



WHITE PAPER ON THE
DEVELOPMENT OF TOURISM
In *Barbados*



Revised March 2012

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List of Abbreviations

APD	Air Passenger Duty
AA	American Airlines
ATV	All Terrain Vehicles
BCCHI	Barbados Community College Hospitality Institute
BHTA	Barbados Hotel and Tourism Association
BHS	Barbados Horticulture Society
BIMAP	Barbados Institute of Management and Productivity
BOP	Balance of Payments
BPA	Barbados Port Authority
BRIC	Brazil, Russia, India & China
BTA	Barbados Tourism Authority
BTII	Barbados Tourism Investment Inc.
BTMI	Barbados Tourism Marketing Inc.
BTPA	Barbados Tourism Product Authority
CAL	Caribbean Airlines
CARICOM	Caribbean Community
CBO	Community-Based Organization
CCCCC	Caribbean Community Climate Change Centre
CCTF	Cruise Tourism Task Force
CRM	Customer Relations Management
CRNM	Caribbean Regional Negotiating Machinery
CSF	Critical Success Factors
CHENACT	Caribbean Hotel Energy Action
CTDC	Caribbean Tourism Development Company
CTO	Caribbean Tourism Organisation
CZMU	Coastal Zone Management Unit
DINKS	Double Income No Kids
E/D	Embarkation/Disembarkation Card
ETC	European Travel Commission
EU	European Union
F2F	Face to Face
FCCA	Florida-Caribbean Cruise Association
FDI	Foreign Direct Investment
GAIA	Grantley Adams International Airport
GDHI	Gross Disposable Household Income
GDP	Gross Domestic Product
GOB	Government of Barbados
H1N1	Avian Influenza A
HIV/AIDS	Human Immunodeficiency Virus
HRD	Human Resource Development
IADB	Inter-American Development Bank
ICT	Information Communication Technology
ICZM	Integrated Coastal Zone Management
IICA	Inter-American Institute for Cooperation in Agriculture
IMF	International Monetary Fund
LEED	Leadership in Energy and Environmental Design
LIAT	Leeward Islands Air Transport
LCC	Low Cost Carrier

MICE	Meetings, Incentives, Conferences and Exhibitions
MOT	Ministry of Tourism
NGO	Non-Governmental Organisation
OAS	Organisation of American States
OECS	Organisation of Eastern Caribbean States
PPP	Purchasing Power Parity
PRTA	Professional Road Tennis Association
RBPF	Royal Barbados Police Force
READ	Research and Economic Analysis Department
SIT	Special Interest Tourism
SARS	Severe Acute Respiratory Syndrome
SMME	Small Medium & Micro Enterprises
SWOT	Strengths, Weaknesses, Opportunities and Threats
TALC	Tourism Area Life Cycle model
TDA	Tourism Development Act
TMP	Tourism Master Plan
TSA	Tourism Satellite Account
TVET	Technical Vocational Education & Training
UGC	User Generated Content
UN	United Nations
UNODC	United Nations Office on Drugs and Crime
UK	United Kingdom
UNESCO	United Nations Educational Scientific and Cultural Organisation
UNWTO	United Nations World Tourism Organisation
USA	United States of America
USVI	United States Virgin Islands
UWI	University of the West Indies
WCED	World Commission on Environment and Development
WEF	World Economic Forum
WTTC	World Travel and Tourism Council

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Executive Summary

In order to develop a comprehensive plan for the tourism industry to 2021, the Government of Barbados has developed this White Paper for Tourism Development, which will set the policy direction for the Tourism Master Plan 2012-2021 (TMP). The preparation of a TMP is one of the most important measures that any developing country can take, particularly one like Barbados, which depends so heavily on tourism for its economic survival. This Plan will be a mammoth undertaking that will implement the vision that the Government has for a more sustainable tourism industry by 2021.

The White Paper will be the national guide for the sustained growth of the Barbados tourism sector over the next ten to twenty years, to ensure that the sector leads economic growth, social progress and environmental sustainability. Achieving the targets set out in this policy paper will be challenging. It will only be through a comprehensive and integrated effort, that Barbados will be able to realize the full potential of tourism as a bankable growth sector for the 21st century. To make this possible, the Government will continue to make the industry a priority in national policy decisions, foster the development of competitive and responsible business models and practices and increase cooperation between the public and private sectors.

This document is therefore of special importance, not only for the tourism industry of Barbados and the many constituencies which the industry serves, but most especially, the people of Barbados. As a consequence, this White Paper was developed with input from hundreds of tourism public and private sector stakeholders, Labour, NGOs, CBOs and citizens. The priorities and ideas detailed herein are the result of in-depth tourism and socio-economic research and analyses, public meeting consultations, focus groups and interviews with leaders and individuals from all sectors of the community. As such, the policies in this Paper are a tangible expression of the hopes, dreams and aspirations of the Barbadian people. Yet, it is not only today's citizens that the travel and tourism sector and this policy paper must ultimately serve, but their children, their grandchildren and generations beyond. This Paper seeks to provide a framework to achieve such a goal. It is a call to action for every Barbadian to rally behind this unifying direction to develop a world class, highly competitive, inclusive tourism product and to capitalize on every opportunity the industry offers for creating revolutionary short to medium term economic and social transformation.

The tourism industry has evolved into a global phenomenon and is one of the most important economic sectors and social activities of modern time. Today, it contributes directly to 5% of the world's GDP, one in twelve jobs globally and is a major export sector for many countries, both in the developing and developed world. Visitor expenditure on accommodation, food and drink, local transport, entertainment and shopping, is an important pillar of the economies of many destinations, creating much needed employment and opportunities for development. For more than 80 countries, receipts from international tourism were over US\$1 billion in 2010. Globally, as an export category, tourism ranks fourth after fuels, chemicals and automotive products, According to the United Nations World Tourism Organisation (UNWTO), tourism is one of the main sources of foreign exchange income for many developing countries and the number one export category, creating much needed employment and opportunities for development. International tourism receipts are estimated to have reached US\$919 billion (€693 billion) in 2010, up from US\$851 billion (€610 billion) in the previous year, an increase in absolute terms, of US\$68 billion (€83 billion).

According to the Caribbean Tourism Organisation (CTO), the Caribbean is the most tourism-dependent region in the world, with few options to develop alternative economic sectors. The region is home to seven out of ten countries in the world which are most dependent on tourism. The Caribbean now has the

thirteenth largest tourism industry globally in absolute size. It is first internationally in its relative contribution to the national economy; and is tenth globally in its contribution to long term national growth. Moreover, it is the biggest employer in the region after the public sector, employing 2.5 million people. It is also the largest single contributor to the Gross Domestic Product (GDP), and was worth US\$39.4 billion in 2010. This was based on an estimated Caribbean travel and tourism demand of US\$55.4 billion, minus imported goods and services spending abroad, of US\$16.0 billion.¹ Tourism's contribution to GDP in the Caribbean ranges from 15% to over 70% among 33 countries of the Caribbean Tourism Organisation. The longer term outlook for Caribbean tourism is encouraging with potential for future growth in the traditional and emerging source markets

Over the last 60 years, the tourism industry has grown from strength to strength to become the main foreign exchange earner and the engine of growth of the Barbados economy. With the prudent guidance and management of the private and public sectors a tourism industry has been honed and developed into a Barbados Brand that has achieved world renowned status. In 2010, the sector contributed 15.1% to the Gross Domestic Product (Accommodation services and Restaurants)², approximately US\$1.1 billion in tourism revenues³ and employed approximately 10% of the total workforce or 12,700 people directly⁴. Indeed, tourism has also become the economic driver for other sectors in the economy. However, Barbados, like many countries around the globe, has been negatively impacted by the global financial and economic meltdown and this has also been reflected in the tourism industry. Tourism must therefore be stimulated as one of the most feasible ways to sustain the local economy in order to counteract the economic woes currently being experienced by the island. There are several compelling arguments for the prioritization of the urgent transformation of the sector, which include the following:

- Tourism is the leading foreign exchange earner and contributes significantly to government revenues;
- Tourism is a major contributor to Gross Domestic Product;
- Tourism is an intensive and diverse employer supplying jobs in the professional, technical, craft, skilled, unskilled and operational areas;
- Tourism plays a major role in urban and rural development through investment;
- Tourism complements traditional industries and facilitates inter-sectoral linkages;
- Tourism distributes its benefits widely and plays a valuable role in national development and income distribution;
- Tourism promotes social interaction, peace, tolerance, harmony and cross cultural understanding;
- Tourism promotes cultural development at the community and national levels;
- Tourism ignites a sense of national pride and respect of culture and heritage;
- Tourism develops a country's image and supports all sectors of the economy as well as local communities; and
- Tourism brings social benefits to local communities, as facilities and income become available to local citizens and communities.

In spite of the current global challenges, the outlook for world tourism remains exceptionally strong. The UNWTO has forecast that the next twenty (20) years will be of continued growth for the sector. Therefore, this is an area that the Government will continue to prioritise and invest in as a central contributor to the island's future economic success. To realise the sector's fullest potential, this

¹ Caribbean Tourism Organisation, Caribbean Now Most Tourism Dependent Region in the World, <http://www.newslinksite.com/>, (March 2011).

² Source: Barbados Statistical Service.

³ Source: Caribbean Tourism Organisation.

⁴ Source: Barbados Statistical Service.

Government has risen to the challenge of formulating a comprehensive strategy, together with the policy instruments, action plans and enabling investment environment that would support its implementation.

This White Paper will be the national guide to ensuring the sustained growth to the Barbados tourism industry over the next ten to twenty years, to ensure that the sector leads economic growth, social progress and environmental sustainability. To make this possible, the Government will make tourism a priority in national policy decisions, foster competitive and responsible business models and practises and increase cooperation between the public and private sectors. Achieving the targets set out in this policy paper will be challenging. It will only be through a comprehensive and integrated effort, that Barbados will be able to realize the full potential of tourism as a bankable growth sector for the 21st century.

This document is the result of a rigorous and comprehensive process of industry and community consultation and primary and secondary research over the last ten months. The information was drawn from a wide cross-section of citizenry and public and private sector agencies, using as a starting point the Government's vision to develop a sustainable, people-centred, high-yield, and innovative tourism industry. Sustainability depends to a large extent on engaging the community. As such, the Government fully understands that for tourism to be truly sustainable, it must put the Barbadian people at the *epicenter* of the industry's development. The scope of tourism must be broadened to include a wider cross-section of the Barbadian society, especially the poor and the youth. The growth of the tourism sector must effect significant economic transformation and empowerment, with the ultimate goal of all Barbadians having a significant 'stake' in the industry. The tourism sector will be broader based in all aspects – product, ownership, empowerment and opportunities – making the industry a platform for wealth creation and a source of prosperity for all Barbadian citizens.

Thus, this policy paper and the manner in which it is implemented is critical to contributing to the achievement of several major national objectives, such as sustainable development, economic growth, employment, as well as economic and social cohesion. The Government is extremely committed to assuring that tourism continues to be an engine of economic growth. Yet, even more importantly, it is also committed to assuring that tourism catalyzes and generates the right kind of growth – smart growth, sustainable growth, balanced growth - and that the benefits of tourism are not only maximized, but broadly distributed socially and geographically.

In these turbulent and challenging times, looking a decade ahead and beyond will be an ambitious prospect. The long-term future cannot be accurately predicted due to the fact that circumstances will continue to change rapidly. Therefore, adjustments will need to be made and strategic plans re-visited. While the Government is fully committed to the strategic and innovative policy directives outlined in this document, it is equally committed to maintaining a flexible approach that includes regular re-evaluation based on changing circumstances and emerging trends. Going forward, comprehensive research and analysis will inform the long-term thinking of this Government, to identify where it wants Barbados to be in the next ten to twenty years and to inform the path to be taken to get there. Achieving this goal will also require a greater level of *destination management* on the part of Government. This will entail a more proactive, holistic and strategic approach being taken to the planning, management, development and monitoring of the tourism industry and greater oversight exercised by the Ministry of Tourism over the broader tourism process, in order to ensure that world class standards of operational, environmental and service excellence are maintained on a consistent basis. This will be primarily to ensure that maximum return on investment is achieved for the abundant national marketing funds that are expended on the industry.

The tourism sector has benefited from much investment by the Barbados Government to date, as well as from the private sector. However, the Government recognises that Barbados, and Barbadian tourism, is at a critical juncture. The country is currently facing many challenges, which, though varied, are not

insurmountable. At a macro level, the worse global economic crisis since the Great Depression has had a crippling effect on the Barbados economy and tourism industry. However, it is said that a crisis is a terrible thing to waste. Historically, it usually takes a major crisis to usher in an era of creativity, efficiency and innovation. During these times of adversity, Barbados' tourism will be challenged to reinvent itself and find ways to convert obstacles into opportunities to be capitalized upon, in order to position itself at a competitive advantage when the economy finally recovers.

Besides the global recession, other exogenous factors like natural disasters, acts of terrorism, health pandemics, effects of climate change, currency fluctuations and rising oil and food prices, pose threats to the stability of the Barbados tourism sector. Key trends driving the industry such as increased global competition, demographic shifts, emerging markets, rapidly evolving consumer behaviour, preferences and expectations and the advent of new information and green technologies, all require that a proactive and crisis resilient approach must now be taken to the management and development of the industry. While these challenges are not limited to Barbados, they must be innovatively and comprehensively addressed if tourism is to succeed and flourish.

In order to take the industry to the next level, it is now necessary that an in-depth review and assessment of the sector be made to identify product gaps, shortfalls, opportunities and areas of competitive advantage. This will be essential to secure appropriate and focused investment and capture the huge opportunities that exist for Barbados' tourism. Due to fiscal constraints, the Government's resources are finite with respect to tourism investment. Therefore, the focus will be on attracting not just local and foreign investors, but the right kind of investors, with the right resources, expertise, experience, integrity and know-how, to execute the policies, programmes and projects that will rejuvenate and expand the tourism sector. It will also be critical that future development respects the natural environment, which is one of Barbados' most valuable tourism resources. The tourism industry will also need to improve the quality and appeal of the existing product. This document lays the foundation and provides the framework for doing just that, as particular attention has been paid to the critical area of new product development.

Over the years, Barbados has undergone one of the fastest rates of tourism growth in the Caribbean. The challenge that this White Paper is designed to address, is not just to continue this growth unabated, but rather to ensure that it is sustainable, balanced and brings both immediate and long-term benefits to the people of Barbados, while protecting and preserving the fragile natural assets that form the basis of the engine of tourism growth in the first place. As a result, the Government has created a vision for a Green Economy for Barbados, whereby the goal is to achieve the largest reduction in fossil fuel consumption of any Latin American or Caribbean country within the next 10 to 15 years. The achievement of this goal will be part of a serious and unshakeable commitment to maintaining Barbados as an environmentally-friendly island. This means that the Government will adopt and maintain international best practices with regard to the island's maritime and land resources. It will therefore lead the national agenda to work tirelessly today, to protect tomorrow and will continue to strive to improve the way it operates by reducing its carbon footprint through the adherence to internationally recognized standards and best practices. The main intention will be to set a positive example for the rest of the country by being a role model to be emulated in the areas of energy and water conservation, protection of natural and cultural assets, proper waste disposal and good corporate citizenship.

This Government is committed to the people of Barbados. Therefore, its intention to become a green economy will be based on an over-riding respect and appreciation for the Barbadian environment, culture and way of life. Green growth policies will guarantee the island's competitive advantage as a destination and create jobs for the Barbadian people. Governmental policies are aimed at promoting the concept of renewable energy, innovation and competitiveness in all sectors and encouraging the levels of investment that are required to stabilize the economy and enhance growth prospects for the industry. It will also instil in the youth, from the primary to the tertiary level, that a foremost value of Barbadian society and culture

must be the protection and preservation of the environment. Sustainability will not be just a part of Barbados' national policy. Rather, it is and will continue to be, inextricably intertwined with all aspects of the national policy agenda.

The Government will actively plan ahead to ensure that it develops the right type of products, to attract the right kind of visitors, in a way that maximises sustainability. For too long, tourism planners have single-mindedly pursued increased tourist numbers without fully understanding either the local economic benefits of different types of tourists, or the true cost of tourism to local cultures and the environment. Barbados will not only just pursue more numbers, but the maximisation of visitor spend will also become a priority. In pursuit of that goal, the island will focus more on the types of tourists it needs and matching these to the most suitable areas and communities within the country. The Government believes that true sustainability must consider not only environmental characteristics and impact, but social, cultural and economic dimensions as well. To successfully achieve these objectives, the Government will immediately conduct a carrying capacity study to assess what number of tourists this nation can comfortably accommodate, whilst minimizing socio-cultural impacts. As a result, economic benefits will be maximized, while social and environmental costs are kept to a minimum.

Besides un-sustainable tourism development, the lack of attention in the area of research and development has impacted negatively on the island's competitiveness and its capacity to reap greater economic benefits and increase market share. Due to the extremely volatile nature of the global marketplace, it cannot be predicted what the future will bring. As a consequence, the acquisition of timely, relevant and accurate research and statistics will be critical in maintaining Barbados' competitive edge. Global competition is rife and resources are scarce. Therefore a more scientific, strategic and targeted approach will have to be taken to ensure that the tourism industry is supplied with the relevant information it requires to support policy, marketing, product development and investment decisions that would ensure that return on investment is achieved. It is also critically important for the sector to keep abreast of the global trends that will impact the industry. Timeliness of research will be particularly important to drive urgent decision making that will support ongoing economic recovery and renewed job creation.

In order to differentiate the Barbadian product in a meaningful and realistic way and grow market share, it is imperative that research and analytical thought urgently become one of the most important elements of tourism planning and development. This Government will therefore be placing research and development at the centre of tourism planning, management and development going forward, to ensure that competitiveness and profitability of the Barbados tourism product is sustained. Ongoing comprehensive market research and trend analysis will also make the industry more crisis-resilient and able to withstand or circumvent any unplanned external shocks that will most likely occur. In the short to medium term, the island is being and will continue to be confronted with an economic crisis situation affecting all of its major source markets simultaneously. The global nature of the problem means that predicting a recovery for the tourism sector, which has been resilient to past shocks, is more difficult. Solid research will assist the Government in planning how to respond to such challenges. Sound data is also essential for providing tangible evidence of the benefits of tourism to the economy and society.

Therefore, one of the first priorities of Government will be the review, integration and enhancement of the core tourism dataset. The research capacity will be transformed into more of a business unit with an increased resource base and enhanced capacity to meet the research needs of both industry and Government, whether it is short-term, tactical research, monitoring and evaluation, or long-term strategic research. The level of focus will assist the sector to identify where it wants Barbados' tourism to be in the next ten (10) to twenty (20) years and inform the path that is required to get there.

The Government's Tourism Research and Development Strategy going forward will involve the setting up of a comprehensive framework and a set of strategic priorities to guide research efforts and investment across the sector. At all the stages of design and materialisation of this strategy, there will be an equal emphasis on both quantitative and qualitative information. This data will cover three critical areas:

- the *past*, so that the current condition of tourism industry can be properly analysed;
- the *present*, in order to be aware of the existent state in the immediate competitive environment and by extension, to be able to place the tourism industry in this environment; and
- the *future*, to facilitate strategic evaluation and predict oncoming changes and react sooner than competitors, thus securing a strategic advantage.

While the tourism industry has performed commendably over the years, Barbados has become a mature, "tired" product that is in urgent need of rejuvenation in order for it to compete effectively within the current highly competitive global marketplace. The intense and rapidly increasing global competition is forcing Barbados to reconfigure its business model to deal with these new realities. In an increasingly competitive global marketplace, it is essential for the Barbados tourism industry to continuously strive for improvement in its performance in order to maintain and enhance its regional and international competitiveness. Several destinations around the globe have already begun to retrofit their tourism economies, because they have realised that their customers are demanding the same, or superior quality, for less. The challenge that Barbados now faces, is how to also make the necessary adjustments.

The global tourism industry is being faced with a modern day traveller that is different from any other time in the history of tourism. They are more sophisticated, informed, educated, individualistic, discriminating and demanding than their predecessors and have more choices than in times past. This new tourist is experienced, more flexible, independent, quality conscious and harder to please, with specific needs that influence their choice of destination. They are also more environmentally and socially conscious, and more aware about the necessity to respect the environment, culture and social life of host communities. They are looking to experience and learn rather than merely stand back and gaze, hence, the increase in popularity of Experiential Travel, Learning Vacations and Special Interest Tourism. They are also less likely to be satisfied with sun, sea and sand alone, are more security-concerned and more likely to travel with family/groups. They are looking for more unique and authentic experiences while on vacation and especially desire to get to know the local culture, the people, to eat local food and are increasingly more prone to stay in locally owned accommodations. The global economic crisis has also created a new type of customer that is travelling with a different mindset and expectation of service. Consumers are more price-sensitive and increasingly require greater value and a heightened level of experience, with the pursuit of "*good value for money*" being the primary motivator.

Effectively catering to this new tourist, as well as attracting more high-yield visitors to Barbados, will depend on getting a number of factors right – identifying and strengthening core competencies and Unique Selling Points (USPs), enhancing the product range, improving infrastructure, attracting foreign and domestic investment, enhancing existing amenities and facilities, improving service delivery, facilitating enhanced destination marketing and promotional campaigns and the adoption of energy efficiency and renewable energy to reduce the carbon footprint and to drive down high operating costs. In addition, measures need to be taken to promote a sustainable, year-round tourism by targeting lucrative niche markets and promoting events that will augment traditional low periods to eliminate the seasonal nature of the industry, so that consistent yield expectations will be met. To succeed, tourism product development must be *market driven*, grounded in the reality of what the island can support and reflect what is unique about what Barbados has to offer.

As a consequence, Barbados must now specifically seek to diversify its product offering, differentiate itself through its USPs and effectively communicate its unique Brand to the world. This function is more critical now due to the fact that the recovery of the struggling Barbados economy depends largely on the growth and success of the tourism industry. The key to success will be the creation of a high quality, unique, diverse product that offers value for money and then communicate this to the world in a creative, targeted and strategic way. In addition to sand, sea and sun, the Barbados product offering will be further enhanced by the integration of the island's rich cultural heritage – its people, its history, culture, cuisine, indigenous craft etc. – into the mainstream tourism industry. This will be reflected both in the new types of product to be developed and in the marketing and promotion of the island.

This means that the island's natural resources will now be complemented with the more prominent showcasing of the abilities and talents of local artisans, craftsmen, fashion designers, film-producers, entertainers, chefs, etc., promoting and exposing the unique art-forms of the island and effectively capturing the island's rich Amerindian, African, European and Jewish heritage. The United Nations Educational Scientific and Cultural Organisation (UNESCO) World Heritage inscription of Historic Bridgetown and its Garrison is an invaluable addition to Barbados' tourism product and will contribute greatly to heightening the island's reputation as a heritage tourism destination. World Heritage status will give Barbados immediate visibility, credibility and marketability with both local and foreign media. Most importantly, culturally motivated visitors are often the highest spending visitor segment in the tourism marketplace, so targeting this segment can be a powerful tool for adding value to tourism and making it more sustainable.

A renewed concentration in these cultural heritage areas will create a unique backdrop to the tourism product that will form a distinct point of differentiation. With this renewed focus, every effort will be expended to increase the diversity and value of the tourism product and encourage higher visitor spend, utilizing a 'quality' rather than 'quantity' approach. Success in this endeavour will be a critical factor in ensuring sustainable tourism development.

Specifically, the intention is for Barbados to become a differentiated, year-round destination, with a spectrum of unique attributes appealing to several key segments of the mid to upscale market. To do so, high-end, quality tourism products, will be developed to appeal to these lucrative market segments. This product development will be market-driven and aligned with the specific needs of visitors, especially those that require immersion in the local communities to interact with the locals and opportunities to experience the true Barbadian culture and way of life. Alternative forms of tourism such as sports tourism, cultural heritage tourism, community tourism, culinary tourism, agro-tourism, health and wellness tourism, faith-based tourism, events tourism and genealogy tourism will be developed, that will not only be the most sustainable forms of tourism, but will also attract the most sustainable segments of the travel market.

It is however critically important, that the markets targeted must be the "right fit" for the product on the ground and must be in line with the sustainability policies of the Government. Research indicates that Barbados has a loyal repeat customer base, a large segment of which is made up of the more mature Boomer segment. The concern now lies in how the island will attract and retain the younger Gen X and Gen Y segments, which are technologically savvy, sophisticated, capricious, active and demanding of a superior level of service and product. This balance needs to be achieved in order to ensure the future sustainability of the industry.

The way that Barbados has been marketed in the past must now be revolutionized and developed in line with changing market dynamics. It can no longer be primarily about mass marketing to a generic audience, but more so, about perfecting the art of mass customization by connecting with customers and

catering specifically to their needs and expectations. Marketing therefore has to become smarter, more engaging and effective with marketing messages crafted according to specific customer behaviour, specific demographics, specific customer locations, specific distribution channels and specific feeder markets. Based on global trends, online marketing will increasingly become the main focus of Barbados' marketing and promotional thrusts. However, an integrated marketing strategy, involving an effective mix of print, TV, radio, Online Travel Agencies (OTAs), travel agents, online, social media, mobile applications, as well as creative direct marketing to the consumer, will be the approach taken to ensure that the customer is being effectively engaged at every touch point. The challenge will be to look at traditional media and use it in untraditional ways. This targeted approach will allow the Barbados Tourism Authority (BTA) to invest valuable dollars on the markets that produce and campaigns that achieve the all-important relevance and resonance.

With emerging markets such as the Brazil, Russia, India and China (BRIC) block expected to recover from the global economic crisis at a faster pace than the traditional source markets, greater emphasis will be placed on diversification and marketing Barbados to prospective travellers from those regions. The process of transitioning has started with penetration into the Brazil market which commenced in 2010. The rise of the middle-classes, especially in China and India, presents unprecedented opportunities. Barbados will thrive in the coming years, only if it moves into non-traditional markets and continues to drive legacy markets more strategically. Also, the island must position itself to capture a higher-value consumer and focus its strategies on attracting quality as well as quantity. Additionally, with the increase in multi-generational and singles' travel and with Baby Boomers in developed nations reaching retirement age, there will be an influx of new consumers entering the global marketplace, driving the demand for leisure travel and seeking value for money, quality products and services and memorable experiences.

A combination of poor or inconsistent service and a tired product have resulted in several damaging reviews being posted on Trip Advisor and other forms of social media. This unfavourable development can ultimately have a potentially devastating impact on the island's reputation as a desirable destination to visit, as customer reviews are deemed to be more influential in shaping consumer choice, than any marketing campaign or hotel website. The increasing use of online social media will shine a spotlight on how successfully and how consistently Barbados is fulfilling its Brand Promise. The island now needs to be proactive by elevating the standard of its product and service offerings, or be slow to adopt and risk the brand being further pilloried in the full glare of the online public arena.

To improve the rate of return on tourism investment, Government will adopt a scientifically-based business approach to efficient management and regulation of the tourism industry. It will monitor and analyse visitor direct expenditure and spin-off benefits and also establish and standardise the equitable delivery of tourism product and services, thereby enhancing visitor satisfaction and producing the environment to facilitate increased visitor spend.

As the number of international visitors increase over the next ten (10) years and the consumer becomes more discerning and demanding, the Barbados tourism sector will have to be appropriately skilled and staffed in order to meet and exceed the expectations of these visitors. Barbados' most important asset is its people. Therefore, the Government is committed to making substantial investments in human capital through education, training and development, as a national priority. The volatility of the global economy will also require superior skill sets to proactively capitalize on the opportunities and circumvent the challenges presented. In line with development projections in the tourism sector, the Government will adopt a development strategy for Human Resources in the tourism sector, aiming in particular to introduce a higher level of professionalism and improve coordination of all relevant institutions in the area of human resources development needed to support the tourism development over the coming decade.

The focus will be on building a critical mass of competent, knowledgeable, passionate and creative tourism professionals, increasing specialized and technical skills, developing community entrepreneurial skills; strengthening leadership and managerial capacity to build a service sector that is sensitive and responsive to locals, tourists and tourism. Most importantly, strategies will be put in place to ensure that the output of the educational system is aligned with the current and future competency needs of the tourism industry to ensure that the next generation of tourism leaders are being developed.

As a corollary to the provision of world-class service, there is also an urgent need to maximise productivity throughout the tourism industry to ensure that Barbados' tourism is better prepared to compete on a global level. When all these issues relating to service, productivity and other links to world-class performance are considered, what they underline is the fact that Government has to provide the necessary leadership that is required to usher in a culture of national excellence and to develop a nation of creative, strategic thinkers and not simply "order takers". To successfully transform the tourism industry, it is a prerequisite that all stakeholders must begin to think and they must think analytically, creatively and 'out-of-the-box'. Therefore, it will be through the construction of a strong foundation of human resources development, sensitisation and education that this Government intends to achieve a competitive advantage through its people. This approach will permeate all levels of society, namely, the tourism worker, the student and the general public.

This Government is sensitive and keen to continue to support the industry as a critical pillar of the Barbados economy and is therefore committed to providing the tourism industry with strong leadership, an inspirational vision and new and relevant priorities within a more dynamic structure. It will continue to support the development of the industry through investment promotion and facilitation, prospecting new and emerging markets, securing transportation links, developing the policy and legislative frameworks to support the development of new industry segments, and continued global lobbying for the national interest. Efforts will be focused on supporting a re-engineered and rejuvenated industry that is vibrant, multi-seasonal and spatially balanced, supported by a strong and differentiated brand identity, a national culture of service and operational excellence and sufficient air and quality accommodation capacity.

Today's challenges will provide opportunities for businesses to re-think their strategies, develop new products and services and harness advanced technologies in order to create better value for the customer, while gaining a competitive advantage in a volatile marketplace. Transformation will come through the adoption of policies that promote openness and innovation, leadership of Government as a facilitator and not a controller, orientation towards the global market place and the un-tapping of innovation amongst the Barbadian people through decentralisation, real consultation and the building of national cohesion.

Government will work with the private sector and other social partners to assure that planning and regulation supports the national vision and policy, while being equitable, transparent and consistent. This type of cooperation and partnership for effective management and marketing will be crucial if Barbados is to avoid major impacts from the economic recession, while entrepreneurship and innovation become key tools for maintaining competitiveness, increasing sustainability and attracting new layers of consumers in the future. Tourism will hereby be placed as a focus of national priority to ensure that every opportunity for growth and expansion is capitalized upon.

The goal of truly transforming and reinventing the Barbados' tourism industry to achieve a competitive advantage and create an industry that is dynamic, cutting edge and innovative, will therefore require following:

- developing a green economy which will result in a more sustainable, responsible and competitive tourism industry;
- creating new, exciting and authentic niche products and attractions that appeal to the demands and expectations of the ‘new tourist’;
- creating an enabling environment to attract new foreign and domestic investment;
- development of a professional, well-trained, passionate, knowledgeable workforce;
- development of a world-class product based on a culture of operational and service excellence;
- development of stronger linkages with key sectors;
- ongoing infrastructural improvement;
- improving research and trend analysis capacity;
- continual adoption of new information and green technologies;
- creation of effective partnerships and collaboration between the private and public sectors, Labour, CBO’s, NGOs and civil society;
- development of a crisis resilient industry;
- development of strategic, targeted and creative marketing and promotional strategies and initiatives;
- improve local advertising to enhance awareness of ‘things to do’ on the island that would generate greater visitor spend and enhance visitor satisfaction and brand loyalty;
- maintaining a welcoming, safe, stable, healthy and clean destination;
- development of more creative and sustained tourism awareness and sensitization programmes;
- development of more opportunities for Barbadians to be involved and benefit from the sector; and
- improving the integration between tourism, the environment and the community.

The successful implementation of this White Paper and subsequent Tourism Master Plan will require an intensive and focused partnership and a shared commitment to communicate, collaborate, and cooperate, on the part of all stakeholders, whether public or private, employers and workers’ representatives, communities, individuals and organizations, both large and small. While there will inevitably be differences in perspective, this Government believes that a healthy, open and frank dialogue on the issues being confronted is critical, and therefore invites all stakeholders to engage and join it in assuring that tourism realizes its substantial and full potential to improve the lives, and the future, of all Barbadians. It is in this spirit of commitment to tourism’s sustained potential for Barbados that everyone is invited to consider this important document.

1.0 The Need to Review the National Tourism Policy

In 2001, Barbados developed the “Green Paper on the Sustainable Development of Tourism in Barbados – A Policy Document”. The guidelines resulting from this document represented the culmination of countrywide public stakeholder discussions and consultations, including the public and private sectors, non-governmental organisations, local community groups, trade associations and unions.

The concept of “Responsible Tourism” was proposed as the guiding principle for tourism development in Barbados to ensure that a sustained competitive advantage was created. The broad policy called for the development of a ‘New Tourism’, guided by an underlying philosophy that stressed the need for greater participation and collaboration, recognising that unless Barbadians were at the centre of every effort, the industry would not perform optimally. Such an approach embraced the ethics of sustainable tourism which called for a proactive approach by all relevant stakeholders to develop, market and manage the industry with a view to creating a competitive advantage, maintaining environmentally sound tourism, embracing cultural promotion and respect for local cultures, involving local people through community tourism and developing strong linkages with other sectors. This paper proposed that Barbados should be positioned as an up-market, quality destination that focuses on the brand elements of “friendliness”, “cleanliness” and the provision of a “safe and secure” environment and offering the highest possible value for money.

The development of the Green Paper was the first step in the process of creating a White Paper. It was intended that the Green Paper would eventually be approved and adopted as a White Paper for tourism development in Barbados, which would then lead to the development of a Tourism Master Plan. However, this activity was not completed.

A decade has passed since the Green Paper was crafted. The broad policies illustrated in the document were forward thinking and highlighted many issues and recommendations that are still relevant today. However, since the production of the Green Paper, there have been many significant changes in the extremely dynamic global tourism arena with respect to:

- increased global economic volatility;
- catastrophic effects of climate change;
- dramatically increasing global competition, especially from emerging markets;
- shifting global demographics;
- the rise of the Brazil, Russia, India and China (BRIC) block;
- rapidly changing consumer behaviours, preferences and expectations;
- the advent of new information and green technologies;
- increased focus on sustainability and responsible tourism; and
- increased concerns about safety, security and health issues.

These changing dynamics have revolutionized the development of the industry since 2001. The Barbados tourism industry is now forced to adapt to this new competitive environment and look for new ways to grow and be sustainable into the future. In light of this, it was therefore imperative for the Ministry of Tourism to revisit and update its policy and growth strategy for the sector by developing this White Paper that will form the basis for Tourism Policy and Planning in Barbados over the next ten (10) years. This

White Paper will set forth broad guidelines for the furtherance of the industry, while the Tourism Master Plan that will follow will present specifications to be conducted within the stated policy.

While the factors pertaining to the dramatic transformations in the global tourism market alone justify updating the national tourism policy, there were also clear gaps in the 2001 Green Paper that must now be addressed. One is the fact that the majority of the targets that were projected for 2010, have not been achieved. An assessment will be taken to identify the reasons why set goals were not realized and corrective action taken to ensure that future targets are realistic and implementable and any impediments are anticipated and circumvented.

Due to the fact that the process stalled at the Green Paper phase, Barbados has not benefited from the development of a comprehensive, widely endorsed Tourism Master Plan. While the 2001 tourism policy and strategy established Government's position and a proposed growth agenda for the tourism sector, the translation into investment programmes and specific actionable plans for the development of priority areas has not occurred. These investment programmes should have shaped the country's economic development strategy and capital budgeting/financing programmes and defined the blueprint for industry development. This process would have included programmes to assist industry with product development and achieving export ready status, strengthening of destination management and marketing, including modernised technology use and integration with policies and programmes of other economic sectors to maximise synergies.

Another gap in the system is the lack of integration of the tourism sector strategy within the country's various sectoral strategies. Without such integration, it is much more difficult to align decisions in several critical Government policy areas. Tourism is an export industry and a tourism policy fully integrated with the country's various sectoral policies, will maximise effectiveness and help to assure implementation.

One of the major oversights in the Barbados tourism industry over the years has been the lack of a carrying capacity study being conducted. This exercise is critical in order to ascertain the optimum levels of tourist arrivals that must be achieved, without resulting in serious environmental and cultural impacts that would be unsustainable for the country and catastrophic for the industry. This has to be the starting point going forward that will lay a strong foundation for any future sustainable development for the sector.

2.0 The Policy Formulation Process

The White Paper on Tourism Development provides the policy foundation and competitive strategy for Barbados as a tourism destination. The Paper will serve as the overall policy framework within which the Tourism Master Plan will be elaborated. A White Paper is a parliamentary paper which lays out the Government's policy or proposed action on a topic of current concern. It may be the precursor to the passing of new legislation. Green papers on the other hand are consultation documents which propose strategies to be implemented or which may set out proposals on which the Government wishes to obtain public views and opinion.

This White Paper process used a community-based approach, with input from a wide cross section of hundreds of tourism stakeholders and citizens through public outreach meetings and consultations, Visitor Focus Groups and confidential one-on-one interviews. This extensive input from the general public and tourism stakeholders in business, civic and non-profit organisations, was developed in five phases, each with a number of activities.

Phase 1:

- i. The development of the Discussion Document that founded the basis for town hall meetings and stakeholder consultations.
- ii. The development of an internet presence to facilitate contributions and/or comments from Barbados residents and the Diaspora.
- iii. The development of social media modes of communication to facilitate contributions and/or comments from Barbados residents and the Diaspora.

Phase 2:

- i. The review, publication, and dissemination of the Discussion Document to the public.
- ii. Press launch of the White Paper public consultation process.

Phase 3:

- i. The convening of public consultations involving Town Hall meetings across Barbados and the staging of a Youth forum.
- ii. Monitoring and mining of data on social media sites. Compilation of comments received via e-mail and regular mail.

Phase 4:

- i. Roundtable consultations with selected industry stakeholders.
- ii. Individual consultations with selected stakeholders.
- iii. Visitor Focus Group Studies.

Phase 5:

- i. Contextualizing the data gathered from consultations, social media sites etc.
- ii. Production of the Draft White Paper.

Phase 6:

- i. Public review of the draft White Paper followed by final revisions and then submissions to Cabinet before it is laid in Parliament.

A Discussion Document on current international and national issues critical to tourism marketing and management was prepared and circulated in the public domain from November 2010. The purpose of the

document was to present current tourism policy and developments in Barbados to stimulate public thought and discussion on tourism issues. The document was distributed to Government departments, tourism businesses and supporting sectors. It was made available to the public at major supermarkets, and all public libraries and post offices and electronically through the Ministry of Tourism's website.

Five (5) town hall meetings were convened at various venues across the island between November 2010 and January 2011, which attracted a total of three hundred and seventeen (317) persons from all walks of life within the Barbadian society. This allowed the general public to submit comments on tourism issues as input into the crafting of the White Paper.

The youth of Barbados were also engaged as part of the public consultation process when a Youth Forum was convened on February 4, 2011. Barbadian youth deliberated and spoke on specific tourism issues as well as put forward their concerns and ideas. A total of 120 youth and 19 teachers were in attendance, representing 22 secondary and tertiary educational institutions. Representatives from the Barbados Youth Council and youth from the general public were also invited.

Written comments were also invited as an alternative means of gathering contributions from residents and the Barbadian Diaspora. These comments were gleaned from the Ministry of Tourism's White Paper on Tourism Development blog, email and social media. Comments were also submitted to the Ministry through memorandums and letters. Newspaper articles on tourism issues were also incorporated. Comments made during a call-in radio program which focused on the White Paper yielded contributions as well.

A series of four (4) roundtable discussions with key government and private sector tourism partner agencies were held during February and March 2011. A total of seventy six (76) individuals participated representing a wide cross-section of private and public sector stakeholders, Community-Based Organisations (CBOs), Non-Governmental Organisations (NGOs) and Labour. Participants conferred on issues and advanced possible solutions to enhance the industry in four broad areas namely:

1. Tourism Product: People
2. Tourism Product: Infrastructure
3. Tourism Sustainability
4. Tourism and the Economy

Following the public consultation of the White Paper development process, five (5) visitor focus groups were convened during March 2011 to gather visitor perspectives on Barbados as a destination. Each session represented a particular market segment and visitors were interviewed on key areas to derive their opinions and suggestions for improvements of the industry. A total of forty one (41) persons participated and were selected from a cross-section of the accommodation sector.

Finally, the Ministry held a series of informal one-on-one interviews with key industry stakeholders within both the public and private sectors to gather views on specific areas of tourism and suggestions on the continued development of sustainable tourism in Barbados.

This consultation exercise was followed by the actual crafting of the White Paper. The findings emanating from the various fora documented above were used to create this document. Provision has been made for the inclusion of feedback from key industry stakeholders following the publication of this draft White Paper. A review is deemed necessary because Tourism impacts all sectors of the economy and thus the policies crafted will affect all Barbadians. Furthermore, because a wide engagement process was embarked on through Phases 3 and 4, dialogue should continue on the Draft White Paper that should

result in a holistic White Paper on Tourism Development, which is intended to be a blueprint for tourism advancement in Barbados for the next ten years.

3.0 Key Trends Driving the Global Tourism Industry

In these turbulent times, the global tourism industry is changing at a more rapid pace than at any other time in history. As the industry continues to reinvent itself, there are several economic, demographic, social, environmental, technological and political forces that are converging to set a new framework in which the sector will develop over the coming decades. These changes in the global environment will challenge the way policy makers, leaders and managers plan for future tourism development. Therefore, before this Government can endeavour to chart the course for Barbados over the next ten years, it must first have a comprehensive understanding of these changes, global trends and mega drivers, in order to formulate the appropriate policy and strategic responses to build a more competitive and sustainable tourism sector.

To survive, the Barbados tourism industry must become a more dynamic organism that constantly adjusts its tourist offerings to changing market dynamics. It will be only through close scrutiny of emerging trends, and the use of strategic plans prepared according to anticipated changes, that the sector will be able to secure its place in the competitive global tourism environment.

The key principal determinants and influences that will impinge on the development and growth of the global tourism industry to 2021 include:

- global economy and globalisation;
- growth in travel and increased global competition;
- emerging markets;
- global demographic shifts;
- rise of the Baby Boomers;
- changing values, family structures and work patterns;
- growth in sustainable and responsible tourism;
- technological advances;
- terrorism, safety and health concerns;
- effects of climate change; and,
- the ‘new tourist’ driving a new tourism.

3.1 Global Economy and Globalisation

Traditionally, the health of the global economy and the growth of the tourism industry are inextricably linked. Economic growth is the main determinant of tourism flows, as a dynamic world economy provides the basis for increased outbound and domestic tourism. Globalisation has created a highly integrated world economic system, which entails risks that can be potentially disruptive to global economic stability. Increased trade links and the integration of global financial markets can quickly transmit turmoil in one economy regionally and internationally and trigger a global financial crisis.

This was proven in 2008, when a credit and housing market collapse which commenced in the USA, triggered the deepest global recession since the Great Depression. These financial shocks were transmitted remarkably quickly to the rest of the world. It is therefore said that when the United States (USA) catches a cold, the rest of the world catches pneumonia. As the world’s biggest consumer market with the highest level of tourist expenditure globally, therefore, the slowdown in the US economy spurred

a corresponding domino effect across the globe. World GDP fell by 2.1% in real terms, with developed economies, a major source of demand for Travel and Tourism being the most severely affected. Since most travel and tourism involves discretionary spending, the tourism industry is especially vulnerable in times of economic recession. Therefore, in direct response to this crisis, households curtailed leisure travel plans, substituting lower-cost short-haul and domestic travel for more expensive long-haul trips, and corporations reduced business travel budgets.

In 2009, despite some resilience in the Asian markets, the economic crisis had a crippling impact on the industry around the world. GDP declined by 4.8% resulting in almost five (5) million jobs being lost and international tourist arrivals experienced its sharpest contraction in history, falling by 5.1% to 877 million. By 2010, the global economy moved into a recovery phase, which resulted in a corresponding impressive rebound in tourism, with over 935 million international tourist arrivals that year, an increase of 6.6% as compared to 2009.

By the beginning of 2011, worldwide recovery seemed certain, with the International Monetary Fund (IMF) projecting 4.3% and 4.5% growth in 2011 and 2012 respectively. According to UNWTO, between January and June international tourist arrivals grew by an estimated 4.5%, totalling a record of 440 million arrivals, 19 million more than in the same period of 2010. However, by mid-year uncertainties regarding the future economic outlook started to re-emerge and growth figures had to be readjusted downward. Economic growth is unequally distributed, with developing and emerging economies experiencing relatively strong economic growth and the developed advanced economies of the USA, Japan and Europe experiencing sluggish decelerated growth, high public deficit and debt levels, volatility in the stock market, weak consumer confidence, inflation, persistently high unemployment and continued vulnerability, particularly in some European countries. Simultaneously, signs of overheating have become apparent in some emerging economies. Therefore, restoring sustained and balanced economic growth remains a major global challenge.

The tourism industry has evolved into a global phenomenon and is one of the most important economic sectors and social activities of modern time. Today, the industry contributes directly to 5% of the world's GDP, one in 12 jobs globally and is a major export sector for many countries, both in the developing and developed world⁵. However, despite its significance, due to the volatile global economy, the tourism industry has entered an Era of Uncertainty where a sustained recovery cannot be accurately predicted. Global economic growth will continue to experience many challenges in the short to medium-term. Therefore, the recovery in world Travel and Tourism will be a gradual and fragile one. Despite recent encouraging short-term indicators of tourism activity, the prevailing market uncertainty can change the economic outlook in an instant.

3.2 Growth in Travel and Increased Global Competition

The Travel and Tourism industry is projected to continue on its path as being one of the world's fastest growing and highest priority sectors and employment generators. Overall, the Travel and Tourism economy has grown between 4% - 4.5% over the last 40 years and the World Travel and Tourism Council (WTTC) forecasts that it will continue to grow by 4¼% per annum in real terms between 2010 and 2020, supporting over 300 million jobs by 2020 – i.e. 9.2% of all jobs and 9.6% of global GDP. The UNWTO has forecast that international tourist arrivals will continue on its growth path, but at a more moderate pace than the past decades to reach 1.6 billion annually by 2020 and travellers will spend over US\$2 trillion, making tourism the world's leading industry. This institution is forecasting that between 2010 and 2030,

⁵ World Tourism Organisation, *Towards Tourism 2030, Global Overview*, 2011, pg. 5.

the number of international tourist arrivals worldwide will increase by an average 3.3% a year. As a result, an average 43 million additional international tourists will join the tourism marketplace every year.

International tourist arrivals have shown extraordinary and virtually uninterrupted growth over the last sixty (60) years, from a mere 25 million in 1950 to 940 million in 2010. At the projected pace of growth, tourists arrivals will surpass the 1 billion mark by 2012. According to the newly-released UNWTO long-term forecast, *'Tourism Towards 2030'*, by 2030, the number is anticipated to reach 1.8 billion meaning that in two decades' time, five (5) million people will cross international borders for leisure, business or other purposes such as visiting friends and family every day, besides the four times as many tourists travelling domestically. There will also be much change beyond the numbers. Future arrivals will be spread more widely across the globe; the share of international tourism to emerging economies will surpass that to advanced ones, and many of the new arrivals will be to destinations in Asia, Latin America, Central and Eastern Europe, Africa and the Middle East⁶.

In 2010, travel for leisure, recreation and holidays accounted for just over half of all international tourist arrivals (51% or 480 million arrivals). Some 15% of international tourists reported travelling for business and professional purposes and another 27% travelled for other purposes, such as visiting friends and relatives (VFR), religious reasons and pilgrimages, health treatment, etc. The purpose of visit for the remaining 7% of arrivals was not specified. Slightly over half of travellers arrived at their destination by air transport (51%) in 2010, while the remainder travelled over the surface (49%) – whether by road (41%), rail (2%), or over water (6%). Over time, the trend has been for air transport to grow at a faster pace than surface transport, so the share of air transport is gradually increasing.

According to the April 2011 Interim Update of the UNWTO World Tourism Barometer, international tourists arrivals grew by close to 5% during the first two months of 2011, consolidating the rebound of 2010. According to the forecast prepared at the beginning of 2011, international tourist arrivals are projected to increase by 4% to 5%. The impact of the developments in North Africa and the Middle East, as well as the devastating earthquake and tsunami that hit Japan in March, are not expected to substantially affect this overall forecast⁷.

Over the years the tourism industry has been reeling from a series of multiple changes and external shocks in the form of terrorism, natural and man-made disasters, economic downturns, health pandemics, war and rising oil prices that have all at some point severely crippled the industry and called its future into question. However, tourism, although vulnerable has always bounced back, proving its resilience and capacity to rebound. The indomitable human desire to fulfil the need to traverse the globe, has also secured the survival of the sector and will ensure that the tourism industry continues to experience growth into the future.

Lessons learnt from past crises, whether economic recessions or acts of terrorism such as 9/11, is that people continue to travel, albeit differently from the way they do during times of economic buoyancy. Travel has become a “right” for most people, therefore, despite the continuing volatility in the global market, consumers the world over are seeking the means to get away no matter how tight their budget. If the price is right, people are still prepared to travel. However, it will not be the free-spending boom times like before the financial industry's downward spiral and the recession took away jobs and extra income. They continue to look for bargains and comparison shop in their increased determination to find the best

⁶ World Tourism Organisation, International Tourists to Hit 1.8 Billion by 2030, <http://mediaunwto.org/en/press-release>, (October 2011).

⁷ Martin Moodie, UNWTO tourism report outlines huge growth potential and Chinese travel and spending boom, <http://moodiereport.com>, (June 2011).

value. Room rates took a serious hit during the recession, however in the future, with capacity being filled as travel increases, rates are expected to start to rise.

The openness of the world economy through globalisation has resulted in increased competition and more choices for the consumer. According to the UNWTO, more and more countries have recognized the value of the sector and the tremendous economic benefits that can be gained from the industry. As a result, world tourism is growing rapidly and over the last 10 to 20 years, the competition within the industry has been at its most intense ever. New players have entered the tourism arena and there are currently over 180 tourism destinations around the globe, with over 100 receiving over a million arrivals a year.

As emerging-market economies in Asia and Latin America continue to grow briskly despite the global recession, coupled with a rapidly growing middle class and a marked public-sector commitment to the importance of tourism in many countries, these developments are stimulating the growth in Tourism and Travel services and benefiting many key destinations worldwide. Globalisation has therefore resulted in more destinations making the industry a priority. Emerging economies, in particular, are expected to be increasingly important engines of growth, boosting both international travel and also generating increasingly vibrant domestic tourism sectors. Governments in all regions of the world will continue to realise tourism's role as a key pillar of economic growth and provide the necessary support to facilitate its growth and development. The industry will therefore play a significant role in driving global economic recovery and generating employment, helping to ensure sustainable development and the alleviation of poverty by spreading the benefits more equitably across populations.

Governments around the world, particularly in developed countries like the United Kingdom (UK), USA, China, Australia, Mexico etc., are investing heavily in the promotion and development of their respective tourism industries in order to hasten their economic recovery. They are also promoting domestic tourism in order to ensure that spending remains at home to bolster the local economy.

Emerging economies, in particular, are expected to be engines of growth, boosting both international travels – with China alone set to provide almost 100 million visitors for other destinations by 2020 – and also generating an increasingly vibrant domestic travel sector. In developed countries, a growing preference for, and priority focus on, leisure is expected to provide clients for new destinations once consumers fully regain confidence, while the popularity of short breaks – both domestic and international – will continue to increase. An increased focus on innovation by the Travel and Tourism industry will continue to create new products and services.

Travel and Tourism has made the world smaller and more accessible for millions of people. The main drivers of tourism growth globally have been the increase in prosperity and affluence and the proliferation of affordable transportation and technological advances which have created a tourism boom. Developments in technology and transport infrastructure such as low cost carriers and airports has resulted in more direct and cheaper flights to a plethora of destinations around the globe. Other factors that influence demand for travel are new information technologies which have dramatically broadened people's access to information and travel opportunities, increased leisure time, more flexible working conditions and the economic boom of the 1990s which produced the 'cash-rich – time-poor' segment who want to make the most of their available recreation time. The cruise industry, offering exciting choices and high quality, value driven products and services, has also stimulated travel to exotic locations around the globe. Tourism has opened up a world of endless possibilities to the traveller, as globalization has exposed them to a mixture of cultures, new ideas and different experiences. Knowledge and awareness of global issues has also increased the desire to travel internationally.

Globalisation and technological innovation are driving this increased prosperity. The future market place will be increasingly heterogeneous, and many will continue to seek value for money at the lower and middle segments of industry provision. However, the demand for luxury accommodation and experiences will also grow. By 2025, the world is projected to have a billion millionaires. Altogether, in 2010, the number of millionaires and billionaires in the world was up 8.3% from 2009 to a total wealth of \$42.7 trillion in the hands of the richest people in the world. This increase in prosperity and affluence around the world means that people will continue to have the means and considerable leisure time to traverse the globe.

In the longer run, the affluent class will continue to experience the fastest growth, and by far the greatest numbers will be from the newly prosperous middle classes of India and China and other emerging markets who will acquire similar tastes and behaviours to their western counterparts. The number of childless couples, singles and other high discretionary income groups that are seeking rejuvenation, excitement or that once in a lifetime experience, are also expected to increase in number. The market will tend to be dominated by those of middle and older age groups, who will have the free time and means to traverse the globe for longer periods seeking a variety of travel experiences. This retiree age segment will sustain year round tourism for many destinations. These trends will build a world of habitual travellers for business and for pleasure which will ensure that all segments of the hospitality and travel industry will continue to expand into the future.

The travel and tourism industry is expected to continue on its path to recovery. However, on-going volatility will take its toll on the pace of travel recovery. While travel may hold a degree of resistance to economic activity, it is obviously not immune to its influence. Uneasiness from extended financial market swings can impact travel growth, even for the resilient corporate sector. While the short-term outlook for the global tourism industry looks promising, tourism destinations will continue to face increasing volatility to traveller demand caused by short-term shocks such as economic downturn, rising oil prices, carbon cost/environmental regulation, currency fluctuations, pandemic outbreaks, terror attacks and political upheaval. External risks such as terrorist attacks or unfavourable exchange rate fluctuations in preferred destinations are likely to drive the propensity for travel domestically. In the longer run, domestic tourism may gain even more prominence because regional travellers will aim to avoid the increasing costs of long haul travel and benefit from lower transport costs to domestic destinations. Tourism is forecast to grow, however persistent high unemployment remains a major concern. The gradual recovery in employment expected for 2011 is still too weak to compensate for the jobs lost during the economic crisis.

The UNWTO has expressed concern that the recent tendency of some destinations towards introducing and increasing taxation on travel as a means of balancing public accounts, presents a further challenge to growth of the sector. While recognising the need for fiscal consolidation, the UNWTO will continue to alert governments to the fact that these taxes seriously affect tourism's proven capacity to stimulate job creation and economic growth, impacting negatively on their own economies and on the development possibilities of emerging economies.

3.3 Emerging Markets

Traditionally, the main tourism flows around the world, move from developed countries (origin) to other developed countries (destination) or areas round them, primarily between Europe and North America. Although Europe and North America represent less than 1/3 of the world's territory, they share more than 60% of the global arrivals. As a result, the economic benefits deriving from tourism activity are concentrated primarily in the advanced economies.

However, many new destinations have emerged alongside the traditional destinations of North America and Northern, Western and Southern Europe. While in 1950, almost all (97%) of international arrivals were concentrated in only 15 destination countries, this share had fallen to 56% by 2009. Among them, many emerging economies have successfully been reaping the benefits of tourism to boost their economic and social development. This is reflected in the list of top 15 receiving countries, which have been dominated by advanced economies since the 1950's but which has been increasingly populated by emerging economies – China, Turkey, Malaysia, Mexico, Ukraine and the Russian Federation – over the past decades⁸.

However, it will be the Brazil, Russia, India and China (BRIC) block of countries that will have the greatest impact on the tourism industry in the future. In 2010, the total population of BRIC countries stood at 2,856 million people, compared to 737 million people in the group of G7 countries. The forecasted average annual industry growth rate from 2009 to 2015 of 5% or more, of the emerging BRIC block of nations and certain countries in South East Asia, the Gulf states, North Africa and West African coastline, will result in a significant rise in the affluence of the middle classes and an increase in demand for both business and leisure travel.

These emerging countries have fared much better than advanced economies overall during the global economic recession. A year-over-year comparison shows that, while advanced economies had already suffered a small decline of 0.3% for the full 2008 year, emerging economies recorded a growth of 5.0%. In 2009, advanced economies declined by 4.3% and emerging economies by 3.5%; in 2010, they enjoyed increases of 5.3% and 8.2% respectively. As a result of this two speed recovery, emerging economies improved on their pre-crisis peak year 2008 with 20 million additional arrivals in 2010, while advanced economies were only two million arrivals above their pre-crisis peak year of 2007⁹.

By 2020 and beyond, there will be major shifts in the global balance of economic power in which emerging economies will catch up with the advanced world and become more significant. China will overtake the USA to become the largest world economy as early as 2017 and there will be more emerging economies in the top ten (10) economies. China's share in world total GDP in purchasing power parity (PPP) terms has increased from 7.1% in 2000 to 13.3% in 2010. By 2020, it will reach 20.7%. India is the fourth largest economy in 2010. By 2012, it will have overtaken Japan to become the world's third largest economy, with GDP accounting for 5.8% of the world total in PPP terms. In the long-term, India could grow even faster than China due to its younger and faster growing population. By 2020, Russia will rank higher than Germany in the top ten (10) economies in terms of GDP measured at PPP terms and become the fifth largest economy. Brazil, on the other hand, will have overtaken both the UK and France to become the seventh largest economy by 2020.

While the US remains the largest travel and tourism economy in the world, over the next 10 years, the picture will change somewhat, as emerging tourism markets start to reap greater benefits from their investment in Travel and Tourism development. While the USA, China, Japan and Germany will retain their current top four (4) slots in terms of total Travel and Tourism Demand (in absolute terms), India will be the world's number one in terms of annual growth in Travel & Tourism Demand between 2008 and 2018 averaging 9.4% per annum – ahead of China, Vietnam and Montenegro.

International arrivals in emerging economy destinations are expected to continue growing at double the pace (+4.4% year) of advanced ones (+2.2% a year). In absolute terms, the emerging economies of Asia, Latin America, Central and Eastern Europe, Eastern Mediterranean Europe, the Middle East, and Africa

⁸ World Economic Forum, The Travel & Tourism Competitiveness Report 2011, pg. 45.

⁹ World Economic Forum, The Travel & Tourism Competitiveness Report 2011, pg. 46.

will gain an average 30 million arrivals a year, compared to 14 million in the traditional destinations of the advanced economies of North America, Europe and Asia, and the Pacific.

By 2015, emerging economies will receive more international tourist arrivals than advanced economies, and by 2030 their share is expected to reach 58%. There will be increases in the global market shares of Asia and the Pacific (to 30% in 2030, up from 22% in 2010), the Middle East (to 8% from 6%), and Africa (to 7% from 5%), and further declines in the shares of Europe (to 41% from 51%) and the Americas (to 14% from 16%), mostly due to the slower growth of North America.

By 2030, Northeast Asia will be the most visited sub-region in the world, representing 16% of total arrivals and taking over from Southern and Mediterranean Europe, with a 15% share in 2030.

A large proportion of the arrivals of the next two decades will originate from the countries of East Asia and the Pacific, South Asia, the Middle East and Africa, growing at a rate of over +5.0% a year, compared to the world average of 4.1% and generating an average 17 million additional international arrivals every year. More mature regions of Europe and the Americas are anticipated to show lower-than-average growth rates. Europe follows with an average 16 million extra arrivals a year, resulting from a much more moderate growth rate (+2.5% a year), but on top of a much larger base. The remaining 10 million additional yearly arrivals are generated by the Americas (5 million), Africa (3 million), and the Middle East (2 million)¹⁰.

However, despite the growth in the emerging markets, Europe will maintain the highest share of world arrivals, although this share will decline from 60% in 1995 to 46% in 2020. The total tourist arrivals by region shows that, by 2020, the top three receiving regions will be Europe (717 million tourists), East Asia (397 million) and the Americas (282 million), followed by Africa, the Middle East and South Asia¹¹.

3.3.1. Rise of the Middle Classes

The steep increase in Asian demand, and the replacement of USA demand by Asian demand, is clearly seen as a trend that will accelerate in the coming decade. The size of the middle class in North America is expected to remain roughly constant in absolute terms. This is because as many people graduate out of the middle class and become rich, as those who move into the middle class from lower class. Europe enjoys some early growth in the numbers of the middle class, but then sees a fall as populations decline in Russia and elsewhere.

China and India however will be the markets that will become truly dominant on a global scale. By 2020, according to the UNWTO, 100 million Chinese are expected to fan out across the globe, replacing Americans, Japanese and Germans as the world's most numerous travellers and 50 million travellers from India will join them. By 2019, Chinese absolute industry growth is forecast to exceed that of the USA. By 2025, China and India will each have absolute year on year industry growth comparable to, or greater than the UK, France and Japan.

The majority of the travel at present is domestic, as 90% of Chinese travellers prefer to stay in Asia for their holidays and a large portion of the population is only able to afford domestic travel. Though in its infancy, outbound travel was 47.5 million in 2009, but has huge potential for growth as more domestic

¹⁰ World Tourism Organisation, International Tourists to Hit 1.8 Billion by 2030, <http://mediaunwto.org/en/press-release>, (October 2011).

¹¹ Martin Moodie, UNWTO tourism report outlines huge growth potential and Chinese travel and spending boom, <http://moodiereport.com>, (June 2011).

travellers start to venture further afield, to regional and on to long haul destinations like the USA and Europe, as levels of disposable incomes rise. China inbound travel is also experiencing phenomenal growth. In 2010, China surpassed Spain to become the third most visited country in the world after France and the USA. Tourist arrivals numbered 57.7 million people, an increase of 9.4% over 2009.

The travel patterns of Indians are similar to that of the Chinese. Travel is experiencing phenomenal growth in that country, but with the greatest movement taking place within the domestic and regional markets. Like the Chinese, most of these trips are within the Asia-Pacific region, but are projected to become more international in scope in the future. Younger consumers will become more important. In absolute terms, China and India will continue to have the largest populations aged 65+ in the world in 2020. However, the population in emerging markets is generally younger than in advanced economies. In 2010, the share of population aged less than 25 years old to total population is 39.9% in BRIC countries, compared to 27.6% in the EU. Young Chinese professionals in their 20s, 30s and 40s, who speak English will be the most likely to travel internationally. Shopping and casino gambling are popular pursuits for both these markets.

To cater to the needs of tourists from BRIC countries bears enormous potential for both traditional tourist destinations as well as emerging touristic hot spots that compete for visitor shares. To tap into these emerging tourist segments, destination managers must develop a clear value proposition for this group of travellers and reduce access barriers in terms of regulations, tour packages, and last but not least, cultural and language issues. Despite their importance, there is some uncertainty about where citizens from emerging nations may travel to or how their tastes may differ from Western travellers. The demographic trends associated with Western travellers may be less relevant when applied to the emerging markets.

As the future global travellers from the emerging markets start to travel farther afield, it will pose some challenges for the industry to cater to them. While the current travel market is geared to the habits of Western travellers, emerging markets and the rise of the BRIC economies are likely to overturn this model in the future. These new world travellers are likely to have different tastes to Westerners. Travellers from emerging markets such as India and China have a particular emphasis on their traditional foods rather than European ones and at present, few Western hotel rooms are set up to meet the preferences and requirements of Asian travellers. To counteract this, there is a growing trend of hotel companies customising their brands in China, partnering with Chinese companies, and creating programmes to cater to the Chinese abroad. They plan to continue to expand in China and use their experience in the Chinese domestic market to feed best practices to properties abroad in key destinations for Chinese travellers¹².

There is also a lot of speculation as to exactly where future travellers from emerging markets will travel to, which is an issue of enormous revenue implications to any prospective destination. The Indian market seems to be more focused on cultural vacations and preferred local destinations such as Sri Lanka and south-east Asia, while travellers from major markets such as China were more likely to be intrigued by the culture and traditions of destinations such as Europe. It is however expected that those from emerging markets will prove to have similar destination tastes as Westerners or will quickly converge with the destination tastes of Westerners in the next decade, as they become more experienced travellers, particularly in the case of countries such as China.

While online bookings will ultimately be as significant as in Western countries, face to face (F2F) agents in emerging markets will have an important role to play for many years to come, due to the fact that those in emerging markets wishing to travel, may face many of the same problems Westerners do when

¹² Travel Trends 2012, <http://www.hotel-industry.co.uk/>, (November 2011)

considering journeying to new destinations (i.e. lack of familiarity about their destinations and uncertainty over travel details). Travels agents will therefore provide invaluable and personalized service assisting these new travellers with their choice of destination and travel arrangements.

3.4 Global Demographic Shifts

Global demographic shifts are inexorably changing the distribution of global economic activity. Today's rich countries accounted for 22% of the world's people in 1965. However, they presently only account for 15% of the global population, and their share is forecast to shrink to 13% of the world total by 2034. Overall, the world will add 1.6 billion people by 2034. But the population in today's rich countries will grow by only an estimated 90 million. Ninety-five percent (95%) of the population increase (excluding migration) will be in developing countries¹³.

Demographic shifts are going to shape the age, origin and behaviour of the tourists of the future. Booming populations in developing countries and declining populations in developed countries will result in an overall growth in the world's population. The world's population was estimated at seven (7) billion at the end of October 2011 and is expected to reach 9.1 billion by 2050. Demographic change will be driven primarily by population growth in Asia and Africa. The United Nations (UN) predicts that less developed regions of the world will account for 99% of the expected increment to world population. Collectively, these regions will grow 58% over the next 50 years, as opposed to 2% for more developed regions. The majority of the population growth will be driven by Africa and Asia over the next 20 years. Asia's population is forecasted to grow by 1.5 billion by 2050, to account for 59% of world population, while Africa's population will grow by 1 billion people, to account for 13% to 20% of world population. India's population will increase in absolute terms by 51%.

The proportion of countries with high fertility has steadily shrunk over time and has shifted around the globe. In 1950-55 all developing regions of the world were represented in the top 10 list of countries with high fertility. However, by 2000 sub-Saharan Africa dominated the rankings and is forecasted to remain there to 2025. From 2000 to 2100 Europe's share of the world's population is forecasted to reduce by half, from 12% to 5.9%, due to declining birth rates. Europe is forecasted to hit its low point in growth in 2050. The population imbalance of declining birth rates will be partly offset by immigration from developing to developed countries, resulting in increasingly multi-cultural societies. The ethnic mix in many countries has changed as a result of globalisation. North America will also experience declining fertility rates, but its population is projected to remain steady, mainly also due to a steady flow of immigrants. Net migration will continue to dominate, as a world migration trend to more developed regions steadily increased from 1960-2000.

One of the most significant implications of demographic change in the 21st Century is the ageing of the world's population. Decreasing fertility rates and longer life expectancy due to medical, diet and lifestyle changes, has resulted in an aging population that is not only expanding, but is also fitter and living longer due to more active and healthier lifestyles and advances in modern medicine. As a result, life expectancy is forecast to rise smoothly and continuously over the next 50 years. This will mean a growth in older age groups as a proportion of the population, and a decline in younger ones, resulting in the world median age being projected to rise from 26 years in 2000, to 44 years by 2100¹⁴.

¹³ Homi Kharas, *The Emerging Middle Class of Developing Countries*, OECD Development Centre, Working Paper No. 285, January 2010, pg. 23.

¹⁴ UN Population Division, *World Population Prospects: The 1998 Revision*, OECD Countries, population over 65 in millions, projected forecasts.

Research conducted by British firm Deloitte LLP reveals that the aging population is a global phenomenon with almost all nations experiencing growth in the number of older residents. However, most developed nations have higher percentages of older people than do the majority of developing countries. This is largely because the fertility rates in the developed world have fallen persistently below the replacement rate of 2.1 live births per female since 1970¹⁵. In the Organisation for Economic Cooperation and Development (OECD) countries the proportion of the population over 65 is projected to grow from 145.8 million in 2000 to 211.2 million in 2020¹⁶. The same demographic group will quadruple in size in Africa, Asia and the Latin America and the Caribbean region between 2000 and 2050¹⁷.

This significant demographic shift will be a turning point in the global tourism industry and will have profound effects on the travel industry. By 2045-2050 average life expectancy is forecasted to be between 76 and 82 years, with Japan, Europe and North America leading the way, followed by Asia and Latin America. Africa is a notable exception. Life expectancy is forecast to decline because of the prevalence of HIV/AIDS. As a result, population growth in the USA, UK and the EU will be attributed to inbound migration resulting in a melting pot of international inhabitants from a multitude of countries around the world. Between 2000 and 2010, over 72% of all developed countries were net receivers of international immigrants.

3.5 Rise of the Baby Boomers

The Baby Boomer generation, defined here as people born from 1946 to 1964, is an economic force to be reckoned with and the most significant development that will completely transform the tourism industry in the future.

According to the American Society of Travel Agents, Boomers today drive luxury spending based on sheer population size and available discretionary income. Boomers are about to get a lot richer. People fifty years and older will inherit an estimated \$14 trillion to \$20 trillion during the next 20 years. They control 80% of personal financial assets and 50% of discretionary spending power. They spend \$500 million on vacations per year and represent 80% of all leisure travel.

The Boomer market is the healthiest, wealthiest and most active senior generation, who cite travel on the top of the list of where they want to spend their time and money. Even though many have been affected by the global recession, this will not deter them from the things they plan to do when they retire. Having weathered the recession, many Boomers plan to spend their money and not leave it to their children. Unlike their parents' generation, Baby Boomers do not consider themselves old at 65 and are more physically active than any previous generation. This passionate, "young at heart" generation, while seeking intellectual, spiritual and physical enhancement, are also looking for fun. While Baby Boomers have money, they are also part of one of the hardest working generations and are very demanding as they believe they are entitled to consistent delivery of a unique, quality experience and personalized superior service.

Intrepid, prolific world travellers, many older Boomers are sophisticated and highly educated, have travelled extensively and are unafraid of new cultures, foreign languages, or exotic cuisines. There is a distinct eagerness to expand their horizons with the education afforded uniquely by travel, and to explore the lifestyles of increasingly distant shores. Seeking "sight doing," as opposed to sightseeing activities,

¹⁵ Deloitte LLP, *Hospitality 2015*, 2010, pg. 14.

¹⁶ UN Population Division, *World Population Prospects: The 1998 Revision*, OECD Countries, population over 65 in millions, projected forecasts

¹⁷ United Nations Department of Economic and Social Affairs/Population Division. *World Population to 2300*. (2004)

this generation places emphasis on exclusivity, experiential, sustainable, interactive and thematic travel, where holidays must include an element of effort and accomplishment.

The pursuit of special interests has sparked a growing preference for themed trips which is closely linked to a desire for discovery and educational enrichment. Among the popular themes are art and architecture, history, hiking, golf, sailing, spas and wellness, the performing arts and food and wine. Culinary tourism is perhaps the key niche experience most sought by Boomers. For boomers, a vacation is, above all, a learning experience. They have a desire to stimulate their more educated palates, and they have an appetite for exploring exotic cuisines in their native habitats. These “foodies” are ready to plan entire vacations around the dining experience. Once-in-a-lifetime experiences that give them “bragging rights” with their friends are highly valued and desired.

Spending time with their family is a priority, therefore, Multi-generational Travel and Celebration Vacations involving milestone birthdays, anniversaries, reunions etc., are pursuits of growing importance to this segment. The Boomers will be more frequent users of health-related goods and services in the future. As they search for the ‘fountain of youth’ in order to stay younger and healthier longer, medical tourism will become more of a mainstream tourism product, making tourism and health the world’s largest industries by 2022. Unlike their younger counter parts, most seniors can travel whenever the impulse strikes. Often, they do so when prices are down and crowds are thinner. In recent years, their off-season travel has begun to smooth the cyclical downturn typical of the hospitality and travel industry. Seniors will never eliminate seasonality, but they will play a major role in bolstering traditional trough periods in the future.

Referred to as the “Silver Surfers”, Boomers embrace technology when researching their travel and to book trips. However the wealthiest of Boomers prefer one-on-one service from luxury travel experts. A new Pew Research Centre survey revealed that Boomers are the fastest growing group of social networking users of sites like Facebook, LinkedIn, My Space and Twitter. A survey conducted by Princeton Survey Research Associates revealed that social networking site use among Internet users age 65 and older has grown 150% over the past two (2) years, from 13% in April 2009 to 33% in May 2011.

Boomers are also joining forces with disability and senior groups to add muscle to the cause of the increase of accessibility in travel. Retiring 60-somethings have more time to travel, which has increased demand for accessible accommodations. To serve the senior market, hotels, restaurant, cruise lines and other hospitality entities, will have to invest in accommodations suited to their needs. These include door levers, which are better suited than knobs to arthritic hands; grab bars in the bathrooms; amplified telephones; audiovisual paging systems for the hard of hearing; large-type signage; doors that can easily accommodate a wheel chair; and “panic buttons” that summon help in case of a fall or medical emergency. In response to this trend, governments around the globe are formulating strategies and the necessary legislation to make their destinations, products and services accessible to all visitors. Destinations are therefore mobilising to winning market share by offering accessible infrastructure and services to accommodate the growing numbers of seniors and people with disabilities.

The Boomer segment is the most lucrative market of the future. Increasingly, destinations and hospitality businesses are proactively studying this market and seeking ways to capitalize on the growth and prosperity that this market will generate. However, ironically, many destinations, to their own peril, are not specifically targeting or focusing their attention on, or meeting the needs of this very lucrative segment in their marketing and promotional strategies or product and services offerings. Few companies are prepared for the changing age demographic. Many destinations seem to be stuck in the habit of automatically targeting their efforts at the younger generations, especially in their advertising and other visual images, therefore they have failed to accommodate and capitalize upon the aging of their customers. As with all forces for change, ageing presents a challenge and an opportunity. Companies that

analyse the situation correctly and successfully and engage and trade the 50+ market, will be working with a longer living, healthier, lucrative, more demanding and more diverse group of consumers.

3.5.1. Multi-generational/Family Travel

The aging population, the tragedy of 9/11, a contemporary world dominated by 24/7 work schedules and dehumanizing technology are mainly responsible for family travel becoming one of the fastest growing sectors of leisure travel. An ageing population means a changing family structure. The nuclear family, which once comprised parents, children, perhaps grandparents and horizontal relatives such as cousins, aunts and uncles, is being replaced by the vertical family, characterized by up to five co-existing generations, stretching from great-great-grandparents to children.

As a consequence, in future, greater emphasis will be on multi-generational holidays where destinations have to cater for everyone from grandparents to grandchildren. These types of multi-family vacations are becoming increasingly popular, which multiplies the number of people in a single booking that have special requests. This new development has significant implications for all family members especially with regard to the care of children or elderly relatives. For example, grandparents and maybe even great-grand parents may assume responsibility for childcare for extended periods. Grandparents are spending more time with and money on their grandchildren. The niche market of grand travellers is emerging where grandparents and grandchildren will increasingly take holidays together, especially during school holidays when many parents have to work.

Higher incomes but high stress jobs and less free time are changing the way holidays are being taken. It has increased the importance of leisure, recreation and time “away” with family and friends. Even business trips with the whole family are becoming as common as “tag-along” spouses. A recent Virtuoso¹⁸ survey reported that family and multi-generational travel is the biggest emerging travel trend for 2011. Additionally, the survey found that more travellers are including infants and toddlers in their trip planning. Of those booking travel, the top three motives influencing travel choices included: seeking authentic experiences in new destinations; rest and relaxation; and spending time or reconnecting with loved ones – further supporting the reasons for the increased interest in family travel¹⁹. This segment of traveller is likely to want adjacent rooms, multi-room suites, villas, and other conveniences appropriate to families. Additionally, destinations must offer diverse and exciting activities and attractions that would appeal to a variety of age groups.

3.6 Changing values, family structures and work patterns

Besides the aging population, society is changing demographically in other ways as well; higher divorce rates, starting families later in life, second marriages and gay relations are all altering the traditional make-up of the household. The changing configuration of population is highlighted in the rise of single-person households and the changing role of women in society.

Divorce rates are rising dramatically across the globe and increasing numbers of people who are focused on their careers and a busy social life, are delaying marriage and children. More women are educated, entrepreneurial and economically independent. It is these changing attitudes towards marriage and family that are driving the phenomenal growth of single person households. This has resulted in singles travel being one of the fastest growing segments in the industry.

¹⁸ Virtuoso is the luxury travel industry's leading travel network.

