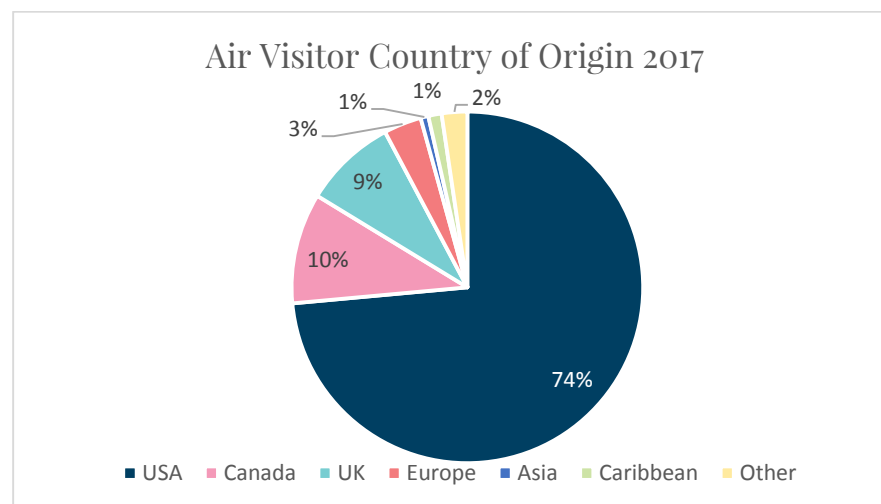
Total air visitors to Bermuda in 2017 increased 25,085 or 10% year-over-year. Leisure air arrivals increased by 18,118 or 11% year-over-year. 2017 saw the largest volume of leisure air arrivals since 2007, surpassing 2008. Business visitors and those visiting friends and relatives also increased.

Total Air Visitors by Country of Origin

	2014	2015	2016	2017	YOY#	YOY%
United States	159,382	157,158	182,896	198,259	15,363	8.4%
Canada	29,162	24,986	23,744	27,416	3,672	15.5%
UK	22,179	22,511	21,738	22,997	1,259	5.8%
Europe	6,172	6,946	7,246	9,352	2,106	29.1%
Other	7,485	8,213	8,867	11,552	2,685	30.3%
Total	224,380	219,814	244,491	269,576	25,085	10.3%

Air visitors from the United States grew by 8.4% year-over-year and accounted for 73.5% of the total. Canadian and UK air visitors both increased in 2016 and now account for 10% and 9% of the total respectively.

2017 Arrivals by Month						
	USA	Canada	UK	Europe	Other	Total
Jan	6,213	1,259	823	304	533	9,132
Feb	6,937	1,512	1,072	367	420	10,308
Mar	12,148	2,494	1,420	564	686	17,312
Apr	15,478	2,216	2,004	769	772	21,239
May	21,314	2,980	2,768	1,325	1,449	29,836
Jun	25,512	2,747	3,399	1,929	2,689	36,276
Jul	28,246	2,376	2,467	903	1,219	35,211
Aug	26,727	2,407	2,358	928	843	33,263
Sep	16,466	2,136	1,968	620	657	21,847
Oct	15,696	2,388	1,975	661	818	21,538
Nov	13,202	3,047	1,517	568	805	19,139
Dec	10,320	1,854	1,226	414	661	14,475
Total	198,259	27,416	22,997	9,352	11,552	269,576



% Δvs 2016						
	USA	Canada	UK	Europe	Other	Total
Jan	46.6%	10.4%	13.2%	19.2%	51.0%	36.0%
Feb	10.1%	23.6%	13.4%	19.9%	-3.0%	11.9%
Mar	5.8%	16.8%	10.5%	14.2%	10.8%	6.1%
Apr	9.2%	10.6%	22.4%	38.6%	23.3%	11.8%
May	13.7%	16.5%	9.1%	83.3%	54.0%	17.0%
Jun	3.3%	23.9%	49.5%	122.5%	125.4%	16.1%
Jul	6.4%	5.0%	9.4%	18.0%	7.8%	5.3%
Aug	10.2%	12.7%	1.8%	-8.3%	-1.5%	8.5%
Sep	-5.8%	9.1%	5.5%	2.3%	-13.2%	-4.5%
Oct	16.8%	14.7%	1.8%	-7.6%	31.7%	14.1%
Nov	9.7%	29.5%	-8.3%	1.6%	11.0%	10.3%
Dec	8.4%	10.4%	5.6%	11.6%	4.3%	8.3%
Total	8.4%	15.5%	5.8%	29.1%	30.3%	10.3%

# Δ vs 2016						
	USA	Canada	UK	Europe	Other	Total
Jan	1,975	119	96	49	180	2,419
Feb	635	289	127	61	-13	1,099
Mar	671	359	166	70	67	1,001
Apr	1,301	213	367	214	146	2,241
May	2,574	423	231	602	508	4,338
Jun	917	530	1,125	1,062	1,508	5,042
Jul	1,692	114	-256	138	88	1,776
Aug	2,485	271	-43	-84	-3	2,626
Sep	-1,008	179	-114	14	-100	-1,029
Oct	2,256	306	-36	-54	197	2,669
Nov	1,164	694	-137	-9	80	1,792
Dec	801	175	65	43	27	1,111
Total	15,363	3,672	1,259	2,106	2,685	25,085

*Source: Immigration Landing Cards

Air Visitor Source Markets

Top 10 US Air Arrivals by Zip Code (DMA)**

City	# of Arrivals	# CHG YOY	% CHG YOY	% Share of Total
New York	69,280	1,807	2.7%	34.9%
Boston	26,628	3,246	13.9%	13.4%
Philadelphia	11,083	61	0.6%	5.6%
Washington, DC	7,968	-222	-2.7%	4.0%
Hartford & New Haven	4,307	27	0.6%	2.2%
Atlanta	3,812	-121	-3.1%	1.9%
Chicago	3,490	585	20.1%	1.8%
Miami – Ft. Lauderdale	3,053	594	24.2%	1.5%
Baltimore	2,834	-137	-4.6%	1.4%
Los Angeles	2,791	332	13.5%	1.4%
San Francisco	2,655	435	19.6%	1.3%

All others less than 1%

Canada Air Arrivals by Province

Province	# of Arrivals	# CHG YOY	% CHG YOY	% Share of Total
Ontario	18,365	2,397	15.0%	67.0%
Quebec	2,172	266	14.0%	7.9%
Nova Scotia	1,905	282	17.4%	6.9%
British Columbia	1,577	256	19.4%	5.8%
Alberta	1,451	291	25.1%	5.3%
New Brunswick	643	56	9.5%	2.3%
Saskatchewan	424	112	35.9%	1.5%
Newfoundland	395	106	36.7%	1.4%
Manitoba	218	-6	-2.7%	0.8%
Prince Edward Island	160	12	8.1%	0.6%
Yukon	13	4	44.4%	0.0%
Northwest Territories	10	5	100%	0.0%
Nunavut	0	-5	-100%	0.0%

UK Air Arrivals by Region

Region	# of Arrivals	# CHG YOY	% CHG YOY	% Share of Total
South East England	6,632	218	3.4%	28.8%
London	4,598	11	2.5%	20.0%
East of England	1,896	68	3.7%	8.2%
South West England	1,694	286	20.3%	7.4%
West Midlands	1,266	430	51.4%	5.5%
Scotland	921	-38	-4.0%	4.0%
North West England	751	-74	-9.0%	3.3%
Yorkshire & Humber	724	-19	-2.6%	3.1%
Wales	677	-15	-2.2%	2.9%
East Midlands	673	27	4.2%	2.9%
Crown Dependencies	272	5	1.9%	1.2%
North East England	270	-38	-12.3%	1.2%
Northern Ireland	265	118	80.3%	1.2%

*Source: Immigration Landing Cards

DMA= Designated Market Area (Nielsen Media Research)

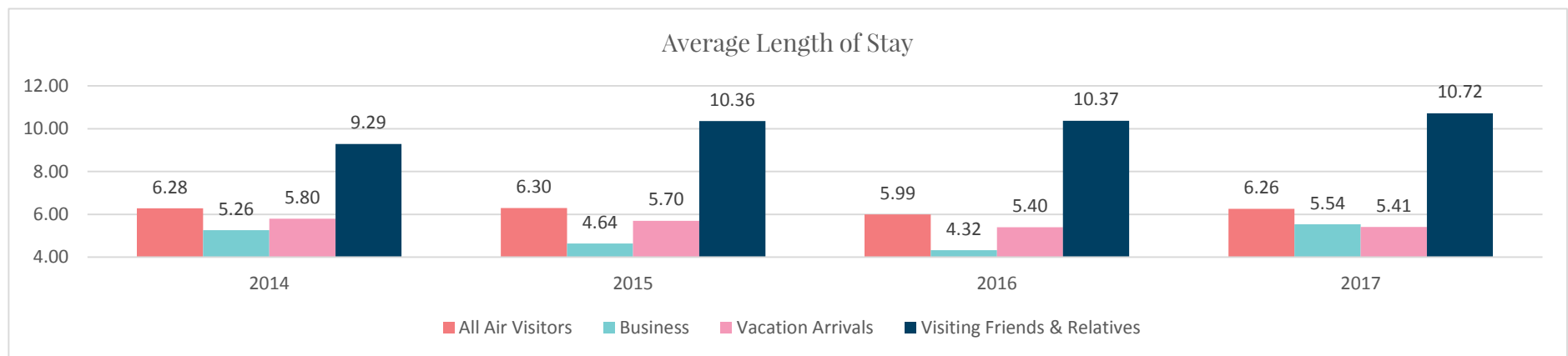
Total Air Visitor Average Length of Stay

