

Advancing the National Tourism Plan 2015 Update



BERMUDA
TOURISM AUTHORITY

Q2 Arrivals and Statistics at June 30th 2015

BTA 2015 Key Performance Indicators



Q2 Vacation Air Arrivals – Visitor Expenditure

	Q2 2014	Q2 2015	% CHG YOY	# CHG YOY	YTD 2014	YTD 2015	% CHG YOY	# CHG YOY
Average per Person Spend	\$1,183	\$1,225	3%	\$41.17	\$1,121	\$1,196	7%	\$74.32
Estimated Economic Impact	\$55.3 M	\$56.6 M	2%	\$1.3 M	\$71.0 M	\$74.4 M	5%	\$3.4 M

YOY = Year over year

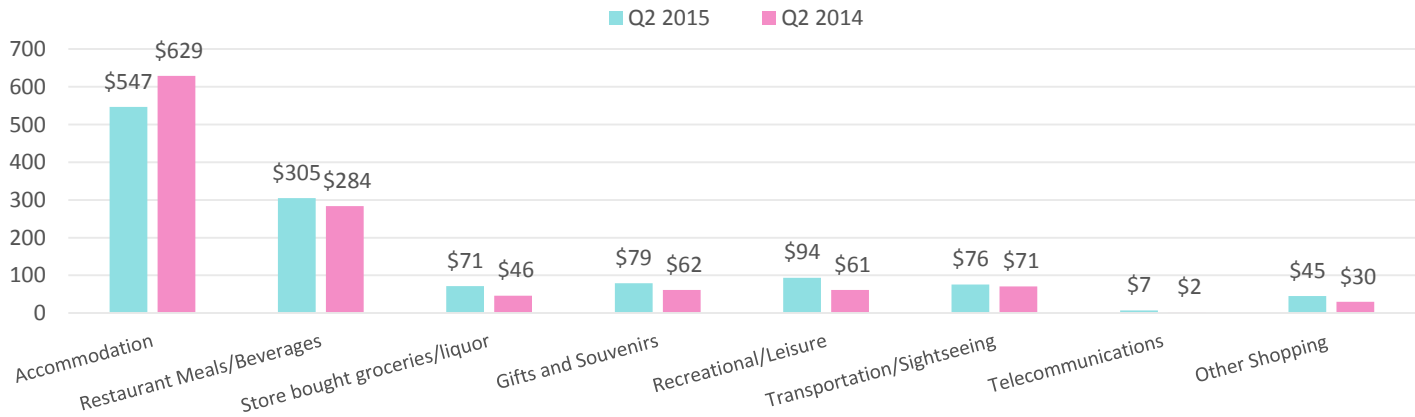
- The average per person expenditure in this category increased by \$41.17 in Q2 2015 vs. Q2 2014
- Year-to-date the average per person expenditure increased by \$74.32 over 2014
- This increase in vacation visitor spend contributed \$1.3M more in Q2 and \$3.4M more year-to-date to the economy than in 2014

Not included in the above numbers are business and visiting friends/relatives (VFR) spending. Visitor spending data is collected during exit surveys with visitors. Q2 data is based on a weighted sample of 2,770 air visitors. Q2 2015 is the first quarter using online methodology to conduct surveys rather than intercept.

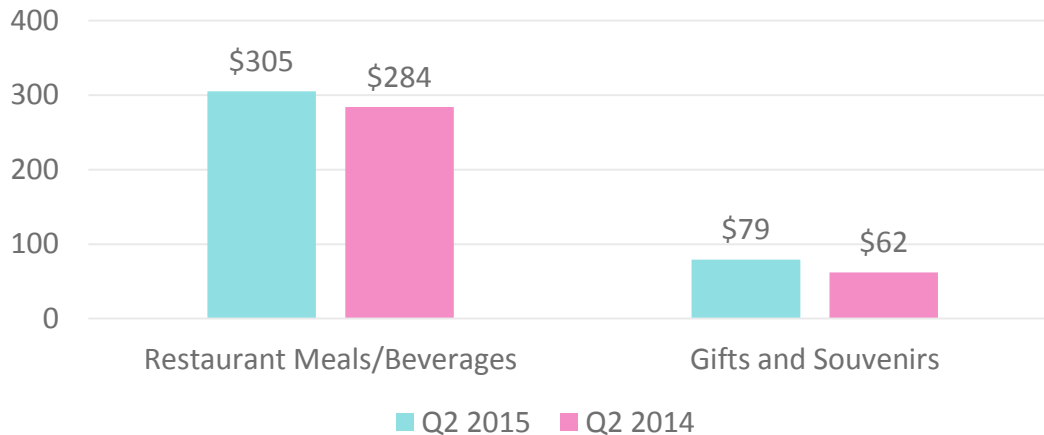
Q2 Vacation Visitor Air Arrivals – Expenditure

- Spending on accommodation has declined by \$82 or 13% vs. Q2 2014.
- Spending on Restaurants and Meals has increased by \$22 compared to the same period in 2014.
- Spending on Groceries, Gifts and Souvenirs, and Recreation have all increased compared to the Q2 2014 by \$25, \$18 and \$33 respectively