¹⁹ Susan Kime, 2011 Luxury Travel Trends Forecast From Virtuoso Luxe Report, <http://www.luxist.com/>, (January 2011)

However, one of the most noticeable trends in tourism is the feminisation of travel. It is estimated that women make 70% of all travel decisions. This trend of single female travel by unmarried and divorced women for leisure or business is already emerging and experiencing rapid growth. There are more female executives who will need to engage in business travel and more single, well-educated, affluent urban-based women who are travelling for leisure and rejuvenation. The lifestyle of many singles aged between twenty-five to forty years, is characterized by a focus on career and a busy social life. Singletons have different needs from other market segments like couples or families. The needs of these single travellers are much higher in terms of specific requirements, safety issues and demand for more challenging and rewarding holidays. Hotels are responding to these solo female travellers by adding safety features like unobtrusive security cameras to ensure safety within the hotel and in car parks, iris-recognition systems that will eventually replace all room keys, avoiding booking single travellers in rooms with adjoining doors, and sending only female staff to deliver room-service orders. They have also developed exciting Girl-Getaway packages and countless tour operator companies have opened like ‘Chicks with Picks’, ‘Adventurous Wench’, etc. to cater to this growing market and their desire for adventurous, rejuvenating and educational travel experiences.

A once neglected segment, hotels in the past that did little to cater to this set, are now offering products and services more appropriate for females. There are now tour operators, website and guidebooks that cater specifically to the female segment. Spa resorts and hotels cater specifically to this market by offering female-only spa, adventure and experiential packages. The preference is usually for adventure holidays, extreme sports or themed vacations involving hobbies such as hiking, surfing, horse-back riding or yoga, as well as spa retreats and exotic luxury getaways. Experiential travel is also popular where they can learn something new and acquire new skills, such as courses on cookery, writing or dance. A plethora of opportunities exist for hospitality businesses or niche travel agents to offer themed mid to luxury holiday packages for this segment.

Changing work patterns have also impacted all segments. In the USA, workers spend more time at work than they did a decade ago. Companies have downsized, often dramatically, leaving more work to be done by fewer people, both in the workplace and also at home. In this high pressure environment, single workers and Double Income No Kids (DINKS) are increasingly desperate for any product that offers to simplify their lives or grant them a taste of luxury. This emphasis on work is one big reason the richest 25% to 50% of the American population has reached zero population growth. They have no time for children and little interest in having large families. Two-career couples especially can afford to eat out often, take frequent short vacations, and buy new cars and other such goods. And they feel they deserve whatever time-savers and outright luxuries they can afford. This is quickly expanding the market for consumer goods and services, travel, and leisure activities.

With changing work practices and traditional work-leisure boundaries blurring, the trend is increasingly towards escapism and indulgence. In these developed countries, further growth of “time poor, cash rich” consumers will entail a higher demand for short-term holidays. Multiple shorter vacations spread throughout the year are replacing the traditional established long breaks because of time constraints and job insecurities. Instead, consumers are adopting a “snacking culture” towards holidays, i.e. sampling lots of experiences rather than one main holiday.

This type of visitor is usually stressed out and time-impooverished and are therefore looking for a wide variety of leisure activities and services that offer relaxation and a means to relieve the stress caused by day-to-day living. No children means that they are more inclined to spend their higher-than-average disposable income on themselves, therefore, they are a very viable target market whose specific needs must be catered for.

Increasingly, people want to capture the experience of a place through relaxation or by overloading their senses with adrenaline-charging activities. Instead of purely recreational, tourists now want holidays that offer physical and mental recharging in short time, before they must return to normal life. They are becoming more interested in self-improvement as part of the tourism experience with an emphasis on health, well-being, education, skill development and cultural appreciation. Some are taking career breaks and doing volunteer work and searching for new, meaningful and truly authentic experiences. This has resulted in the rise of volun-tourism in the least developed countries and wildlife tourism in Africa.

The numbers of time-pressured business travellers (both senior and junior) will continue to increase. This group is aspiring to combine corporate trips with leisure time, to make the most of their limited holiday. The blurring of distinctions between business and leisure time brings new challenges for tourism organisations that are servicing business travellers. A critical factor is the rising expectations of consumers especially time-pressured, affluent consumers - who are demanding greater personalisation and 24/7 access to services. We expect to see airports, hotels and airlines develop more services to help business travellers maximise their time and minimise the inevitable down-time in international travel, by providing more streamlined travel services for corporate travellers.

3.7 Growth in Sustainable and Responsible Tourism

From its humble beginnings as a niche product simply known as “ecotourism”, the concept has rapidly broadened into the global tourism industry’s only acceptable management paradigm and has been taken up on such a massive scale that its reach is now truly global. The main reason for the green management of tourism attaining such high levels of reach is the political and public acceptance of global-scale environmental damage, especially climate change. There has been a dramatic increase globally in the numbers of discerning visitors who are drawn to tourism destinations that demonstrate a higher level of environmental and social consciousness and good corporate citizenship.

This shift to ethical travel and green holidays means that a growing number of travellers are more concerned than ever that the people and sites they visit benefit from their spending, not just the companies at the destination. Travellers are seeking ways in which to give back and as a consequence, pro-poor tourism, eco-tourism, responsible and volun-tourism will continue to grow value in popularity. This trend has gained traction as business leaders like Bill Gates and Warren Buffet and high profile movie stars, entertainers, *et al.*, have drawn attention to the power of philanthropy in resource-poor nations. This market is driven by gap year students and the well educated and affluent post-career traveller (typically over 55 age group) and top executives. While tourists from China and India will still be eager to see Paris, Las Vegas and Orlando, their more experienced peers from Europe and America will be looking for the last few elephants, polar ice caps and coral reefs (before they are gone), and impoverished natives still living by the ways of their ancestors.

Due to this growing trend, environmentally friendly properties and green accommodations are steadily gaining global market share among a new segment of travellers. With the cost of oil being extremely volatile, sustainability and energy efficiency are increasingly being integrated into the planning of new hospitality buildings. Hotels are finding that going green actually saves money and are retrofitting by adopting energy efficient practices resulting in lower operating costs and increased profits. Increasingly, environmentally-friendly green materials and technology are being made mandatory for all newly built developments or renovation projects. Hoteliers are seizing the opportunity to employ green energy strategies from inception as regards design, construction and low carbon technology to Leadership in Energy and Environmental Design (LEED) equivalent standards. Such methods may be marginally more costly, but will reap rewards in terms of future costs and a low carbon policy that will add impact to any PR campaign. For example, one of the biggest technological developments the hotel industry has seen is the building management system (BMS), as it allows hoteliers to turn off heating, air-conditioning and other equipment when guests are out. These developments will also help to comply with stricter government targets and legislation for a reduction in carbon emissions. Governments around the globe have started the process of offering a variety of lower cost financing, tax credits and tax deductions for sustainable development.

In addition to worldwide governmental pressure, it appears likely that the hotel guests of the future will also demand higher green standards of hotels, with eco-tourism credentials attracting many who are looking to help preserve the environment and reduce their carbon footprint. Green travel continues to be an important focus for customers despite difficult economic times. People are looking to bring their green living habits to their travel experience and they are increasingly demanding more sustainable lodging options and responsible environmental practices. By 2015, sustainability will increasingly become the norm and part of consumer expectations. The consumption of goods and services seen as environmentally irresponsible is likely to be challenged by new social norms and will negatively impact stakeholder decision-making from investors through to customers.

Consumers are playing a major role in the transformation of societies towards sustainability. Calls are increasingly being made for eco-conscious sourcing of foods and other supplies. The cornerstone of consumer choice will remain similar to those of the last decade. Price, quality, brand and convenience will continue to drive consumer spending, but sustainability will also play an increasing role in determining consumer preferences long before the point of consumption. While mass tourism in the past was rather producer-driven, the industry today is becoming increasingly consumer-driven. In highly competitive tourism markets, well informed, responsible consumers are increasingly putting pressure on the industry to behave more responsibly²⁰. This emerging new green culture therefore looks set to ensure that hoteliers and chains that take action now will reap the benefits financially in the future.

Green accreditation is no longer a method of attracting a segment of the overall tourism market, i.e., eco-conscious tourists, but is increasingly becoming more about attracting mainstream business. A growing trend is for business tourism, especially business derived from public sector entities, to be policy directed to look for accommodation or convention facilities, for example, that are green accredited. Travellers are now increasingly choosing tour companies and hotels based on their responsible-tourism credentials. Concern about lowering their carbon footprint, has also stimulated a movement towards opting for short-haul or domestic travel, utilizing more fuel efficient railways rather than travelling by air. This will have implications for long haul travel in the future. In air, road and rail travel there has been a significant step-up in both the use of bio-fuels and the willingness to try it. Several global airlines have all utilized bio-fuel powered flights with equal success.

²⁰ UNCSD NGO Steering Sub Committee, Department of Economic and Social Affairs Sustainable Tourism: A Non Governmental Organisation Perspective, 1999, pg. 5.

As the cost of flying increases (whether it is due to increases in the cost of aviation fuel, tax rises or the imposition of emissions trading) and 'carbon guilt' sets in, the 'why' and 'how' of travel is forecasted to become more important. It is being predicted that travel in the future, will be with more of a purpose, with not only the individual's travellers' own needs in mind, but also those of the destination.

3.8 Technological Advances

Rapid technological advances have revolutionized the industry forever. The Internet and the capacity to research and book travel online has had the biggest technological impact on the sector. While travel agents are making a comeback, it is predicted that the tourism sector will increasingly revolve around the internet rather than traditional agents. It is expected that the next decade will see the vast majority of people choose to plan and book family holidays and budget trips “solely through online mediums”. Booking through the internet is more convenient and it allows consumers to find great deals that might not be available at traditional travel agents.

In 2011, social media was at the frontline of tourism marketing activity, leveraging offline events to engage online audiences. Social media encompasses loyalty programmes, bookings, concierge and customer service and the aim is to capitalize on its power and friends/followers' influence to drive bookings and build loyalty. Hotels are rethinking their marketing strategies to reach online audiences in a more personalized and intimate way. Uncertainty, however, remains about how to determine return on investment. The latest travel trends report from Euromonitor International reveals that the prevalence of social media marketing is likely to dominate 2012 with hoteliers and hospitality operators clamoring to develop a social media strategy and embrace the trend²¹.

As a result, *trust* has become the new industry standard upon which travel decisions are based. The opinions of trusted, non-biased consumers carry considerable influence for today's Internet-savvy consumer. According to a Yankelovich study²², 75% of people do not believe that companies tell the truth in advertisements. At the same time, Nielsen research indicates that nine (9) out of ten consumers believe their peers more than they believe corporate messaging. Positive or negative reviews can make or break a brand or destination. As a result, the consistent provision of value for money, high quality products and services and online reputation management has become a modern day business imperative.

As more and more travellers continue to plan, research and book their trips online, destinations will have to retool to take full advantage of this digital revolution. Consumers' growing thirst for technology and the growth in mobile phone usage is taking digital marketing into a new era. Digital marketing has become a major priority for hoteliers around the globe. The main reason for this development is that the process is far more controllable and ultimately digital marketing is the only modern-day and affordable way of having a direct channel to market. Developing this direct distribution channel means that hotels are creating opportunities to own the guest from the outset, but more importantly, they can also capture a better margin by not paying commission to an intermediary. This means that they not having a multi-million dollar marketing budget does not mean that they cannot compete online²³.

Hoteliers are now expected to provide interesting location-based information and rewards for loyalty that can be picked up “on the go” by busy customers. Destinations are therefore realizing the necessity of designing websites which support consumer generated media including blogs, trip planners, guest

²¹ Travel Trends 2012, <http://hotel-industry.co.uk/> (November 2011)

²² The Yankelovich organisation is a leading consumer market research and analytics company in the USA with over 50 years experience in national consumer research.

²³ Digital Marketing: Latest Trends in Digital Marketing, <http://www.hotel-industry.co.uk/> (March 2011)

reviews, experience sharing etc. This new reality will require tourism planners to take a different approach to the way they market and promote their destinations. Travellers are also more reliant on digital content on all phases of the travel cycle and are weighing many types of information as being very important and very influential to their decision making than in times past. Growth was also experienced in the consumption of travel content on mobile devices due to an increase in smart phone adoption and the launch of the iPad, plus additional travel applications and mobile optimized sites.

Another growing trend is Gamification, or the integration of gaming dynamics in non-gaming environments, which started in the US entertainment industry and is now spreading to the travel and tourism industry. By encouraging consumers to join competitions and share their experiences, photos and videos, the trend generates brand awareness and loyalty for travel companies. It works through the offering of points, badges and real-life gifts, with some websites allowing web users to explore the country's attractions, complete challenges and win trips to the desired country²⁴.

Other technological innovations dominating the hospitality sector are smart card technology, eCustomer Relationship Management, in-room product innovations. As a spin-off from the economic recession, the use of videoconferencing increased dramatically in order to reduce the expense of business travel. Green technology, particularly in renewable energy, is quickly becoming the "new normal" in the industry. New generations of aircraft like the Airbus A380 or the "flying fortress", which carries upwards of 555 passengers and Boeing's 77 Dreamliner, as well as research into supersonic aircraft, will transform the tourism and travel industry forever.

3.9 Terrorism, Safety & Health Concerns

Safety and security has always been an indispensable and highly valued commodity within the global travel market, however, it has gained much greater importance in the last two (2) decades. Despite being objectively richer, healthier and safer than previous generations, consumers seem to worry more than ever about personal safety, health and crime. Potential travellers have become much more fearful of travel and more conscious of safety and security issues than in any other period in history. Indeed tourism may be the industry that is the most highly susceptible to crises, which often divert tourism flows away from impacted areas. These crises have manifested themselves in the form of terrorist acts, local wars and civil unrest, natural disasters, and health epidemics and pandemics, where the safety and security of global travellers has decreased significantly.

The prevailing economic volatility has resulted in 2011 being the Year of Global Upheaval, due to widespread civil uprisings in the form of the "Arab Spring" and "Occupy Wall Street", which transformed into an "Occupy Movement" that spread to other major cities across the USA and other countries around the world and turmoil in Greece and other European nations. Terrorism especially disrupts the flow of tourists, changes perceptions of destination brands, creates travel advisories and drives an increasingly regulatory framework. The downturn in travel in the USA following 9/11, demonstrates how the fear of perceived dangers has direct and devastating consequences for travel and tourism.

The horror of tourism disasters, whether they involve kidnapping, suicide bombings, hijacking, or natural disasters can be accessed in real time through the immediacy of international media. Global media reporting is one factor that contributes to the "culture of fear" that sociologists have identified as a

²⁴The Hotel Industry in 2012: Top 5 Emerging Trends, <http://hotel-industry.co.uk/> (January 2012)

defining feature of modern life. This culture of fear has created two contrasting consumer groups, with very different attitudes and purchasing behaviour.

On one end of the continuum, the uncertain and volatile environment caused by recent arbitrary acts of violence by terrorist organizations and civil unrest, have resulted in some travellers preferring to stay close to home and partaking in domestic tourism or choosing to go to only foreign destinations that are perceived as “safe zones” like the Caribbean and that are friendly to “Westerners”. On the other end of the continuum, others have adopted a “whatever will be will be” attitude, continuing to traverse the globe ensuring that they continue to live to the fullest. These groups represent opposite ends of the behavioural spectrum, with most people either falling somewhere in-between, or change groups depending on the circumstances. While there have been sporadic terrorist attacks in Asia, the Middle East and Europe, there has not been a major attack in the West since 9/11, therefore a level of complacency has set in.

Over the past five (5) years, travel and tourism has proved to be one of the most resilient human activities. The speed of recovery after terrorist attacks has become significantly shorter, as if travellers have built up an immunity and are integrating such events into their decision-making processes and are adapting to the new era of global uncertainty. Now, a new kind of threat, posed by existing or potential natural and health disasters, has surfaced and must be addressed. The Japan tsunami, Hurricane Katrina, the Asian earthquake and Iceland volcanic eruption are the kinds of global problems for which the tourism industry and the international community as a whole have to prepare. The importance of health and hygiene within countries and resorts has taken on major importance. Health pandemics like SARS, H1N1 Swine flu, the Avian flu and so forth also have a debilitating impact, albeit temporary and short-term, on global tourism flows. As global travel continues to increase the potential for rapid spread of a disease from one area of the globe to the rest is greatly heightened, as illustrated by SARS and the threat of Avian flu. It is likely that older tourists will be more susceptible to illness from new diseases and as a result may be more cautious about travelling to high-risk areas than younger travellers would be.

The global impact of the HIV/AIDS epidemic could also have a debilitating effect on the tourism industry, as tourists tend to be more liberal while on vacation and casual sexual liaisons often occur, especially with the rise in single travellers. Governments have to ensure that educational and preventative programmes and systems are in place to avert the spread of the disease. This is particularly so for Africa and the Caribbean, which have the highest and second highest prevalence of HIV/AIDS respectively in the world. As the population ages, efficient and high quality healthcare systems are also a crucial determinant in destination choice. Travel companies will therefore need to consider the special requirements of more active, older travellers because even when in good health, they will require more medical support than young tourists.

Crime and harassment against tourists is also a growing problem. The severity of the economic recession has widened the gap between the richest and poorest nations. Nowhere are the extremes of wealth and poverty more evident than in the holiday business, where affluent tourists quite literally rub shoulders with some of the world’s poorest people. The inevitable consequences of such obvious inequality are crime and social unrest, and holiday-makers are often the targets. In many cases tourists are only affected by petty theft, but some regions of the world are becoming increasingly dangerous as a result of violent crimes such as muggings, rape, kidnappings and even murder. The Caribbean, which markets itself as a safe destination, is one such region, where there is increasing concern by travel and hospitality officials within and outside the region that crime against visitors is on the rise.

3.10 Effects of Climate Change

This phenomenon is considered to be the biggest threat that humans will face in the 21st Century, particularly for Small Island Developing States (SIDS). Scientists estimate that the world has entered a “new normalcy” with respect to violent weather patterns, as the effects of extreme weather will be expected to intensify rather than decrease in the future. This will not only have a devastating impact on tourism, but all economic activities, the entire citizenry, national security and all aspects of society will also be impacted.

In recent times, Climate Change has been increasingly responsible for wreaking havoc across the globe in the form of floods of biblical proportions, record droughts and heatwaves, wildfires, hurricanes, tornadoes, landslides, blizzards, volcanic eruptions, tsunamis, earthquakes and disease. The overall economic costs of climate change-related catastrophes are estimated to reach \$150 billion per year by 2015²⁵. Coastal degradation, widespread biodiversity collapse, increasingly warmer winters and summers, extreme weather and the increasing likelihood of tropical disease caused by rising global temperatures, will impact every continent across the globe.

The consequences of global warming, including crop failures and changes in water availability, will lead to mass migration and increased social and political instability, threatening tourism in some of the countries that are most dependent upon it. These dire predictions, have given birth to a new travel trend called “last chance” or “doom” tourism where a growing number of travellers are increasingly seeking to experience the world’s most endangered sites threatened by climate change, such as the Great Barrier Reef, the Everglades of Florida, the ice cap on Mount Kilimanjaro, Antarctica, Manchu Picchu and the Maldives, before they vanish or are irrevocably transformed.

These catastrophic affects of climate change are already having a profound impact on the global tourism industry and the benefits it creates, through loss or degradation of attractions, the costs of adaptation and replacement of capital infrastructure. Extreme weather events are also likely to become more frequent, reducing the tourist season in many destinations, such as those in the Caribbean. Climate will increasingly have a major influence on destination choice. As a result of changing climatic conditions, tourists are likely to entirely avoid some destinations in favour of others or shift the timing of travel to avoid unfavourable climate conditions.

One of the biggest threats to the tourism industry is rising sea levels caused by the rapidly melting polar ice caps, which are predicted to wipe out beaches across the world and threaten coastal amenities such as hotels, golf courses and retail facilities. An analysis by the UNWTO suggests the Mediterranean and the Caribbean could suffer the most from these trends. Thousands of holiday-makers travel from Northern countries like Europe, the UK and the USA to the Mediterranean and the Caribbean every year to escape the unpredictable weather and seek sand, sea and sun. The number of arrivals could gradually slow if beaches coastlines are affected or eroded by rising seas, or increases in summer and winter temperatures reduce the number of visitors looking for a sunny beach holiday. Many destinations will also be forced to change their focus. Several lower Alpine ski resorts are suffering from lack of snow and are already having to either close or place the emphasis more on summer walking holidays.

Coral bleaching, coastal erosion and a rise in sea level will threaten the existence of many traditional low lying diving and beach destinations like the Maldives and the Seychelles. The Caribbean is especially vulnerable to climate change because the region is four (4) times more dependent on tourism than any other region in the world. Extreme weather events are also likely to become more frequent, reducing the tourist season in many destinations, such as those in the Caribbean.

²⁵ World Future Society, *World Trends & Forecasts*, Nov-Dec 2005 Vol. 39, No. 6., p. 13.

In 1987, at the time of the Brundtland report, climate change was not the headline issue that it is today. However, almost 25 years later, no strategy or action plan would be complete without prioritization of this issue. Several global governments are rising to the challenge of climate change and are prominently factoring it into their planning and developmental efforts. The UK passed the UK Climate Change Act in 2008, which was the world’s first legislation to introduce a long-term legally binding framework to tackle the dangers of climate change²⁶. Other jurisdictions are implementing as a matter of national priority, green tourism industries, destination wide carbon emission mitigating policies with energy conservation targets and green hotel classification systems.

3.11 The New Tourist driving a New Tourism

For the first time in history, there are four (4) distinct generations of consumers that dominate the population structure in most developed countries and to which destinations and business are marketing the same product. Common life experiences have created bonds that tie consumers of a generation together into cohorts with similar attitudes, values and life skills that affect everything from how they spend, what they buy or even which destination or hotel they choose. They are:

Table 1: Generational Segmentation

Generational segments	Age	
	2010	2015
Mature/Seniors	> 65	>70
Baby Boomer	45-64	51-69
Generation X	30-44	37-50
Generation Y	< 30	< 36

Source: Deloitte Research, 2009

Across these four (4) categories of generational segmentation, is a modern day traveller that is different from any other time in the history of tourism. They are more sophisticated, informed, educated, individualistic, discriminating and demanding than their predecessors and have more choices than in times past. This new tourist is experienced, more flexible, independent, quality conscious and harder to please, with specific needs that influence their choice of destination. They are also more environmentally and socially conscious, and more aware of the necessity to respect the environment, culture and social life of host communities. They are looking to experience and learn rather than merely stand back and gaze, hence, the increase in popularity of Experiential Travel and Learning Vacations. They are also less likely to be satisfied with sun, sea and sand alone, are more security-concerned and more likely to travel in family/groups. They will expect the travel and hospitality provider to provide an experience that:

- meets their needs;
- is at a quality level that meets or exceeds their expectations; and
- is at a price they are willing to pay.

²⁶ Mintel International Group, *Green Innovations in Tourism – International Travel & Tourism Analyst No.1*, February 2011, pg. 23.

"New tourists" are participators not spectators. In direct contradiction to mass tourism pursuits, adventure, excitement, getting off the beaten track, once in a lifetime experiences and mingling with the locals, are now the foundations of the new tourist experiences. As wealth and education attainment increase, culture becomes more important as a destination driver. Consumers are paying to *do* things, to enjoy purely non-material, intangible experiences, not to *have* things. This trend towards "doing not having" has been termed the "Experience Economy" and is being driven by two particular segments of the affluent society: under-24s and over-55s, both of which have the disposable income and the time to dedicate to the pursuit of leisure.

Today's consumer is seeking to be differentiated by what they have done or where they have been, rather than material wealth or what they buy. The cultural capital of a destination is how consumers talk about a place, whether it is the food, people, scenery, heritage or tranquillity. Their pursuit of individualism will lead them to unusual and new experiences. They will seek out different environments and cultures to provide physical or personal improvement and emotional development. There is now a widespread desire among consumers to be seen as individuals and to express this individuality through the consumption of new and unusual experiences. Instead of spending their money on products that everyone owns such as cars and household goods, consumers now also spend money on things that give them personal enjoyment or fulfilment, no matter how short-lived and transient. They are seeking to acquire the social capital that aspirational brands once provided, through experiences that bring individual emotional benefits.

However, maimed by the prodigious explosion of debt, the overburdened economy is undergoing a painful consolidation and a shift in values and management thinking that is both structural and profound. The slump has "knocked some sense" into people who were over-spending and over-leveraged. Once the cycle is over, it is estimated that the consumer will be more conservative than before. For example, the USA is going through a historic transition from the heedless borrow-and-spend, to one that stresses savings and investment. When the economy recovers, it is anticipated that the country will not simply go back to 'business as usual'. As a result, one noticeable trend is the movement from conspicuous consumption to inconspicuous consumption, especially among wealthy tourists from advanced economies of the world who are well versed with travel. It is being estimated that the consumer may well be in the early stages of a sea change in their spending patterns, where war and recession have accelerated a nascent trend towards prudence.

Unlike past downturns, the global financial crisis of 2008-09 caused the luxury segment to contract sharply due to the fact that the cratering stock market destroyed both retirement assets and general wealth. The pre-recession consumer behaviour was the product of 15 years of uninterrupted prosperity driven by growth in real levels of disposable incomes, low inflation, stable employment and booming property prices. Many customers who had formerly considered themselves to be affluent, were suddenly financially crippled by the crisis. It has become the norm not to parade wealth and success in a deliberate ostentation, but to be more conservative, wiser and discreet. From a tourism perspective, inconspicuous consumption has developed as the Experience Economy has matured from theatre, to the desire for authenticity, where tourists search for deeper and more meaningful experiences. Just as the world moved from a "goods" to a "service" economy, it is now shifting from a "service" to an "experience" economy.

The wealthy have emerged from the worse economic recession since the Great Depression with a new appreciation for a simpler, less materialistic approach to the luxury lifestyle where people express their identity in more subtle ways than in the past. Instead of amassing expensive emblems of success, the super rich are instead lavishing their fortune on such ephemeral things as flights in a MiG jet, private concerts with world renown entertainers, climbing Mount Everest or space travel. The less wealthy are splurging on coffee shops, massages, a ride in a hot-air balloon, a weekend cookery course run by a Michelin-starred chef or walking the Inca trail, instead of upgrading their car or television. They too, are

prizing memories above materialism. The way consumers spend their money is changing, as luxury no longer means having the most expensive things that money can buy, therefore, the affluent are searching elsewhere for fulfilment.

The new “Post Recession Customer” is “pickier” than they were before the financial crisis and are being more careful about what and with whom they spend their hard earned money. They are opting for a new ‘less is more’ approach to life, which means spending more time with family and friends, pursuing a passion and choosing to trade down to less prestigious, but perfectly functional material goods. People are increasingly demanding service excellence and a heightened level of experience, with the pursuit of “good value for money” being the major motivator. Hence the buying cycle has become longer and more complex as consumer hunt for the perfect product. Many travellers are taking advantage of the packages, discounts and perks the travel industry is offering. They are comparison shopping for prices and rates specifically on the internet and holding out until they get the best deal, staying fewer nights and spending less on food, beverage and entertainment. Staycations or resort stays within one’s city or nearby cities and the rise in the all-inclusive segment will also continue to be a preferred option. The desire for quick, short, affordable getaways, or “nano breaks” has spurred the popularity of “flash sales” on the internet and booking opaque hotels.

With increased prosperity, many consumers have reached the last rung on ‘Maslow’s Hierarchy of Needs’, the point of self-actualisation and are therefore beginning to ask themselves, “What is my purpose? How can I get more out of life? How can I give back? As a result, there has been a shift away from materialism to enrichment and personal development. A culture is developing where affluent people want to make the world a better place and that means giving back through charities and foundations and going green in order to have a smaller ‘carbon footprint.’ It seems that the affluent in particular are aspiring back down toward solid, middle-class values, where a renewed level of social consciousness is creating a “we” generation instead of the pre-recession “me” generation. According to Virtuoso, the top five reasons clients were travelling in 2011 were (1) seeking authentic experiences in new destinations (2) rest & relaxation (3) spending time or reconnecting with loved ones (4) personal enrichment (e.g. voluntourism, cultural experience, learning, etc.) (5) discovering new experiences in previously visited (or more familiar) destinations and (6) seeking adventure²⁷.

The UNWTO in its review of tourism market performance for its 2020 Vision Report, revealed that tourists are increasingly attracted to a destination primarily for customised special interest experiences and that these are the amongst the most contemporary tourism trends for the 21st century. In light of this, destinations around the world are reconfiguring their tourism focus and specifically targeting this lucrative demographic. Special interest travellers have some common characteristics, especially the desire to get to know the local culture, the people, to eat local food and to stay in locally owned accommodations. But this demographic also contains sub-segments with primary subject interests or activities ranging from education, history and heritage enthusiasts to arts and culture, soft adventure, nature viewing, agro-tourism, horticulture and cuisine enthusiasts. These special interest visitors are often referred to as niche markets, meaning typically small, yet profitable groups of consumers. The 21st century market can therefore no longer be viewed as some simplistic homogenous whole with general needs, but rather as a set of individuals with specific needs relating to the qualities and features of particular products.

Destinations are adapting to this new demand by diversifying into niche areas, where traditional perceptions of luxury and opulence share the market with wellness and self-fulfilment. The twin goals of individualism and experience will present some interesting challenges for the global travel industry.

²⁷ Susan Kime, 2011 Luxury Travel Trends Forecast From Virtuoso Luxe Report, <http://www.luxist.com/>, (January 2011)

Marketers can expect to see growing demand from European and North American consumers for increasingly specialized holidays that combine unusual experiences and the potential for personal development. Inevitably this will lead to a degree of fragmentation in the holiday market as adventurous travellers, primarily the under-24s and over-55s in Europe, North America and Asia, seek out niche offerings.

Therefore in response to this growing trend towards diversification and customization, destinations must design new specialist product offers from short breaks to adventure family holidays and personal development adventures tailored to the needs of experience seekers to provide them with activities that they are passionate about and willing to spend a considerable amount of money on. While there will be a trend towards diversification and fragmentation driven by affluent tourists seeking specialist offerings, there will still be demand for less-specialized holidays driven by families and individuals with less disposable income. However, even the traditional "rest and relaxation" beach holiday will also need to incorporate educational or cultural elements to meet the new aspirations of 21st century tourists.

As a result, pressure is being increasingly exercised upon the tourism industry and tourism enterprises to develop these types of new products, services and experiences to cater specifically to their needs. To remain competitive, tourism destinations and industry players alike must now adapt by reinventing their tourism industries. Market intelligence, innovation, and customization have become the new imperatives. The most successful businesses in the travel industry are those that are able to respond to the challenge through the investment in and use of new technologies and direct distribution channels, innovative marketing programs, better training and empowerment of staff and by developing a more in-depth knowledge and understanding of the needs of its customers/guests.

4.0 Transforming the Barbados Tourism Industry: “The Fierce Urgency of Now”

Reverend Martin Luther King's famous plea of "the fierce urgency of now", was often quoted by President-Elect Barack Obama during his 2008 Presidential campaign, when describing the importance of Americans realising that they were at a defining moment in their nation's history.

This is the stage at which Barbados now finds itself. Tourism is Barbados' number one industry and the island's greatest hope for economic salvation in the short to medium term, therefore, a non-negotiable approach must now be adopted to ensure that everything is done to bolster and sustain this sector. Barbados must become a destination of choice globally based on the offering of its products, services, rich cultural heritage, affordability and intrinsic value. The Government envisions building tourism as an industry which plays a significant role in the economic advancement of the country, whilst preserving the island's cultural values, ethos and rich natural endowment. The overall objective is to strengthen the institutional framework of the tourism sector and to facilitate environmentally and socially sound tourism investments.

4.1 Adjusting to the 'New Normal'

Barbados and Barbadians need to understand fully the background against which these adjustments are to be made. The global economic recession of 2008, the worst recession since the Great Depression of the 1930's, has not only changed the world forever, but so too the customer. Consequently, the game has changed dramatically with respect to the global tourism industry. The Government understands that any strategies or traditional beliefs and practices that brought success in the past will not necessarily bring success in the future. Whether today's business environment is the “new normal,” or the “not normal,” the old approaches that preceded the recession may no longer be relevant. The rapid changes that are taking place in the global market require a new and innovative approach. A new compass needs to set a new destination and the mission must change to reflect what has transpired over the last few years. To confront these challenges, Barbados therefore has to exercise greater fiscal prudence and become more efficient, more productive and more innovative. It is a prerequisite that stakeholders must begin to think strategically, creatively and ‘out of the box’. This paradigm shift in thinking that is required for tourism to survive and prosper in the “New Normal”, must take place as a matter of urgency.

4.2 Why the Urgency?

Barbados has not been immune to the global economic fall-out and its far reaching repercussions. Therefore, as a catalytic industry, Tourism must be stimulated as one of the most feasible ways to sustain the local economy in order to counteract any economic woes the island may experience. There are several compelling arguments for the prioritization of the urgent transformation of the sector. Chief among these are:

- tourism is the engine of economic growth of the Barbados economy and a major catalyst for wealth creation and poverty reduction. It contributes to job creation, infrastructural development, enhances livelihoods, preserves local communities, acts as a stimulus for economic recovery, improves balance of payments and constitutes an integral part of building a new green economy;

- tourism is the most resilient of all the sectors. Though often crippled over the years by catastrophic exogenous forces, the industry has always overcome and re-emerged, rising like a phoenix from the ashes stronger, better, re-establishing its position as the main foreign exchange earner for the island;
- tourism is Barbados' greatest hope of resuscitating the economy in the short to medium term. The industry can provide the fastest way to create jobs, grow the economy and generate revenue for social services, which benefits all Barbadians;
- tourism can play a lead role in facilitating the development of effective inter-sectoral linkages that can diversify the economy, lower the high import bill and other forms of foreign exchange leakage, create a multiplier effect of revenue throughout the economy, secure employment, involve local communities and bolster local businesses;
- tourism is particularly labour intensive compared to many other sectors of the economy. Most importantly, the sector delivers a wide and well-balanced range of jobs and careers; it creates jobs at every skill level, in both full-time and part-time employment;
- global competition is at its most intense ever. Barbados is in vigorous competition for visitors with nations from as far afield as China, India and Dubai. The world's major super-powers such as the USA, the UK and China, are leveraging the impact of the tourism industry to stimulate and spearhead economic recovery within their respective jurisdictions. Tourism is being viewed as the greatest hope of recovery from the global economic crisis and countries are mobilising and putting tourism centre stage of their national policy development. China recently declared that Travel and Tourism is "a pillar of the economy" that will be factored into all policy and decision making. Three of Barbados' traditional source markets, the U.S.A., the U.K., and Europe are now more actively prospecting for visitor arrivals in the same markets as Barbados and the rest of the Caribbean.

In August 2010, the British Prime Minister, David Cameron declared that tourism, the country's third highest export earner, was fundamental to the rebuilding and balancing of the British economy. For the first time in the country's history, the U.K. Government has appointed a dedicated tourism minister. Until recently, the U.S. was the only developed country without a national travel promotion strategy. In an unprecedented move in March 2010, the USA Federal Government committed to partnering with the private sector to invest up to \$200 million per year for the promotion of the USA as a tourism destination in foreign countries and recently launched 'Brand USA' at the World Travel Market in London in November 2011;

- besides the world's super powers the Governments of numerous destinations around the world have also become more aware of the value of tourism and the tremendous economic benefits that can be gained from the industry. As a consequence, they too are rapidly turning to tourism to salvage their economies. Even countries and territories that have been in recent times torn apart by violent conflict, drug wars or mass genocide such as El Salvador, Angola, Rwanda, Cambodia, Guatemala, Northern Ireland and Columbia, are turning to tourism to help maintain stability and to stimulate their economies and have "laid down their guns and constructed hotels"; and
- this expanding market competitiveness has been compounded by the negative effects of the recession in all the major source markets, an increasing desire of some Governments to tax aviation, and the aggressive promotion of "Staycations" by Barbados' major source markets in a bid to keep vacation expenditure closer to home to bolster local economies.

These developments in the international arena will have serious consequences for Barbados' tourism and are a cause for great concern. They pose a serious threat to the future viability of Barbados' tourism industry with respect to the erosion of the island's market share and competitiveness. If highly diversified economies like the UK, the USA or China have recognized the urgent need to prioritise and stimulate their tourism sectors to achieve economic growth and development, then Barbados must also get its house in order as a matter of urgent priority.

4.3 The Time to Act is Now!

In light of all the challenges currently confronting the island, the relevant action must now be taken to consolidate and capitalize on the island's many areas of strength. However, most importantly, comprehensive analysis must also be taken of the areas in which the island is weak that require immediate attention. Government will therefore be required to assess the ways in which the industry has been managed and developed in the past and a higher level of dynamism in terms of thought and action applied to identify creative and innovative solutions. This Government is confident that the Barbados product can hold its own in the face of such aggressive global competition and is committed to putting the necessary measures in place to transform the Barbados tourism sector in a way that will position it at a competitive advantage and set the country on a path to growth and world-class excellence.

4.4 Leading the Transformation

This Government is sensitive and keen to support the industry as a critical pillar of the Barbados economy and is committed to providing the tourism industry with strong leadership, an inspirational vision and new and relevant priorities within a more dynamic structure. To realise the sector's fullest potential, it has risen to the challenge of formulating a comprehensive strategy, together with the policy instruments, action plans and an enabling investment environment that would support its implementation. It will continue to support the development of the industry through investment promotion and facilitation, prospecting new and emerging markets, securing transportation links, developing the policy and legislative frameworks to support the development of new industry segments, and continued global lobbying for the national interest.

In order to remain viable, there is a need to ensure the sustainability of the industry today. It is therefore the responsibility of this Government, through the Ministry of Tourism (MOT), to begin the process of overhauling the sector for the benefit of all Barbadians. There is an urgent need to stimulate the tourism industry, to grow it in a sustainable manner, and protect it so that present and future generations continue benefit from the industry. Unless these responsible measures are taken today, Barbados can develop the most innovative marketing and product development programmes and initiatives, however, there will not be a tourism industry tomorrow. There must be a strong consensus of the island's leaders and the general public, so that the tourism sector will receive the full support it needs as Barbados' most vital export industry. This is therefore a call to action, not only to the direct stakeholders and beneficiaries of the industry, but to all Barbadians, to play their part in creating a world-class industry that will secure a bright future for the entire country.

This mandate comes as the industry faces the worst slump in modern history, as the sector continues to suffer from a sharp reduction in business activity and disposable income and a rise in unemployment, particularly in key source markets. Global earnings from the sector have been suffering slightly more than arrivals, as consumers trade down, stay closer to home and travel for shorter periods. In spite of the current global challenges, the outlook for world tourism remains exceptionally strong, therefore, this is an

area that this Government will continue to prioritise and invest in as a central contributor to the island's future economic success.

This White Paper will be the national guide to ensuring the sustained growth to the Barbados tourism sector over the next ten to twenty years. Achieving the targets set out in this policy paper will be challenging. It will only be through a comprehensive and integrated effort, that Barbados will be able to realize the full potential of tourism as a bankable growth sector for the 21st century.

4.5 Employing the Principles of Reinvention

Barbados has always been one of the most mature and advanced tourism destinations in the region. The island has earned a reputation of being a leader in the Caribbean, as many of its tourism models have been adopted over the years by several islands in the region. However, the island now has a “tired” and mature product that is in urgent need of reinvention and rejuvenation. In many ways, the industry is still being run on the old tourism sand, sea and sun, tour operator driven model of the 1960's and 70's, however, the industry has changed dramatically since then.

There is now a new tourism, driven by a new tourist, characterized by intense global competition, changing customer tastes and behaviours, rapid technological advances, economic volatility, natural disasters and other external shocks. In order for the island to compete effectively, it must adapt and make the necessary radical changes that are required to transform its tourism sector into one that is relevant and highly competitive.

Even though tourism is already a large and important sector of the Barbados economy, it still has plenty of untapped potential for further development. However, creating and sustaining these higher rates of revenue generation and job creation will not just happen automatically. It will require a lot of hard work and entrepreneurship from the sector itself, and assistance from the Government to remove the structural problems and blockages, which might retard the growth of the sector.

Tourism is the most dynamic industry in the world, therefore, as the lead agency charged with oversight of the sector, the Ministry of Tourism must also be characterized with a corresponding level of dynamism to guide and drive the transformation process. Before this can be achieved, it will call for the Ministry itself being transformed, as a matter of urgent priority, into an institution that is more proactive, aggressive, flexible, responsive, accessible and creative. It will also require that a more effective level of destination management is exercised over the sector.

Over the years, a level of complacency has set in with respect to the pursuit of excellence and other critical national issues. For Barbados to achieve its fullest potential as a tourism destination, it can no longer be complacent with issues pertaining to rising crime, mediocre service or environmental preservation. Therefore, a zero tolerance and non-negotiable approach will be taken to stamp out crime, institutionalise service excellence and mandate the adoption of sustainable and responsible practices.

Barbados is a country blessed with natural assets and a talented and creative people. The island has entrepreneurs, creativity and tremendous levels of education. Barbadians now need to mobilise as a nation and demonstrate a deeper desire to develop the country further and utilise their God given assets and talents to move Barbados to the next level in a way that the creativity is converted into commercial and economic success that enriches the entire nation.

4.6 Transforming Future Challenges into Opportunities

Due to the lingering effects of the economic recession, the Government is fully aware of the numerous economic challenges that lay ahead for Barbados and will be relying heavily on the tourism industry to resurrect the languishing national economy. Strategies that have to be employed to achieve positive growth in the future, include deliberate efforts to improve airlift capacity to the island in order to increase access, sustained marketing and promotion utilizing the best attributes of the country, such as the likes of world renown pop megastar Rihanna and the UNESCO inscription of Historic Bridgetown and its Garrison, improving the tourism infrastructure and the diversification of the product offering.

The uncertainty that will characterise the global economy for the foreseeable future is having a devastating impact on consumer confidence and will require that Barbados adapts to the current conditions in order to mitigate their negative impact. The dynamics of the tourism industry are rapidly changing, creating new challenges for the sector and compelling an effective response.

4.7 Transformational Goals

There is significant potential for further expansion of the global tourism industry in the coming decades. Barbados can benefit from this trend and opportunity, provided that the appropriate conditions and policies are shaped with regard to business environment, infrastructure, facilitation, marketing, and human resources. However, alongside this opportunity, challenges will also arise in terms of maximizing tourism's social and economic benefits, while minimizing negative impacts. As such, it is more important than ever that all tourism development be guided by the principles of sustainable development.

The goal of transforming the Barbados' tourism industry to achieve a competitive advantage and create an industry that is dynamic, cutting edge and innovative, will therefore require an intensive and focused effort that will involve the cooperation and commitment of all the private and public sector entities, as well as civil society. The re-invention of the industry will require the following:

- developing a green economy which will result in a more sustainable, responsible and competitive tourism industry;
- creating new, exciting and authentic niche products and attractions that appeal to the demands and expectations of the new tourist';
- creating an enabling environment to attract new foreign and domestic investment;
- development of a professional, well-trained, passionate, knowledgeable workforce;
- development of a world-class product based on a culture of operational and service excellence;
- development of stronger linkages with key sectors;
- ongoing infrastructural improvement;
- improving research and trend analysis capacity;
- continual adoption of new information and green technologies;
- creation of effective partnerships and collaboration between the private and public sectors, Labour, CBO's, NGOs and civil society;
- development of a crisis resilient industry;
- development of strategic, targeted and creative marketing and promotional strategies and initiatives;

- improve local advertising to enhance awareness of ‘things to do’ on the island that would generate greater visitor spend and enhance visitor satisfaction and brand loyalty;
- maintaining a welcoming, safe, stable, healthy and clean destination;
- development of more creative and sustained tourism awareness and sensitization programmes;
- development of more opportunities for Barbadians to be involved and benefit from the sector; and
- improving the integration between tourism, the environment and the community.

4.8 Tourism Vision for Barbados

The Government is committed to the development of a sustainable, innovative and people-centred tourism industry that is the destination of choice for international and domestic tourists. One of the primary goals of Government will be the creation of a competitive, diversified, year-round, quality tourism industry that offers value for money and enhances the prosperity of all Barbadians. As such, the focus will be on developing a tourism industry that:

- creates as many full-time jobs and extra income opportunities as possible, both directly in and indirectly;
- develops labour-intensive product segments as the main development levers;
- promotes product diversification to develop alternative forms of tourism, which will facilitate the enhancement of linkages and the reduction of leakages;
- achieves growth in market share with a higher yield;
- maintains a pristine physical environment;
- offers an accommodation product which is diverse in its character and of a high quality;
- develops key attractions which entice visitors to Barbados;
- delivers a range of authentic experiences, in a friendly, engaging environment;
- attracts investors and staff of the highest quality;
- demonstrates and delivers continuous product innovation;
- makes a sustained contribution to the development of the economy;
- respects and supports Barbados culture in all its diversity; and
- provides a positive international profile of Barbados.

4.9 Tourism Vision Statement

In an unprecedented move, a Visioning Workshop was convened at the Pommarine Hotel on Wednesday, November 16th, 2011, involving a wide cross-section of tourism stakeholders. The main objectives of the workshop were to obtain consensus on the future development and direction of the sector and to formulate a Vision Statement as the basis for the sustainable and strategic development of the tourism industry on the island.

The Vision Statement for the Tourism Sector in Barbados formulated as a result of the consensus reached by the vast majority of stakeholders is as follows:-

“Delivering an unmatched experience that is truly Barbadian, created by a warm, welcoming, friendly people, ensuring benefits to the entire nation.”

This Vision will provide a clear direction for tourism, a common national goal and will chart the developmental course of the industry going forward. All national policies, strategies, plans, initiatives, programmes and objectives will be formulated and executed with the main purpose of ensuring that this Vision is realised.

4.10 Barbados Tourism Vision 2021

By 2021, the vision is that Barbados will have become a sustainable, competitive, world-class destination with all-year-round tourism, picturesque landscapes, beautiful beaches, pristine waters and protected biodiversity. It will have preserved its heritage, cherished its traditions and proudly showcased them to the world, thus, successfully differentiating its product from the competition. The Barbados Brand will reflect the spirit of the Barbadian people and the memorable and unique experiences they deliver. Barbados would have earned its designation as being an ‘aspirational’ destination, through the alignment of its price point with the high quality of products and services available on the island and lived up to its reputation of being a friendly, safe and clean destination.

Carrying capacity studies would have set the framework for the sustainable development of the tourism industry. The island will be attracting a high-yield customer, as opposed to increasing the number of visitors, which stressed the island’s limited natural resources. There will also be greater spatial balance of the industry, where the rural and the coastal areas will be blended into one integrated high-quality holiday experience.

Barbados will boast a diverse array of internationally competitive, high quality hotels, resorts and other accommodation facilities, which are specialized in their target niche, in line with the prevailing market trends. They meet all the demands to appeal to specific target groups, all year round, offering diversity and high quality to meet the needs and expectations of each individual visitor.

Apart from its remarkable beaches and weather, Barbados will be known for its rich and amazing history and culture, gastronomic local and international cuisine, world-class sporting and entertainment events, festivals, horticulture, genealogy, vibrant communities, natural assets, cultural industries, shopping and sustainable nature based activities, including hiking and biking trails.

The island will offer to visitors a unique, memorable experience and numerous opportunities for meaningful interaction with local communities and immersion in the Barbadian way of life. Whilst the island may never be able to compete with other natural resource rich destinations in the Caribbean, in the area of nature tourism, Barbados will specialise in providing sophisticated health and wellness and nautical, polo and golf facilities, as well as the staging of world-class sporting entertainment and culinary events. The island will be known for its UNESCO World Heritage site, its unique experiential, learning and special interest activities and world-class restaurants. Barbados will be strategically placed to entice high-yield guests and strengthen its international reputation in the delivery of such world-class amenities.

Barbados will have developed a crisis-resilient and diversified economy, with tourism being the lead sector stimulating the growth and development of other key national industries. The strong linkages to the agriculture and fisheries, manufacturing and cultural industries sub-sectors, will have resulted in stemming the flow of millions of dollars in leakage, stimulating the local economy and improving the livelihood of thousands of Barbadians. Fresh, locally sourced produce will abound on restaurant menus and the accommodation sector will showcase high quality, locally-made furnishings, arts, craft and decor. The tourism sector will provide career opportunities for a wider cross-section of local singers, dancers,

musicians, poets, actors, comedians, writers and technicians, which will expose visitors to the rich talent and culture of the Barbadian people.

The diversified tourism product, world-class standards and service quality, offered at competitive prices, will have greatly increased employment, personal income and living standards. At the same time, the strategy for regulating consistent delivery of quality will ensure that the entire industry offers world-class service and products regardless of the class of establishment. Barbados will have become oriented towards mid to up-scale markets, with strictly protected natural and cultural features guaranteeing the appeal of the country and the preservation of resources for future generations. The green economy will be fully implemented and aligned with global sustainable and responsible tourism standards and tourism will have been constantly strengthening its standing as a generator of jobs and taxes, stimulating most other sectors of Barbados economy. The implementation of the green economy and the forging of strong inter-sectoral linkages, will have driven down the Government's high import bill and the operating costs within the sector, resulting in a more affordable and competitive tourism sector.

By 2021, Barbados will have become a sought after destination of choice amongst all competing tourism destinations around the world.

4.11 Introduction

With a limited number of viable options as strong economic drivers, tourism continues to be Government's main thrust for economic and social opportunities and enfranchisement in the Barbadian economy. Notwithstanding this role, it also plays a vital part in protecting, and conserving Barbados' natural and built environmental resources, as well as preserving the cultural heritage and identity for locals and tourists alike.

4.12 Guiding Principles

The tourism industry is made up of a wide cross-section of stakeholders. Therefore, Guiding Principles must be established to ensure that there is synergy in the goals and objectives of these major players, so that a shared vision may be realised with the ultimate goal being the development of a more sustainable and competitive tourism sector.

This policy paper articulates a number of guiding principles that will shape the policy objectives for the sector. The strategy focuses on using Barbados' environment, culture and people as the foundation for building a unique product, and incorporates elements of industry regulation, environmental sustainability, inter-sectoral linkages, human resource development and sector planning.

In essence, these guiding principles and values will act as the bedrock of the tourism industry, by delivering the optimum benefits to the economy, people and communities of Barbados. They will ingrain in each and every Barbadian, the standards and actions necessary to attain the common goals elaborated within this Tourism Policy.

The establishment of the revolutionary approach to tourism development is based on the following guiding principles and values:

- Government will create a sustainable form of tourism that will respect the socio-cultural authenticity of host communities, conserve their built and living cultural heritage and traditional values, and

contribute to inter-cultural understanding and tolerance. Tourism shall contribute to improving the quality of life enjoyed by all Barbadians and engender meaningful participation in the sector bringing about lasting beneficial effects to communities;

- Tourism will target the citizens and communities of Barbados as its primary beneficiaries by providing income generation and employment opportunities and by contributing revenue to government programs that support quality of life, environmental excellence and societal development;
- Government will promote a people-centered industry that places Barbadians at the epicentre of tourism development, by involving them in the decision-making process and creating opportunities for a wider-cross section of society to benefit economically and socially from the sector. Raising their awareness about sustainability issues and promoting sustainable tourism practices among them will also be of paramount importance;
- Government realises that a people centred industry also includes putting the needs and expectations of our guests at the centre of tourism planning, by ensuring a safe, secure and clean environment, service excellence, memorable experiences and proactively responding to changing customer trends, expectations and behaviours. Educating them about the island's vision for sustainability, will also be a priority;
- Government will encourage the enabling environment to promote investment, innovation, transparency and responsiveness;
- Government will recognise the value of workers as partner and respect their contribution whilst creating the environment for optimizing productivity;
- Government will continue to promote sustainable tourism, that is environmentally sound, culturally and socially responsible, and economically viable;
- Tourism will be inclusive and involve people, culture and communities;
- Tourism will contribute to poverty alleviation and involve and benefit local communities through improving livelihoods by stimulating and facilitating entrepreneurial activities;
- Effective community involvement will form the basis of tourism growth;
- Government will create a more effective environment for awareness to educate the public and visitors alike about the benefits and invaluable contribution of the tourism sector to the economy and quality of life of all Barbadians;
- Government will adopt international best practices whilst working towards the attainment of world-class standards to improve service quality and value for money whilst appreciating our cultural norms;
- Government will support the brand elements of safety and security, cleanliness and friendliness;
- In view of the important role that tourism plays in the development of the economy, Government will provide strong political leadership to ensure wide consensus building and informed participation of the relevant stakeholders. There will be greater collaboration and closer partnerships formed between operators in the tourism industry, the unions, the consumer, and the community to promote stronger inter-sectoral linkages;

- Government will support a tourism sector grounded in sound research and analysis to inform strategic decision making, planning for future development, innovation and product diversification;
- Government will support investment in skills development and training to enhance human resource development and capacity building;
- Government will develop a green tourism platform which supports Barbados' transition to the green economy, arising out of the recommendations of the scoping study for the pursuit of the green economy;
- Government will constantly monitor and evaluate any environmental, economic and socio-cultural impacts and implement the requisite preventative or corrective measures on an as needed basis; and
- Government's policy framework will be a dynamic rather than a static tool. It will be assessed and updated on a regular basis to maintain relevance in a volatile global market place and to address critical issues and emerging challenges of concern for the sustainable development of Barbados' tourism.

4.13 Critical Success Factors

For Barbados to achieve its vision for tourism, a number of key conditions must be met. Critical Success Factors (CSFs) represent those actions that must be given special and continual attention to achieve success for the tourism sector. The new tourism policy which is emerging shall emphasize sustainable, people-centred and innovative tourism development and will be premised on the following critical success factors:

- **Sustainable Development:** preserve natural, cultural and social assets for future generations through the implementation of a green economy, carrying capacity studies, human resources development, community involvement and economic diversification, by taking a *quality* as opposed to *quantity* approach to tourism development.
- **Innovation and Competitiveness:** revolutionizing the tourism industry through the creation of a strong culture of creativity, productivity, efficiency, quality, excellence, continuous improvement, entrepreneurship and value for money;
- **Research & Development:** accurate, timely and relevant data will form the basis for strategic decision-making, planning, investment, product development marketing and promotion;
- **Awareness and Sensitization:** to enhance Barbadians' knowledge of the importance of the tourism industry to Barbados' economy and their quality of life;
- **Strengthening Core Brand Elements:** ensuring that measures are put in place to secure Barbados' reputation of being a friendly, clean and safe and secure destination;
- **Market Driven Product Development:** product development will be aligned with market trends and the demands and expectations of the contemporary traveller;
- **Marketing and Promotion:** a more strategic, targeted, creative and integrated approach will be taken, which is research driven and aligned with the needs of the customer and the existing product offering and utilizing the appropriate distribution channels;

- **Strengthen Inter-sectoral Linkages:** diversifying the Barbados economy by reducing leakages and enhancing linkages, to create a greater multiplier effect of the tourism dollar, spur entrepreneurship and provide a differentiated, authentic experience to visitors;
- **Participation and Involvement:** inclusion of stakeholders, especially local communities, at all levels of the tourism development process including policy formulation and planning;
- **Improved incorporation of resources:** better incorporation of natural and cultural heritage resources as part of the tourism product whilst ensuring their preservation and conservation;
- **Favourable Investment Framework:** creation of a favourable investment-friendly and transparent framework to encourage both foreign and local investment;
- **Development of Human Capital:** development of human resources with emphasis on strengthening leadership and innovation capacity, delivering quality and memorable tourism service experiences, whilst filling existing technical and technological skills gaps in the industry;
- **Collaboration:** continued but improved efforts at collaboration at the local, sub-regional, regional and international levels to promote sustainability, improve synergies, pool resources and eliminate redundancies and wastage;
- **Diversification and Differentiation:** development of diversified tourism products e.g. special interest niche markets, which are innovative, technologically and customer driven to complement the Barbados brand, offer value for money and set it apart from competing destinations;
- **Streamlining of key tourism institutions:** to better respond to the planning, strategic marketing, product development, research, visitor and administrative needs of the industry;
- **Regulatory environment:** creation of a regulatory environment which encourages and facilitates innovation and entrepreneurship;
- **Management of Room Stock:** establish Barbados' optimal accommodation mix as well as the quality commensurate to international standards;
- **Standards:** development, promotion and enforcement of standards for all components of the tourism product to ensure an internationally competitive sector; and,
- **Energy Efficiency:** promotion of the benefits of greening initiatives, such as alternate forms of energy, energy efficiency and water conservation and carbon emission credits to ensure the success of the sector and drive down high operating costs to increase competitiveness.

4.14 Targets

The Tourism Master Plan, will provide empirical evidence to determine the optimal carrying capacity for Barbados and will inform the targets to be set in respect of:-

- i. visitor spend;
- ii. optimum mix of repeat and new visitors;
- iii. the total number of both cruise and stay-over arrivals;
- iv. foreign exchange earnings of tourism;

- v. the number of direct employment in the tourism sector; and
- vi. the multiplier effect of tourism throughout the economy in particular the sectors of agriculture, culture, health, manufacturing, sports and international business.

5.0 Review of the Barbados Tourism Industry

Barbados has a very strong history of tourism development, where the sector has been a pillar of the Barbadian economy for well over 100 years. The industry has played a significant role in the island's socio-economic history, from as far back as its early beginning as a fledgling, informal hospitality sector in Bridgetown in the 18th century. After the sugar industry collapsed in the late 1800's, it was the visitor spend from tourism that contributed greatly to keeping the economy afloat during that period of economic hardship in Barbados' history. This era actually witnessed the first small paradigm shift from a plantation economy to a services economy on the island. However, largely ignored by the Government of the day, whose major focus was on attempting to resurrect the ailing sugar industry, it would take at least another hundred years for tourism to assume a position of dominance within the Barbadian economy.

Currently, Barbados boasts one of the most mature tourism products in the Caribbean and it is the leading sector charting economic growth in Barbados. Due to its location in the Eastern Caribbean, Barbados plays a critical role as a hub for a number of major cruise lines and international airlines. The land-based product is of good quality and to a large extent, is more diversified than its Caribbean counterparts. Accommodation ranges from luxury hotels and villas to modest self-catering establishments, apartments and guest houses. The major characteristics of the product are:

- beautiful, white sandy beaches and wonderful, year round climate;
- warm, friendly and hospitable people;
- good accessibility (air and cruise) and airport infrastructure;
- UNESCO world heritage site of Historic Bridgetown and its Garrison;
- modern reliable infrastructure and utilities;
- exclusive appeal as an 'aspirational' destination;
- a variety of water and land based activities including diving and snorkelling;
- world-class eating establishments;
- a vibrant nightlife;
- excellent ground transportation and road networks;
- rich culture, history, and architecture rooted in remarkable landscapes;
- fantastic natural heritage in the form of Scotland District, underground caves, gullies and wetlands;
- the major home-porting hub within the eastern Caribbean for cruise vessels;
- high percentage of repeat visitors;
- diverse range of accommodation facilities – hotels, villas, guesthouses and apartments; and
- duty-free shopping.

Barbados' product is diverse in quality and quantity and includes a number of excellent restaurants, nature attractions, including underground caves and marine parks, historic sites and golf courses. The island has earned the reputation in the market as being an 'aspirational' destination that caters to the high-end tourist. Subsequently, the marketing and promotional strategy adopted by the Barbados Tourism Authority (BTA) in the past has been to primarily target this segment of the market. However, Barbados still has a broad-based appeal to every category of traveller.

This approach has been met with some measure of success in past years, as is evidenced by the fact that the average expenditure by stay-over visitors is among the highest in the Caribbean. However, the current volatile economic environment and increased global competition means that as a high cost, medium-long haul destination, Barbados must ensure it remains competitive by offering a total vacation experience, which is of a superior quality, memorable and consistently offers value for money.

Barbados is one of the oldest cruise destinations in the Caribbean and has become one of the more popular ports of call for cruise vessels. The island's reputation for efficiency, well-trained guides, excellent beaches, friendly and welcoming locals, good land and water based product and good ground transportation is what lends to its appeal as a favoured cruise destination. In addition, the onsite duty-free shopping at the Port in the immediate vicinity of the berth, also adds to the attractiveness of the destination and contributes to its popularity. Barbados is also known for its cruise and stay programme.

The tourism sector is able to draw upon a highly literate, trainable population for its labour force. There are several tertiary and vocational institutions on the island, which provide theoretical and practical development and training to the tourism work force, to equip them with the skills and knowledge they require to function at the required standard. These include the University of the West Indies (UWI), Barbados Community College Hospitality Institute (BCCHI), the Barbados Institute of Management and Productivity (BIMAP) and the Technical and Vocational Education and Training Council (TVET). These institutions offer formal instruction to all levels of the tourism industry, in particular the hospitality sub-sector. In-house training programmes are also offered by several of the properties to enhance service levels, skills and productivity of their staff.

5.1 Economic Impact

Tourism is the main foreign exchange earner and the engine of growth of the Barbados economy. In 2010, the sector contributed 15.1% to the Gross Domestic Product (Accommodation Services and Restaurants)²⁸, approximately US\$1.1 billion in tourism revenues²⁹ and employed approximately 10% of the total workforce or 12,700 people directly³⁰. Indeed, tourism has also become the economic driver for the other sectors in the economy.

Despite signs of moderate growth, the damage caused to the Barbados economy by the long and protracted global economic turmoil, has been very deep and far reaching. The International Monetary Fund (IMF) has projected a weak outlook for Caribbean economies as they continue to struggle with stagnant economies hit by anaemic growth in the USA and Europe, the traditional sources of investment and visitors for many of the region's tourism dependent states. A further slow-down in advanced economies will dampen the recovery and add pressure to an already heavy public debt burden.

As a result, the recovery of the Barbados economy continues to remain weak. By the third quarter of 2010, unemployment stood at 11%, with 1,000 jobs being lost between June and September. During this period the economy experienced growth of 1%, which was less than the 2.4% that has been previously forecast. This was primarily as a result of the volatility in the international economic climate, as the global economy continues to slow down.

The current global recession is projected to continue for an undetermined period of time, with no certainty as to when it will end. The economic crisis of 2008 and even the less dramatic one of 2001, have demonstrated how damaging recessions can be for Barbados, especially when they originate in the USA, the island's main trading partner. Due to the prolonged volatility of the global environment, the future still appears to be very uncertain, as the ever present exogenous factors have the potential to derail any economic recovery in the short, medium or long-term.

While the transition from an agricultural economy to a tourism economy has increased the vulnerability of the Barbados economy, according to the Central Bank Governor, Dr. Delisle Worrell, the sector still

²⁸ Source: Barbados Statistical Service

²⁹ Source: Caribbean Tourism Organisation

³⁰ Source: Barbados Statistical Service

remains the island's greatest hope for economic recovery in the short to medium term. This is due to the fact that the tourism industry is the fastest way to create jobs, and it also presents the Government with the required foreign exchange to fund social services and lower the country's fiscal deficit.

The prolonged global financial and economic crisis, and its attendant substantial decline in personal wealth, presents a formidable threat to the growth in tourist arrivals and in tourism revenues in the foreseeable future. These more challenging and competitive market conditions will make it difficult for destinations, which do not dedicate themselves to creating and maintaining an attractive tourism product, to succeed in any meaningful way.

Due to its critical role in the economic survival of Barbados, the quality of tourism industry must therefore be enhanced as a matter of priority to ensure the development of a more competitive, innovative, crisis resilient, year-round sector that consistently offers value for money. There must now be an emphasis on sustainable development, product diversification and targeting lucrative, high-yield markets.

5.2 Visitor Arrivals

The global financial crisis, particularly in the USA and UK economies, was the major contributing factor for the steady fall-off of total long stay arrivals to Barbados between 2007 and 2010. Arrivals fell from 572,937 in 2007 to 519,517 in 2010, with the biggest decrease of 6.5% occurring between 2008/2009 (See Table 2 and Chart 1). Arrivals from the major source markets of the US and the UK experienced consistent declines during the period 2008-2010. Indications are that a weakening of the economic position of international households may have caused some substitution from outbound to domestic tourism – the UK and USA “Staycation” impact and a reduction in average length of stay and expenditure by visitors, as they attempt to bring tourism expenditure in line with economic activity³¹.

On the contrary, the Canadian market experienced steady year-over-year growth during that same period of economic turbulence. This growth can be attributed to the BTA's aggressive marketing campaign and the advent of WestJet airlines as a cheaper alternative to legacy carrier Air Canada. This was a strategic position taken to address the fall-out of the UK and USA economies and to capitalize on the strength of the Canadian market, which was more resilient in withstanding the shocks of the global financial crises. Growing the Canadian market to achieve similar visitor arrivals of the fruitful 1970's and 80's when Canada was Barbados's top producing market is a major priority of the BTA. The European market remained relatively consistent during this period. However for the first quarter of 2011, the German market experienced an increase of 29.7% and Other Europe increased by 16.8%. These increases can be attributed to a more aggressive marketing approach being employed in European market. Conversely and most notable, during the period 2007 to 2010, the Caribbean market experienced a precipitous plunge in numbers from a high of 117, 469 in 2006 to 86,182 in 2010.

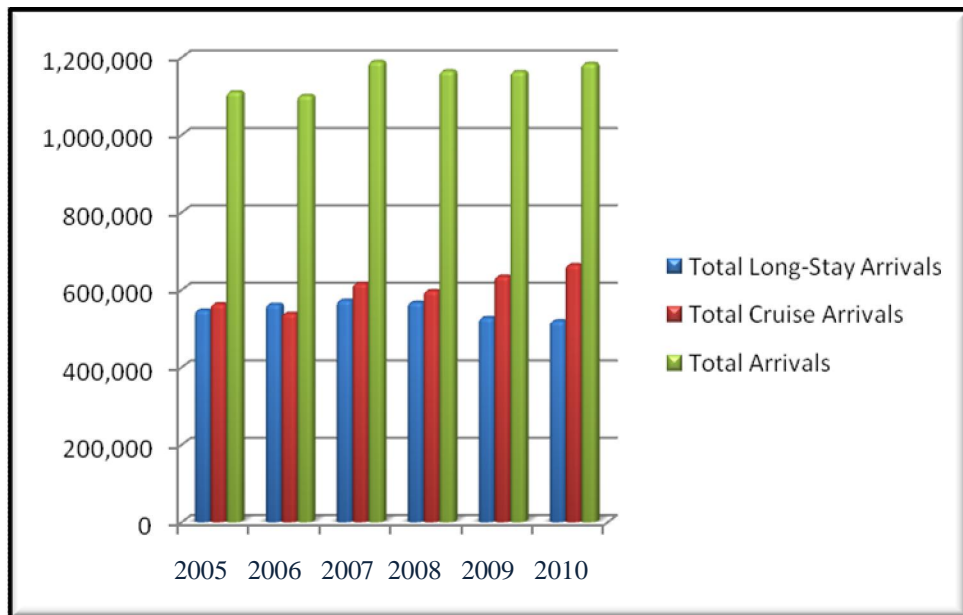
³¹ Allan Wright, A Note on Tourism Expenditure Central Bank of Barbados, Economic Review *Volume XXXVII, Issues 4*, pg.8

Table 2: Visitor Arrivals by Source/Year

Year	2005 ^R	2006	2007 ^R	2008 ^P	2009 ^P	2010 ^P	Total
USA	131,005	130,767	133,767	133,519	131,759	122,306	783,123
Canada	47,690	49,198	52,981	57,335	63,751	72,351	343,306
U.K.	202,765	211,523	223,575	219,953	190,632	181,054	1,229,502
Europe	26,852	29,400	27,058	31,825	30,072	31,222	176,429
Caribbean	114,775	117,469	99,383	100,639	88,771	86,182	607,219
Other	24,447	24,201	36,421	26,120	23,032	26,402	160,623
Total Long-Stay Arrivals	547,534	562,558	572,937	567,667	528,017	519,517	3,301,440
Total Cruise Arrivals	563,588	539,092	616,354	597,523	635,212	664,747	3,616,516
Total Arrivals	1,111,122	1,101,650	1,189,291	1,165,190	1,163,229	1,184,264	6,917,956

Notes: ^P= Provisional ^R= Revised
 Source: Barbados Statistical Service

Figure 1: Visitor Arrivals 2005-2010

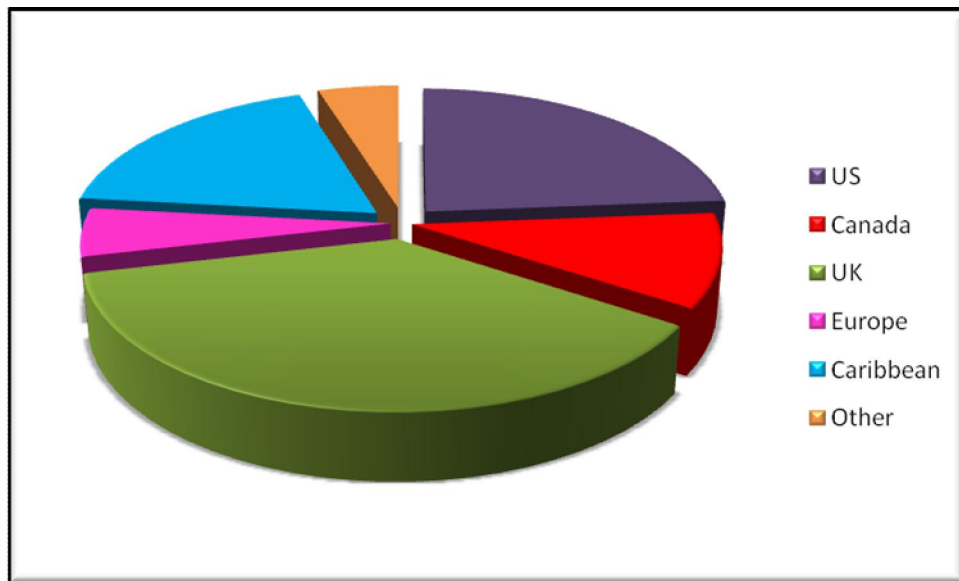


The four (4) principal source markets for stay-over visitors are the UK, USA, the Caribbean and Canada (see Chart 2). However, as the economies in Barbados' major source markets, the USA and the UK, continue to struggle with the ongoing economic crisis, Barbados needs to re-double its efforts to tap into recession-resilient, high-yield segments and source markets and seek to stimulate regional travel to balance the fallout in international arrivals.

While long stay arrivals to the island experienced a dramatic decline, cruise arrivals, while experiencing a fall off from 616,354 in 2007 to 597,523 in 2008, rebounded strongly in 2009 and by 2010 had climbed to a high of 664,747 arrivals.

Barbados' stay-over tourist arrivals from January to October in 2011, were 465 275. This represented an increase of 7.2% over the corresponding period in 2010. Cruise passenger arrivals for the same period increased by 3,483, for a total of 463,663.

Figure 2: Tourist Arrivals by Major Source Market



5.3 Estimates of Visitor Expenditure

According to the Caribbean Tourism Organisation (CTO), tourist arrivals to the Caribbean region are surging. These rising numbers are being attributed to more cruise ships and flights to the region, and people taking trips they had postponed for a few years because of the economic crisis. However, though a positive development, this increase in arrivals is not converting into increased revenue, due to the fact that when they get to their destination, tourists are not able to afford much and as a result, are spending less. CTO figures reveal that in 2010, tourists across the Caribbean spent \$22.3 billion, compared with a record \$27 billion spent in 2007. The biggest drop in expenditures in the last decade was reported in 2002, with \$18.9 billion spent.

Some tourists who can afford it are prepared to splurge and enjoy themselves, particularly within the Boomer segment, but it had better be worth it. However, generally travellers to the region, like elsewhere around the world, are demanding cheaper prices and scrutinizing deals before making purchases. Every category of tourist is being very picky and demanding value for money.

According to Mr. Winfield Griffith, Research Director for the Caribbean Tourism Organisation, spending is tight amid the ongoing economic crisis, and tourists are cutting back on transportation, food and entertainment. The present trend is that visitors, especially repeat ones, are increasingly choosing to board public buses instead of hailing taxis to visit popular attractions, and they are buying food and liquor at supermarkets instead of eating out. In Barbados, for example, visitors can pay \$2 to travel by public transport to go anywhere in the country, while to go around the island by taxi would cost in the region of \$150. Tourists are also booking outings through small, local operators instead of relying on hotels or buying pricey packages³².

Tourism expenditure levels in Barbados are a reflection of what has been occurring across the region. Visitor spend has experienced marginal growth during the period 2005-2008. However, the economic recession of 2008 caused declines in expenditure in 2009 and 2010, due to the fact that, in line with global trends, visitors are taking shorter vacations and have less disposable income to spend whilst on holiday. Reported in the Central Bank's June 2011 Press Release, is the troubling news that tourists vacationing on the island spent less (approximately 13%) in the January to March period of 2011 when compared to the first quarter of 2010. Total arrivals in the same period of 2011 grew by 5.8%, with the greatest increases coming from Europe (United Kingdom 13.5 %, Germany 30.6% and other Europe 12.5%) and the United States of America (USA) with 3.1%. Nevertheless, long-stay expenditure of visitors from the USA, Canada and the United Kingdom declined by 22%, 17% and 12%, respectively³³.

UK arrivals by county between January – May 2011, depicted that arrivals were declining in areas such as Greater London, Essex, Sussex, Kent, Hampshire and Hertfordshire, even as growth was coming from other non-traditional areas such as Derbyshire, Devon, Durham, Norfolk and Northumberland. Further analysis highlighted that the visitors from the traditional areas have a higher gross disposable household income per head (GDHI) when compared to the other regions that are currently seeing an increase in tourist arrivals. This is what accounted for the fall in expenditure within the tourism industry as anecdotal evidence suggests that higher income consumers are usually significant spenders and contribute substantial amounts to overall tourism value added and expenditure³⁴.

Interestingly, in 2009 and 2010, while overall stay-over expenditure decreased, there was a corresponding increase in cruise expenditure to the island. This increase can partly be attributed to that fact that this sector became a more viable option for travellers with respect to the higher value for money proposition.

The UK market experienced reasonable growth in arrivals until 2007. However, the fallout from the economic recession had a severely debilitating impact on the British economy. This combined with the Air Passenger Duty (APD) tax resulted in a precipitous decline in tourist arrivals from this market. Notwithstanding, the UK market was still able to remain Barbados' number one source market in terms of visitor spend. The Canadian market experienced an increase in arrivals, as well as a corresponding increase in its expenditure.

³² Associated Press, More Tourists Head to the Caribbean but Spend Less, <http://www.cbsnews.com/>, (November 2011).

³³ Allan Wright, A Note on Tourism Expenditure Central Bank of Barbados, *Economic Review Volume XXXVII, Issues 4, pg.5*

³⁴ Allan Wright, A Note on Tourism Expenditure Central Bank of Barbados, *Economic Review Volume XXXVII, Issues 4, pg.6*

Table 3: Estimated Total Expenditure by Tourism Segment
(US\$000)

Year	Long-stay	Cruise Passenger	Total Expenditure
2005	851,338	36,189.0	887,527.0
2006	1,017,098	31,938.1	1,049,036.1
2007	1,145,721	32,978.0	1,178,699.0
2008	1,141,502	31,950.7	1,173,452.7
2009	1,023,485	33,650.0	1,057,135.0
2010	996,408	39,193.9	1,035,601.9

Source: Barbados Statistical Service

Table 4: Estimated Total Expenditure by Country of Residence – Stay-Over 2006-2009

Source Market	2006	2007	2008	2009
US	226,493,304	231,712,766	217,029,195	203,121,761
Canada	87,955,267	93,872,923	103,730,316	116,282,432
UK	450,921,425	548,996,229	554,232,428	452,680,554
Europe	63,562,022	56,248,748	72,581,056	70,869,695
Caribbean	140,638,536	147,268,310	149,036,092	133,539,564
Other	47,527,328	67,193,199	45,060,312	46,990,418
Total	1,017,098,182	1,145,292,174	1,141,669,399	1,023,484,424

Source: Barbados Statistical Service

There are many factors that are contributing to lower visitor expenditure in Barbados:

- shorter length of stay;
- low visitor expenditure per day;
- lack of information on product range and diversity; and,
- uncoordinated visitor servicing after arrival in Barbados

While shorter stays and decreased expenditure can be attributed to the economic recession, Barbados has to do a better job in expanding the choice of activities and attractions and improving the promotional efforts to tourists while they are on-island. Despite the global recession, there is still a lot of demand for travel services in the market place for destinations that are aggressive and innovative enough to capture it. The WTO reports the following countries as being the top ten biggest spenders on international tourism for the year 2010:

Table 5: International Tourism Expenditure Receipts from Top 10 Countries

(US \$ billions)			
Rank	Country	Regional Market	International Tourism Expenditures
1	Germany	Europe	77.7
2	United States	North America	75.5
3	China	Asia	54.9
4	United Kingdom	Europe	48.6
5	France	Europe	39.4
6	Canada	North America	29.5
7	Japan	Asia	27.9
8	Italy	Europe	27.1
9	Russia	Europe	26.5
10	Australia	Oceania	22.5

Source: World Trade Organization 2011

At least seven (7) of these top ten countries that have the highest international tourism expenditure are source markets that are targeted by Barbados. This means that a better job has to be done at attracting and retaining the high-yield travellers from these markets. An immediate programme of product development and marketing, designed to lengthen stay and increase expenditure must be formulated to capitalize on every opportunity presented to generate enhanced levels of tourism revenue.