All Air Arrivals				
	2015	2016	2017	% Δ vs 2016
USA	5.07	4.92	4.98	1.2%
Canada	7.55	7.23	7.23	0.0%
UK	9.16	9.14	9.47	3.6%
Commercial Properties	4.83	4.73	4.72	-0.2%
Vacation Rental	-	8.10	9.31	14.9%
Total Average	6.30	5.99	6.26	4.5%

Visiting Friends & Relatives				
	2015	2016	2017	% Δ vs 2016
USA	7.42	7.41	7.51	1.3%
Canada	9.47	9.16	9.45	3.2%
UK	12.48	12.68	12.86	1.4%
Commercial Properties	5.96	5.83	6.05	3.8%
Vacation Rental	-	11.27	12.88	14.3%
Total Average	10.36	10.37	10.72	3.4%

Leisure				
	2015	2016	2017	% Δ vs 2015
USA	5.01	4.87	4.85	-0.4%
Canada	6.61	6.49	6.44	-0.8%
UK	8.77	8.54	8.45	-1.1%
Commercial Properties	5.12	4.98	4.87	-2.2%
Vacation Rental	-	6.64	6.55	-1.4%
Total Average	5.70	5.40	5.41	0.2%

Business				
	2015	2016	2017	% Δ vs 2016
USA	3.74	3.61	3.94	9.1%
Canada	6.80	5.40	5.95	10.2%
UK	5.73	5.54	7.04	27.1%
Commercial Properties	3.71	3.67	4.00	9.0%
Vacation Rental	-	12.63	19.49	54.3%
Total Average	4.64	4.32	5.54	28.2%



*Source: Immigration Landing Cards

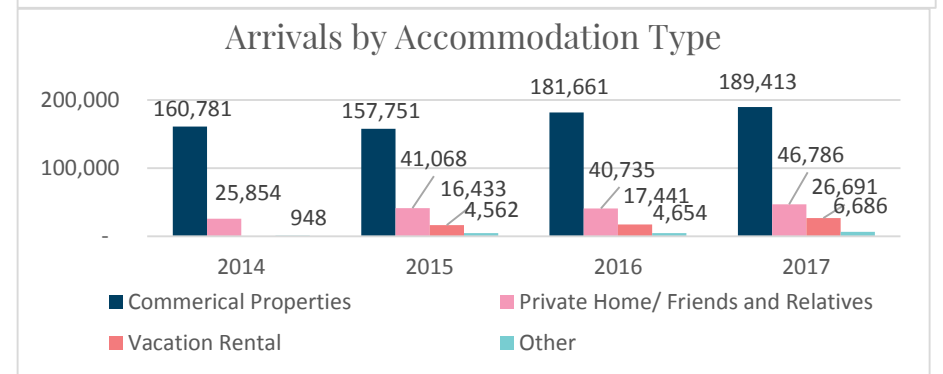
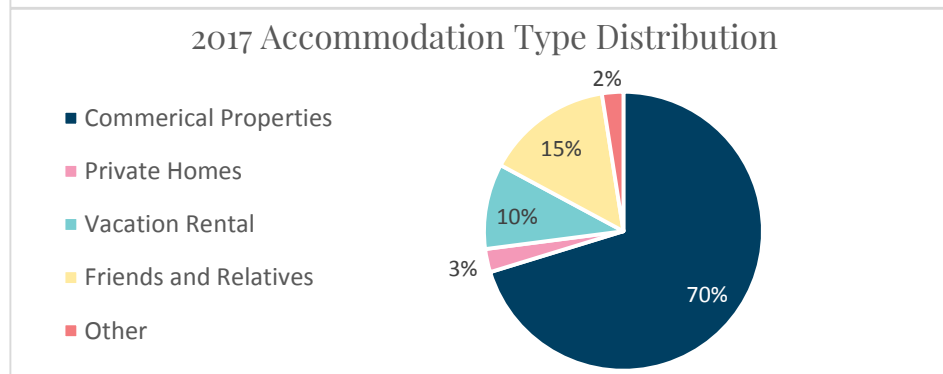
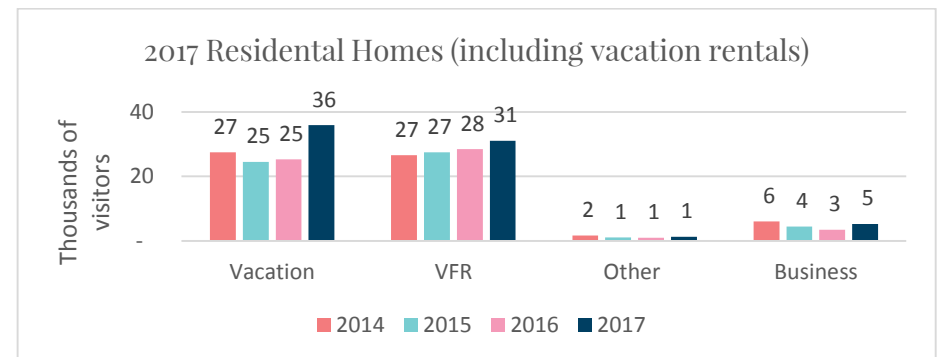
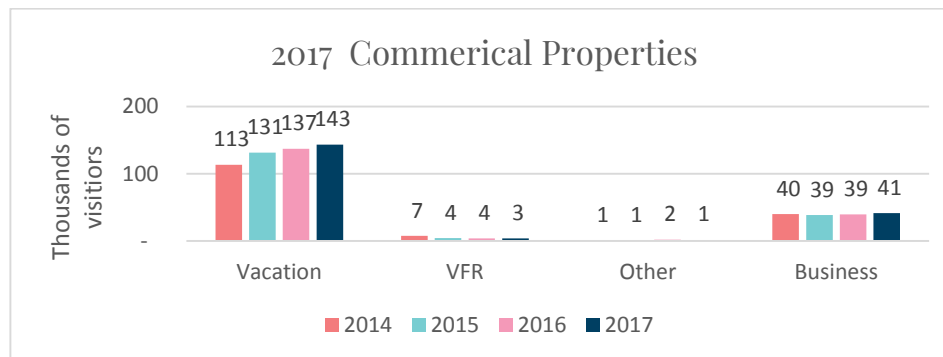
* Vacation rental data not available for full year 2015

Air Visitors by Accommodation Type

The table below shows a comparison of those visitors who stayed in commercial properties vs residential homes. 70% of air visitors chose to stay in a commercial property in 2017 while 29% chose private homes or other types of accommodation. 10% of air visitors chose house/apartment rental properties.

	2017 Air Visitor Arrivals						Year over Year % Change				
	Leisure	VFR	Business	Other	Total	% Share	Leisure	VFR	Business	Other	Total
Hotels or Similar	136,605	2,886	38,569	1,212	179,272	67%	4.5%	-2.6%	5.6%	-5.5%	4.5%
Bed & Breakfast/Guesthouse	6,510	606	2,811	214	10,141	4%	0.1%	-9.4%	1.3%	-7.4%	-0.5%
Commercial Properties	143,115	3,492	41,380	1,426	189,413	70%	4.3%	-3.8%	5.3%	-5.8%	4.3%
Friends and Relatives	10,805	27,277	983	465	39,530	15%	12.7%	5.0%	2.5%	16.0%	7.1%
Private Homes	4,666	1,576	618	396	7,256	3%	122.4%	48.3%	91.3%	20.0%	90.2%
Rental House/Apartment	20,447	2,186	3,664	394	26,691	10%	51.0%	50.0%	66.5%	64.9%	53.0%
Residential Homes	35,918	31,039	5,265	1,255	73,477	27%	42.4%	8.9%	51.2%	29.4%	26.3%
Other	3,406	243	1,444	1,593	6,686	2%	83.4%	23.4%	23.2%	11.6%	43.7%
Total	182,439	34,774	48,089	4,274	269,576	100%	11.0%	7.6%	9.4%	9.3%	10.3%