Vacation Air Visitor Spending



Q2 Vacation Visitor Air Arrivals – Expenditure



"The Chamber is extremely pleased with this increase in spending, especially in the gifts and souvenirs area which has struggled for so long." – Kristi Grayston, Chamber of Commerce President

"Confidence amongst restaurateurs is growing and statistics like this are evidence that things are slowly on the rebound." – Chris Garland, Chamber of Commerce Restaurant Division President



Q2 Total Vacation Visitor Arrivals

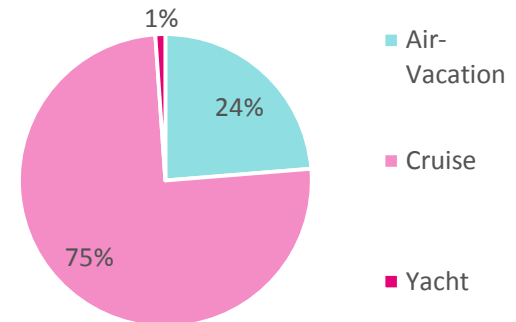
Vacation Arrivals	Q2 2014	Q2 2015	YOY % Change	YOY # Change	YTD 2014	YTD 2015	YOY % Change	YOY # Change
Air - Vacation	46,722	46,221	-1%	(501)	63,334	62,227	-2%	(1,107)
Cruise	146,916	146,498	-0.3%	(418)	146,916	146,498	-0.3%	(418)
Yacht	3,367	2,143	-36%	(1,224)	3,622	2,467	-32%	(1,155)
Total	197,005	194,862	-1%	(2,143)	213,872	211,192	-1%	(2,680)

*Total excludes air arrivals in categories other than Vacation

Q2 Total Arrivals were down by 1.1% as all arrival types showed varying weakness. Yacht arrivals experienced the most pronounced decline (36.4%) as it is an off year for the Newport Bermuda Race.

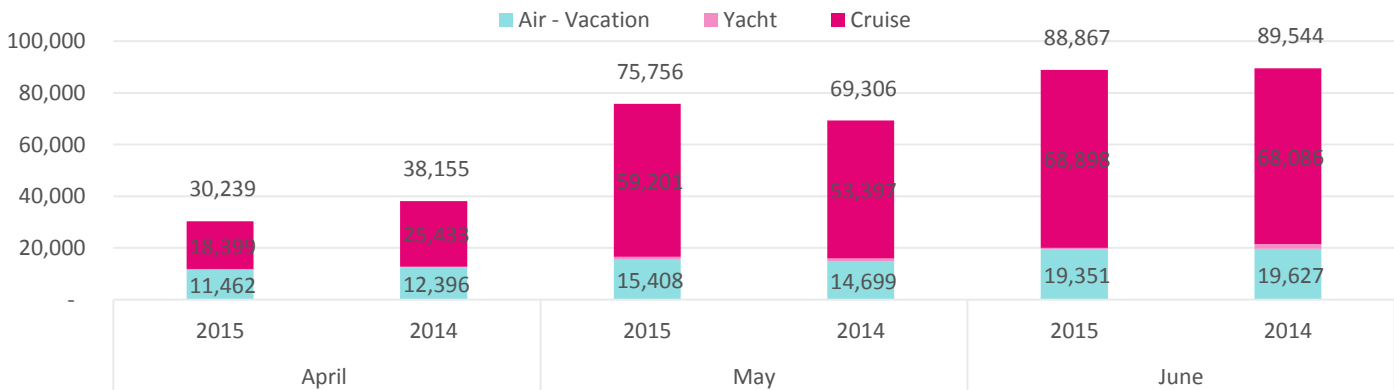
Air - Vacation = Air arrivals indicating purpose of visit upon arrival as Vacation, America's Cup Vacation or Destination Wedding.

Q2 Vacation Visitor Arrivals



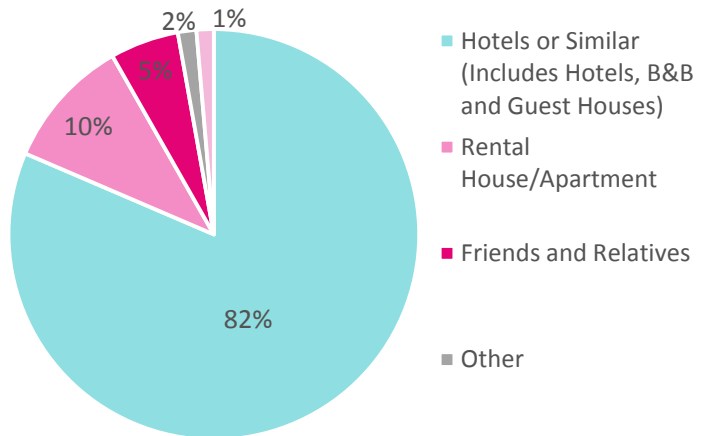
Q2 Vacation Visitor Arrivals by Month

	April			May			June		
	2014	2015	YOY % Change	2014	2015	YOY % Change	2014	2015	YOY % Change
Air - Vacation	12,396	11,462	-8%	14,699	15,408	5%	19,627	19,351	-1%
Cruise	25,433	18,399	-28%	53,397	59,201	11%	68,086	68,898	1%
Yacht	326	378	16%	1,210	1,147	-5%	1,831	618	-66%
Total	38,155	30,239	-21%	69,306	75,756	9%	89,544	88,867	-1%