5.4 Accommodation

The accommodation plant in Barbados comprises approximately 65 hotels, 76 apartments, and 18 guesthouses. The Green Paper for Sustainable Tourism Development projected back in 2001 that by 2009, there would be 9,400 hotel rooms in Barbados. However, the island has fallen dramatically short of the projections that were envisioned for the industry over the last ten years. By the end of 2010, there were only 5,750 hotel rooms in total, and 2,500 villa rooms. The island also has a Home Accommodation sector, which adds to the total room stock.

The hotels continue to dominate the accommodation available on the south coast, with villas having overtaken the market share on the west coast in recent years. Over the years, the ability to attract major international hotel brands has continued to elude the island. Besides the construction of the Courtyard Marriott in 2010, there have not been any major investments in the island for over five (5) years. In 2009, there were five new hotel projects in planning or under construction however, the global economic recession caused several of these major projects in the pipeline, like the Four Seasons and Beachlands to cease operations. The tough economic environment and other issues are also taking their toll on the local industry and some hotels on the south coast are facing challenges that threaten their survival in the short to medium term³⁵.

³⁵ This was reported by the President of the BHTA in his interim quarterly report at the Fourth Quarterly General Meeting at the Hilton Hotel on December 14, 2011.

The lack of new investment has generally resulted in the current product being tired and dated, lacking in modern technological amenities and facilities and in urgent need of refurbishment. The quality of the hotel sector will be critical if Barbados wants to maintain and justify its status as a high-end destination, therefore the importance of rejuvenating this sector cannot be understated. Upgrading the current hotel plant and attracting investment in accommodation of four (4) and five (5) star quality, preferably international brand name hotels, therefore has to be a priority for the industry, which is presently dominated by accommodation which, in many cases, is not up to the required standard.

Newer, more modern and/or renovated properties such the Crane, Tamarind, Oceans 2 and the burgeoning villa segment are attracting the bulk of visitors looking for quality accommodation. The increase in demand for villas is in line with current global trends, which indicate a growing preference for this type of accommodation. This segment is rapidly becoming the preferred accommodation of choice for visitors, especially for the family market, due to the fact that it is deemed to be more convenient and offers a superior level of accommodation and value for money. Another major component is the excellent, personalized service provided by the Barbadian staff and the genuine and lasting relationships that are forged between the two groups. The all-inclusive properties are also receiving high patronage from the increasing number of visitors looking for a packaged vacation to save money and receive the reassurance of costs up front.

5.5 Restaurants

Over the years Barbados has earned the reputation of being the Culinary Capital of the Caribbean. This has been attributed to the numerous world-class eating establishments on the island, led by the Cliff, which is the flagship restaurant that has placed Barbados on the culinary world map. The island offers diverse and eclectic culinary experiences, in settings that range from elegant chic, to casual beachside bistros, roadside barbeques and community Fish-Fries, such as Oistins and Moontown.

In the past five (5) years several establishments have closed. However, they have been re-opened as new restaurants and therefore Tapas, Naru, Nishi, Waterside and Cin Cin have recently been added to the island's exceptional dining scene.

5.6 Attractions

Barbados prides itself on the wide diversity of its land and water-based attractions and activities. There are currently 18 attractions marketed by the Barbados Hotel and Tourism Association (BHATA) on the island, which consist of primarily soft adventure and cultural activities and built heritage and natural assets. These include, but are not limited to, activities and attractions such as motorised and non-motorised water-sports, the Island Safari, horse-back riding, swimming with the turtles and the Aerial Trek (Zipline), twelve museums, Plantation Great Houses, Historic Churches, the UNESCO inscribed Historic Bridgetown and its Garrison, Harrison's Cave, Atlantis Submarine, Bathsheba, Orchid World, Welchman Hall Gully and the recent addition of the return of the popular Jolly Roger Cruises.

However, the product offering has suffered from the lack of continuous improvement, due to the fact that there are fewer attractions in existence on the island, now than they were five to ten years ago. Over that period, the island has witnessed the demise of Graeme Hall Nature Sanctuary, Ocean Park, Bajan Helicopters, Mini Golf, All Terrain Vehicles (ATV) tours, Rhino Riders, Power Snorkel, Oughterson Zoo and most recently, the Harbour Master Cruises. This means that the product offering with respect to

attractions has not just stagnated, rather, it is regressing. The island is particularly weak in the area of attractions and activities that cater to the family market.

A major point of competitive advantage for Barbados is that the island boasts a vibrant nightlife, even though many of the night spots on the island have closed over the years. Iconic clubs such as the Belair, the Pepperpot, the Apple Experience, the Rendezvous Room, the Unicorn, the Warehouse, Pier 29, Club Miliki, the Odyssey and Baku are no longer in existence. More recently, within the last several years, a number of the island's nightclubs, bars and hotspots such as the After Dark, Club Extreme, the Ship Inn, the Red Rooster, Shooters, Bump and Wine, Pravda and Pablo Dante's have also closed.

St. Lawrence Gap is the "mecca" of nightlife on the island. McBride's and the Reggae Lounge are the only two (2) original "clubs" on the strip that still remain open and are very popular. "Sugar" nightclub, (formerly the Ship Inn), has recently opened in the area and so too has "Lip Gloss", (formerly the After Dark nightclub). The former "Red Rooster" has reopened as the Blue Room and Bump and Wine has reopened as The Swing Bridge. Copa is also a recent addition to the nightlife scene, as well as Priva, a lounge club in First Street, St. James. Restaurants/bars like Tapas and Cafe Sol and Sports bars like Bert's Bar and Bubba's are also very popular and so too are the Mews and Lexy Piano Bar in Second Street, as well as the Limegrove Lifestyle Centre, amongst certain segments of travellers. The Plantation Theatre continues to put on performances two (2) nights a week. The Harbour Lights is one the longest surviving nightlife establishments on the island. The recent closure of several of these establishments is a worrisome trend, however, the re-opening of formerly closed businesses and the launch of new concerns, is a positive development for the industry.

Comparatively speaking, Barbados still has a much more active nightlife than many of its Caribbean competitors. However, other than bars and nightclubs, there is still some room for improvement in the area of other forms of after dinner activities or entertainment, especially during the week, for the younger Gen X or Gen Y segments, specifically Brazilian tourists who may be seeking it. A more effective job also needs to be done advertising the activities that are currently available. Barbados also currently does not have a theatre to cater to the older, more sophisticated traveller. The Government's plans to renovate the Empire Theatre, will contribute greatly to filling this gap in the entertainment scene on the island.

Holistically speaking, these overall developments do not augur well for the island, as research shows that "things to do" and an exciting array of choices is one of the most influential factors for visitors when selecting a destination³⁶. This is particularly relevant for a destination like Barbados, which has high repeat long stay and cruise ship visitors. New and exciting products and services that are aligned with the needs and expectations of the discerning traveller will go a long way towards achieving competitiveness, as well as the desired levels of customer loyalty, cruise conversion and stimulating positive word of mouth.

This prevailing situation is therefore a clear indication that the national focus needs to be on developing existing focal products, sites, attractions and services in each sub-sector to ensure the current gaps are filled. This will also entail identifying any lesser known or potential attractions that are being overshadowed or under sold compared with the mainstream, well-known attractions.

5.7 Air Access

The Grantley Adams International Airport (GAIA) is one of the best airports in the Eastern Caribbean and is ranked third in the Latin America and the Caribbean Region in terms of its Airport Service Quality. The

³⁶ Charlie Leocha, Demand for Mobile Travel Content has Doubled in the Last Year, <http://www.consumertraveller.com> (May 2011)

island also has to compete with destinations such as Jamaica, where airlines out of the USA and Canada have lower operational costs due to shorter sector lengths.

Notwithstanding this, the island's strategic geographic location has enabled GAIA to develop a hub for a number of trans-Atlantic flights. Connecting services to other Caribbean destinations are provided by two (2) regional airlines LIAT and Caribbean Airlines. In 2011, Barbados has also added REDJET as a low cost carrier (LLC) to its Caribbean itinerary, which is expected to stimulate regional travel to the island. Currently, it flies non-stop to Guyana, St. Lucia, Trinidad, and Jamaica.

Barbados has focused not only on scheduled operators, but also on attracting several chartered flights to the island. Scheduled air services to Barbados are provided by some of the major international airlines including:

- from UK Gateways: British Airways and Virgin Atlantic
- from North American Gateways: American Airlines, Air Canada, Jet Blue, US Airways,
- from South American Gateways: GOL
- from Germany: Condor charters during peak season
- from Sweden and Scandinavia: TUI Nordic during peak season
- from Canada: Air Transat luxury charter during peak season

The BTA has worked diligently to attract airlift from new markets such as Brazil and Scandinavia and additional airlift from US gateways such as Dallas. The issue of airlift will continue to be critical to the sustainability of the island's tourism industry.

5.8 Cruise Tourism

The cruise industry is on the rise on a global scale and new markets are starting up all over. In 2010, 15 million passengers took a holiday on a cruise ship, 11.1 million of which came from North America. The massive growth potential of this industry has led to 12 new ships being built and making their debuts in 2010, with a passenger capacity of up to 5,300. This boom is expected to continue into the 2020's due mainly to the demographics favouring the industry³⁷.

During the calendar year 2010, a total of 664,747 cruise passengers visited Barbados, which represented an increase of 4.6% or 29,535 more arrivals when compared to the corresponding period of 2009. At this time there were 69 less cruise calls to the Bridgetown Port, as a total of 391 calls were recorded.

Even though there were fewer vessels in 2010 than 2009, there were just over 1,500 more cruise passengers. This is clearly a result of larger vessels sailing into Barbados. Significantly, stay-over cruise passengers numbered 3,468 in 2010, which were 451 or 14.9% higher than in 2009. The island continued to experience growth in 2011 with an 8.5% increase being registered between January and September.

While cruise tourism makes a significant economic contribution to Caribbean economies (and this is likely to increase in both absolute and relative terms), regional destinations need to balance cruise tourism development with that of their land-based tourism (which, in every case, makes a larger economic contribution), and decide on the most appropriate mix to ensure that maximum benefits to the economy are derived.

³⁷ "Industry Globally on the Rise", <http://www.tourism-review.com/> (January 2012)

Cruise for sometime has been the “sleeping giant” within the Barbados economy. The fact that the oversight of this sector is under the purview of the Ministry of International Business and International Transport, while the marketing and promotion is undertaken by the BTA, means that a fragmented approach is currently being taken to the development of this sector. When compared to land-based tourism, inadequate attention has been paid to development of the cruise industry, due to the lack of a sustained focus of the relevant authorities over the years to charter a policy for cruise tourism in Barbados. This has prevented the cruise industry from reaching its full potential and contributing to the enhancement of the sustainability of the tourism sector.

In addition, competition is fierce from emerging or existing markets such as the Mediterranean, North and South America, the Western Caribbean, Europe, South East Asia and Cuba (once this market opens). Barbados will also lose a projected 26,000 passengers by October 2012 as a result of major cruise lines shifting their itineraries and repositioning their boats from the Caribbean Sea, particularly to European waters, due to higher yield markets and also because the vessels are taking advantage of shorter distances to achieve fuel efficiency. The cruise lines have also been calling on the region to enhance, refresh and differentiate their tourism products in order to remain attractive and competitive to cruise tourists, many of whom are repeat visitors. As a consequence, increasingly, the fewest possible amount of ships are being kept in the Caribbean waters, particularly during the summer months.

Additionally, the existing facilities at the Port are also in urgent need of upgrade. Attention also needs to be paid to (i) improving the aesthetics of the port ‘welcome’; (ii) the scheduling conflict between cargo and cruise; (iii) the lack of diversity of retail offerings; (iv) poor marketing of some tourist attractions; (v) “tired” attraction packages; (vi) poor service delivery; and (vii) relatively high operating costs in Barbados³⁸.

Due to the configuration of the Caribbean cruise industry, it is not surprising that maintaining market share and growth patterns, while ensuring that the sector does not negatively affect the resources that sustain it, is a major challenge. Destinations need to work with cruise officials to arrest declining market shares and to put strategies in place to mitigate the impact of the trend towards larger ships (and the resulting pressure on existing port facilities), as well as implementing, in partnership with FCCA, new programmes to convert cruise visitors to stay-over tourists and to increase the regional sourcing of supplies, services and employment.

Adam Dunlop of the Caribbean Regional Negotiating Machinery (CRNM), in his discussion of tourism negotiation issues for the General Agreement on the Trade in Services (GATS) in 2003, recommended that the region should develop a regional policy towards cruise ship tourism with as objectives: “*to increase the collective bargaining power of destinations in the negotiations with cruise ships and maximise on-shore expenditures by cruise ship passengers, establish environmental standards for cruise operations, and mechanisms to increase the benefits of cruise activities to national economies.*”³⁹ To date, these still have not materialized.

Cruise vessels berth at the Bridgetown Port and it is currently the home porting hub for 17 vessels. This is a major area of focus for the Government. The cruise tourism segment in Barbados plays a vital role in contributing to the overall tourism market. Consumers are now increasingly moving towards cruise tourism, based on the fact that cruises are perceived to offer better value for money, as well as a high level

³⁸ Excerpt taken from the SWOT Analysis on the cruise industry in the “Barbados Draft Cruise Tourism Development Strategy 2011”, which was formulated by the Cruise Tourism Task Force.

³⁹ Adam Dunlop, “Tourism Services Negotiation Issues: Implications for Caribbean Countries”, Caribbean Council for the Caribbean Regional Negotiating Machinery.

of personalized service and memorable and diverse experiences. The cruise ship can be seen as a destination in itself.

The new cruise ship pier facilities being undertaken by the Barbados Port Authority (BPA) are anticipated to be the turning point for Barbados as a top cruise destination. Additionally, the BTA developed a new cruise brand for Barbados in 2011, to more effectively differentiate the Barbados cruise niche from the competition. A new logo has been created as well as a quarterly newsletter which highlights industry updates and input from local cruise partners. In a bid to establish Barbados as the premier cruise destination in the Caribbean, the BTA is also working together with key top travel agents across North America and Europe to arrest declining market shares and increase Brand awareness. One of the main objectives behind these new initiatives is to increase the average spend per cruise visitor from US\$68 to in excess of US\$100 in the short term.

Closer working relationships will be fostered with on-the-ground services and retailers to ensure that opportunities are maximized to entice better spend. The existing cruise website will be enhanced and there will be more media exposure for the cruise niche. Measures will also be continued to convert cruise visitors to stay over tourists and to increase the local sourcing of supplies, services and employment opportunities for Barbadians within the cruise sector.

The Cruise Tourism Task Force (CTTF), which was first established in 1993, was reconstituted in July 2010. This body is charged with overseeing the development and management of a cruise tourism strategy and to deal with cruise tourism matters from an inter-agency perspective, including advising on the policies necessary for the sustainable development of cruise tourism. The CTTF consists of representatives of over twenty-five public and private sector agencies and associations, which are deemed critical to the successful and sustainable development of Barbados' cruise tourism sector. A Draft Barbados Cruise Tourism Development Strategy has been crafted by the Task Force and is currently awaiting Government's approval for implementation.

5.9 Telecommunications

Barbados has a modern digital telephone system that links it beyond its shores via satellite and submarine cable, provided by Cable & Wireless LIME. Currently, there are two (2) major mobile providers – Digicel and LIME. Both of these mobile carriers are seeking to upgrade their mobile services to 4G to provide faster service to customers. Internet service providers supply access to the World Wide Web and most hotels now offer reservation services via e-mail and several maintain their own web sites. A major national initiative is underway to make Barbados the world's first totally WiFi destination by November 2011.

Barbados' high quality telecommunications infrastructure puts Barbados at a competitive advantage and makes the island a premier centre for International Business. This enhances the potential for strengthening linkages between the tourism industry and this sector, as well as enhancing the Meetings, Incentives, Conference and Events (MICE) niche markets.

5.10 Legislative and Regulatory Framework of Barbados Tourism Sector

Barbados' tourism industry is governed by a number of pieces of legislation. This legal framework seeks to establish the operating framework for the industry in terms of incentives, institutional framework, accommodation, health and environmental standards, and for travel and related services. Though this framework has served the industry well in the past, most of the existing legislation is dated and needs to be updated to govern the *modus operandi* of the sector. The Government recognizes that a relevant and current legislative framework is necessary for the sector to operate more effectively and to ensure a more

sustainable and competitive industry going forward. As such, the Government, through the Commonwealth Secretariat, is seeking to revise the Tourism Development Act, as well as the Travel Services Act and other relevant tourism-related legislation. Over the years the government has provided incentives and concessions and the regime will be reviewed in order to make a determination as to whether additional incentives are required.

6.0 SWOT Analysis of Barbados Tourism Industry

STRENGTHS

- Friendly, warm, hospitable Barbadian people
- Beautiful white sandy beaches and wonderful year-round climate
- Safe and secure destination
- UNESCO World Heritage designation of Historic Bridgetown and its Garrison
- Diverse tourism products, attractions, and tourist experiences
- Diverse range of accommodation facilities – hotels, villas, guesthouses, apartments
- Good shopping facilities
- Exclusive appeal as an ‘aspirational’ destination
- High percentage of repeat visitors
- Good access to the island (air & cruise)
- International Airport
- Wide & accessible range of accommodation facilities
- Excellent ground transportation - both private & public
- Good modern infrastructure and utilities
- World-class eating establishments
- Tourism & Hospitality training at vocational and tertiary levels
- Stable political climate
- Established tourism institutions and organizations
- Rich culture and historical heritage
- Natural heritage in the form of Scotland District, underground caves, gullies and wetlands
- Thrust to become green economy
- New niche market thrust – culinary, sports, health & wellness, community, cultural heritage, agro-tourism, events, faith-based
- Major home porting hub within the Eastern Caribbean for cruise vessels
- Thrust to develop a more sustainable and responsible tourism industry
- Reputation as a leading tourism destination in the region
- Ability to successfully plan and produce world class Sporting and Entertainment Events
- High Government priority for the tourism industry
- Proximity to major source markets
- Excellent medical care and facilities

WEAKNESSES

- No clearly stated national vision for tourism
- Mature destination with “tired” mature product in need of rejuvenation
- Failure to manage the carrying capacity of Barbados’ environmental assets leading to environmental degradation
- Lack of innovative, world-class tourist product and infrastructure
- Value for money not perceived
- No definite road map on how to achieve tourism sustainability
- Strong dependence on 3S (sea - sun – sand) tourism
- Tourism industry still not part of knowledge (technological competent) economy
- Considerable fragmentation within tourism industry due to inadequate communication and collaboration among stakeholders
- Lack of innovation and continuous improvement
- High operating costs
- Poor business facilitation
- Poor local advertising
- Insufficient focus on service and training (including foreign languages)
- Poor directional signage
- Lack of national conference centre to facilitate large groups
- Poor accessibility for the disabled and senior markets
- Lack of adequate research and analysis capacity
- Inadequate facilities, attractions and activities for family market
- Inadequate use of technology within the sector
- Inadequate education, sensitization and involvement of local population
- Over-reliance on traditional source markets
- Insufficient financial resources for tourism development and marketing
- Inappropriate standardization guidelines for tourist facilities and activities and inadequate standards inspection and enforcement
- General lack of awareness & benefits of the tourism industry by the general public
- Inappropriate base for inter-sectoral linkages
- Dis-jointed approach to tourism planning & management issues
- Under supply of cultural tourism product and experiences
- Poor spatial balance of tourism infrastructure and facilities
- Unsustainable and irresponsible tourism practices
- Wanton destruction of Barbados historic landmarks
- Inadequate number of ‘brand name’ hotels
- Inadequate development of infrastructure in rural areas
- Poor alignment between educational output and needs of the industry
- Absence of a disaster and crisis management plan for tourism

OPPORTUNITIES

- Rise of the (BRIC) bloc
- Development of a year-round tourism industry
- Development of innovative products & services to attract the high-yield traveller
- Changing needs, behaviours and expectations of the 'new tourist'
- Diversification of source markets
- Development of stronger inter-sectoral linkages with the productive & services sectors
- Further stimulation of the Intra-regional market
- Exploitation of Amerindian, African, European and Jewish heritage
- Development of work exchange programmes with other destinations
- Further development of bi-lateral & regional marketing initiatives
- Introduction of an enhanced legislative & regulatory framework
- Enhanced and innovative training and development methodologies
- Multi-destination marketing with other Caribbean islands
- Development of more high quality (4* and 5*) brand accommodations
- Greater development of synergies between tourism planners, marketers, investors, operators, developers and educators
- Further exploitation of Visiting Friends and Relatives market
- Increase web use through constantly updated information & leveraging of social media
- New niche market and alternative tourism development
- Target Boomer, Multi-generational and Special Interest markets
- Development of innovative retail experiences
- Introduction of low cost carrier Redjet
- Destination management approach to tourism planning & development
- Heighten community support and awareness of the importance of tourism to the island
- Utilisation of next generation ICT technology (mobile technology, CRM, Bluetooth etc.) as key for new tourism business models
- Creation of enabling environment to attract domestic and foreign investment
- Responding to the needs of an increasingly environmentally and socially-conscious customer base
- Good prospects for rural tourism and agro-tourism development
- Creation of a strong R&D infrastructure able to develop and deliver much needed innovative products and services
- Capitalizing on world-wide growth in international arrivals
- Exploiting funding opportunities for private and public investments in the tourism industry (national, regional, and European)

THREATS

- Prolonged global financial and economic crisis
- Increased international competition, especially from Emerging Markets
- Globalisation of trade
- Increasing prevalence of natural disasters - primarily hurricanes and extreme flooding
- Dependence on foreign-owned airlines
- Volatility of global oil prices – increased airfare and operating costs
- Rising food prices
- Currency fluctuations
- Threat of terrorism and health pandemics
- Impact of climate change - rising sea levels & temperature, coastal erosion, water shortages, droughts, extreme weather
- Erosion of national morals and values and the increased levels of crime and deviant behaviour
- Vertical and horizontal integration in operating structures in the industry
- Increased dependence on and the development of tourism in many of Barbados' major source markets
- Increasing tendency for domestic travel and "staycations" in major source markets
- Increasing trend towards short-breaks and more frequent, shorter holidays impacting on revenue
- Negative impact of tourism on environment and natural resources
- High degree of seasonal variation
- Business uncertainty facing the financial crisis
- Decreasing availability of European funds for the region
- Imposition of APD tax

7.0 Key Fundamentals to Transform the Barbados Tourism Industry

To transform the Barbados tourism industry into a more efficient and competitive sector, the Government understands that there must be several key fundamentals in place to facilitate this process. This will require that the industry strengthens its capacity to respond quickly and innovatively to present and confront future challenges. The areas of focus of the Government will be as follows:

- achieving competitiveness through innovation;
- creating an enabling environment for investment;
- changing the mind-set of the people through involvement;
- involving the youth to secure the future;
- developing a crisis resilient industry;
- capitalizing on emerging trends; and
- structural reform of the Ministry of Tourism and Barbados Tourism Authority.

7.1 Achieving Competitiveness through Innovation

For service economies like Barbados' with no rich natural resource inheritance, prosperity must be created and engineered by excellence in the delivery of products and services. Tourism business in particular, being essentially private sector driven, must be facilitated by effective public sector processes that provide the enabling environment for productivity. Government's provision of enabling conditions for macro-economic competitiveness whilst setting the potential for productivity, will not in and of itself produce the desired prosperity. The private sector must improve skills, capabilities and management practices together with improved sophistication of operations and marketing strategies in order to secure the highest level of productivity and innovation. The public and private sectors must therefore play different, but inter-related roles, in creating a productive tourism economy.

Competitiveness must be recognized as a major challenge facing Barbados' tourism, requiring a co-ordinated response by concerted public and private sector efforts addressing the issues. Securing competitive advantage must therefore be the agenda for joint action between:

- The Ministry of Tourism;
- The major sectoral groupings;
- The Community Based Organizations;
- Non- Governmental Organizations; and
- Labour.

Such a partnership must also provide a voice for local entrepreneurs, small and medium enterprises, as well as international investors. This new architecture will assist the destination in keeping its competitive edge in the global market place and maintain its leadership position in the industry.

A sustainable, competitive advantage will also be determined by the level of sophistication, inter-connectivity, and networking within the tourism cluster to enhance the tourism experience. Tourism is a very peculiar sector to an economy such as Barbados because it is not defined by any single commodity but rather, it is a cluster of inter-related industries. As a composite sector, the tourism cluster encompasses a multiplicity of economic activities, which not only includes traditional accommodation, restaurant and

attractions, together with the associated efficient internal and external transportation and logistics modalities, but also spans internal and external travel agencies, government regulatory, health care, agriculture, manufacturing, education, financial and other services sectors - including public relations, foods and beverages, furniture and textiles, jewellery and cosmetics, and transportation and communication services, maintenance, *inter alia*.

A critical mass of firms and institutions capable of harnessing the efficiencies across linked services supplying the sector, must be created in order to improve overall operational efficiencies. Such vibrant inter-dependencies will foster innovation and new business formation within the sector. This collaborative process must become the model for sustainable economic development in the 21st century. Competitiveness needs to be tackled in both quality and price and through enhancing productivity at the level of the individual enterprise. Substantial training and professional development support will help to deliver a quality product at or above international norms.

Attracting more visitors to Barbados will depend on getting a number of factors right – improving and extending the product range, improving infrastructure, attracting foreign and domestic investment, enhancing the amenities and facilities, enhancing service delivery, increasing destination marketing and adoption of renewable energy to drive down operating costs. In addition, measures need to be developed in order to promote a sustainable, year-round tourism by targeting niches and promoting events that will augment traditional low periods and eliminate the seasonal nature of the industry, in order that consistent yield expectations will be met. To succeed, tourism development must be grounded in the reality of what the island can support and secondly, must reflect what is unique about what Barbados has to offer.

The intense and rapidly increasing global competition is forcing Barbados to reconfigure its business model to deal with these new realities. Several destinations around the globe, like Mexico and Dubai for example, have already begun to retrofit their tourism economies, because they have found that their customers want the same quality for less. The challenge that Barbados now faces, is how to make the same necessary adjustments. A cluster-based strategy within a competitiveness framework would facilitate identification of the areas within the tourism cluster that need to be developed or strengthened such as infrastructure, supplier industries, human resources and social and cultural capital.

The Tourism Development Act (TDA) provides incentives for plant improvement in a similar vein that the Dominican Republic established a dedicated unit within its Central Banking infrastructure to finance tourism development projects. The private sector has however failed to take full advantage of the opportunity to secure capital injection to upgrade and modernise their facilities and product offerings. The bureaucratic process for approving applications under the TDA needs to be urgently re-assessed to determine whether it could benefit from a migration to administration by a central banking authority to improve efficiency.

The time may well be ripe for marrying incentives and schemes for waiving or reducing fees currently levied on the industry, to participation in a regulatory framework providing ratings for standardisation and quality assurance. Any options for reducing Government-imposed costs on sensitive sectors within the tourism cluster must now be procured through evolution from a self-regulated, self-assessed quality-rated system, into a regulatory framework designed for the protection of the quality and consistency of the Brand Barbados.

At a time when the island is struggling to emerge from the grips of the worse global economic and financial crisis since the Great Depression, Barbados has improved its global competitiveness standing, moving up a notch to 42nd position, a ranking that placed it only behind the USA, Canada, Chile and Puerto Rico on the Western Hemisphere chart, but ahead of a large number of Caribbean and Latin America states, including Brazil, Argentina, Costa Rica, Panama, Jamaica, Trinidad and Tobago and

Guyana. Barbados's economy is therefore among the Western's Hemisphere's most attractive environments in which to do business. It is commendable that the island improved its standing when the USA, Japan, Australia, New Zealand, Romania and Jamaica experienced declines in their competitiveness rankings⁴⁰.

According to the World Economic Forum (WEF) Global Competitiveness Report, the decline in tourism resulting from the economic downturn has had a serious negative impact on the island's general economy, as well as its public finances in recent years. A large and rising government debt, coupled with persistent budget deficits and a low national savings rate, highlight some significant weaknesses that can affect the future capacity of the country to undertake the necessary investments to boost its competitiveness performance.

Despite these weaknesses, Barbados can still leverage its strengths in terms of its stable, transparent and reliable institutions, high-quality telecommunications and utilities infrastructures, and excellent educational system, to implement competitiveness enhancing reforms in areas such as education, innovation and research and development that can play a key role in revitalising growth in the economy. This will call for Barbados leveraging its most precious asset, its human resource, to resuscitate the flagging economy.

Notwithstanding these competitive advantages, the WEF report ranks Barbados, at present, out of 142 countries, 91st in its capacity for innovation, 100th in corporate spending on Research and Development and 71st in remuneration and productivity⁴¹. It is therefore imperative for competitiveness in both the public and private sectors to strengthen capacity in these key areas to raise the levels of productivity across the island. This will ultimately set the platform for the creation of sustained prosperity and growth that can be experienced by the economy. The urgency to become more innovative and competitive is the platform for improving the quality of life of the Barbadian people.

With respect to its level of competitiveness in the Tourism industry, Barbados fared better in its ranking of 28th out of 139 countries, up two (2) places since its last assessment in 2009 and 3rd in the Americas behind the USA and Canada⁴². Whilst the greatest hope for economic recovery in the short to medium term depends primarily on the strength of the tourism industry, the sector will continue to experience minimal growth as major source markets continue to falter.

Barbados' tourism competitiveness is primarily determined by its ability to deliver goods and services that perform better than other destinations on those aspects of the tourism experience considered to be important by tourists. Barbados must capitalize on and develop synergies between both its comparative advantage – its inherited resources such as climate, scenery, flora, fauna etc., and competitive advantage – created value such as the tourism infrastructure (hotels, attractions and transport network), festivals and events, the quality of management, skills of workers, government policy, in order to create a competitive product.

As a rule of thumb, Barbados' tourism competitiveness must also encompass price differential, productivity levels and the ability of the island to maintain its market position and share and/or to improve upon them over time. Low productivity and high rates of absenteeism represent a competitive

⁴⁰ World Economic Forum, The Global Competitiveness Report 2011-2012, pg. 15.

⁴¹ World Economic Forum, The Global Competitiveness Report 2011-2012, pg. 113.

⁴² World Economic Forum, The Travel & Tourism Competitiveness Report 2011, pg. 14.

disadvantage in Barbados, particularly in the tourism sector. This is a critical deliverable that has to be addressed at the national level.

The prevailing economic crisis has determined that price consciousness is a major factor in determining destination choice. As a high-priced destination, Barbados' competitiveness is potentially at a competitive disadvantage when compared to competitor countries who offer a cheaper price point at comparable or better value for money, especially given that price competitiveness is a key determinant influencing the assessment of the affordability of a Barbadian holiday. This price driver in the Barbados economy is due in large part to the fact that the island has some of the highest input costs in the region, particularly in the areas of labour, utilities, insurance and food and beverage. Additionally, as a medium-long haul island destination, without mechanisms for lowering operating costs in order to become more competitive, the ability for the island to compete on price point alone with other low cost, high value destinations is potentially compounded.

Economic and fiscal assessment of macro-economic policy may well require a review of the input costs of goods and services to ascertain whether there is any facilitation that could reasonably provide savings or reduction in operating costs that could be passed on to the tourism consumer to make the Barbados product more affordable. Any such approach should however be married to innovative approaches to cost management and improved operational efficiencies within the industry, demanding as an example, the implementation of creative approaches to tackling the energy and transportation issues at the base of some of these spiralling costs.

Price is however but one dimension of the overall competitiveness of the tourism package. The island's scenery and the friendliness of the people, the range and uniqueness of tourism products and the quality of services are also important elements of overall tourism competitiveness valuation. The value and pricing of the Barbados product must necessarily also include a weighted value of the service and value received by the customer.

Other elements that influence the comparative valuation of a competitive tourism destination are:

- the attractiveness of the destination: physical appearance, culture, events, entertainment and its superstructure. Superstructure refers to the entire group of public and private bodies which regulate, promote and coordinate tourist activity;
- resources and support factors: infrastructure, accessibility, accommodation and other services provided by businesses;
- destination management: marketing and management initiatives, organization, capacities, the availability of information systems, human resources, and quality of service;
- policy, planning and development of the destination: this shapes the environment in which tourism is developed and includes the definition of the system, the philosophy and audit, the position and development, as well as the comparative and collaborative analysis, and the follow-up and evaluation;
- determinative factors, constraints and amplifiers – such as inter-dependence, safety, creating awareness, image, brand, and value for money, affecting the competitive potential of tourism destinations;

- inherited resources such as the endogenous resources of an area, including natural resources-physiographic, climate, flora and fauna, etc., - and cultural resources, such as history, customs, architecture, music and dance;
- the international standard of tourism infrastructure, such as the traditional accommodation, food, transport, incoming travel agencies, car hire etc., but also the wide range of services available within the cluster such as pharmacies, petrol stations, police and so on;
- special events such as:
 - available sporting and recreational activities;
 - leisure and entertainment – the tourist plays a passive role in the destination (for example the theatre, cinema, festivals etc.); and,
 - shopping for certain nationalities, such as the Chinese, Japanese and the Koreans, shopping is one of the most important activities on a tourist trip, and indeed it is very often one of the main reasons for undertaking the trip.
- general infrastructure: road networks, airports, ground transportation, water supplies, telecommunications, signage, electricity network, the financial system, etc.;
- quality of service: this is essential in order to provide a quality tourism experience, which strengthens the competitive advantage of the destination. There must be a satisfactory balance between quality and price, and it is related to the context in which the tourism experience takes place (the macro-environment);
- destination accessibility: this is another key factor of tourism competitiveness. Among other things, it includes the granting of visas, airport capacity and transport services;
- hospitality: the reception given to tourists is generally agreed to be one of the key social factors which affects the competitiveness of tourist destinations. Examples are the existence of guides and tourist information modules and the friendliness of the local population;
- market ties: this category covers all the factors which create ties between destinations and outbound markets, such as commercial relations, migratory flows, shared culture, religion and language, etc.;
- Destination management which consists of five (5) activities;
 - destination marketing management: this category comprises the activities of new product development, price policy as well as the development of suitable distribution channels and product packages. It also includes research and market segmentation activities, as well as the creation of the destination's image. This task should be coordinated by the public and private sector;
 - destination planning and development: defined as the series of norms, policies, guidelines, development and promotion of objectives and strategies which taken together make up a model of decision implementation (both collective and individual), which influence the tourism development of the destination and the activities which take place there;

- destination management organization: several branches of government have powers in the area of tourism destination development, and therefore they ought to work together. There are three aspects of destination organization which are particularly important: coordination between the public and private sectors, the provision of information (relating to the actual destination and its environment), and strategy administration and evaluation;
 - human resources development: this has an important role in increasing the competitiveness of tourism destinations because although competitiveness is based on physical factors, it requires human factors in order to be maximized. Training and skill levels of the human factor make it possible to adapt to the constant changes in the environment, such as technological, organizational and social changes; and
 - environmental management: the management of natural resources, the countryside, the receptiveness of the local population are all key factors in guaranteeing the competitiveness of tourist destinations in the long-term, as it can be stated that product quality in the tourism industry is more closely related to environmental quality than in any other industry.
- destination location: the destination's geographical position in relation to those of outbound markets becomes an important factor when attracting tourists from these markets;
 - competitiveness of the micro-environment: this refers to the factors which shape the immediate competitive environment of the tourist industry, in such a way that competition between businesses creates an environment which is favorable towards increased destination competitiveness. In this category the capacities and resources of firms and organizations in the destination can be singled out, their strategies and alliances and the immediate competitive environment.
 - macro environment: tourism is influenced by a wide range of global forces such as economic growth, economic, demographic, technological, socio-cultural and political changes and rules and regulations, which for the tourist industry represent in turn both changes and opportunities.
 - safety: elements such as political instability, crime, terrorism, disease and so forth are all factors with a potentially limiting effect on competitiveness; and
 - demand conditions: the characteristics of domestic demand will also have an impact on destination competitiveness with regard to their development. At the same time, different groups of tourists will form different judgments of a destination, so that its competitiveness will depend on the tourist segments which visit it.

7.1.1 Key Constraints to Competitiveness

The numerous elements that characterise a competitive destination clearly demonstrate the goals that have to be attained for Barbados to achieve true competitiveness status. However, a number of factors limit the island's capacity to achieve this goal and encumbers the effectiveness of the tourism industry to play a more meaningful role in the national economy. Some of the key constraints are identified below:

- lack of a clearly articulated vision;
- unsustainable and irresponsible tourism development;

- mature tired product;
- poor/inconsistent service;
- perceived as over-priced destination;
- need for Brand refreshment;
- poor local advertising;
- inadequate tourism education, training and awareness;
- poor business facilitation;
- myopic stakeholders;
- conventional versus new tourism model;
- lack of adequate research and development;
- inadequate use of technology; and
- infrastructural gaps.

In addition to these constraints, an immediate problem facing the industry is the growing levels of crime and violence in the island.

7.1.1.1 Lack of a Clearly Articulated Vision

One of the biggest challenges that has faced the Barbados tourism industry for years, is the lack of a clearly articulated and inspirational vision. While there have been a plethora of visions, mission statements and policy guidelines in the past, these have never been informed by a sense of national identity and as such have failed to resonate and indeed survive. Over the years, the absence of a common industry plan and direction outlining the holistic goals and objectives to be achieved, has therefore resulted in a very *ad hoc*, disjointed and reactive approach being taken to the management and development of the industry. Consequential redundancies of effort themselves have resulted in wastage of financial and human resources. Without a cohesive plan, management of the industry has floundered with reactive knee-jerk responses and solutions when faced with external shocks. These failures have necessarily had a negative impact on the island's competitiveness.

Barbados' limited land-based and natural resources do not strategically allow it to appropriately target mass tourism without seriously compromising the local access to the basic necessities for daily living and the national standard and quality of life. Therefore, there needs to be a clear plan and common goal defining how the industry will be positioned over the next ten years assessing and articulating the short, medium and long-term strategies designed to achieve a collective objective. Any vision for the island must be inclusive, inspirational, realistic and reflective of Barbados, such that it resonates with all Barbadians. This vision must not just remain on paper, but be lived every day and permeate throughout the relevant tourism agencies and across Barbadian society as a whole. In order to guarantee successful implementation, this vision must involve all major stakeholders and the general population to achieve their buy-in. This will ensure that all partners are aware of their roles and are moving towards a shared sustainable and developmental goal that will allow the industry to be more strategic, innovative, competitive, crisis resilient and profitable.

In November 2011, in an unprecedented move, a joint initiative between the Ministry of Tourism and the BHTA convened a forum involving key private and public sector agencies and individuals, to craft a Vision for the tourism industry. This new vision for tourism was finalised in December 2011.

7.1.1.2 Unsustainable and Irresponsible Tourism Development

The importance of tourism to the overall development of Barbados cannot be overstated. However, over the years, lack of controlled management and development has resulted in serious impacts on the environment and the society. The absence of a carrying capacity study and the pursuit of more numbers as opposed to yield, has put a strain on the island's scarce water and energy resources and waste disposal systems, due to the fact that a large proportion of tourists chose to maintain their relatively high patterns of consumption when on holiday.

Uncontrolled building on the West Coast in particular over the years, has resulted in the island becoming over-developed to the point where damage caused by environmental degradation may become irreversible. There have also been negative impacts on the coastal ecosystem. Given the highly porous nature of the island's limestone geology, ground water contamination from chemical use and disposal at the various resorts, as well as raw sewage pumped into the sea, have posed serious problems to the fragile ecosystems. These factors have also resulted in the pollution of coastal waters, beach erosion, destruction of the coral reefs and damage to marine flora and fauna. Water-sports activities, snorkelling, diving, jet skis, anchors from boats etc., have been especially damaging to the coral reefs and swimming with the turtles, though a very popular tourist activity has altered the feeding and behaviour patterns of these animals.

Besides the consumption of large amounts of natural resources, the tourism industry also generates considerable waste and pollution. Disposal of liquid and solid waste generated by the tourism industry, has become a particular problem, as the island lacks the capacity to adequately treat these waste materials. The negative impact of tourism on the natural environment and other ecosystems is ultimately hurting the tourism industry itself and compromising its viability.

Occasional friction with the local population, for example, over beach access and dislocation from prime economic areas continues to be a problem and the wanton destruction of built assets of great historical value over the years, has eroded significant elements of the island's history that can never be replaced. Additionally, the continued inability to integrate local communities into the tourism industry and develop effective inter-sectoral linkages, has also threatened the sustainability of the tourism industry. The tourism industry has not been on a sustainable development path, therefore, its future requires a greener and more responsible approach to development to ensure the adverse effects do not eventually outweigh the benefits it brings.

Over the years, the cultural change required to initiate a more sustainable development by all members of civil society, has not taken root at a national level. Littering and other undesirable practices continue to dominate the behaviour of many Barbadians. Even businesses have failed to embrace sustainable practices on a consistent basis, primarily citing prohibitive costs associated with green technology as the reason. That in itself is an indication that stakeholders are not convinced of the contribution that sound environmental practices can make to the bottom line of their businesses. There still remains a lack of drive to really push forward and tap into renewable energy. Unfortunately, the subsidies provided to maintain traditional sources of energy have stunted any growth in terms of choosing more renewable energy sources.

As a nation, Barbadians generally have not been doing a good enough job protecting their natural, social and cultural assets for future generations. Tourism is not just for the tourists, but to benefit Barbados and all Barbadians and this is why the delicate balance must be achieved to develop an industry where the benefits outweigh the costs and the industry gives back more than it takes. If the natural environment is eroded, then tourism would be a non-sustainable product.

There have been increasing concerns about the environmental, as well as the socio-cultural problems associated with unsustainable tourism development. As a result, there is now increasing agreement on the need to promote sustainable tourism development to minimise its environmental impact and to maximise socio-economic overall benefits. This movement is being ably led by Government, whose main goal is to develop a Green Economy in Barbados within the next five (5) years.

7.1.1.3 Mature Tired Product

The sustainability of the Barbados tourism product is inextricably linked to the quality of its tourism assets. However, with a large number of new destinations emerging across the globe, the Barbados product in contrast, from its hotel plant to its attractions, in many instances, is increasingly considered to be mature and “tired” and in urgent need of rejuvenation. This proves problematic when catering to the modern day tourist who is well-travelled and demands more quality products and services.

Critically, the travel trade, representing both stay over and cruise visitors, has also been indicating for years that the hotel product with some exceptions, is generally seen as “dated”, with a pricing structure that is not competitive against other Caribbean destinations, such as Dominican Republic, Cuba or Jamaica. They have been cautioning about the need for urgent refreshment of the Barbadian tourism offering as a matter of priority, in order for the destination to retain its competitive edge.

A large part of the problem surrounds the fact that while traditionally, there has been a heavy concentration placed on the marketing and promotion of the island, there has not been a corresponding focus on the expansion and enhancement of the product offering through sustained infrastructural development and diversification. The relevant research is also not conducted to identify and analyse significant current and future industry trends that will inform the creation of innovative product development initiatives and marketing strategies.

The failure of the industry to embrace technology, innovation and diversification has resulted in tired, dilapidated assets, a lack of variety of attractions, few organized themed entertainment areas, gaps in the “calendar of events” targeted at filling the low periods, insufficient attention to packaging multiple tourism products together to enhance the collective experience for the visitor, inadequate focus on the development of attractions that would attract the special interest and family niche markets, lack of authentic cultural, historical experiences and the lack of the effective use of technology in tourism. There have also been complaints by visitors about the quality of attractions in terms of poor interpretation, the closure of several attractions and boredom. The hotel plant is generally uncompetitive and in need of renovation and upgrading to include 21st century facilities and in-room product innovation.

This does not augur well for Barbados, particularly as it seeks to capture a larger share of the rapidly expanding family and Generation Y market segments. These groups are younger, more active and looking for new, diverse and exciting things to do while on vacation. The “forever young” Boomer market is also demanding active, diverse and exhilarating experiences. Barbados also has a high repeat clientele, both stay-over and cruise visitors, therefore it is crucial that the island continually re-invents itself to ensure that a culture of continuous improvement is developed that will keep the product fresh and exciting.

A combination of poor service and a tired product have resulted in several damaging reviews being posted on Trip Advisor and other forms of social media. This undesirable development can ultimately have a potentially devastating impact on the island’s reputation as a desirable destination to visit as customer reviews are deemed to be more influential in shaping consumer choice, than any marketing campaign or

hotel website. The increasing use of online social media will shine a spotlight on how successfully and how consistently Barbados is fulfilling its Brand Promise. The island now needs to be proactive by elevating the standard of its product offering, or be slow to adopt and risk the brand being further pilloried in the full glare of the online public area.

The global economic crisis has created a new type of customer that is travelling with a different mindset and expectation of services. People are more price-sensitive and increasingly require greater value and a heightened level of experience, with the pursuit of "*good value for money*" being the primary motivator. Research indicates that Barbados has a loyal repeat customer base, a large segment is within the mature Boomer segment who are aware of the deficiencies, but in many cases, still continue to return to the island regardless. The concern lies in how the island will attract and retain the younger Gen Y and Gen X segments, which are more discriminating, technological savvy, sophisticated, active and demanding of a superior level of service and product.

7.1.1.4 Poor/Inconsistent Service

A reputation for slow and shoddy service delivery has become a Caribbean phenomenon and is seriously eroding the region's competitive advantage. Barbados' service is considered to be generally unsatisfactory when compared to destinations that are becoming more increasingly accessible like Dubai and the Far East. In recent times, there has been a growing trend of mediocre customer service being experienced by local and visitors alike across the island, particularly in the areas of courteousness, attention to detail and commercial urgency. Recent Visitor focus groups facilitated by the Ministry of Tourism revealed that the service in Barbados is very inconsistent and varied from being "awful to fabulous". Some establishments are truly outstanding when it comes to great customer service, whereas others are simply appalling and err towards the "less than competent" end of the spectrum.

There is also the long-standing issue of some workers still having difficulty differentiating between service and servitude. Additionally, there are also repeated complaints over the years from local, regional and African American visitors who patronise tourist establishments, that they receive an inferior quality of service when compared to their Caucasian counterparts from North America, Europe or the UK. Unfortunately, these negative attitudes and behaviours are threatening the very fabric of the tourism industry.

Poor service can also be attributed to:

- the lack of investment made in the continuous training and coaching required to equip tourism workers with the requisite tools, i.e. knowledge and skills, they require to perform at world class levels;
- poor employee morale;
- lack of operational standards to provide the necessary guidelines to achieve excellence on a consistent basis. There cannot be service excellence if there is no business excellence; and
- general breakdown of core values at the national level that has resulted in poor attitudes, unprofessional behaviours and a poor work ethic.

These issues have to be dealt with as a matter of urgency through training, education, enlightenment and transformation of the organizational culture across the island. A national culture of service excellence and quality must be institutionalized in accordance with a recognized and well-regulated standard for *all* service providers throughout the island, from gas station attendants and supermarket cashiers, to "invisible" back of house kitchen staff and housekeeping services, to front of the house staff, beach

vendors, water-sports operators and reservationists, etc. Benefits of good quality from service providers at a national level will eventually filter down to the tourism sector.

Customers are now being more careful than ever where and with whom they spend their money. Therefore, for the Barbadian tourism industry to survive in this extremely competitive and volatile environment, world class service needs to be provided on a consistent basis, in order to ensure that visitors are receiving exceptional value for money that will result in increased spend, repeat visitation and positive word of mouth endorsements. Fixing the fundamental flaw of poor and inconsistent service in the tourism industry is therefore a vital component of the island's sustainability.

7.1.1.5 Perceived as Overpriced Destination

Over the years, Barbados' success of attracting the rich and famous to her shores, jetted in on the supersonic Concorde, has earned the island the reputation of being an iconic, aspirational, high-end destination, with the price tag to match. The illusion of exclusivity has attracted a market segment who can afford an affluent lifestyle, characterized by a premium price point that differentiates them from the mass market. While this wealthier segment typically has no problem with the high cost of the destination, the current economic recession has affected even this class of affluent traveller. For example, even the Five Diamond Sandy Lane hotel has reported shorter stays and reduced spend from their high-end clientele in 2011. However, although people are spending less and looking for deals, their expectations for quality and value has heightened dramatically. Therefore, in the case of Barbados, poor quality of service and product results in an erosion of the perceived value for money concept by all segments of the market. When this occurs, the lines become blurred and Barbados is not just perceived to be an "expensive" destination, but it becomes an "overpriced" destination.

While Barbados can be as expensive or affordable as the visitor chooses to make it, some tourists consider the general cost of living on the island to be high, particularly the cost of food in the shops and supermarkets. The restaurants are also considered to be very expensive, prompting some visitors to request that a mid-price range of restaurants be developed to cater to their needs. This has been partially responsible for the rise in patronisation of local community eating experiences like Oistins, where value for money is perceived in an authentic Barbadian setting. The cost of air transportation to Barbados from the majority of its major source markets, is also extremely prohibitive and a major barrier to growth. For example, the APD tax has made travel to Barbados more expensive from the UK. Also, although a much greater distance away, cheaper deals in fares can be found from the UK to destinations such as Thailand, South Africa or Australia than to Barbados.

The prevailing situation is acting as a deterrent to the recession-weary, price sensitive travel market, as many visitors are opting to go to cheaper, high quality destinations offering better service and product. The global economy is showing signs of rebounding, but the customer has changed. Perceptions about price have changed and guests are resistant to paying more, especially if they feel that they are not getting their money's worth. Customers are still prepared to pay full price, but only if they are receiving a corresponding level of quality product and service. This means that the quality of the product and service provided in Barbados must be urgently enhanced to match the elevated cost of a holiday on the island to ensure that value for money is being perceived on a consistent basis.

The high hotel rates and costs of food, attractions and amenities have resulted in Barbados pricing itself out of the market. The high costs of the destination are blamed on high costs of operating a business, in the form of food and beverage, utilities, labour, insurance etc. The high food import bill also drives up the cost of food and restaurant services. Tourism businesses need to drive down these high energy costs by adopting renewable energy technology and forging stronger linkages with the agricultural sector to reduce the high food import bill.

The scenery and the friendliness of the people, the range and uniqueness of tourism products and the quality of services are also important parts of overall tourism competitiveness. However, price competitiveness is a key determinant of future success because it influences travellers' decision-making when they assess the affordability of a Barbadian holiday. It is clear that the impact on Barbados' competitiveness, caused by rising prices throughout the economy, especially when compared to competitor countries, needs to be addressed as a matter of urgent priority.

7.1.1.6 Need for Brand Refreshment

Over the years, there has been much discussion about the Barbados Brand and what actually defines it. However, there exists no definitive statement of what the brand actually is and therefore, there is no ownership by the BTA of an actual brand positioning for the island.

Over the years, core brand elements for the island have been identified by the Ministry of Tourism as being "Friendliness, Cleanliness and Safety and Security". More recently, a Brand Perception report conducted by the BTA in 2007 revealed, that the Barbados Brand stands for **relaxation, safety and conviviality**. Within the context of an exotic tourism destination, the brand attributes "*friendliness*" and "*safety*", provide an environment where visitors can fully relax and de-stress. This is an important finding, as according to the research, the "*opportunity to relax*" was the primary reason why visitors who participated in the study travelled to Barbados. The nature of Barbadians also appears to be at the core of the brand's distinctiveness as visitors indicated that Barbadians appeared more "educated" and "sincere" in their communications than locals of other destinations. In addition to these brand descriptors, the findings also indicated that Barbados also stands for exclusiveness, primarily due to the destination's historical premium price positioning.

Though Barbados is not perceived to have a clearly unique single attribute, the confluence of the congeniality of the local populace, the perceived level of safety, the general reliability of infrastructure and utilities, the multi-dimensional nature of the Barbados tourist product and Barbados' exclusive appeal appear together to represent a source of differential advantage. It was actually suggested that a departure from a premium pricing position may erode Barbados' symbolic value and reduce its appeal to the traditional Barbados visitor. Due to the island's exclusive appeal, respondents indicated a long term desire to visit the island and revealed that their peers envied them upon learning of their impending visit to Barbados. This reaction of envy was most prevalent amongst visitors from the UK market.

Over the years, the marketing message and images in the majority of cases have targeted a distinctive high-end market and therefore, the reputation for being an 'aspirational' and high-end destination has become a major part of the brand. However, this holds both negative and positive connotations for the destination, due to the fact that:

- i. the island possesses a very diverse product that ranges from high end to budget;
- ii. the product is pitched as aspirational, but the product in many instances does not reflect this designation; and
- iii. the island is deemed to be overpriced, as value for money is sometimes not perceived.

Other than being known as an aspirational and high-end destination, there is currently no definitive, clearly stated brand position for the island other than the brand elements of Friendliness, Cleanliness and Safety and Security.

While Barbados has had the same flying fish logo for over 20 years, it has had at least five (5) tag lines in the last ten years:

- Just Beyond Your Imagination
- Experience the Authentic Caribbean
- It Doesn't Get Better
- Never a Dull Moment in Barbados (tag line for Caribbean market)
- Long Live Life

This serves to create confusion in the mind of the travel trade and the customer, and is a clear indication that there is no strategic vision on how the BTA defines or seeks to position the destination in the market. Defining the brand is the root of any strategic marketing plan, as it assists in identifying the type of customer or niche markets the destination is trying to attract and allows for a more strategic and targeted approach to be taken. It also eliminates ad hocism and wastage of scarce financial resources.

The lack of a clear brand positioning has resulted in a fragmented approach being taken to the marketing and promotion across the different geographic markets. Each geographic area customises the marketing message to its specific market and there are several variations of the logo utilized in the various advertisements and promotional campaigns. There is no integration of a singular logo, tag line and marketing message in a way that would resonate in the mind of the customer and create top of mind awareness. There also exists the issue that there is little correlation between the images seen in advertisements and the actual product on the ground. This has resulted in Barbados currently representing an under-leveraged brand in terms of competitive differentiation, as well as creative presentation.

The island is in need of comprehensive brand refreshment. In recent times, several Caribbean islands have rebranded their products to reposition themselves and remain competitive within a volatile global tourism environment. Outside of sand, sea and sun and traditional niche markets like Weddings/Honeymoon, Dive, MICE, Golf, Soft Adventure, Epicurean etc., Barbados' other key unique selling points with respect to its cultural heritage, culinary and community tourism components either have not been identified or fully exploited. Going forward the island needs to identify its core competencies and unique attributes to create a distinct brand identity and positioning in the market that will successfully differentiate the Barbadian product and make the brand sustainable and enduring. This will better enable the island to attract the type of high-yield customers that are being targeted, who are seeking a high quality, authentic travel experience in a stable and secure island, hosted by a friendly and hospitable population.

A single and distinctive brand must be developed, that will be communicated seamlessly across all five geographic locations of Europe, the UK, Canada, the USA and the Caribbean and Latin America. It must be recognizable, memorable and impactful and resonate with the types of visitors the island is trying to attract, in a way that results in increased brand recognition, market share and brand loyalty.

7.1.1.7 Poor Local Advertising

There is a major focus and considerable resources expended on marketing to overseas tourists, to influence them to choose Barbados as their holiday or business destination. However, there is a lack of effective local advertising and general poor communication to these same visitors once they are present on island. Additionally, while there is a diverse amount of product available on the island, it is not always communicated or presented well to tourists.

This issue came up several times in the Visitors Focus Groups. Generally speaking, the accommodation sector typically tends to promote the more traditional restaurants or attractions to their visitors. However, guests are generally not informed of other local cultural or community events and activities that may be taking place on the island. The current practice of waiting for guests to ask is not considered to be appropriate.

Visitors complained that they received information about what was going on around the island from unofficial word of mouth sources like Barbadians on the bus, from flyers, or when they attend Oistins Fish Fry. The majority of the time, they find out by accident, usually after the event has passed. This means that interesting, unique local events like Agrofest, NIFCA, National Trust Open Houses or Nature Hikes, the Speightown Open Cinema, St. Phillip's Carnival, Christmas Morning in Queen's Park, and so forth, that express the island's rich cultural heritage, do not receive the type of patronage that they should from visitors. This is also the case for sporting and other types of events on the island. As a result, guests are therefore deprived of the opportunity to experience the rich indigenous life and folk culture of the island.

Due to this limited promotion of these types of events, visitors are led to believe that there is nothing much to do on the island besides going to the beach and the traditional tourist attractions. Members of the travel trade have also expressed the same concern that the Barbados product is stale and there is nothing new to do on the island. By not showcasing *everything* Barbados has to offer, opportunities for diversifying the tourism product are being squandered, robbing Barbadians of opportunities to showcase their rich culture and interact with visitors, short-changing the visitors who are seeking to immerse themselves in the culture of the destination and not capitalizing on opportunities to increase visitor spend and the multiplier effect of the tourist dollar by making available new forms of local entertainment and activities.

As the island seeks to shift the traditional sand, sea and sun model and expand its product offering by giving greater prominence to its cultural heritage and sporting assets, a more effective job has to be done to promote and showcase exciting and unique local events, festivals and activities.

7.1.1.8 Inadequate Education, Training and Awareness

The "Human Factor" is perhaps the most critical component that will determine the future sustainability and competitiveness of the tourism sector. Therefore, this precious asset must be nurtured, developed and empowered, by ensuring that it is equipped with the tools, knowledge and skills it requires to take the tourism industry to the next level.

While the importance of training is generally realised across the sector, traditionally the training culture in Barbados in the tourism sector has not been very strong. In many instances, many front-line employees - the first and often the most frequent point of contact for visitors - are often not adequately trained or prepared for the job at hand, and this has had an adverse affect on the quality and service of the industry. There are opportunities available for formal tourism training, at the Associate, Bachelor and Master levels, at the Barbados Community College Hospitality Institute, the University of the West Indies and other educational institutions such as the Barbados Institute of Management and Productivity (BIMAP). While a number of employees at the line, supervisory or management levels have benefitted from some of these programmes, they are not in the majority. The in-house training opportunities that do exist within the sector, often have small take-up rates as they are conducted in an inconsistent and ad hoc manner resulting in poor transfer of knowledge, as skills are not refreshed on a consistent basis.

Access to training can be problematic due to some of the following issues:

- high financial costs associated with training (viewed as a cost and not an investment);
- disruption caused to normal service and production by the absence of employees on training leave;
- time pressures and lack of management cover in the business;
- labour turnover and industry exit rates result in poor returns on training investment; and
- training courses usually not fashioned specifically to the needs of the business.

Barbadian hotels typically do not have standard operating procedures, therefore, the combination of a lack of rigorous training and the relevant management structures, usually results in substandard business performance and mediocre service levels.

There is also a dearth of mandatory national certification programmes for general front line tourism workers, tour guides or taxi drivers, similar to those in the Bahamas and Jamaica, to ensure that a consistent and superior standard of service is being offered to all visitors.

Another major challenge is that the industry is still seen in many instances as the “last resort” industry in which to work and it continues fail to attract the island’s top students to pursue careers in the sector. This mostly has to do with the perception that the industry is characterized by low paying and low prestige jobs. Critical issues also surround the fact that many students who graduate with a tourism related degree from UWI or BCC experience challenges finding jobs in the local industry. Also, there is a perception that all of the top positions in the industry are held by foreigners. This is fuelled by the applications for work permits that can still be seen in the newspapers.

The creation of a value-driven premium product and delivery of consistent quality based on the highest standards of skills and service will require that the right people, with the right competencies and attitudes, are widely available across the tourism sector as a whole. Their skills and competence are essential to the quality of the product and to the overall competitiveness of tourism.

Tourism is offered at several tertiary institutions at the Associate, Bachelor and Master levels, however, for decades the issue of tourism being taught in primary and secondary schools as a stand-alone topic, has been discussed as an area of priority. This goal has never been achieved or instituted. Instead, it is taught as a topic within Social Studies and Geography courses. Because of this, opportunities to create meaningful awareness and educate the youth from an early age about the tourism industry have not been fully realised.

The whole issue of awareness has also been a major issue for the tourism industry. From as far back as 1998, the BHTA implemented the Tourism Education Awareness and Me (TEAM) programme in partnership with the Ministry of Tourism to educate and create awareness about the tourism industry. However, programmes such as this have been sporadic, ad hoc and not sustained on a consistent basis. Due to this, they have failed to resonate with the general population in a meaningful way. The recently held town hall meetings and focus groups strongly indicated that there is still a disconnect and lack of awareness about the tourism industry, thus demonstrating that there is still room for improvement and more work needs to be done to achieve this extremely important goal.

7.1.1.9 Poor Business Facilitation

One of the biggest deterrents to Barbados’ competitiveness as a tourism destination is the tedious facilitation process for setting up a new business in Barbados. A case study illustrated in the BHTA’S 2009 Competitiveness Study revealed that an entrepreneur looking to set up a beachfront hotel has to deal

with seventeen (17) different ministries and departments to attain approval. It was stated in the report that foreign business owners and managers find the process of establishing a business in Barbados to be “frustrating, time consuming, unwieldy and unnecessarily complex”. The response times of the Government departments was also considered to be slow, with specific reference to the length of time it takes to receive approvals for projects from the Town and Country Planning Department and to be qualified as an Approved Tourism Project by the Ministry of Tourism. The time factor is considered to be a major component affecting competitiveness. The lack of a facilitation desk or reference manual to assist new business entrants with the process also exacerbates the problem. While it is understood that the regulatory standards of the country must be respected and adhered to, there is a belief that it must be balanced with the preservation of a business climate conducive to competitiveness⁴³.

In an economy that is so highly dependent on the tourism industry, new investment in product and services is critical as Barbados seeks to reinvent and refresh its product. Barbados has not been successful in attracting major hotel brands to set up businesses on the island. High input costs especially in wages, insurance, utilities, and food and beverage have acted as the major deterrent, as it has a major impact on return on investment. Additionally, tax holidays are deemed to be not as attractive as some other destinations and work permit approvals usually present a challenge.

While traditional attractions are vital, their importance declines unless they are sustained by investment that enhances the visitor experience and introduces innovative developments to improve the experience. It is essential for Barbados to organise its public and private sectors to focus investment efforts in an integrated way to improve product competitiveness.

Several other regional Governments have dramatic investment plans to transform their tourism economies. Barbados’ competitiveness depends upon a similar commitment to investment. Therefore, clear investment promotion strategies and plans for tourism sector development must be created that involve the creation of a more enabling environment to facilitate and stimulate favourable investment conditions that are capable of attracting both domestic and foreign investors.

7.1.1.10 Myopic Stakeholders

Another drawback within tourism is that traditionally, the majority of the industry stakeholders tend to be inwardly focused. Hotels, and indeed many other tourism establishments, tend to have a rather limited view of the product they offer - only goods and services within their four (4) walls. Other issues facing the country like poverty, environmental degradation or dilapidated schools, which are outside the direct scope of their businesses is usually not a major concern. There is little integration with general society and this is the primary reason why the tourism industry is narrowly viewed as being just hotels, restaurants and attractions. In order to change this perception or reality, the industry must seek to integrate itself more into mainstream society upon whom the industry depends to make their guests’ stay memorable. It is a truism that if “the country isn’t well, tourism cannot be well”. Therefore a more holistic approach needs to be taken where good corporate citizenship is brought centre stage. More tourism businesses need to foster good local relations in their immediate communities, and encourage visitor immersion, with the realization that exposure to rich cultural experiences and interaction with locals, may result in longer stays and repeat visitation.

Over the years, some businesses have adopted schools and given back to the general community in a variety of ways. These initiatives are, however, still the exception and hotels and other tourism

⁴³ Property Consultancy Services Inc., *A Study on the Competitive Tourism Environment which Barbados Faces: Its Challenges and Solutions*, December 2009, pg. 82.

establishments need to play a far more active role in influencing the quality of the total visitor experience. The demands of the new customer for more authentic experiences and immersion into local communities will require the emergence of a forward-thinking approach that takes a broader view of the product offered. This type of tourism will require that closer partnerships are forged with the government, local communities and other private sector interests, in order that the highest levels of satisfaction can be achieved by visitors and locals alike.

7.1.1.11 Conventional versus New Tourism Model

For decades, sand, sea and sun have become the iconic symbol of Caribbean tourism and has been the very foundation upon which the region has earned the enviable reputation of being the number one warm weather destination in the world. Indeed, Barbados is no exception and the island's natural assets are the primary drawing card that entices visitors to the island.

However, the traditional over-reliance on the natural attributes of the climate and marine environment by the entire Caribbean to attract tourists to the region, has reached its zenith. Tour operators and visitors, particularly from the British market, are now calling for more **differentiation** between the islands to highlight their unique attributes and more **diversification of the product offering** to also showcase the cultural heritage and other authentic components of the local tourism product. It is crucial that Barbados rises to this challenge if its tourism industry is to continue to survive and flourish.

The global tourism industry is changing. The demographics and ethnicity of the contemporary traveller is changing and so too are their needs, behaviours, demands and expectations. Trends indicate that there is a worldwide movement afoot, with its origins in the 1980's, towards a new type of tourism, driven by a new type of tourist. There is a paradigm shift taking place, moving away from a more inwardly-focused tourism, to a more integrated and all-embracing sector. Many destinations around the world are responding to this movement to develop a more sustainable and responsible tourism.

Barbados' tourism is still largely run along the lines of "old tourism", based primarily on the sand, sea and sun model, with a narrow focus on hotels, attractions and restaurants; tour operator driven; primarily focused on source markets from the UK, USA, Canada; limited involvement of local communities; poor linkages with other sectors; and high leakages of foreign exchange through high import bills. This has to change as a matter of urgency if the industry is going to be sustainable in the future. Throughout the public consultations that were held to inform the White Paper, Barbadians expressed the belief that the time has come for the island to integrate the island's rich cultural heritage – its people, its history, culture, cuisine, indigenous craft etc. – into the mainstream tourism industry and this should be reflected both in the new types of product to be developed and the marketing and promotion of the island.

Achieving this goal will call for the development of a more specialized type of tourism that will:

- facilitate the expansion and reinvention of the product offering;
- respond to the needs of the new tourist;
- increase market share and tourism earnings; and
- create new opportunities for employment.

An innovative and revolutionary approach has to be taken to the future development and management of the industry, where there is a more broad-based integration of all of the relevant stakeholders. While sand, sea and sun will continue to be an extremely important component of the tourism offering, there is now a pressing need to respond to the market dynamics by making a concerted effort to prominently showcase

Barbados' rich culture and heritage in a way that will re-define and re-position the brand, diversify the product, instil national pride, spur entrepreneurial opportunities for the average Barbadian and strengthen inter-sectoral linkages. In this way, visitor experience will be dramatically enhanced, visitor spend will increase and employment opportunities will be generated.

7.1.1.12 Lack of Proper Research and Development

In these tumultuous times, solid research is critical to making the best possible decisions as the basis for strategic decision making, planning and investment in the tourism industry. As the global tourism market becomes increasingly competitive, timely, relevant and accurate research and statistics will play an extremely critical role in maintaining Barbados' competitive edge. This will enable the industry to be more proactive, strategic and creative in its marketing and product development efforts. Ongoing comprehensive market research and trend analysis will also make the industry more crisis-resilient and able to withstand or circumvent any unplanned external shocks that may occur in the short to medium term. Forward thinking destinations and businesses around the globe are realising the significant value of research and development. They are investing millions of dollars to ensure that they are accessing timely, accurate and relevant information to inform their strategic decision-making and to formulate public and private sector policies that will lead to improvement in tourism marketing, planning and development.

There is a very poor research culture within the Barbados tourism industry, as this discipline has not been a priority for the public and private sectors. Holistically speaking, research still has not garnered the respect or attention it deserves. In the public sector, the focus has primarily been on visitor arrival statistics and within the private sector, the industry has traditionally been very practical and operationally-focused, with little or no concentration on research and development or analytical thought. Decisions are based more on "gut feeling", than being grounded in empirical data. Obtaining basic tourism information pertaining to GDP contribution, average daily spend, tourism revenue and expenditure, tourism employment figures, total accommodation figures, new investments in the pipeline, how many tourism establishments have closed and why, etc., from the main tourism public and private sector agencies is usually a tedious and lengthy process. While the information may exist, it needs to be regularly updated, readily available and accessible in a singular tourism database.

The research process of the tourism industry is currently fragmented, with data gathering and analysis spread across a range of agencies (Barbados Statistical Service, the Immigration Department, BTA, MOT, the Central Bank of Barbados, Ministry of Economic Affairs, and Caribbean Tourism Organisation) making a coordinated 'one-stop-shop' for tourism data nearly impossible to achieve. Traditionally, each of these organisations has had a different and largely uncoordinated research focus. Also, there has been little collaboration or coordination between the two research departments that are housed within the Ministry of Tourism.

There is a strong statistical data analysis base, which currently exists that provides valuable information with respect to international and outbound visitor numbers and other key demographic information. The Central Bank of Barbados also provides valuable information with respect to the sector's contribution to GDP, tourism expenditure, length of stay, the socio-economic impacts of the sector on the Barbados economy and so forth, particularly in its bi-annual Economic Review. These reports, though valuable, are written from an economic perspective and are usually not "reader friendly" to the average lay person within the industry.

Also, this tourism intelligence, particularly the statistical data, is usually quantitative and historic in nature and to date, there is no structured means of developing forward views of tourism demand in the

form of comprehensive trend analysis. There is also an absence of an economic and forecasting model that paints a picture of the present, produces forecasts for the future and measures the economic impact of shocks and surprises on the tourism sector. This is an invaluable planning tool for the sector.

Other than the quarterly CTO Visitor Satisfaction and Expenditure Exit Survey, there is a distinct absence of the use of this type of research methodology to ascertain the level of visitor satisfaction and brand perception on an ongoing basis. Additionally, while the demographic information resulting from this survey is recorded, no mechanism is in place to analyse the qualitative aspects of the survey with respect to the open ended questions. Therefore issues, opportunities or recommendations are not followed up on in a timely and consistent basis.

Also noticeably absent are ongoing surveys that examine public/community support for tourism and tourism development, with respect to the environmental and socio-cultural carrying capacity and other key factors, which are very important for the sustainability of the industry. A few Tourism Awareness surveys have been conducted by the Ministry of Tourism over the years (in 2002 for the general population and 2004 for allied tourism workers), however, this important exercise has not been conducted on a consistent and sustained basis. Public opinion was recently solicited during the town hall meetings to garner public reaction to the White Paper. The last time this was done was for the Green Paper a decade earlier. The most recent survey conducted to ascertain the attitude of Barbadians towards the tourism industry was a Residents' Involvement and Attitudes towards Tourism study commissioned by the CTO in 2007.⁴⁴ This survey however, was conducted in conjunction with other Caribbean islands namely St. Lucia and Trinidad and Tobago.

The gaps in research and analysis have presented several challenges for the island. Therefore, the scope of the primary and secondary research conducted by the Ministry of Tourism and BTA now needs to be broadened considerably. The tourism agencies need to move past the traditional “numbers crunching” and adopt a more scientific and comprehensive analysis of the industry, which examines global economic metrics, customer profiling and market trends on an ongoing basis and includes the conduct of more frequent focus groups and surveys of the visitors, businesses and the local population. While numbers and increases in arrivals are important, they have little relevance if not comprehensively analysed. Continuous strategic thinking in a changing world is vital if Barbados is to achieve and maintain a competitive edge in the global tourism market.

To succeed in the future, it will be necessary for the BTA to invest in proper planning and thorough market research designed to predict what customers will want and then adapting the strategic focus to continually meet these needs. In-depth research will have to be undertaken to profile the Barbadian visitor and develop market segments for the industry. Additionally, research must also be carried out across the entire tourism value chain, before the visitor gets to Barbados, once they are on island and after they return home, in order to develop an in-depth understanding of international markets and visitor motivation, to ensure that the Government is receiving return on investment. It is on this basis that the BTA must evolve and adapt its strategic plans to continually reinvent and refresh the Barbados Brand.

Accurate information on the impacts of tourism on the environmental and socio-cultural conditions of the destination, as well as its economic contributions is also required to assess whether or not the tourism industry is on a path of sustainable development. Going forward, studies such as these will have to be conducted on a structured and annual basis to ensure that the Ministry of Tourism has its finger on the pulse of the visitor and the host and business communities, to ensure that the industry is being developed

⁴⁴ “Residents' Involvement and Attitudes toward Tourism in Barbados, St. Lucia and Trinidad and Tobago”, Caribbean Tourism Organisation, 2007.

in the most sustainable way possible. The institutionalization of Tourism Satellite Accounting is also required to measure the real economic value of tourism to the economy.

This expanded approach and methodology for research and development, will provide better information for investment decisions, facilitate the identification and development of new niche markets and provide a basis for understanding and anticipating the rapidly changing behaviours, preferences and expectations of the contemporary traveller.

A recently formed Working Group with members from the MOT, BTA, BHTA, CTO, BSS and the Central Bank of Barbados, will go a long way towards improving the research capacity and coordination within the industry. The group was formed to provide a forum for all of the main tourism institutions to collaborate and be more strategic by jointly looking at specific areas which are pertinent to the development of tourism. This will be a promising start to ensuring the more effective and strategic utilisation of research within the sector to inform the decision-making process.

7.1.1.13 Inadequate Use of Technology

Historically, the global Travel and Tourism industry has the lowest quartile of spend on technology within consumer business. However, the industry recognises the need for greater investment in this area, as a means of influencing customer behaviour. The ever changing digital age driven by the new technologically savvy traveller, has changed the global tourism industry forever. Any destination or business that is not on the cutting edge of this digital revolution is automatically placing themselves at a competitive disadvantage in the market. In the tourism industry, this technology has primarily taken the form of online booking and mobile technology, Customer Relationship Management (CRM), smart card technology, online social media, data security, Artificial Intelligence (AI), self-healing technology, entertainment technology, interactive attractions and in-room product innovation. Technological advancements in the areas of infrastructural enhancement and renewable energy are also increasing.

Barbados has been very slow to adopt and capitalize on these new technological developments, particularly with respect to improving its online presence and hence has squandered a lot of excellent opportunities to increase market share and tourism revenues and improve visitor engagement. This has placed the island at a distinct competitive disadvantage.

The recent upgrade of the BTA's website has resulted in some improvements, however, it is still deficient in the areas of fully leveraging social media opportunities, development of an e-commerce platform to allow for online bookings, mobile applications and provision of comprehensive digital content at every phase of the travel cycle. Online booking tools that do not have a fully functional mobile interface will quickly become obsolete. The significance of the power of user reviews and social media to influence the decision making process of destination choice is undeniable. However the BTA's website still does not have an option for posting user reviews. The power of harnessing mobile's convenience and relevance has been nothing short of transformative in aiming to meet a new range of heightened expectations today's guests demand before, during and after their trips. Barbados has not been totally effective in efficiently sourcing more timely and tactical ways that enrich and monetize the overall guest experience, while meeting multiple goals in eCommerce, eCRM and brand management.

The website, since its development, has never had an e-commerce platform to allow for direct online bookings, and instead has relied primarily on third party intermediaries in the form of OTAs. This has recently changed as the BHTA's booking engine "bookbarbadosnow.com" is now accessible through the

BTA website. This is a very positive development for the industry, however, only establishments that are registered members of the BHTA are eligible to be accessed by consumers for bookings.

The accommodation sector has been particularly weak in technological adoption, especially in the areas of in-room product innovation. Today's traveller expects to find the same user-friendly and practical technology that is at least as good as they would expect to find in their own home. Basic 21st century amenities like flat screen TVs, iPod docking stations and fast and free WiFi access, have become staples in the industry globally. However, these are not present in many of the hotels in Barbados. Hotels today are also challenged with servicing and meeting the needs of the "always-connected" traveller, who expect their hotel to have a website that offers organic and not static reservations, as well as provides pre- and post-stay communication.

Although Barbados is a very technologically advanced nation, the tourism sector has not taken advantage of Information and Communication Technology (ICT) to better serve both locals and visitors. ICT is changing rapidly and the tourism industry is slow moving and not keeping pace with these technological changes. Bluetooth technology can also be used to send welcome messages to visitors (in English and also in other languages) and cell phones can be used to send SMS messages to the population, especially in the event of a natural or man-made disaster. Although sustainable development is one of the stated priorities of the Government and the tourism industry, the adoption and usage of green technology in the form of energy efficiency and renewable energy has not been widespread. Lack of adoption means that high energy costs continue to plague the industry and result in a very expensive and unsustainable product.