*Source: Immigration Landing Cards



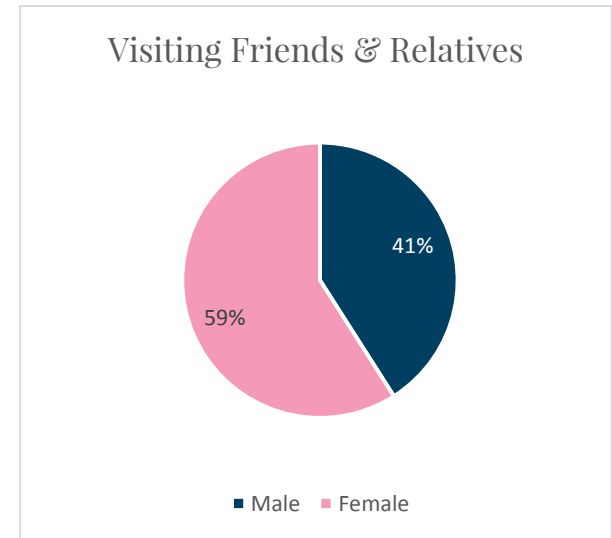
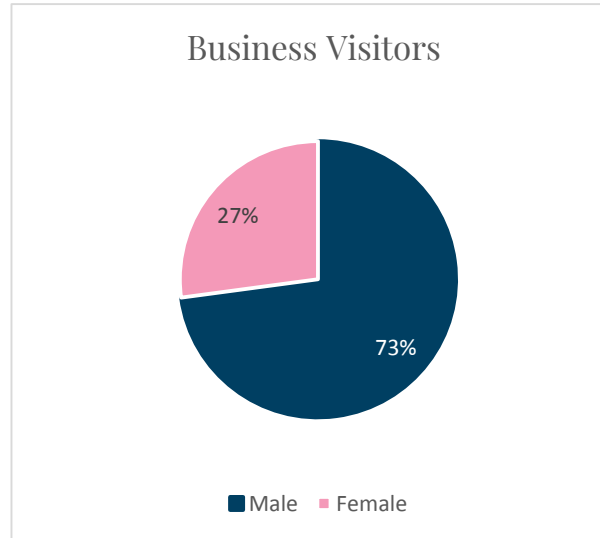
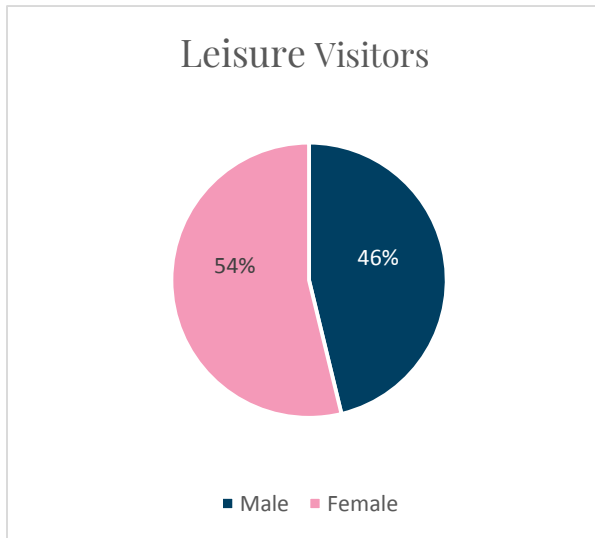
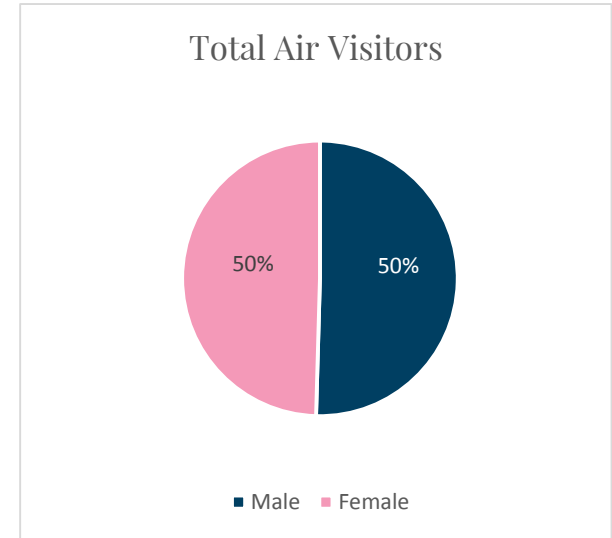
*Rental House/Apartment added in 2015.

Air Visitor - Gender

Total Air Visitors						
	2014	2015	2016	2017	# Δ vs 2016	% Δ vs 2016
Male	114,632	112,036	122,407	135,998	13,591	11.1%
Female	109,748	107,778	122,084	133,578	11,494	9.4%
Total	244,380	219,814	244,491	269,576	25,085	10.3%

More than half of leisure visitors were female in 2017. In total, female visitors increased by 11% while male visitors increased by 9%.

The overwhelming majority of business air visitors were male while the majority of visiting friends and family were female.



*Source: Immigration Landing Cards

Air Visitor - Age

All Air Visitors

	2014	2015	2016	2017	# Δ vs 2017	% Δ vs 2017
0 - 17	21,668	21,344	23,903	25,295	1,392	5.8%
18 - 24	13,092	12,550	14,732	15,293	561	3.8%
25 - 34	33,089	32,416	41,409	51,600	10,191	24.6%
35 - 44	37,527	36,114	40,833	47,265	6,432	15.8%
45 - 54	49,268	47,585	49,669	51,164	1,495	3.0%
55 - 64	41,212	40,984	43,541	46,263	2,722	6.3%
Over 65	28,524	28,821	30,404	32,696	2,292	7.5%
Total	224,380	219,814	244,491	269,576	25,085	10.3%

Leisure

	2014	2015	2016	2017	# Δ vs 2016	% Δ vs 2016
0 - 17	17,248	16,559	19,006	20,107	1,101	5.8%
18 - 24	8,954	8,486	10,587	10,929	342	3.2%
25 - 34	20,960	20,278	29,091	37,941	8,850	30.4%
35 - 44	22,176	21,050	26,036	30,728	4,692	18.0%
45 - 54	29,421	28,346	30,460	30,473	13	0.0%
55 - 64	25,017	25,886	27,988	29,590	1,602	5.7%
Over 65	17,733	19,482	21,153	22,671	1,518	7.2%
Total	141,509	140,087	164,321	182,439	18,118	11.0%

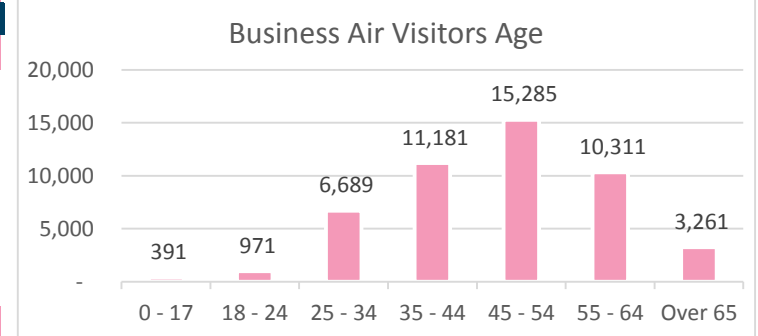
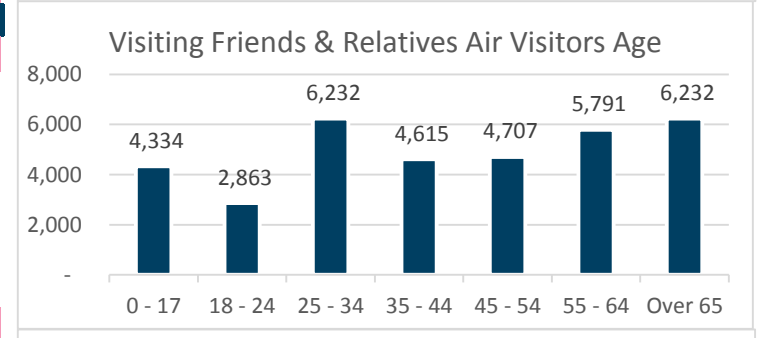
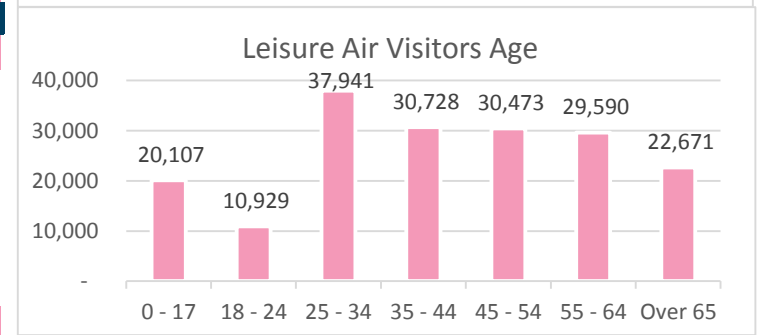
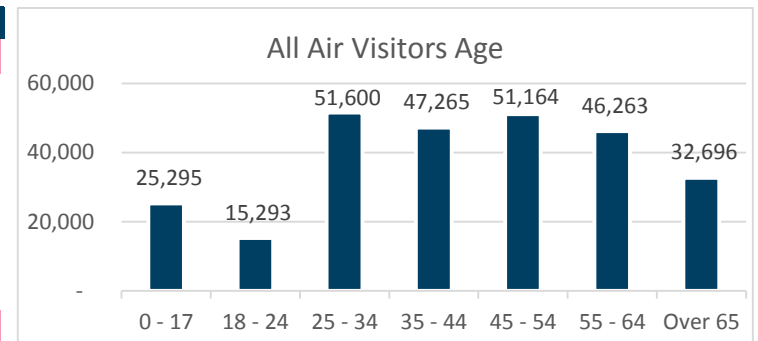
Visiting Friends & Relatives

	2014	2015	2016	2017	# Δ vs 2017	% Δ vs 2017
0 - 17	3,648	4,041	4,120	4,334	214	5.2%
18 - 24	2,960	2,869	2,945	2,863	-82	-2.8%
25 - 34	5,844	5,618	5,799	6,232	433	7.5%
35 - 44	4,370	4,178	4,330	4,615	285	6.6%
45 - 54	4,740	4,270	4,385	4,707	322	7.3%
55 - 64	5,747	5,047	5,250	5,791	541	10.3%
Over 65	6,736	5,698	5,492	6,232	740	13.5%
Total	34,045	31,721	32,321	34,774	2,453	7.6%

Business

	2014	2015	2016	2017	# Δ vs 2016	% Δ vs 2016
0 - 17	519	314	301	391	90	29.9%
18 - 24	875	736	696	971	275	39.5%
25 - 34	6,100	5,943	5,920	6,689	769	13.0%
35 - 44	10,832	10,319	9,833	11,181	1,348	13.7%
45 - 54	14,865	14,381	14,164	15,285	1,121	7.9%
55 - 64	10,018	9,509	9,747	10,311	564	5.8%
Over 65	3,377	3,216	3,277	3,261	-16	-0.5%
Total	46,586	44,418	43,938	48,089	4,151	9.4%