Q2 Vacation Air Arrivals – Accommodation Type

- In Q2 of 2015, 18% of vacation visitors stayed in some type of private home.
- Going forward as a result of new visitor landing cards, the BTA will be able to determine the quantity of visitors staying in private homes, broken down by - vacation rentals vs persons staying with Friends and Relatives. Q2 contains 2 months with this more detailed breakdown.



Q2 Air Visitor Arrivals by Type

	Q2 2014	Q2 2015	YOY % Change	YOY # Change	YTD 2014	YTD 2015	YOY % Change	YOY # Change
Vacation	46,722	46,221	-1.1%	(501)	63,334	62,227	-1.7%	(1,107)
<i>Vacation</i>	46,722	44,319	-5.1%	(2,403)	-	-	-	-
<i>Destination Wedding</i>	-	1,799	-	1,799	-	-	-	-
<i>America's Cup Vacation</i>	-	103	-	103	-	-	-	-

The BTA has recently changed the Visitor Arrival forms to include a broader selection of options, allowing a more granular view of visitor data. The cards took effect in late April and therefore there is no year-over-year comparison. These new categories will be included in BTA reporting going forward.

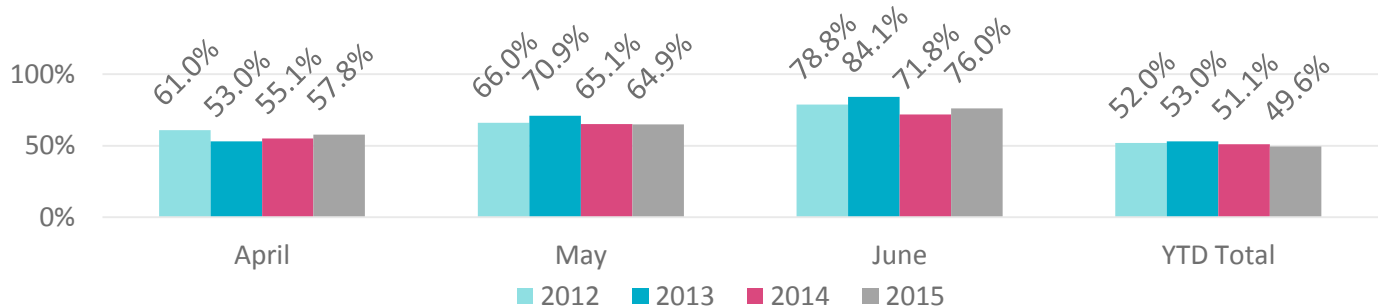
	Q2 2015
New Business Visitor Categories	
<i>America's Cup Business</i>	144
<i>Incentive Groups</i>	234
<i>Conference/Meeting</i>	3,703
New Visiting Friends & Relatives Category	
<i>Vacation</i>	8,542
Total	12,623

The Business categories have been expanded to capture America's Cup related business, Incentive Groups and Conference/Meeting.

The Visiting Friends & Relatives category has been expanded to capture vacation and personal. The visitors visiting friends & relatives that are on vacation will be monitored closely by the BTA.

Q2 Bermuda Hotel Statistics

- Average daily rate year-to-date has increased by almost \$14 vs. 2014.
- Increasing ADR(Average daily rate) and relatively flat occupancy have increased RevPAR (Revenue per available room) by almost \$2.



RevPAR	% CHG YOY	# CHG YOY	ADR	% CHG YOY	# CHG YOY
April	-3.6%	\$(1.96)	April	4.2%	\$4.42
May	5.7%	\$14.37	May	6.1%	\$23.56
June	4.3%	\$12.83	June	-1.6%	\$(7.61)
YTD Total	1.2%	\$1.90	YTD Total	+4.3%	\$13.85

“This is a trend that we anticipate will continue to reflect positively on Bermuda as a year round travel destination and is also reflective of the ongoing efforts of the BTA, and our association members, to increase overall visitor arrivals for the remainder of the year.”

– Stephen Todd, Bermuda Hotel Association

Items of note – Q2

- Air Vacation Visitor Arrivals – While the USA saw a slight increase and the UK saw a 9% increase year-to-date the Canadian market has seen an 18% decrease. The Canadian dollar has declined to its lowest level since 2014 and we believe this is affecting the conversion of Canadian travelers to purchase a vacation to Bermuda.
- As in Q1, air capacity continued to be a challenge in Q2 but on a smaller scale. Q2 saw almost 5% (or 7,214 fewer seats) flying into Bermuda. Year-to-date that is a decrease of 8.8% (23,254 seats) fewer.