7.1.1.14 Infrastructural Gaps

Barbados has a modern infrastructure which is generally acceptable. However, there are areas that require improvement in order for the island to more adequately meet the needs of a growing tourism industry. Barbados' network of major roads and highways is good, however, the quality of several of the secondary roads, both within and outside of the urban areas, are generally poor. Another major problem is a lack of proper directional and interpretative signage around the island. The basic infrastructure – bathrooms and catering facilities, promotional literature and other services - at various tourist sites are also in need of urgent improvement, while accessibility for the disabled on a broad scale across the sector, though improving, is virtually non-existent. There are also no adequate tourist information or interpretative centres. The lack of adequate conference facilities or conference hotels to facilitate large groups, continues to hamper the development of business tourism on the island. Though recently designated a World Heritage site, Bridgetown is generally deemed to be dirty and lacking in adequate bathroom facilities.

Barbados has one of the best airports in the region. However, some concerns have been voiced about an unimpressive first impression in the form of unfriendly immigration officers, long lines and lengthy waits for luggage. An identical situation also exists at the seaport where the processing facilities are deemed to be aesthetically undesirable and physically uncomfortable. Incidences involving aggressive taxi drivers at this facility have also created a very bad first impression of the country that has had a debilitating impact on the island's reputation. The CTO Survey of cruise passengers for the 2008/2009 cruise year revealed that only four out of ten visitors stated that they would be most likely to return to Barbados for an extended stay.

7.2 Creating an Enabling Environment for Aggressive Tourism Growth

To achieve a doubling of the tourism economy, Barbados will require substantial investment to upgrade products, introduce cutting edge technology and create innovative new visitor experiences that will sustain a year-round tourism industry.

Many other regional and international governments such as the Bahamas, Jamaica, China and India, have dramatic investment plans to transform their tourism economies. Despite the weak economic environment, billions of dollars are slated to be invested in new resort projects, tourism facilities and access transport on a global level. Barbados' competitiveness will depend on a similar commitment to investment. A modern and efficient infrastructure, an educated and trainable workforce, a strong ICT infrastructure and a climate of political stability, make Barbados an attractive investment option. However, according to the BHTA in its Competitiveness Study of the tourism industry conducted in 2009, one of the biggest deterrents to the island's competitiveness as a tourism destination is the tedious and complex facilitation process for setting up a new business in Barbados. Other disincentives, particularly in the area of attracting brand name hotels, include:

- the length of time it takes to give approval for projects or to qualify a product as a Qualified Tourism Business;
- poor return on investment due to high input costs;
- the collective bargaining agreement for hotel workers is restrictive and does not promote productivity for the work force;
- tax holidays not as attractive as some other destinations; and
- work permit applications for employees of international brands are usually faced with challenges.⁴⁵

The required level and type of investment required may therefore not be achievable unless Government establishes a more enabling environment that facilitates effective business development. At a time when anaemic growth in the USA and Europe, is drying up traditional sources of investment, China, through the state-run China Development Bank is wooing the Caribbean with a \$1 billion in loans to help bolster its economic relationship with the region and to finance infrastructural improvement projects⁴⁶.

In today's world economy, Barbados cannot afford to lose its competitive edge in the marketplace. Therefore the Government must devise a clear investment promotion strategy and plan for tourism sector development as a matter of urgency that will enhance Barbados' reputation as a viable investment option in the global arena.

The Government of Barbados recognises the importance of attracting and facilitating both domestic and foreign investment in order to achieve the growth and development objectives of the tourism sector. Foreign investment will increase competition and improve standards, as well as create employment and facilitate economic growth.

The existing hotel plant and traditional attractions need to be refreshed by incorporating innovative developments to enhance the visitor experience. There is also a need to introduce a limited number of branded four and five star accommodations and other high quality establishments to elevate the standards of the industry. This will enhance the profile of the product and attractiveness of the destination, particularly with the "brand loyal" US market. As is the case with new investments, attention should also

⁴⁵ Data provided by the Barbados Hotel and Tourism Association

⁴⁶ Washington Post, China Pledges \$1 Billion in Loans to several Caribbean Countries, <http://www.washingtonpost.com/business/> (September 2011).

be given to attracting green investors in the areas of nature protection, energy efficiency and renewable energy. Investment to develop accessible facilities and amenities for the aged and disabled is also an area of priority. Such initiatives will require sustained investment.

It is therefore essential for Barbados to organise its public and private sectors cohesively to focus investment efforts in an integrated way to improve product competitiveness. Investment injection is also necessary to the development of major new events and other tourism products that will attract visitors, particularly from the family and special interest markets. The focus also needs to be on providing high-quality direct and indirect tourism services, amenities and facilities, upgrading sporting facilities and integrating existing products to provide stimulating and memorable experiences for visitors. It is also vital to communicate and present these products to the consumer in a way that they can easily access. Investment will also be required to implement the strategic action programmes that will be resulting out of this White Paper and ultimately, the Tourism Master Plan.

For Barbados to optimize its tourism opportunities and achieve competitiveness, sustained investment in product and infrastructure will be essential over the coming years. The evolution of a more favourable business environment, together with efficient and well maintained infrastructure, is critical to the future development and long-term sustainability of the tourism industry.

The Government facilitates investment primarily through the provision of a favourable economic and regulatory environment. Government will encourage foreign investment that meets the following criteria:

- investors and companies who develop, promote and implement responsible tourism;
- local job creation;
- investors who invest in rural communities and less developed geographic areas;
- investors who develop products that help to diversify the tourism product e.g. community tourism, culinary tourism, ecotourism, heritage tourism, sports tourism, health and wellness tourism, accessible tourism etc.;
- investments that will result in the transfer of skills and technology to locals;
- maximum local ownership and joint ventures with local partners and local communities;
- investors in tourism plant who have a proven track record in the industry;
- investments that will strengthen linkages with other sectors of the economy;
- investments that ensure the preservation, conservation and promotion of the nation's culture and heritage;
- investments that utilize of local resources, particularly the use of alternative energy resources, capacity building among locals, e.g. management training and scholarships.
- investor collaboration amongst and between the key entities to target the type of investment in line with the niche markets that are being targeted in marketing efforts; and,
- investment that provides assistance for the development of Small, Medium and Micro Enterprises (SMMEs), particularly those which stimulate local community involvement and capitalize on the attractions and products, which are indigenous to their area.

The Government's focus on identifying new sustainable niche areas for product development, in which Barbados can achieve a competitive advantage, will create opportunities for the BTII and Invest Barbados to assist in promoting and seeking investment in these new areas instead of primarily focusing on the accommodation and ancillary services sub-sectors. New investment in niche areas will expand and enhance the product offering and go a long way towards solving the problem of seasonality, new job creation and sustained employment in the industry.

7.2.1 Diaspora Investment

The Diaspora will continue to be targeted as an important source of investment for the tourism industry. Barbados could reach its full potential if persons in the Diaspora with the expertise return home and contribute to the country's development. There are Barbadians in the United Kingdom, Canada and the United States and in numerous countries around the world, who could be encouraged to return home to invest, provided that there is a "safe and welcoming environment". Incentives and tax relief need to be strengthened as part of the encouragement package to facilitate the achievement of this goal. Forging stronger ties and alliances with the Barbadian Diaspora will continue to be a major area of focus of this Government.

7.2.2 Developing an Enabling Environment

There is a need for a holistic review of the Barbados legislative and regulatory environment pertaining to tourism sector development, operation and investment and the institutionalization of reforms that ensure a highly official legal environment, clear mandates, an empowered role for the private sector and favourable investment conditions capable of attracting both domestic and foreign investors. This may include the establishment of an investor-friendly, but transparent business environment and regulatory framework, in the form of a 'one-stop shop' to streamline and fast-track the process and develop a framework for providing potential investors with basic information, identify opportunities and enhance the ability to make relevant investment decisions.

This will be timely, as Barbados' relatively high ranking in the WEF's 2011-12 Global Competitiveness Report can augur well for the island's capacity to attract investment, due to the fact that the Forum's Index is often used by executives to decide where to invest their money, establish businesses or locate facilities and offices.

It is recommended that MOT launch a series of reforms to ensure high standards and incorporate international best practices. It must therefore identify:

- where investment is needed;
- sources of investment both directly and indirectly;
- what investment strategies should be employed in an aged infrastructure, as well as areas for new development;
- areas through which domestic/foreign investment can be channelled to create viable tourism products and initiatives;
- where the industry should be positioned to capitalize on international trade agreements, such as the European Partnership Agreements (EPA) and other bi-lateral taxation treaties;
- bottlenecks in accessing local financing to eliminate red tape and bureaucracy which hinders speedy development of investment projects;
- opportunities for equity partnerships between the private sector and local communities; and
- support mechanisms through which small entrepreneurs can exploit available opportunities in the tourism industry.

7.3 Changing the Mind-set of a People through Involvement

With the highest literacy rate in the region, due to free primary, secondary and tertiary education, Barbados exhibits high social development and has relentlessly followed a policy of equal rights and

education. This high level of social development underlies the general acceptance and awareness of the importance of tourism as a ‘bread and butter’ industry and the warm embracing of incoming visitors.

7.3.1 Disconnect between Barbadians and the Tourism Industry

Barbadians are generally aware of the important role that tourism plays in the local economy and their genuine friendliness towards visitors over the years has been the very foundation of the success of the industry. However, despite being a welcoming society, paradoxically, there still exists a deep disconnect between the average Barbadian and the tourism sector. This is mainly due to the fact that they are still not fully acquainted with the extent to which the industry plays a critical role in contributing to the quality of life that they have enjoyed over the years.

Although tourism has been the island’s main foreign exchange earner for over twenty years, there still exists a general feeling amongst many Barbadians that they do not see themselves as true stakeholders or direct beneficiaries in the industry. This was a common theme coming out of the series of Town Hall meetings on tourism that were convened between December 2010 and February 2011. The way that the industry has been developed, managed and promoted in the past, has perpetuated the feelings and perceptions by certain quarters within the local population that tourism is a “foreign entity, run by foreigners, for foreigners” and that they are on the outside, looking in, simply fulfilling the role as being “the hewers of wood and the drawers of water”, while others benefit from the spoils generated by the industry. The fact that there is little or no involvement of Barbadians in the decision making-process, has resulted in them having no sense of ownership over the sector or influence with respect to how it should be developed to benefit a wider cross section of the population.

Effective linkages between the industry and other sectors like agriculture, fisheries, manufacturing and so forth, continue to be virtually non-existent and issues like reduced beach access, increases in the price of land, the high cost of living, land use and poor employee relations continue to plague the industry. This lack of inclusion of the local communities constitutes a serious threat to the sustainable development of the sector and is a major concern of this Government.

Deep historical moorings born out of an unfortunate legacy of slavery and colonialism, have also resulted in feelings of outright indifference and/or apathy towards the industry in certain quarters. Tourism has been referred to as the “new sugar”. Indeed, the findings of Doxey’s study of the Barbadian Tourism industry in 1971 suggest that the local population perceived tourism as generally detrimental “as it tended to be an extension of the slave-plantation syndrome”. While public education has gone a long way toward improving the population’s understanding of the benefits of tourism over the last 40 years, this mindset still exists amongst some within the society⁴⁷. This negative mindset has manifested itself in the inability of many to differentiate between service and servitude, which has a debilitating impact on service levels in the sector.

While the transition from a ‘plantation economy’ to a ‘services economy’ has not been psychologically smooth, fortunately, whatever negative feelings may exist, have not been expressed in the direct interaction with tourists. Barbadians generally are still courteous, helpful and personable to visitors. However, undercurrents of resentment or indifference towards the industry in some quarters manifest themselves in ingrained attitudinal and behavioural issues, which pose a threat to the standards of the tourism product, particularly with respect to service quality.

⁴⁷ Central Bank of Barbados, Economic Review of Barbados, Volume XXXVII, Issues 1 & 2. March 2011

7.3.2 Poor Sensitization and Awareness

The general disconnect from the industry can be attributed to the fact that past attempts at educating and sensitizing Barbadians about the benefits of the tourism over the years have not been effective at achieving this goal. The benefits of the multiplier effect of the tourism dollar throughout the economy have not been clearly articulated, resulting in a lack of awareness of the extent to which tourism benefits the general population and contributes to their quality of life.

Additionally, a major issue has also been the fact that the benefits of the industry are usually presented in purely quantitative terms, with respect to Revenue Earned, Tourist Arrivals percentages, GDP contributions, employment figures and similar indices. However even when this is done, the qualitative, multiplier effect of the tourism dollar throughout the economy is not clearly articulated. It is a fact that tourism is a business, whose main purpose is to generate revenue for the country to sustain the economy. In this way, the industry has been portrayed over the decades as being purely an economic activity that is a significant generator of employment, the leading foreign exchange earner and a major contributor to the Gross Domestic Product. This constant description of the industry in terms of dollar figures and numbers has inadvertently resulted in the tourists themselves, in many instances, being reduced to simply being “dollar signs” and sources of income to be exploited. The Government posits the view that while tourism is undoubtedly a significant economic activity, there are also other important dimensions to the sector. These other intangible but valuable benefits that make up the industry, need to be just as prominently reflected going forward.

Therefore, besides primarily showcasing the economic benefits, the intangible socio-cultural benefits of the industry also have to be strongly emphasized and positively reflected. As a people-oriented industry, tourism promotes social interaction and harmony, cultural understanding and development, creates opportunities for entrepreneurial activities and is a means of reinforcing national pride and awareness. Barbadians must be made aware of the fact that the tourism industry can be a catalyst for cultural integration, environmental preservation, a creator of deep bonds and harmonic relationships that promote peace, understanding and tolerance amongst different ethnicities, cultures and races from diverse destinations around the world.

If the industry is managed and developed correctly, in a way that it gives more than it takes, it will provide opportunities for Barbadians to proudly share and showcase their culture, in the form of art, song, dance, music, handicraft, fashion, cuisine, history and lifestyles, to diverse audiences and in turn, expand their own horizons by learning and interacting directly with other citizens of the world. Long after the money earned from tourism is consumed, the benefits derived from these types of meaningful interactions can last a lifetime.

An increase in the awareness of these types of benefits will be achieved once stronger and more effective frameworks for community and cultural heritage tourism are instituted and viable and sustained inter-sectoral linkages are forged between tourism and other key sectors within the economy. Public attitudes towards tourism will also become more positive as Barbadians perceive that their economic, environmental and social interests are being served rather than exploited by tourism. It is therefore necessary for all Barbadians to take ownership of the industry, in a way that they are able to forge their own concept of what tourism should be and insist that it is one that respects and reflects the norms, value systems and sovereignty of the country. Once this is achieved, a truly sustainable industry will emerge and become a reality.

7.3.3 Bridging the Gap through Education and Involvement

This Government fully understands that for tourism to be truly sustainable every Barbadian citizen must be sensitized to the vital importance of the sector to the Barbadian economy and how dependent his/her livelihood is on the sector, whether or not he or she works directly in the tourism areas. To achieve the necessary buy-in of the general public, it must be clearly understood that every tourist dollar brings economic and social benefits to every level of the society. This will involve the utilization of innovative methodologies by providing practical examples of the trickle-down effect of the tourism dollar, in a way that Barbadians from all walks of life will easily understand.

A transformation must also be brought about in any negative or indifferent attitudes, suspicion, or mistrust towards the industry by segments of the local community. Additionally, the concerns and anxieties of ‘marginalised groups’ need to be understood and adequately addressed through public policy and education. Knowledge of what the perceived problems are will allow for informed and appropriate public policy responses. This speaks to the importance of ongoing local resident surveys to gauge satisfaction and awareness levels and the opening up of communication channels in order for the Government to keep its finger on the pulse of the people.

Achieving this goal will be critical, as it is the local residents that give the island its human content and any intense feelings of negativity or indifference could result in resentment and the ultimate disruption of the industry in the long run. Focusing heavily on the critical areas of education, sensitization and involvement is imperative, due to the fact that, in the final analysis, it is the Barbadian people that are really the protectors of the Barbados Brand, therefore, they must fully understand and support the industry as one of the key drivers of the economy.

7.3.4 Creating Opportunities for Meaningful Involvement and Interaction

The first step towards achieving this goal will be to immediately put the measures in place that will serve to divorce the perceived negative historical legacies from the country’s development strategies moving forward. The Government understands that in order to develop an industry that is truly sustainable, it must place the Barbadian people at the epicentre of its development. The White Paper is a true reflection and expression of the wishes and desires of Barbadians from all walks of society - the private and public sectors, CBO’s, NGO’s, labour and civil society - as to how they would like to see tourism managed and developed in the future.

The Government will also ensure that the irritants and environmental and social costs of tourism are kept to a minimum in a way that ensures that the benefits from tourism outweigh the costs. The most effective way to change the prevailing mindset and achieve the buy-in of the local population, is to involve them in the process in a tangible and meaningful way and also to educate them about the realities of the industry in a way that may dispel long-held perceptions that may not be accurate.

The Government posits the view that Barbados’ reputation for genuine hospitality is legendary and has been the reason why the island can boast one of the highest repeat visitor rates in the Caribbean, if not the world. However, although one of the primary reasons why tourists visit Barbados is because of the friendliness of the Barbadian people, as a country, the island’s most precious resource still has not been integrated into the industry in a meaningful way, especially at a time when the contemporary traveller is increasingly demanding these types of interactions. It is interesting to note that, while 86% of the Barbadians who participated in the 2007 CTO Resident Involvement and Attitude survey revealed that

they made visitors to their island feel welcome, almost two thirds (58%) of them who participated stated that their interaction with tourists was infrequent, or never.

In light of this situation, a revolutionary approach will be taken, going forward, with respect to the management, facilitation and promotion of the industry that will serve to more effectively incorporate the Barbadian community into the tourism industry. The most effective way of achieving this lofty goal, is to develop a more people-centred tourism industry by:

- developing creative education and sensitization programmes that resonate with the general population;
- strengthening inter-sectoral linkages to spread the prosperity of the sector across the wider society
- creating more meaningful opportunities for informal interaction between the local population and tourists in the form of People-to-People programmes;
- implementing more effective domestic advertising of local events and community activities to visitors;
- facilitating entrepreneurial opportunities for locals to benefit directly from the industry; and
- creating communication mechanisms that will involve them in the decision-making process on an ongoing basis.

These initiatives are not new and the Government is fully aware that all of these issues have been stated policies in the past, but have been never fully implemented in a way to achieve the desired tangible results. Every available resource will be utilized to ensure that a tourism industry will be developed where Barbadians can see themselves reflected in the Barbados Brand. The entire nation must share in the common vision of what the core product should be, based on the most valuable assets Barbados possesses. It is for this reason that the development of a sustainable product is supported by all Barbadians and must result in a diverse product that incorporates the rich history, culture, norms, values and lifestyles that have shaped Barbados and the Barbadian way of life. It is important that the product be closely aligned also with the high quality standards of modern society. This new direction will go a long way towards the creation of an industry that is built upon a foundation of excellence, quality, innovation and profitability and will be the most effective way forward to ensure the future sustainability of the sector.

7.3.5 Instilling National Pride and a Sense of Ownership

For Barbados, tourism is a ‘bread and butter’ industry. Consequently, the Government has taken the slogan, *“tourism is everybody’s business”* very seriously. Therefore, all stakeholders, including the public at large, must be involved in a positive consensus to develop the sector. In order to be sustainable, tourism must become an industry that is perceived as being truly “of the people, by the people, for the people”. To achieve their buy-in, which is crucial, Barbadians must feel empowered, be made aware of the contribution of the diverse aspects of tourism to their nation’s economic, cultural and natural wealth and feel a sense of ownership over the direction of the sector. They must also be proud of their country’s status as a world-class premium destination – a status based on its unique assets - and be in a position to take advantage of the opportunities that tourism brings and have their say integrated into important facets of the development that takes place around them. Most importantly, they must be inspired to get excited about the industry.

Barbadians therefore have to be prepared for the challenges ahead with respect to the sector, by educating them, clearly defining their roles in the industry and involving them in the process at an unprecedented level. This Government is committed to higher levels of integration, through the creation of more

opportunities for interaction between locals and visitors, development of more opportunities for entrepreneurial activity and for greater involvement of local communities in the tourism industry.

It is clearly understood, that the first paradigm shift in the attempt at changing the mindset of the people and transforming the Barbados tourism industry to achieve world-class status, must start with instilling national pride in each and every Barbadian, particularly within the youth. A subtle shift in both the message being given by the tourism slogan and that of the campaign for a cleaner environment is needed. Instead of pitching the view that tourists would not come to Barbados if faced with an unclean environment (which may be indeed factual), greater mileage can be gained from a message which advocates the need to ensure that the environment in which Barbadians live and work, is clean and safe and that the natural resources on which the fortunes of the country are dependent, are protected and conserved for the sake of *Barbadians first*.

As primary stakeholders of the movement to conserve natural resources and maintain environmental integrity, Barbadians would then be in a better position to “share” these resources and a healthier environment with visitors from a position of pride of ownership – the spin-off being the fact that a clean, safe and healthy environment will also be attractive to visitors. This is psychologically a healthier mindset with which to welcome tourists to the island. The commencement of such a movement across the island will prepare Barbadians for the challenges of the New World Order and give hope, especially to the island’s youth for the future and provide them with the requisite tools they will need to be effective contributors to society. Without pride, there will be no purpose.

Finally, tourism provides something extra which few other industries can offer: an opportunity to showcase Barbados’ great heritage and national assets in a way which not only delights visitors, but also improves the everyday quality of life for all Barbadians. Living in a country that is beautiful and impressive, and which the rest of the world wants to visit, should be a deep source of pride for all Barbadians. A national priority must be to facilitate a greater understanding of the importance of Barbados as a nation and the significant role the island has played in contributing to the history of the world. The recent prestigious UNESCO inscription of Historic Bridgetown and its Garrison as a World Heritage site will go a long way towards contributing to this process. This is the mindset that needs to be cultivated as a matter of urgency. Barbadians need to appreciate and respect Barbados before they can proudly showcase their island to the rest of the world. This is the only way that the required national transformation would be sustainable, meaningful and long lasting. Understanding the island’s history and its place in the world will awaken a national consciousness and help to facilitate and fast-track this very important process.

This is needed now, more than ever before in the island’s history, as the social fabric of Barbados is experiencing a dramatic transformation. The Barbadian way of life is the island’s most precious asset, therefore, the culture, societal norms, customs and core values, need to be protected. If these are allowed to disappear, the industry itself will be under threat. If this situation is not dealt with as a matter of urgency, it will threaten the future sustainability of Barbados and by extension, the very survival of the tourism industry, which is the country’s greatest hope for economic survival.

The transformation of the Barbados tourism industry will result in a positive transformation of the economy. However, for this to be achieved, Barbados will first have to be transformed into a nation where a culture of excellence takes root at every level. This will be a prerequisite for the tourism industry to grow and be successful. However, tourism cannot only be about tourism and tourists. It has to be primarily about Barbados and Barbadians. For the country to truly achieve excellence, Barbadians must first find it within themselves to want to be the best as Barbadians and to develop a national passion for quality, productivity, integrity, entrepreneurship, performance and accountability. Barbados must become known as a nation of creative thinkers that transcends and rejects any vestiges of mediocrity and

incessantly strives for excellence. Barbados should be known as a country that is safe, secure, clean and crime free, not just for the sake of tourism and tourists, but because it is what is right and what Barbadians deserve and demand for their nation.

During his Independence Day message to the nation in November 2010, the Prime Minister called on Barbadians to strive for the highest standards in parenting, in work performance and in how they respect each other and their nation, if the island is to continue to satisfy the definition of being a great nation. With this strong foundation in place, Barbados will retain and enhance its reputation as being one of the foremost Small Developing Islands in the world, as well as a global tourism destination of choice.

7.4 Involving the Youth to Secure the Future

Government fully understands that the youth are the cornerstone of the nation and will be the main catalyst for social, political and economic change that will propel the country forward in the future. For Barbados to survive and prosper as a small, developing island state, young people have to be given the opportunity to make a significant contribution to national development.

Extensive research conducted on youth affairs in the Caribbean in 1995 has shown that the youth have been victims of cultural penetration, erosion of core values, and alienation from their cultural, social and physical environment. While Barbados is still generally viewed as a stable country with a strong value system and strong institutions of church, family and education, the breakdown in values is increasingly resulting in social decay. This decay is characterized by deviancy, delinquency and other forms of anti-social behaviour, particularly amongst its youth.

This problem transcends the boundaries of the justice system and involves all Barbadians, as it threatens the stability of the strong foundation upon which this great country was built. As a matter of national urgency, a holistic approach needs to be taken to tackling this issue. Every Barbadian must get involved and do their utmost to stem this rising tide of anti-social behaviour and protect the core values that have shielded the Barbadian society from negative outside influences and lay the foundation for the island's success. Barbados' youth have become victims to the powerful agents of an alien culture and values spread by television, film, popular music and the radio. The national priority must now focus on addressing the myriad challenges facing the youth that could possibly impact on their future and cause them to engage in anti-social and violent behaviour or get involved in the use of illicit drugs.

The Government is taking a proactive approach to confronting this issue and has developed a draft National Youth Policy to ensure that Barbadian youth will be heavily involved in decision-making and the developmental process, as it pertains to the island's future. The policy aims to address nine major goals - to reduce unemployment; improve education; strengthen the family within the community; restore core values; and prevent the spread of gangs. The planned Youth Mentorship programmes will seek to empower disadvantaged youth by exposing them to skills development, work experience and employment opportunities. The Ministry of Youth has developed the "Endless Possibilities – A Job Attachment and Mentorship Programme", to offer these types of vulnerable, unattached youth a chance to create limitless opportunities and provide the employer with an employee who has been properly trained for the workplace.

As the engine of growth for the Barbadian economy, the tourism industry also has a major role to play in the development of the youth and in the reduction of their propensity to get involved in crime and anti-social behaviour, through the creation of educational, employment and entrepreneurial opportunities. It is imperative that the tourism industry forges stronger partnerships with relevant agencies to become

involved in these types of youth mentorship and preventative programmes. This must be done in a way that will specifically address the needs and aspirations of those who feel disconnected from society. They will also be investing in the future of the nation and safeguarding the viability of their businesses. Some crime and violence against tourists are committed by the youth because they feel disconnected from mainstream socio-economic realities and are therefore ignorant or indifferent to the importance of the tourism industry to the Barbadian economy. The next generation must therefore have a more in-depth understanding, a deeper connection and a greater sense of ownership over the tourism industry, if a truly sustainable tourism industry is to be achieved.

The success of the tourism industry is heavily dependent on the successful development of a cadre of hospitable, motivated, creative, technologically competent, empowered professionals, who will be charged with the responsibility of taking the sector to the next level. Barbados' youth are going to be the leaders, managers, planners and developers of the tourism industry in the not-too-distant future and therefore need, as a matter of urgency, to be educated about the importance of the tourism industry and heavily engaged in the decision-making process on a consistent basis. More opportunities must be created to facilitate job creation and more meaningful interaction between the youth and visitors. Their vast technological skills must also be incorporated to assist in revolutionising the development of the industry. It is under their stewardship that the core brand elements of friendliness, cleanliness and safety and security will be maintained and ingrained into the social fabric of the country for generations to come.

One of the most effective ways to improve the negative perceptions of tourism within the local communities in the present and future is by targeting and investing in the youth and creating opportunities for them to become more involved in the tourism process in a sustained and meaningful way. The major focus right now must be on educating them about (1) their cultural heritage to instil national pride, (2) the opportunities available within the industry and (3) the importance of protecting the natural and built environments.

Although Barbados has officially been in the tourism business for over sixty years and it is the major foreign exchange earner for the island, to date, the sector has not been included in the island's primary or secondary school curriculum as a stand-alone subject. It is currently taught as a part of the Social Studies course. At the tertiary level, tourism is taught at the Bachelors and Masters levels however, there are issues of graduates not being effectively absorbed into the industry upon graduation and this has resulted in feelings of frustration and disenfranchisement. There is also a stigma attached to the industry as having low paying and undesirable jobs, resulting in the sector failing to attract the most accomplished students who do not consider the industry as a viable career option.

At the Tourism Youth Forum hosted by the Ministry of Tourism in February 2011, as a part of the public consultation process for the White Paper, the students overwhelmingly expressed an in-depth desire to have a greater involvement in the industry. They want to be better educated about the benefits that the industry has to offer, to have access to educational and employment opportunities within the sector, to be exposed to more opportunities to interact more effectively with visitors and to see a greater representation of authentic Barbadian culture in the development and marketing of the industry. Their contributions were both impressive and insightful, indicating that they are an extremely valuable resource that should not and will not be overlooked.

Instilling national pride and investing in these young Barbadians will be an investment in the future of Barbados and the tourism industry. The Ministry of Tourism is committed to utilizing fora such as these, to contribute to the growing national movement to involve young people into the decision-making process within communities and organizations. As the Government seeks to engage the youth in a more significant way, the Ministry of Tourism will seek to build stronger partnerships with the CTO, BHTA, and the Ministries with responsibility for Education, Youth Affairs, Community Development and the

Environment to expand, strengthen and enhance existing youth programmes and develop creative and innovative new projects. These will be specifically designed to involve and expose the youth to the excitement and dynamism that tourism offers as a career opportunity, in a way that will instil national pride, spark dreams and ambitions and create a basis for strong leadership amongst their generation.

7.5 Developing a more Crisis-Resilient Tourism

For decades, the global tourism industry has been plagued with numerous external shocks caused by a series of economic recessions, acts of terrorism, wars, natural and man-made disasters, health pandemics, currency fluctuations and similar issues. These unexpected events are inevitable, not following any predictable pattern and therefore have the potential to severely impact tourism economies at very short notice.

The economic downturn of 2008-09 has ushered in an “Era of Uncertainty” for the global tourism industry, casting a shadow over the long-term growth prospects of a sector, which had become accustomed to consistently high annual growth rates. Times have been challenging for the industry, with almost all major destinations around the globe experiencing significant declines in visitor numbers and receipts, all the while contending with developing trends that have continued to reshape and transform the industry.

As a result, the extremely high levels of uncertainty and volatility currently impacting global tourism are predicted to increase. Countries will continue to face increased levels of risk and uncertainty that are potentially industry crippling, if proactive policies, plans and programmes are not developed to counteract simulated exigencies. The fact that the exogenous risks are less and less under the control of Governmental policy, dictates that precautionary actions are becoming increasingly difficult to implement.

Just as the global tourism industry was experiencing recovery in the last quarter of 2010, the following events all threatened to derail the recovery process:

- the civil uprisings referred to as the “Arab Spring” in the Middle East and North Africa in early 2011;
- the ensuing escalations in the price of oil and food;
- the debt crisis in Europe; and
- the growing possibility of a double-dip recession.

These are examples of the dynamic and fragile nature of the timing of events in the global economic environment. The growing prevalence of natural disasters around the globe, is also beyond the control of governments and is extremely disruptive to tourist flows to the affected areas.

For Barbados, the local tourism industry is not only susceptible to crises that are generated in the international arena, but a local destination crisis in the form of a natural disaster or rising crime can also result in a severe and sudden decline in tourism demand. For many years, Barbados has been fortunate enough to be spared from any major crisis on a local scale and as a result, a level of complacency may have set in at the national level. However, in today’s world, no matter how strict security and safety measures are, tourist destinations cannot completely be protected against these manifold threats.

The Barbados Government will therefore retool the process to accommodate a more scientific assessment of industry indicators. The renewed focus will be to closely scrutinise emerging market trends and develop modelling that will allow the island to plan effective crisis management modules, to proactively address factors/events that potentially threaten the Barbados Brand and the state of the local economy.

The Government also fully appreciates that the present over-reliance of the Barbadian economy on the tourism industry dramatically increases the island's vulnerability to external shocks. It cannot be overstated that the impact of the global economic crisis in the tourism source markets (which traditionally provide Barbados' largest share of visitors and tourism income), has resulted in the island experiencing declines in arrivals from these markets, with consequential contractions in tourism revenue and tourism related employment. Government's policy for the revival of inbound tourism has therefore, of necessity, shifted focus to diversification of the main source markets through increased marketing in supplementary or new potential market segments (e.g. the Brazilian and South American markets), until such time as the main traditional, high-yield source markets are able to stabilize or recover from the crisis.

It should be noted that such a transition is not unique to Barbados. Malaysia, Taiwan, Indonesia and Turkey have all been able to achieve sustainability of inbound tourism during the recent economic downturn. This was achieved by shifting their marketing focus from traditional US and European markets to economically-resilient emerging destinations like China and other long-haul markets, with a clear emphasis on high-yield segments such as nature adventure, ecotourism, cultural diversity, family fun, affordable luxury and MICE⁴⁸.

Secondly, for a more medium/long-term, solutions-driven process, the Government recognizes that for Barbados to effectively navigate future crises, the sector's vulnerabilities must be carefully assessed. This will ensure that appropriate crisis-contingency responses are formulated and implemented as an integral component of strategic destination development and marketing plans. The objective is to create a more crisis-resilient tourism industry by broadening and strengthening the foundation upon which the sector has been built.

In short, this will call for the development of a sustainable tourism development agenda designed to enable the Government, in collaboration with industry stakeholders, to plan more effectively for the variables over which the country can exercise control. This is the focus of this Policy Paper. The process requires urgent and expert action through close and consistent collaboration and cooperation between key authorities and industry stakeholders. This approach will ensure sector buy-in to the scientific approaches, designed to ensure that Barbados experiences a more crisis-resilient growth and consistent competitive advantage over other tourism destinations.

Collaboration will also provide stakeholders with strategic information as they seize opportunities to re-tool their strategies, develop new products and services and harness advanced technologies to create better value for the customer, while gaining a competitive advantage in a volatile marketplace. Information disseminated through this process should be designed to result in the development of a more effective platform for proactive planning, information sharing, quick response action, the pooling of scarce resources and effective and efficient implementation. The Government will continue to incorporate resilience management and controlling functions within its governance of the sector. A fast-track and communications framework will be set up between public and private sector stakeholders to ensure that there is a joint and rapid response to any crisis that takes place within the industry.

The Government, in an effort to promote sustainability in the sector, will implement the following strategies to off-set plummeting visitor arrivals that may result from global economic volatility and other unforeseen crises:

- the rationalization of access barriers including a review of the tax and visa regimes;

⁴⁸ World Economic Forum, The Travel & Tourism Competitiveness Report 2011, pg. 40.

- the pursuit of an open-sky policy to ensure efficient connectivity and accessibility that would particularly stimulate intra-regional travel, as well as assist in negotiating direct routes from emerging markets;
- attract international hotel brands and continue to upgrade and promote the island's modern infrastructural base (telecommunications, ground transportation, quality of water, reputation for efficiency, etc.), to increase Barbados' competitiveness in the global market;
- the diversification of destination marketing strategies from the present sole dependency on traditional source markets, increasingly focusing on emerging markets and correlated collaboration with regional partners to institute multi-destination packages for those distant markets;
- the fostering of local initiatives and entrepreneurship to promote domestic tourism. The BHTA's Staycation programme assisted in sustaining the tourism industry during the recession. Although Barbados traditionally has a focus on short, medium and long-haul inbound tourism, setting up an effective framework to further develop a domestic tourism industry has the potential to establish a broader and more stable foundation for sustainable tourism sector development as a whole. Indeed, the best way for Barbadians to understand and foster a greater appreciation of the industry is if they get an opportunity to be tourists, sample the Barbadian product as consumers and become more involved in the decision-making process;
- the implementation of more flexible, demand-based planning, that avoids accumulating over capacity and helps to mitigate against global risk factors that drive down demand. It will become key for policymakers to offer incentives for sustainable development in order to support the long-term prospects of the tourism sector instead of seeking short-term profits⁴⁹;
- the mandate that the industry has a business continuity plan in place to mitigate against the island's vulnerability to natural and man-made disasters, to build resilience in the supply chain upon which the island is so heavily dependent.

The Government has no control over external forces like the global economy, the weather, oil prices, health pandemics or terror attacks. It must therefore focus on the factors over which it can exercise control, such as the quality of product and service, the preservation of the natural environment, strengthening of the research and human resource capacity, product development and marketing strategies, strengthening inter-sectoral linkages and the meaningful involvement of the Barbadian people in creating the type of memorable experiences that would entice visitors to return to Barbados again and again.

Effective quality control will also enable the Government to tactically manage downturn periods in the future, while simultaneously developing consistent strategies for turning global industry trends into local opportunities. When these efforts are successful, tourism will necessarily experience more crisis-resilient growth and achieve a consistent advantage over competing tourism destinations.

⁴⁹ World Economic Forum, The Travel & Tourism Competitiveness Report 2011, pgs. 40-42.

7.6 Capitalizing on Current and Emerging Global Trends

In order for the Barbados tourism industry to be truly transformed, steps must be taken to make it more responsive to the emerging global mega trends that are projected to impact the industry in the short, medium and long term. At present, the Barbados tourism sector is too reactive to the rapidly changing dynamics that are shaping the global industry, thus placing the destination at a competitive disadvantage. The global economic recession has changed the tourism industry forever. To a large extent, Barbados' slow response can be blamed on the lack of research in key areas like trend analysis, customer profiling, visitor surveys and forecasting, which would assist industry stakeholders in being more informed, strategic and proactive.

The Government fully understands that the current competition in tourism is fierce and that it is only going to intensify, especially from Asia-Pacific countries, with lower cost structures, allowing them to compete more effectively on price. Global trends indicate that emerging economies, such as Brazil, Russia, India and China will ultimately surpass the growth rate of developed economies such as the United States, Japan, Germany, United Kingdom, France and Italy. A rapidly expanding global middle class is emerging which should guarantee strong worldwide growth in tourism for many years to come. While this is a very positive development, it creates significant challenges for Barbados, as most of the fastest growing markets of the future are in the BRIC nations and South-East Asia, where recognition for the Barbados Brand is weakest.

Barbados has strong and long-standing links with most of the countries, which have historically produced the vast majority of the world's tourists - the U.K., U.S.A., and Europe - either through trade, through language and shared culture, or through simple geographic proximity. However, unfortunately, none of these advantages currently exists for the most important future global tourism markets. The process of transitioning has started with penetration into the Brazil market which commenced in 2010, with some measure of success and there have been several high-level trade delegations to China to strengthen economic links with that country and explore possibilities for future tourism development. Similar plans to strengthen links with India will also be undertaken. Barbados' tourism industry clearly needs to rapidly build on this platform to secure increased market share for the island in the future. Diversification of the traditional market base will therefore continue to be a priority for the island.

With emerging markets expected to recover from the global economic crisis at a faster pace than the traditional source markets, greater emphasis will be placed on marketing Barbados to prospective travellers in those regions. The fast and furious pace at which they are expanding must also create a significant impact on global travel. Barbados will thrive in the coming years, only if it moves into non-traditional markets and continues to drive legacy markets more strategically. Also, the island must position itself to capture a higher-value consumer and focus its strategies on attracting quality, as well as quantity.

Indeed, there are exciting opportunities presented by the expected growth in international travel, particularly in the Asian markets. The rise of the middle-classes, especially in China and India, presents unprecedented opportunities. Additionally, with the increase in multi-generational and singles' travel and with Baby Boomers in developed nations reaching retirement age, there will be an influx of new consumers entering the global marketplace, driving the demand for leisure travel and seeking value for money, quality products and services and memorable experiences.

As more and more travellers continue to plan, research and book their trips online, Barbados will have to retool to take full advantage of this digital revolution. Research shows that emerging markets have the highest rates of engagement on the Internet, therefore implementing a comprehensive and integrated

online marketing campaign and making greater use of social media to deliver the message directly to prospective travellers, has to become a priority. Barbados has to capitalize on the numerous opportunities presented by this channel, as a large portion of visitors to Barbados are influenced to visit the island through ‘word of mouth’ references. Social media will therefore be utilized to transmit the endorsements of loyal repeat visitors to influence prospective travellers to visit the island.

Global trends indicate that the golden age of mass tourism, characterized by standardized, rigidly packaged products and services, unlimited growth and disregard for the environment – is over. A new tourism is emerging, which is sustainable, environmentally and socially responsible and characterized by flexibility and choice. A new type of tourist is driving it – more savvy, educated, experienced, independent, conservation-minded, respectful of cultures and insistent on value for money. These new travellers want to immerse themselves in the culture and communities of the destination, to seek out authentic experiences, and to give back.

What does all this mean for Barbados? Simply that the island can no longer promote itself in the global village with *only* its sand, sea and sun tags, although they are extremely important components of the island tourism product offering. To cater to this new ‘Experience Economy’, the island has to do a better job of showcasing the other aspects of Barbados and developing the type of products that will attract and satisfy the demands and expectations of the “new tourist”.

This will call for the urgent diversification of the present Barbadian tourism product beyond sand, sea and sun. The Barbados Brand goes beyond its physical beauty. The essence of the Brand is the Barbadian identity, charm and hospitality, as well as the safety, serenity and stability that the country enjoys. Visitors to Barbados must also be able to identify with, and be more exposed to, the distinct nature and warmth of the Barbadian people, the local way of life, the unique natural beauty, the island’s rich cultural heritage and the exotic local cuisine. This is going to call for a greater focus on the development of alternative forms of tourism in special interest niche areas such as Community Tourism, Cultural Heritage Tourism, Culinary Tourism, Agro-Tourism, Health and Wellness tourism, Soft Adventure tourism, Volun-tourism and so forth.

In this rapidly changing face of global tourism, Barbados has to be prepared to capture or tap into these non-traditional, potentially high-yield source markets, by strategising to capitalize on these trends. The demands of today's traveller, the cut backs on discretionary spending, as well as increasing competition, will force Barbados to be more proactive, strategic, innovative and flexible to ensure that the island retains, if not increases, its market share. The ability of tourism stakeholders to change the current architecture of the tourism product and the way in which the destination is positioned in the market, is what will determine the survival of the industry.

A new dynamism will be created that encapsulates the spirit of Barbadian entrepreneurship that will open avenues for wider Barbadian participation and ownership in tourism-related enterprises, through the ownership of hotels and related businesses; in employment, as well as the supply of local products in the hospitality industry. The Government strongly believes in the ownership of this vital industry by Barbadians and will continue to reinforce the structures and enhance the conditions to allow Barbadians to become key stakeholders in the tourism industry.

7.7 Structural Reform of the Barbados Tourism Industry

The Ministry of Tourism in Barbados is charged with providing leadership of the tourism industry and developing a regulatory framework, which creates an environment that facilitates and encourages private

sector and community involvement in tourism. However, for years, the Barbados tourism industry has been plagued with a level of fragmentation and ad hocism, which is having a debilitating impact on the sector's efficiency, competitiveness and responsiveness to global market dynamics. In light of the highly competitive and dynamic international and regional tourism environments, the prevailing 'status quo' is no longer an option.

This Government has made it a priority to address this problem by endeavouring to conduct a comprehensive reform of the organizational and managerial structures of the nation's tourism sector. It is clearly understood that a new model for the effective administration and development of the sector must be established that will facilitate improvement in the capability of tourism institutions, through strategic product development and marketing interventions. This has to be done as a matter of urgency if Barbados is to have the capacity to successfully respond to challenges of the increasingly dynamic and competitive global tourism environment.

At present, there are three Governmental entities which oversee the marketing and development of tourism in Barbados: The Ministry of Tourism, the Barbados Tourism Authority and the Barbados Tourism Investment Inc. The Ministry of Tourism's Product Development Unit is involved in general product development, but with a focus on "soft assets". The Barbados Tourism Investment Inc., a limited liability company owned by the Government, is the leading public sector agency responsible for the development of tourism-related assets, which is undertaken by this entity solely or in partnership with the private sector. The BTII complements the BTA and MOT's Product Development Unit by focusing on the development of physical assets involving capital works.

The BTA is the sole entity responsible for marketing Barbados as a tourist destination. The other major responsibility of the BTA is product development. However, over the years, the primary focus of the BTA has been marketing, with limited involvement in product development other than in the area of Quality Assurance. Traditionally, the BTA has treated product development as a secondary and even minor activity, in terms of priority and allocation of resources (staff and money).

Responsibility for product development is currently shared between BTA and MOT. However, there is limited formal information exchange and idea-sharing between staff of MOT's Product Development Unit and BTA's marketing and product development staff. The major weaknesses in this present structure are: the overemphasis on marketing and promotion; the lack of focus on the critical area of product development; and the non-existent or weak alignment between the product development and marketing functions across the three entities. Also, although it is a tourism-related entity, the BTII is not under the jurisdiction of the Ministry of Tourism. The establishment of a dedicated entity will allow for the coordination of all product development activities.

A prerequisite for the transformation of the Barbados tourism industry is the urgent rectification of these fundamental discrepancies and inconsistencies within the system. The Government has undertaken the task of improving organisational efficiency and effectiveness by mandating a comprehensive restructuring of the Barbados Tourism Authority, which will involve the following:

- the marketing division of the BTA will become a wholly Government-owned limited liability company, called the Barbados Tourism Marketing Inc. (BTMI), whose sole responsibility will be the marketing of Barbados' tourism;
- the product development divisions of the BTA and the MOT will merge to become a statutory agency, called the Barbados Tourism Product Authority (BTPA), whose responsibilities will be the development, regulation and licensing of tourism product;

- the BTMI should assume the tourism marketing activities currently being implemented by the BTA while the BTPA should assume the product development activities currently being undertaken by the BTA and the MOT;
- the BTPA should undertake work in all areas of product development, but focus expressly on the non-physical work of these elements, so as to avoid overlap with the work of the Barbados Tourism Investment Inc. (BTI), which has responsibility for the development of Government's physical tourism assets;
- the BTMI's and BTPA's management capacity should be strengthened through the selection of qualified, highly-skilled and experienced persons for job positions; and
- the BTMI should be provided with the freedom to operate with the flexibility and speed of a limited liability company and to improve its synergies with other organisations, while achieving greater focus and direction for its own activities.

To ensure that there is effective product and marketing integration and coordinated planning of the two critical functions, the following appropriate measures will be implemented:

- shared physical facilities;
- cross-representation at Board of Directors' level;
- establishment of a Joint Technical Committee comprising representatives of BTMI and BTPA;
- provision within each entity of a senior level officer with responsibility to ensure the effective integration of functions of BTMI and BTPA; and
- utilization of information technology to improve information-sharing.

This new structure will eliminate long standing issues of fragmentation and satisfy the dual objectives of creating more effective synergies and greater alignment between the product development and marketing functions. It will also create a more responsive and dynamic marketing entity, as well as elevate the profile and increase the commitment and resources given to the development of Barbados' tourism product. Most critically, the closer functional integration of product development and marketing will also result in complementary improvements being made in the capacity and capability of the MOT.

The MOT will continue to be responsible for monitoring the performance of individual tourism institutions and have general oversight of the industry. However, it will now have added responsibility for providing greater strategic direction to the sector. Implicit in this added role will be an increase in MOT's involvement in research, monitoring and planning activities.

The Ministry of Tourism as the lead agency for the sector, will spearhead the process of establishing a new organizational culture by taking a more visionary, proactive and aggressive approach to how it plans, strategizes, communicates and manages the industry, particularly in its relationships with its constituents locally, regionally and internationally. It will therefore become more of a driving force behind tourism development in Barbados, by being more accessible, transparent, nimble and innovative. This will also involve facilitating a permanent mechanism for inter-sectoral consultation and collaboration to stimulate the economic impact of the industry and initiation of more outreach, awareness and educational programmes with local communities and civil society in general. This mechanism will focus on developing stronger linkages between tourism, agriculture, fisheries, manufacturing, the cultural industries and the services sectors.

8.0 Eight Pillars of Tourism Development

The key fundamentals create the appropriate climate for tourism to flourish and grow. However, there are eight components that form the very foundation of the tourism industry. The future success of the sector is reliant on the transformation of these eight critical pillars in a way that would achieve the required levels of competitiveness, innovation and sustainability that are required for the tourism industry to be successful.

These eight (8) pillars are:

- Sustainable and Responsible Tourism Development;
- Product Development;
- Marketing and Promotion;
- Human Resources Development, Education and Awareness;
- Research and Development;
- Effective Participation and Collaboration;
- Access; and
- Standards and Regulations.

8.1 Pillar 1: Sustainable and Responsible Tourism Development

The Caribbean region is one of the most vulnerable in the world to the impacts of climate change, including sea level rise, biodiversity loss and impacts on human health. The survival of the Barbados tourism industry will therefore be determined by the island's capacity to place a very high priority on the issue of sustainability with respect to the island's development. The most commonly used definition of sustainable development is still that given in the 1987 report of the World Commission on Environment and Development (WCED): it is *'a process to meet the needs of the present without compromising the ability of future generations to meet their own needs.'* In other words, sustainable development is based on principles of sound husbandry of the world's resources, and on equity in the way those resources are used and in the way in which the benefits obtained from them are distributed.

Sustainable tourism is not a discrete or special form of tourism. Rather, all forms of tourism should strive to be more sustainable. Sustainable tourism planning and management approaches can promote efficient use of resources, minimise environmental damage and share benefits equitably.

According to UNWTO, sustainable tourism should:

- i. Make optimal use of environmental resources, maintaining essential ecological processes and helping to conserve natural resources and biodiversity;
- ii. Respect the socio-cultural authenticity of host communities, conserve their built and living cultural heritage and traditional values and contribute to inter-cultural understanding and tolerance; and,
- iii. Ensure viable, long-term economic operations, providing socio-economic benefits to all stakeholders which are fairly distributed, including stable employment and income-earning opportunities and social services to host communities, thus contributing to poverty alleviation.

In short, sustainable tourism should:

- not adversely affect the environment;
- be acceptable to the community;
- be profitable for businesses; and
- satisfy the visitor.

There is a global movement afoot, driven by the UNWTO and the WTTC, where the world is gravitating towards the creation of a more sustainable and responsible tourism industry and combating climate change through the adoption of cleaner sources of energy. For example, the Heads of State and Government of countries that make up the Central American region, namely Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama, have declared 2012 the Year of Sustainable Tourism. This measure makes up part of the Region's 2009-2013 Plan, and its purpose is to promote sustainable development through tourism.

This project will pay close attention to the issue of climate change and ethical tourism practices, as well as securing the participation of local communities and small and medium-sized companies within the industry when it comes to preserving the natural and cultural heritage that exists throughout the Region. Central America will also mark the new era in the Region's development within the context of Mayan Culture, a project that seeks to strengthen the cultural identity of Central America⁵⁰.

In line with this global trend, this Government too, has made sustainability one of the foremost priority developmental areas to preserve the island's future, as it fully understands the extremely significant role tourism plays in bolstering the Barbados economy and sustaining the quality of life of all Barbadians. Sustainable tourism planning and management approaches can promote efficient uses of resources, minimise environmental damage and share benefits equitably. However, the Government also understands that while tourism is the "goose that lays a golden egg", it also has the capacity to "foul its own nest". That is to say, there is a paradoxical relationship between the benefits tourism brings to a destination and the debilitating impacts the same tourism sector can deliver, if not strategically planned, controlled and managed within the confines of current economic, social and environmental parameters.

Whether for land-based or cruise tourism, the Caribbean relies on its natural environment to attract visitors. These tourists and the supporting infrastructure which they require can increase pollution (solid waste and waste water), put pressure on freshwater resources and impact natural resources such as land, wetlands and coastal and marine areas. All visitors are therefore by definition "invasive". As a consequence, inevitably, any type of tourism will have some impact on the environment, culture and social structures of the area involved, which can be positive or negative. On the "positive" side of the balance sheet, tourism has brought with it increased employment; greater foreign exchange earnings; infrastructural development; and an enhanced and expanded world view aspiring out of the cultural cross-fertilisation that has occurred as a result of Barbados playing host to people of diverse cultural backgrounds. Tourism can also raise awareness of the value of environmental assets, contribute to the creation of protected areas through financial contributions and contribute to improved environmental infrastructure.

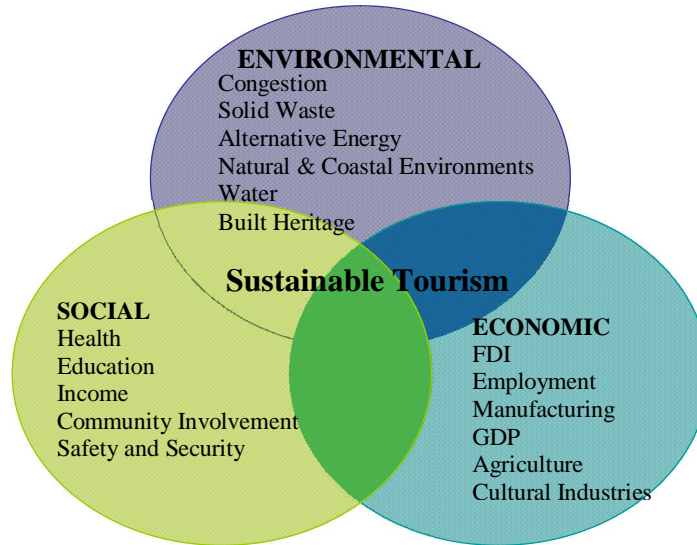
⁵⁰ Central America Declares 2012 the Year of Sustainable Tourism, <http://www.caribbeandigitalnews.com/en/noticia/>, (December 2011)

However, if a responsible approach to tourism is not adopted and the industry is not adequately planned, a number of negative impacts can occur. Chief among these are: damage to fragile ecosystems; competition for scarce resources; especially land and water; seasonality and unemployment during the off-season; employment generation, largely in jobs that carry lower status (bellboys, waiters, housekeepers etc.); foreign exchange leakages outstripping the economic linkages; perpetuation of foreign economic domination; concentration of wealth in the hands of owners of tourism plant at the expense of the population as a whole; and increases in drug abuse, prostitution and sexual promiscuity as a result of the influx of the pleasure-seeking visitors. But what these ills represent are structural deficiencies within the functions of the industry and do not necessarily indicate inherent weaknesses in the integrity of the actual activity. The challenge confronting this Government is how to devise ways and means of wiping out or minimizing these shortcomings, without necessarily destroying the industry itself. The impact of tourism can normally be managed through good planning, administration, and training.

There is a general misconception that sustainable tourism is solely about protecting the environment and issues relating to climate change. While these are very important components, sustainable tourism is also about the preservation of cultural heritage patrimony, involvement of local communities and the strengthening of inter-sectoral linkages. Tourism is not just for the tourists, but also for the benefit of Barbados and all Barbadians. It is for this reason that Government will seek to (1) achieve the development of tourism in a manner that is in harmony with its surroundings and the dreams and aspirations of all Barbadians and (2) maintain a delicate balance between the benefits to be achieved from the industry and preservation policies mitigating against the overconsumption of national resources necessary to sustain an optimal level of social development.

Tourism benefits must always outweigh their costs in order to ensure that the sector gives back more than it takes. The industry has the capacity to propel Barbados into further social development, as well as to act as a catalyst for the conservation of the physical environment. Tourism is one of the few industries in the world that, when planned and managed properly, takes nothing from a country, leaves behind hard currency, fosters education and job creation, significantly contributes to socio-economic development and environmental consumption and promotes peace and stability (See Figure. 3). This is the ultimate goal of this Government for the Barbados tourism industry.

Figure 3: Key Elements of Tourism Sustainability



Government is committed to the people of Barbados. Therefore, its intention to become a green economy will be based on an over-riding respect and appreciation for the Barbadian environment, culture and way of life. Green growth policies will guarantee the island’s competitive advantage as a destination and create jobs for the Barbadian people. Governmental policies are aimed at promoting the concept of renewable energy, innovation and competitiveness in all sectors and encouraging the levels of investment that are required to stabilise the economy and enhance growth prospects for the industry.

In the future, it is predicted that travel and tourism will be both sustainable and responsible, with a focus on preserving identities and cultures, celebrating the unique and conserving what is locally distinctive about a place. If Barbados does not begin to work towards a more responsible future for the tourism industry, there may well not be a tourism industry at all. In order to avert such a scenario, Government will ensure that it continues to provide the policy and planning framework for environmental protection and heritage management and set strategies to encourage the private sector to take the whole issue of sustainability seriously and make it an area of urgent priority.

8.1.1 Responsible Tourism

In order to ensure sustainable tourism development and address the ideas and concerns raised in the public consultations by Barbadians and visitors alike, this Government is committed to the concept of Responsible Tourism as the key guiding principle for tourism development. Responsible Tourism implies a proactive approach by tourism industry partners, to develop, market and manage the tourism industry in a responsible manner, so as to create a competitive advantage.

Responsible tourism implies tourism industry responsibility to the **environment, culture and society** through:

- the promotion of balanced and sustainable tourism and a focus on the development of environmentally and community based-tourism activities;
- involvement of local communities through the development of meaningful economic linkages by Government and businesses;
- Respect for, investment in and development of local cultures and establishing of measures to protect them from over-commercialization and over-exploitation;
- active involvement of local communities in the tourism industry through the employment of sustainable tourism practices and mechanisms to ensure the safety, security and health of the visitors;
- The promotion of:
 - responsible practices among both employers and employees in the tourism industry, both to each other as well as to the customer;
 - responsible trade union practices and responsible employment practices;
 - responsible governance by Government, and,
 - responsibility on the part of the tourists themselves to observe the norms and practices of Barbados, particularly with respect to the environment and culture of the country.

Key elements of responsible tourism are:

- avoidance of waste and over-consumption;
- use local resources sustainably;
- maintenance and encouragement of natural, economic, social and cultural diversity;
- sensitivity to the host culture;
- involvement of the local community in planning and decision-making;
- assessment of environmental, social and economic impacts as a prerequisite to developing tourism;
- ensuring that communities are involved in and benefit from tourism;
- marketing of tourism that is responsible, respecting local, natural and cultural environments; and
- monitoring impacts of tourism and ensuring open disclosure of information.

Achieving competitiveness for the Barbados tourism industry, will involve the development of a sustainable and responsible tourism that would facilitate the development of communities and rural areas and potentially contribute to the reduction of poverty and crime.

8.1.2 Carrying Capacity

The expansion and growth of Barbados' tourism development over the years has been rapid and largely uncontrolled. This has had, in many instances, an overwhelming impact on the built and natural assets of the island, which has resulted in over-development on the West Coast, coastal erosion, dying coral reefs, contamination of the water resources, poor solid waste management, crippling energy costs, air and noise pollution and the loss of several invaluable historic buildings. To rectify this state of affairs, there will be a serious and unshakeable commitment to maintain Barbados as an environmentally friendly island. This means that the Government will adopt and maintain international best practices with regard to the island's maritime and land resources, creating both as sanctuaries. It will also instil in the youth, from

kindergarten to tertiary education, that a foremost value of Barbadian society and culture must be the protection and preservation of the environment. In order to protect this extremely important industry from any further degradation the Government will immediately conduct a carrying capacity study to assess the number of tourists this nation can comfortably accommodate, whilst minimizing socio-cultural impacts.

The UNWTO defines carrying capacity as “the maximum number of people that may visit a tourist destination at the same time, without causing destruction of the physical, economic, socio-cultural environment and an unacceptable decrease in the quality of visitors' satisfaction”. Barbados currently welcomes approximately 1.2 million visitors annually to its shores. With a population of approximately 285,000 inhabitants, this means that there currently exists a 4:1 visitor-to-resident ratio on the island. This status quo cannot remain, as the continued trend of increasing numbers, as opposed to seeking to increase visitor yield, will place added pressure on the island's already strained and finite natural resources. For example, the United Nations has ranked Barbados as the 15th most water-scarce country in the world. Thus, it is absolutely critical for Barbados to know its sustainable criteria to avoid further degradation of the country's resources.

Given the reality of climate change, the Government will actively plan ahead to ensure that it develops the right type of products, to attract the right kind of visitors, in a way that maximises sustainability. For too long, tourism planners have single-mindedly pursued increased tourist numbers without fully understanding either the local economic benefits of different types of tourists, or the true cost of tourism to local culture and the environment. Barbados will no longer just pursue the uncontrolled increase in tourism arrivals, instead, the island will focus more on the types of high-yield tourists it needs and match these to the most suitable areas and communities within the island. Instead of playing the tourism “numbers game” which focuses on highlighting numbers of tourist arrivals (quantity), the Government will move towards creating a more “customized” (quality) tourism, based on higher-income tourists, in order to maximise earnings.

8.1.3 Sustainable Coastal Tourism

Barbados' tourism infrastructure is located primarily in the narrow western and southern coastal zones and has a limited spatial distribution. In many cases, tourism has been the activity that initiated the economic development of various areas and consequently other spin-off activities that also developed because of tourism. However, the industry has now started to create negative impacts on the environment and threaten both tourism sustainability and the wider society as a whole.

Consequently, a conflict has developed between the benefits tourism provides for the economy as a whole and for the social environment in which it is operating and its heavy impact on the coastal physical environment in terms of pressure on sensitive areas, the production of waste, the fragmentation of habitats, as well as the social environment in terms of the loss of social and cultural identity and values. The major challenge in this conflict is to find a means to develop coastal tourism patterns that will not minimise benefits to tourists and local populations, or the quality of the natural resource base for tourism.

In order to minimise tourism-induced problems and secure both the sustainability of the tourism industry and coastal resources used by other sectors, increased attention must be paid to the integration of coastal tourism into strategic development planning. In planning tourism development, it is of the utmost importance to focus on the appropriate planning of tourism growth, with regard to the capacity of local systems. As such, Integrated Coastal Zone Management (ICZM) practices must be adopted by both tourism operators and decision-makers as a path to follow towards the sustainable development of coastal tourism and tourism as a whole. The ICZM is an adaptive, multi-sectoral governance approach, which

strives to have balanced development, use and protection of coastal environments. It is based on principles such as a holistic and ecosystem-based approach, good governance, inter and intra-generational solidarity, safeguarding the distinctiveness of coasts and precautionary and preventive principles, which give a context for achieving the aims of sustainable tourism.

8.1.4 Greening the Tourism Sector

The Government is committed to operating sustainably and to limiting any negative impact on the environment. It will therefore lead the national agenda to work tirelessly today to protect tomorrow and will continue to strive to improve the way it operates by reducing its carbon footprint through the adherence to internationally recognized standards and best practices. The main intention will be to set a positive example for the rest of the country by being a role model to be emulated in the areas of energy and water conservation, protection of natural and cultural assets, proper waste disposal and good corporate citizenship.

Barbados is blessed with a unique, breathtaking environment comprising white sandy beaches, pristine blue water, an undulating topography, green gullies and a spectacular underground cave system. Due to the paradoxical relationship tourism has with nature, it is not uncanny that Barbados' lead sector must champion the cause of Greening Barbados to (i) reduce energy costs particularly in the hospitality sector, (ii) increase Barbados' marketability and (iii) reduce the island's carbon footprint.

Upgrading buildings to make them more energy efficient in a bid to reduce carbon emissions has the huge potential for long-term success. Through 'retrofitting', hoteliers around the world are now beginning to see this trend as solution to reducing their costs in the future. Indeed, sustainability is emerging as a dominant global trend in hotel refurbishment – and the green credentials of hotels are increasing in significance, especially across the luxury segment. More hotels are placing sustainability at the heart of their operations and are looking to install more energy-efficient green technology, such as solar panels, at their properties. Spending now on long-term environmental issues will be beneficial and cost-effective in the long term. There is therefore a firm business case for sustainability, as it affects the core of any business. Design principles for sustainability include recycle/reuse, water-saving, energy efficiency and maintenance/longevity. Corporate Social Responsibility (CRS) is also becoming increasingly important to customers, particularly in the business sector. The implementation of a strong CRS strategy is important, as it saves money through operational efficiencies and generates positive publicity.

Barbados' tourism industry, as a whole, is plagued with high operating costs, of which energy is a major component. The island is also crippled by some of the highest energy tariffs in the world. These factors significantly impact on the hospitality subsector in particular, where high room rates and food and beverage costs impact negatively on competitiveness, as value for money is not perceived. This situation is untenable. Consequently, the industry must move swiftly towards the adoption of alternative and renewable energy in its day-to-day operations, in order to make this subsector more competitive and sustainable. It has been suggested that hotels that are not upgraded with a view towards sustainability will ultimately surrender market leadership in terms of operating costs, have reduced productivity, be less attractive to workers and acquire a negative brand image.

The main argument against the implementation of sustainable initiatives, including retrofitting, has been the high start-up costs associated with developing a greener product. Renewable energy is still in its infancy and will likely become less expensive in the future. However despite these obstacles, it is indisputable that investment in energy efficiency has been found to generate significant returns within a short payback period. In this way, adopting energy-efficient practices will result in lower operating costs and increased profits for the sector in the short to medium term.

8.1.5 The Development of a Green Economy: A Governmental Imperative

Barbados is highly dependent on fossil fuels. The importation of fuel is a significant component of Barbados' import bill, rising from around 7% of total imports in 1998 to over 25% in 2011. It is now the largest individual category of imports, surpassing food and beverages and machinery, which account for 17% and 13%, respectively, of total imports. This heavy reliance on fuel for energy has been a significant drain on the island's foreign reserves. This loss in reserves due to oil purchases has ranged from a low of \$20.6 million in 2007 to a high of \$233.8 million in 2008, when the price of oil rose to record levels. Between January and November 2011, the decline in Central Bank reserves, due to oil purchases, was \$163.5 million, which was \$31.3 million below the figure recorded for 2010. These statistics indicate that as a price-taker, depending entirely on imported oil for its energy needs, could prove a continuous drain on the Barbadian economy⁵¹.

The Government is concerned not only about the high cost of oil leading to a drain of foreign exchange, but also about the necessity of preserving the island's fragile environment and reducing the island's carbon footprint. As a result, the Government has created a vision for a Green Economy for Barbados, whereby the goal is to achieve the largest reduction in fossil fuel consumption of any Latin American or Caribbean country within the next 10 to 15 years. This Government is interested in renewable energy and energy efficiency for a number of reasons. It will not only reduce fossil fuel imports, but will also create a new industry. Barbados has the technology, the technical know-how and the educated population required to move this industry forward. The advancement of green technology can provide numerous employment opportunities, especially for the youth.

Additionally, Barbados' sandy beaches, reefs and coastal ecosystems, coupled with relatively calm waters and warm weather, create optimal conditions for a vibrant and successful tourism industry. The Barbados coastline is therefore an extremely critical asset of the island's economy. As a consequence, this Government is committed to the preservation and management of this precious resource from the damage caused by natural disasters and risks associated with climate change.

Government has fully embraced the movement to renewable energy technology to curb the rising energy costs and is committed to ensuring that the pace of the development of renewable energy and its timely implementation is fast-tracked. Therefore, it is currently taking an integrated and holistic approach to tackling the challenges posed by climate change and sustainability. Some of the initiatives being undertaken include:

- the development of the requisite energy-efficiency and renewable energy policy and legislative framework intended to ensure that Barbados' electricity sector develops in a way that promotes the use of renewable energy;
- the implementation of the Inter-American Development Bank (IADB) funded \$20 million Energy Smart Fund to help both consumers and businesses, including the tourism industry, finance the up-front costs of renewable energy technologies such as solar panels and more efficient air-conditioners and light bulbs, including grants to businesses pursuing energy-efficient and renewable energy projects. The fund seeks to develop a package of financial instruments and to provide technical assistance to remove the main barriers to investment in these technologies. It is also designed to drastically cut the island's fuel import bill, significantly reduce energy costs to consumers and put Barbados on the path of a green economy. The savings that will be generated

⁵¹ Alvon Moore and Julian Jones, *A Note on Oil Consumption in Barbados*, Central Bank of Barbados Economic Review December 2011, *Volume XXXVII, Issues 4, pg.11*.

by the smart fund, as part of Barbados' sustainable energy framework, are expected to total at least US\$283 million over the next 10 to 15 years.

- the support for the implementation of the Caribbean Hotel Energy Efficiency Action (CHENACT) project which seeks to implement an energy efficiency model and a clean energy policy for the hotel sector and improve the competitiveness of small and medium-sized hotels under 400 rooms, through the improved use of energy, with the emphasis on renewable energy and micro-generation.
- the development of a renewable energy matrix within the next 20 years, where renewable energy would account for 29% of electricity consumption. This would account for a 22% reduction in electricity consumption and reduce the cumulative cost of oil imports from US\$2.648 billion to US\$1.978 billion.
- the investment of a US\$30 million IADB loan towards the preservation and management of the Barbados coastline through three components: coastal risk assessment, monitoring and management; coastal infrastructure to control shoreline erosion, improve coastal infrastructure resilience, and boost public access to beaches; and institutional sustainability to improve the capacity of the Coastal Zone Management Unit (CZMU) and its strategic partners to address climate change impacts, and promote stakeholder participation in implementing an integrated coastal risk management approach;
- the establishment of more productive use of water in all sectors in Barbados to reduce wastage and alleviate scarcity, by upgrading the water distribution network; to achieve more effective rainwater harvesting; pollution control and water conservation to reduce the island's vulnerability to shocks and to protect the sustainability of its water stocks; and
- the provision of incentive mechanisms to nurture and encourage energy efficiency and renewable energy adoption and the need to seek, where possible, to remove monopoly to competitive industries.

The island must reform its consumption patterns as a matter of urgency. At present, Barbados is at the mercy of the oil-producing countries of the world. For hundreds of years, the primary source of energy for the sugar industry, the then engine of growth for the economy, was wind energy. Barbados is blessed to be surrounded by the natural energy resources of sun, wind and sea. Therefore, a re-education now has to take place at the national level to promote to Barbadians the most environmentally-friendly and viable sources of energy for the country. Research and development into the use of fuel cane and fuel corn to produce ethanol as an alternative source of energy, will also be encouraged as a renewable and sustainable source of energy.

8.1.6 Forging Sustainable Tourism Linkages

As the lead sector and foreign exchange earner for the island, any economic recovery in the short to medium-term will be primarily dependent on the tourism industry. Therefore, this industry is best poised to take the primary role in bolstering these other sectors, through the creation of effective linkages in a way that complements and not competes with these other industries. The development of effective inter-sectoral linkages has been a major policy directive of successive governments for years, as a means of lowering the high import bill, creating a multiplier effect of revenue throughout the economy, involving local communities and boosting local industries. However, this goal has never been achieved to its full potential. This Government fully understands the importance of creating strong inter-sectoral linkages and

is committed to ensuring that they are instituted as a basis for developing a truly sustainable tourism industry. Implementing these policies will create a new basis for the economy and ensure that it operates on a sound footing.

Tourism has the capacity to contribute to the objectives of some of the other sectors. Tourism can: create new markets and new opportunities in agricultural policy and crop diversification offers an alternative source of foreign income; and support private sector development and public sector reform. This means every effort must be expended to bolster the other foreign exchange earning sectors, such as agriculture and fisheries, manufacturing, the cultural industries and international business, *inter alia*. Modern economies do not thrive on a single sector, as this exposes the country to a greater level of vulnerability. The creation of effective inter-sectoral linkages will result in a more balanced, expanded, diversified economy, which will be more economically healthy and viable for Barbados.

While tourism is tremendously important to Barbados, its uncontrolled development cannot be allowed to take place at the expense of agriculture and fisheries, in particular. The importance of agriculture to Barbados is not only because of its historic role in the country's economy, but also because of the need to ensure a level of food security, the health of all Barbadians and the sustainability of environmental resources. Additionally, the relationship between fisheries and the tourism sector should not be discounted. For tourists, seafood is an important local culinary attraction. There is a high demand for fresh, local seafood among tourists visiting Barbados, as well as among local residents. Thus, an examination of local fisheries-tourism synergies must be developed to increase local seafood consumption. The Government will therefore be concerned with whether and to what extent, tourism can enhance the competitiveness of agriculture and *vice versa* and how increased linkages between agriculture and fisheries and tourism can help to sustain the livelihoods of the poor.

The Government is mindful of its primary responsibility to protect employment. Therefore, the timely implementation of budgetary policies is paramount to protect and create employment within both sectors, that is, the agriculture and fisheries sector and the tourism sector. However in light of all the challenges that confront the country, it is critical that Government remain unwavering in the commitment and resolve to develop and possess its own brand of agro-tourism. The active pursuit and development of a sustainable agro-tourism sector is an important element of the sustainable development of the industry.

Research will be conducted to ascertain the full impact of tourism and to reveal also where economic leakage occurs. Although not all leakage can be stemmed, there are opportunities to retain value through locally produced goods and services, programmes that increase local participation and strengthen links with related businesses, or new activities such as entertainment or cultural experiences.

An ongoing issue has been the high level of food and beverage that is imported to accommodate the tourism sector. There are several challenges hindering a more effective collaboration and linkage between the tourism industry and local farmers. Common problems of sourcing products locally are well known – inadequate/inconsistent quality, reliability, or volume of produce, which is further exacerbated by inadequate communication and information-sharing between supplier and purchaser. These issues have been longstanding. However, Super Centre Limited recently opened a state-of-the art produce warehouse, which is intended to act in the capacity of a clearing house for local farmers, whose produce will be graded and sold to tourism businesses, including hotels, restaurants and cruise ships. This new arrangement will, hopefully, contribute to improving the reliability of supply and the quality of produce that meets the required standard of the sector. This is one step in the right direction, but more has to be done and will be done to ensure that an effective and stronger agro-tourism linkage becomes a reality. There is too much to gain as a nation from such a union.

There also needs to be greater collaboration in the area of manufacturing. The Crane Resorts and Residences continue to utilise locally manufactured furniture. The Hilton Hotel, Tamarind and Crystal Cove from the Elegant Hotels Group, are also examples of properties that have utilized locally manufactured furniture in their refurbishment programmes. However, there is room for greater improvement in this area within the sector. With respect to the cultural industries, some leading restaurants have created art galleries and some hotels provide exposure for craft vendors. However, a lot more can be done in this area as well, particularly regarding the showcasing of local art and craft within the accommodation sector.

In the area of entertainment, local talent is utilized as part of the entertainment offering of several hotels and restaurants, however, an effective and sustainable fusion has still not been created between the cultural industries and tourism sectors. There are still some issues concerning inadequate compensation and working conditions. In some cases, “Billboard top forty” music also makes up a large part of the repertoire of the hotel band circuit, thus depriving visitors of a truly authentic cultural experience.

Barbados is an island that is rich in culture and abounding with local talent. As the Government seeks to diversify the Barbados tourism product, by increasing its focus on the cultural heritage components of the island’s product offering, the tourism sector has to play a greater role in assisting in showcasing of local Barbadian talent to the world. For example, Cuba is an island that provides a strong foundation for the professional careers of the island’s artistes. The biggest tourist attractions in Cuba are the cabaret shows at the Tropicana and the Hotel Nacional, which employ dozens of local performers. A framework must be set up whereby the local tourism sector understands the importance of, and is committed to, providing well-compensated career opportunities for a wider cross section of local singers, dancers, musicians, poets, actors, comedians, writers and technicians. Local talent, in every form, must play a significant role in the differentiation and diversification of the Barbados tourism industry. No effort will therefore be spared to ensure that the conditions are created to ensure that a strong fusion between the cultural industries and the tourism sector occurs at every possible level.

The tourism industry must not develop at the expense of, or to the detriment of, other sectors and local businesses. If tourism is to be the stimulus for development in other sectors of the Barbadian economy and a mechanism for sustainable development, Government must establish an enabling framework to facilitate the development of linkages to the tourism sector. A national dialogue will therefore be initiated amongst and between all relevant sectors at the national level to identify the root causes that continue to prevent the forging of effective and sustainable strategic partnerships within the tourism economy and to formulate implementable solutions within set timelines.

8.1.7 Community Involvement

True sustainable tourism, however, can only be achieved through the participation of the local community in tourism, through the effective utilisation of a “bottom-up” approach. This will involve meaningful community involvement in the decision-making process; participation of community-owned businesses to help reduce financial leakage and support the local economy; tourism education and sensitization; availability of entrepreneurial opportunities; increased visitor interaction through “People-to-People” programmes; the training and hiring of local people and contracting with local businesses and economic benefits for a wider cross section of society. The sustainability of any national developmental vision will require national buy-in, as more constructive and less adversarial attitudes may result from working together.

The Government through the Ministry of Tourism will therefore aggressively undertake to engage the Barbadian populace in meaningful tourism outreach programmes across the island by “taking tourism to the people” in order to make the industry more accessible to the average Barbadian and to alert them to the benefits to be gained from the industry. This approach will seek to re-emphasize that “tourism is our business” and that each and every Barbadian has an important role to play in its success. Thus, good governance and responsible tourism practices will be applied to the planning and development of a sustainable tourism sector.

Tourism is expected to continue on a path of rapid growth in the future. This growth can be harnessed not only for the enjoyment of tourists themselves but, more importantly, for maximising economic benefits and thus increasing the living standards of host communities. An “attraction-based” rural and community-based tourism will also be developed to facilitate environmental sustainability, improve the living standards and encourage the participation of local communities, which are all stakeholders in sustainable development. As a result, economic benefits will be maximized, with minimum impact on the environment, culture and residents’ way of life. Involving a wider cross section of Barbadian communities will contribute dramatically to the promotion of sustainable tourism development in terms of community participation, job creation and poverty reduction. This is crucial in order to ensure that crime is kept to a minimum and Barbados maintains its reputation as a safe and secure destination for citizens and visitors alike.