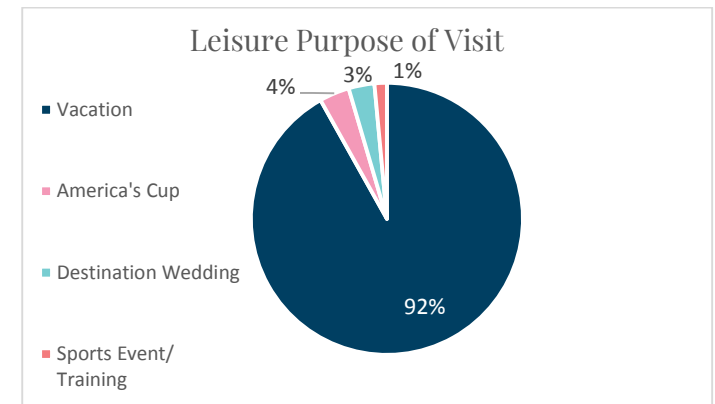
*Source: Immigration Landing Cards



Leisure Air Visitors

Leisure Air Visitor Purpose of Visit

	2014	2015	2016	2017	# Δvs 2016	% Δvs 2016
Vacation	141,509	134,781	157,090	167,201	10,111	6.4%
*America's Cup Spectator /Vacation	-	1,074	192	6,508	6,316	3,289.6%
*Destination Wedding	-	3,965	4,350	5,578	1,228	28.2%
*Concert/Festival/Carnival	-	-	66	468	-	-
*Sports Event/Training	-	267	2,623	2,684	61	2.3%
Total	141,509	140,087	164,321	182,439	18,118	11.0%



*New categories added in 2015 or 2016. YOY comparisons only available for non-new categories
 Source: Immigration Landing Cards

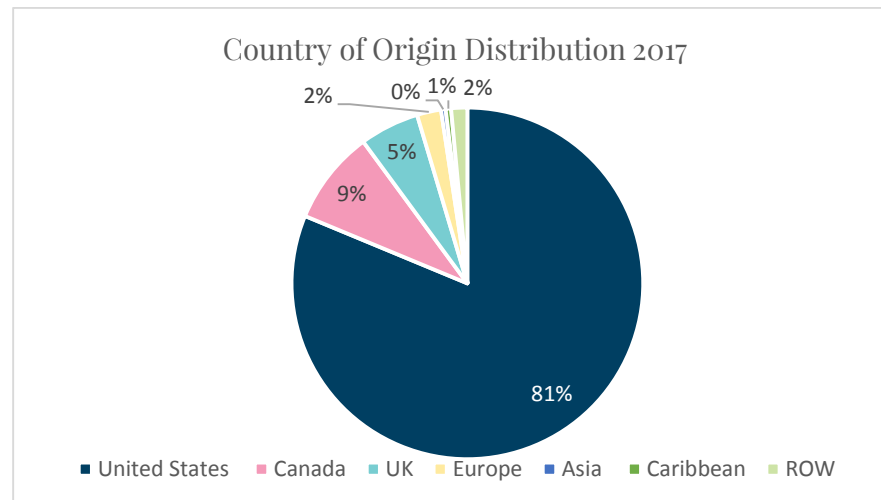
Leisure air visitors in 2017 increased by 18,118 or 11% year-over-year. Starting in 2015, sub-categories started to be tracked to include America's Cup visitors, destination weddings, and visitors coming for concerts/festivals/carnival or for sports events or training.

Leisure Air Visitors by Country of Origin

	2014	2015	2016	2017	YOY #	YOY %
United States	109,047	109,686	134,844	148,251	13,407	9.9%
Canada	17,218	14,269	13,228	15,783	2,555	19.3%
UK	9,759	10,658	10,084	9,981	-103	-1.0%
Europe	2,961	3,031	3,152	4,040	888	28.2%
Other	2,524	2,443	3,013	4,384	1,371	45.5%
Total	141,509	140,087	164,321	182,439	18,118	11.0%

Leisure air visitors from the United States grew by 9.9% year-over-year and accounted for 81.3% of the total. Canada increased 19.3% in 2017 and now accounts for 8.7% of the total. UK air visitors declined in 2017 and now accounts for 5.5% of the total respectively.

2017 Arrivals by Month						
	USA	Canada	UK	Europe	Other	Total
Jan	3,677	711	251	78	128	4,845
Feb	4,372	972	338	80	101	5,863
Mar	8,517	1,626	547	139	165	10,994
Apr	11,620	1,422	883	282	211	14,418
May	15,399	1,659	984	481	4,524	19,047
Jun	18,803	1,356	1,559	995	1,618	24,331
Jul	22,967	1,296	1,184	433	442	26,322
Aug	22,478	1,461	1,334	622	299	26,194
Sep	13,132	1,231	984	270	202	15,819
Oct	10,791	1,455	873	263	218	13,600
Nov	8,897	1,507	606	250	261	11,521
Dec	7,598	1,087	438	147	215	9,485
Total	148,251	15,783	9,981	4,040	4,384	182,439



% Δvs 2016						
	USA	Canada	UK	Europe	Other	Total
Jan	64.6%	27.2%	18.4%	6.8%	88.2%	54.0%
Feb	29.6%	57.5%	-9.4%	-25.2%	-8.2%	28.0%
Mar	6.9%	27.3%	-35.0%	-21.0%	-17.9%	5.1%
Apr	15.4%	23.1%	18.7%	46.1%	8.2%	16.7%
May	18.4%	25.3%	-10.1%	62.0%	78.8%	19.0%
Jun	-0.6%	20.3%	49.8%	206.2%	233.6%	11.1%
Jul	10.3%	10.5%	-12.4%	13.1%	0.5%	8.9%
Aug	11.7%	17.3%	1.2%	-13.4%	0.3%	10.5%
Sep	-4.3%	3.4%	-5.8%	1.9%	-23.5%	-4.0%
Oct	11.3%	14.3%	-11.7%	-10.2%	2.3%	9.1%
Nov	10.3%	12.1%	-8.0%	17.9%	-0.4%	9.2%
Dec	11.0%	15.4%	5.5%	33.6%	16.8%	11.7%
Total	9.9%	19.3%	-1.0%	28.2%	45.5%	11.0%

# Δ vs 2016						
	USA	Canada	UK	Europe	Other	Total
Jan	1,443	152	39	5	60	1,699
Feb	998	355	-35	-27	-9	1,282
Mar	550	349	-294	-37	-36	532
Apr	1,548	267	139	89	16	2,059
May	2,398	335	-111	184	231	3,037
Jun	-123	229	518	670	1,133	2,427
Jul	2,145	123	-168	50	2	2,152
Aug	2,357	215	16	-96	1	2,493
Sep	-586	40	-61	5	-62	-664
Oct	1,095	182	-116	-30	5	1,136
Nov	828	163	-53	38	-1	975
Dec	754	145	23	37	31	990
Total	13,407	2,555	-103	888	1,371	18,118

*Source: Immigration Landing Cards

Leisure Air Visitor Source Markets

Top 10 US Air Arrivals by Zip Code (DMA)**

City	# of Arrivals	# CHG YOY	% CHG YOY	% Share of Total
New York	54,977	1,988	3.8%	37.1%
Boston	23,060	3,287	16.6%	15.6%
Philadelphia	8,200	-124	-1.5%	5.5%
Washington, DC	6,216	-106	-1.7%	4.2%
Hartford/New Haven, CT	3,183	-13	-0.4%	2.1%
Atlanta	2,185	48	2.2%	1.5%
Chicago	2,126	498	30.6%	1.4%
Baltimore	2,092	-209	-9.1%	1.4%
Providence - New Bedford, RI/MA	2,003	68	3.5%	1.4%
Los Angeles	1,794	283	18.7%	1.2%
San Francisco	1,599	356	28.6%	1.1%

All others less than 1%

Canada Air Leisure Arrivals by Province

Province	# of Arrivals	# CHG YOY	% CHG YOY	% Share of Total
Ontario	11,115	1,763	18.9%	70.4%
Quebec	1,293	284	28.1%	8.2%
Nova Scotia	954	154p	19.3%	6.0%
British Columbia	781	156	25.0%	4.9%
Alberta	700	169	31.8%	4.4%
New Brunswick	329	13	4.1%	2.1%
Newfoundland	195	61	45.5%	1.2%
Manitoba	182	48	35.8%	1.2%
Saskatchewan	103	-11	-9.6%	0.7%
Prince Edward Island	78	-2	-2.5%	0.5%
Yukon	5	-2	-28.6%	0.0%
Northwest Territories	4	-1	-20.0%	0.0%
Nunavut	0	-3	-100%	0.0%

US Air Arrivals by Region

Region	# of Arrivals	# CHG YOY	% CHG YOY	% Share of Total
South East England	3,176	-86	-2.6%	31.8%
London	1,730	157	10%	17.3%
South West England	754	72	-18.1%	7.6%
East of England	733	-49	10.6%	7.3%
West Midlands	642	153	-6.3%	6.4%
Scotland	399	-41	31.3%	4.0%
North West England	356	-42	-9.3%	3.6%
East Midlands	330	-28	-10.6%	3.3%
Wales	321	-31	-7.8%	3.2%
Yorkshire & Humber	308	-7	-8.8%	3.1%
North East England	118	-49	-2.2%	1.2%
Crown Dependencies	111	17	-29.3%	1.1%
Northern Ireland	100	31	18.1%	1.0%