8.1.8 Attracting the New Environmentally and Socially Conscious Customer

Current trends indicate that education and awareness of the impacts of tourism has led many consumers to seek more responsible holidays. These types of holidays include various forms of alternative tourism, related to sustainable tourism development, that is more environmentally and economically friendly, such as culinary tourism, ecotourism, cultural heritage tourism, agro-tourism and “soft adventure” tourism. As Green Travel continues to become the ‘new normal’, consumers are looking to bring their green living habits to their travel experience and are increasingly demanding more sustainable options. In light of this trend, environmentally-friendly properties are steadily gaining market share among a new segment of travellers.

There is a paradigm shift from the traditional beach/resort type tourism to one that is more sustainable and provides opportunities for authentic interactions and immersion in the culture, communities and way of life of the destination. This type of tourist tends to be a more educated, high-yield traveller, who is interested in eating local foods, participating in local events, meeting local people and giving back to the host communities and destinations that they visit.

Barbados must therefore seek to promote its cultural industries (food, music, art, etc.) to attract this small, but growing percentage of lucrative, high-yield specialist groups, who are more aware of the importance of preserving the built and natural environments. Due to the greater awareness of the specialist traveller, there is not as great a strain on the country’s limited resources as would be the case with the traditional mass tourist traveller, as these groups are more in tune with their environment-preserving instincts. Research has also shown that such specialized travellers are also more prone to be strategically aligned with entities that promote corporate social responsibility. These tourists are also more inclined to spend, as their corporate responsibility orientation predisposes them to contribute to sustainable development of the host country.

Barbados must also seek to promote and build a reputation for itself as a green destination. This will be achieved through the implementation of sustainable and responsible tourism practices to attract those environmental and socially-conscious travellers, who will understand, respect, and support the culture and

people of Barbados, whilst seeking to minimize the negative environmental impacts and, where possible, make positive contributions to the conservation of biodiversity and natural and human heritage.

8.1.9 Preserving Barbadian Culture

Preserving the Barbadian identity through the conservation of the various components of its culture, is of critical importance, as it tells a story of “who we are and how far we have advanced as a people and a nation”. This, in itself, is a powerful tool for instilling national pride and leaves a legacy for future generations.

Successful cultural heritage tourism strategies must necessarily uncompromisingly showcase the skills and abilities of the Barbadian people. Government will therefore seek to promote and facilitate the exhibition of the unique art forms of the island as part of its unique selling points. Government recognizing the importance of the new Experience-Economy tourism is strategically positioning Barbados to go after this market by providing, by way of a government-backed guarantee, a facility to provide for the borrowing of \$50 million dollars over the next five years starting in 2012, to support this mechanism. These resources will go directly to support the promotional, marketing and distribution efforts of Barbadian musicians, artists, designers and chefs.

Furthermore, the Government will ensure that the tourism sector always acts in accordance with the island’s cultural heritage, and respects the cultural integrity of Barbados. There must be respect for local cultures and awareness of and sensitivity to local customs, regulations and traditions. This will be accomplished by defining codes of conduct for the industry, which includes providing investors with a checklist for sustainable tourism projects. Establishing and developing tourist awareness and sensitization information before-hand could, be one way of managing codes of conduct for visitors to the island. In this way, tourists will be informed and educated about Barbados, both before and after their arrival in the country.

8.1.10 Sustainability Awareness

All Barbadians need to be educated and sensitised about the benefits of sustainable development and the Government’s alternate energy programmes, in order to achieve their buy-in. At present, only 40% of the houses in Barbados have solar water heating. This number needs to be improved. All Barbadians, tourism and other businesses need to be acquainted with the incentives and concessions available to encourage the transition to a more energy-efficient nation. Therefore a sustained programme will be developed to ensure that this goal is achieved.

The nation’s youth need to become aware of the benefits of sustainable tourism and identify within it, sustainable careers for their independent social advancement. This is important to the economic development of Barbados and the island must now seek to develop programmes and strategies to better include tourism modules within its school curricula and activities.

There have been attempts to involve segments of the local population through several community tourism projects facilitated by the Ministry of Tourism and other agencies. But these have been episodic, as no sustainable institutional framework has been set up for the ongoing involvement of the local communities. Greater effort has to be expended by both the Government and the tourism private sector to redress previous imbalances, to gain the trust, commitment and support of the local communities and previously marginalised groups, to demonstrate that tourism in Barbados can and will directly benefit Barbadians. This will go a long way towards warding off any potential criminal backlash that would have a crippling effect on the sector.

8.1.11 Collaboration

Partnerships are at the core of sustainable development and sustainable tourism. The creation of an integrated, inclusive, competitive, sustainable and crisis-resilient tourism industry requires the creation of a culture of collaboration, cooperation and commitment between all levels of Government, non-governmental organizations, the local Barbadian population, regional and international public and private sector entities to:

- Promote consultation processes in tourism planning;
- Develop a bottom-up approach in tourism planning, development and management;
- Initiate stakeholder dialogue on community involvement in tourism development;
- Bring together key players and decision-makers to discuss areas of common interest of concern.

Successful implementation of a sustainable and responsible tourism industry will also hinge upon the development of strong public-private sector partnerships. One of the core tasks of the Ministry of Tourism is to sustain and manage the public-private sector partnership and support the private sector as the engine of sustainable growth, economic benefit and employment.

Consequently, the Government of Barbados is fully aware and is committed to adopting a synergistic approach to the management of the tourism product, by developing the structures and frameworks necessary to attain meaningful and holistic sustainable tourism planning.

8.1.12 Health, Safety and Security

Health, safety and security issues can have a negative impact on tourism sustainability, if not planned and managed in a systematic manner. The health and safety of citizens and visitors are a priority for the Government of Barbados. The Royal Barbados (RBPF) stands firm in its fight against illegal drugs and all forms of criminal activity, as uncontrolled and spiralling crime can significantly affect the reputation of Barbados as the safe and secure destination upon which its brand is premised.

The Ministry of Health is also spearheading efforts to reduce communicable and non-communicable diseases amongst the Barbadian populace. Of particular concern are the increasingly high incidences and mass effects of chronic non-communicable diseases (diabetes, hypertension, obesity, heart disease, cancer etc.), which cost the Government approximately BDS\$250 million annually. This places a heavy burden on the national purse and also has a potentially debilitating impact on the tourism industry and the nation as a whole.

Tourism is a labour-intensive industry, thus a healthy workforce is a prerequisite in order to ensure high levels of productivity and efficiency, resulting in a more competitive sector overall. Therefore, the Government, as a matter of priority, will seek to reduce this high health bill by continuing to increase the awareness of a healthy eating and drinking lifestyle amongst the Barbadian people. A healthy workforce will be the lifeblood of the tourism sector and, by extension, the Barbadian economy. A national movement to promote a healthy lifestyle has already commenced across the length and breadth of Barbados and must therefore be continued.

In addition, initiatives to continue in the fight against HIV/AIDS have heightened as the tourism business often creates the environment for casual sex, which can potentially lead to the spread of the disease. This effort must not falter as, the Caribbean region ranks second only to sub-Saharan Africa with respect to global HIV/AIDS prevalence rates and is the most affected in the Americas⁵². The tourism sector can be a conduit for this virus due to the sex trade on island. This can potentially affect the youngest and most productive age group, which is expected to make a significant contribution to the economic and social development of the country. If educational efforts to inform both the local populace and tourists are not stringently executed and enforced on a continuous basis, then this has the potential to impact Barbados' most productive segment of the workforce if the HIV/AIDS pandemic is not controlled. The Ministry of Tourism has done a commendable job over the years in the area of HIV/AIDS awareness in the tourism sector. Thus, redoubling of programmes aimed at promoting HIV awareness among tourism workers, eliminating the stigma associated with the disease, and protecting the Barbadian population at large, will continue to be an ongoing priority.

8.2 Pillar 2: Product Development

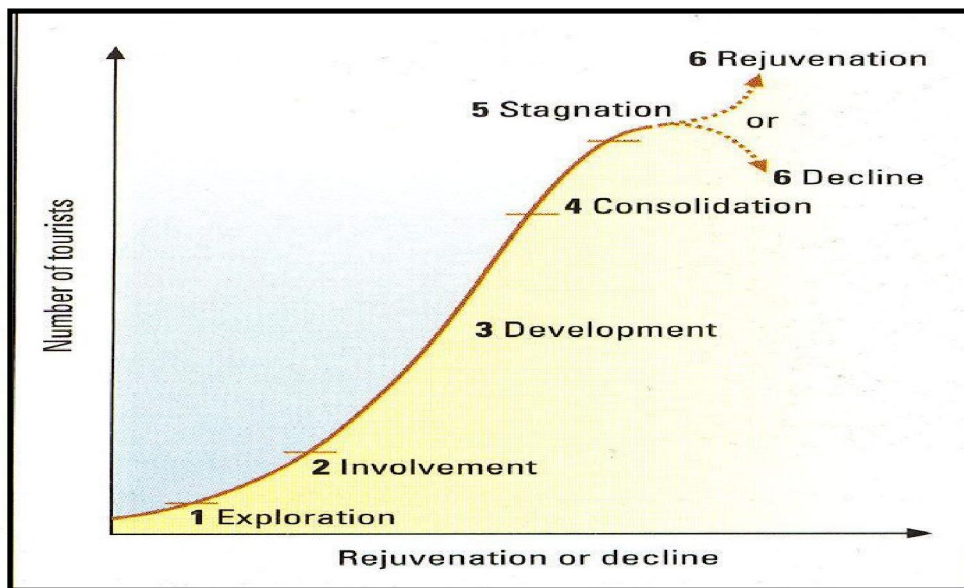
The UNWTO, in its review of tourism market performance for its 2020 Vision report, stated that the short-haul beach resort areas, including those in the Caribbean, are seen by their close-by markets as “providing tired and jaded products”. This perception sets the stage for the need for product renewal in these regions. Barbados is an exciting and iconic destination, with a comparably diverse product offering. However, an aging, “tired” product with a significantly higher price point when compared to other destinations, is affecting the island’s competitiveness. Due to this, value for money is not always perceived by the customer or the travel trade. This reality paints a picture of a serious threat to Barbados’ image and viability in the global market place. Trend analysis clearly indicates that changing customer behaviours, preferences and expectations, increased competition and choices and the growing influence of social media, all require Barbados to focus on Product Development as a matter of urgency.

⁵² The Henry H. Kaiser Foundation, The HIV/AIDS Epidemic in the Caribbean, <http://www.kff.org/hiv/aids/> (November 2009)

8.2.1 Transitioning from Stagnation to Rejuvenation

After experiencing periods of sustained growth since the inception of the centralized organization of tourism as an industry, Barbados is now being described as a mature destination. Based on Butler's *Tourism Area Life Cycle (TALC) model*, statistical analysis has evidenced that the island has reached the stage of stagnation, with no measurable change in annual tourist arrival numbers over at least the last five (5) years. In addition, the industry has been developed in an unsustainable manner, due to the failure to conduct a scientific modelling of the carrying capacity of the destination.

Figure 4: Butler's Tourism Area Life Cycle Model



The focus now must be on ensuring that the island follows a developmental trajectory to *Rejuvenation* as opposed to *Decline*, through infrastructural improvement, product enhancement and diversification, innovative technological developments and sustainable development.

8.2.2 Rejuvenating the Barbados Product

The Barbadian product is at the stage where rejuvenation is the only option if the industry is to survive and flourish. The global trend of a new tourism, being driven by the new tourist - who is more knowledgeable, demanding, and technologically-savvy than in times past - places considerable demands on the evolution of the tourism product. Visitors are increasingly seeking more "things to do" while on vacation in the form of "off-the-beaten-path" experiences that are exciting, unique, rewarding and memorable, with a strong emphasis on experiential and educational activities. Therefore, tourism product offerings must also be both physically and intellectually stimulating. The travelling demographics have also predominantly evolved into single females, families, Baby Boomers and stressed out professionals, who are seeking fun, excitement, relaxation and rejuvenation, in a safe and secure environment.

Tourism markets around the world are responding to the needs of this new customer. An increasing number of countries have become more creative and innovative with their product offering, particularly in the emerging destinations, where unique, exciting new products, complemented by exemplary service are

being offered at a fraction of the price of what it would cost in Barbados. Novel underwater, treehouse and ice hotels, high-tech amenities and facilities, in-room product innovations, massive theme parks and accessible facilities for the disabled and elderly, are becoming commonplace.

Innovative forms of tourism have also emerged to meet the changing needs and special interests of tourists including culinary tourism, community tourism, health and wellness tourism, adventure tourism, eco-tourism, etc. Some countries are even pushing the envelope by offering space tourism to discerning clientele seeking once-in-a-lifetime experiences⁵³.

In light of these global developments, Barbados, as a matter of priority, must seek to strengthen its brand and image by ensuring that its product remains relevant, competitive and of a high quality. Whilst Barbados traditionally has had a high repeat customer base over the years, the global trend is that the level of customer loyalty has declined sharply in recent years, as the ‘new traveller’ is taking advantage of the numerous choices and new experiences now available to them. Today, customers go where they can find the best products and services, even if that means breaking off long-term relationships.

The affluent, in particular, wants bragging rights at the country club and to “one-up” each other with once-in-a-lifetime experiences. This heightened level of competition is taking away from loyalty to any one destination or hotel. However, exceptional service, characterized by a high level of personalization that exceeds expectations, is usually rewarded with loyalty, positive word of mouth and repeat visitation. Service excellence is therefore the key to ensuring that memorable and world class experiences are created on a consistent basis.

To achieve this goal, the local tourism product must be reinvented and repositioned in a way that will enhance its reputation as a unique, quality, authentic destination that offers *value for money*. This will require the development of a culture of creativity and continuous improvement, as the Government seeks to expand and transform the industry. Product range and diversity will be critical to the success of strategies responding to customization trends and niche marketing. These will also be vitally important as the island endeavours to enhance visitor experience, extend the length of stay and increase visitor spend.

8.2.3 A New Approach to Product Development

Barbados’ ability to attract and maintain customers is directly dependent upon its capacity to launch innovations that deliver on changing consumer expectations. In order for the island to maintain and increase its market share, it must continue to out-think and out-produce its competitors, not only in terms of the selection and quality of products and services that it offers, but also in terms of its price points.

In order to achieve this, Barbados must continuously strive to discover how it can better satisfy the specific needs and wants of its consumers. This will call for a revolutionary approach being taken to product and marketing innovation and improvement, which may require the adoption and implementation of new strategies. Embracing change, formulating a clear vision and the adoption of a proactive and scientific approach to tourism business, must become the accepted model for success.

The priority for Government is the development of a competitive, diversified, year-round, high-yield, quality tourism product that offers value for money. In order for Barbados to develop as an all-year-round

⁵³ The Caribbean island of Curacao, will start offering suborbital space flights starting in 2014, where space tourists, for the price of US\$9,500, will board XCORR’s Lynx rocket planes on the island to take 30 minute flights to space.

destination, efforts to diversify the product need to be intensified. This will entail the creation of new product to fill slow periods, through the development of niche products, activities, events and festivals, which will attract particularly the lucrative Boomer market.

While marketing is extremely important to attract customers to Barbados, product development provides the anchor for the destination. Some of the most important factors that influence a tourist to choose a holiday destination are the country's weather; its natural beauty; whether it offers value for money; the quality and warmth of the welcome which visitors receive; and whether there is a diverse array of interesting cultural or heritage 'things to do' while they are at the destination. These factors are consistent over time, and do not vary appreciably for tourists across different demographics, ethnicities or backgrounds.

This Government fully understands, that in order to market Barbados confidently and effectively, it must first focus on getting the product *right*. It can only thereafter endeavour to successfully showcase the island to the world. Government must ensure that scarce public financial resources are not being squandered by selling an average product to a discriminating clientele, who will come only once and never return because of a sub-par experience. It therefore makes prudent business sense to focus on strengthening the product base to ensure the development of a quality product that will attract repeat clientele.

8.2.4 Increased Emphasis on Product Development

Traditionally, there has been a heavy concentration placed on the marketing and promotion of Barbados by successive Governments, but little focus on the development of the product or Brand offering. While Barbados has a relatively diverse tourism product, it has been particularly weak in the areas of the development of new and exciting attractions on a continuous basis. Furthermore, several attractions have also closed over the years. Additionally there are several "off-the-beaten-path" community attractions and local events that are either not well known, or not included in the mainstream national marketing and promotional programmes in a way that raises their profile, competitiveness, stability and earning prospects. This lack of focus on the continuous improvement, sustainability, reinvention and expansion of the island's product, has been a contributing factor to the destination being referred by some visitors and members of the travel trade as being "stale and tired".

Barbados, in its entirety, is truly a fascinating island. This Government realizes, that it is imperative that special emphasis must be also placed now on the expansion of the island's product offering in a way that showcases *everything* that the island has to offer. This is particularly important given that the data indicates that Barbados' core demographic includes a repeat long-stay and cruise-passenger visitor who is looking for new experiences.

This initiative is intended to be spearheaded by the establishment of a Product Development Company. The efficient and continuous assessment of industry-related data by this pivotal organisation, will bring cogent focus to the development of Barbados' current product and other innovations. Excellence in research, analysis, quality assurance, investment, diversification and innovation, will enable Barbados to compete more effectively at the global level and be more prepared to proactively respond to threats.

8.2.5 Infrastructural Enhancements

Barbados is known for its modern, reliable and in some cases, sophisticated infrastructure and utilities base. A recent World Economic Forum report ranks Barbados ahead of the USA with respect to the quality of its road and telecommunications infrastructure. In fact, the USA's current infrastructural challenges are threatening the country's standing on the international stage as a global leader in innovation⁵⁴.

Barbados' strong infrastructural foundation is the basis of its competitive advantage over other islands in the Caribbean region. In the late 1800's and early 1900's, the development and introduction of a modern and advanced infrastructure in the form of electricity, running water, the telephone, paved roads, the railway train, motor cars and omnibuses, recreational facilities and a modern theatre, is what enhanced Barbados' reputation as a popular tourism destination during that era. The presence of modern-day conveniences and basic amenities, are just as important today as they were over 100 years ago.

The Government realizes that a vibrant and modern infrastructure is critical for the development of a thriving economy, liveability and a successful tourism industry. It is therefore committed to the continual upgrade and improvement of this component of the local product in order to retain and increase competitiveness.

The following are also considered product development imperatives in order to provide Brand excellence:

8.2.5.1 National Beautification

National beautification, environmental education and awareness programmes and the enforcement of environmental legislation will be made a priority in order to ensure a clean, pristine and sustainable environment is maintained.

8.2.5.2 Maintenance of Road Network

The extensive road network will be maintained and secondary and tertiary roads, particularly those leading to rural attractions, will continue to be upgraded on a consistent basis.

8.2.5.3 Signage

The lack of proper directional signage around the island usually results in visitors becoming lost and rambling, primarily through the rural, but also the urban areas. Ironically, it was revealed in the Visitor Focus Groups that this is how some of the 'hidden treasures' of the island, such as Bathsheba for example, are usually discovered by default. While stopping to ask directions allows visitors to experience the island's way of life first hand, issues of poor signage must be rectified. In addition to this, a comprehensive interpretive signage programme will also be undertaken across the island at key points of interest, to ensure that the "story of Barbados" is told for the enjoyment and education of locals and visitors alike.

⁵⁴ Bill Straub, "Crumbling infrastructure ranks us behind Barbados", <http://www.therepublic.com/> (September, 2011)

8.2.5.4 Tourist Information and Interpretive Centres

The creation of strategically located, fully-staffed Tourism Information and Interpretive Centres will also be developed to provide essential services to the visitor. These decentralized points are an ideal community and cultural heritage tourism complement, to educate the general public and the youth, in particular, on the importance of individual, or multiple historic sites, historical monuments, natural resources, wetland ecosystems etc. Programmes celebrating the island, its people, its history, its achievements, its aspirations, and the wide range of activities and attractions available for both residents and visitors, will be readily communicated.

8.2.5.5 Ensuring a Warm Barbadian Welcome

The welcome at both the air and sea ports needs to be of the highest standards with respect to service and aesthetics. The reception and departure facilities and level of service should reflect Barbados' reputation as a welcoming destination and will therefore be enhanced in a way that will create memorable first and last impression of the island.

8.2.6 Preparing for the Target Demographic

As global tourism continues to experience growth, the predominant travelling demographic over the next 10 to 20 years is projected to be the older, wealthier and better-educated traveller.

As Barbados seeks to attract the high-yield traveller to its shores, the appropriate infrastructure and product has to be in place that would attract them. Trends indicate that the following four (4) specific groups of travellers are some of the most rapidly growing and lucrative markets:

- Multigenerational/family;
- Cultural Heritage markets;
- Gen X, Gen Y;
- Seniors/disabled markets; and
- Emerging markets.

8.2.6.1 Multigenerational/Family

Barbados is generally weak with respect to having the appropriate attractions, facilities and amenities to attract the growing and lucrative family/multigenerational markets. Other than the beach, there is little for children to do while on the island. The premium value consideration is safety, followed closely by indulging in family-oriented events and activities. Barbados, and particularly its accommodation sector, needs to develop facilities that cater for children, in order to ward off boredom while on holiday. Numerous empirical studies point to the fact that children, especially “tweens” (8-13 years), influence family vacation decision-making, i.e., the ‘when the children are happy, then we as parents have a nice holiday’ doctrine. Typically, if the children have an enjoyable time, the parents would be more likely to return to the hotel or destination. This is why it is imperative that Barbados develops the types of products and services that would attract and satisfy this rapidly growing market.

Like adult travellers, children are also seeking experiential activities and unique, fun experiences while on holiday. This means that opportunities for stimulating outdoor activities and experiential learning must be created beside beach and water-sport activities, that the entire family can explore, enjoy and learn about

nature and the Barbadian culture, such as petting zoos, interactive museums, nature walks and hikes to learn about indigenous plants, flowers and trees, day camps to learn about history, culture, nature photography, music and entertainment, cooking local food, family adventure, storytelling, painting, sporting activities and interactive attractions/entertainment technology that provide opportunities for family fun, creativity and social interaction.

Beside attractions and activities to cater to this segment, good quality accommodation, in the form of multifaceted facilities, connecting rooms, suites and villas, must be available. Multigenerational travellers are opting to stay in villas, hence the phenomenal increase in popularity of this accommodation segment globally.

8.2.6.2 Cultural Heritage

The recent inscription of Historic Bridgetown and its Garrison, as a United Nations Educational, Scientific and Cultural Organisation (UNESCO), World Heritage site, has provided Barbados with a unique opportunity to capitalize on refreshing its product offerings. Government will facilitate the enhancement/re-development of these areas as a tourism value-added product.

At present, information obtained from visitor reviews on social media sites, Visitor Focus Groups and the CTO Visitor Satisfaction Survey, reveals that a number of visitors find Bridgetown to be hot, dirty, congested, busy and not an enjoyable experience, with a notable absence of public lavatory facilities. Several expressed a desire not to go back. This undesirable impression that exists about Barbados' capital does not augur well for this newly inscribed World Heritage site.

To change the prevailing view of Bridgetown and to attract tourists to visit this valuable heritage attraction, the area has to be transformed into a pristine condition, similar to that of the Garrison area. With respect to the interpretation of the destination, visitors want to learn something while on vacation, therefore providing easy-to-understand interpretation, such as signs, exhibits or informative tour guides, will help them to understand what they are doing and the significance of where they are.

Both Bridgetown and its Garrison will be upgraded to prepare for increased visitation in the following ways:

- *Interpretive and Visitor Centres:* These are important components of the project and would comprise of exhibits, galleries, interpretative signage, souvenir shops, restroom and restaurant facilities and tour routes. Indoor exhibits on history and other objects of tourist interest can be complemented by regular showings of multi-image presentations. This is a means of education mainly targeted at tourists, school children and the local community.
- *Outreach Programme:* Aimed at sensitizing the local community about the benefits of the UNESCO sites to Barbados and eventually to them.
- *Resource Material:* In the form of books, guidebooks, brochures, touring maps, CD-ROMs, hand-held GPS and other technological tools, will be developed to highlight the rich historical value of the sites. An exclusive website on the UNESCO Sites is also planned for attracting international attention.

- *Capacity Building*: Training of the local population, particularly the youth, as tour guides in interpretation and communication skills, to enable them to effectively and passionately function within and drive the programme.

While this World Heritage Inscription has brought invaluable attention to the island, unfortunately, the relevant authorities have not moved swiftly enough to capitalize on this priceless opportunity. By the 2011/2012 tourist season, little activity had taken place to take full advantage of the island's most highly decorated heritage tourist attraction. The withdrawal of the World Heritage Inscription by UNESCO would be more damaging to Barbados' reputation, than never having received the Award in the first place. Therefore, there needs to be urgent collaboration between the relevant Ministries and the private sector, to ensure that the appropriate structure, logistics and activities are developed and put in place as a matter of urgent priority, otherwise, this potential point of competitive advantage will be squandered. The process needs to be managed. Therefore, the best option may be the setting up of a dedicated unit to oversee the project and to fast track the implementation process to ensure that the interpretation of this World Heritage site achieves world class status.

For several years, the Garrison Consortium, an NGO, had commenced the process of developing the Garrison area as a major attraction. They have erected interpretative signage and spearheaded other activities pertaining to the Garrison Historic Area. One of their most recent endeavours was the re-enactment of the "*Changing of the Sentry*" at the Main Guard (Clock Tower), which was launched in December 2011. This is one example of several themed events and activities that can be implemented to showcase the rich history and attract visitors to both the Bridgetown and Garrison sites. The "Changing of the Sentry" is intended to highlight an important aspect of Barbados' military heritage. This event will be held every Wednesday with members of the Barbados Legion performing the drill for the benefit of locals and visitors alike. Another project being undertaken by the Consortium involves the miles of networking tunnels that have been discovered under the Garrison Historic Area. These 100 year old underground shafts could be open to the public in early 2012, as part of the George Washington House tour⁵⁵.

8.2.6.3 Gen X/Gen Y

Attracting the younger Gen X and Gen Y markets will require the island to develop the relevant activities and attractions. This group mostly comprises young families and young married or single professionals, who are usually childless. This group is very technologically savvy, impatient and insistent on service excellence. They will have certain technological expectations of their choice of accommodation. This time-impoverished and usually over-stressed demographic segment is primarily looking for soft adventure, culinary, health and wellness and experiential and learning activities to relax, have fun, be mentally and physically stimulated and to refocus & rejuvenate itself before the return to their daily routines. Barbados will have to offer these types of experiences to attract and retain this segment of traveller.

8.2.6.4 Senior/Disabled

Travel data projects that seniors will be the predominant travelling demographic in the future. The disabled market is also experiencing phenomenal growth. Special emphasis must therefore be placed on the creation of a more accessible facilities, products and services to accommodate these rapidly expanding markets in the areas of sidewalks, ramps, hand rails, braille signage and menus etc. The global trend to

⁵⁵ Heather Lynn Evanson, Caves could be open to the public soon, *Weekend Nation, Friday*, December 16, 2011, pg. 5.

make provisions for this billion dollar market has already started in Barbados. The Ministry of Tourism is working closely with the Barbados Council for the Disabled through their Fully Accessible Barbados programme, to design and encourage physical changes that would provide universal access to facilities. The successful implementation of this process will not only enhance Barbados' reputation in the market, but will also increase market share by attracting these lucrative markets to the island.

8.2.6.5 Emerging Markets

Barbados has commenced the diversification process of its traditional source markets through the penetration of the lucrative Brazilian market. There are also plans afoot to open links to other markets, namely Panama, in the short to medium term. While there has been some success thus far with the Brazilian endeavour, in the future, a more proactive and strategic approach has to be taken when tapping into new markets. This is due to the fact that the Barbados product was not adequately prepared to effectively absorb this new market.

Portuguese language training was made available and pursued by some establishments a short period before the service commenced. Generally, there still need to be some improvements undertaken to make Barbados more facilitating or inviting to this emerging demographic, for example, the absence of signage and menus in Portuguese and the failure to prepare the industry by acquainting them with the cultural habits of Brazilians, including, their cultural preference for dining after nine p.m. In addition, the lack of consistent after-dinner quality entertainment, all suggest that the industry is currently not fully designed to adequately accommodate this market. Playing "catch up" to adapt to effectively accommodating and serving this market is therefore imperative. This will also require the involvement of the labour unions. The properties that have made the effort to prepare for this new market through language training and menu translation etc., are reaping benefits for their efforts.

Adequate research and planning must guide the development of emerging markets in the future. Oversight in this area will communicate a lack of efficient strategic planning initiatives. The Government will therefore ensure that thorough and rigorous research is employed before any non-traditional market is targeted, to ensure that the Barbadian product is the "right fit" for the potential target market. This will require intensive private and public sector and labour collaboration and planning to ensure success.

The Chinese and Indian markets are presently on every tourism competitor's radar in the medium to long term, due to their sheer size in numbers. However, it is more than just getting them to come to Barbados. Travellers from emerging markets such as India and China have a particular emphasis on their traditional foods rather than European ones. The Chinese, in particular, are not fond of Western food and are intensely proud of the Chinese culture and language. They are also prolific shoppers and gamblers. While gambling is illegal in Barbados, excellent shopping opportunities such as the upscale shops at Lime Grove, would satisfy the tastes of this market. To capitalize on the huge opportunities to attract the new generation of rich Chinese tourists, luxury hotels, wealth management services, golf and VIP experiences must be made available to them. The wedding industry is also a goldmine, with Chinese couples seeking to tie the knot. The popularity of cruises among Chinese travellers, and their desire for multi-destination travel, will mean that cruise and stay programmes can be viable marketing options to attract this market.

Extensive research must therefore be conducted as a prerequisite to better understand and serve these new markets. A clear value proposition must be developed for this new group of travellers, including a reduction in access barriers in terms of regulations and the development of attractive tour packages. There are several cultural and language issues that also have to be considered. The relevant information must

also be communicated to stakeholders to educate them on the changes necessary to prepare for and accommodate these emerging markets.

8.2.7 Market -Driven Product Development

The Government is committed to ensuring that a more strategic approach is taken to product development and marketing of Barbados. For tourism to effectively contribute to Barbados' economic well-being, a more scientific and market-driven approach, based on empirical and accurate data, must be adopted. Product development initiatives must be derived from cogent research-based analysis to ensure that product is specifically aligned with the needs and expectations of the customer. Such high quality market and predictive research will also identify key opportunities to align market development plans with relevant market intelligence. This scientific approach to market development will also facilitate flexible responses to challenging and changing conditions and work to ensure environmental, social and economic sustainability.

The industry must foster this culture of tourism research and innovation to spur creation of new, unique or varied, customer-focused tourism concepts as a survival imperative. New product must also have clear potential to attract additional visitors and incorporate best practice sustainable business models, particularly in terms of environmental sustainability, accessibility for tourists with disabilities and equality in service provision. Excellence in sustainable project development would enable Barbados to differentiate itself from its competitors.

Quality also has to be incorporated into all existing and new touristic services in order to meet a high standard that satisfies the expectations of the consumer. The stress on quality is derived from the reality of intense global competition for a common pool of high-yield clients.

Tourism is no longer just a service industry it has become an ***experience*** industry. Consequently, the new and exciting products developed must offer the type of memorable experiences that the new customer is seeking. Barbados is well suited to produce the type of product which these markets are demanding. This Government is committed to creating a world-class, highly desirable and strong tourism product, which would stimulate excitement and demand on the ground and result in an effective "pull strategy" in the market for the destination. Marketing and promotion of the island will therefore be deliberate and targeted.

To optimize the benefits from evolving markets, Barbados tourism will need to examine the trends and diversify to capture the opportunities. Better information about yield and market trends will provide better informed judgments and lead to the development and improvement of tourism products and increased long term investment. Once the Brand has been identified, efforts will be made to attract the appropriate investment to develop the type of product to match the brand and satisfy the expectations of the customer.

Product Development will be facilitated in line with Barbados' core competencies and differentiated Unique Selling Points, informed by emerging market trends. This will enable effective decision-making with respect to developing, packaging and marketing the product in line with international trends. Barbados will not merely create products, but will also effectively package the products for the intended customer. Effective research and analysis will clearly identify the type of tourist that is desired and the requirements of these target segments will be catered to. Barbados' success in building its image as a world-class destination, will be the ability to ensure that the development of the island's tourism product is maintained and exceeds the deliverables of competitor destinations. The following chart illustrates the process to develop product niche markets and experiences:

Figure 5: The Product Development Process



The development of high-yield niche markets and improving the standard of tourism product and business will help to ensure that the Barbadian product grows sustainably with measurable returns on investment. Product development in a sustainable context will depend on the scientific conclusions drawn from a carrying capacity audit and a product and quality assessment audit. Once this process is concluded, product development will thereafter involve:

- leveraging core strengths;
- building USPs;
- creating innovative, exciting new products to cater to the new tourist;
- focusing on sustainable development to offer products of international quality and standards; and
- creating an enabling investment environment and promoting partnerships to ensure the flow of funds into the tourism sector.

8.2.8 Product Audit and Quality Assessment

The first step in developing new attractions, experiences and activities to differentiate and diversify the Barbados tourism product and cater to the needs of the contemporary traveller, will be an inclusive process involving a comprehensive nationwide Product Audit and Quality Assessment. This will be undertaken to identify and develop the total product inventory on the island and the quality gaps that currently exist within the system. This exercise will also serve to identify any lesser known or potential attractions that are being overshadowed or undersold compared with the main, well-known attractions.

The island's "hidden treasures" will be identified, that is, new, authentic experiences, interesting people, places, whether it is unusual architecture, an engaging piece of history, a curious tradition, a flamboyant culture or individual, or an innovative industry. Anything outside of the usual sand sea and sun, typical attractions, that will allow for unique and exciting ways to tell the story of Barbados' local culture, arts and humanities in a compelling and fascinating way.

Once new sites, attractions and activities have been identified around the island, the next step will be to ascertain the assistance required (signage, technical, promotional etc.), and to ensure that market-ready initiatives are all posted on the BTA website. This will ensure that an expanded product offering of things to do on the island is adequately promoted and travel inspiration is provided to repeat and prospective visitors during the planning and research phase of the travel cycle, in a way that results in top of mind awareness *before* they get to the island.

This exercise will be the precursor to the development of special interest niche markets and alternative forms of tourism such as community tourism, agro-tourism, and the expansion of the culinary tourism offerings (such as foodie trails around the island etc.), cultural heritage tourism, garden tourism, church tourism, farm tourism, health and wellness tourism, where a wider cross-section of people, communities and small businesses will be included and will benefit from the sector.

This course of action will also involve a substantial consultation and research process, involving key industry representatives from all product sectors around the island. The audit will be addressed in a systematic manner and the specific products audited would be those relevant to the different niche areas being targeting by the island that offer the greatest tourism potential. This process will also involve tourism stakeholders, NGOs, CBOs and civil society identifying and making submissions on existing mainstream tourism products, little known potential tourism products and products that are currently in the pipeline. As part of the process, a review of the tourism product development strategies in a number of regional and international competitor destinations will be undertaken, which will involve in-depth research on certain aspects of their strategies, in order to benchmark and identify best practices and winning approaches.

This comprehensive national *'Product audit and Quality Assessment'*, will assess the volume, distribution and quality of products by district and by parish. Products will be rated to ascertain their readiness for the tourism market and be compared on a geographic basis. The results of the audit will crystallize the possibility for a thematic approach to evaluate the product and the developmental needs of the different parishes around the country. Dividing the different tourism products into themes is useful, but it should be noted that many products may deliver services under a cross section of themes. For example heritage attractions may provide not only heritage-based tourism experiences, but also a culinary experience as well, such as having a plantation gastronomic feast in a historic Great House. This process has already started. The St. George Parish Ambassadors are in the planning stages of a tourism project, worthy of benchmarking, that will brand the parish of St. George as the "Sugar Basket". The project cuts across the themes of agro-tourism, cultural heritage tourism and community tourism.

The inventory of tourism products developed from the audit will be created from themes and categories. The audit will also be designed to identify priority areas for current and future investment. Product will be ranked with respect to their level of readiness for the marketplace in the three following categories:

- Tier I – export market ready, or able to become market ready with minimum improvement;
- Tier II – able to become market ready with moderate capacity building/physical intervention requirements and/or priority products for improving market attractiveness; and
- Tier III – requires significant capacity building / physical intervention requirements to become market ready.

8.2.9 Product Assessment Tour

A Product Assessment tour will also be conducted as a baseline for ascertaining the current state of the Barbadian Product, with respect to the quality and standards of its infrastructure, signage etc, particularly in the rural areas. The tour will take the form of a field trip with representatives of the key tourism agencies (MOT, BTA, BHTA, BTII), relevant collaborating Ministries (Transport & Works, Environment, etc.) as well as the Royal Barbados Police Force etc., to traverse the island by coach for the primary purpose of attaining a first-hand look at the tourism product, including site visits to several natural and man-made attractions. This exercise will provide a forum whereby an in-depth assessment of the current tourism infrastructure can be made, with respect to the quality of cleanliness, safety, service and standards. Additionally, any gaps within the system can be identified and documented, to be addressed within specific timelines.

A structure should be set up whereby this tour is conducted on a quarterly or bi-annual basis to ensure that a more proactive approach is taken to the continuous maintenance and enhancement of the local tourism product

8.2.10 Identifying Barbados' Core Competencies and Unique Selling Points

The challenging economic times require a bold strategic response from the Ministry of Tourism, which will include repositioning the tourism industry to enable it to compete more effectively. Therefore, it is not enough to understand the changing climate of customer expectations. Barbados must also engage strategies to position the destination brand in the mind of the travellers. In the book 'Differentiate or Die', case after case is made for separating a product or service from competitors, by defining what makes a product truly distinctive to a consumer and positioning that differentiation to meet the demands of the market place. Differentiation, through the identification of core competencies and unique selling points, is one of the key strategies Barbados will use to set itself apart from its competitors. This is particularly due to the fact that the island cannot compete on price with the Caribbean, Indian Ocean, Pacific and other emerging tourism regions offering a similar sun and sea product.

The enhancement of guest satisfaction cannot be overstated, as this is the key link in the tourism value chain. There must be consistent alignment of all products with the market, specifically catering to individual holiday preferences. There must be delivery of product value for money spent to ensure sustainability. In short, Barbados must expand its sand, sea and sun offering to include the island's unique selling points. This will enable the island to diversify and differentiate its product in a way that will help it to gain an outstanding position, compared with regional and international competitors. This will call for sustained and strategic investment in the development of the product.

8.2.11 Core Brand Elements

The Government is of the opinion that a first step will require focusing on the fundamentals of the tourism product by further strengthening and enhancing the core brand elements for which Barbados has become renowned. Barbados' core Brand elements were identified in the 2001 Green Paper as being:

- *Friendliness;*
- *Cleanliness; and*
- *Safety and Security.*

The Government is committed to protecting, maintaining and strengthening the base of these core elements as part of its quality strategy, as they represent the foundation upon which the tourism industry is built:

8.2.11.1 Friendliness

The friendliness of the Barbadian people is legendary. From as far back as the 18th and 19th centuries, early visitors to Barbados wrote glowingly about the boundless hospitality that was the trademark of the Barbadian society. One visitor described Barbadians as being, “graduates in the science of hospitality, masters of the art of entertaining, genial and sociable by instinct, self-possessed, courteous, and polite”. No less than a young George Washington wrote fondly in his journal of his reception in Barbados. Due to its reputation for genuine warmth and friendliness back then, the island earned the reputation of being the “Social Capital of the Caribbean”. It was this type of hospitality that has become the trademark of Barbadian society, and the foundation upon which the modern day tourism industry has been built. Little has changed in this regard, as the friendliness of the Barbadian people is one of the primary reasons why visitors repeatedly return to the island.

A Brand Perception study commissioned by the BTA, in 2007, revealed that the existence of “friendly and hospitable locals” is deemed to be a very important criterion for visitors from the major source markets while on holiday. Barbados, as a destination, rated very highly in this area. Visitor Focus group sessions that were held in March 2011, as part of the public consultations for the White Paper, also revealed results that were consistent with those of the Brand Perception survey, as visitors ranked the friendliness of Barbadians in the top three reasons why they visit the island, along with the relaxed environment and safety factor.

The fact that Barbados is a highly educated society was also found to be an attractive attribute. Indeed, the research suggests that the congeniality, sincerity and overall disposition of the local populace are significant destination brand assets for Barbados. “Friendliness” is deemed to be reflected in simple gestures and specific behaviours of the local population that come naturally to Barbadians as a people, for example, cars stopping and allowing visitors to cross the road or to let out other cars, or locals establishing eye contact and engaging visitors with friendly greetings and initiating polite conversations on the street. For visitors who come from more developed countries where relationships are characterized by more impersonal and sterile interactions, they are enamoured by these genuine gestures of Barbadian warmth and civility.

The existence of a strong and vibrant Welcoming Society was confirmed in the 2007 CTO survey on Residents’ Involvement and Attitudes, which revealed that 86% of Barbadian participants said that they made visitors to their island feel welcome. The value of the friendliness and sincerity of the Barbadian people cannot be overstated or taken for granted. In a nation devoid of natural resources like oil, gold or bauxite, genuine hospitality, which is an expression of Barbados’ most precious asset, its people, must be fully leveraged as one of the island’s most powerful brand assets. As a major drawing card for visitors to the island, everything must be done to ensure that this special quality is sustained and showcased to the world, particularly in the marketing and promotion of the island.

The Government understands the importance of ensuring that Barbados remains a welcoming nation, as this creates a “home away from home” environment for visitors, which results in brand loyalty, positive word of mouth testimonials, high repeat visitation and increased market share. The friendliness of Barbadians is an innate and natural characteristic. However, it is ironic that although the nature of the locals is one of the major reasons why visitors return to Barbados, the average Barbadian, unless he/she is directly associated with the industry, has minimal interaction with them. Therefore, creating opportunities

for greater interaction between locals and tourists, that will resonate with both groups, such as well-conceived community and “people-to-people” tourism initiatives, will be a priority of this Government going forward.

While friendliness is a natural quality, there are still some concerns, as often this trait does not necessarily translate into good service, which is sometimes slow and inconsistent. Some visitors have expressed concern that Barbadians are not as friendly as they were in times past, as some are openly rude or hostile, inhospitable and only view visitors as a source of funds. Imposition in the form of unwanted solicitation and harassment is also a major cause for concern.

The Government will be putting mechanisms in place to ensure that Barbadians remain a friendly and hospitable people, by increasing their awareness and understanding of the tourism industry; providing opportunities for interaction with visitors; ensuring that the requisite training and development in service excellence standards is made available on a consistent basis; providing opportunities for entrepreneurship, job enrichment and career growth; and involving Barbadians in the decision-making process with respect to tourism management and development.

8.2.11.2 Cleanliness

A clean, healthy and protected environment, apart from being inherently good for tourism, is also key to its competitiveness. Increasingly, consumers of tourism are willing to pay more for a cleaner environment, with respect to such attributes as their surroundings, their accommodation and the quality of air, food and drinking water. Barbados, is a generally clean country, however, this core brand element is currently under threat due to air pollution from increased traffic congestion, contamination of the underground water supply and increases in the undesirable practice of indiscriminate littering around the island. There is a general disrespect amongst Barbadians for the physical environment.

It is a wide-spread phenomenon that both the locals and tourists do not always observe proper refuse disposal. Garbage may be seen unlawfully dumped in gullies, scattered in picnic areas, along the roads and beaches and in the parking areas. There are even issues with the less than pristine state of the capital city of Bridgetown, as well as an increase in air pollution due to traffic congestion, overgrown bush and derelict buildings. It is important to motivate the local population and visitors to observe clean environment standards and help improve the image of Barbados as a clean country where one can enjoy the landscape without occasionally seeing discarded paper, plastic, old cars, appliances, tyres, etc.

Barbados is committed to sustainable development through the implementation of a Green Economy and the Government is very serious about the preservation of the pristine nature of Barbados’ land and seascapes. Travellers are becoming more and more environmentally conscious. A less than pristine environment is demonstrative of a lack of national pride and creates a negative impression about Barbados and its people. Government will implement creative and sustained public awareness campaigns to sensitise the nation to the importance of environmental preservation, especially targeting the nation’s youth, and thereafter implement a zero tolerance approach to ensure that penalties are enforced for non-compliance with Environmental legislation.

8.2.11.3 Safety and Security

Another priceless brand asset that Barbados possesses is the fact that visitors consider the island to be a safe, secure and stable destination, especially when compared to some others in the Caribbean and around the world. In the face of increased incidences of terrorism, crime, civil unrest, natural disasters and health

pandemics around the globe, safety and security has become one of the major concerns of today's traveller and heavily influences their choice of destination. The Caribbean is considered to be a "safe zone" and secure haven, far from the threats of terrorism that plague destinations in North America, Europe, the Middle East and other parts of the world. Incidences of crime, harassment, sickness or any act which the tourist perceives to be hostile or dangerous, can literally "kill the goose that is laying the golden egg". The resultant negative public relations can potentially ruin Barbados' reputation in the global marketplace and hamper the transfer of economic benefits of tourism to the local economy.

However, while Caribbean islands have long been associated with idyllic beaches and sunny tourist resorts, over the last several years, the region, particularly in the English-speaking countries, has earned the reputation of having one of the highest crime rates in the world⁵⁶. There has been an explosion of violent crime in the region which has the potential to destroy the tourism industry. Direct attacks on tourists have increased across the region over the years, some of which have resulted in murder. Given the importance of positive consumer perception, this unfortunate chain of events has resulted in negative publicity in the international media, which is sullyng the region's traditional reputation as a safe tourism destination. Although crime may take place in one island, it has a debilitating impact on the entire Caribbean Brand.

Beyond the toll on society, this upsurge in crime and violence carries substantial economic costs. A report by the United Nations Office on Drugs and Crime (UNODC) and the World Bank found that crime in the English-speaking Caribbean drives away investment, both foreign and domestic, and consequently slows growth. Crime is arguably the number one social issue for much of the Caribbean. The Caribbean has been described as the most tourism-dependent area in the world, and crime is anathema for this industry. In these and many other ways, it is clear that crime is impeding the development of the Caribbean and weakening its prospects for prosperity.

The main forces driving the high rates of crime and violence in the Caribbean are unemployment and the impact of intra-regional drug trafficking. The explosion of the international drug trade has institutionalised criminal behaviour, increased property-related crime, by drug users and underpinned a steady increase in the availability of firearms. This is one of Barbados greatest challenges, as it attempts to hold at bay this scourge of crime, drug and gun running that is engulfing the region.

Barbados presently has one of the lowest crime rates and best public health systems in the Caribbean, which makes its one of the safest places to live and visit in the region. The Royal Barbados Police Force and the local Health officials have done an excellent job in keeping crime and health threats under control. This is very important for Barbados, due to the fact that a visitor's perception of safety at any destination highly affects their level of comfort, relaxation and satisfaction and therefore is particularly important to the success of the tourism industry. Barbados' reputation as a safe, stable destination, with excellent health care facilities, has contributed greatly to the island being a destination of choice in the Caribbean. In the BTA's 2007 Brand Perception Report, it was revealed that the twin brand attributes of "friendliness" and "safety", provide an environment where visitors can fully relax and de-stress.

Enclave tourism, which involves confining tourists behind high walls in the "bubble" of the hotel compound and transporting them to tourist attractions, is not Barbados' reality. The congeniality of the local population and the perceived level of safety are important facilitating factors, not only to relaxation, but also to the deeper enjoyment of the Barbadian tourism product. In Barbados, tourists roam the countryside by car, walk the streets freely by night and day, interact with Barbadians and fully integrate themselves into the daily culture of local communities. The value of this unique and extremely important

⁵⁶ Reshma Baal, UN report: TT has second highest crime rate in region, <http://www.undp.org.tt.com/>(June 2011)

component of the tourist experience should not be underestimated or lost, as it is one of Barbados' more significant areas of competitive advantage.

The maintenance of a crime and hassle-free environment is indispensable to the island's reputation and competitiveness as a tourist destination. As has been witnessed in several Caribbean islands, the Government fully understands that any upsurge in criminal activity, or one major criminal incident, can single-handedly derail the island's tourism industry, and set back development by many decades. This legitimate threat can easily become a reality if the unstable economic environment continues to result in a rise in unemployment, poverty and social exclusion, which thus far, has been accompanied by a spike in criminal activity and anti-social behaviour.

Crime also affects the wellbeing and sense of security of the Barbadian people. The island must be able to protect itself, if it is to persuade potential visitors that it is capable of protecting them when they visit. More than any other economic activity, the success or failure of a tourism destination depends on being able to provide a safe and secure environment for visitors. The threat of crime, harassment and all forms of anti-social behaviour will therefore be an area of urgent priority for the Government of Barbados.

The importance of taking such drastic measures has been heightened because of what is happening in Barbados, namely the increase in violent crime in recent times, has caused both the police and the society some concern. This is a serious national problem that requires an immediate national response. There will be a need for a holistic approach to be taken to confront this situation, which will entail both public and private sector collaboration, as well as input from international development agencies and community volunteers.

There will be ongoing efforts to control and reduce crime across the island and a zero-tolerance approach will be taken to ensure that a safe and secure Barbados is maintained for locals and visitors alike, especially as the Government endeavours to actively promote more visitor interaction and facilitate more programmes and activities in the communities. Government will continue to deal swiftly and comprehensively with issues of crime and all forms of deviant behaviour. This will be facilitated through ongoing consultation with the RBPF to ensure that a number of critical actions are being taken to deal with crime in the short term so as to ensure that this scourge is curtailed. These measures will include the provision of additional facilities and equipment, human resource development and training for Law Enforcement Officers; the effective use of cutting-edge technology to combat crime; collaboration with regional security counterparts, international bodies and foreign Governments to strengthen border security controls; visibility of security forces in areas frequented visited by tourists and residents including police posts; installation of lighting and close circuit cameras in dark or deserted areas; and more vigorous detection and prosecution of criminals. Included in this must be the development of protocols to address the prevailing problem of harassment and drug peddling on local beaches, which must be stamped out as a matter of urgency.

These issues will be tackled through social intervention and the implementation of both preventative and rehabilitative measures which, will focus on mentorship and youth empowerment programmes. The development of community awareness programmes and the adherence to the highest standards of occupational safety and traffic management will also be essential to successful tourism development.

8.2.11.4 Health

Barbados' tradition of excellence in health care delivery is an indispensable tourism asset. The island's public health management systems are mature and responsive to international health crises like SARS and the Avian Flu (H1N1). To date, it has been extremely efficient in providing the country with health security in the face of global epidemics.

Barbadian health care providers are well-trained in modern technologies for diagnosis and prevention, and its primary, secondary and tertiary care medical services and institutions have received high praise from both the stay-over visitors and cruise ship passengers alike. The presence of first world technologies and diagnostic tools lends confidence and provides a high level of comfort to visitors, especially the more mature Boomer and aging segments of the market, that they will be adequately cared for should any unforeseen event occur.

Barbados' public health security protocols are however facing challenge from disturbing trends that indicate an increase in the emergent 'romance' tourism market. The 'rent-a-dread' beach boy culture, based on liberal attitudes towards casual sex while on holiday, is very high-risk behaviour in the context of Caribbean tourism, a region with the second highest rate of HIV/AIDS in the world. The Government will continue to sensitize and train tourism workers and other high risk groups in measures to prevent the spread of this deadly disease. Every effort will also be expended to reduce the impact of any pandemic outbreak on Barbados.

Other security considerations include disaster management planning. Extreme weather events, to which Barbados is susceptible, are increasing around the world. Over the last five (5) years, Barbados has experienced an earthquake, tropical storm Tomas, a record drought and numerous episodes of flash flooding. The economic loss risk as a result of these increasing incidences of natural disasters is a source of deep concern for Barbados and many of the countries across the region. An operational national Disaster Management Plan will be implemented as a matter of urgency to disseminate operational elements not only to the emergency first responders, but also to tourism workers and the general population. Government will also encourage the implementation of business continuity mechanisms to ensure that businesses resume operations as quickly as possible after a disaster.

Hygiene and safety standards and building codes for the tourism industry will also be strictly enforced. Ultimately, the future of disaster preparedness will rely on the extent to which ordinary citizens and the corporate sector take personal responsibility to stave off disaster.

8.2.12 Differentiation and Diversification

In addition to these three Brand elements, the 2007 Brand Perception Report identified other core competencies as:

- climate and beaches;
- reliable infrastructure and utilities;
- exclusive appeal; and
- diversity of things to do.

Barbados is a relatively successful and attractive visitor destination. The island ranks high in the criteria of friendliness, safety, good weather a relaxing environment. Barbados' reputation for its warm, friendly people, modern infrastructure and safe, secure environment contributes greatly to the island being a

destination of choice of many visitors. Additionally, the island's stability and the reputation for efficiency and competence also represent a source of differential advantage for the island.

For the higher end of the market, Barbados' exclusive appeal and higher price point also represents a source of differential advantage for the island. These are extremely valuable foundational components that shape the competitiveness of the Barbados product offering and the island's reputation as a sought-after tourism destination.

For years, Barbados has successfully relied on the iconic nature of its precious natural assets to promote the island globally. It is indisputable that the sand, sea and sun concept in particular, is one of the oldest and most prolific forms of mass tourism and despite some product diversification, it continues to dominate many tourism industry markets where the hotel resort itself and its immediate beach environment are the primary attractions. As with many of the other Caribbean islands, Barbados has beautiful white sand beaches, clear turquoise waters and magnificent sea life and coral reefs. Currently the island is perceived as primarily a sea, sand and sun destination by all markets, due to the fact that this is the limited perception that has been predominantly perpetuated of the island through its marketing drives over the years. As a result, this is the primary reason why visitors flock to Barbados' shores, to relax, rejuvenate and enjoy these natural resources and therefore, they are of inestimable value.

The importance of the three (3) factors (beaches, climate and environment) to tourists seeking a Caribbean vacation, supports the conclusion that "sand, sea and sun" are indeed the very foundation upon which warm weather tourism is built, therefore, these elements will remain at the very heart of Barbados' tourism sector. To ensure the present and future success of the tourism sector the Government is committed to ensuring these precious resources will continue to be promoted, preserved and protected.

However, this is not and cannot be all that Barbados has to offer in this new tourism paradigm. Whilst all of these natural assets are extremely valuable and usually form the basis for many marketing or promotional efforts, they are however not unique to Barbados. Within the region, several destinations in the Caribbean also possess highly-rated attributes. Farther afield, so too do other warm weather destinations such as the Seychelles, the Maldives, the Fiji Islands and Mauritius. The traditional over-reliance on the natural attributes of the climate and marine environment by the entire Caribbean to attract tourists to the region, has reached its zenith. Travellers are looking for more than just sand, sea and sun when they travel, they are increasingly looking for an experience beyond the beach.

A Trip Advisor Travel Trends Forecast for 2012 for the US market revealed that Beach Breaks are the top vacation choice for 2012, however, cultural trips and cruises have also surged in popularity. The top choices for taking a trip were forty-four percent (44%) taking a beach trip, closely followed by forty-two percent (42%) who plan to choose a cultural trip (e.g. visiting museums and historic sites). While sun and sand remain an enduringly popular choice, there is an increasing trend of a renewed interest in cultural trips, as Americans in particular, seek to combine precious downtime with enriching experiences⁵⁷. This development is in line with global trends pertaining to the changing preferences and behaviours of today's traveller.

As a result, in line with current and future trends, Barbados can no longer rely *solely* on sand, sea and sun to maintain the island's ranking as an attractive tourist destination. The travel trade, the cruise lines and visitors, are now calling for more *differentiation* between the islands and more *diversification* of the product offering to also showcase cultural heritage and other authentic components of the local tourism product. This is in response to the global trend of a new tourism being driven by the new tourist.

⁵⁷ Trip Advisor's Travel Trends for 2012, <http://www.hotelmarketing.com>, (November 2011)

The early Barbados tourism industry in the 18th and 19th centuries was built on a foundation of health and heritage tourism. Sand, sea and sun tourism became en vogue in the 1950's and 60's. Based on the needs of the contemporary traveller, it is timely that the island revisits these two (2) burgeoning segments of the travel market, amongst others. Broadly, the recommendations in this policy paper are intended to strengthen the visitor economy's performance in the other key tourism areas, where the island has huge potential, in order to ensure that Barbados maintains and improves its position as one of the best countries in the world to visit.

8.2.13 More than Sand, Sea and Sun

Barbados, and by extension, the Caribbean, has more to offer holidaymakers than sand, sea and sun. Visitors from the USA, UK and other European generating markets are seeking more fulfilling experiences in the destination, and opportunities to venture beyond the confines of their hotel or resort. While most tourism brochures historically focus primarily on these natural assets, excursions that introduce tourists to sugar cane plantations, farms, villages, culinary techniques, dancing traditions, and the legacies of indigenous and colonial history, are marginal in the current product and promotional offering. New products and services will be created, so that innovative and exciting tours, packages and excursions will be made available to the visitor that offer a wider range of cultural, natural heritage and 'meet the people' opportunities that were so popular in Barbados back in the 1970's.

Such excursions are a key way of enhancing the product and customer experience, and spreading the benefits of tourism wider into the local economy, by enabling tourists to buy directly from craft producers or to contribute through entrance fees to the maintenance of the country's natural and cultural heritage. They will provide memorable experiences and 'stories to tell', particularly when based on direct interaction with local people. They will also encourage repeat visits by introducing tourists to other parts of the country outside of the traditional tourist belt, to show that there are more authentic things to be seen and do. In this way the island will be able to diversify economic opportunities for locals and capture more tourist expenditure, while providing more memorable unique experiences.

Differentiating the Barbados brand from other destinations will add depth, opportunity and competitive advantage for the island and avoid the over-reliance on one component of the Barbados Brand. Other valid reasons for Barbados to diversify its traditional sand, sea and sun product, are: the growing awareness of the dangers of skin cancer due to overexposure to UV rays, as well as the fact that traditional beach holidays cease to be attractive as people grow older. This is very significant for tourism planners, due to the fact that research indicates that the trend of the aging population will mean that the Boomer and senior markets will dominate tourism in the future.

Research shows that health and wellness vacations, tours, cultural and study trips and excursions are very popular, especially among the older generation and that this segment wants to expand its horizons, acquaint itself with foreign cultures, and increase its knowledge while on holiday⁵⁸. In addition, there is a proliferation of information regarding the link to skin cancer and ultra-violet ray exposure. As Barbados seeks to capture a greater share of the lucrative Boomer market, it is imperative that the type of product be developed that has strong educational, experiential and cultural components to attract this market.

In addition, Barbados is a medium long haul destination that is at least four (4) hours away from most of its source markets. Therefore, it must develop an exciting, affordable product that people want to travel a long distance to experience. Creation of a diverse range of quality, authentic products located in the rural areas of Barbados, will also reduce pressure on resources in the coastal areas, in general, and beaches in

⁵⁸ "Older Generation to Dominate Tourism", <http://www.business-traveller.eu/>, (August 2009)

particular. A number of national public buildings could be unlocked to become key tourism assets and ‘iconic’ attractions. This would help to disperse visitors to other attractions.

Developing new products, services and excursions will require a thorough and careful approach. A variety of components need to be coordinated, such as the provision of transportation, guiding and a range of activities, experiences and admissions. These will also raise issues of quality and health and safety.

8.2.14 Building on Core Competencies

It is incumbent upon Barbados to achieve a competitive advantage by diversifying its approach to fully include, but not be totally reliant on its core competencies. The island must now seek to further differentiate itself from the fierce global competition by identifying the Unique Selling Points that are indigenous and specific *only* to Barbados. These USPs can be used as a basis of differentiation from every other competitor in the world, which would entice and inspire visitors to want to choose Barbados over any other destination.

The platform for tourism product development and marketing must start with honing the island’s core competencies, identifying its unique selling points, identifying the true Barbadian culture and leveraging present assets to more effectively utilize the natural, cultural and historical aspects of the product. In other words, product development must respond with specializations and innovative products in entertainment, experience and learning.

This means that the sea, sand and sun offering must now be complemented with the more prominent showcasing of the abilities and talents of local artisans, craftsmen, fashion designers, film-producers, entertainers, etc., promoting and exposing the unique art-forms of the island and effectively capturing Barbados’ rich Amerindian, African, European and Jewish heritage. This will create a unique backdrop of the tourism product that will be a distinct point of differentiation. With this renewed focus, every effort will be expended to increase the diversity and value of the tourism product and encourage higher visitor spend, with a ‘quality’ rather than ‘quantity’ approach. Success in this endeavour will be a critical factor in ensuring sustainable tourism development.

The Government is of the firm belief that the development of the tourism product does not necessarily require building more “tourist things.” Tourism is often structured around existing points of interest, be it natural, heritage, cultural experiences or economic activities. Communities need to overcome the perception that they must “build things” to become a tourist destination. Instead, they must focus on what they do best and capitalize on their strengths, rather than trying to replicate other “tourist” attractions.

It was the late Professor Rex Nettleford of the University of the West Indies in Jamaica, who has been quoted as saying, “beware of the difference between cultural tourism and a touristic culture. One is sustainable, while the other is not”. This White Paper therefore proposes a transition be made to a focus on the uniqueness of the island, clearly defining what differentiates Barbados from its competitors by integrating the island’s culture, cuisine, history, built heritage, world renown Barbadians *inter alia*, into the branding and marketing strategies, in order to set the island apart from its competitors.

The recent UNESCO World Heritage inscription of Historic Bridgetown and its Garrison, presents an incredibly strong unique selling proposition that can be linked directly to key growth sustainable market segments. Additionally, Barbados has made an immense contribution to the rest of the world and has left a legacy in the areas of sports, art, science, politics, trade, entertainment, culture etc. for, in some cases, centuries. This sterling contribution is a demonstration that size is not a barrier to global attainment while

talent abounds and therefore, it must be re-discovered, showcased and celebrated as a significant part of the Barbadian identity.

In 1975, William Demas, then President of the Caribbean Development Bank surmised that in the post slavery and colonial era in the Caribbean a deep and disturbing identity problem still remained ingrained across the region. He reasoned that the underlying problem is the fact that Caribbean people failed to recognize that they possessed many unique features, that is, a basis upon which a sense of identity could be built. He concluded that this stemmed from a typical West Indian problem of lack of self-confidence⁵⁹. Barbadians must have confidence that who they are holds extreme value and is “good enough”, that is, their culture, their history, their cuisine, their song, their dance, their arts and craft, their lifestyle, their natural and built heritage, so that they can celebrate and showcase their authentic, uncompromising selves to the world with pride. They need to be secure in the fact that they have something specific to contribute to the treasury of human civilization and that global citizens will be captivated by their historic significance and contribution to the world. This will encourage local residents to use their talents and resources to create prosperity and alleviate poverty. The individuality and natural charm of the Barbadian people are very important and like the environment, they must be preserved and protected, as these attributes are what most intrigues the visitor and attracts them to the island.

In line with the theme of sustainability, and in order for tourism to survive, as the island seeks to diversify its tourism product by prominently showcasing “all things Barbadian”, it is incumbent upon the entire nation to move swiftly to also preserve and protect its heritage for future generations. This means that the erosion of cultural values and the wanton destruction of built assets must cease. To truly differentiate itself from the fierce global competition, every opportunity must be taken to ‘tell the story’ of Barbados to the world in such a compelling way, that it would fascinate and entice both repeat and potential visitors and lure them to the island’s shores again and again.

8.2.15 Identification of Unique Selling Points

Unique Selling Points (USP) will lay the framework for the island to distinguish itself from its competitor destinations and allow for marketing strategies to be tailored to suit discerning customers. The reinvention of the tourism product along these lines will be a low cost model when compared to the construction of major attractions. The brilliance of its simplicity lies in the utilization of existing, yet undersold components of the Barbadian product already in existence and effectively repackaging them for promotion to the international target markets.

The local website www.Barbados.org, has created a list promoting the Seven Wonders of Barbados. However for the purposes of this Paper a more extensive list has been compiled.

Examples of Unique Selling points include, but are not limited to:

8.2.15.1 Historical:

- Barbados remained a colony of England from its initial settlement in 1625 until independence in 1966. It is the only island in the Caribbean never to have changed hands during the bitter British/European battles for colonies;
- Inscription of Historic Bridgetown and its Garrison as a world heritage site;

⁵⁹ William Demas, ‘Change and Renewal in the Caribbean’, Challenges in the New Caribbean, no. 2, Caribbean Conference of Churches, 1975, p.55.

- The Garrison is the second oldest British Military Garrison in the Western Hemisphere, and the Barbados Regiment is the second oldest British Regiment ever, having been established just 10 years after the Scottish Regiment;
 - The world's rarest collection of 17th century English iron cannons – St. Ann's fort;
 - Historic medieval pattern of Bridgetown;
 - Third oldest Parliament in the British Commonwealth dating back to 1639;
 - Statue of Admiral Lord Horatio Nelson in Bridgetown (erected 23 March 1813) that predates the statue in England (column built in 1843, statue added in 1849) by 36 years;
 - Oldest Jewish synagogue in the Western Hemisphere (built 1654, restored after hurricane 1831, abandoned 1929, restored 1980s);
 - Last Screw Dock in the world;
 - Only country visited by George Washington (later President George Washington) outside of North America in 1751;
 - Rum and the name rum (rumbullion) was created in Barbados;
 - Origin of grapefruit, first known as Paradise fruit, described by George Washington in 1751;
 - 50 plus Gothic revival churches;
 - Unique collection of Great Houses and Historic Churches;
 - Two of the three genuine Jacobean styled mansions surviving in the Western Hemisphere – St. Nicholas Abbey and Drax Hall - A rare 1930s film of sugar plantation life can be viewed at St. Nicholas Abbey;
 - Unique Caribbean Georgian architectural styles;
 - Unique folk architecture, the Chattel House;
 - Bajan Rum shops;
 - Unique working coral stone, Bajan version of Dutch style, sugar windmill;
 - Morgan Lewis Sugar Mill - the largest and only complete sugar windmill surviving in the Caribbean. The wind-driven machinery that was used to grind sugarcane in the 18th and 19th centuries is still intact;
 - Sugar industry: Discovered and developed sugar cane breeding, method of planting (cane holes) and ratooning, design of Harvester;
 - Only colony that founded a colony (Carolinas);
 - One dozen museums, including unique cricket museum;
 - Codrington College - Codrington College is the oldest Anglican/Episcopal Theological Seminary established in the western hemisphere built in 1743. The Principal's Lodge dates back to 1670;
 - HARP Gun;
 - Four (4) Historic Lighthouses; and
- The Treaty of Oistins that was negotiated and signed at The Mermaid Tavern in Oistins in Barbados in 1652 and its concept of 'No Taxation without Representation' was the inspiration for the "Boston Tea Party" in 1773 and subsequently included in the American Declaration of Independence in 1775. A careful reading of the two documents would reveal that about half of the Treaty of Oistins has been incorporated into the American Declaration of Independence.

An island the size of Barbados, has defied the odds by producing world class sportsmen and entertainers such as:

8.2.15.2 Sport

- Sir Garfield Sobers – greatest all-rounder to ever play the game;
- Sir Everton Weekes, Sir Frank Worrell, Sir Clyde Walcott – the 3 W’s;
- Barbados Cricketing Icons – Wesley Hall & Charles Griffith, Malcolm Marshall, Joel Garner and others;
- Ronald ‘Suki’ King – Draughts/Checkers World Champion;
- Obadele Thompson – Track & Field – Bronze Medalist in the 100m and 200m at Sydney Olympics;
- Patrick Husbands – Champion jockey of Canada;
- Earl Maynard, Darcy Beckles, Patrick Nicholls – World Champion bodybuilders; and
- Road tennis is indigenous to Barbados;

8.2.15.3 Entertainment

- Rihanna;
- Shontelle;
- Livvy Franc
- Cover Drive; and
- Hal Linton.

World class musicians such as:

- Arturo Tappin;
- Nicholas Brancker;
- Miles Robertson;
- “Smasher” Cadogan, and
- Carl Lashley.

The island has unique cultural and natural features:

8.2.15.4 Culture

- Tuk Band;
- Landship;
- Sailors’ Valentines;
- Black Belly Sheep;
- One of the highest numbers of centenarians in the world; and
- Culinary – Flying fish and cou-cou (National Geographic ranked cou cou and flying fish third in the top 10 national dishes in the world in 2009⁶⁰), conkies, sea egg, jug jug and others.

⁶⁰ Top 10 National Dishes, <http://www.travel.nationalgeographic.com/> (excerpt from *Food Journeys of a Lifetime: 500 Extraordinary Places to Eat Around the Globe*, (2009)

8.2.15.5 Natural Environment

- Harrison's Cave;
- Scotland District;
- 365 miles of gullies;
- Baobab Trees (located in Warrens and Queens Park. The Warrens tree is estimated to have been brought from Guinea Africa in 1738).

Once the core competencies and USPs have been identified, the Barbados brand and appropriate niche markets will then be identified and targeted. The more prominent showcasing of the “hidden cultural and historic gems” and the development of new festivals and local events will create a new dimension to the Barbados product that will provide the necessary travel inspiration to attract new visitors and also to entice repeat visitors to want to re-discover the island. This is increasingly becoming the modus operandi of destinations around the world, as they seek to diversify from their sand, sea and sun designations. For example, the President of the Seychelles, one of the foremost warm weather destinations in the world, has called for an extension from the sand, sea and sun tag line to incorporate more of the local culture and communities into the destination branding⁶¹.

Also, Mexico's advertising campaign for 2011 highlighted all aspects of its tourism industry, including its 4,000 archaeological sites, 37 World Heritage Sites, 14 AAA Five-Diamond hotels and 623,000 hotel rooms, with some ads showcasing lesser-known vacation activities, such as diving with whale sharks and snorkelling in an underwater museum in Cancun. The tagline for these ads is “Mexico. The Place You Thought You Knew.”⁶² This will be the same basic principle for the reinvention of the Barbados tourism product. By showcasing aspects that are unique to Barbados, that is, the rich history, culture and people of the island and showcasing or developing new attractions, festivals and events will also allow Barbados to reinvent and transform itself into an exciting, “new” destination that potential and repeat visitors also “thought they knew”.

The key is to create the type of high quality products that would appeal to two segments of traveller. The first is ‘generalist visitor’ who may wish to sample the diversity of the Barbadian product or the ‘specialist visitor’, who wishes to take part in one particular activity while on holiday, like golf, cultural or culinary experiences.

8.2.16. Special Interest Tourism

The creation of differentiated diversity in Barbados' tourism assets provides the island with a unique opportunity to broaden its focus and complement the volume of its leisure tourists seeking sand, sea and sun, by pursuing the opportunity to develop special interest tourism. It will further enhance the visitor experience by offering added value of a unique flavour.

The development of such niche products is intuitively more sustainable than resort tourism, as it has the capacity to set Barbados apart from its regional and international competitors. These tourists have a desire to get to know the local culture, the people, to eat local food and to stay in locally owned accommodations. This demographic also contains sub-segments with primary subject interests or activities ranging from history and heritage enthusiasts, to arts and culture, soft adventure, nature viewing, horticulture, genealogy and cuisine enthusiasts.

⁶¹ African Press Organization, “President launches ‘Seychelles Brand’ tourism vision”, <http://www.APO-OPA.org>, (August 2010)

⁶² Theresa Norton Masek, Mexico Tourism Board Plans \$25 million Campaign, <http://www.travelpulse.com/mexico-tourism-board/> (September 2011)

8.2.17 Identifying the Right Niche “Fit” for Barbados

Traditionally, the Product Development Clubs of the BHTA have focused on aligned around product segmentation, championing and promoting their membership products in the principle niche areas of:

- Rest and Relaxation;
- MICE (Meetings, Incentives, Conferences and Exhibitions);
- Epicurean (Gourmet/Gastronomy);
- Romance (Weddings and Honeymoons);
- Dive;
- Golf; and
- Soft Adventure.

Over the years, the BTA has also targeted these same niche markets. The Government understands the value of each of these niches and will continue to vigorously pursue them in the marketplace. However, the Government also understands that it now has a responsibility for widening the scope of the niche products available and the niche markets targeted to achieve the following national goals with a view to:

- reinventing the Barbadian product and ensure that it remains relevant in the volatile global environment;
- aligning product development and marketing with the demands and expectations of the contemporary traveller;
- increasing the choice of “things to do” on island that would facilitate an increase in visitor spend;
- more prominently showcasing the island’s historic “hotspots” and Barbadian culture;
- developing a year round-tourism industry;
- involving a wider-cross-section of Barbadian communities and to generate a greater multiplier effect of the tourism dollar;
- delivering unique and authentic cultural experiences that offer experiential and learning opportunities;
- stimulating greater interaction between visitors and local communities;
- enhancing Barbados’ competitiveness; and
- increasing market share by attracting new segments of tourists.

The main priority of this Government will be to facilitate the enhancement of existing tourism products and the development of new products that will expand the present customer base by attracting visitors who are the “right fit” for Barbados. Most importantly, the niche products that will be developed will be sustainable in nature, facilitate the involvement of a wider cross section of the Barbadian community and will also attract market segments that are more environmentally and socially conscious. To achieve this national goal, the Government will be setting up the structure and institutional framework to develop the tourism product in the following niche areas:

- Cultural Heritage tourism;
- Community tourism;
- Culinary tourism;
- Agro-tourism;
- Sports tourism;
- Health & Wellness tourism;

- Entertainment/Events; and
- Faith-based tourism.

8.2.18 Cultural Heritage Tourism

Cultural heritage is a tangible expression of the memory and soul of a nation. It is one of the most sustainable forms of tourism, as it has the capacity to instil or restore national pride and preserve cultural identity. A key action in the Government's policy to pursue sustainable tourism development is to focus on conservation and preservation of the island's cultural heritage.

Cultural heritage tourism is more than just a passing trend. It has become one of the fastest growing segments of the tourism industry and a fast growing area of economic development. Tourism is an interface for cultural exchange, facilitating the interaction between communities and visitors, both domestic and international.

Economic benefits aside, outside contact draws attention to the host community. People generally want to interact with other cultures, learn about traditions and even confront themselves with new perspectives on life and society. It has been said that travel is a means to "*discover those things unknown or forgotten within ourselves.*" Tourism is largely an experience-driven industry and local culture is a unique experience, that is, the local personality, hospitality and cuisine, more so than "built attractions." The more visitors get to learn and experience about a destination, the more fulfilling the experience will be.

Research shows that over 50% of today's visitors are interested in experiencing the culture of a destination. Cultural heritage tourism is unquestionably lucrative. Driven primarily by 'well-heeled' Boomers seeking learning and enrichment, heritage tourists earn more, spend more and stay longer than traditional tourists. Indeed, many countries and cities are using their cultural heritage as a marketing tool to promote their destinations by attracting travellers with special interests. This paradigm shift is in direct response to the rise in the number of tourists who are seeking adventure, culture, history, genealogy, archaeology and interaction with locals.

Cultural heritage is not a niche market rather, it is an integral part of "who we are as a people and a nation". Barbados has the perfect product to further develop this niche market. The rich and unique history and culture of the island set it apart from the rest of the Caribbean. Barbados has a compelling story that needs to be told to the world. The rich Amerindian, European, Jewish and African heritage, historic churches, Plantation Great Houses, slavery, sugar, trade, rum, chattel houses, rum shops, oral traditions, cricket, music, festivals, Crop Over, museums, arts and crafts, and genealogy, all combine to create a very interesting cultural and historical footprint.

While today's tourists traditionally flock to Europe and increasingly Asia, to experience their rich history and culture, it must be understood that the Caribbean too has one of the most interesting and intriguing histories in the world. The fact that some of the most epic naval battles of the 17th and 18th centuries took place within Caribbean waters, as the world's super powers of that era, the British, the Spanish, the French and the Dutch, fought relentlessly to gain or retain control over the islands, is testimony to this reality. Such was the immense value of the Caribbean region at that time.

Barbados was at the epicentre of the economic trade and quest for world domination of that era. The story of the extremely prominent role that this island played in the globalised era of the 18th and 19th centuries, as one nation in a triad of seaports that dominated world trade, needs to be told. Additionally, the fact that Rum was invented in Barbados during the early 18th century is a fact of considerable historical

significance that needs to be capitalized upon. This will now be possible due to the UNESCO inscription of Historic Bridgetown and its Garrison as a World Heritage Site in June 2011. This Award will shine the global spotlight on Barbados and highlight the island's immense value as a cultural heritage destination of note.

Historic Bridgetown and its Garrison can be promoted as the flagship heritage product of the island that will provide a foundation upon which a viable cultural heritage product will be built. The increased level of exposure the island will receive, as a country committed to the protection and preservation of the world's shared cultural heritage, will result in an almost immediate elevation of Barbados' image in the global market place and will also contribute to the marketing of its tourism and cultural products. Research shows that countries which are listed as World Heritage sites have seen an overall increase in visitors in the region of 30% to 40%. This development therefore adds significantly to the island's tourism product, making it a more diverse and attractive destination for visitor⁶³.