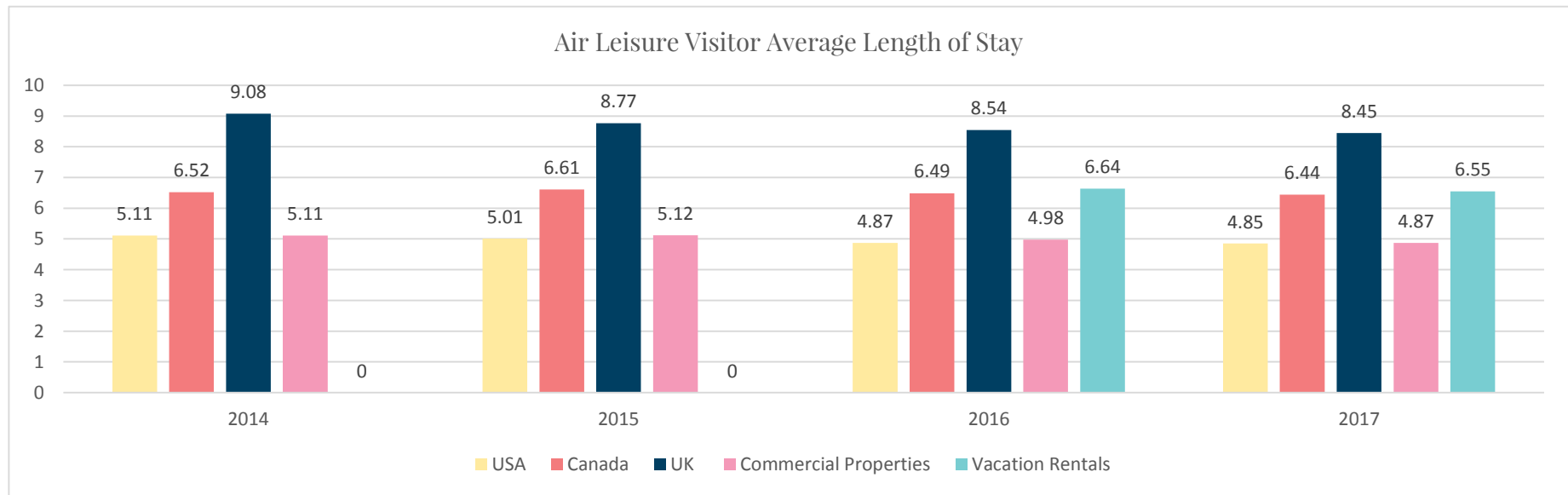
*Source: Immigration Landing Cards
DMA= Designated Market Area (Nielsen Media Research)

Air Leisure Visitor Average Length of Stay

The average leisure air visitor length of stay has increased slightly overall year-over-year. This small increase can be attributed to the increase in visitors length of stay from countries other than the US, Canada or the UK which all saw small YOY decreases in length of stay.

Leisure				
	2015	2016	2017	% Δ vs 2017
USA	5.01	4.87	4.85	-0.4%
Canada	6.61	6.49	6.44	-0.8%
UK	8.77	8.54	8.45	-1.1%
Commercial Properties	5.12	4.98	4.87	-2.2%
Vacation Rental	-	6.64	6.55	-1.4%
Total Average	5.70	5.40	5.41	0.2%

*Source: Immigration Landing Cards



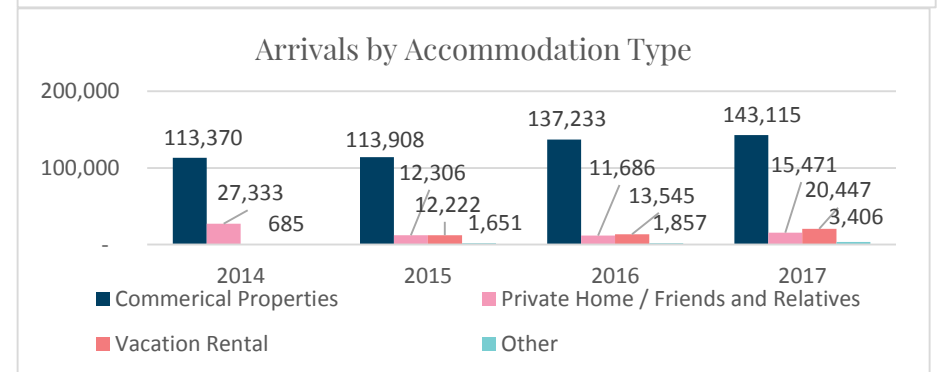
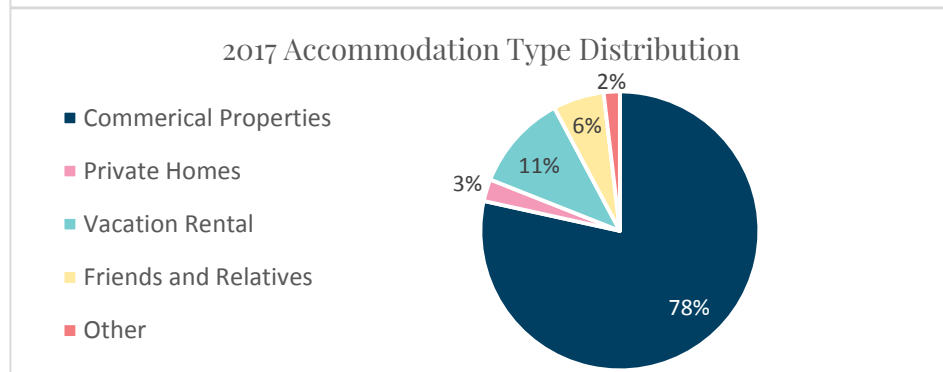
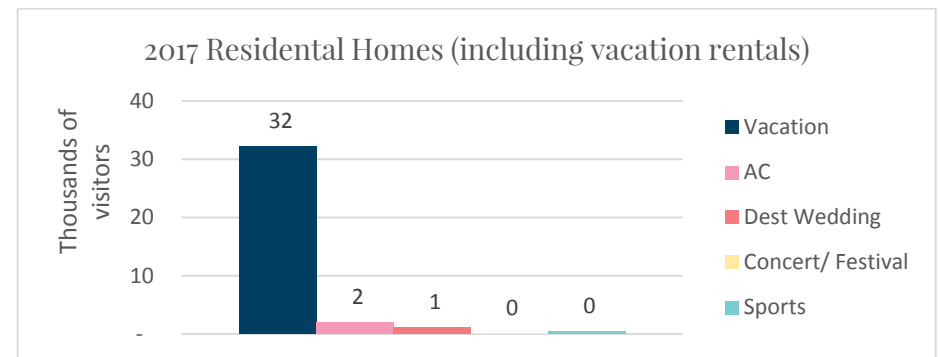
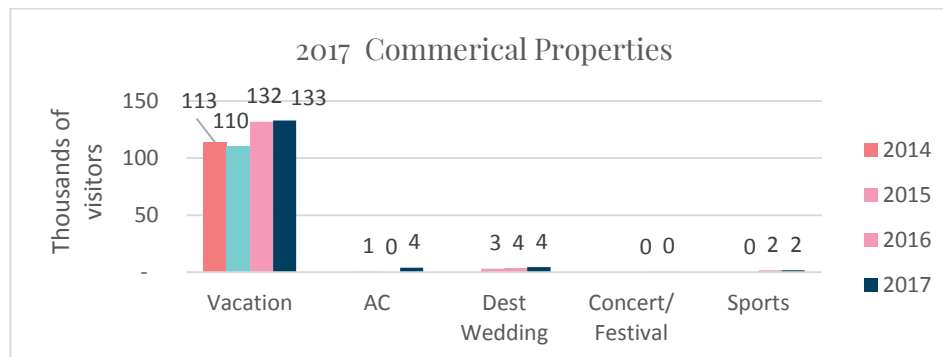
*Source: Immigration Landing Cards

Leisure Air Visitors by Accommodation Type

2017 Air Visitor Arrivals							
	Vacation	America's Cup	Destination Wedding	Concert & Festival	Sports	Total	% Share
Hotels or Similar	127,103	3,390	4,226	265	1,621	136,605	74.9%
B&B/Guesthouse	5,684	414	205	38	169	6,510	3.6%
Commercial Properties	132,787	3,804	4,431	303	1,790	143,115	78.4%
Friends and Relatives	9,705	575	215	92	218	10,805	5.9%
Private Homes	4,397	142	66	6	55	4,666	2.6%
Rental House/Apartment	18,161	1,199	861	43	183	20,447	11.2%
Residential Homes	32,263	1,916	1,142	141	456	35,918	19.7%
Other	2,151	788	5	24	438	3,406	1.9%
Total	167,201	6,508	5,578	468	2,684	182,439	100%

78% of leisure air visitors chose to stay in a commercial property in 2017 while 21.6% chose private homes or other types of accommodation. 11% of leisure air visitors chose to stay in house/apartment rental properties.