European visitors especially might be attracted to Barbados, due to its role in the development of the once powerful British Empire. This rich history creates excellent opportunities for the island to further develop a strong cultural heritage offering. While several heritage attractions are already in existence, a more structured, national approach needs to be taken to strengthen the overall cultural heritage product, starting with the immediate prevention of any further destruction of the nation's invaluable, irreplaceable historic relics and the protection and preservation of all built heritage assets and historic artefacts.

A framework will be set up to facilitate structured Great House and Historic Church tours, including tours that focus specifically on the rich architecture of the island's historic buildings. The Barbados National Trusts Open House Programme, which is presented every year from January to April and features some of the island's most historic and beautiful homes, will receive greater local and international exposure, as being a part of the cultural heritage offering, by being showcased on the BTA website and placed on the annual tourism calendar.

Projects like the Ministry of Tourism's Slave Route Heritage Trail and Tour, which was launched in 2010 and the Twinning between Barbados and Charleston, South Carolina hold major currency for Barbados, particularly in the USA market. Both these projects will also be actively promoted as part of its cultural heritage offering.

Beside the built heritage, Government will also make it a priority to further develop and showcase the cultural industries of the island through music, arts and crafts, fashion, dance, film and so forth, which represent the intangible forms of the island's rich culture.

8.2.19 Genealogy Tourism

A large part of what is contributing to the rise in popularity of genealogical tourism is the diaspora of races, cultures and ethnicities spread out across the globe, longing for an authentic connection to their roots. Genealogical tourism also encourages people to take a more humanistic approach toward issues of belonging, home, heritage and identity. Interest in tracing one's roots is growing at a rapid pace. As a result of Barbados' unique position of having three hundred and fifty years of unbroken British rule, as well as the island being responsible for colonising South Carolina in the USA, means that there are numerous ancestors buried in the island's graveyards and millions of members of a vast Diaspora of descendants who would have been born in Barbados and migrated all across the globe. Hence, exploring the genealogy tourism would be an extremely viable niche for Barbados to explore at this time.

⁶³ Sharon Austin Gill-Moore, Decision Soon for World Heritage Inscription, <http://www.gisbarbados.gov.bb/> (June 2011)

An excellent example is Academy Award-winning Hollywood actress Gwyneth Paltrow, who recently traced her roots back to her great-great grandmother, who was born in Barbados. Paltrow jetted into the island in a quest to uncover her family history for an episode of NBC's hit TV series '**Who Do You Think You Are?**'. This brought invaluable attention to the island from worldwide audiences.

The development of Genealogy tourism, in the form of people searching for their ancestors can yield a viable economic footprint. It will require the development and accessibility of excellent genealogy records and a local passion for heritage and ancestral connections.

A spin off of genealogy tourism is graveyard tourism, which is a segment that is also increasing in popularity. For example, the idyllic Himalayan Indian state of Himachal Pradesh has a thriving graveyard tourism business, as British tourists flock to the state's graveyards. The rising interest among British tourists in travelling to graveyards of ancestors is due to an "often an inbuilt love of cemeteries among the British people" and a "huge boom" in genealogy and research into one's ancestors. A large number of British people had relatives who served in India, not just as officials, but as soldiers, shopkeepers, traders, tea planters, forest officials, teachers, missionaries, photographers. As a result, tourists and researchers are going to India to find and photograph the graves of their ancestors, and also to see the places where their ancestors lived and worked, so there is a spin-off effect⁶⁴. Barbados has had similar and even more in-depth historical ties to Britain, so that similar opportunities can also be exploited.

Barbados graveyards are a font of invaluable historical information. The strong ties to England and the USA mean that there are hundreds of descendants potentially spread across the globe who would be interested in learning about their roots. Many prominent persons are interred in graveyards across the island, which would make for interesting and informative tours, as well as assisting in attracting descendants of people who were born in Barbados. Capitalizing on this niche would require: collaborating with the religious authorities; the urgent restoration and maintenance of the gravesites around the island; and the commissioning of local historians to document the graveyards, in order to make the information easily accessible to foreign tourists.

8.2.20 Gardens and Horticulture Tourism

Barbados has been competing at the annual RHS Chelsea Flower Show for over 20 years, and in that time has won 15 Gold Awards, along with several Silver Gilt awards, thus placing the island at a competitive advantage over other Caribbean islands in this specific area. The Barbados Horticultural Society is a non-profit group promoting horticulture in Barbados. They also coordinate the Barbados Open Gardens programme at private homes across the island during the months of January and February. This is a widely anticipated event for both locals and visitors.

There are several attractions around the island such as Orchid World, Andromeda Gardens and Welchman Hall Gully which also have a strong horticultural theme. In addition to the natural beauty of the island, there are also several private and commercial gardens and nurseries in Barbados that would contribute greatly to the facilitation of the development of this niche. Packages can be created which might involve garden tours and floral arrangement classes, as well as lectures by members of the award-winning teams. Multi-destination packages can also be pursued with other islands such as Grenada, which also has an impressive record in achieving several gold medals at the Chelsea show and Dominica, the "Nature Isle" of the Caribbean.

⁶⁴ Soutik Biswas, India Pushes 'Graveyard Tourism', <http://www.bbc.co.uk/2/hi/6209517.stm>, (December 2006)

8.2.21 Community Tourism

Community tourism is one of the most sustainable forms of tourism in existence. The meaningful involvement of the local population in the decision-making and developmental process, in a way that they benefit from the industry, means that they will be more likely to nurture and protect it, as well as do everything possible to facilitate its success and survival. In essence, sustainability therefore depends to a large extent on the engagement of the community. There is a symbiotic relationship between local communities and tourism. Therefore, community tourism should not be considered to be a niche area *per se*, but rather an extremely ingrained and valuable component of the overall tourism product offering.

Tourism is a people-centred service industry. As a consequence, by dint of its construct, the words tourism and community should be synonymous. Tourists visit Barbados because they want to experience what is uniquely Barbadian and it is the Barbadian people that bring the destination to life. In short, it is the potential and passion within communities that hold the key to a nation's development.

Over the years, there have been a few community tourism projects undertaken, notably, “De Heart uh Barbados” in St. Thomas. The Ministry of Environment has undertaken a Community Tourism pilot project and over the years the Ministry of Tourism has developed some community tourism initiatives, the latest being the Bajan Pride Expo. A number of programmes have been undertaken which focus on building the business skills of communities. Such initiatives will continue to be encouraged to ensure that communities share the benefits of Barbados' tourism future. However, community tourism, with all its potential and possibilities, has never taken root as a viable and integrated part of the overall tourism “architecture”, in a way that responds to the demands of the modern day traveller.

Barbados has a plethora of rural communities that are characterized by their own unique local distinctiveness. Research shows that international visitors are clearly interested in experiencing the culture of the destination and immersing themselves in the communities. They want to create meaningful bonds with the destination and to give back to ensure that their money is contributing to the positive development of the community. Increasingly, visitors are particularly interested in learning, experiencing and interacting with the Barbadian people in their own environment, which includes participating in local events and eating and cooking local food, with *authenticity* being an important aspect of the experience. The phenomenal success of the Oistins Fish Fry is a prime example of this, therefore, the fundamentals of this model should be benchmarked and replicated across the island. The process has already started with establishments, such as Moontown, Chicken Rita's, Lemon Arbour and the Souse Factory, increasing in numbers and popularity.

Other community-driven activities like home stays, a unique concept in accommodation where visitors stay at the homes of local families, are also growing in popularity globally. Opportunities to develop informal interaction between locals and visitors, in the form of People-to-People programmes, will be created by setting up a formal framework to invite tourists into communities to experience the true flavour of the Barbadian lifestyle. The Bahamas has had a People-to-People programme since the mid 1970's which matches local volunteer “Ambassadors”, with visitors in a way that allows them to experience the Bahamas through the eyes of a Bahamian, for a totally authentic experience. Visitors are able to join locals at home for conversation and an authentic home-cooked meal, at civic or social clubs, at a church service or sports event, at a local school to meet Bahamian children, or see the sights with a native's interpretation⁶⁵. This programme is extremely successful and adds tremendous value to the Bahamas product offering. There has also been a phenomenal response to People-to-People programmes in Cuba, particularly from the US market. Activities include travelling through the country by ancient steam train

⁶⁵ Anne Kazel-Wilcox, Feel the Love with the Bahamas Host Programme, <http://www.travelmuse.com/articles/> (December 2008)

and visiting villages where participants can meet and interact with locals. One particular stop allows tour groups the opportunity to talk with residents about sustainable development efforts that are under way in the region⁶⁶.

Among the initiatives to be launched by the Government to improve the tourism sector are: a home-stay programme; beautification programmes; a parish-branding programme to showcase the unique identity of each parish; rural youth-training programmes; handicraft and cottage industry development programmes and village tour and stay programmes; as a means to percolate the benefits of tourism to the lower segment of society.

Travellers are becoming increasingly more socially and environmentally conscious. This has resulted in the growing interest that combines work with weekend sightseeing or cultural immersion called “Volun-tourism” or “Travel with a Conscience”. The main purpose of these trips is to assist host communities by providing services that help the less fortunate in everyday life. This form of tourism has expanded in recent years, ranging from lengthy trips that involve construction work, community development and/or conservation, to one or two-day contributions, such as litter-clearing whilst on a hike. The Ministry of Tourism will collaborate with relevant agencies like schools, orphanages, community groups, the Coastal Zone Management Unit etc. to explore the possibility of developing programmes like marine conservation and community development projects, cleaning of reefs, beaches and gullies, painting schools and orphanages and developing packages for visitors who wish to participate in such activities by “giving back”.

Youth travel and Gap Year students are a perfect fit for this niche to get involved in anti-poverty projects, due to the fact that young travellers stay with families, take language courses in communities, eat the local food and build relationships, an approach which increases international understanding and peace.

Youth travel is the most effective type of community benefit tourism because their money goes directly to host families, reducing poverty, strengthening communities and democracy. Developing countries will see a much higher return on their investment in youth travellers than they might realize from “five-star” visitors, with their much more expensive infrastructural needs. But there is room for both, due to the fact that backpackers typically turn into high-end, savvy, travellers.

The Government has targeted community tourism as a major priority for development in order to ensure that a wider cross-section of Barbadian society benefits from the prosperity created from the tourism industry. There must also be capacity-building to prepare communities for this heightened level of involvement. Authenticity and sustainability will go hand in hand, especially where communities build a tourism product which belongs to and is beneficial to the community. This would enhance and increase the interaction and cultural awareness between visitors and locals; provide economic and entrepreneurial opportunities for a wider cross-section of Barbadians; alleviate poverty and provide visitors with the type of memorable, unique experiences that they are seeking. Barbados must set up the relevant institutional framework that would accommodate the development of this very important niche.

8.2.22 Culinary Tourism

Over the past 15 years, Culinary Tourism has experienced explosive growth globally. Food has become a significant aspect of the visitor experience of a destination, driven by the growing trends of authenticity and the need to have a high-quality experience. Tourists are seeking out local, fresh and good quality cuisine that reflects the authenticity of the destination. Gone are the days of British tourists requesting

⁶⁶ Gay Nagle, Friendly Planet sees ‘Phenomenal response’ to Cuba tours, <http://www.travelweekly.com/Caribbean-Travel/Insights>, (December 2011)

‘egg and chips’ in Rome, or Americans only eating Kentucky Fried Chicken when in Shanghai. Today, the consumer is better educated, more sophisticated, has travelled more extensively, lives longer, and is concerned about his/her health and the environment.

As a result, food and drink has become more important and have a higher priority amongst certain social groupings. Other influences driving culinary tourism include, the growing disposable income, individualism, multiculturalism fuelled by globalization, cross-boarder migration, the rise of the Celebrity Chef and the popularity of Food Network media.

The Caribbean is at the culinary crossroads of the ‘New World’ and Barbados has been referred to as the Culinary Capital of the Caribbean. Barbados is an excellent candidate to be the foremost culinary destination in the region. The island is renowned for its world-class restaurants and has held the distinction of being the only Zagat-rated destination in the Caribbean.

Over the years, the BHTA hosted an annual Barbados Food Festival highlighting the best indigenous and international food that the island has to offer. Recently 2010 and 2011, the BTA successfully produced the Barbados Food and Wine and Rum Festival which has put Barbados on the international culinary map and is now a major annual event on the tourism calendar. This event has been successful, not only with respect to increased arrivals to the island, but also enhanced awareness of the Barbados Brand and its world class culinary offering.

Over the years, one of Barbados’ most significant achievements to date in the culinary arena has been the fact that the island has developed a cadre of indigenous and extremely talented local chefs, who can compete with best at the international level. Teams of these individuals have won numerous gold awards at Caribbean culinary competitions like the annual Taste of the Caribbean. In 2010, the Barbados team copped five out of seven major awards, including Team Gold and Team of the Year, while in 2011 the contingent also won Team Gold, Chef of the Year and several other gold awards. In addition, Barbadian Chef, Angela Garraway-Holland, Executive Chef at the Hilton Hotel, won the first prize at the 2011 gastronomy week held in Sainte-Marie, Martinique.

What makes Barbados perfectly poised to dominate regionally in this particular niche is the fact that the island offers a complete culinary experience, from the higher-end haute cuisine referred to as gourmet or epicurean tourism, to the mid-range experience, to the community-type offering like the Oistins Fish Fry. Culinary tourism is therefore one of the areas where Barbados has a distinct competitive advantage over other destinations in the Caribbean.

In Barbados, culinary tourism is typically interpreted as fine dining at the higher-end restaurants. However, in reality, culinary tourism is not exclusively what is pretentious or exclusive. As the Government seeks to expand this niche, there must be a clear understanding that Culinary tourism includes culinary experience of all kinds, for example, a local pastry shop, an interesting bar or rum shop in the average community that only locals know about, or the street vendor serving local delicacies at the side of the road.

In recent times, there has been a movement of visitors, from the higher end to the budget category, towards patronizing local eating spots around the island like Oistins, Chicken Rita’s, Moontown, Cuz, Lemon Arbour and the Souse Factory, in order to sample indigenous fare in an authentic community setting. This is in line with the trends of travellers desiring to immerse themselves in the communities and sample local fare. For example, world renowned chef, Ming Tsai spoke glowingly about his experience of

eating “street food”, when he was in Barbados to attend the Food and Wine and Rum Festival in 2010⁶⁷. Regrettably, the introduction to this type of eating experience is usually through word-of-mouth advertising, and does not enjoy top-of-mind billing in the island’s traditional marketing thrusts. Such oversight must be rectified as a matter of urgency.

Culinary tourism or more appropriately “Tourism driven by food and drink”, is an attractive and achievable goal. It is a tangible, saleable asset, which can lend powerful support to any tourism destination and when developed to a mature state, culinary tourism, in its own right, can drive the economy. In light of this, the Government will be making it a priority to continue its efforts to place Barbados on the culinary world stage.

The first step will be to ensure that the *entire* Barbados culinary experience is prominently showcased on the BTA website and in all international promotions. This will become the major point of differentiation for the island. A more structured approach will be taken to developing a culinary tourism product that is more diverse and broad-based in its offering and that officially involves a wider cross-section of the Barbadian community. The higher end haute cuisine will attract the foodies who are specifically seeking the ultimate gourmet experience, while the community experience will attract the foodies who are seeking to partake in the entire gamut of the culinary experience that the island has to offer.

The major priority of Government however, will be to showcase local talent and local cuisine to the world. Culinary activities including the development of foodie trails around the island to patronize indigenous local establishments and experiential activities like cooking classes, competitions and demonstrations in local and international food, as well as Rum tastings and pairings, will widen the choice of the activities to do while on island. Some of these activities may already be taking place in a limited capacity, like the “Pub Crawl,” which allows guests to sample a variety of rum shops around the island however, they will become more mainstream events available to a wider cross section of visitors and locals alike. This new focus will provide a great opportunity to showcase Barbados as a culinary “melting pot” that offers more than just “fun in the sun”.

8.2.23 Agro-tourism

Agro-tourism will be one of the most effective vehicles that the Government can utilize to develop a more sustainable and diversified tourism industry. Agro-tourism is agricultural development which is an attraction in itself and the type of product offering that could help to preserve agricultural land, as well as spread the benefits of tourism to the rural areas. Strengthening the inter-sectoral linkages between the tourism and the agricultural sector will stimulate the Barbados economy, create a multiplier effect of the tourism dollar across communities, reduce leakages caused by the exorbitant food import bill and encourage a healthier lifestyle for all Barbadians.

Agro-tourism is defined most broadly, as any agriculture-based operation or activity that encourages visitors to experience rural life first hand. Producers offer an interpretive experience that provides visitors with an opportunity to participate in producer-related activities and to buy directly from the source. It refers to a wide variety of activities like farms stays, farm tours, buying produce directly from a farmer’s market, picking fruit or feeding animals. Other forms of agro-tourism involve local food being served in hotels and restaurants, farm to table programmes and touring of agro-processing facilities.

⁶⁷ Arthur Bovino, Barbados Food & Wine Festival Q & A with Chef Ming Tsai, <http://www.thedaily meal.com/barbados-food-and-wine> festival-qa-chef-ming-tsai, (November 2010)

Agro-tourism is considered a growth industry in many parts of the world, including Canada and the United States, Barbados' major source markets. Many urbanites are leaving the city and seeking out farms in the countryside, where they could get back to the simple life. Spending time in the country, popularly referred to as "Haycations", is viewed as a potentially healthy experience by city dwellers, for whom clean air and fresh food feeds the body and an interpretative experience feeds the mind. A wide range of activities include picking fruit and vegetables, riding horses, tasting honey, fresh milk and freshly baked bread, gathering eggs, learning about wine or cheese-making or shopping in local farmer's markets and purchasing local crafts.

Agro-tourism has a direct impact on enhancing the incomes and potential viability of small farms and rural communities, by assisting them in developing their local economy and craft trades. Opportunities are also provided to educate visitors and locals alike about agricultural practices and the important role that farming and rural life play in the nation's livelihood. Agrotourism projects reinforce the need to support local growers and sources and allow the visitor to experience what it is to be part of the land.

Increasingly, as people have become more health conscious, they are interested in how their food is produced. They want to meet farmers and processors and talk with them about what goes into food production. As urbanization continues to grow worldwide, visits to farms have become very popular, especially for families, where the visit usually marks the first time they see the source of their food, be it a cow, a stalk of sugar cane or an ear of corn growing in a field, or a particular fruit they can pick right off a tree. These types of learning experiences are becoming highly valued and sought after. This makes agro-tourism a very viable niche for the family market as a visit to an agricultural environment is viewed as strengthening and enriching the family experience, as well as family ties.

One of the big global trends that has taken deep root, particularly in the USA and Canada, is farm-to-table cuisine and cooking. This is being spurred by the desire for local, fresh, healthy, organic, seasonal produce, by a more socially conscious traveller, who is interested in learning where their food comes from and also in making sure that as many dollars as possible are kept within the local economy. Farmer's markets have become 'tourist hotspots' where tourists and even chefs frequently shop for fresh fruit and produce.

One of the biggest priorities for Government is to initiate a greater infusion of local food on hotel and restaurant menus. A major complaint within the Barbadian tourism sector is that local food is not utilized enough in the culinary offering of the island, especially in the fine dining segment. In a 2011 BTA Brand Perception Audit, Barbadians who were surveyed constantly "complained" that tourists did not get the opportunity to sample Bajan delicacies because many of the restaurants on the island focused their menus on international cuisine, as opposed to offering traditional Barbadian fare. Similarly, some tourists also noted that they would prefer the opportunity to experience more Barbadian dishes⁶⁸. While the level of exposure to local food has increased somewhat over the years, tourists are still more likely to be exposed to Italian cuisine, for example, than local cuisine on many menus around the island.

The gold award-winning Barbados culinary team that competes at the Taste of the Caribbean has continually done an excellent job in presenting local gastronomic fare of the highest standard. However, there is still general scope for improvement in this area. The lack of local food on menus has been an issue in Barbados for over a hundred years. In the Barbados Globe dated April 8th 1910, a disgruntled visitor wrote a letter to the newspaper complaining that eating houses in the Caribbean did not provide enough local dishes for tourists. That visitor complained that tourists did not want beef steaks, chops and salads, but really wanted to sample the "strange things of the country", even if was more expensive to attain. Even back then, proprietors of hospitality establishments incorrectly assumed that tourists needed a

⁶⁸ G&A Communications Inc, The Barbados Tourism Authority Barbados Brand Development Report, May 2011, pg. 17.

regular standard fare. However, sampling such indigenous dishes as pepperpot, rice and peas, coucou, okra sauce, crab back, frog legs, turtle soup, flying fish pies etc., were what tourists to the region really wanted to experience, yet these items were hardly included on daily menus⁶⁹. The wonders of Caribbean cuisine had been expounded for centuries by visitors to the region. Additionally, early 20th century guide-books on the Caribbean listed the national dishes and beverages from the islands, and tourists read about these items, and desired to sample them⁷⁰. When they arrived in the Caribbean, to find that traditional European fare, was predominantly served, they felt cheated of a truly cultural experience. This Government is committed to working closely with stakeholders to address and resolve this century-old, critical and long-standing issue.

The promotion of local food will have spin-off benefits for the economic and community development of Barbados. Visitors who sample new food and drink are more likely to take them back home, thus providing a secondary opportunity for the destination to spread the word about its unique offerings and also enhance value-added food and drink exports.

There is much scope for the development of the agro-tourism niche, in a way that these two industries will complement and not compete with each other. The growing desire of today's traveller for fresh, locally-sourced food and getting back to a simpler, more meaningful existence, provides Barbados with an excellent opportunity to capitalize on this niche. Stronger synergies need to be created between these two sectors to ensure that more locally grown food (fresh vegetables, meat and fish) is sourced and served to visitors, farm-to-table programmes, foodie trails around the island, farm tours and farmers' markets in communities are developed and opportunities for agro-processing are facilitated. In line with the Government thrust to promote stronger agro-tourism linkages, the Barbados Food & Wine and Rum Festival have contributed to facilitating the agro-tourism fusion. Hundreds of pounds of local meat, fish and vegetables were utilized at this event in 2010 and also in 2011, with the prominent showcasing of both local produce and recipes.

The Government realizes that festivals such as these play a major role in facilitating the agro-tourism fusion. Therefore, in the same vein as the Conch Festival in Turks and Caicos, the Breadfruit Festival in St. Vincent, the Jerk Festival in Jamaica and the Mango Festival in Grenada, the Government will also be seeking to create more local festivals. This thrust will commence with a community food festival to complement the Food, and Wine and Rum Festival and other localized festivals throughout the year like a Pork festival, a rum and sugar festival, etc., which will incorporate the fundamental themes of community, culinary and agro-tourism. These will showcase the unique aspects of Barbadian culture, cuisine and also its agricultural base, as well as encourage strong community and visitor involvement.

Valuable opportunities will also be provided for visitors to experience lively "education" and learn new skills, while socializing with members of the local communities. Experiential activities like working in the fields alongside real farmers, fishing with fishermen or purchasing fresh produce from farmers' markets and utilizing this same food in cooking demonstrations, can become a creative part of Barbados' product offering. Events like Agrofest will become an ingrained part of the BTA's annual tourism calendar. Enhancing this linkage would contribute greatly to reducing the island's exorbitant food import bill, diversifying and differentiating the Barbados tourism product and stimulating greater economic activity across the island.

The price of food is rising astronomically around the globe due to climate change, rising oil prices and food shortages, as countries increasingly use wheat and corn to create biofuels. The World Bank's

⁶⁹ Barbados Globe, Friday, April 8th, 1910.

⁷⁰ Aspinall, *The Pocket Guide to the West Indies* (London: Meuthen, (ed) 1960) p. 18-20; F. Ober, *A Guide to the West Indies* op. cit. pp. 9 & 11-12

president Mr. Robert Zoellick, has expressed grave concern that global food prices are rising to dangerous levels that will threaten tens of millions of poor people around the world. According to the World Bank, between February 2010 and February 2011, international food prices have risen by more than 29% and agricultural material prices by more than 6%. This has resulted in a new food crisis in some regional economies⁷¹.

In light of this dire global situation, the promotion of indigenous fare would not only serve to build the Barbados' cultural confidence and image of self worth, but buying local would also reduce food costs and set the stage for promoting and achieving greater food security, which would translate into national security for Barbados. Promoting fresh healthy local produce to visitors could potentially result in a demonstration effect, whereby locals would also seek to consume the same foods⁷². This would result in a healthier Barbados and reduce the scourge of non-communicable diseases that are having a debilitating effect on society, namely diabetes, obesity, cancer, heart disease and hypertension. This would also reduce the government's high non-communicable disease bill which is over BDS\$200 million annually.

Agro-tourism presupposes a certain level of development of the agriculture sector and farming areas in particular. Countries such as the United States that have embraced this type of tourism, already have reasonably well-developed agriculture sectors and farm areas. In Barbados, while some areas require further development and structure, there is a good agricultural base upon which to build this niche area. A study by the Inter-American Institute for Cooperation in Agriculture (IICA) in 2006 revealed that there was an inventory of 27 agro-tourism businesses in Barbados. The study had a broad definition of Agro-tourism, which it outlined under six categories: (1) Agro-Heritage Tourism (2) Agro-trade (3) Farm-based and Agro-ecotourism (4) Community Tourism (5) Health and Wellness and (6) Culinary Tourism⁷³. An Agro-tourism workshop convened in September 2011 is an indication of the Government's commitment to the further development of this niche area.

8.2.24 Sports Tourism

Sports tourism accounts for \$600 billion worldwide, roughly 10% of the entire tourism industry. It includes those who travel for the purpose of participating in or observing competitive sports, to those involved in more leisure or leisure sporting activities. Barbados is fast becoming an outstanding sporting destination, with its on-island sporting facilities, coupled with the enthusiasm of the Barbadian people for all forms of sporting events and activities. Barbados is an island which has Sports in its "DNA". It has a long history of sporting excellence, as numerous world class athletes in several disciplines, particularly cricket, have put the island on the world sporting map. There are currently over 60 disciplines of sports practised on the island. This makes the island a prime candidate to be a viable and successful Sports tourism destination. With this strong base, the development of Sports tourism is one of the primary strategies being undertaken by the Government to bolster the Barbadian economy, especially during the trough periods in the tourism season.

Barbados boasts the legacy of hosting a number of world class sports events over the last five years. Such events have included the 2006 PGA World Golf Championships, the 2007 ICC Cricket World Cup Finals, the 2010 Sentebale charity polo match with Prince Harry of Wales, "Tennis Pon De Rock" featuring Serena Williams and Caroline Wozniacki in 2009 and Venus Williams and Victoria Azarenka and Gael

⁷¹ Rising Food Prices Pushing Millions into Poverty, World Bank Says, <http://London.usembassy.gov/forpol007.html>

⁷² Dr. Keith Nurse, Director of the Shridath Ramphal Centre for International Trade Law, Policy and Services, **University of the West Indies**, Cave Hill Campus, in his key note address at the two-day agro-tourism workshop held in Barbados from September 21-22, 2011, suggested that stakeholders needed to use the demonstration effect as a tool, whereby tourists would be exposed to more opportunities to eat more local foods and those foods could in turn be marketed to locals.

⁷³ Roxanne Waithe, Barbados Agro-Tourism Inventory Report, Final Report, May 2006/07

Montfils and John Isner in 2011, the 2010 Fireball World Sailing Championships, The Cricket Legends of Barbados International (CLOBI) Cup World Masters Tournament and the ICC Twenty20 Cricket Finals in 2010. This year Barbados also hosted the inaugural Football Legends Invitational Tournament 2011, which saw football stars from several Premier League Clubs in action. One of the major benefits of the sports tourism thrust is the added bonus of harnessing the charitable spirit of international clubs and teams that come to provide specific community coaching programmes, for example, this occurred with Chelsea Football and the Dallas Mavericks basketball teams.

Major world class sporting events, are important tourist attractions that can bring long lasting benefits to a host city in terms of infrastructure improvements and increased tourism. These types of events provide a huge one-off opportunity to showcase Barbados to an unprecedented number of visitors, and to persuade a significant proportion of the planet's watching population that they'd like to visit the island in the short to medium term. These types of events do not just attract athletes and fans to Barbados, but also provide an opportunity for Barbados to expose the country's other visitor attractions – its rich heritage, vibrant culture and beautiful land and seascapes – to a captive world audience.

However, while there is usually a tremendous boost in arrivals during the event, a sustained tourism legacy of a dramatic, sustained increase in arrivals, investment and job creation is usually not realized, for example in the case of the Cricket World Cup. This pattern must be rectified. Yield maximization strategies must be implemented to ensure the spin-off benefits of such events are far-reaching and sustained, so as to ensure that the industry is less vulnerable to the detrimental impacts of seasonality and that return on investment is realised.

For the period January to June 2011, visitors travelling to Barbados for sports totalled 4,851. Major events during this period included the Barbados Motor Rally, the Sir Garry Sobers Schools Cricket Tournament, the Regional T20, the Barbados Youth Football Tournament and the British Legends Soccer Tournament.

Producing World Championship events will continue to be a major focus of this Government, as well as continuing to target international sports teams and clubs to utilize Barbados' sporting facilities for their training camps. Barbados will also continue to target the amateur sports segment, especially schools, to capitalize on the economic footprint of this segment and also to create opportunities for interaction with local communities. This category of athlete is usually accompanied by supporting families, and they usually build connections with the island that result in repeat visitation.

Success in these endeavours will require the upgrading and ongoing maintenance of all sporting facilities. The facilities for Polo and Golf are typically world class and exemplify the quality of product that is desired. However, the biggest threat to the development of the Sports tourism niche is the unsatisfactory quality of the various sports facilities on the island. This is affecting the island's capacity to be a summer training base, or host more world class tournaments and events, particularly in the areas of cricket, hockey, tennis, swimming and horse racing.

Cricket is the premier sport on the island. The iconic Kensington Oval was transformed into an ultra modern facility for the Cricket World Cup 2007. However, seating capacity was reduced from 28,000 to just over 12,000. This limits promoters in advertising the facility for hosting, particularly soccer teams, because of the limited seating capacity and the high cost associated with bringing a high-end soccer team. Also, in order to sustain the demand and persuade the English County Cricket teams to come to Barbados as a preferred training destination, cricket clubs will have to improve the condition of the grounds to an acceptable level similar to that in some of Barbados' competing destinations like South Africa, Sri Lanka and Australia. The island is in need of a modern soccer facility and a proper turf facility for hockey with adequate seating capacity. For example, the island has been losing many of its schools and clubs from the international markets due to the lack of adequate hockey facilities.

Barbados has tremendous potential to capitalize on the lucrative sports tourism niche. This will require better collaboration and more effective synergies between the relevant sporting entities such as the Ministry of Sports, the National Sports Council, the Barbados Olympic Association, Kensington Oval Management Inc., the University of the West Indies, the Barbados Tennis Association and other relevant local sporting associations, along with the BTA. The upgrading of sports facilities to the required standard on the island also has to take place as a matter of priority. Investment in the upgrade or construction of new facilities will have to be sourced and partnerships forged between the private and public sectors.

The Government has classified sports tourism as one of the foremost niche areas to create a year round tourism industry and hence, bolster the Barbadian economy. As such, a study on developing Barbados' Sports Tourism potential has been commissioned to be undertaken by the Special Advisory Services Division of the Commonwealth Secretariat on behalf of the Ministry of Tourism. The study will include the design of a national strategy for sports tourism, which will chart the course for the successful and sustained development of this lucrative niche area.

Traditional sports like cricket, hockey, football, boxing, tennis, polo, golf, athletics, swimming and volleyball etc., will be promoted, however “untraditional” sporting events like rallying, surfing, badminton, road tennis and nautical activities, will be focused upon, to strengthen this sport tourism fusion. For example, Barbados boasts some of the best surfing conditions in the world at the Soup Bowl in Bathsheba. The BTA has already started the process of capitalizing on this competitive advantage. Rallying has become an extremely popular sport in Barbados and within the region. The Government is currently facilitating the Rally Club in the upgrading of the present racing facility. Road tennis is a sport that is indigenous to Barbados and therefore should receive greater exposure as the island seeks to differentiate its product offering. The sport recently received some valuable coverage when the Professional Road Tennis Association (PRTA) organised an exhibition match which was held in London between Sylvan “Lama” Barnett and Andy Murray, in which Murray was defeated. By October 2011, this match had received over 15,000 hits on Facebook and YouTube, thereby creating a situation where tennis superstar Gael Monfils indicated that he wanted to try his hand at the sport while on the island to participate at Tennis Pon De Rock 2011.⁷⁴ The island is also earning a valuable reputation as a nautical tourism destination, particularly in the area of yachting.

The media and brand exposure the island receives from hosting sporting events, demonstrates that, with adequate facilities, the island's position can be enhanced as a preferred warm weather destination. Therefore, providing the necessary mechanisms that will sustain the demand for Barbados will ensure that the island reaps the social, cultural and economic benefits from this niche area.

8.2.25 Health and Wellness

Stressful lives, the quest for eternal youth and the desire to rejuvenate and bond through experiences, has resulted in a growing number of tourists combining holidays with health care and healthy activities. This trend is known as Health and Wellness Tourism and is predicted to boom.

Health and wellness tourism refers to trips that are taken by tourists with the principle purpose being to improve their health and/or well being. Typically, this includes one or more of the following: physical fitness programmes; spa visits; medical treatment; health farms; beauty treatment and many different alternative therapies derived from different cultures. The health and wellness market can be seen as a continuum, reflecting different sub-segments' requirements and interests. At one extreme – the “soft” end

⁷⁴ Kenmore Bynoe, “Road Tennis Challenge”, The Daily Nation, Tuesday November 29, 2011.

– are general wellness consumers who look for high-quality facilities, a healthy menu, the opportunities for walks in pristine natural settings and the availability of gym facilities. In the centre of the continuum are those looking for traditional spa facilities, facial and other treatments and the practice/performance of treatments based on healing properties of the waters, muds etc, referred to as spa tourism. At the hard end, are those seeking medical attention, including surgery, referred to as medical tourism.

As the population in our main generating markets ages and the search for eternal youth continues to grow, the demand for health and wellness trips will continue to exhibit substantial growth rates for many years to come. As the Boomer market continues to age, they will increasingly seek medical attention in developing countries, where it is less costly. Overstressed working couples and singles, particularly females, are looking for a sanctuary that offers rest and rejuvenation.

Another driving factor behind the predicted growth trends is the changing attitude towards physical fitness and general wellbeing. A greater awareness of health issues has also resulted in a rise in the popularity of outdoor holidays. As consumers focus on better health and seek out more active vacations or active “add-ons” soft (fishing, sailing, golf, guided tours, biking, hiking, camping, horseback riding, snorkelling etc.) and hard (off-road mountain biking, back packing, scuba, surfing, parasailing, motorized water sports etc.) adventure have also experienced a dramatic increase.

Health and wellness tourism is generally driven by women and middle-aged empty nesters (adults whose children have left home). There is a definite trend to show that these types of holidays are appealing to the Gen Y age group (20-24). However, it is the Boomer segment (50-65) that remains the one with the most potential. These consumers tend to be well-educated and affluent.

Barbados is perfectly poised to capitalize on this health and wellness trend currently sweeping the globe. From as far back as the 18th and 19th centuries, the island had earned a reputation for having the finest climate and being the healthiest island of the British West Indies. The island was deemed by many to be the “Monpellier of the West Indies”, and for hundreds of years had been known as a health resort to the inhabitants of the Caribbean, South America and even further afield like England and the USA. Indeed, one of Barbados’ most famous visitors was a young George Washington, the first President of the United States of America, who accompanied his ailing half-brother to the island in a bid for him to regain his health. In essence, the early Barbadian tourism industry started as a form of health and wellness tourism.

Barbados is thus a natural fit to go “full circle” and once again explore the development of this health tourism niche in the 21st century. The island can emerge as a premium destination because of its salubrious climate, natural beauty, authenticity, diverse soft and hard adventure activities, excellent infrastructure, trainable workforce, access to good medical healthcare systems, technology, natural health clinics, fertility clinic, gyms, spas and diverse hospitality accommodation, facilities and amenities.

The Government is mobilizing its resources to facilitate the development of this lucrative market. It has identified fertility treatment as an area of specialisation for the growth of the medical travel industry, due to the high number of patients that have been patronizing the facility from the Caribbean region and, increasingly, from the U.S. market, due to high success rates of IVF at the Barbados Fertility Clinic and the significantly lower treatment costs⁷⁵. In addition, American World Clinics Ltd. will undertake the development of a \$160 million dollar private hospital, which is scheduled to open in late 2013 or 2014, on the grounds of the former St. Joseph Hospital. This multi-million dollar world class facility is part of a long-term development programme which will provide a much-needed injection for the country’s medical tourism drive⁷⁶.

⁷⁵ Nick Verrastro, Developing Countries Driving Medical Travel Trends, <http://travelmarketreport.com/medicalarticle>. (October 2011)

⁷⁶ “Major Medical Development,” The Barbados Advocate, Thursday, July 7, 2011, pg.1.

A Health and wellness conference was convened in 2011, to explore the possibilities of developing this segment. An unstructured form of medical tourism currently takes place, as persons seeking medical attention, especially from the Caribbean region, travel to Barbados to receive treatment. However, the successful development of this industry will require a collaborative effort being taken between all relevant stakeholders.

Health and wellness is a relatively new product for Barbados and it is in the embryonic stage of its product lifecycle. One of the biggest obstacles the Government will face will be the challenge to make sure prices are competitive due to the fact that ‘health and wellness’ is already well developed in many competitor destinations around the world, such as India, Costa Rica, South Africa, Dubai, Eastern Europe and Singapore.

8.2.26 Events/Entertainment

The Government realises that the events niche market has the potential to provide significant tourism, trade and investment opportunities. Barbados needs to capitalize on this niche to leverage benefits for the tourism industry and the wider economy. The Government understands the importance of staging international events to the national economy. Barbados has developed a commendable reputation as being an island where “everything works”. This high level of efficiency is what enabled the island to successfully stage world class sporting, entertainment and culinary events in the past.

The Crop Over Festival has been, and will continue to be, one of the biggest and most successful events on the annual tourism calendar. The recently developed West Coast Carnival also holds great potential to become a significant local event. Barbados, with its strong sporting history, has heightened its reputation as a sporting destination by staging several high-profile events over the last five years. The island has also staged the Food & Wine and Rum Festival, major music festivals and concerts, such as Reggae and Jazz Festivals, the Bobby Jones, John Legend and Fantasia Barrino concerts with the biggest one to date being the Rihanna Loud concert, from which Barbados benefitted tremendously. The concert provided phenomenal promotional value for Barbados, giving the island immense global exposure via the internet, social media and newspapers. Thousands travelled to the island or extended their stay to attend the concert, bringing tremendous economic benefits to the island.

Successive Governments have invested heavily in staging such events because they recognize that they make both direct and indirect contributions to the economy. These events attract a more crisis-resilient, high-yield segment of visitor who is less price-sensitive than the typical traveller. Staging major events will be a major mechanism through which the Government assists the tourism industry to recover from the economic downturn, boosts local communities, as well as addresses seasonal fluctuations. All these events not only result in phenomenal brand exposure for the island, but also increased arrivals, both from the regional and international markets as well as increased tourism receipts.

8.2.27 Faith-based Tourism

For millennia, the concept of religious travel has primarily centered on the notion of taking a pilgrimage, but in recent years it has developed into a much larger and more segmented market, with niches ranging from high-end religious travel, to volunteer-oriented religious travel, to modern-day pilgrimages. Faith-based travel used to be very much a low-budget option. However, today, the face of faith travel has

changed, with more comfort in mind. Today travellers in this segment are looking for good hotels, facilities and amenities.

Faith-based tourism has great potential for growth. While the BTA has made some efforts towards the development of this niche, there is room for improvement with respect to fully exploiting this lucrative niche market. To date, those who are benefiting are individual groups and organizations, which do their own marketing for their own events. However, there is a renewed emphasis on the spiritual niche market, through which the Authority is seeking to spread the message of the nation's strong religious roots.

Barbados is a country that has a deep foundation in spirituality and is therefore perfectly poised to capitalize on faith-based tourism. Barbados has a great deal to offer faith-based visitors and there is therefore much scope for expanding the offerings to this market. There is a plethora of denominations on the island, numerous historic churches, meeting facilities for revivals, retreats and conventions, the sea for ocean baptisms and also the annual Gospelfest concert. Barbados also hosted the Praise in Paradise concert with Bobby Jones and Friends in 2011. Major events like this will continue to be the focus.

Along with the Bobby Jones concert, the BTA is seeking to invest in other non-denominational ventures and capitalize on the numerous opportunities within the spiritual niche, for example, religious conferences, retreats, ceremonies and other gatherings in the wider christian community. The island is also perfectly poised to develop a church tourism product with the array of historic churches available on the island. Recent years have seen growing interest in church tourism, especially amongst the British market. Church tourism initiatives promote visits to churches and help churches to improve and develop the visitor experience they provide. Many churches in Barbados are of architectural and historical interest. Some have particular features of interest, such as stained glass windows, elaborate décor, or Gothic architectural styles. Others have connections with famous people. Churches can also provide a fascinating insight for visitors into the history and present day life of the communities over which they preside. Churches are often an important part of the tourism product of rural areas. St. John's Church has been a popular attraction with tourists to the island for hundreds of years. Other popular churches include St. Michael's cathedral, St. Mary's Church and St. James Church. These types of experiences can appeal to the religious or the generalist traveller.

8.2.28 Developing New Tourism Experiences for the New Tourist

Future emphasis should be on delivering tourism experiences tailored to the needs of the consumer, rather than the convenience of the producer. This clear evolution in strategy means that there will be major changes to the tourism product, its presentation and organisation. This evolution will allow tourism to bundle together a range of tangible products and 'softer' elements to give target segments a diverse range of experiences. The seven main themes which have been identified, the unique natural environment and quality customer service and unique experiences, can help Barbados' market share to grow.

8.2.29 Developing Experiential and Learning Products and Activities

Experiential and learning opportunities will provide visitors with authentic cultural Barbadian experiences. While some of these activities may already be offered on a small or informal scale, they will now be promoted and brought into the mainstream product offering to be made available to a wider cross section of visitors and prominently marketed and promoted on the BTA website. This will expand Barbados' product offering and provide visitors with more activities in which to partake while on island

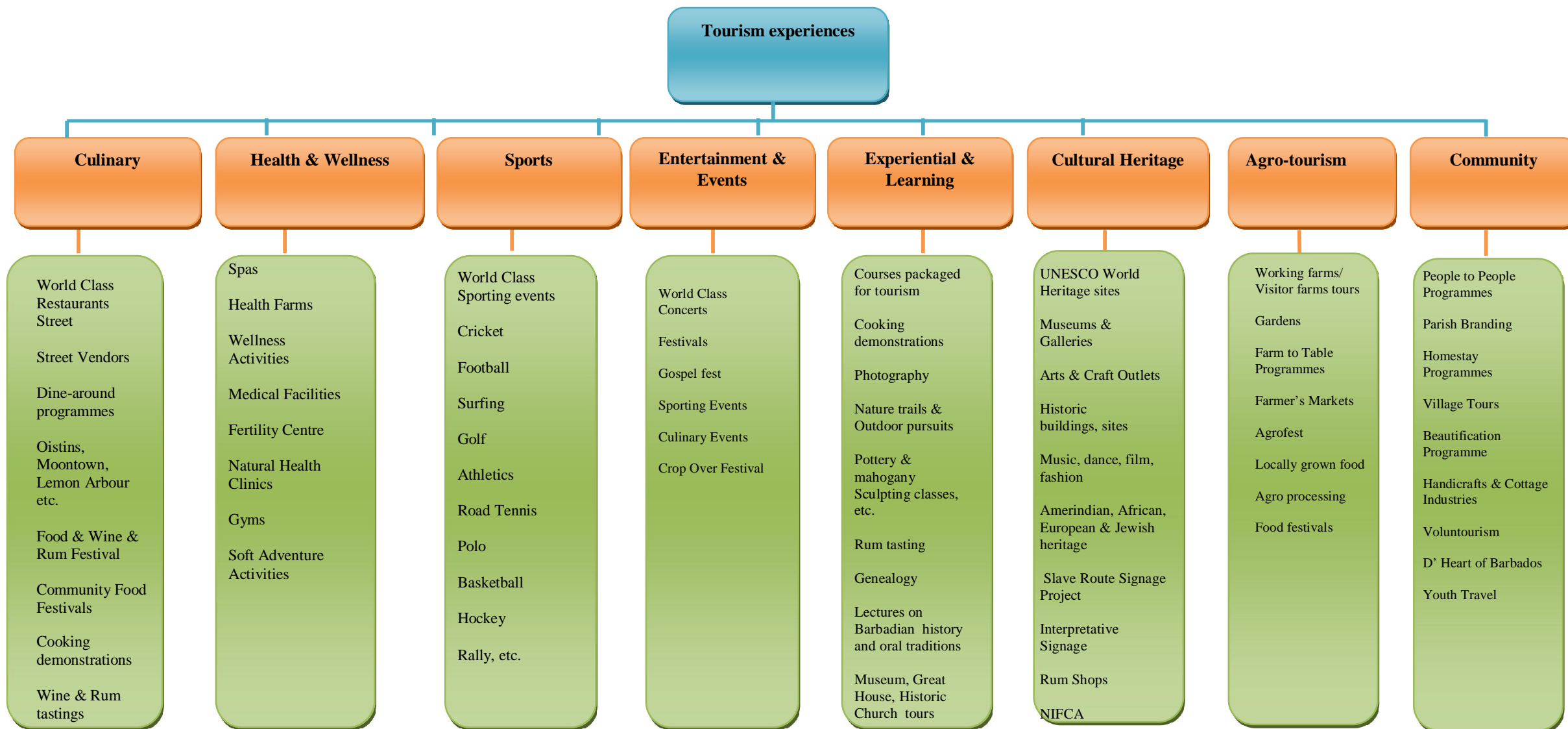
and allow greater contact with locals, to enable them to experience first-hand rich, authentic Barbadian culture. This process has already started with the Ministry of Tourism, which facilitated the launch of the Barbados Arts and Craft Pilot Project at the Pelican Craft Centre in December 2011. This pilot project will provide opportunities for visitors to work with local artisans to make their own souvenirs and also learn how to make local culinary fare such as fishcakes. Tourism partners will work closely together to coordinate similar experiential and learning activities and make them available to visitors such as:

- Hair-braiding classes;
- Diving fish pots with local fishermen;
- Boat building;
- Roasting breadfruit and freshly caught fish on local beaches;
- Oral tradition sessions with local centenarians;
- Photography/Painting of picturesque land and seascapes around the island, especially the rural areas east coast and the Scotland District ;
- Mahogany sculpturing classes;
- Calypso dancing classes – the art of “wukking up”;
- Stilt-walking classes;
- Calypso song composition and singing classes;
- Clay pottery classes;
- Cooking demonstrations/competitions in exotic locales like Farley Hill and the East Coast;
- Develop foodie day-tour-packages which include visiting Farmer’s Markets, local cooking; classes and a foodie trail around the island etc.;
- Driving a rum trail visiting selected rum shops across the island;
- Lectures on Barbadian history and oral traditions;
- Experiential rum tours;
- Rum tasting, rum pairing and rum distilling sessions;
- Demonstrations on how sugar is made;
- Mini-carnivals (particularly for cruise ship segment);
- Painting classes of picturesque landscapes and Barbadian culture and historic icons;
- Steel pan classes;
- Kite making classes;
- Crop Over costume making classes;
- Nature walks and hiking trails through the gullies, Scotland District ;
- Great house tours;
- Historic church/graveyard tours;
- Farm tours;
- Exposure to local festivals like NIFCA and Agrofest;
- Stargazing at the Barbados Observatory;
- Participating in archaeological digs;
- Viewing military parade re-enactments at the Garrison Savannah;
- Floral arrangement classes;
- Garden tours;
- Tours showcasing Barbados’ rich architectural history;
- Christmas Morning in Queen’s Park;
- Volun-tourism activities;
- Changing of the Sentry at the Main Guard;
- Exploring the network of tunnels under the Garrison Historic Area; and
- The West Coast Carnival/St. Philip Carnival.

Select members of the travel trade have been exposed to some of the experiential activities that are available on the island. However, a more effective structure and framework has to be developed to forge stronger relationships with the communities to provide these services and experiences. The key is then to market and promote them on the BTA website, as well as to visitors while they are on island to make these experiences accessible to them.

Barbados' new thrust into alternative forms of tourism and special-interest niches are illustrated as follows:

Figure 6: Special Interest Niche Segments



8.3 Pillar 3: Marketing and Promotion

Barbados' competitiveness as a destination has been fuelled by the substantial investment made over the years by successive Governments in the marketing and promotion of the tourism industry. In the World Economic Forum's (WEF) 2010 Travel & Tourism Competitiveness Report, Barbados ranked 2nd out of 139 countries in Government's prioritization of the tourism industry and 4th with respect to government expenditure on the sector⁷⁷. This is due to the fact that there is a clear understanding that effective destination marketing drives both visitor arrivals and expenditure, which in turn maximizes the economic and social contributions of tourism to the Barbados economy.

Well funded and effective marketing and promotional campaigns usually result in a spike in demand for any tourism destination. Traditionally, it is a rule of thumb in times of crisis, for institutions to bolster marketing budgets as opposed to cutting them, in order to gain brand advantage by sustaining relationships and growing market share. However, provision now has to be made for the current volatile economic position. In the prevailing challenging economic times, the strain on government resources will cause fluctuations in the amount of finances available to market the country in the future. Therefore, the BTA will adapt to this new reality through the creation of a stronger corporate culture based on efficiency and accountability. Whatever the organisation lacks in financial resources, will be made up for in creativity and innovation. A more strategic, targeted and scientific approach will also be taken in its marketing and promotional efforts, to ensure that funds are allocated exactly where there will be a high potential for return on investment on an ongoing basis. Human resources skills and knowledge capacity within the organisation will also be continuously upgraded to ensure that staff is empowered and equipped with the tools, knowledge and creative output that is required to function effectively and strategically in the highly competitive global tourism market.

The current structure of marketing and promotion of the Barbados Brand is a public sector-led marketing platform directed by the Ministry of Tourism, managed by the BTA and dedicated to supporting the private sector as the engine of growth. Due to the fact that more and more countries are making tourism a priority, competition is at its most intense. There are currently more than one hundred and eighty countries vying for each tourism customer. At least thirty of these countries are in the Caribbean and share, in respect to the rest of the world, similar natural advantages in the international tourism market.

In these tumultuous times, characterized by dynamic change, Barbados is faced with some serious challenges, but also some valuable opportunities, requiring a refocusing of marketing efforts. As the habits and expectations of travellers change, the marketing strategies employed must be constantly evaluated and adjusted. This has made it critical to approach the business of tourism marketing with a clear vision of where the destination wants to go and how it is going to get there.

Barbados must now strengthen its core brand elements, differentiate itself by its UPS's and effectively communicate its unique Brand to the world. This function is more critical now due to the fact that the recovery of the struggling Barbados economy depends primarily on the growth and success of the tourism industry. The key to success will be the creation of a high quality, unique, diverse product that offers value for money and then communicate it to the world in a creative, targeted and strategic way. It is however critically important, that the markets targeted must be the "right fit" for the product on the ground and must be in line with the sustainability policies of the Government.

⁷⁷ World Economic Forum, The Travel & Tourism Competitiveness Report 2011, pg. 129.

According to Peter Drucker, the Forefather of modern management and one of the greatest business thinkers of all time, the aim of marketing is to make selling superfluous, by knowing and understanding the customer so well, that the product or service offered fits their needs and sells itself. In this increasingly competitive marketplace, achieving this goal will become the primary objective, of the Government. The way that Barbados has been marketed in the past must now be revolutionized and developed in line with changing market dynamics. It can no longer be primarily about mass marketing to a generic audience, but more so, about perfecting the art of mass customization by connecting with customers and catering specifically to their needs and expectations. Marketing therefore has to become smarter, more engaging and effective with marketing messages crafted according to specific customer behaviour, specific demographics, specific customer locations, and specific feeder markets. This targeted approach will allow the BTA to invest valuable dollars on the markets that produce and campaigns that achieve the all-important relevance and resonance.

The focus on the reinvention of the Barbados product through quality enhancement, diversification and innovation, coupled with an enhanced research capacity, will ensure that the marketing and promotional function becomes an exercise in communicating the Barbados Brand to the *right customer, at the right time, through the right channels*. A high-quality product offering, with a strong value proposition, will ensure that Barbados can be marketed with confidence and that return on investment is achieved. The diversification of the Barbados product will be complemented with the type of creative marketing and promotion that will create a “year-round” tourism industry, based on repeat visitation from satisfied customers and increased arrivals initiated by positive word of mouth.

Strategic planning will become an operational imperative within the organization, where a clear vision, mission and strategic direction are formulated, to ensure that there is a common goal, a clear understanding and a singular direction in the marketing and promotion of the Barbados Brand. Most importantly, the entire organization, particularly the satellite offices, will be aligned behind the Brand and Vision to ensure there is a common strategy and image being projected in the marketplace.

The marketing and promotion focus will be in the following areas:

- development of a strong Barbados Brand across all geographic locations;
- utilization of market research as a basis for all marketing and promotional strategies;
- the conduct of market research to know and understand customer – continuously track trends and market dynamics;
- continuous technological upgrade of BTA website;
- showcasing of the island’s rich history and the *entire* array of culinary, cultural, experiential, adventure, community and historical “things to do,” on the website and in promotional campaigns;
- creative incorporation of unique aspects of Barbadian history and culture into overseas marketing and promotion to differentiate the Barbados Brand, for example, prominently showcasing *all* of the numerous historic “hotspots” around the island;
- leveraging of social media to connect with customers through enhanced customization – turning loyal customers into passionate salespeople;
- provision of digital content at every phase of the travel cycle to provide travel inspiration and choices for the customer;
- development of a Barbados “App” and a mobile-friendly website;
- development of an integrated marketing strategy;
- development of local advertising and communication programmes;

- concentration on filling seat capacity, facilitating cruise conversion and increasing cruise expenditure by aligning efforts with quality of product development and service delivery on the ground;
- utilisation of world re-nown Barbadians as International Tourism Ambassadors;
- targeting of sustainable and high yield niche markets;
- development of strategies to target emerging markets and segments – BRIC Block, Special Interest, Multigenerational, Multicultural, Regional, Diaspora, Business, DINK.;
- development of market segmentation strategies for the Seniors, Baby Boomers, Gen X and Gen Y markets; and
- to continued targeting of the Diaspora market and utilise this important segment to promote and sell Barbados.

8.3.1 Define a Distinctive Barbados Brand

Barbados, as a premier tourism destination, is still a very popular and ‘aspirational’ destination that possesses the allure and charm to intrigue and entice its visitors. As the island seeks to expand, differentiate and diversify its tourism product, now is the time to complement this reinvention with a refreshment of the Barbados Brand. For quality assurance, all product sectors and niche markets within the Brand will be required to come under one umbrella, to ensure a high-profile, recognizable image for tourism in the country. This is the product that will be promoted internationally. This will be timely, as the results of consultations with Barbados’ trade and travel partners, as well as from the recently concluded visitor focus groups, have suggested that the Barbados Brand is tired and may be in dire need of comprehensive brand refreshment. In addition to the foregoing, it is duly noted that several of Barbados’ Caribbean competitors, for example, St. Vincent and the Grenadines, St. Kitts and Nevis, Aruba and the USVI., have recently rebranded their products to reinvent and reposition themselves to remain relevant and competitive, within the context of the rapidly changing 21st century global tourism market.

The Branding exercise will involve:

- conducting a Brand audit through a series of stakeholder surveys, including local Barbadians, visitors, meeting planners, travel media and locals;
- conducting market research;
- defining the unique selling points (USPs) that separate the destination from the competition;
- producing and prioritizing a series of crisp and clear motivational messages for consumers that address the positive visitor characteristics of the community;
- craft a “market positioning” statement that describes the destination and separates it from other competitors;
- creating a new theme, tagline and graphic logo for the destination that mirrors/complements the positioning statement.

This process has already commenced within the BTA. The conduct of such an exercise, belated as it may be, is nonetheless opportune and will inform the process for clearly defining Barbados’ brand identity. In the short-term, it will also allow Barbados to test and develop the best strategies for effective destination product-marketing around its core competencies.

Brand definition will be at the root of any BTA strategic marketing plan, as it will be the basis of identifying the type of customer or niche market Barbados is trying to attract and allows for a more

strategic and targeted approach to be taken. This will eliminate *ad hoc*, reactive approaches, redundancies and wastage of scarce financial resources and create a more proactive, innovative, efficient and accountable organization that is equipped to operate effectively in an ever-changing global environment.

A culture of continuous improvement will be implemented to facilitate ongoing brand refreshment and reinvention, in line with changing market dynamics, which will be supported by the appropriate logo, tag lines and marketing message across all geographic locations. The tag line should be universal and not specific to a particular marketing campaign. The focus on the Brand will not be primarily on the island's 'aspirational' reputation. Rather, it will be on ensuring the provision of *quality* and *value*, that is, the attributes that will actually justify the lofty 'aspirational' designation. The end result will be a distinctive Barbados Brand that is something the consumer wants, pays for, appreciates and values.

8.3.2 Know and Understand Customer Needs and Expectations

In today's increasingly competitive environment, effective marketing efforts must be built on an in-depth understanding of one's clients. The specific market segments for Barbados' marketing thrust should reflect the type of tourist and type of tourism envisaged. The strengthening of the market research and analysis capacity, will become a foremost priority within the organization and will be used as the basis for all marketing and promotional strategies to track the emerging travel habits, preferences and intentions of the traveller at all phases of the travel cycle and to gain valuable insights into the motivations that guide their planning and purchasing.

There must be a departure from the traditional statistical "numbers crunching" and "heads in beds" approach and greater attention to the critical areas of customer profiling, market segmentation, forecasting, trend analysis and conducting ongoing visitor surveys and focus groups. This will enable the organisation to acquire accurate and timely data that will be required to inform strategic planning and decision-making. Segmenting the market will provide a crystal clear understanding of Barbados' main customers, as well as the basis for precise targeting and positioning. All this will ensure that the organization is more proactive and demonstrates greater flexibility in its operations that will enable it to capitalize on opportunities and circumvent challenges within the global arena. The necessary financial and human resources will be dedicated to the discipline and best practices in the industry will be benchmarked to ensure that Barbados remains on the cutting edge with respect to its collection and dissemination of critical market intelligence to industry stakeholders.

8.3.3 Developing an Effective Online Marketing Strategy

The current deficiencies within the BTA's website structure will be addressed as a matter of priority. An e-commerce platform will be developed to allow for online bookings, the website will be upgraded to ensure it is mobile friendly in order to maximize the benefits of mobile technology, a "Barbados App" will be developed to capitalize on the increasing use of smartphone technology in travel planning, comprehensive digital content will be provided at every phase of the travel cycle and review boards will be created to enable visitors (especially loyal repeat customers) to post comments about their experiences on the island. This will ensure that the website is more "sticky", that is, customers will be more likely to spend a longer time on the site, which will more likely translate into an actual sale.

The lack of an e-commerce platform to allow for direct online bookings has been a major deficiency of the national website for many years, as the heavy reliance on third party intermediaries (i.e. tour operators and OTAs), have resulted in reduced revenues for tourism businesses, due to high commissions. However, the BHTA booking engine, “bookbarbadosnow.com”, can now be accessed on the BTA website. All these positive developments will allow the BTA to better enrich and monetize the overall guest experience, while meeting multiple goals in eCommerce, eCRM and brand management in a more timely and strategic way.

The BTA will devise an aggressive online marketing strategy that includes engaging with the customer at every touch point of the tourism value chain. This will become an urgent priority, whereby, a more proactive approach will be taken to the effective management of the total visitor experience involving pre-trip planning and selection activities, the on-site experience and post-trip outcomes. In-depth information on Barbados, in the form of comprehensive digital content, will be provided at every phase of the travel cycle to influence, inform, educate and engage with the prospective or repeat visitor and to provide travel inspiration and build loyalty. Digital content will play a key role in differentiating the Barbados product in the mind of the customer. This will be achieved through the showcasing of all authentic and relevant content pertaining to the rich culture and history of the island and the *entire* gamut of the products and services that are available, including the specialized niche areas and experiential and learning activities. These, as well as regular updates featuring the latest information about the island’s activities, accommodations and current promotions, will be made available on the BTA website, thus making it easier to plan a trip to the island. In addition to this content, photos and videos will also be posted that bring the beauty of Barbados to life. Visitors will also be able to upload videos of their trip and access review boards.

Based on global trends, online marketing will increasingly become the main focus of Barbados’ marketing and promotional thrusts. However, an integrated marketing strategy, involving an effective mix of print, television, radio, Online Travel Agencies (OTAs), travel agents, social media, mobile applications, as well as creative direct marketing to the consumer, will be the approach taken to ensure that the customer is being effectively engaged at every touch point. The challenge will be to look at traditional media and use it in non-traditional ways.

8.3.4 Leveraging the Power of Social Media and Mobile Technology

Over the past five (5) years, social media has revolutionized the global economy and has become one of the most attractive and cost-effective platforms to promote brands and stay competitive in the market. In today’s “conversation economy”, review sites are gaining in popularity as customers are clamouring for more peer-to-peer support. Marketing was traditionally a source for disseminating a message to the customer and was effectively a monologue. It has now evolved into dialogue. This represents a significant paradigm shift of power from the supplier to the customer.

Social media has given the consumer increased influence, as market intelligence is available to everyone, via comparison websites, user reviews, blogs and ratings and is accessible online and through the mobile phone. To stay current, the BTA needs to integrate thinking across every discipline, know the value of every touch-point, provide a unique value proposition and put the customer at the heart of every communication. This will require a revolution in present thinking and a very different approach to marketing, to one where customer intelligence sits at the heart of all activity.

The BTA currently has a social media strategy, but there is room for improvement. A more proactive approach has to be taken to effectively engage the customer. The BTA must master the art of applying customer intelligence to the creative output, utilizing the customers' preferred channel to deliver the message, selecting the appropriate content and powerful propositions to populate each touch-point, coupled with an understanding of which campaigns are achieving that all-important relevance, resonance and return on investment.

The BTA will continue to utilise social media to its advantage by adopting a more aggressive social media strategy, particularly to capture the younger Gen X and Gen Y segments of the market. 'Word of Mouth' advertising is by far the greatest advertising medium for Barbados. The BTA Brand Perception Survey conducted in 2007 revealed that friends, relatives and work colleagues (45.40% of all cases) played a significant role in influencing visitors to make the decision to choose Barbados. The pre-eminence of word of mouth featured in each source market (51% from UK, 49% from the US, 31% from the Caribbean and 52% from Canada)⁷⁸. This is in line with another BTA Brand Perception survey conducted in 2011, which also revealed that "word of mouth" is by far the greatest advertising medium for Barbados, with 48% of the participants stating that this is the medium through which they first learnt about the island. Positive word of mouth advertising is therefore the most cost effective way to market the island and as a consequence, a greater focus must be placed on capitalizing on this critical area of opportunity.

The main strategy will be to transform Barbados' loyal and high repeat clientele into passionate and credible salespeople. Turning customers into brand ambassadors will require the consistent delivery of extraordinary service and experiences and a safe and secure environment, so that visitors feel comfortable referring their friends. These visitors will then be actively encouraged to share their positive, memorable experiences with others online through the facilitation of peer-to-peer reviews.

At present the BTA utilizes Facebook, Twitter, Flickr and You Tube. As of November 2011, the BTA's Facebook page on *visitbarbados.org*, had just over 37,000 followers. This is compared to Jamaica's Facebook page, which, during that same period had almost 137,000 followers. However, this is not an accurate depiction of the total number of Facebook followers, due to the fact that the BTA has a page for Germany and one for Italy as well, for example. Going forward, there needs to be greater consolidation of Facebook pages to more effectively manage the entire social media process.

Greater emphasis will continue to be placed on exploiting this critical channel, to bolster the island's loyal customer base and open up channels for more effective and sustained engagement. The BTA will continue to forge ahead with its social media strategy by finding new ways to engage the customer, generate brand awareness and loyalty and increase market share, for example, in the form of competitions, lotteries, giveaways and offering of points.

During these difficult times, the BTA must continue to think and act innovatively, to leverage social media to establish a lasting brand connection with its customers. The social media trend is such a powerful force within the global tourism industry that it literally has the potential to 'make or break' a hospitality establishment or destination. Therefore, as a brand defensive strategy, the BTA will continue to monitor online chatter on an ongoing basis, in order to ensure that the reputation of the Barbados Brand is protected and the credibility of the Brand remains intact.

8.3.5 Mobile Technology

Mobile marketing is predicted to be the big booking vehicle for travel in 2012. The growing adoption of web-enabled mobile devices is revolutionizing how many companies do business and travel. One of the most interesting trends in the tourism industry is the sheer speed at which booking behaviours are shifting in the wake of increased global and mobile distribution. It is projected that there will be one trillion mobile transactions worldwide by 2015⁷⁹. Brands therefore have an opportunity to take advantage of this trend.

Mobile phone or Smartphone adoption around the world is skyrocketing and is fundamentally changing the way people get travel advice. According to Mobilize Worldwide, a leading developer of mobile applications for promotional e-campaigns, interactive websites, and related marketing media, there were two-hundred and seventy-one million mobile device service subscribers in the US as of May 2011. This data equates to approximately eighty-two percent (82%) of US adults owning a cell phone of which thirty-one percent (31%) were classified as a smartphone⁸⁰. As mobile devices proliferate, they are becoming the hub for all travellers' activity, replacing the PC, telephone, kiosk and boarding pass. The emerging mobile technologies will revolutionize each stage of the travel experience in the future.

The travellers' handheld device is now an integral part of the entire journey as an important travel resource, not just from pre-trip research, planning and booking, but through the life of the journey of the actual trip itself. According to a Trip Advisor survey, while the main reason for bringing a mobile phone on trips remains making calls, 38% have used their mobile devices to plan a trip and 60% of respondents said they have downloaded travel apps on their mobile devices.

Whether it is finding the perfect museum or restaurant, booking a hotel or a flight, or sharing advice, it is clear that travellers around the world now rely on their smart phones and other mobile devices to plan and have better trips. While travelling, 62% of travellers said they use their mobile devices to research restaurants; 51% check their flight status and 46% research attractions. In addition, 28% have checked in to a restaurant, hotel or attraction using their mobile device while on a trip, according to TripAdvisor. At the destination, mobile technology is used to explore, connect and share experiences, and post-trip, social media is utilized for immediate feedback.

The BTA and local hoteliers and direct service operators need to urgently take advantage of this new trend in traveller behaviour, which is impacting the way consumers interact with the travel and tourism industry in general. The opportunities that mobile technology offers to engage the new, constantly "switched on" consumer, will enable the Barbados tourism industry to accelerate guest traffic, heighten interactivity by providing personalized service and updated digital content, promotion and sales of goods and services, showcase local attractions and 'things to do', generate commercial activity and drive revenue by increasing visitor expenditure. One of the major advantages of the new connectivity with guests that mobile technology provides is that it will provide unprecedented opportunities for the industry to gather valuable data and feedback relative to the guest's experience, which will result in better business intelligence, to develop a more customised product and deliver better customer service. The rise in mobile bookings will also be the key to increasing bookings, especially from Asian travellers in the coming decade.

⁷⁹ Andrew Sheivachman, Expedia Execs Detail Booking Numbers, <http://www.hotelmanagement.net/>, (December 2011)

⁸⁰ Michael Kasavana, Mobile Technologies and the Hospitality Industry: Creating a Mobile Strategy, <http://www.hotelexecutive.com/> (January 2012)

8.3.6 Travel Agents Make a Comeback

Travel agents will still be a valuable resource as Barbados implements a comprehensive niche marketing strategy. Rather than being pushed out of business by the Internet, as many had predicted, travel agents have embraced it and are leveraging its power to enhance their operations. The gravitation towards online booking has increasingly pushed travel agencies into specialist and niche markets holidays, where they are still able to offer a differentiated and personalized service to customers. Increasingly the high-end Senior and Boomer markets and time-impooverished executives are gravitating to the travel agents. The niche market strategy will entail continued strengthening of the BTA's its relationship with travel agents, as the island seeks to target the lucrative special interest market.

8.3.7 Negotiating Airlift

The traditional revenue-sharing model with the airlines is not sustainable. Additionally, the drive to increase capacity is not scientifically tested. In fact, these programmes represent significant revenue leakage. Large portions of marketing budgets are spent subsidizing airlift without an assessment as to whether they are coupled with effective strategies to fill existing seat capacity. More capacity does not equate to more arrivals to the island on a sustained basis. There may well exist adequate annual seat capacity (1.2m seats into Barbados) to the island, however, the challenge really lies in ensuring that these seats are filled on a consistent basis. This will entail developing models based on effective pull strategies, involving the creation of competitive, diverse and high quality product and services on the ground that would attract increased and repeat visitation, such that demand for airlift is dynamically maintained and the airlines can achieve the requisite yield and profitability.

This Government will continue to support an open skies policy in order to facilitate healthy competition in inter-regional travel. This will drive down the costs of airfare and stimulate travel within the Caribbean. Developing air links from newly emerging markets will also be vigorously pursued.

8.3.8 Marketing to Cruise Lines

The marketing of Barbados as a major cruise Brand will be a major focus for the BTA, as the organisation seeks to capitalize on this burgeoning market and reverse the undesirable trend of shifting cruise itineraries to higher yield markets. Barbados is a major home-porting hub within the Eastern Caribbean. The BTA will continue to work closely with key top travel agents across North America, the UK and Europe, to increase brand awareness and promote cruise and stay programmes, with the main objective being to establish Barbados as the premier cruise destination in the Caribbean.

The reinvention of the tourism product through the expansion and improvement of the product offering through more authentic and exciting educational and experiential activities and experiences will ensure that Barbados remains attractive and competitive as a destination. This will result in enhanced visitor satisfaction and increased visitor expenditure, which is one of the major objectives of the BTA. The new cruise ship pier facility being undertaken by the Barbados Port Authority will contribute greatly to enhancing the island's image as a top cruise destination in the region.

Closer working relationships will continue to be fostered with on-the-ground services and retailers, to ensure that opportunities are maximized to entice better spend. The existing cruise website will be enhanced and there will be more media exposure for the cruise niche. Measures will also be continued to

be put in place to build exports for future cruiselines and enhance employment opportunities for Barbadians within the cruise sector.

8.3.9 Targeting Sustainable, High Yield Niche Markets

One of Barbados' major goals is to achieve industry sustainability through the maintenance of an appropriate balance between tourism numbers and yield and eliminate the current practice of being more "numbers focused", to the detriment of maximizing yield. Effective niche markets, targeted at high yield markets, will seek to ensure the industry gains optimal returns on tourism investment.

A review of the marketing activities undertaken indicates that the focus of the marketing efforts, both at the levels of Government and the private sector, have been primarily directed at the geographic market segments and the "generalist" visitor who comes primarily for leisure, rest and relaxation and to sample a number of different products, primarily sand, sea and sun. However, the Boomer segment and the Special Interest Traveller segment (which is cross-generational), are demonstrating an affinity for authentic experiences, specialization and respect for the environment. These tourists are demanding more products with a strong environmental, heritage and cultural content. In response to these trends, over the next ten years, the emergence of the Experience Economy will be a major focus of the BTA, when it is creating marketing strategies and evaluating competition. A comprehensive marketing plan will be developed for the sustainable tourism niche markets that have been identified and prioritized.

While targeting the generalist leisure traveller will continue to be one of the marketing strategies of the BTA, the island must now refocus its marketing strategies to take into consideration new niche markets. This thrust has already commenced, particularly in the European market, where the focus has been broadened to attract more niche-related business, specifically MICE, honeymoon and sports travel, to complement the volume of leisure travellers. Barbados' niche product development thrust will be complemented by niche market segmentation and the development of creative packages that would attract the various special interest segments. Building successful niche markets will be central to growing high-yield sectors and addressing the problem of seasonality.

The Government will therefore seek to fully integrate sustainable tourism principles into the marketing plan, by focusing on niche markets that are interested in Barbados' natural, cultural and educational offerings. Environmentally responsible segments, such as cultural heritage, agro-tourism, health and wellness, culinary tourism, cultural heritage tourism and soft adventure tourism, will be targeted. The additional benefits of these specialized niches are that they all have strong growth patterns; appeal to overlapping psychographics and attract travellers seeking a specialized experience. In addition, they are not influenced by generational differences and typically share values that are common among multiple generations. Combining a destination niche marketing plan with sustainable tourism strategies should provide Barbados with a more educated, affluent engaged visitor, while protecting the sense of place that defines the community and is the ultimate attraction to travellers.

The segments identified reflect the current product on offer in Barbados, as well as the areas of major product strength. The Mature market, Baby Boomers, singles, working couples and DINKs are all high spenders, the key is for Barbados to develop themed packaging based on which will appeal to the specific needs of each of these segments. Barbados' product inventory lists a variety of resources which are highly suited to these markets. Creative packaging based on special interest or motivation, such as a Foodie or Spa weekends, Girlfriend Getaways or Celebration Vacations, can help to encourage more visitors looking for these types of experiences.

Traditional and non-traditional channels will be utilized to target this segment of traveller. Social media will play a major role in generating growth. There will be more effective utilization of the BTA's Facebook page to target, attract and engage the specific segments. For example, to attract the culinary segment, Barbadian chefs or bartenders can provide recipes of the week or month. Indigenous food, world-class restaurants and street vendors, can receive exposure. Blogs showcasing Barbados' strong culinary base or the promotion of foodie trails around the island can be established.

In order to successfully deploy a destination niche marketing plan as a sustainable tourism strategy, it will be imperative that all stakeholders be part of the process. While traditionally, destination marketing stakeholders are usually defined as hotels, restaurants, attractions, recreation and so forth, in sustainable tourism, the stakeholder list is much broader. It requires collaboration among business and social entities that have not traditionally worked together and often have found themselves on opposite sides of an issue, such as Non-Governmental Organisations, Community Based Organisations and environmental agencies.

8.3.10 Utilise World Renown Barbadians as International Tourism Ambassadors

The Government will continue to play to the island's strengths by utilizing high profile internationally renowned stars to leverage their fame and popularity to increase Barbados' appeal as a destination. The BTA is already capitalizing on the global eminence of Barbadian icon Rihanna, who is currently one of the most popular and sought-after entertainers in the world, by signing a three-year promotional agreement with the superstar.

Other Barbadian artistes who have burst on to the international music scene in recent times, such as Hal Linton, Shontelle, Cover Drive and Livvi Franc, also present opportunities to forge similar partnerships to facilitate greater exposure for the island. Having four talented local artistes receive such acclaim *simultaneously* on the world stage is truly a phenomenal and unprecedented achievement for a small island developing state such as Barbados. Their success will provide priceless exposure for the island. These individuals, and any other artiste who achieves world acclaim in the future, must be incorporated into the island promotional and marketing strategies.

The Barbados cricketing icons such as, Sir Garfield Sobers, Sir Everton Weekes, Wes Hall, Charlie Griffith, Joel "Big Bird" Garner, Desmond Haynes and Gordon Greenidge, have all performed roles as sports ambassadors for the island. Brian Talma, the Windsurfing expert, has also been doing an excellent job traversing the globe promoting Barbados for years.

The Government understands the currency that can be gained from the influence these home-grown superstars wield on the global stage. The cricketing icons have had Barbados placed on the world map for decades, but Rihanna has raised the awareness of the Barbados Brand to an unprecedented level globally. The union created between the BTA and Rihanna will reap considerable benefits over the next three years and beyond.

The cricketing icons will be more effectively incorporated into the promotional and marketing strategies, particularly in those cricketing nations where their fame still wields considerable influence. For example, as the Government seeks to penetrate the Indian market, their presence and prominent involvement could place the island at a distinct competitive advantage.

8.3.11 All Barbadians as Tourism Ambassadors

Besides world famous Barbadians, a structure must be put in place to involve all Barbadians in promoting Barbados, whereby they themselves, become tourism ambassadors for their country, both at home and abroad. Meet and Greet programmes will facilitate greater interaction between visitors and locals and all travelling sports teams, school and church groups etc. will promote the virtues of a Barbadian vacation. Supremely talented local Barbadian music bands which that traverse the globe have always been, and will continue to be, extremely important tourism ambassadors for Barbados the Brand.

The Diaspora especially, opens new opportunities in the international markets as sources of valuable word of mouth advertising and this is the basis of the BTA's Barbados Friends and Family programme, which was launched in July 2009. At the end of July 2011, 1,147 persons were registered in the programme and have produced almost 600 bookings in the last year. Based on an average of five (5) days stay, these bookings amounted to almost one (1) million dollars to the economy. This programme will be augmented to include other creative initiatives to increase the numbers sent by this segment to Barbados' shores.