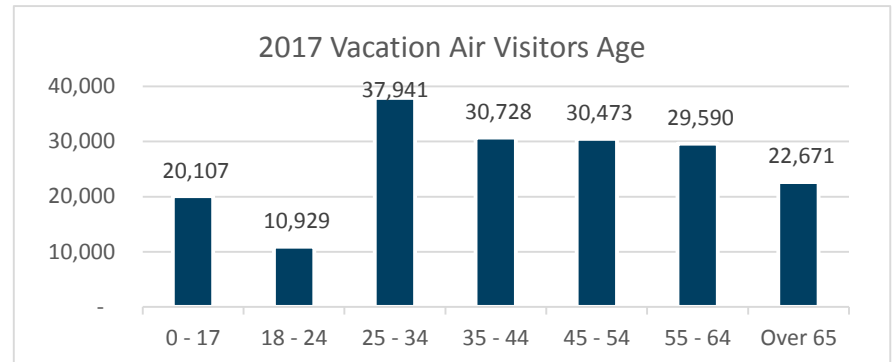
*Source: Immigration Landing Cards



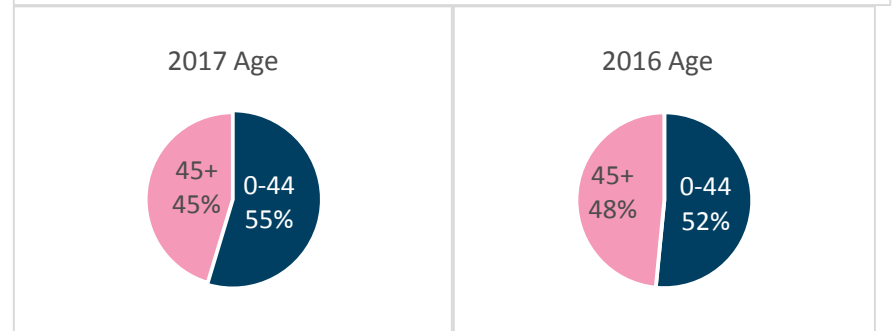
* Rental House/Apartment added in 2015.

Leisure Air Visitors – Age & Gender

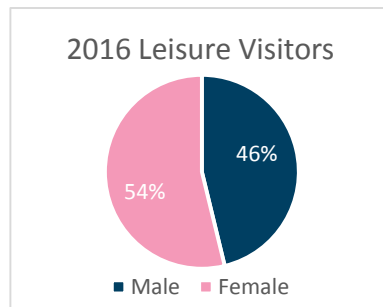
Age						
	2014	2015	2016	2017	# Δ vs 2016	% Δ vs 2016
0 - 17	17,248	16,559	19,006	20,107	1,101	5.8%
18 - 24	8,954	8,486	10,587	10,929	342	3.2%
25 - 34	20,960	20,278	29,091	37,941	8,850	30.4%
35 - 44	22,176	21,050	26,036	30,728	4,692	18.0%
45 - 54	29,421	28,346	30,460	30,473	13	0.0%
55 - 64	25,017	25,886	27,988	29,590	1,602	5.7%
Over 65	17,733	19,482	21,153	22,671	1,518	7.2%
Total	141,509	140,087	164,321	182,439	18,118	11.0%



All age ranges saw year-over-year growth in 2017. 83% of the growth in leisure air visitors during 2017 were in the under 45 year old age categories. The majority of leisure visitors in 2017 were under 45.



Gender						
	2014	2015	2016	2017	# Δ vs 2016	% Δ vs 2016
Male	64,879	64,129	74,890	84,301	9,411	12.6%
Female	76,630	75,958	89,431	98,138	8,707	9.7%
Total	141,509	140,087	164,321	182,439	18,118	11.0%



Air Statistics

Capacity (Available Seats)	2014	2015	2016	2017	% CHG YOY	# CHG YOY	Sold Seats including residents)	2014	2015	2016	2017	% CHG YOY	# CHG YOY
January	36,980	29,944	32,813	37,541	14.4%	4,728	January	19,601	19,115	19,789	22,963	16.0%	3,174
February	32,206	26,234	33,863	32,386	4.4%	-1,477	February	18,557	17,822	20,364	20,790	2.1%	426
March	41,640	31,118	39,705	36,554	7.9%	-3,151	March	25,178	24,221	26,901	28,746	6.9%	1,845
Q1	110,826	87,296	106,381	106,481	0.1%	100	Q1	63,336	61,158	67,054	72,499	8.1%	5,445
April	44,036	39,845	46,062	40,563	11.9%	-5,499	April	32,659	31,688	32,032	34,746	8.5%	2,714
May	52,058	48,548	52,611	54,376	3.34%	1,765	May	37,285	37,220	39,428	42,696	8.3%	3,268
June	56,752	54,777	59,676	65,743	10.2%	6,067	June	40,377	40,477	43,278	45,438	5.0%	2,160
Q2	152,846	143,170	158,349	160,682	1.5%	2,333	Q2	110,321	109,385	114,738	122,880	7.1%	8,142
July	60,902	56,789	61,331	68,406	11.5%	7,075	July	45,185	44,588	47,589	48,699	2.3%	1,110
August	58,768	55,601	59,849	66,531	11.2%	6,682	August	45,806	45,160	47,726	51,894	8.7%	4,168
September	48,508	44,688	49,101	54,109	10.2%	5,008	September	31,104	32,120	36,181	34,715	-4.1%	-1,466
Q3	168,178	157,078	170,281	189,046	11.0%	18,765	Q3	122,095	121,868	131,496	135,308	2.9%	3,182
October	43,988	41,357	44,719	53,972	20.7%	9,253	October	27,060	29,122	32,065	35,768	11.5%	3,703
November	41,726	36,618	40,897	47,431	16.0%	6,534	November	27,184	25,936	30,160	32,227	6.9%	2,067
December	36,676	37,902	40,562	46,910	15.7%	6,348	December	25,332	24,768	27,412	29,544	7.8%	2,132
Q4	122,390	115,877	126,178	148,313	17.5%	22,135	Q4	79,576	79,826	89,637	97,539	8.8%	7,902
Total	554,240	503,421	561,189	604,522	7.7%	43,333	Total	375,328	372,237	402,925	428,226	5.6%	25,301

Load Factor (% of seats filled)	2014	2015	2016	2017	% CHG YOY	# CHG YOY
January	53.0%	63.8%	60.3%	61.2%	1.4%	0.9%
February	57.6%	67.9%	60.1%	64.2%	6.8%	4.1%
March	60.5%	77.8%	67.8%	78.6%	16.1%	10.9%
Q1	57.1%	70.1%	63.0%	68.1%	8.0%	5.1%
April	74.2%	79.5%	69.5%	85.7%	23.12%	16.1%
May	71.6%	76.7%	74.9%	78.5%	4.8%	3.6%
June	71.1%	73.9%	72.5%	69.1%	-4.7%	-3.4%
Q2	72.2%	76.4%	72.5%	76.5%	5.5%	4.0%
July	74.2%	78.5%	77.6%	71.2%	-8.3%	-6.4%
August	77.9%	81.2%	79.7%	78.0%	-2.2%	-1.7%
September	64.1%	71.9%	73.7%	64.2%	-12.9%	-9.5%
Q3	72.6%	77.6%	77.2%	71.6%	-7.3%	-5.6%
October	61.5%	70.4%	71.7%	66.3%	-7.6%	5.4%
November	65.1%	70.8%	73.7%	67.9%	-7.9%	-5.8%
December	69.1%	65.4%	67.6%	63.0%	-6.8%	-4.6%
Q4	65.0%	68.9%	71.0%	65.8%	-7.4%	-5.2%
Total	67.7%	73.9%	71.8%	70.8%	-1.3%	-1.0%

*Source: Skyport

Hotel Statistics

Licensed Properties								
	2011	2012	2013	2014	2015	2016	2017	% Δvs 2016
Jan	48	48	48	47	41	43	42	-2%
Feb	48	48	48	47	40	43	42	-2%
Mar	48	48	47	47	40	43	43	0%
Apr	48	48	47	44	41	42	42	0%
May	48	48	47	44	41	42	42	0%
Jun	49	48	47	45	41	42	42	0%
Jul	49	48	47	45	41	42	42	0%
Aug	49	48	47	45	41	42	42	0%
Sep	49	48	47	45	41	42	42	0%
Oct	48	48	47	45	42	42	42	0%
Nov	48	48	47	45	42	42	42	0%
Dec	48	48	47	45	42	42	42	0%

Room-Count								
	2011	2012	2013	2014	2015	2016	2017	% Δvs 2016
Jan	2,604	2,533	2,532	2,538	2,379	2,372	2,334	-2%
Feb	2,604	2,533	2,531	2,538	2,355	2,372	2,334	-2%
Mar	2,604	2,533	2,541	2,538	2,355	2,372	2,374	0%
Apr	2,596	2,533	2,541	2,407	2,363	2,329	2,412	4%
May	2,596	2,528	2,541	2,407	2,363	2,329	2,412	4%
Jun	2,604	2,528	2,541	2,415	2,363	2,329	2,412	4%
Jul	2,604	2,528	2,541	2,415	2,363	2,329	2,412	4%
Aug	2,604	2,528	2,541	2,415	2,363	2,329	2,412	4%
Sep	2,604	2,527	2,538	2,415	2,363	2,329	2,412	4%
Oct	2,604	2,532	2,538	2,415	2,366	2,330	2,412	4%
Nov	2,532	2,532	2,538	2,415	2,334	2,334	2,409	3%
Dec	2,533	2,532	2,538	2,415	2,334	2,334	2,409	3%

Occupancy						
	2014	2015	2016	2017	# Δvs 2016	% Δvs 2016
Jan	31.5%	25.8%	27.0%	35.3%	30.7%	8.3%
Feb	34.2%	29.4%	33.0%	40.4%	22.4%	7.4%
Mar	45.5%	43.1%	47.3%	55.3%	16.9%	8.0%
Apr	55.1%	57.8%	57.1%	66.2%	15.9%	9.1%
May	65.1%	64.9%	67.8%	74.9%	10.5%	7.1%
Jun	71.8%	75.9%	79.9%	79.4%	-0.6%	-0.5%
Jul	76.1%	71.2%	79.9%	85.1%	6.5%	5.2%
Aug	67.3%	71.0%	76.8%	79.1%	3.0%	2.3%
Sep	57.9%	59.8%	70.7%	71.7%	1.4%	1.0%
Oct	47.4%	55.1%	56.0%	64.0%	14.3%	8.0%
Nov	48.9%	43.1%	56.1%	64.3%	14.6%	8.2%
Dec	36.0%	32.9%	40.5%	40.5%	0.0%	0.0%
Full Year	53.4%	52.6%	57.8%	63.1%	9.2%	5.3%

Hotels

In 2017, Bermuda's hotel inventory at year-end increased 3% with 75 additional rooms. The number of properties remained flat. Occupancy for the full year increased 9.2% or 5.3 percentage points over 2016 to 63.1%. Average Daily Rate (ADR) for 2017 increased 9.4%. Revenue per Available Room (RevPAR) increased 19.5% year-over-year.

*Source: Ministry of Economic Development and Tourism (Properties & Roomcount)/Occupancy from STR, representing 80% of licensed rooms

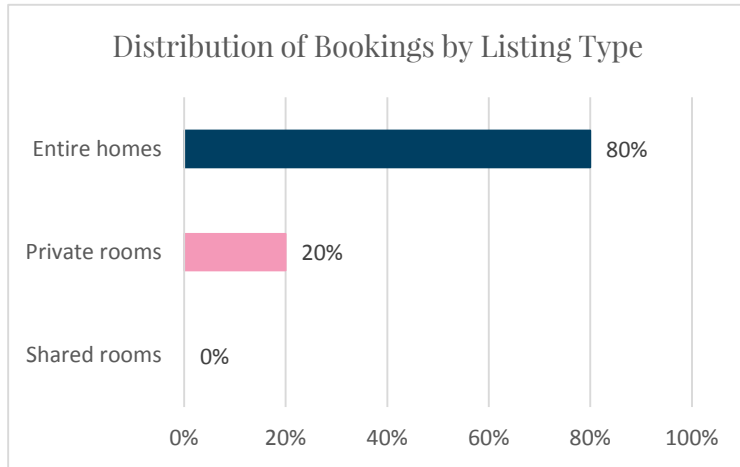
* Source: Occupancy, ADR and RevPar from STR, Inc. Republication or other re-use of this data without the express written permission of STR is strictly prohibited.

Home Rental Statistics

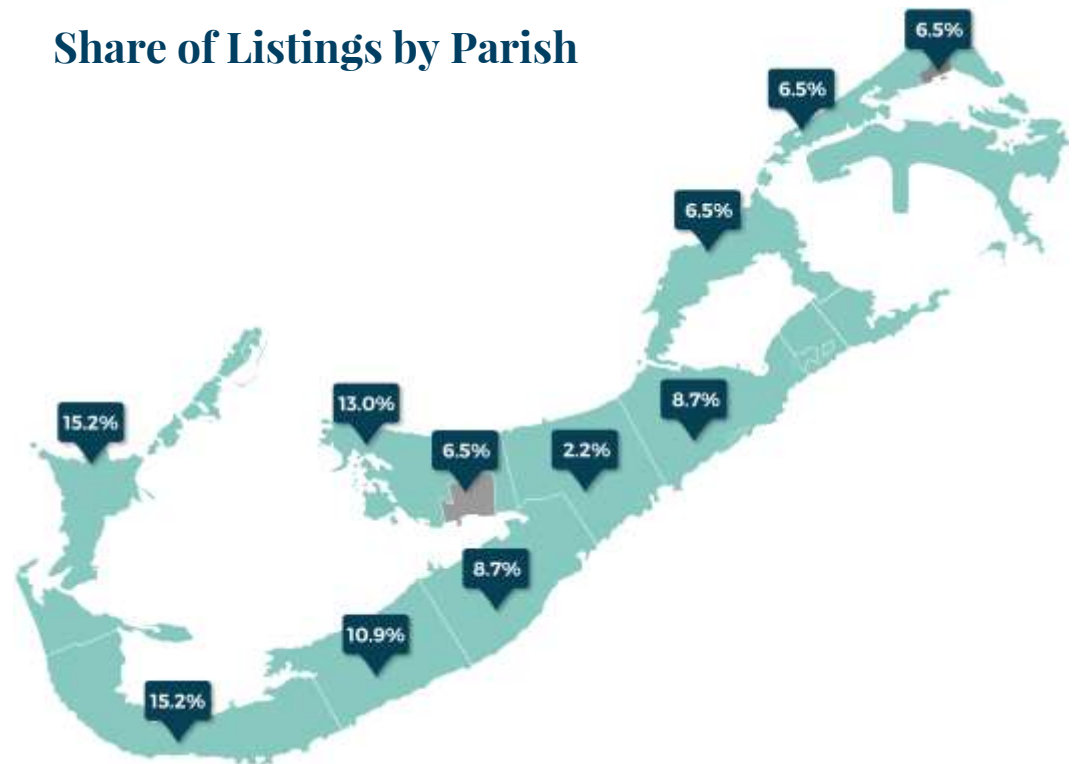
510 Active Listings (As of Dec 31, 2017)

93% Increase in Active Listings YOY

In 2017, the Bermuda Tourism Authority changed the methodology of tracking home rentals to include data provided by Airbnb. While many home rentals are cross listed, we feel Airbnb is the most comprehensive within the space and Airbnb is now providing the BTA with regular statistics. The map shows the distribution of these listings by parish.



Share of Listings by Parish



Top 5 Cities by Guest Arrivals

City	Arrivals
New York City	66.0%
Boston	11.8%
Toronto	8.9%
Philadelphia	7.3%
Washington D.C.	6.0%
Total	

*Source: Airbnb

Estimated Average Per Person Visitor Spending

Average per person spending for air visitors increased year-over-year in all categories. The largest increases were seen in business visitors. On average, air visitors spent \$137.42 or 10.9% more than in 2016. Cruise visitor per person spending increased in 2017 vs 2016 by \$2.66 or 2.4% on average.

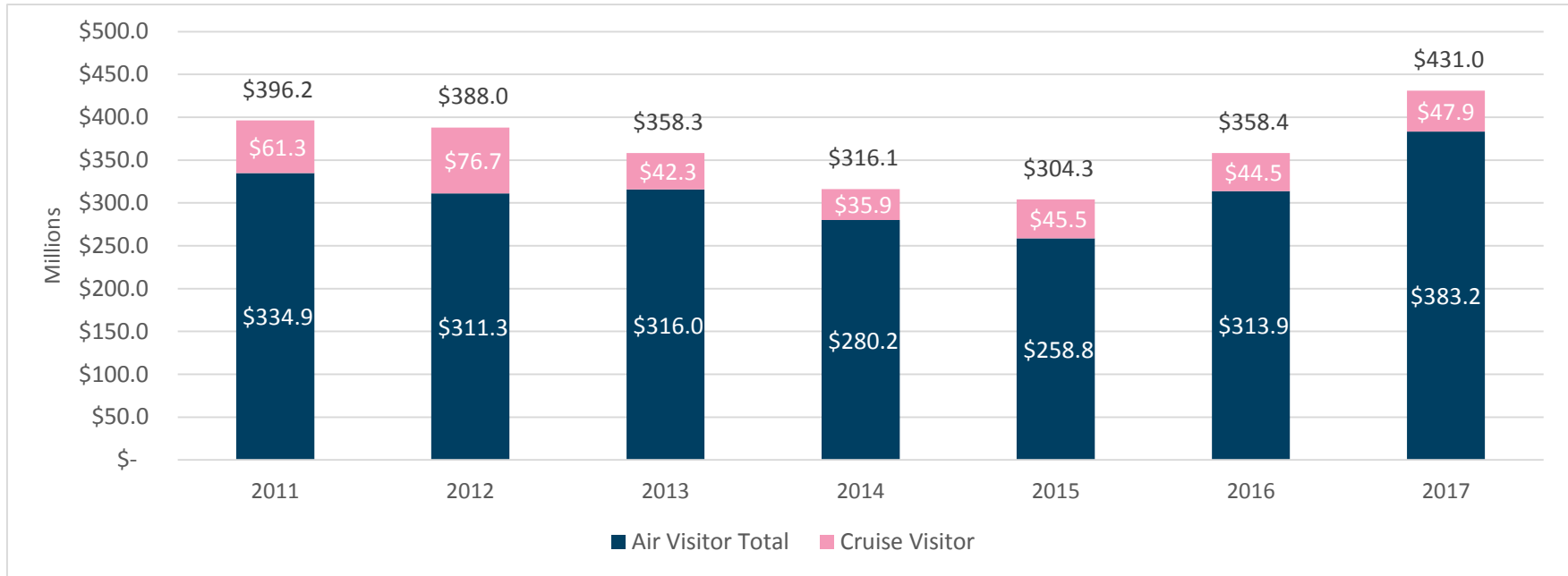
Air Visitor	All Visitors					Vacation and Leisure				
	2015	2016	2017	#	%	2015	2016	2017	#	%
Accommodations	\$564.73	\$624.22	\$671.97	\$47.75	7.6%	\$633.70	\$670.65	\$723.99	\$53.34	8.0%
Restaurant F&B	\$293.20	\$315.90	\$363.49	\$47.59	15.1%	\$308.83	\$325.78	\$368.81	\$43.03	13.2%
Groceries/liquor	\$61.33	\$63.22	\$71.18	\$7.96	12.6%	\$62.42	\$60.66	\$68.81	\$8.15	13.4%
Gifts and souvenirs	\$66.70	\$73.64	\$83.56	\$9.92	13.5%	\$72.36	\$76.70	\$87.00	\$10.30	13.4%
Recreational/Leisure	\$83.73	\$93.28	\$105.34	\$12.06	12.9%	\$95.91	\$103.30	\$116.36	\$13.06	12.6%
Transportation/sightseeing	\$67.37	\$73.71	\$80.37	\$6.66	9.0%	\$73.40	\$76.48	\$82.69	\$6.21	8.1%
Telecommunications	\$5.78	\$8.98	\$10.43	\$1.45	16.1%	\$4.67	\$7.34	\$9.16	\$1.82	24.8%
Other shopping	\$34.34	\$31.05	\$35.07	\$4.02	13.0%	\$35.39	\$30.43	\$34.73	\$4.30	14.1%
Total	\$1,177.17	\$1,283.99	\$1,421.41	\$137.42	10.7%	\$1,286.68	\$1,351.33	\$1,491.54	\$140.21	10.4%