8.3.12 High Level Public Relations Exposure

The island will also continue to harness the power of public relations. Over the last several years, Barbados has received high level exposure on the "The Bachelor" reality TV show, "Who do you Think You Are", as Academy Award Winning actress Gwyneth Paltrow traced her family roots back to Barbados and most recently in November 2011, the island was prominently featured on the Today Show, "Where in the World is Matt Lauer?". It was the very popular segment's ten-year anniversary and Barbados; was the final leg of a five destination tour. The mileage the island received was immeasurable and searches for Barbados spiked dramatically on the internet after the show aired, especially after the grand prize winner, obviously influenced by the piece on Barbados, chose to visit the island over the other four global destinations. This level of positive exposure dramatically increased awareness of the Barbados Brand on the global stage, especially within the USA market where the island is not as well known as it is in the UK market.

Traditional public relations and advertising strategies will continue to be utilized in non-traditional ways. The BTA will continue to seek out creative methodologies to get maximum exposure for the Barbados Brand, by exploiting these types of cost-effective channels and ensuring that maximum mileage is achieved through the stimulation of future tourism. For example, Brand Barbados sponsored both teams appearing in the 2011 NBA finals and was featured prominently and subliminally in those markets and on the international telecasts. Channels such as these will be pushed in the future. In this way the BTA will continue to build Barbados' image and further thrust the island into the global spotlight, thereby creating priceless opportunities to promote Barbados to a captive audience of millions.

8.3.13 Other Areas of Focus

Major source markets and emerging markets are the highest spenders globally, therefore, Barbados has to do a better job of attracting these high-yield travellers and also of providing things for them to spend money on while they are here on the island.

In contradiction to several islands in the Caribbean who depend on the U.S. market for in excess of 70% of their visitor arrivals, Barbados has a more diversified market base. The BTA will strengthen its base in

traditional markets and will continue to target new markets to diversify its market portfolio and target crisis-resilient destinations, with expanding economies. The Rest and Relaxation, recession-proof Weddings and Honeymoon market and the MICE markets, will continue to be targeted. However, the BTA will also be seeking to capitalize on emerging trends that will dominate the global tourism market over the next ten years.

The tourism industry is constantly evolving and the BTA has to regularly identify these changes and act accordingly. As a result, it has recognized the following emerging markets and will target these, in addition to existing core markets and best prospects:

- Emerging markets of the BRIC Block;
- Regional market;
- Diaspora market ;
- Multicultural market – Hispanic, African American, Asian American, Women, etc.;
- Educational tourism;
- Boomers, Gen X, Gen Y markets; and
- Business.

8.3.13.1 BRIC Block

The economic prosperity in the BRIC block is resulting in a rapidly expanding number of millionaires and billionaires, who have the means and the desire to travel. The BTA will be targeting these high yield markets by creating strategies that would entice them to choose to vacation and potentially even invest in Barbados.

As traditional markets continue to falter, the IMF has encouraged the Caribbean to diversify and seek other tourism markets, especially in Latin America, where the economy has been rebounding strongly⁸¹. The private sector especially must better understand the need to embrace change through the diversification of the island's market base. Barbados has already started the process through its penetration of the South American market of Brazil and will continue to focus on this promising and rapidly growing market, which is the fifth largest economy in the world. Brazilian tourists spend more per capita than any other nationality. Worldwide, Brazilian tourists spend an average of \$43.3 million a day, spending \$1.4 billion in April 2011 alone, up 83% from the same period in 2010, according to the Brazil's Central Bank. In 2010, 1.2 million Brazilians visited the United States, injecting \$5.9 billion into the U.S. economy. In the past, most Brazilians used to go to the United States looking for work; now they go to spend money and create jobs⁸². This is the changing face and the growing influence of this extremely lucrative market. Barbados is also seeking to target the Panamanian market in the near future.

By 2021, there are predicted to be millions of Chinese and Indians traversing the globe. Targeting these markets will be a medium to long- term strategic focus for Barbados, with a more immediate focus being on the Indian market due to the competitive advantage Barbados will have with respect to name recognition, stemming from the island's strong cricketing legacy. Indians will also have a strong connection to the Caribbean region due to historical ties to countries like Trinidad and Guyana.

⁸¹ Associated Press, More Tourists Head to the Caribbean but Spend Less, <http://www.cbsnews.com/>, (November 2011).

⁸² Tim Hodges, Let Them In: How the Brazilians Could Help the US Economy, Time Magazine, June 3, 2011.

Barbados has established diplomatic relations with China and has been granted Approved Destination Status for Chinese citizens, which means that Barbadian tour companies can promote and market Barbados as a tourism destination to Chinese tour operators, who in turn, can organise and advertise tours to the island.

In 2005 a Memorandum of Understanding was signed between the National Tourism Administration of the People's Republic of China and the Ministry of Tourism of Barbados on the Facilitation of Group Travel by Chinese Tourists to Barbados. The Government will be seeking to penetrate the Chinese market in the short to medium-term, to increase the number of Chinese tourists coming to Barbados, for both leisure and business trips. This market is approximately 1.5 billion people therefore, even the smallest percentage of the massive Chinese population would be a boost to the Barbadian tourism sector.

The Chinese are one of the highest spending groups of international tourists. Ranking as the seventh-biggest source market in 2005, it has since overtaken, respectively, Italy, Japan, France and the United Kingdom. The top 10 ranking of international tourism spenders shows China climbing to third position behind Germany and the USA. The country was able to multiply expenditure four times since 2000⁸³. Chinese expenditure on international tourism has therefore been the fastest to grow globally in the last decade. Even during the 2008 crisis, tourism expenditure by China increased by 21%⁸⁴.

There are some 60 million Chinese travellers who collectively had a spending power of US\$54.9 billion in 2010⁸⁵. Spending by Chinese travellers on travel accommodation domestically and abroad is expected to increase by 20 percent over 2010/2015 to reach US\$67 billion, second to the US⁸⁶. In 2009, the average Chinese traveller spent nearly \$7,000 on American products and services while visiting our country – 72% more than the average spend in the United States by all other overseas travellers⁸⁷. Chinese tourists also spend around 13 to 15 days in a destination.

The BTA's strategy is to target the more affluent, high yield traveller, therefore the Chinese are the perfect target market to achieve this goal. However, the organisation must first fully understand this emerging market completely and focus on attracting the right people. Chinese culture is not similar to that in the Caribbean, United States and European markets, so it is essential to figure out how to deal with, influence and market to potential Chinese VIP guests.

The distance between China and Barbados is currently a deterrent to the development of this market. However, direct connections through major cities such as London and New York make the island accessible to the affluent Chinese traveller. The US in particular, is a popular destination for the Chinese, therefore the BTA has initiated discussions with tour operators to discuss the possibility of developing "add on" programmes with the USA and other countries that have already penetrated this market, to encourage these tourists to include Barbados as part of their vacation itinerary in the West. Although Barbados does not have any casinos, multi-destination marketing, Weddings, Golf, Cruise and Stay programmes can be marketed to attract this segment of traveller.

⁸³ World Tourism Organisation, International Tourism: First results of 2011 confirm consolidation of growth, <http://www.media.unwto.org/>, (May 2011).

⁸⁴ World Travel Organisation, International Tourism: First Results of 2010 confirm Upward Trend, <http://www.rmportal.net/news/> (April 2010).

⁸⁵ Source: World Tourism Organisation.

⁸⁶ Travel Trends 2012, <http://hotel-industry.co.uk/> (November 2011)

⁸⁷ The New US Ambassador from China May Approve Visa Process for Chinese Tourists, <http://www.chinesetourist.worldpress.com/> (March 2011)

8.3.13.2 Regional Market

Particular emphasis will be placed on targeting the valuable, yet under leveraged Regional market that will be an important and sustainable source of travellers, especially during the current period of economic volatility and also with the advent of Low Cost Carriers. Renewed focus will be placed on further expanding the regional tourism arrivals to the island. During the economic crisis, this market may be more likely to travel on short haul trips within the region, *if the price is right*, and this can potentially sustain Barbados' tourism industry, as arrivals from international markets continue to dwindle worldwide. Therefore affordable airfares and exciting, targeted packages will serve to attract regional visitors to the island.

8.3.13.3 Diaspora Market

Barbados has a very engaged Diaspora population, whose economic value from a tourism perspective is not being fully exploited. Tourists of the Diaspora are more likely than most international tourists to make connections with the local economy, stay in locally owned, smaller accommodation (or with relatives), eat in local restaurants and buy goods from local vendors, rather than staying in foreign-owned tourist enclaves, with little connection to their surroundings. Niches like cultural heritage tourism, business tourism, community tourism, education tourism and the like-will be used as part of the Government's effort to bind the Diaspora more closely, to Barbados. While they do not spend as much money as foreign tourists on average, Diaspora tourists expenditures are more likely to go directly into the hands of local businesses, which results, in some respects, in a more positive and sustainable development impact. The BTA will continue to specifically reach out to this segment in marketing campaigns and in designing specialized tourist offerings.

8.3.13.4 Multicultural Markets

The face of the global tourist is becoming increasingly more and more diverse. Besides the emerging markets of Asia and Latin America, in the USA for example, the male Caucasian population is decreasing, while millions of women, Hispanics, African-Americans, Asian-Americans and members from the lesbian, gay, bisexual and transgender community are replacing them.

The USA Bureau of the Census is projecting significant population increases in the following key minority segments by 2020:

- Hispanic, 33.5%;
- Asian American, 31.1%;
- African American, 13.8% ;and
- Women, 9.9%.

Many destinations have yet to realise the phenomenal multi-billion dollar economic impact of these groups or are either ignoring this fact or have yet to implement the steps necessary to make up market share. As the global market shifts from a Caucasian face to a more diverse face, the BTA will have to prepare itself to accommodate this transition, which has already commenced. More specifically, the focus

must now be on how to market to these diverse segments and niches that are becoming larger and larger feeders for the tourism industry⁸⁸.

8.3.13.4.1 Hispanic

The Hispanic market has become the biggest minority in America. The rapid growth of the US Hispanic population represents one of the most important demographic trends taking place in the USA. The US Census projects that by the year 2020, the Hispanic population is projected to reach 53 million and grow to 96 million by 2050 representing nearly a quarter of the population. The BTA must acknowledge the huge potential of this powerful economic force and conduct the necessary research to develop a clear, targeted Hispanic market strategy, to gain a presence in the market some analysts are referring to as the next “Gold Rush”.

8.3.13.4.2 Asian American

Asian Americans are a diverse and affluent market in the United States today. Compared to the average U.S. adult, they are well-educated, earn a higher income and spend heavily on a range of products and services. In addition, Asian Americans are the fastest growing segment of the U.S. population. And, as this group’s size and impact grows, advertisers and marketers will increasingly recognize its importance.

The median household income for Asian Americans and Pacific Islanders (\$55,026) is 28% higher than the U.S. average. Asian-American and Pacific Islander households are also larger than non-Hispanic White households, with 3 persons on average versus 2.5 persons. Asian-American education levels are higher than those for the U.S. population. In 2003, 50% of Asian Americans had a Bachelor’s degree or higher, compared to 27% of the total U.S. population.

The Asian-American population is younger than the overall U.S. population — their median age is 31.6 years. In 2000, 28% of all Asian Americans were under 18 years of age, compared to 24% of non-Hispanic Whites.

Nearly three out of four Asian-American adults are magazine readers, comparable to readership among the general U.S. population. On average, Asian Americans read eight magazine issues per month, nearly the same as the average U.S. magazine reader. When compared to the average U.S. magazine reader, Asian-American magazine readers are more educated, have higher household incomes and are more likely to have a child at home⁸⁹.

8.3.13.4.3 African American

The African-American population is also growing faster than the U.S. population. By 2012, the African-American population is projected to grow by 35.3% compared to a 26.6% increase for total U.S. population. By the year 2020, the African-American population is expected to reach 42 million. Indeed, African-American buying power showed an increase of 166% over 17 years, from \$318 billion in 1990 to \$845 billion in 2007. By 2012, the buying power of African-Americans is projected to grow to more than \$1 trillion.

⁸⁸ Patrick Maycock, How to target Diverse Market Segments, <http://www.hotelnewsnow.com> (November 2011)

⁸⁹ Asian-American Market Profile, Magazine Publishers of America, 2004.

The African-American/Black middle class and upper middle class are increasingly affluent, educated and professional. Census data indicate that there are 2.4 million African-American households with an income of \$75,000 or more. There are 1.3 million households with an income of \$100,000 or more. These high-end households have an aggregate income of \$294 billion.

Group tours are popular among African-Americans. Compared to travellers, overall, nearly three times as many African-American trips involve group tours (10% vs.3%). They enjoy a wide variety of activities when on vacation like casinos, fine dining, nightclubs and stage shows, visit historic sites and churches, go to beach resorts and visit museums and art galleries. And although Blacks tend to travel with the largest groups, they are also more likely to travel alone than other segments of the population. Heritage tourism is very big in the African-American market, as African-American travellers always, try to include some heritage tourism component to their travels. One big trend amongst this group is the popularity of family reunions and heritage tourism is always a big part of family reunions. The faith-based segment is also experiencing phenomenal growth.

This market will be extremely viable for Barbados, as the island has a product offering that would appeal to this segment. Faith-based, culinary, family reunions and cultural heritage packages, can be created to attract this market to the island⁹⁰.

8.3.13.4.4 Women

Women can be moms, professionals, single, etc. In families, women play a huge part in the decision-making process with respect to travel plans. Furthermore, increasingly more and more single women are traversing the globe. This group, therefore, has become an extremely powerful influential force within the tourism industry and therefore must be specifically targeted. The issue of security is of paramount importance for most women travellers therefore, Barbados' strong safety proposition will have a particular appeal to this segment.

8.3.14 Educational Travel

Education Tourism will be explored as a potential target market. Research shows that education tourists typically spend more and make a more significant contribution to the economy than any other segment of visitor. Students from around the world have benefitted from the island's excellent educational system and their presence on the island has injected valuable revenue into the Barbados economy over the years. One particular area of education that has experienced growth in the Caribbean over the years is in the field of off-shore medical schools. Several of these have been opened in islands such as Antigua, St. Lucia, Dominica, Anguilla, St. Martin, and Grenada, amongst others. The St. George's University School of Medicine in Grenada, for example, is responsible for the injection of a phenomenal level of foreign exchange earnings into the island's economy. Barbados is scheduled to open its first off-shore medical school, the American University of Barbados in early 2012, catering to students from the USA, the UK and Asia. This will expose Barbados to a whole new captive audience of potential visitors. Students not only contribute to the economy, but their presence on the island will influence visits from family and friends, as well as promote potential repeat visits from the students themselves, even after their tenure at the University is over.

⁹⁰ Patrice A. Kelly, African American Travellers: How to Reach this Growing Market, <http://www.hotelinteractive.com>, (July 2008).

The new airlift access to Brazil has created new opportunities for tourism, trade and also for education tourism. Brazil is one of the most viable options due to the fact that over the last five years the growth of the economy has been such that nearly half the population is now considered middle class and 10% are considered to be upper middle class, which represents about 18 million people. As a result, more and more Brazilians have been choosing to study abroad to better educate themselves and to improve their worth in the increasingly demanding job market.

It is estimated that 160,000 Brazilians went to study abroad in 2010 and according to a March 2011 survey of 40 educational agencies student numbers for 2011 will increase by over 23%. These numbers make Brazil the leading country in Latin America in terms of sending students abroad. Many of these trips abroad are to take short term courses to study English and these are the types of students that can be targeted, in addition to ones seeking longer term tertiary level courses⁹¹.

8.3.15 Mature, Boomer, Gen X, Gen Y Markets

These are four (4) very lucrative segments for Barbados. At present, a large portion of Barbados' loyal clientele happens to fall into the Mature and Boomer age category. However, there is currently no plan in place that specifically targets this lucrative "silver haired" market. The BTA will be formulating a multi-prong marketing strategy that will specifically target these different customer profiles and segments. There will be an increased focus on the Boomer market, with respect to targeted marketing strategies, but there will also be an equal focus on targeting the younger Gen X and Gen Y segments of the market by utilizing the most appropriate distribution channels that would appeal to these market segments.

8.3.16 Business Segment

The MICE Product Club of the BHTA has focused on this segment for several years and has done a commendable job. While Barbados does not currently have a large conference hotel, or conference facilities to accommodate large groups, it can cater to small to mid-sized groups, and more specifically, to business retreats and the Employee Incentives markets. A more proactive approach will be taken to targeting this lucrative market, for example, through attendance at the Canadian Risk Insurance Management Society (CRIMS) and USA-RIMS, which are among the largest trade shows in the world.

8.3.17 Local Advertising

As Barbados seeks to expand its traditional sand, sea and sun product offering and give greater prominence to the island's cultural heritage assets, a more inclusive approach will be taken to showcase what Barbados has to offer by broadening the base of destination information provided to promote and showcase these exciting and unique local events, attractions, festivals and activities. The Ministry of Tourism and the BTA will develop an extensive inventory of "things to do" on the island and from this, a calendar listing all the attractions, activities and events will be posted on the BTA website. Every opportunity will be exploited to advertise and promote to visitors through formal and informal media, including newspapers, TV, radio, signage and printed material in hotel lobbies, flyers and leveraging different forms of social media.

The accommodation sector will be required to play a much greater role in communicating the relevant information to its guests on a timely basis. This will require better cooperation between hotels and the

⁹¹ The Future Is Now, <http://www.bmimedia.net/bmi/news>

various attractions to improve visitor awareness and participation, as well as to improve the overall perception of the variety of ‘things to do’ on the island. Improvement in this area will not only enhance the visitor experience, which can potentially result in repeat visitation and positive word of mouth, but will also result in increased visitor expenditure.

The BTA will also improve its communication to the local population by involving them in the process. Tourism will not only be marketed to overseas audiences, but also to Barbadians in the form of sensitization and awareness campaigns. Barbadians will also be acquainted with marketing campaigns to be run in the overseas markets, their opinions being solicited to ensure that the Brand is a true reflection of what is authentic about the island. The “Brand Promise” will be articulated to the industry and the entire community to ensure that everyone in the destination, understands, embraces and delivers the “Genuine Brand” to all visitors.

In line with global trends, the promotion of Staycations will also be intensified as a strategy to stimulate the local economy, by keeping spending at home. At present, the local accommodation sector is receiving stiff competition from the cruise segment, as more Barbadians are taking to the high seas. Value for money and the experience offered are the main factors fuelling this trend, therefore, industry has to expend every effort to offer a better value proposition to be able to compete effectively and attract the local market.

8.4 Pillar 4: Human Resources Development, Education and Awareness:

Barbados' most valuable asset is its people. It is indisputable that Barbados' human resource is the most crucial foundational component of the tourism product offering, since the average Barbadian has a connection in one way or the other with the visitor, as they play their part in the delivery of the hosting experience. Their reaction can therefore literally "make" or "break" the industry, depending on the type of experiences and quality of service or interaction that is provided.

The modern day consumer's demand for high quality product and services, memorable, authentic experiences and value for money requires the development and retention of a professional, highly trained, empowered, and passionate workforce and a welcoming society. The Barbadian people are an extremely integral part of the tourism product. Whether they are tourism workers, students or members of the general population, they are the backbone of the sector, as their skills, competence and hospitality are essential to the quality of the product and to the overall competitiveness of the industry.

Indeed, it is the warm hospitality and dedication of the Barbadian people over the years that have sustained the tourism industry from its inception. As a result, it is often stated that Barbados holds the distinction of having one of the highest repeat visitor rates in the Caribbean, if not the world. Barbados has been aware for some time, that the provision of exceptional service is critical under any condition, but that ideal must be upheld even more in an uncertain economy, when the need to bolster revenue and retain jobs assumes a critical level of importance. Research shows that the destinations that make a concerted effort to promote service excellence and build customer loyalty are the ones that find themselves at least partially insulated against the worse of any economic backlash.

Barbados is not considered to be a cheap destination therefore, it is vital that a high quality product be offered so that it can compete effectively. However, while the development of a high quality, world class product is critically important, it is ultimately the customer experience that drives customer loyalty. The post-recession customer is now more discerning in seeking value for money. The survival of the Barbadian tourism industry in this extremely competitive and turbulent environment therefore hinges on a friendly welcoming environment and consistent, world class service, to ensure that visitors are receiving memorable experiences and exceptional value for money.

Apart from accommodation, service is the best form of advertising for the quality of a country's tourism. This speaks to a need for a national effort to ensure that visitors are continually provided with unique, "Wow" experiences in their interactions with Barbadians, in order to retain, if not increase market share to the island. As a consequence, all tourism training programmes, must, as a matter of urgency, have as a central focus, robust service delivery systems in hotels, restaurants and tourism direct and indirect ancillary services. This is essential to ensuring that visitors are satisfied and that they bring additional business to Barbados through recommendations made to their friends, relatives and peers.

In his recent address to the 19th Inter-American Congress, the Caribbean Tourism Organisation's Secretary-General, Hugh Riley expressed concern regarding the delivery of quality service in the Caribbean tourism sector. Addressing this issue has become such an important focus of the CTO that they have developed a concept called Total Visitor Satisfaction (TVS). This concept is based on the premise that if the Caribbean is the most tourism-dependent region in the world, then it must be *more concerned* and in tune to the visitor experience, due to the fact that the livelihood of millions of people depend upon a successful and thriving tourism industry. The intention of the programme is therefore to elevate the quality of service and operational standards across the region.

In recent times, interactions characterized by unsatisfactory customer service, are being increasingly experienced by locals and visitors alike across the island. An ill-disciplined society goes against everything that is needed to sustain a successful tourism industry. Also, the rise in deviant behaviour and poor attitudes on the island, especially amongst the youth, means that Barbados' reputation for warmth and friendliness, a critical core brand element, is under threat and by extension, so is the very survival of the industry.

As a corollary to the provision of world class service, there is also an urgent need to maximise productivity throughout the tourism industry to ensure that Barbados' tourism is better prepared to compete on a global level. When all these issues relating to service, productivity and other links to world class performance are considered, what they underline is the fact that Government has to provide the necessary leadership that is required to usher in a culture of national excellence and develop a nation of creative, strategic thinkers and not order takers. Therefore, it will be through the construction of a strong foundation of human resources development, sensitisation and education that this Government intends to achieve a competitive advantage through its people. This approach will permeate all levels of society, particularly, the tourism worker, the student and the general public. The future of tourism and the nation of Barbados therefore depend heavily on:

- a professional, well-trained, empowered and informed workforce, which is appropriately compensated and rewarded;
- a cutting edge educational and training system that equips Barbadians with the requisite knowledge, skills and creative output they require to develop, manage, lead and revolutionise the tourism industry;
- transitioning the tourism workforce to embrace the knowledge economy in order to stimulate innovation within the sector;
- a harmonious labour-relations environment, which shows a commitment to working in partnership to deliver world class products and service;
- a change in the mindset and attitude of the general population towards the industry, by educating and involving them in the process;
- the sensitization of the average Barbadian, so that they not only understand the importance of tourism to the success of Barbados' economy, but also the significant role they play in the success of the tourism industry and by extension, the success of Barbados; and
- equipping front line staff with foreign language and cultural etiquette skills to more effectively understand and interact with visitors from diverse backgrounds and inculcating the importance of providing the same level of service excellence to all visitors regardless of ethnicity, demographic or social status.

8.4.1 Service requirements in the New World Order

The Government is committed to making the requisite investment in Barbados' human capital as a national priority. The focus will be on building a critical mass of competent, knowledgeable, passionate, creative tourism workers, increasing specialized and technical skills, strengthening community entrepreneurial skills and augmenting leadership and managerial capacity, to build a service sector that is sensitive and responsive to locals, visitors and tourism.

8.4.2 Developing more Efficient Service Delivery

The signature Barbadian hospitality is legendary. Unlike other parts of the world like North America or the Far East where service, though very efficient, has been described as being impersonal, or even submissive, it is the genuine warmth of the Barbadian people that differentiates the island's style of service from the rest of the world. However, service standards are generally weak and deficient in the areas of consistency and efficiency. The general lack of activity in critical areas such as: attention to detail; commercial urgency; timely follow-up; up-selling/suggestive selling and closing the circle of service are seen as weaknesses. In order for Barbados to compete effectively on the world stage, it must complement the warm "Bajan" hospitality with a higher level of efficiency.

Traditionally the training culture in the Barbados tourism sector has been weak, and this is having an adverse impact on the quality of service delivery in the industry. As a result, many front-line employees - the first and often the most frequent point of contact for visitors - are often not adequately trained or prepared for the job at hand. One of the main reasons for this is because this crucial component for operational and service improvement is generally viewed as a cost rather than a critical investment, which is the key to quality, excellence and efficiency within the organisation. Financial costs, disruption caused to the business by employees' absence and the turnover rates of the industry are also traditional reasons for not training staff. However, this prevailing practice is having a debilitating effect on the industry. While businesses worry about the risk of training staff and they then leave, businesses should instead be more concerned about running the higher risk involved of not training staff, and they *stay*.

The people working in tourism – both at the line and management level – are invaluable human assets, and therefore must be seen and treated as such. The private sector has a responsibility to train and retrain their staff. There needs to be continuous investment and a long term commitment to the upgrading and reinforcement of skills and knowledge, as one of the most important components of sustainable tourism development.

Most leading business organisations recognise the importance of developing their human capital and have built their success on the knowledge, skills, and enthusiasm of their workers. Over the next few years Barbados tourism enterprises will need to mirror this type of investment in their human capital.

8.4.3 Developing the world-class workforce of tomorrow

Some of the main objectives of the Barbados tourism industry must be to:

- Create a value-driven model;
- Provide a premium product; and
- Deliver consistent quality based on the highest standards of skills and service.

Meeting this challenge will require that the right people, with the right competencies and attitudes, are widely available across the spectrum of the tourism sector. Their skills and competence are essential to the quality of the product and to the overall competitiveness of tourism. The national priority will be on developing an adequate structure to ensure that Barbados has the education and training infrastructure to deliver world class products and services. The development of a world class tourism industry will therefore entail putting in place a plan that outlines the future human resource needs of the island in the form of a comprehensive human resource strategy for the sector.

This will call for a collaborative effort between the following agencies:

- Ministry of Tourism;
- Ministry of Education and Human Resources Development;
- Ministry of the Environment;
- Labour Unions;
- the University of the West Indies, Barbados Community College, BIMAP and other relevant educational and training institutions; and
- the BHTA and other relevant tourism agencies.

This strategy will ensure that the output of the educational system is aligned with the current and future skills needs of the tourism industry. Barriers to training will be addressed through an analysis of training needs that identifies gaps, establishes priorities and offers strategies to deliver the appropriate training.

This human resource intervention will primarily focus on knowledge and skills development through the introduction of innovative tourism courses in specialized areas and cutting edge developmental and training techniques. Training institutions and businesses should work together to ensure that the supply of tourism employees meets employers' expectations, and *vice versa* and also to increase the affordability and access to appropriate training, including distance learning opportunities. Government also recognises that tourism and hospitality training is an investment that must be supported through technical and vocational training courses and scholarships.

University degrees satisfy some of the demand for trainee and middle managers, even though graduates often have high expectations but lack the practical experience sought by the industry. This gap will continue to be addressed through industry placement and mentoring schemes for students. The University of the West Indies has tourism programmes at the Bachelors' and Masters' levels. Postgraduate students could undertake research and prepare case studies to address some of the gaps identified in this paper.

The transition to the knowledge economy is critical for the tourism industry. Government and local authorities realise the benefits of creating tailor-made programmes, which can support the move to technology by tourism companies. Training packages should become available so that personnel can become familiar with these new technologies. Full exploitation of the huge benefits from Web 2.0 especially, can be accomplished by infrastructure development, education in and exposure to global best practices and importantly, local competition focused on innovation, always with a vision to the future.

Government will support the expansion of human resource capability, productivity improvement and the introduction of quality systems, particularly among the small hotel sector, which usually requires support in the areas of: (a) Professional development; (b) Business development; (c) Skills training; (d) E-business skills; (e) New leisure activity training; and (f) Coaching.

Particular attention will be paid to Government officials who are employed in tourism, aviation, finance and other related ministries. The industry is managed through Government policy, and there is a need to improve the skills and knowledge of public officials at all levels, to create a greater understanding of:

- the tourism industry;
- the inter-relation between Ministries; and
- the importance of collaboration and pooling resources to achieve a common goal of growing the Barbados economy.

Training and development in these areas will assist in more effective policy implementation, the creation of synergies and the effective management of the revenue that tourism generates for Barbados.

8.4.4 Strengthening Management Capability and Business Development

Many tourism businesses struggle with management. In many instances, middle management is usually the weak link within the organisation. It has been observed that some tourism businesses are generally deficient in the following areas: a) people management; (b) financial management; (c) strategic management; (d) marketing management; and, (e) product development. This is particular so in small hotels or small tourism businesses, as these tourism managers (frequently as a result of their own training) tend to focus strongly on operational matters. They can sometimes fail to take a broader or more strategic management perspective.

Management also requires a level of empathy and strong people skills, along with an ability to be genuinely cordial to every customer. However, gaps in people-management and effective customer engagement skills are common and support for training is needed to address this issue. Every effort must be expended to strengthen the leadership capacity within tourism organizations, as the ability to lead, motivate, manage, inspire and effectively communicate and discipline, are priceless areas of expertise required to develop and drive a culture based on service and operational excellence.

These must become critical areas of focus for the industry as a matter of urgency. The BHTA realises that this is an area of weakness within the sector and the organisation has taken the initiative to start a programme that will be concentrated on honing and enhancing the skills of the managers and leaders employed within their membership.

8.4.5 Importance of Worker-Friendly, Efficient Businesses

The Government's vision of selecting tourism as the lead industry for the economy cannot be achieved in isolation. This means that tourism owners, managers and leaders need to reset their compass and develop a motivating, worker-friendly, disciplined environment, within high performance businesses. This will require returning to Barbados' great hospitality tradition and values and focus by listening to, motivating and encouraging the teams of people who serve the customer daily. It will also require having a plan to know and understand customers and cater to their ever changing needs. Government can set the policies and guidelines, but the future of the tourism industry lies in the hands of the tourism businesses that deal directly with the customer.

Tourism businesses must, of necessity, equip their people with the tools and the environment that they require to exceed guest expectations and create memorable moments. This means that the requisite business model needs to be in place with the relevant standards, systems and processes to run an efficient and effective operation.

At present, many of the tourism establishments are devoid of operational standards, resulting in a situation which is affecting the overall industry performance. The BHTA is currently facilitating the implementation of a Hospitality Assured programme for its membership, which is designed to raise the standards for the industry. The Government fully supports this initiative.

Businesses also have to offer the type of inspirational leadership and effective management to create a worker-friendly environment that creates a loyal, motivated and highly productive workforce, where training and development is an ingrained part of the organizational culture. The tourism industry must be one that provides not just jobs for Barbadians, but fulfilling careers. Therefore opportunities must be

provided for growth, job enrichment and upward mobility. The Government will collaborate with the various training institutions in order to achieve these imperatives for the industry.

8.4.6 Implementing the Bottom-Up Approach to Achieve Excellence

A radical shift in the way organisations are managed must take place. Employees can no longer be viewed as simply “a means to an end”. In these challenging, highly competitive times, the employer/employee relationship needs to be transformed to a level where genuine partnerships are formed with both sides understanding that they need each other to drive a successful business and to achieve the organisation’s goals. The irony of the tourism industry is that the lowest paid, “less prestigious” jobs in the sector are usually the ones held by frontline employees. However, these front line workers are in fact the “face” of the organisation and are the first and sometimes only contact with the business’ most precious commodity – its customers. It is this group of employees who create the memorable experiences that bring about repeat visits and on whom rests the responsibility of securing the future of tourism businesses and the tourism industry.

That significant responsibility needs to be fully understood, respected and supported. During the Hotel Workers Week 2011, the President of the Council of Hotel Workers, Mr. Philip Bostic, made a call for tourism workers to be respected more for the yeoman service they provide for the country, as some feel unappreciated. He advised that the front line workers especially should play a greater role in the decision-making process, as they are the persons with the closest guest contact and are therefore a prime source of knowledge of what is crucial to the successful operation of the organization.⁹²

For this to be achieved, a paradigm shift and a cultural re-orientation in the traditional mindset within the sector needs to take place, where a more inclusive and consultative bottom-up approach is taken to the leadership and management of tourism businesses, through the implementation of an “Inverted Pyramid Model”. This model is the promotion of an organisational culture where management serves front line staff to support initiative, leadership and excellence in service delivery. It is understood that the implementation of such a model is going to be challenging, as the prevailing management pattern in the Caribbean is still predominantly paternalistic and top down. Government however will make every effort to encourage this level of partnership within the industry.

8.4.7 Developing an Informed, Passionate Workforce

Great hospitality is about people, interaction and attitude. Therefore, in order for Barbados to achieve world-class service excellence, a radical change must take place in the methodology and frequency with which the Barbadian workforce is trained and developed. This means that full advantage should be taken of the concessions for training that are provided in the Tourism Development Act (TDA). The traditional customer-service training methodology has to be modified and revolutionized in order to offer the type of instruction that resonates with the employee in a way that they are equipped with the skills, inspiration and confidence they require to perform their jobs at optimal levels.

In addition to being trained in the ‘how’, that is, the basic fundamentals of the tasks and techniques required to perform their jobs, employees now need to be engaged at an even higher level to educate them of the importance of the ‘why’ they must provide world class service. In addition to training in technical skills, at every level within the organisation, they must be educated about the “bigger picture” with

⁹² “Hotel Workers Week (and President) in full Swing”, *The Barbados Advocate, Business Monday*, 15 August, 2011

respect to the global tourism environment and the challenges currently confronting Barbados. This will broaden their perspective of the industry outside of the narrow scope of their jobs and provide them with a greater understanding of the important role they play in the success of the sector and therefore, by extension, the success of Barbados.

Most importantly, the link must be made between the delivery of exceptional service and memorable experiences and a satisfied and loyal repeat visitor. Loyal repeat customers not only result in more profits for the hotel and job security for the worker, but also more tax revenue for the Government and therefore more funds to invest in national social services. They must therefore fully understand their role as nation builders with tremendous a responsibility, that make a phenomenal contribution to the quality of life of all Barbadians.

There is ample evidence to suggest that communication between guests and service sector workers creates a basis of successful tourism. Courtesy, availability of information and the ability to give advice to guests are decisive factors for attaining the specific goal of high quality tourism. Going forward, tourism workers must also be educated about all aspects of Barbadian history, culture, economy, etc., to instil national pride and ensure that they are fully knowledgeable about Barbados and able to provide accurate and interesting information to visitors.

In the future, tourism workers will also have to be informed about recent national or in-house marketing campaigns, in order that they have a clear understanding of what is being “promised” to the customer, the visitor profile to whom the promise is being made and the standards of performance that are required to deliver on the promise. The key to brand promise is the talent delivering it.

Staff must be empowered with the requisite knowledge and skills so that the decision-making process can be moved closer to the customer to facilitate faster service recovery, if necessary. Problems will always arise, but the organisation’s capacity to follow through and make things right in a timely, competent manner is what makes the difference between an irate customer and subsequent negative social media publicity and a loyal customer for life. Service recovery is the hallmark of service excellence, making it vital for all staff to be highly skilled and adept in this area.

Empowerment and service recovery forms the basis of service excellence for the world renowned international hotel chain - the Five Diamond rated Ritz Carlton. These same basic principles must be applied to the Barbados tourism industry. Five-star service must be a feature of *all* properties, regardless of their actual star designation. At present, Barbados has what can generally be considered average service, compared to places that are becoming increasingly accessible like Dubai and the Far East. Today’s travellers are not interested in only physical structures. They are more interested in the *intangibles*, that is, *experiences* and to have their needs anticipated and expectations exceeded. It does not necessarily take marble walls and world class amenities to achieve this. It is the ability to make a connection with the guests, provide personalized service by catering to their needs, solving their problems in a timely and efficient manner and creating a ‘home away from home’ environment. Although the current Barbados product is in need of rejuvenation, as the gaps within the system are being addressed, organizations should still strive for the overall and most critical goal of achieving world class levels of service excellence.

The bottom line is that when times are tough and customers have to make decisions, those customers will ultimately gravitate to those companies where they have made a personal connection. No fixture or amenity is capable of making a personal connection - it is strictly the domain of people. Therefore, investing in people, not necessarily with money, but with time, attention, creativity and caring is an organisational imperative. In this way, companies will be paying the premium on the best customer

retention insurance they can have in a recession - their people, who will keep some customers coming in bad times and inspire the others to return when things get better.

As Barbados seeks to diversify its marketing mix by targeting emerging and multicultural markets, tourism businesses have to prepare their staff through the provision of diversity training in awareness and sensitivity to different cultural practices. This will familiarize them with the specific needs and differences of the various market niches and demographics. The fact is that the demographics of the visitor of the future will become increasingly diverse, especially as the citizens of emerging markets such as China, Brazil and India etc., start to spread out further across the globe. Added to this evident need to adjust to a different cultural ethos is the need to adjust the mindset to one that views *all* visitors as worthy of receiving service excellence.

The continuing issue of African-American, regional and even local customers complaining of inferior service, has been a blot on the landscape of Barbadian tourism for many years. This issue has been allowed to prevail for far too long within the Barbados service sector. To be considered to be a truly hospitable society, where all visitors feel welcome and comfortable, the mindset of the Barbadian workforce must be re-programmed as a matter of urgent priority. It will mean that this prevailing situation must be finally confronted and resolved through the development of the type of training methodologies that will deal specifically with this issue head on.

The key to the success of Barbados' tourism is to develop, respect, nurture and empower the Barbados workforce. Hospitality staff needs to be redefined as professional hosts. Facilitating a deeper understanding of their purpose and worth and building trust and confidence, will achieve the necessary buy-in, dilute negative attitudes, clearly differentiate service from servitude and lead to the desired behavioural change in work ethic and higher staff retention rates. There is a strong correlation between staff retention and guest satisfaction. Employee loyalty and satisfaction plays a major role in improving the customer experience. These are all prerequisites in an industry that is constructed on the basic premise of "happy employees make happy customers". An unhappy employee will not provide the type of customer experience the hospitality industry hopes to achieve.

Continuing, relevant learning, which is linked directly to performance and profitability, will be best achieved in the workplace in the form of practical on-the-job training. In this way, new behaviours, skills, and practices can be tested against the reality on the job, rather than within a classroom situation. Furthermore, in order to introduce quality systems, a better structure has to be set up to facilitate exchange programmes, so that employees can be exposed to best practices in the industry. Incentives such as profit sharing, performance bonuses or access to training and professional development for loyal and valued employees should be a feature of the hotel environment in Barbados.

8.4.7 Critical importance of Talent Retention

High employee turnover not only incurs costs but also destabilizes operational efficiency and directly affects the maintenance of brand consistency, which is crucial to success in today's industry. Retention rates are closely associated with the morale of employees and their loyalty to the brand experience. Flowing from this is the fact that committed employees represent the brand in a more effective and consistent fashion. Companies with low retention rates find it harder to develop brand loyalty amongst employees who are likely to deliver inconsistent customer service experiences. Employees with longer tenure and higher rates of brand loyalty are more likely to possess competencies that enable long term brand consistency.

There is a burning need in the industry to invest in innovative talent management practices, which would facilitate attracting and retaining the best talent. Employers would consequently become known for this practice and would thus qualify as being employers of choice within the industry. Research consistently shows that high employee morale and engagement is directly correlated with customer satisfaction, customer retention and superior corporate performance. A sustained focus on employee engagement and retention, is therefore a key driver for customer satisfaction, directly impacts the bottom line and offers companies a competitive advantage.

High retention will require the provision of consistent training, inspirational leadership and a worker-friendly environment, where employees can flourish and grow. Operators need to consider how best to recruit, reward and retain talent to ensure consistent guest satisfaction. In addition, the Government will encourage management in the industry to ensure that compensation remains in line with that in other sectors. Moreover, if Travel & Tourism is to become a valued and valuable employment and career option, qualified and outstanding employees must be supported, encouraged and promoted.

To be successful companies must develop key strategies to make their workforce their first line of defence against a receding customer base. In a recession or in times of prosperity, people will always be an organisation's best insurance policy against increased competition and other external environmental forces. An investment in people pays off in ways that are imperceptible in a typical ROI calculation, instilling the workforce with a sense of ownership and commitment that will make a positive difference when resources are scarce.

8.4.8 Attracting the 'Brightest and Best'

While tourism is Barbados' most important sector in the Barbados economy, ironically, it is not the industry of choice for most of the island's best brains. One of the major challenges is that the sector is still seen as the "last resort" industry in which to work and as a consequence, to a large extent, it continues to fail to attract the "brightest and best". This mostly has to do with the perception that tourism is characterized by low paying and low prestige jobs. There is little awareness of the numerous career opportunities available in the sector, as well as a stigma attached to the industry, with "service versus servitude" still being a major source of contention.

Critical issues also surround the fact that many students who graduate with a tourism-related degree from UWI or BCCHI, experience challenges finding jobs in the local industry. They usually secure jobs that have little correlation to the industry for which they studied and therefore, are not afforded the opportunity to utilise the skills and knowledge they have acquired. This has been a source of frustration and disillusionment for many students.

Also, there is a perception that all, or the majority of the top positions in the industry are held by expatriates. This is fuelled by the fact that the applications for work permits for foreign workers have been prevalent in the newspaper over the years. This is a source of contention for locals who are of the opinion that these jobs can be filled by qualified Barbadians. Although the historical dynamics that have been predominant in the industry have changed somewhat, due to the fact that the top posts in several hotels are held by Barbadians, the *perception* however, still lingers.

Barbados cannot benefit fully from the "natural advantage" it has in tourism, if its sharpest minds and most outstanding nationals continue to avoid the industry. Therefore, it is imperative that every effort be expended to get the country's most competent people, locally, regionally and internationally, involved in the sector at the decision-making levels. The challenges of the new global economy will require strategic, knowledgeable and creative thinkers, who possess a vision to lead and manage the industry like an

efficient business. They must be identified, recruited, selected and then developed, in addition to the persons who are already within the system. Barbados is facing mounting competition from other tourism destinations and therefore, its most competent citizens must be involved at the local and global level in order to successfully outperform other destinations.

Over the years, an inadequate job has been done communicating the numerous and viable career options that tourism offers. As a result, the industry is often perceived as lacking the opportunities and career paths of many professions, even though career opportunities do exist from the level of service provider to manager, CEO, trainer, accountant, environmentalist, information technology specialist, architect, landscape technician, entrepreneur, marketing executive, policy maker, or planner. In addition to providing jobs to local communities, tourism offers opportunities to travel, to develop skills across a range of disciplines and to learn management and other techniques. For the industry to be truly sustainable, it will require a cadre of competent individuals to chart the course forward for the sector. The onus will be on the Government, in partnership with the private sector, relevant Ministries and educational and training institutions, to set in motion a concerted national campaign to raise the profile of the sector as a serious and desirable employment and career option that will attract the right people, with the right attitude to meet the future needs of the industry

A structured mentoring programme will also have to be developed to provide advice and guidance to students who aspire to have a career in the industry, or to deal head-on with the stigma attached to the industry and to positively influence those who never considered tourism as a career option.

The Government has invested millions of dollars over the years to educate Barbadian students in tourism studies. The intention behind this policy was to secure the future of the industry, by developing the next generation of leaders. Unfortunately, this is not what has transpired and instead, hundreds of students over the years have not been absorbed into the system and instead have been relegated to seeking jobs in other unrelated fields of employment. A much better job has to be done in conducting research into the labour market and providing the requisite guidance to students when making decisions about career options in the industry. In addition, the prevailing mindset that “foreign is better” should cease and Barbadian businesses must start to demonstrate greater confidence in the capability and talent of the Barbadian people and their overwhelming capacity to take the country to the next level.

Therefore, the focus of the Government will be on job creation, so that students can be more effectively integrated into the system. The Government’s thrust to diversify the industry by creating alternative forms of tourism and new niche products and services, will broaden the scope for more employment and entrepreneurial opportunities within the sector.

The Government will also ensure that Barbadians are given priority for jobs available in the tourism industry by ensuring that talented Barbadians, especially the youth, are given first option to be gainfully employed within the sector. Expatriates who have been granted work permits will be required to provide ongoing training and development for staff within the organisation and to give back to the community through the provision of their services to tertiary institutions, in order to ensure that an effective transfer of knowledge takes place.

8.4.9 Developing the Tourism Leaders of Tomorrow

The formal education and training options available within the tourism industry are widely varied and often fragmented. There are a number of agencies providing courses at many different levels, for example, there are apprenticeship schemes, technical and further education and college and university courses available in tourism and hospitality, which provide a range of qualifications. Provision of online

training can offer time savings and ease the burden of training which is difficult for small businesses. As technology becomes increasingly advanced, it will be important for the industry to expand the accessibility and prevalence of online courses.

Barbados' university and vocational education and training institutions have done a commendable job over the years in providing the industry with a range of trained tourism professionals. However, in the fast changing global environment, these educational institutions need to ensure that they are developing the leaders and entrepreneurs of tomorrow, who are capable of taking ownership of the industry, as well as taking the sector to the next level. At present, one of the major reasons given for the industry not hiring university graduates is that they do not have the requisite experience.

Tourism industry and training institutions must therefore also look at the future and aspire to produce students and employees who are strategic thinkers, capable of creating innovative and profitable businesses that can place Barbados at a competitive advantage as a destination. It is important for the Government and the industry to work together to ensure that the educational system provides coherent and effective tourism training courses, which meet industry standards and requirements.

Tourism and hospitality education must prepare students to play a leadership role in an industry that is undergoing rapid changes on both the demand and supply sides. The new breed of managers emerging in the tourism and hospitality industries must have the knowledge, but more importantly, the adaptive capabilities to apply that knowledge in the context of change. Such capabilities mature within companies that are "learning organizations that embrace and manage change".

The types of changes currently impacting the sector, caused by global trends, also present challenges to tourism and hospitality education. Therefore, the content of tourism/hospitality marketing, planning, and policy subjects, needs to reflect an awareness of these longer-term trends. Future industry leaders will be those who have the knowledge and skills to enhance organisational competitive advantages via strategy formulation and implementation in a difficult, dynamic, and diverse world.

As Barbados pursues the development of a green economy and a more responsible and sustainable tourism industry, today's students must be prepared for this future reality by the principles and practices of sustainable tourism being firmly placed into course curricula. They need to understand the roles that individual establishments can play in achieving sustainable tourism development and have a comprehension of the techniques for assessing and valuing the impacts of operating decisions. An understanding of the 'triple bottom line approach' to the evaluation of managerial decision-making will become increasingly important to tomorrow's managers. An understanding of the different types of impacts of tourism and their significance, as well as skills in formulating strategies to maximise the net benefits to society, will be crucial for policy making at all levels.

In this age of technology, many of the tourism companies have a weak capacity to face the challenges of the fast-evolving technological advances in general and of ICT in particular. Therefore, today's students need to have a sound knowledge of computer information systems, e-commerce, and use of information technology in order to achieve that competitive advantage.

In today's extremely volatile global market place, there must be a paradigm shift from a traditional perspective to one based on a recognition of the 'chaos' in which much of the industry's development is taking place. This will make it a prerequisite for future leaders to acquire expertise in and knowledge of risk management, crisis management, and contingency planning. Tourism operators must become more sophisticated 'crisis managers' and the education they receive should promote this objective.

Most critically, an area of urgent priority is the enhancement of student's problem-solving ability, by emphasizing the role of theory and critical application in helping to solve real world problems in a dynamic context. It is the student's problem-solving and decision-making capabilities, as well as the ability to think 'proactively' rather than 'reactively', that will help them as future managers to achieve competitive advantage for their organisations. They must be well-versed in 'best practice' management in different tourism and hospitality sectors to adapt to rapidly changing conditions.

Strengthening capacity in these critical areas will develop a knowledge-based platform for innovation in tourism management, planning, and policy. It also set up a management and planning framework to ensure that the industry adapts to, and takes advantage of, changing global conditions. It also requires that students understand systems, models, tools, and technologies to improve the competitiveness and sustainability of both tourism enterprises and the destination as a whole.

For Barbados to effectively rise to the challenges that will confront the tourism industry in the present and the future, these are the skills and knowledge that characterise the profile of the tourism leader of tomorrow.

8.4.10 National Host Programme

In the ever changing and competitive global tourism industry, demands for higher levels of customer service are increasing. Government will confront this issue through the establishment of service excellence requirements for entry into the industry, with respect to tourism professional certification. This will be achieved through the implementation of a National Host programme, based on the "BahamaHost" model, to ensure that there is a system of mandatory certification for employees entering the industry particularly those in front line positions.

This programme will ensure the presence of a national benchmark for excellence, as employees will be equipped with the requisite skills and knowledge required to provide a high quality, consistent level of service to visitors. The main purpose behind the programme will be to familiarise participants with correct and accurate information on Barbados' history, geography, civics, economics, culture, flora, fauna and places of interest, placing additional emphasis on attitudinal training, teamwork and cooperation. The enhanced knowledge base and improved interpersonal and communication skills, will give workers the confidence and level of professionalism they require to provide the type of memorable experiences that visitors are seeking.

In addition to the training component, a structure will be set up to manage the visitor/host interaction to ensure that the entire process is performing effectively. A People-to-People programme will be designed and managed to ensure that the visitor/host interaction is facilitated in a professional and coordinated manner, in order that the desired benefits and results are derived on a consistent basis. This approach will lay the foundation for more effective *destination management*, whereby the Government will exercise a greater level of oversight over the tourism process to ensure that standards of excellence are exhibited and maintained within the sector.

8.4.11 National Orientation Programme

The BHTA is in the process of developing a National Orientation programme which will be utilized to educate new entrants and re-orient present workers about the tourism industry. The main motivation behind this initiative is the fact that, tourism, and its importance to the Barbadian economy and society, is not understood by large numbers of the Barbadian population, including many of the people who work directly in the industry. This programme is designed to address this issue by creating a more in-depth awareness about the tourism industry amongst the workers, starting with the history of tourism, in order to foster a greater appreciation and deeper understanding about the industry.

Both these programmes will be critical to all Barbadians who directly interface with tourists – including taxi drivers, airport ground staff, home-stay owners, gas station attendants, supermarket cashiers, bank tellers, front-office staff, store clerks, masseurs, tour guides, police officers, immigration officers and customs officers. . Therefore they must be regularly trained to create a positive mindset and create a visitor-friendly attitude. Particular attention has to be paid to improving the welcome to the island. Barbados' first impression at both ports of entry must be one of hospitality and friendliness. Not only do first impressions count, but they also tend to set the mood for the rest of the visitor's stay on the island. Unfortunately, over the years, there have been several complaints about the unfriendliness and poor attitudes of immigration officers in particular, which has created a bad impression of Barbados in the market.

Consistent training and exposure has to be provided to change the prevailing mindset and inculcate in this category of worker the critically important role they play in providing the legendary warm, hospitable Barbadian welcome as the first point of contact.

With the Government's thrust to develop cultural heritage and community tourism, as well as to develop a comprehensive interpretative signage programme and tourism interpretative centres, this training will be particularly critical for tour guides, whose role will be central to the visitor experience. Their role will involve the provision of the educational and authentic experiences the visitor is seeking, to ensure that the story of Barbados is communicated in a passionate and compelling way designed to fascinate the island's visitors.

8.4.12 Strengthening the Capacity to Communicate with the World

With the expected growth from the BRIC countries and other emerging destinations and market segments over the next decade, the tourism industry anticipates a shortage of relevant language skills to deal with this growth. For Barbados' inbound tourism industry to compete successfully on the world stage and grow, it must position itself strategically by planning and beginning to meet the new language needs and the cultures they represent. All tourism workers must be exposed to at least the basic knowledge of one or two main foreign languages that are aligned with the source markets that are being targeted. Furthermore, strategies must be devised on how to better integrate language students into the tourism industry.

Barbados must be seen as a country where the tourism industry values language competency and awareness and sensitivity to different cultural practices. As a result, the industry will have a greater chance of enriching the visitor experience, which would lead to repeat visitation. Targeting the newly emerging markets will require competency in languages such as Portuguese, Russian, Mandarin *inter alia*. At present, languages such as French, Spanish, Italian and German are taught at the secondary and tertiary levels. Portuguese has recently been made available to complement the marketing thrust into Brazil. Currently, it is mandatory for students at the Barbados Community College to take one foreign language as part of their Associate's Degree curriculum.

The Ministry of Tourism will work closely with the Ministry of Education and Human Resources Development to ensure that the relevant languages and business culture (training) of a number of Barbados' present and potential future source markets are included in the academic curriculum. This will significantly reduce the time required to attain language and business competence and will be of particular value to the tourism industry.

8.4.13 Educating the Next Generation

Tourism is so important to the Barbadian economy that it is an imperative that this topic be taught at the primary, secondary and tertiary levels. The Government understands that in order to develop a truly sustainable tourism industry, it must simultaneously start shaping the minds of the next generation as it seeks to educate and inform the present one. For decades the issue of tourism being taught in school as a stand-alone subject has been discussed as an area of priority. However, this has never been achieved or instituted. Instead, tourism is taught as a segment of Social Studies or Geography courses.

It should be noted, however, that in September 2011, the BHTA successfully launched a pilot project called the School's Tourism Education Programme (STEP). While tourism is still not a stand-alone subject, the process and structure of teaching the subject of tourism has been dramatically enhanced through this new initiative. Teachers have been specifically targeted by immersing them in the tourism experience in order to provide them with first-hand knowledge about the sector. This will ensure that they will be better equipped to transmit the subject matter in the tourism segment of the syllabus once he/she returns to the classroom.

Other components of the programme involve:

- the utilisation of the CTO-developed Teachers' Handbooks;
- age group segmented student workbooks and DVDs and leaflets on careers in tourism involving tourism professionals in the delivery of tourism education to children;
- tourism exposure and education in the summer camp programme; and
- assisting the Ministry of Education and Human Resource Development with the evaluation of the tourism segment of the Social Studies syllabus.

Fifteen schools have been selected for the pilot phase, with eight at the primary level and seven at the secondary level. After the pilot phase is evaluated, a full roll out of STEP will be implemented in September 2012. This ground-breaking programme is a "step" in the right direction for the industry and will be fully supported by this Government.

The BHTA also launched a School's Essay Competition and Logo Competition. This will complement the Ministry of Tourism's CTO facilitated Condé Nast Traveller Essay Contest and the Florida-Caribbean Cruise Association (FCCA) Poster Contest. The Ministry of Tourism will also be taking a more aggressive and creative approach to integrating tourism into the educational system by coordinating ongoing activities between schools and the industry, especially by exposure through summer jobs in the industry, as well as activities related to environmental preservation.

An annual Youth Tourism Conference will be convened to continually engage these future leaders and involve them in the decision making process. As a complement to teaching tourism as a topic on the curriculum, consideration should also be given to providing mandatory instruction in the history and

culture of Barbados. This will be necessary in order to instill national pride in the island's youth about their country and will assist them in becoming proud, gracious, knowledgeable hosts for the island.

For its part, the Ministry of Tourism has been facilitating the Tourism Education Awareness and Me (TEAM) programme since 1998. The recently held town hall meetings and focus groups strongly indicated that there is still a disconnect and lack of awareness about the tourism industry. This demonstrates that there is still room for improvement and more work needs to be done to achieve this extremely important goal. This may include the necessity for overhauling the TEAM programme for it to become more effective with respect to sensitising the Barbadian public. There is also a need to benchmark best practices from across the region and the world to develop an effective and sustainable tourism awareness and education programme for Barbados.

The successful collaboration between the Ministries of Tourism and Education and the BHTA to implement programmes such as these, will secure the future of the tourism industry in Barbados. Building awareness amongst the youth, especially from a very early age, about the impact of the tourism industry, will give them the opportunity to explore and learn everything related to the tourism industry and mostly, to relate tourism with environmental preservation.

Tourism should be taught in a very interactive and exciting way, to resonate with these young students. At the secondary level, participants will be able to attain a better understanding of the industry and learn more about the training and skills needed to become proficient within the sector. The objective will be to start the preparation of students for the profession they wish to choose, so that they can enter and remain successfully and gainfully employed within the tourism industry. The Ministry and the BHTA will be able to assess the readiness of young persons who join the tourism sector and build a resource pool of individuals interested in careers in tourism and shape their mindsets from an early age. These agencies will also be able to assist them in finding permanent jobs, or provide information on training, scholarships or tourism academic institutions for those interested.

8.4.14 Enhancing Tourism Awareness

This Government understands the crucial importance of educating and creating a greater awareness amongst its people about the tourism industry. There is a particular need to target both the public and private sectors, as well as community leaders who do not consider or respect tourism as much as other industries. This will be a huge step in the right direction to further the credibility of the industry as an important economic driver.

At the regional level, the Caribbean Hotel and Tourism Association (CHTA) has recently launched an advocacy campaign called "Tourism is Key" to underline the importance of travel and tourism to Caribbean economies. The campaign targets a broad audience from Caribbean Heads of State across the region to Caribbean citizens, with the first Public Service Announcements produced by CHTA, illustrating the following key points:

- The impact of tourism on jobs;
- The impact of tourism on the wider economy and each destination; and
- The impact of tourism on investments for the future.

The underlying premise of this programme is to illustrate that every citizen needs to understand that, whether or not he or she works directly in the tourism industry, every tourist dollar brings economic and social benefits to every level of society. This is even more crucial in today's economic climate. While previous efforts to get this message across have resulted in mixed success, a combined and sustained

effort between the private and public sectors across the region will reap benefits on this occasion. This Government will take advantage of this campaign, but will also complement it with its own local awareness and educational campaigns.

8.5 Pillar 5: Developing a Comprehensive Research Framework

Holistically speaking, besides statistical data analysis, comprehensive tourism research and development has traditionally not been a major priority within the Barbados tourism sector. This has resulted in the industry being managed and developed in an *ad hoc* manner and being more reactive to external shocks and market trends. This lack of attention in the area of research has also impacted negatively on the island's competitiveness and its capacity to reap greater economic benefits and increase market share. Due to the extremely volatile nature of the global marketplace, it cannot be predicted what the future will bring. The global nature of the problem means that forecasting a recovery for the tourism sector, which has been resilient to past shocks, is more difficult.

As a consequence, the timely and ongoing release of accurate and relevant research and trend analysis will play an extremely critical role in reducing the sector's vulnerability to exogenous forces. It will also make the industry more crisis-resilient and able to withstand or circumvent any unplanned external shocks that will most likely occur and minimise their impact. In the short to medium term, the island will be confronted with an economic crisis situation affecting all of its major source markets simultaneously. Solid research will assist the Government in planning how to respond to challenges like the current economic downturn. Sound data is also essential for providing tangible evidence of the benefits of tourism to the economy and society. This will be critical in maintaining the island's competitive edge.

Global competition is rife and resources are scarce. Therefore, a more scientific, strategic and targeted approach will have to be taken to ensure that return on investment is achieved and the tourism industry has the relevant information it requires to support policy, marketing, product development and investment decisions and to be current with trends that affect the sector. Timeliness of research is particularly important to drive urgent decision-making to support ongoing economic recovery and renewed job creation.

8.5.1 Filling Research and Development Gaps

Over the years, the Research and Development capability of the Ministry of Tourism, through the BTA has been strong in the areas of statistical data collection on visitor arrivals provided by the Immigration Department and Barbados Statistical Services. The current E/D card includes demographic details such as age, sex and purpose of travel. This has provided a useful start for understanding the level and direction of tourist activity. However, further information is necessary to take the risk from investment and policy decisions.

The Research and Economic Analysis Department of the Central Bank of Barbados also provides valuable reports and economic analysis pertaining to tourism's contribution to GDP, Balance of Payments (BOP), Visitor Expenditure etc., as well as an Economic Review which provides a bi-annual summary of the major socioeconomic issues facing Barbados, including those pertaining to the tourism industry. The CTO is also an extremely valuable resource for tourism research within the industry.

The greatest levels of research and analysis deficiencies have been in critical areas like trend analysis, forecasting and visitor and resident surveys. This severe research deficit will need to be rectified as expediently as possible, so that the relevant data can be effectively utilized to support strategies with the information required for targeted marketing campaigns and focused product development efforts.

In order to differentiate the Barbadian product in a meaningful and realistic way and grow market share, it is imperative that research and analytical thought urgently becomes one of the most important

components of the tourism industry. This Government will therefore be placing research and development at the *epicentre* of tourism planning, management and development going forward to ensure that the competitiveness and profitability of the Barbados tourism product is sustained. Research and Development will underpin almost every activity that Government undertakes in the development and marketing of Barbados as a tourism destination to the world and this will be facilitated by the enhancement of the research capacity of the Ministry of Tourism and the BTA.

8.5.2 Future Priority Research and Development Strategies

One of the first priorities of Government will be the review, integration and enhancement of the core tourism dataset. The Research capacity will be transformed into more of a business unit with an increased resource base and enhanced capacity to meet the research needs of industry and Government, whether it is short-term, tactical research, monitoring and evaluation, or long-term strategic research. The level of focus will assist the sector in indentifying where it wants Barbados' tourism to be in the next 10 to 20 years and inform the path that is required to get there.

The Government's Tourism Research and Development (R&D) Strategy going forward will involve the setting up of a comprehensive framework and a set of strategic priorities to guide research efforts and investment across the sector. At all the stages of design and materialisation of this strategy, there will be an equal emphasis on both quantitative and qualitative information. This information will cover three critical areas:

- the *past*, so that the current condition of the tourism industry can be properly analyzed;
- the *present*, in order to be aware of the existent state in the immediate competitive environment and by extension to be able to place the tourism industry within this environment; and
- the *future*, to facilitate strategic evaluation and predict oncoming changes and react sooner than the competitors, thus securing a strategic advantage.

Continuous strategic thinking in a changing world is vital if Barbados is to achieve and maintain a competitive edge in the global tourism market. To succeed in the future, it will be necessary to put time and effort now into acquiring an in-depth knowledge and understanding of the rapidly changing consumer behaviours and preferences. This will enable the authorities to better predict what customers will want and then adapt the strategic focus to continually meet these needs. Therefore, there will also be a prioritization of market research conducted to enhance the understanding of the tourism customer, the tourism industry and the tourism resource. This level of analysis will enable the Ministry of Tourism to deliver *the right message and the right product, at the right time, in the right way, to the right customer*. The more tourism planners, policy makers and marketers can understand what is transpiring today within the global tourism context, the more confident they will be to plan for the future.

8.5.3 Enhancing Market Research Capacity

Research will therefore inform almost every activity that the BTA will undertake in marketing Barbados as a holiday and business destination to the world. The positioning of the Barbados Brand positioning in the market will be underpinned by research into travellers' perceptions, behaviours, and preferences, which will form the basis of strategic planning and decision making in both the local and overseas offices. To attract and retain today's demanding travellers, it is imperative that the destination has a comprehensive knowledge and understanding of their specific needs. Market segmentation software programmes like *Prizm*, and *ACORN* will facilitate this process. This will enable the BTA to determine

who their customers are, what they like, where they can be found and how they can be reached. This will facilitate a more targeted marketing approach being taken by the organisation. Additionally, there must also be an in-depth understanding of the competitor set. Comprehensive comparative analysis of competitors and benchmarking against their tourism products will identify where new tourism experiences and packages can be offered. Comprehensive benchmarking of global best practices will be undertaken, with a view to ensuring that the Barbadian standards compare favourably with world class operational, technological and infrastructural standards.

The BTA will undertake rigorous and continuous consumer research in major traditional and emerging markets each year to identify trends, test its marketing approach and identify the segments which offer the greatest potential for Barbados. Segmentation of the market for holidays and business in Barbados – both current visitors and ‘best prospects’ – based on demographics, behaviour and product-usage, will provide a valuable insight into the motivations and product needs of the visitor. An analysis will also be conducted of Barbados’ top four source markets – Britain, USA, the Caribbean and Canada – to identify independent segments and to estimate size and behaviour characteristics. This will ensure that Barbados is in a position to keep the industry in touch with overseas consumers and trade expectations. To acquire this information, research will be coordinated at every level of the tourism value chain – before the guest arrives, while they are on island and after they leave, to glean the relevant data to build effective Customer Relationship Management (CRM) databases, to develop and store visitor profiles and preferences to inform marketing, promotional and product development strategies.

Profiling, understanding and securing more business from current and loyal customers would be more cost-effective than the increased cost of sourcing new visitors each time. Databases would allow the BTA to know where to find the cluster of repeat visitors and create the right incentives and rewards to keep them coming back to the island.

8.5.4 Strategic Research Projects and Forecasting Methodologies

The Ministry of Tourism will continue to utilise its research and statistical datasets to develop a comprehensive picture of the island’s multi-million dollar international visitor market. Emphasis will be placed on the collection of primary data through constant engagement with the consumer. This approach requires collaboration at both the micro and macro levels to obtain the type of data that is required. At the micro level, tourism stakeholders must effectively develop, utilise and analyse feedback tools such as Guest Comment Cards and all forms of social media. At the macro level, this will require the administration of frequent national Visitor Focus Groups and Surveys to gauge the visitor experience and the constant monitoring of customer feedback on review sites. In addition, regular surveys (on a bi-annual basis) will also be conducted to ascertain the general attitude of the Barbadians to the tourism industry. This will be done systematically and professionally by Government in order to track changes amongst the public.

Mechanisms will also be put in place to develop and collect data that will monitor the mood of tourism businesses and allow the Government to keep its finger on the pulse of business confidence and provide businesses with regular up-to-date information about their performances. The main focus will be to improve the performance of the island’s tourism private sector, through the provision of high quality industry intelligence that can support their business development decisions.

These surveys will not just be administered, but the data will also be thoroughly analysed to acquire the relevant information to be utilized in planning for the sector. Also, survey instruments will be reviewed periodically to ensure the relevancy of the questions and the elimination of information gaps.

The Government will also rely on a solid and in-depth understanding of regional and international markets and visitors to ensure that maximum return on investment for the tourism budget is realised. To this end, the Government will initiate a process to define a highly-specific programme of research for the tourism sector by identifying a set of discrete, feasible and strategically significant research projects that it will champion as the sector's foremost priorities. Forecasting will also become a priority of the Government to provide a five to ten year outlook to help Barbados plan for expected tourism demand. The forecasts will inform business decisions and help tourism officials plan their marketing efforts, resource requirements, and infrastructure and product development needs. Financial institutions will also be able to utilise these forecasts to inform their lending decisions to tourism businesses.

In light of the aforementioned, the research and development capability of the Ministry of Tourism and its agencies will be strengthened as a matter of urgent priority, with respect to the methodology and scope of data gathering and analysis. Greater emphasis will also be paid to the effective transformation of research and consumer trends and insights gathered into profitable innovations and actionable, sustainable marketing and product development strategies that will enable the destination to increase market share and achieve a competitive advantage. Marketing and product development teams will be challenged to formulate proactive strategies grounded in meaningful data. This will ensure that when one source of business dries up, the focus would automatically shift to market segments and feeder markets that bear fruit. Measurement will be undertaken on an ongoing basis to reveal any new shifts in customer behaviour and used as a foundation to assess the success of any new strategies and tactics employed.

8.5.5 Collaboration and Benchmarking Best Practices

The Government realises that, subsequent to the release of the R & D strategy, to make real progress, the sector will need to take a more directive approach to clearly define its priorities and communicate these both to providers and funders of research and development within the tourism sector. In addition to its own research, the Ministry will also utilize the datasets of regional and international agencies such as the CTO, UNWTO, the World Travel and Tourism Council (WTTC), the World Economic Forum (WEF), the Organisation of American States (OAS), the European Union (EU) amongst others, to develop a comprehensive collection of market intelligence that will form the basis of strategic decision-making for the industry.

The role of the Ministry of Tourism's research programme is to ensure that the industry is supported by a high quality body of statistics and research. The Ministry will therefore be benchmarking best practices for research and development from tourism destinations around the globe. Australia and New Zealand in particular, are countries with two of the best research programmes in the world, which enable these long haul destinations to formulate extremely effective and targeted marketing campaigns. A "one-stop shop" for research and development will be set up within the new structure of the Ministry of Tourism that will service both the Product Development Company and the Marketing Company. This will cut out the fragmented and redundant approach that is currently being taken and facilitate a more efficient and streamlined process.

The recently formed Working Group comprising representation from the MOT, BTA, BHTA, BSS, CTO and the Central Bank, will spearhead the change of ensuring that the relevant research is being conducted and that there is more effective collaboration between the main research entities within the tourism sector.

8.5.6 Tourism Satellite Account

In order to further improve the research and development capabilities of the industry, the development of a Tourism Satellite Account (TSA) is also high on the Government's list of priorities. The UNWTO describes the TSA as the "only way to have an overall view of tourism's impact on the economy on an equal footing with all other sectors". It allows countries to measure tourism's true share of GDP in addition to other critical indicators such as induced impacts, expenditure, job creation and tourism capital formation in a manner that facilitates direct comparisons with other key sectors. The development of a TSA therefore entails the reconciliation of supply and demand for a series of tourism-related products, including entertainment, transport, accommodation, food, travel services and other products. Tourists' expenditure on these commodities must therefore be estimated, as must the supply of these goods. Once this information is available, economic linkage can also be demonstrated through tourism satellite accounts.

A properly constructed TSA takes considerable time and resources to develop and may take years to complete. However, the Government is committed to the development of this system as the information that can be garnered from the exercise by Government and industry is crucial for making intelligent and informed policy and business decisions.

Better data provision is one of the key priorities for tourism policy development. TSA will make a significant contribution to this by deepening the understanding of the sector. There are still some reservations in certain quarters and in some cases, at the highest levels, whether the tourism industry actually makes the level of contribution to the economy that is reported. The setting up of a TSA system will finally make it possible to confirm the actual invaluable contribution that the sector makes to the Barbadian economy.

In the longer term, the TSA's potential to inform policymaking and private sector investment should improve both the domestic and international promotional efforts, and the management of the tourism economy to the benefit of local communities. The Ministry of Tourism will continue to play a leading role in TSA development, building on the momentum already created and sharpening the focus on tourism and its importance.

In the interim, the WTTC produces its economic impact research annually for 181 countries, including Barbados, to provide, on a consistent basis, reliable and comparable information to assess Travel & Tourism's current and likely future contribution to economic activity and employment.

8.5.7 Collaborating with the University of the West Indies

The Ministry of Tourism's research programme will be one part of the wider tourism research environment in the island. The University of the West Indies will also be included to play an important role in the contribution of high-level, strategic and long-term thought to the tourism industry. Barbados is endowed with an excellent university system, where there should be stronger collaboration between both the public and private sector in the area of Research and Development. The University and other tertiary institutions will also contribute to the next generation of the industry, by equipping graduates with the skills and knowledge required to lead the tourism sector into the future. The Ministry has forged a close relationship with the University over the years through internship programmes and the utilization of the campus' services to conduct research projects. This partnership will continue to be strengthened in the future.

In order to demonstrate the Ministry's commitment to quality research and development, it will collaborate with the Ministry of Education to facilitate the awarding of scholarships in these areas at the Masters Level. In collaboration with the UWI Tourism Research Centre, the Ministry will also seek to develop a Tourism Seminar series inviting local, regional and international experts from a wide range of disciplines to present on cutting edge topics that are relevant to the further development of the tourism sector.

8.5.8 Research Dissemination to the Industry

A major priority of Government will also be the development of mechanisms for more effective dissemination of the research it sources and produces, to ensure that the industry obtains accurate information on a timely and ongoing basis. Information in the form of internet reports, studies and key travel & tourism data from local, regional and international organizations and agencies, will not just be collected and stored, but interpreted, presented and disseminated. It will be the Ministry's policy to make all relevant tourism research accessible to tourism stakeholders, investors, students, visitors and the general public. This data will be centralised on the Ministry of Tourism's website and accessed free of cost.

Ongoing workshops and seminars will be facilitated by Research Department of the Ministry of Tourism for stakeholders in the industry, to inform and educate them about the trends and other pertinent issues taking place in the global tourism marketplace. This will enable them to be more proactive instead of reactive and better equipped to plan and position their organizations to capitalize on any opportunities and avert any threats that may have a debilitating affect on their operations. Additionally, participation in webinars on the internet that focus on relevant tourism topics, will also be utilized as a cost-effective forum for learning and the acquisition of knowledge and market research. These exercises would provide all tourism agencies and stakeholders with the relevant data they require to make informed, strategic business decisions.

A wide range of academic research has been undertaken in tourism and related fields. However, it is published in many different journals across many disciplines. The Ministry of Tourism and educational institutions will be facilitating the consolidation of research studies and make them available to policymakers, industry operators, financial institutions and all interested parties via the Ministry website, publications, analysis papers and a range of face-to-face communications. Collaboration will be facilitated between industry partners via coordination of a tourism newsletter, practitioner-oriented concept papers, lecture series and annual conferences.

8.6 Pillar 6: Effective Participation and Collaboration

Creating sustainable national development requires that Government carry out its responsibilities in a collaborative manner that includes other members of the society working together to achieve the overarching goal of Barbados becoming a developed nation. Sustainable development involves an integrated whole of community approach. As early as 1987, the World Commission on Environment and Development's Brundtland report raised the requirement for collaboration and partnership building as an integral part of the route to sustainable development. Additionally, the Agenda 21 for the Travel and Tourism industry launched in 1994 by the WTTC, WTO and the Earth Council emphasizes the importance of partnerships between Government, industry and non-governmental organizations and local populations, in order for tourism benefits to reach all stakeholders.

Partnerships are at the core of sustainable development and sustainable tourism. To achieve responsible tourism planning and management outcomes, partnerships must be holistic in outlook and based on sustainable development principles and exist at the national and importantly at local levels. Whatever the tourism objective is - economic development, poverty reduction, protected area management, conservation, cultural development or social justice - the tourism industry must realise the power of collaboration and partnerships. Most importantly is the partnership between local communities and the tourism industry, which provides opportunities for community involvement and participation in tourism.

The current state of the global tourism industry has sparked a movement of unprecedented cooperation between tourism stakeholders in many competing destinations across the world. There is a growing realisation that in order to reverse the misfortunes currently confronting the sector caused by the global economic volatility, improved collaboration and the strengthening of partnerships amongst key tourism players is required as a matter of urgency. This renewed focus has galvanised the industry and all levels of Government to work together to become more competitive, resilient and efficient.

Barbados must also now mobilize itself at the national level to institute a more cohesive and integrated approach to tourism development. In 2001, the Green Paper for Sustainable Tourism Development clearly called for a "new tourism" that was built on a foundation of Participation and Collaboration. This Government is of the view that this underpinning philosophy is even more relevant a decade later in 2011, due to the increasingly complex nature of the global tourism industry.

The old model of economic development was driven solely by central government through policy decisions, spending and incentives. The new model of economic development is a collaborative process involving government at multiple levels, companies, educational and research institutions, and private sector organizations. This partnership ensures consistency within a framework and acts as an effective agent for planning, management, problem solving and change, which enhances, rather than reduces the competitive advantage of the tourism product. Competitiveness is the result of both top-down and bottom-up processes in which many individuals, companies, and institutions take relevant decisions⁹³. The long term survival of the tourism industry will depend on coordinated action between different sectors.

At present, to a large extent, institutional territorialism hampers the type of collaboration that is required at the macro level. Individual entities tend to operate on their own agenda, not recognizing the profitable and obvious strategic partnerships that can and should emerge to facilitate greater socio-economic growth. This is fostered through the absence of policies designed to produce cross-sectoral output. Therefore,

⁹³ Information referenced from a presentation entitled "The Competitive Advantage of Nations and Regions", by Professor Michael E. Porter, which was delivered at the Distinguished Leadership and Innovation Conference, Trinidad and Tobago, March 25, 2011.

there is a need to champion the cause for greater collaboration through a partnership approach amongst the relevant players, as opposed to exacerbating a divisive “us and them” mentality that currently prevails in certain quarters. This is both challenging and important in order to achieve a more sustainable industry. It demands that further dialogue, cooperation and strengthening of partnerships between public and private sectors and civil society. Collaboration between various stakeholders will allow for “joined-up” thinking that would facilitate a more integrated and successful tourism planning, management, marketing, product development, training and education, which will assist the Government in meeting its economic, environmental and socio-economic goals. This will ultimately benefit industry, private sector, tourist consumers and host communities.

8.6.1 Inter-Ministerial Collaboration

The cohesiveness of public policy needs to be strengthened. Effective synergies can only be established when there is consensus among the key decision makers at the institutional level. For tourism to be truly sustainable it cannot operate in isolation, rather it has to be effectively and fully integrated into the national development process. The tourism industry does not have clear boundaries and this is reflected in public policy. Parts of the product are under the control and influenced by a number of Government departments and agencies in addition to the Ministry of Tourism. This means that other portfolio policy managers need to fully understand the dynamics and fundamentals of the tourism industry. Although tourism makes a significant economic contribution to Barbados, it is not always fully considered when policy decisions are taken. Ministries will need to pursue a more integrated approach to tourism policy across Government. These efforts will pay dividends.