Air Visitor	Business Visitors					Visiting Friends & Relatives				
	2015	2016	2017	#	%	2015	2016	2017	#	%
Accommodations	\$672.37	\$783.54	\$850.24	\$66.70	8.5%	\$139.73	\$165.94	\$136.29	-\$29.65	-17.9%
Restaurant F&B	\$273.11	\$307.34	\$378.87	\$71.53	23.3%	\$256.12	\$277.18	\$306.44	\$29.26	10.6%
Groceries/liquor	\$28.38	\$39.00	\$47.15	\$8.15	20.9%	\$112.20	\$118.44	\$125.73	\$7.29	6.2%
Gifts and souvenirs	\$42.67	\$56.15	\$69.18	\$13.03	23.2%	\$75.27	\$83.44	\$82.83	-\$0.61	-0.7%
Recreational/Leisure	\$46.69	\$59.87	\$61.89	\$2.02	3.4%	\$77.47	\$84.56	\$99.02	\$14.46	17.1%
Transportation/sightseeing	\$58.03	\$70.25	\$79.60	\$9.35	13.3%	\$47.85	\$59.73	\$62.45	\$2.72	4.6%
Telecommunications	\$8.90	\$14.90	\$14.48	-\$0.42	-2.8%	\$6.71	\$9.33	\$12.47	\$3.14	33.7%
Other shopping	\$25.77	\$25.37	\$28.89	\$3.52	13.9%	\$45.23	\$44.97	\$48.07	\$3.10	6.9%
Total	\$1,155.93	\$1,356.42	\$1,530.30	\$173.88	12.8%	\$760.58	\$843.58	\$873.30	\$29.72	3.5%

Average Cruise Visitor Per Person Spending	2015	2016	2017	#	%
Meals and beverages in pubs and restaurants	\$18.34	\$20.70	\$20.49	-\$0.21	-1.0%
Store-bought groceries/liquor	\$2.54	\$2.19	\$2.04	-\$0.15	-6.9%
Transportation services, such as taxi, bus and ferry	\$20.84	\$19.63	\$18.28	-\$1.34	-6.8%
Sightseeing tours and excursion packages purchased in Bermuda (on land)	\$0.34	\$2.01	\$3.90	\$1.89	94.0%
Other recreational and leisure activities not included in your excursion packages	\$14.37	\$12.61	\$10.13	-\$2.49	-19.7%
Other retail purchases for goods and services, such as calling cards, stamps, gifts and souvenirs	\$49.47	\$42.03	\$46.71	\$4.68	11.1%
Excursions or package tours purchased before the trip or onboard the ship (excluding commission kept by ship)	\$14.56	\$12.66	\$12.94	\$0.28	2.2%
Total	\$120.45	\$111.84	\$114.50	\$2.66	2.4%

Source: Total Research Associates 2017 Visitor Exit Interviews

Estimated Total Visitor Spending



*Excludes tax revenue

Source: Air and Cruise Exit Surveys

Leisure Visitor Spending (in Millions)					
	2015	2016	2017	YOY \$ Change	YOY % Change
Air Leisure Total	\$180.2	\$222.1	\$272.1	\$50.1	22.5%
Cruise Visitor Total	\$45.5	\$44.5	\$47.9	\$3.4	7.6%
Leisure Total	\$225.7	\$266.6	\$320.0	\$53.4	20.0%

Source: TRA Air and Cruise Exit Surveys

Total estimated air visitor spending in 2017 increased from \$313.9 million in 2016 to \$383.2 million in 2017.

Air Leisure visitor spending was up \$50 million or 22.5% year-over-year. Cruise visitor spending increased from \$44.5 million in 2016 to \$47.9 million in 2017.

Tourism Industry Outlook 2018

Harnessing the Momentum; Maintaining Growth

In 2018 the Bermuda Tourism Authority will continue its efforts toward harnessing the momentum clearly underway in the island's resurgent tourism economy. Last year was the highest volume of total visitors in recorded history for Bermuda with 692,947 arrivals across air, cruise and yacht segments. With that level of visitation, it's not surprising that all key performance indicators finished higher year-over-year:

- Air leisure spending surged 22.5 percent;
- Cruise spending up 7.6 percent;
- Leisure air arrivals jumped 11 percent;
- And hotel occupancy climbed 9 percent to finish at 63 percent for the year.

As Bermuda heads into 2018, the health of its tourism industry is significantly improved – particularly when compared to the situation just two years ago.

- In 2017, leisure air visitor spending was up 51 percent when compared to 2015
- In 2017, leisure air visitor arrivals was up 30 percent when compared to 2015

Additionally, and very importantly, Bermuda enjoys higher consumer awareness – perhaps the highest in a generation. That awareness has resulted in greater interest, evidenced through, among other things, visits to the GoToBermuda.com website. Putting on the 35th America's Cup, undoubtedly played a sizeable role in putting Bermuda top of mind. This was helpful not only because the island's people successfully hosted the event, but because the event was leveraged to generate media buzz far beyond the world of sailing.

For example, Bermuda was on the “best list” of scores of mainstream and travel trade publications at the start of 2017. Additionally, Bermuda's refreshed brand, which rolled out in 2016, resonated with the Bermuda Tourism Authority's target audiences and that showed up in the 2017 performance – exhibited by the strong growth from younger visitors.

For 2018, the Bermuda Tourism Authority's goal is to ensure many of these growth-enabling trends are maintained without the advantage of an America's Cup event to impact in-year demand. The legacy impact is real, although we have work to do to convert higher interest into actual visitors. Furthermore, thanks to a more robust visitor events calendar, a greater selection of high quality experiences on-island and improved airlift, it's expected the elevated numbers of younger air visitors, increased spending and higher arrival volumes achieved in 2017 can be matched in 2018.

This will not be an easy feat, however.

One of the challenges to matching last year's performance will be the availability of hotel inventory in the first quarter of 2018. Six local properties have a large portion – or indeed its full hotel inventory – off line for renovations. It represents about 12 percent of the country's total hotel capacity in the first quarter. This is a blessing and a curse. The good news is that the property upgrades are exactly what the industry needs; our product will undoubtedly be more attractive to travellers post-refurbishment (GenCom for example is investing \$25 million in its property at Rosewood Bermuda). The bad news is that the reduction in inventory makes it more difficult to keep pace with 2017.

Overall, growing hotel inventory has been a struggle for Bermuda over the past few decades and the Bermuda Tourism Authority expects to see tangible evidence of a turnaround in this area in 2018. By New Year's Day in 2018, Azura, Caroline Bay and the St. George's Resort all had shovels in the ground, and in some cases, structures taking shape. When their work is completed Bermuda will have 240 more hotel rooms to join up with a growing vacation rental inventory which surged more than 90 percent in 2017.

Above all else, the track record over the past three years for the Bermuda tourism industry is the greatest reason for an optimistic 2018 outlook. The progress has been tremendous. Bermuda's tourism industry has been on a path for growth since 2015 after decades of decline; the America's Cup helped to accelerate the growth trajectory. In 2018, if Bermuda is able to keep pace with the landmark year in 2017, she will maintain the industry's glide path to resurgence.



Research Methodology

The Bermuda Tourism Authority relies on data from many stakeholders to compile this report. Our primary source of data for this report is the Visitor Data Card or “pink card” that all visitors to Bermuda fill out when arriving by air or yacht. This form is collected in cooperation with the Department of Immigration and H.M. Customs. Because Bermuda is an island, it allows us the opportunity to collect one of the most robust sets of data from visitors upon arrival. Air and yacht visitor data card counts are reconciled against daily counts by Immigration and Customs officers to ensure accuracy.

A list of additional data sources for this report are listed below:

1. Ministry of Economic Development & Tourism – Hotel inventory (properties and rooms)
2. Department of Immigration – Border Management System data
3. H.M. Customs – Cruise and yacht arrival statistics
4. Department of Marine & Ports – Yacht vessel arrival statistics
5. Bermuda Skyport Corporation, Ltd. – Air statistics (capacity, seats sold, load factors)
6. Cedar Aviation Services, Ltd. – Private jet arrivals
7. Total Research Associates, Ltd. (contracted by the BTA) – Expenditure estimates
8. STR, Inc. – Bermuda market hotel occupancy, ADR and RevPAR statistics
9. Airbnb – Vacation rental statistics

The Bermuda Tourism Authority would like to thank all partners and stakeholders that provide data for this and other reports. Any queries/comments can be directed to:

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