The Government will become more involved in tourism, by including tourism representatives in policy consultations and by developing mechanisms for inter-departmental and inter-Governmental communication to consider tourism issues holistically. This cross-sectoral approach to planning, will likely result in better outcomes for all sectors of the economy and society. The future success of Barbados’ tourism depends on a shared vision and the actions of a wide range of public and private players that will work closer to facilitate an environment that creates a competitive and attractive tourism product.

Closer collaboration at an inter-Ministerial level between relevant Ministries that oversee International Transport, Culture, Agriculture, the Environment, Energy, Finance, International Business, Sports, Health, Community Development, Transport & Public Works and so forth, must continue to be forged and strengthened. This will ensure that effective linkages are created that would result in positive economic growth and employment generation for the island.

8.6.2 Public/Private Sector Partnerships

The extremely high levels of uncertainty and volatility currently plaguing the industry are predicted to increase as opposed to lessen in the future. This means that the Barbados tourism industry must as a matter of urgent priority, adopt an unprecedented level of collaboration and commitment from all the stakeholders in the private and public sectors, NGO’S, CBO’S, Labour and civil society.

The private sector provides basic tourism products, facilities and essential services, such as accommodation, transport, restaurants, retail attractions and even experiences. This sector ranges from large vertically, horizontally integrated global corporations, such as tour companies, airlines, hotel chains, to small locally owned businesses, such as small hotels and craft shops. The private sector therefore plays an essential role in the development and management of tourism. They represent a pooling of knowledge,

expertise, capital and other resources from various stakeholders and therefore must be equally involved with Government in the management and sustainable development of the industry.

One of the strongest themes to emerge out of the extensive consultation process for the White Paper, from every level of tourism stakeholder, including members of the general public, was the need for constructive and ongoing collaboration between all tourism stakeholders. This singular issue was identified as one of the major hindrances to the effective planning, management and development of the industry.

The most common concern expressed was that the main tourism related agencies in Barbados, “do not speak with each other” on an ongoing basis. The view was expressed that they tend to operate in isolation on a plethora of tourism projects, studies or initiatives without collaborating to achieve a common purpose. This separation of duties over the years has resulted in widespread redundancies and wastage of scarce resources (both financial and human), as well as an *ad hoc* approach being taken to the management of the sector.

The mandate of the Government going forward, will be the creation of a strong culture of cooperation, which will entail embracing a philosophy of strategic partnership as a tool to improve efficiency in all relevant areas of governance for all the stakeholders. Strengthening the public/private sector partnership will assist tourism to effectively meet social, political, economic, technological and environmental goals, which will benefit industry, private sector, tourist consumers and host communities.

The marketing and development of Barbados’ tourism shall be a partnership between the Government, the private sector, NGO’s and CBO’s, guided by policies and structures that facilitate group effort and investor confidence. Partnerships for effective management and marketing are crucial if tourist destinations are to avoid major impacts of the economic recession, while innovation becomes a key tool for maintaining competitiveness, increasing sustainability and attracting new layers of consumers in the future.

Tourism is predominantly a private sector activity, but it also involves a substantial public sector interest. Government’s role is to create the enabling conditions for productivity and foster private sector development. This is why there needs to be a harmonious relationship between these two sectors if Barbados is to take full advantage of the opportunities that tourism development provides in wealth creation and provision of employment. Collaboration between the BHTA and the BTA has improved dramatically in recent years and this relationship is expected to continue and grow. Ultimately, close and consistent cooperation between the public and private sectors will benefit the entire tourism industry in a variety of ways, including destination marketing, product diversification, capacity and infrastructural development, investment and human resources development.

The development of a successful tourism industry is a shared responsibility and as such, the Government will seek to further strengthen the existing relationships among the various groups that make up the tourism cluster – airlines, cruise lines, attractions, hotels and villas, restaurants, retail, taxi and ground transport providers, tour operators, craft vendors, trade associations, CBOs, NGOs and other industry organizations, (Refer to Chart 6). Governments and industry will also work cooperatively to increase investment to ensure that the right infrastructure and a service oriented labour force are in place to facilitate the development of a high quality, year round product that can meet the ever-changing needs of the contemporary traveller.

Figure 7: Tourism Cluster



Source: Professor Michael E. Porter, 2011

There also needs to be a more effective synergy forged between the main tourism entities, such as the Ministry of Tourism, the BTA, the BHTA, Barbados Tourism Investment Inc. (BTII), Tourism Development Corporation (TDC), and Invest Barbados, which oversee the policy formulation, marketing and promotion, investment and product development components of the industry. A greater level of cohesion amongst these critical entities will ensure that there is a common vision and a singular and comprehensive strategic plan in place for the further development of Barbados’ tourism industry. The public and private sectors will also respond to issues as they arise in the course of the development of the tourism industry in a dynamic international context and work with other Government departments and agencies to address key areas which include:

- competitiveness, productivity and skills;
- product development and innovation;
- access and marketing;
- sustainability; and
- the strategy implementation process.

The issue of collaboration is especially critical, as this is what will be required to ultimately ensure the successful implementation of the Tourism Master Plan.

With the increase in frequency of natural disasters, another area of cooperation is in crisis preparedness, management and recovery. Recent events have shown that the tourism industry must forge links with providers of humanitarian and emergency services to develop capability to respond quickly and professionally in the event of a disaster. Another area that lends well to cooperation is the adoption of industry standards and accreditation to facilitate quality enhancement and sustainability. Lastly, the central importance of the physical environment to tourism, demands that the tourism sector places itself at

the centre of any decision-making process concerning the environment. Members of the tourism industry will be represented on as many environmental decision-taking forums as possible.

The process of collaboration in the critical area of research has already commenced and must be sustained in order to ensure that it ultimately redounds to the benefit of the industry.

8.6.3 Community Involvement

The average Barbadian generally feels “left out” of the process and as a consequence, there is a massive disconnect between the tourism industry and the local population. This is also as a result of a lack of ongoing dialogue and communication between the public and private sectors, and the general public. There is currently no official consultative process in place to actively engage Barbadians on an ongoing basis to involve them in the development of the industry. Poor collaboration has also resulted in linkages between tourism and other key sectors not being fully realised, to the detriment of the local economy whilst the average Barbadian continues to feel sidelined by the industry. These are two situations that need to be rectified as a matter of urgency. Mechanisms will be put in place to engage these segments in a way that will spur entrepreneurial activity in the short to medium term. Sustainable tourism in Barbados will not be achieved without the effective involvement of the local population. Improved participation, transparency and accountability will dramatically increase the public’s confidence in the sector.

The Government is of the view that Barbadians are integral to the success of the tourism industry and therefore must be central to every tourism effort. The mandate of creating opportunities for greater involvement by locals in the industry will require greater effort on the part of the Ministry to proactively engage these constituents to educate and increase tourism awareness and to forge strategic alliances by setting up frameworks that would institutionalise their involvement in a tangible and sustainable way. The average Barbadian would hardly take the initiative to approach the Ministry of Tourism or the Barbados Tourism Authority offices. Therefore, these entities will lead the process by going directly to the people in their communities. This will be achieved through the facilitation of innovative outreach programmes that will be specifically designed to be engaging, informative and highly effective.

8.6.4 Vision for Effective Participation and Collaboration

At present, there exists a gap between the standard that is required with respect to effective participation and collaboration and the actual state of affairs. However, the stakes are high, due to the fact that the tourism industry is the country’s greatest hope of achieving sustained economic recovery in the short to medium term. At this crucial juncture of the island’s development, a non-negotiable approach will be taken to ensure that a fully integrated tourism industry is created that is inclusive, competitive, sustainable and crisis-resilient. This will require the creation of a culture of collaboration and fostering commitment at all levels of the industry. The Government realizes that there is an urgent need to fulfil this goal, and will be putting the relevant measures in place to implement the following:

- development of a shared Vision among all the key stakeholders for achieving a common goal of developing a world class tourism industry;
- development of a strong culture of cooperation that embraces a philosophy of strategic partnership as a tool to improve efficiency in social, political, economic, technological and environmental areas for all the stakeholders;

- development of horizontal and vertical linkages among relevant institutions to reduce redundancies and wastage, and improve planning, information sharing and efficiency;
- development of an integrated approach to policy formulation and planning at the ministerial, sectoral and national levels;
- facilitation of the participation and involvement of stakeholders, particularly local communities and ‘previously neglected groups’ at all levels of the tourism development process; and
- forging of strategic alliances with regional and international agencies.

8.6.5 Ministerial Council on Tourism

As the country’s main foreign exchange earner, this Government understands the critical importance of inter-Ministerial collaboration on matters concerning the tourism industry. Therefore, in order to facilitate enhanced cross portfolio engagement between the Government Ministries with respect to the incorporation of tourism into the policy development of key sectors and the forging of stronger inter-sectoral linkages, the Government will convene an Annual Ministerial Council on Tourism, to provide a national leadership forum for matters affecting the industry. A selection of Ministers in key tourism related Ministries will make up the core group of Ministers, with other Ministers being co-opted as necessary. This will ensure that there is a deeper level of integration and functional cooperation amongst the various sectors with respect to policy coordination and joint action.

If a tourism industry event or issue occurs of such a significant nature that it requires full governmental attention and consideration, the tourism industry through the Minister of Tourism may request that the Ministerial Committee meet to discuss the issue. A forum like this will prove to be particularly useful in light of the fickle nature of the sector and the new normalcy of a highly volatile and unpredictable global environment. These measures will provide additional assurance that the significance of tourism issues is recognized and adequately considered in the development of broad governmental policy.

8.6.6 On-going Consultations

Similar to the Green Paper ten years ago, the crafting of this White Paper stimulated a series of extensive consultations, which involved a number of stakeholders from the public, private sectors, NGO’s, CBO’s, labour and the local population. However, what usually occurs is that once the process is over, this high level of communication and consultation also ceases to exist. This Government is committed to ensuring that an effective communications strategy is created to make sure that all the tourism stakeholders are informed about the progress that is being made within the industry and are involved in the decision-making process. The Ministry of Tourism will take a proactive approach to ensure that mechanisms are put in place that would facilitate ongoing dialogue with all stakeholders. This will be facilitated through ongoing Town Hall Meetings, Focus Groups, the media and similar types of fora. This process will introduce a higher level of transparency and accessibility that will result in a more informed strategic partnership.

Technology will be utilized as the primary tool to facilitate improved communication. The Ministry of Tourism’s website will be utilized as a channel through which timely and relevant information will be provided to the stakeholders on a consistent basis. This will ensure that all stakeholders are kept abreast of the inner workings of the Ministry with respect to research and development, tourism projects,

programmes and conferences, policy formulation, investment and career opportunities, product development, marketing and promotion and so forth. Ongoing feedback will also be solicited and encouraged to ensure that a genuine sense of ownership and involvement is cultivated amongst Barbadians with respect to the development of the tourism industry.

8.6.7 Annual Tourism State of the Industry Seminar

This annual seminar will be convened to provide a forum for all the relevant stakeholders to meet and deliberate on wide ranging issues impacting travel and tourism locally, regionally and globally. Participants will be afforded the opportunity to strategize, brainstorm and share ideas on these matters, by examining how current market dynamics and global trends will affect the industry. Appropriate responses will also be formulated to meet these challenges and capitalize on stated opportunities.

Local, regional and international experts will be invited to discuss trends and other relevant issues that are shaping the landscape of the tourism industry in the short, medium to long term. Specific issues affecting the local industry will also be discussed and practical, tangible and implementable solutions identified that will result in problem solving, innovation and performance enhancement. This will create a more informed and knowledgeable stakeholder base that will facilitate more effective planning and management of the industry in a way that will enhance its capacity to withstand any future external shocks.

This level of national cooperation will also support the strengthening of institutional capacity by bringing together tourism stakeholders with more sophisticated tourism management and marketing programs, with others whose programmes are less advanced. Therefore, these sessions will offer a means to share information, brainstorm on opportunities and to build short, medium and long-term strategies to address common issues. Opportunities will therefore be created to allow for a more integrated approach to be taken to the strategic and proactive planning of the way forward for the industry that would be beneficial to all tourism players, including local communities.

8.6.8 Strengthening Regional Cooperation

Previous insular approaches by Caribbean Governments to discuss critical challenges facing the region have no place in the New World Order of tourism. Cooperation at the regional level is now inevitable. The establishment of a framework for cooperative interchange with other islands, particularly in the areas of multi- destination marketing, cruise and airlift will allow Barbados to extend its reach and minimise its marketing spend. Caribbean nations must continue to cooperate regionally, meeting the challenges engendered by an increasingly globalised tourism economy and tackling at the regional level, those policy issues where a regional approach provides added value. Closer integration will give the Caribbean more clout and brand recognition. If there is failure to achieve the required level of collaboration, the region runs the risk of being placed at a competitive disadvantage within the global tourism arena.

The Caribbean's market share of international tourism is decreasing – especially that of the CARICOM countries. This is in part due to the region's weak approach to marketing. The case for regional marketing rests on the sound foundation that the Caribbean tourism brand is already better known and more easily sold than that of any single Caribbean country and presents a higher platform from which each country, especially the smaller destinations, can promote its own product. For decades, the Caribbean Tourism Organisation has been promoting the benefits of marketing the region as a single brand. However, this critical goal has remained elusive thus far, as the Caribbean, unlike its competitors, has not been able to

develop a comprehensive, sustained regional marketing programme in the major source markets. This has put the region at a competitive disadvantage. While the Caribbean continues to falter, its major competitors are taking a more collaborative approach to destination marketing. The European Travel Commission (ETC) launched an integrated website (www.visiteurope.com) in 2009, presenting Europe to travellers as a one-stop platform. The Travel Association of America has also recently launched an official travel website of the United States called *Discover America* as a marketing platform for all the various destinations of the U.S., which traditionally competed against each other. This allows international travellers to access information across a range of state and city destinations build itineraries, find information and book deals. Many major destinations are also enhancing international government-to-government relationships with respect to tourism, through a range of bilateral agreements and participation in multilateral fora.

More effective collaboration between the Caribbean islands could re-write the way the region presents itself to its markets and holds promise for significant returns. This is a pivotal time for Caribbean tourism, as it faces a bleak outlook in the foreseeable future, especially with respect to its growth and competitiveness. An injection of marketing and collaboration among members could produce significant results despite market conditions. A collective approach to the market would provide – (a) brand establishment, and (b) economies of scale.

Regional cooperation through effective destination marketing, agreements on joint airlift, visas, taxes and other initiatives, can be mutually beneficial to Barbados and other partner nations, as part of a broad based strategy to boost arrivals. Effectively marketing multi-destination tour packages in the Caribbean, targeted at important source markets, can be supported only when the respective islands consistently establish close cooperation among their respective tourism industries. The product offering of each island possesses a distinct uniqueness that perfectly complements each other. The benefits are that new customer segments can be exploited by offering eco-tourism, upmarket/luxury experiences, cultural heritage tourism, culinary tourism, health and wellness tourism, horticulture tourism or volun-tourism in one Caribbean package. These types of travel formats will empower local communities to actively participate in the tourism sector and thus drive economic development.

8.6.9 International Collaboration

Tourism is not only an important trade and economic driver it is also a positive force in developing and deepening Barbados' relations with other nations. The Ministry of Tourism will continue to work towards enhancing international government-to-government relationships through a range of bilateral agreements and participation in multilateral fora. This involvement reflects the importance of tourism in international trade and global markets. Barbados will pursue more active involvement in multilateral fora such as the UNWTO and the WTTC. Through the forging of strategic alliances with these world tourism bodies, Barbados can make a positive contribution to the development of world tourism and it is timely that it does so now.

Membership will offer Barbados the opportunity to become more involved in the sustainable development of tourism. Importantly, it will also allow Barbados to directly influence the policy direction of world tourism, expand the network of contacts in specialized expert areas, exchange vital information and data, build knowledge of key international tourism developments and grow capacity in the areas that have the potential to generate significant export revenue for the tourism services sector. It will also provide a focal point for member nations to stand resolved against threats to international security and the safety to international tourists. As one of the foremost and most mature destinations in the Caribbean, Barbados needs to assume a more prominent role on the international tourism stage. This will raise Barbados'

international profile and level of awareness of capabilities across a range of areas, as well as expand the island's international network of contacts. As a result, important opportunities will be presented for forging strategic alliances that will benefit the development of the local tourism industry.

8.6.10 Participation and Collaboration: A National Imperative for Success

This White Paper seeks to provide a framework to achieve such goals and is, in essence, a call to action for every Barbadian to rally behind this unifying direction to develop a world class, highly competitive tourism product, as well as to capitalize on every opportunity the industry offers for creating revolutionary short to medium term economic and social growth and development.

The overarching vision of the Government with respect to this issue, is for the creation of an integrated tourism industry where everyone is working in cohesion towards a common goal. Effective collaboration is vital at this critical point in time when the global tourism industry seeks to rebound from the impact of the lingering global economic recession. Working together to confront these challenges will result in the island experiencing a more crisis-resilient growth and show a consistent advantage over competing tourism destinations. As the main driver of the economy and major foreign exchange earner for the island, it is an imperative that the Ministry of Tourism leads the process and takes a more proactive approach to initiating ongoing contact and meaningful engagement with the relevant government and tourism agencies and the local communities to ensure that there is ongoing consultation on important matters that pertain to the industry. The structural reform of the Ministry will result in better synergies between all the relevant stakeholders.

8.7 Pillar 7: Access

As a medium-long haul destination for most of its source markets, Barbados is totally reliant on air and sea access for visitors to be transported to its shores.

A country's overall tourism access policy is premised upon how, why, when and what type of airline or cruise line will service the country. This policy will be based upon a series of complex variables such as international treaties, consumer trends and requirements, the demands of security, maintenance, effective, appropriate, cost-efficient and timely services, and the rising costs of operations and fuel. The attraction of airlift or marine service has therefore become very complicated, expanding the challenge to Government and tourism planners to ensure that seats/cabins are available to bring visitors to the island. It is therefore critical that Barbados establishes itself as a preferred location for both airlines and cruise lines seeking to establish a base of operations or hub/ship itinerary to add to their route network.

The air transport sector has been the subject of considerable change globally in recent years because of deregulation, volatility in the price of oil and the introduction of low cost carriers. Costs have been trimmed by cutting non-fuel unit costs, offering reduced services, maintaining simple fleets and the utilisation of internet-booking system. Since extra charges took off in 2008, airlines have increasingly charged for things like checked baggage and other add-ons such as in-flight food and entertainment, pillows and blankets and even seats with extra leg room. Although there was a backlash by air passengers, outraged that what was once standard issue had become a luxury, the airlines persevered — and it has paid off. The \$22 billion that was generated in 2010 is 96% higher than the ancillary revenue in 2008 — when much of the extra cash airlines earned came from partnerships with hotels and credit cards.⁹⁴ According to the Amadeus Worldwide Estimate of Ancillary Revenue for 2011, \$32.5 billion is the estimated amount the global airline industry will make in ancillary revenues, which is a 43.8% increase over 2010⁹⁵. Travel has therefore become more expensive and is more of a hassle to the consumer than in times past.

Airlift is critical to the existence of the Barbados tourism industry, therefore, the issue of aviation must be tackled head-on. Securing new airlift is also an expensive undertaking and must therefore be conducted in a strategic manner, not to place an undue fiscal burden on the public purse, while still opening access to potential visitors. The acquisition of adequate and affordable airlift is of critical importance to Barbados and must be done in a holistic and strategic manner, to ensure it dovetails with the island's current marketing and promotional efforts. If this is not achieved and the air carriers do not provide sufficient seats/capacity to support the tourism plan, all marketing and promotion and tourism development initiatives are severely compromised. Conversely, once the seats have been secured, a more effective job has to be done to fill them on a consistent basis. This means that an effective “pull strategy” must be developed and implemented, which ensures that the tourism product offered on the ground is capable of attracting the quantum and mix of customers needed to meet legitimate airline expectations of yield and profitability.

Consequently, synergies must exist between the marketing and promotion, tourism investment planning and promotion, and access strategies. Barbados already has well established routes out of its key sources markets. These should and will be maintained. However, as the island seeks to further expand and diversify its market base, advertising the island's tourism product to emerging markets and securing access from these non-traditional markets, will also become a major priority. Thus, the timing to enter new service agreements must be matched with strategic and creative marketing and promotional efforts in

⁹⁴ Frances Romero, Airlines Take in \$22 Billion from Add On Fees and Partnerships, <http://www.newsfeed.time.com/2011/06/02/>, (June 2011)

⁹⁵ Rob Lovitt, Airlines Rake In Billions In Add-On Fees, <http://www.overheadbin.msnbc.msn.com/-news/>, (October 2011)

these new markets.

Also of great importance to Barbados and the Caribbean region as a whole, is the issue of intra-regional travel. Simply put, the cost of intra-regional travel is too high. Other challenges involve the fact that the Caribbean has been traditionally predominately monopolised by one or two legacy carriers linking the island to its main international source markets and therefore lacks competition to increase service and drive prices down. In recent times, low cost carriers have provided a viable alternative option on certain routes. In addition, current ticket taxes are also burdensome to travellers, in particular, travellers in the Caribbean and out of the UK.

The implementation of the Air Passenger Duty (APD) in the UK has had a crippling effect on tourist arrivals to the Caribbean region. Due to the increased cost of the airline ticket in these times of great austerity, Barbados' competitiveness in the UK market has been severely affected and as a result, the island has also experienced a drop off in numbers from its major source market. The UK Government announced in December 2011 that it will go ahead with a 10% increase in the tax in April 2012, despite intense lobbying against it from airlines, travel industry associations, destinations and companies on both sides of the Atlantic. The tax will now increase on flights to the Caribbean from 75 to 81 pounds. The last increase was enacted in November 2010, when the tax rose 50% on Caribbean flights⁹⁶.

Not only did the UK Government increase the tax, but it will continue to discriminate against the Caribbean in relation to the four-tier banding aspect of the APD system. These actions have provided a further and unwelcome setback for the region's tourism industry. This Government remains of the view that under the present system, the bands are inherently discriminatory and will continue to lobby with its Caribbean member states for amendments to the existing band system at every level of the UK Government.

For years, exorbitant air fares have been crippling the development of intra-regional travel. Though the third largest source market for Barbados, arrivals and expenditure levels from this segment have been steadily decreasing since 2006. To reverse this trend to the greatest extent possible, this Government will be encouraging healthy competition in the Caribbean airlift and endorsing the setting of standards for monopoly carriers such as LIAT with the goal of improving service standards and driving down costs in the marketplace. The long touted development of a fast ferry inter- island system between Trinidad and Barbados and other Eastern Caribbean islands is also being supported by this Government.

With respect to cruise shipping, Barbados is currently not capitalizing on the full potential of this market. The development of a sustainable and efficient cruise industry can have a considerable economic impact. When the ships are in port, they source supplies, such as fuel, food and beverages and other critical services. Passengers disembark and take tours and patronise local businesses. While the average spend per cruise visitor is only US\$68, the onus is on the public and private sector stakeholders and the local communities, to create the type of unique, innovative, authentic products and services that would not only raise the disembarkation ratio, but also create the conditions where people want to spend money. The increased expenditure will be predicated on the fact that they are being exposed to truly stimulating and memorable Barbadian experiences and receiving commensurate value for money.

Strategic interventions are necessary at the seaport to ensure a more welcoming and palatable environment is provided for cruise passengers. In addition, the quality and price competitiveness of berthing facilities and access to ancillary services are important factors to attracting cruise operators to the Barbadian port. At present, port duties are high. This coupled with the fact that Barbados is not a twenty-

⁹⁶ Gay Nagle Myers, UK proceeds with Air Tax hike despite industry outrage, <http://www.travelweekly.com/> (December 2001)

four hour porting destination, hampers the opportunity to maximise the benefits of the cruise tourism industry. Additionally, Barbados is also not seizing opportunities to dialogue more frequently with cruise officials at the highest level.

The Government is already committed to the expansion of both the air and sea ports on the island. Currently, the Grantley Adams International Airport is undertaking the development of a Master Plan. This Plan will govern the operations of the facility over the next twenty years and enhance the overall airport infrastructure primarily from a logistical and technological perspective. New cruise ship pier facilities are also being developed by the Barbados Port Authority. The enhanced infrastructure at these two ports of entry seeks to solidify Barbados competitiveness in terms of capacity and access to these shores.

Not discounting the importance of the aforementioned, the significance of the port of entry experience to visitors cannot be overstated. This component has the capacity to taint traveller's opinion of the island from the time they reach the island. The Barbados airport and seaport and the services they provide, are critical for inbound and outbound tourism and thus have a powerful influence on Barbados' image as a tourism destination. The manner in which travellers are processed at air and sea ports forms both the first and final impression of Barbados and can leave a powerful imprint, either positive or negative, on the visitor experience. Therefore, every effort must be expended to ensure that the first and last points of contact that the island has with its visitors are professional, friendly and memorable experiences. Thus, there must be improvements of the technical and customer service skills of the workforce responsible for:

- immigration – improving the quality of the interaction between visitors and immigration officers;
- customs – the treatment of visitors by custom officers;
- handling and procedures – improving the red cap and taxi services;
- the overall welcome and aesthetics at the ports of entry.

8.8 Pillar 8: Standards and Regulations

In an increasingly global tourism market, it is essential for the Barbadian tourism industry to continuously strive for improvement in its performance in order to maintain and increase its international competitiveness.

Success in a people oriented industry such as tourism is heavily dependent upon a reputation of excellence, which comes from friendly, efficient service and tourism products that offer quality and value that meet or exceed customer expectations. It takes more than physical attractions to lure visitors to tourism destinations today. Although travellers look for natural beauty, they also want to be comfortable and secure in the fact that they are not being short-changed. Concisely, they want value for money. And not only value in terms of being able to pay affordable prices for accommodation, meals and attractions, but that these products are also of an acceptable standard.

An excellent reputation can be diminished by low quality and this is what has been occurring for some time within the Barbados tourism industry. Complaints about a tired hotel plant, lack of operational standards and poor/inconsistent service, have been expressed by visitors and the travel trade alike. This, along with some negative reviews on social media has been having a debilitating impact on the Barbados' image in the market, making it extremely challenging to promote the island effectively and with confidence. There is an urgent need to raise industry standards in order to ensure that there is a more consistent and enhanced performance across the entire sector, as well as to protect the Barbados Brand.

While the Government of Barbados believes that tourism accreditation is fundamentally an industry responsibility, it also understands the importance of its direct involvement in setting up monitoring systems to ensure that standards are being adhered to. This will ensure that the island's reputation remains intact, value for money is perceived and that Barbados is delivering on "the promise" that forms the basis of its national marketing efforts. The Government therefore promotes the principles of continuous quality improvement in all aspects of the tourism product. Also of crucial importance, is that health and safety standards in all tourism operations are maintained. For decades, successive Barbadian governments have understood the crucial importance of ensuring that the industry maintains and improves its standards to maintain the island's competitive edge.

The development, promotion and enforcement of world class standards can therefore be viewed as a prerequisite and a major and necessary objective for the enhancement and sustainability of the tourism industry in an extremely competitive global tourism environment. Barbados' tourism industry must therefore embrace standards and regulations as a way of life, to ensure the sector remains current, innovative and competitive. However, the requisite framework, knowledge and awareness of the benefits from standards and regulations must be permeated throughout all organizations to ensure each and every employee understands the importance of a high quality product and service to both locals and tourists alike.

Based on current trends, Barbados already has the product, or is well suited to produce the type of product that new markets are seeking. However, as a medium-long haul destination, which is expensive, the island has to raise the standards and quality of its product offering and find ways to lower operating costs in order to become more competitive. This is a prerequisite if the island is to successfully retain or capture increased market share, combat the burgeoning global competition, including the growing trend of Staycations and regional travel in its major source markets.

8.8.1 Standards for the Tourism Product

Barbados' tourism environment covers a few major players and a larger number of small and medium-sized entities. However, there exist few operational standardised large platforms which guide the operations of the tourism industry outside of the accommodation sector, as it relates to transportation, restaurants; tour guides, tour operators, and attractions, inclusive of water sports. The absence of set protocols, classifications or legislations to govern such activities within the sector may erode Barbados' competitiveness as quality of service and products may be reduced, visitor and local's safety compromised, as well as the proliferation of unsustainable business practices and environmental degradation. Additionally, each standard that is developed must have a training component for each sub-sector to ensure world class service delivery.

8.8.2 Accommodation Standards

A critical component of the Barbadian tourism product is the operational and service standards of the hotel plant, which need to be upgraded as a matter of urgent priority. The sustainability of Barbados as a high quality destination is inextricably linked to the quality of the tourism asset, with particular emphasis on the hotel and accommodation product, as this is one place that tourists see every day of their visit to the island and can impact negatively or positively on their experience. More importantly, the hotel sector continues to be the accommodation of choice for the majority of visitors. An analysis of tourist arrivals by indicated accommodation in the Central Bank of Barbados Economic Review 2011, showed that over the last seven years (2004 –2010) approximately 66% of tourists indicated that they were staying at "hotels etc". During the period January 2004 to August 2011 the percentage of tourist arrivals intending to stay at hotels etc. ranged from 49.6 % to 75.4 %⁹⁷.

The Barbados tourism product, particularly its hotel plant is 'dated' and in need of rejuvenation. Unlike several of its Caribbean counterparts, Barbados has failed to attract major hotel brands to its shores, besides the Hilton and more recently a Marriott Courtyard. Successfully attracting these multinational brands will not only assist in increasing arrivals from the "brand loyal" U.S.A. market but will also elevate operational and service standards within the industry. Research indicates that branded hotels are more successful than independents because of the power of their brands, the loyalty of their clientele and the efficiencies that they bring to the operation due to their size and experience. They have been shown to significantly increase awareness of small islands, as the brand itself in many cases, exceed the awareness of the island as a tourism destination⁹⁸.

This state of affairs is also having a debilitating impact on the island's competitiveness and therefore, must be addressed as a matter of urgency. The changes in the readiness of consumers to pay for substandard products and services and to broadcast negative experiences will, without a doubt, bring about some changes in the tourism sector in the near future.

A high quality tourism product cannot be established without the presence of high quality accommodations in the tourist economy. In order to attract more high-yield customers, a greater focus has to be placed on upgrading the existing plant. It is found that the hotels that make a consistent commitment to maintenance and refurbishment continually receive positive comments from tour operators and visitors alike and this approval is usually reflected in higher occupancy levels. These properties should be seen as an example to be benchmarked within the industry. One of the main reasons given for dilapidated hotel

⁹⁷ Allan Wright, Andre Burgess, Sheryl Peter, Alexis Lescott, Shawn Skinner and Lennox Agard, Estimating Average Intended Length of Stay of Tourist Arrivals to Barbados 2004 – 2011, Economic Review *Volume XXXVII, Issues 4*, pg.35.

⁹⁸ Property Consultancy Services Inc., "A Study on the Competitive Tourism Environment which Barbados Faces: Its Challenges and Solutions", December 2009, pg. 105.

assets in Barbados, are the high costs of construction and refurbishment. However, while many of the banks require that hotels maintain a replacement reserve each year, there is no mandate to ensure that these funds are actually used to continually improve and upgrade⁹⁹. In these challenging times, the industry cannot afford to be complacent, therefore, operators of existing accommodation facilities will have to motivate themselves to invest in the upgrading of their product as a matter of priority and urgency.

Hoteliers around the globe are looking forward to 2012 with a “cautious optimism” – something that has been distinctly lacking in recent years. Some hotel owners can see the light at the end of the tunnel and many are considering expanding their businesses and expanding their existing stock. Typically, guest room refurbishment can fall into two broad categories, refreshment and re-branding. The industry standard is that refreshment is commonly required every five to seven years and involves adding new elements to the rooms to ensure that the hotel remains competitive in its target market. This will include redecorating, replacing furniture, fittings, equipment and minor works that improve the ease of operation. Re-branding or re-modelling, aims to move the hotel into a different sector and increase room rates. This can involve creating new guest rooms using redundant space, replacing services and bathrooms, changing room and area layouts or introducing new guest facilities, such as IT and in-room entertainment¹⁰⁰. Many businesses around the globe are seeking to upgrade and improve their product and therefore, Barbados will have to do as well.

Attracting investment in accommodation of four and five star quality, preferably international brand name hotels and ‘locally-grown’ high quality Destination Resorts, also has to be a priority for the industry, as presently the sector is largely dominated by accommodation that it not up to the required international standard. However, while internationally branded five (5) star hotels will elevate the standards on the island with respect to service and operational standards and marketing reach, in the final analysis, the issue of *quality* must always supersede that of *brand*. This is particularly so, due to the fact that the majority of the Barbados accommodation sector is made up of small, locally owned and operated properties.

A national culture of excellence must take root within the tourism sector, where the island in its entirety is known as a *quality destination*, no matter what the designation of the establishment. The Barbados Brand must stand for excellence, whether it is be a one, two, three, four or five star property. Quality and standards must not be deemed to be the sole domain of a four or five star establishment. This is the ultimate goal that the tourism businesses in Barbados must aim for. Once Barbados develops a reputation for quality, the destination will sell itself. The capacity to achieve this in the short to medium term will determine the future success of the industry.

The fact that over 70% of the hotels in Barbados are small hotels, presents an excellent opportunity to raise the standards through the development of a high quality product of eclectic boutique hotels with a unique Caribbean flavour, locally styled furnishings and local cuisine, which offer high quality, personalized Barbadian hospitality and service.

⁹⁹ Property Consultancy Services Inc., “A Study on the Competitive Tourism Environment which Barbados Faces: Its Challenges and Solutions”, December 2009, pg. 115.

¹⁰⁰ Latest Trends in Hotel Refurbishment, www.hotel-industry.co.uk/2011/09/hotel-refurbishment-trends/, (September 2011)

8.8.3 Reforming Quality Assurance Methodology

The Registration and Classification of the accommodation sector still remains under the ambit of the Barbados Tourism Authority, through its Quality Assurance Department. Properties are audited by the department's staff of four (4) inspectors. It is mandatory for hotels, apartments and guest houses to renew licenses every year once they comply with the minimum standards laid out by the Barbados Tourism Authority. Properties that fail to comply are not eligible to be marketed on the national website. As an incentive, operators are granted 50% off their land tax. There are however, currently no regulations for the villa segment. Restaurants are not licensed or classified, rather, Mystery Shops to quantify and assess service and culinary standards are conducted by the Quality Assurance inspectors.

While there is general compliance to the licensing of the accommodation sector, several challenges have been confronted in the area of the classification of the various properties. Several industry stakeholders have rejected the Barbados Tourism Authority's classification guidelines and instead have "self classified" their own properties. This has resulted, in several cases, of properties advertising themselves as three or four star properties, when in reality they offer a lower level of service, amenities or standards. This presents a very serious situation for the industry, as this unethical practice results in disgruntled customers and can sully the reputation of Barbados and do irreparable harm to the entire industry.

A greater level of destination management will be exercised by Government to ensure that national tourism funds that are expended on the sector are complemented by the required high standard of operational and service excellence. The system will not only have to be regulated, but also constantly monitored to ensure conformity. Therefore, in order to be successful and impactful, the existing Quality Assurance Department must have the requisite legal teeth and human and institutional capacity to conduct ongoing inspections and Mystery Shops in a transparent and innovative manner, to ensure standards and regulations are being adhered to. It is also necessary for a review of the Hotel, Apartment and Guest Houses (Registration and Classification) Registration 1982 Cap 342 to be undertaken to ensure lawbreakers are penalized for their nonconformity. Additionally villas, restaurants and other sub-sectors within the industry must be brought under this law, as they also form a major part of Barbados Tourism product with which tourists interface. Currently, work is being undertaken by Government to relook the standards of the Home Accommodation Programme. The review of existing standards and regulations and the development of new ones for the sector will be broadened to research methodologies which identify the highest levels of business and service excellence for organisations in the hospitality industry.

8.8.4 Adoption of New Business Models to ensure Industry Sustainability

For the tourism industry to be sustainable there must be an urgent change of mindset with respect to standards and quality within the sector. In these times of great fiscal challenges at both the private and public sector level, organisations have to find ways to do more with less. At all costs, Barbados has to maintain a reputation for quality, if it seeks to remain a global destination of choice. The Government has heavily subsidized the tourism sector through times of economic recession. The marketing of the tourism sector is also heavily subsidized by Government to the tune of approximately BDS\$100 million annually, which is an exorbitant sum, when compared to the budget allotments of other Caribbean islands.

The global economic recession of 2008, has crippled the industry and eroded the viability of many businesses. Therefore, over the financial periods of 2008/09 and 2009/2010, the tourism accommodation and ancillary services registered under the BHTA were provided with relief of \$24.4 million dollars provided through the Tourism Industry Relief Fund (TIRF) against a background of fall-off in arrivals of around 5% and a reduction in spending on island by visitors. The allotment of this Fund by Government was specifically to assist providers of tourism accommodation and other ancillary services to remain in

business and maintain employment levels during the global economic recession. This goal was achieved as employment levels were largely maintained within the sector during the worse of the economic crisis.

The Government fully understands the critical importance of the tourism industry to Barbados' economic survival and plans to continue to support the growth of the sector. However, Government's current fiscal position means that its capacity to do so in the future will be constrained. Millions of dollars can no longer be invested by Government in marketing and subsidizing a mediocre product. Therefore, the sector has to become less reliant on Government subsidies and secure its own survival by becoming more efficient, profitable and globally competitive.

In order to elevate the standard of the industry, the onus will be on the private sector to urgently re-examine and reconfigure their business models to become more viable and sustain a year round tourism industry that offers a quality product, where value for money is perceived. This will call for the institutionalization of more efficient operations, better utilization of energy and investment in green technologies and human capital. The tourism product must also be further revamped and enhanced through the introduction of new technology and new rooms in order to ensure that the plant and room stock always remains up to the required standard. There must also be a new approach to cost management and operational efficiencies in the industry and this demands creative approaches be taken to tackling the energy issues at the base of these spiralling costs.

Proactive sustainable policies must be adopted within organizations to ensure industry success. Sustainable management systems and practices should be developed and implemented to clearly communicate organizational goals and objectives as they relate to the business' environmental, socio-cultural, and economic performance. The primary purpose of the sustainability management plan is to guide decision-making, management and the daily operations of the business in a sustainable manner to ensure a tourism industry that is strong, from the individual firm to the sector as a whole.

8.8.5 Tourism Regulation

The Ministry of Tourism's interest in tourism services is one of regulation, as well as ensuring that the quality of the product is maintained, whilst encouraging participation by Barbadians. The Government of Barbados, recognizing that tourism consumer markets throughout the world have become increasingly demanding in terms of their expectations of the quality of product and service on offer, sought to invest in reviewing the Regulation of Tourism Services in Barbados. It further recognized that the long-term sustainability of the tourism industry of a destination is largely dependent upon its ability to provide high quality products and services. Although Barbados has a number of regulations for different sectors of the tourism industry, it is generally agreed that much of it is incomplete and needs updating. The Government has recognized the importance of having standards and regulations in place and has sought to undertake a series of initiatives in various subsectors to have them regularized, namely accommodation and transportation services. It is intended that standards will be developed for all aspects of product development.

Thus, the Government of Barbados wants to place greater emphasis on the role of the private sector in investment, direct production and employment creation. Barbados has an opportunity to produce a modern regulatory framework in which the private tourism sector can thrive by ensuring high professional standards and developing quality tourism products. In doing this, Barbados can draw best practice from relevant experience elsewhere and, given its commitment to the World Trade Organization and, in the implementation of the General Agreement on Trade in Services (GATS), reflect the international harmonization of Travel and Tourism Law.

This Government is committed to providing the support for increasing quality and raising standards in Barbadian tourism. This will be essential if Barbados is to be able to deliver a quality product and world class experiences to its visitors.

8.8.6 Accessibility Standards

While the travel industry has been slow to the idea of upgrading its facilities because of the expense, there has been a movement around the globe with governments passing the necessary legislation to force many travel operators to ensure that transportation and lodging facilities are accessible to the aged and people with disabilities. The Boomer market has been increasingly also joining forces with disability and senior groups to add muscle to the cause to increase accessibility in travel. Retiring 60-somethings have more time to travel, which has increased demand for accessible accommodations. Barbados has started the process of getting on board with this viable and lucrative niche area, of which its local populace is also a segment.

The Ministry of Tourism has partnered with the Barbados Council for the Disabled under its Fully Accessible Barbados (FAB) programme, to educate the stakeholders of the Barbados tourism sector on the importance of the disabled visitor market and to encourage the sector to make their facilities and services fully accessible to all visitors, particularly those of the disabled markets. The initiative, which seeks to encourage a barrier free environment for persons with all abilities, will serve to accredit all access compliant properties and businesses, as stipulated in their regulations and standards. Standards governing the FAB accreditation scheme are broken down into six (6) main categories: Independent Wheelchair User; Wheelchair Assisted; Mobility Challenged; Blind and Visually Impaired Category 1; Blind and Visually Impaired Category 2; and, Deaf and Hearing Impaired.

While there has been some progress in making hotels and other tourism facilities accessible, much more is needed to be done to make Barbados a destination that caters to all types of disabilities. Businesses need to retrofit their facilities and new businesses need to ensure their architectural designs are functional. The Bouganvillea Beach Resort and the Lanterns restaurant were awarded accreditation by the Council as accessible establishments for people with disabilities. These recently refurbished establishments have incorporated such facilities as ramps, handrails and accessible parking into their new designs. These two businesses are models to be benchmarked and emulated across the sector. The successful implementation of this “fully accessible” process will not only enhance Barbados’ reputation in the market, but will also increase market share by attracting the disabled and senior markets to the island.

Destinations which can attest to having infrastructure in place to cater the disabled and senior will win market share as accessibility is key. The BTA and the BHTA continue to endorse this move to facilitate disabled travellers through the FAB. Accessible tourism for people who have a disability or who are ageing should be seen as an opportunity for Barbados’ tourism to seize a competitive advantage in a tight market. Through the initiative, the BTA will, in the long run, be better positioned to tap into a market which comprises 50 million persons in the United States, and a fractional 10 million in the United Kingdom, who possess a staggering annual disposable income of more than 75 billion pounds. Initial benefits of targeting this market include high repeat rates, the fact that disabled persons never travel alone, and the positive image of a fully accessible destination.

9.0 Role of Key Players

9.1 Role of the Ministry of Tourism

The Ministry of Tourism should be the key player in Barbados's tourism sector. The Ministry should be the driving force for prescribing Tourism Policy to the Government of Barbados. This will be achieved by developing a strategic direction, which is sustainable yet responsive, flexible and innovative to the changing demands and regional and international trends of the sector.

The Ministry therefore is charged with establishing a platform for tourism activity throughout Barbados. It must be strategic, nimble and well resourced and must have the capacity to communicate and coordinate with industry stakeholders, whilst performing the role of being the lead entity within the industry. Thus, the Ministry of Tourism must seek to enhance both local and visitor experiences by ensuring the requisite standards, legislative, fiscal and physical frameworks, and security are in place to optimize the economic benefits of tourism, whilst protecting and preserving the social, cultural and environmental well-being of Barbados and all Barbadians.

Further, the Ministry of Tourism will continue to deepen its relationships with the BTA and the BHTA, to realign the image of Barbados through destination marketing and promotion of the tourism product. In addition, it must also expand and intensify its efforts in developing linkages between tourism and other sectors of the economy – both private and public - to ensure the requisite niche markets are developed and properly maintained. This will ensure the creation of a holistic tourism product that also fosters deeper collaboration efforts at the sub-regional and regional levels.

It must also be the entity responsible for educating the people of Barbados about the benefits and importance of tourism to the economy, as well as being the lead agency conducting both primary and secondary research in areas of importance to tourism.

Other key areas of responsibility include:

9.1.1 Facilitation and implementation

- establish a safe and stable political and economic environment for tourism to flourish;
- ensure the safety and security of residents and visitors;
- facilitate and provide appropriate incentives for private sector investment in tourism;
- establish and facilitate enabling and appropriate legal and fiscal frameworks for the industry;
- facilitate the development of a tourism culture in Barbados and the supply of skilled manpower for the industry;
- facilitate an active labour market policy and an appropriate labour relations environment for the industry;
- allocate appropriate financial resources for tourism development;
- provide basic tourism infrastructure and essential services;
- promote tourism as a national priority;
- facilitate and conduct the effective marketing and promotion of the country; and
- encourage and facilitate foreign investment.

9.1.2 Coordination

- coordinate and liaise with international and regional governments with regard to all aspects of tourism development;
- coordinate the tourism-related efforts of all government departments and related government institutions; and
- coordinate and liaise with NGOs, labour and community organisations, training institutions, universities and other bodies related to the development of the tourism sector.

9.1.3 Planning and Policy-Making

- formulate, monitor and update a national tourism policy and strategy, in collaboration with relevant stakeholders; and
- develop integrated national tourism plans in collaboration with relevant stakeholders.

9.1.4 Regulation and Monitoring

- ensure the application of integrated environmental management principles in land-use development proposals to facilitate sustainable utilisation of natural and cultural resources;
- facilitate the sustainable and responsible development of the tourism industry, by formulating appropriate development guidelines and regulatory measures; and
- establish and maintain standards of facilities and services.

9.1.5 Development Promotion

- promote the equitable development of all areas with tourism potential, whether high, medium or marginal potential;
- promote the involvement of communities at appropriate levels of tourism activity;
- promote the spread of responsible tourism; and
- promote the development of major tourism projects that will have national and country-wide impacts.

9.2 Role of the Private Sector

The private sector is Government's main partner in developing and promoting sustainable tourism. Thus, it must be involved and collaborate with Government in the planning, promoting and marketing of tourism whilst endeavouring to support tourism on a sustained and long-term basis.

The role of the private sector is to:

- invest in the tourism product and innovation;
- implement relevant business models that will result in more efficient, profitable and globally competitive organisations;
- become 'employers of choice';
- attract, recruit, select and retain individuals who are the 'right fit' for the tourism industry;
- provide tourism superstructure and services;
- market and promote their products and services to the right target markets domestically, regionally, and internationally;
- manage the required tourist facilities in all places of tourist interest and accommodation;
- conduct market research and align it with destination management and marketing;
- assure collective responsibility for laying down industry standards, ethics and fair practices;
- involve the local community and micro and medium sized enterprises in tourism projects to ensure the benefits of tourism accrue to them;
- undertake industry training and manpower development for achieving excellence in quality of services;
- develop databases, risk management, monitoring and evaluation techniques and research practices, in order to satisfy customer needs, make informed decisions, as well as develop or enhance products to offer value for money services;
- implement eco-friendly initiatives;
- facilitate safety and security of tourists; and
- manage and control the tourism plan efficiently and effectively in order to ensure its viability, competitiveness and overall sustainability.

9.3 Role of the Non-Governmental Organizations

Non-Governmental Organisations (NGO) play a key role in representing and acting on behalf of the community. Through the tri-partite agreement, NGOs should be involved in the policy formulation and overall development of Barbados. Thus, NGOs have a vital role in developing the tourism sector through:-

- active involvement in the policy formulation and strategic direction of the industry;
- assist government and private sector entities in the development of programmes for local communities, small and medium enterprises, youth and marginalized persons;
- initiate stakeholder dialogue on community involvement in tourism development;
- develop partnerships with other tourism stakeholders to ensure conservation of the cultural, heritage, and natural and built environments;

- assist government in the development of tourism awareness campaigns at the community level; and
- monitor tourism policies to ensure development in the industry is commensurate with the regulatory framework which exists.

9.4 Role of Trade Unions

The traditional preconceptions of the tourism industry – long, anti-social working hours, low pay, unstable, seasonal employment, low job status, etc., often signal employment within the industry as unattractive to many. This is frequently coupled with the traditional connotation that hotel workers often are in a sector of servitude, as opposed to providing a valuable service. Nevertheless, the industry does attract many Barbadians either on a short-term basis or for a long-term career and is one of this country's major sources of direct and indirect employment.

The immediate and most obvious consequences of such a situation are the difficulty of recruiting suitable staff and high staff turnover; both these effects are costly to the industry. Consequently, trade unions must agitate and negotiate on workers behalf to contribute to the sustainability of the sector on a whole.

The role of the trade unions is:-

- collaborate with government in the formulation of policies and plans which affect the tourism industry;
- collaborate with government and private sector to ensure employees receive fair and equitable pay;
- collaborate with private sector entities to promote career building in the enterprise which ultimately leads to new forms of leadership;
- collaborate with private sector entities and government to ensure an environment that is conducive to on-the-job training, tourism education and certification;
- collaborate with government and private sector entities to ensure that occupational health and safety standards are adhered to within the workplace;
- create an environment where workers are free to have union representation and social dialogue on their behalf;
- develop programmes with industry stakeholders to promote sustainable workplaces and partnerships with workers; and
- assist government and private sector agencies in the development of performance-based incentive schemes and employee rewards.

9.5 Role of the Employee

The tourism worker should be one of the most valued persons within the tourism industry and by extension the economy of Barbados. Workers within the sector, albeit, the formal or informal sector, have the ability to transform it positively or negatively, as it is their interaction with visitors that leave a lasting impression.

However, there needs to be a complete overhaul of how the tourism worker is viewed within and outside of the tourism industry. There is therefore a need for human resource development, to raise the profile of the industry, increase productivity and provide decent, sustainable employment within the sector.

The role of the tourism employee is to:-

- provide excellent service to customers through the creation of memorable experiences and “Wow” moments for customers;
- enhance organisational performance by striving for service excellence and attaining organizational goals;
- adhere to organizational health, energy conservation and safety standards;
- embrace the implementation of appropriate technology, organizational initiatives and organizational re-engineering to enhance efficiency and effectiveness; and
- participate in career enhancement initiatives and training.

9.6 Role of the Youth

The youth have an extremely critical role to play in the future sustainability of the Barbados tourism industry. They are the future leaders that will take the sector to the next level, therefore, their phenomenal talent and potential has to be harnessed and encouraged in the present, in order to chart the course for the future.

The role of youth is to:-

- participate in youth forums to assist in the conceptualization, planning and implementation of tourism projects;
- participate in various tourism activities promoted at the school, community and national levels;
- get informed from reliable sources about the career opportunities within the sector nationally, regionally and internationally; and
- develop creative and viable tourism ventures as a means of self employment;

10.0 Policy Statements

10.1 National Tourism Policy

The Government of Barbados shall create an environment that facilitates the country's sustainable tourism growth by addressing human resource development, community development, infrastructure and transportation development, investment promotion, accommodation issues, product development, and marketing.

10.1.1 Sustainable Tourism Development

Government recognises that the environment, particularly the marine and coastal assets, is an indispensable resource base for the tourism industry. As a result, the Government will ensure that the principles of sustainable development inform all areas of tourism planning and management, with respect to adherence to physical environmental policies for the conservation of natural resources and the preservation of antiquities and cultural heritage patrimony. In addition to these, the very foundation of creating a sustainable tourism industry lies in the meaningful involvement of local communities and the creation of effective inter-sectoral linkages that stimulate the economy and create a multiplier effect of the tourism dollar across the society.

In support of these initiatives, also recognizing that sustainable development requires a more scientific approach, Government will:

- determine the carrying capacity of the sector;
- facilitate the development of a mechanism for the economic valuation of the natural resource base, sites and supporting infrastructure which form Barbados' tourism product;
- act as the catalyst facilitating sustainability and carbon neutrality through learning, dialogue, innovation, research, investment and partnership amongst a cross-sector of tourism stakeholders;
- provide opportunities for tourism stakeholders to interact and learn about Responsible Tourism;
- provide opportunities for tourism stakeholders to integrate disaster management and disaster risk strategies into their business modalities;
- facilitate tourism development in more rural spaces so as to reduce the spatial imbalance which currently exist;
- mandate that Integrated Coastal Zone Management must be built into any new coastal tourism development projects;
- seek to promote and build a reputation for Barbados as a green destination, through the implementation of sustainable and responsible tourism practices to attract those environmental and socially-conscious travellers, who will understand, respect, and support the culture and people of Barbados, whilst seeking to minimize the negative environmental impacts and, where possible, make positive contributions to the conservation of biodiversity and natural and human heritage;
- define codes of conduct for the industry, which educate and sensitize visitors to local culture, customs, regulations and traditions and provides investors with a checklist for sustainable tourism projects, in order to ensure that the tourism sector always acts in accordance with the cultural and natural heritage and respects the cultural integrity of Barbados;

- develop programmes to educate and sensitise all Barbadians, tourism and other businesses about the benefits of sustainable development and the Government’s alternate energy programmes, and acquaint them with the incentives and concessions available to encourage the transition to a more energy efficient nation;
- educate the nation’s youth about the benefits of sustainable tourism and identify within it, sustainable careers for their independent social advancement;
- adopt a synergistic approach to the management of the tourism product by developing strong public/private sector partnerships and the appropriate structures and frameworks necessary to attain meaningful and holistic sustainable tourism planning;
- ensure the maintenance of a healthy and safe destination, workforce and citizenry, through the national promotion of healthy lifestyle programmes to reduce communicable and non-communicable diseases amongst the Barbadian populace, redoubling of programmes aimed at promoting HIV awareness among tourism workers, including eliminating the stigma associated with the disease and taking a zero-tolerance approach to crime and all forms of deviant behaviour;
- initiate a multi-sectoral response to mitigate against the negative impacts of global warming and climate change by:
 - requiring the utilization of sustainable green building materials and other conservation measures for all new developments or renovation projects in the design, construction, operation and maintenance of existing spaces;
 - promoting the use of cutting-edge practices, methods and green technology;
 - enforcement of environmental legislation, mandating environmental impact assessments; and
 - supporting national environmental awareness programmes targeting schools, businesses and the general public to promote sustainable practices and eliminate littering and other undesirable behaviours; and implementing recommendations from the Caribbean Community Climate Change Centre (CCCCC) pilot study on the effect of climate change on tourism.

10.1.2 Inter-Sectoral Linkages

Tourism has made a tremendous contribution to the development of the Barbadian economy. However, the sector can make an even greater contribution to the diversification of the national economy by improving linkages between all supplemental sectors within the tourism cluster. Strong and successful inter-sectoral linkages will enhance the creation of a more sustainable tourism product, work to reduce the national debt and create a multiplier effect throughout the economy.

The Government will:

- benchmark best practices of successful inter-sectoral linkages regionally and internationally;
- strengthen the linkage between agriculture and fisheries, manufacturing, the cultural industries and tourism to:
 - stimulate and diversify the Barbadian economy;
 - involve a wider cross-section of Barbadian communities; and
 - generate a greater multiplier effect of the tourism dollar.
- reduce leakages caused by exorbitant food import bill;
- institute a “bottom-up” approach that would facilitate meaningful community involvement in the decision making process; participation of community-owned businesses to help reduce financial leakage and support

the local economy; tourism education and sensitization; availability of entrepreneurial opportunities; greater visitor/host interaction; increased training and hiring of local people and contracting with local businesses and economic benefits for a wider cross-section of society;

- deliver unique and authentic cultural experiences that offer experiential and learning opportunities for visitors and locals;
- provide exposure for local products to enhance value-added export opportunities;
- facilitate inter-sector linkages through matching supply, demand and intermediary support structures to ensure buyers and suppliers come together to discuss each other requirements, issues and constraints;
- promote agro-processing, light manufacturing and other cottage industries by the local small business sector and community to supply hotels and visitors;
- support the development of the agro-tourism niche through the development of more community food festivals, farmer's markets, farm tours and farm to table programmes to expose visitors and locals to the experience of local agricultural produce, cuisine and beverages;
- promote the use of local cuisine served in local hotels and restaurants, providing fresher, healthier cuisine offerings and authentic cultural and culinary experiences;
- facilitate the development of niche markets that utilize local goods and services from other sectors, including community, culinary, agro-tourism, health and wellness, cultural heritage, sports etc;
- create a stronger fusion between the cultural industries and the tourism sector by developing a framework that would provide sustained career opportunities for a wider cross section of local singers, dancers, musicians, artists, poets, actors, comedians, fashion designers, movie producers, writers and technicians;
- promote and facilitate the exhibition of the unique art-forms of the island as part of its unique selling points by providing access to funding mechanisms to support the promotional, marketing and distribution efforts of Barbadian musicians, artists, designers and chefs;
- support craft producers in the areas of product innovation to improve quality, standards, presentation and packaging with creative labeling and interpretation to tell "the story" and thus add value;
- support the promotion of local brands that guarantee authenticity, local sourcing and recognized quality; and
- support the development of a structured education tourism sub-sector.

10.1.3 Financial Arrangements

In today's current operating environment, resources are scarce and there are many demands with regards to national investment for these scarce funds. A prioritization and rationale must therefore be undertaken to determine what projects or activities will be undertaken that will provide the most feasible return on investment and social, cultural and environmental benefits. To facilitate this process, Government will:

- prioritize areas for tourism investment;
- continue to explore sources of financing for sustainable tourism products;
- encourage greater sustainability in tourism investments by public, private and multilateral investors; and
- intensify financing of sustainable tourism projects and increase sustainable green investments in the tourism sector.

10.2 National Values

The institutionalization of a national culture of excellence that needs to take root within Barbados will only be possible through a strong foundation of national pride. National pride will be the precursor to a clean, safe, and hospitable Barbados, where professionalism, innovation and efficiency becomes an ingrained part of the national DNA. Tourism will be developed for Barbadians first with our visitors reaping the spin-off benefits as Barbadians proudly showcase their island to the world.

To facilitate this process, the Government will:

- emphasize nationalism as a brand;
- prominently market and promote a culture of excellence as a national priority;
- showcase the phenomenal achievements of Barbados over the centuries as a small island state and promote the reputation it has achieved around the world, as being the “mouse that roars”;
- develop and promote a culture of excellence nationally by leading the process and advocating the implementation of standards of excellence across the country, in businesses, schools etc.;
- develop and prominently showcase the value of Barbadian culture and heritage;
- promote our heroes and famous Barbadians who have made exemplary contributions to the development of Barbados and the world;
- nurture and celebrate the creativity and innovation of our people;
- promote the re-education and re-sensitization of tourism stakeholders with modules designed to:
 - celebrate that “service is not servitude”; and
 - inculcate a sense of individual pride, industry and independence;
- embark on a comprehensive public relations campaign to:
 - sensitize frontline tourism workers and the general host community about the significant role they play as nation builders, so that each citizen can understand what is required of them to deliver and assist in creating the image of Brand Barbados; and
 - appeal to the sense of national pride of all Barbadians to protect and conserve our precious resources; and
- rigidly enforce environmental legislation to procure maintenance of a clean and pristine environment.

10.3 Participation and Collaboration

For tourism to be truly sustainable it cannot operate in isolation, rather it has to be effectively and fully integrated into the national development process. Effective synergies can only be established when there is consensus among the key decision makers at the institutional level. To achieve responsible tourism planning and management outcomes, partnerships must be holistic in outlook, based on sustainable development principles and exist at the national and at local levels.

The Government, in an effort to provide efficient tourism management, will eliminate the fragmented approach to the management of the tourism product, and provide the organizational structure to support this mandate.

In support of these objectives, the Government will:

- ÿ strengthen capacity building in the Ministry of Tourism through structural reform;
- ÿ facilitate a more synergistic relationship between the product development and marketing functions;
- ÿ encourage/strengthen horizontal and vertical linkages among relevant tourism institutions;
- ÿ facilitate an Annual Ministerial Council on Tourism meeting involving key Barbadian Government Ministers to facilitate cross portfolio engagement. This will ensure a deeper level of integration and functional cooperation amongst the various sectors with respect to policy coordination and joint action.
- ÿ redefine the role of the Ministry of Tourism as a facilitator and public regulator of a private sector industry to facilitate/coordinate the various elements contained within the tourism supply chain to:
 - o develop systems for accountability;
 - o assess public opinion of its work on a regular basis, disseminate information on its functions, and mandate and analyse the results to learn lessons that can shape the future of the decision making processes, by the revamped Ministry of Tourism;
 - o encourage a multi-sectoral response to issues pertaining to sustainable tourism development in the areas of climate change, environmental conservation, clean energy policy, food security, health, safety and security and inter-sectoral linkages;
 - o improved relationships with the BHTA and other industry stakeholders in the tourism cluster seek to more closely regulate tourism sector planning, hotel clean energy performance, management, marketing, product development, training and education, protected area management and conservation, and cultural infusion and integration into the tourism product; and
 - o facilitate the development of an effective communications strategy employing current technologies and media to:
 - ensure that all tourism stakeholders are adequately and accurately informed of progress made in the industry in a timely manner; and
 - encourage and solicit exchange feedback of ideas and information.
- encourage the participation and involvement of stakeholders, particularly local communities and ‘previously neglected groups’ at all levels of the tourism development process;
- collaborate with regional Governments to facilitate the creation of multi-destination packages, improve inter-Caribbean air accessibility, agreements on joint airlift, visas and taxes and position the region as a single brand, as part of a broad based strategy to boost arrivals and achieve economies of scale; and
- create strategic alliances with regional and international private and public sector agencies.

Sustainability of any national developmental vision will require national buy-in. The Government through the Ministry of Tourism will therefore aggressively undertake tourism outreach programmes across the island by “taking tourism to the people” in order to make the industry more accessible to the average Barbadian.

10.3.1 Public Awareness

To facilitate this objective, Government will:

- encourage the promotion of positive examples of success stories of individual or communities as the main/direct beneficiaries of earnings from the industry and where effective inter- sectoral linkages have been formulated; and
- engage local media professionals to collaborate with the media houses to execute an ongoing national multimedia campaign in the form of creative television and radio programmes, to educate Barbadians about the importance of tourism to the economic survival of the island.

10.4 *Marketing and Promotion*

Tourism is a global marketplace. Traditional experiences are now duplicated across the globe with new non-traditional market players entering the fray creating a heightened competitive environment.

It is within and because of this paradigm shift that it becomes imperative for Barbados to differentiate itself from its competition utilizing effective marketing tools to promote a consistent and identifiable brand. Consistency will be achieved through coordinated and structured strategies that apply across all geographic locations.

The Government shall:

- utilise a private/public sector partnership led marketing platform directed by the Ministry of Tourism, managed by the BTA and dedicated to supporting the private sector as the engine of growth;
- employ a more strategic, targeted and scientific approach to the marketing and promotion of the Barbados tourism industry to better understand the needs of the customer and to facilitate appropriate and targeted fund allocation to ensure that return on investment is being realized;
- develop a clear vision, mission and strategic directions to ensure that there is a common goal, a clear understanding and a singular direction in the marketing and promotion of the Barbados Brand. The entire organization, particularly the satellite offices across geographic locations and the industry, will be aligned behind the Brand and Vision to ensure there is a joint strategy and image being projected in the marketplace;
- identify Barbados' core competencies and unique attributes to create a distinct brand identity and positioning in the market that will successfully differentiate the Barbadian product and attract high yield customers;
- define and establish the Brand Barbados which uncompromisingly delivers quality and uniquely differentiated tourism experiences, all aligned with and reflecting the indigenous authenticity of product and service that is distinctively Barbadian;
- create an iconic brand integrating unique aspects of Barbadian culture, as defined by its cuisine, history, built heritage, World Heritage inscription, world renown personalities, etc. into a differentiated branding and marketing strategy to distinguish Brand Barbados from its competitors;
- establish a culture of continuous improvement to facilitate ongoing brand refreshment and reinvention concepts, that are in line with changing market dynamics, which will be supported by the appropriate logo, tag lines and marketing messages across all geographic locations;
- develop more effective local marketing and promotional campaigns, in line with the principles of sustainability, to involve the Barbadian public in the process, share and sensitise them to overseas marketing campaigns, and acquaint them with the "Brand Promise", to achieve their understanding, acceptance and buy-in, to ensure that visitors receive the experiences, promised by the Brand;
- institute an intensive local advertising campaign to showcase the entire array of local events, activities and programmes available to on-island visitors and locals, to increase product offering choices and provide more opportunities for increased visitor spend;
- enhance the resource base and strengthen research capacity and capabilities within the industry, particularly in the areas of market research, surveys, focus groups, trend analysis and forecasting:
 - to source relevant, timely and accurate data to facilitate strategic decision-making in product development and marketing and promotion;

- to benchmark Best Practices within the global tourism industry, with a view to ensuring that the Barbadian product compares favourably with world class operational, technological and infrastructural standards;
 - to conduct ongoing competitor analysis;
 - to meet the research needs of the industry and government;
 - identify the most effective distribution channels to reach the customer;
 - pinpoint the appropriate digital content to use to populate each touch-point; and
 - to ascertain which campaigns are achieving relevance and resonance in the market.
- develop an integrated marketing strategy involving an effective mix of print, TV, radio, Online Travel Agencies (OTAs), travel agents, online social media, mobile applications, as well as creative direct marketing to the consumer, to ensure that the customer is being effectively engaged at every touch point;
 - mandate the alignment and integration of destination marketing plans with sustainable tourism strategies, by seeking to focus on niche markets that are the “right fit” for the Barbados Brand and are interested in Barbados’ natural, cultural and educational offerings;
 - leverage the power of social media to build relationships with the customer and create opportunities for loyal repeat visitors to become passionate brand ambassadors and provide feedback mechanisms to facilitate the posting of powerful reviews and endorsements on a dedicated web-channel;
 - develop an online reputation management strategy for the Barbados Brand to ensure the credibility of the brand is maintained and protected;
 - continuous technological upgrade of BTA website;
 - develop a differentiated competitive advantage marketing model that allows for market segmentation strategies that remain Brand-aligned;
 - develop and articulate a clear value proposition and strategy for targeting emerging markets and segments – BRIC Block, Special Interest, Baby Boomers, Gen X, Gen Y, Multigenerational, Multicultural, Regional, DINKS and other high yield demographics;
 - continue to target the Diaspora market and utilise this important segment to promote and sell Barbados;
 - effectively disseminate the Brand Barbados product to special interest tour operators and travel agents, to empower them to create themed packages for different niche markets;
 - develop creative packages targeting specific niche markets based on special interests or motivations (cultural heritage, adventure, culinary, Girl Getaways, Celebration Vacations, etc.)
 - encourage the use of innovative methods and technological tools to engage customers in a unique and compelling way;
 - collaborate with the industry to eliminate access barriers to facilitating the penetration of emerging markets and the appropriate planning and training required to accommodate the cultural and language needs of these new markets;
 - encourage relevant industry partners to engage in cooperative marketing strategies between the private and public sectors;
 - develop metrics and mechanisms for regulating quality control to ensure that the Brand Promise is being fulfilled, i.e., to ensure that there is a strong correlation between brand projection and what is delivered on the ground;

- target sustainable and high yield market segments that are the right fit for the Barbados product;
- facilitate the creation of a mobile-friendly platform for the Brand promotion to provide real-time, highly personalized and customized experiences to the appropriate target markets;
- utilise technology to provide digital content in the form of online destination information at every phase of travel cycle to engage customers and provide travel inspiration;
- enhance the BTA website to ‘tell the story’ of Barbados, through the provision of a comprehensive and diverse portfolio highlighting Barbados’ rich history, culture, politics, geography, points of interest, local events, unique selling points, etc. in a way that showcases the *entire* array of unique and authentic culinary, cultural, experiential, community, historical attributes, activities and attractions that differentiate Barbados and provide personalized, welcoming travel experiences;
- continually upgrade organizational human resources skills and knowledge capacity to ensure staff are empowered and equipped with requisite tools and creative output to function effectively in the increasingly competitive global environment;
- support the Staycation programme to promote the Barbados product and stimulate the local economy by keeping spending at home;
- procure the integration of a platform dedicated to Barbadian communities to showcase heritage offerings and community initiatives within all marketing campaigns to provide relevant exposure and top of mind awareness;
- develop innovative marketing strategies to specifically target the cruise segment;
- participate in destination marketing packages with regional partners whose product complements the Barbados Brand, to enhance the visitor experience and pool scarce marketing resources;
- concentrate on filling seat capacity, facilitating cruise conversion and increasing cruise expenditure by aligning efforts with quality of product development and service delivery on the ground; and
- utilise world renown Barbadians as International Tourism Ambassadors.

10.5 Community Tourism

An element of a sustainable tourism model requires the critical involvement of communities. The people-centered approach to the development of Government's policy commits Government to involve local communities in the tourism development process. This sustainable development process is specifically designed to promote the diversification of product offering and foster facilitation of effective inter-sectoral linkages in non-traditional urban and rural areas. The multiplier effect through to the local communities generated by this all-inclusive form of tourism will bolster the impacts of tourism at the economic, social, cultural and environmental level. As a matter of priority, a tourism industry will be developed that is "of the people, by the people, and for the people", where Barbadians see themselves reflected in the Barbadian tourism mirror. The aim is the empowerment of local communities. Government will:

- establish institutional frameworks to develop sustainable niche products like volun-tourism, agro-tourism, youth tourism, community tourism, cultural heritage tourism that will involve communities to provide memorable and experiential experiences;
- facilitate the development of Parish Branding to showcase the unique identity of each parish;
- develop a framework to encourage 'home stays' to offer a more authentic sustainable experience where visitors stay at a Barbadian home and learn firsthand the Barbadian way of life;
- engage local communities to develop sustainable tourism products to benefit their respective communities;
- establish and maintain a system for dynamic assessment of carrying capacity and social impact assessments within each community to ensure a balance between tourism development and cultural preservation to eliminate any form of social exploitation, and to limit excessive pressure on natural resources, pollution generation and damage to ecosystems;
- facilitate entrepreneurial efforts by local communities and small, micro and medium sized businesses in the tourism sector;
- provide fiscal incentives for individuals or groups seeking to develop community tourism programmes;
- offer incentives for the financial services sector to provide facilities to support community tourism product development;
- develop a participatory approach to empower local communities to plan, develop, implement and manage feasible community-based tourism development projects or activities pertinent to them;
- facilitate the education of the general public and tourism stakeholders about the value of tourism as a tool to empower local and rural communities, alleviate poverty and foster balanced development;
- encourage the development of strategic partnerships and a greater role for local communities in the development of tourism products and experiences to ensure the protection of communities and culture in locations where local community activities occur;
- create a strategy for consultation with communities throughout the project cycle of tourism related developments which may impact on them;
- benchmark the fundamentals of the successful 'Oistins Model' as a basis for developing other community tourism projects across the island;
- facilitate tour operators/travel agencies who *specialize* in selling and promoting community tourism packages;

- collaborate with the accommodation sector to promote local community events to visitors to provide authentic Barbadian experiences, enhance visitor satisfaction and increase visitor spend; and
- collaborate with relevant agencies to develop packages for visitors who wish to be engaged in volunteerism programmes to assist local causes or communities.

10.6 Cultural Heritage

Acknowledging the enormous potential which heritage tourism presents to the differentiation of the Barbados Brand from its competitors, and its complement to the development of a sustainable tourism product, the Government of Barbados will:

- implement legislation to:
 - conserve our natural resources; and
 - ensure the preservation of our cultural heritage patrimony.
- prominently feature heritage sites in branding and promotion of the island;
- promote the UNESCO designated Historic Bridgetown and its Garrison as a centre-piece of our heritage tourism offering;
- develop Tourist Information and Interpretative Centres to provide essential services to educate the visitor, the general public and the youth in particular, on the importance of individual, or a cluster of historic sites, historical monuments, natural resources, wetland ecosystems etc;
- facilitate the development of archaeological sites across the island;
- identify short/medium/long term priorities for existing and potential attractions and conduct research on the networks and niche markets for each attraction;
- develop a comprehensive interpretative signage programme across the island at key points of interest, to ensure that the “story of Barbados” is told for the enjoyment and education of locals and visitors alike;
- target the niche markets that fit community needs;
- establish a system for consistent brand identity in the development of communication media such as maps, publications, internet sites and tours;
- involve community leaders and residents in national branding campaigns empowering authentic articulation of their heritage, culture and image;
- facilitate the establishment of a cultural museum dedicated to the history of festivals, including a display of costumes from the Crop Over Festival through the years, etc.;
- encourage the use of technological tools to enhance, and not undermine, an authentic experience providing customers the flexibility, affordability and convenience they desire;
- facilitate and encourage the development and involvement of small businesses – both for-profit and not-for-profit services, such as local guided tours, cooperatives selling authentic arts and crafts, galleries, bed and breakfast establishments, museum shops, and ethnic restaurants; and
- facilitate collaborative efforts to develop a research facility to promote genealogy tourism relevant to the Diaspora niche;

10.6.1 Training

To facilitate the sustainability of cultural heritage initiatives, Government considers the development of appropriate education and training as important prerequisites for successful implementation. Government will therefore:

- develop a comprehensive and unified set of training objectives, tools and materials for all sectors in cultural heritage tourism;
 - collaborate with tertiary education institutions to develop specific modules designed to address cultural sensitivity training in cultural and ethnic etiquette;
 - *require mandatory* heritage certification for all front-line staff such as:
 - ticket sellers/concessionaires
 - concierges
 - tour guides, and bus & taxi drivers
- to ensure accuracy and consistency in heritage interpretation, branding and promotion of the Barbados brand; and
- facilitate education modules highlighting the benefits of cultural heritage tourism to achieve “buy-in”.

10.6.2 Private/Public Sector Collaborations

Government will also facilitate collaboration between relevant agencies to:-

- identify opportunities for cultural and heritage tourism development;
- identify and allocate specific areas for the development of heritage tourism;
- coordinate and sustain research into all aspects of cultural heritage tourism development;
- incorporate marketing at the regional and international levels;
- partner with local area businesses to expand the economic benefits into the communities where they operate;
- encourage private sector investment whether it be human, financial or technical; and
- develop a network of volunteers to contribute services to their local cultural heritage institutions to help tell the story.

10.7 Culture

Successful cultural heritage tourism strategies must necessarily uncompromisingly showcase the skills and abilities of our people. Government will therefore promote and facilitate the exhibition of the unique art forms of the island.

Strategies to facilitate this will include:

- providing artisans with the knowledge modules and technical assistance as tools for creating lucrative and thriving businesses that pay careful attention to standards and quality;
- establishing a standards classification to ensure the delivery of quality products and an awards system for artisans who exhibit excellence in their art;
- providing opportunities for artisans to showcase and sell their craft to locals and tourists;
- supporting the creation of a system of authenticating indigenous products;
- conducting an audit of the product range that currently exists and encouraging and facilitating greater diversity of products offered; and
- aggressively marketing national exhibitions such as:
 - NIFCA
 - Barbados Film Festival
 - Agrofest
 - Barbados Music Awards
 - Reggae Festival etc.

In addition to Crop-Over, Oistins, Holetown and other festivals on the annual tourism calendar should be promoted in high tourism traffic areas.

10.7.1 Built Environment

The preservation of Barbados' built heritage assets are indispensable to the thrust for sustainable development. Our rich heritage architecture especially provides Barbados with unique and differentiating attributes.

As a matter of priority, Government will therefore:

- develop a mechanism to maintain effective balance between development and the preservation of our cultural heritage patrimony;
- enforce the provisions of the Town and Country Planning Act and Physical Development Plan to arrest the demolition of and other infringements to listed buildings or those of architectural and historic significance;
- to support the preservation of historic buildings and other artefacts of significant importance to Barbados;
- establish an institutional framework and infrastructure designed to facilitate the development of a cultural heritage product experience;
- facilitate the development of local capacity in the specialty skill of restoration by ensuring transfer of knowledge from experts;
- develop public/private partnerships to facilitate tourism sector investment, development, management and planning in the island's built heritage; and
- encourage adaptive reuse of historic building and sites particularly in the areas of tourism product development.

10.8 Tourism Standards and Regulations

10.8.1 Standards

It is imperative that the products and services offered on the island must be commensurate with world class standards. To counteract this development, standards will have to be policed on an ongoing basis to ensure that they are being adhered to in order that a culture of excellence can be created to:

- develop, adopt and enforce the required standards, legislation, protocols or classification necessary for all tourism-related accommodation, restaurants, tour guides, tour operators, and other tourism-related service providers;
- support the implementation of CTO's Hospitality Assured Certification amongst all tourism businesses;
- enforce the mandatory enrolment in the National Host and National Orientation programmes for all workers employed in both direct and indirect tourism services to ensure a consistent standard of service excellence across the sector;
- facilitate a cross-sectoral approach to the quality of the tourism sector;
- identify standards required for the attraction and villa segments to be licensed in a similar way to the accommodation sector;
- utilize ongoing visitor surveys and focus groups as monitoring and assessment mechanisms to gain feedback on the quality of their experience;
- reform the Quality Assurance department of the BTA;
- liaise with regional partners (CTO, CHTA/CAST, CROSQ, CAREC, OAS, ACS etc.) to facilitate the provision and implementation of quality standards;
- ensure the enforcement of service, operational, hygiene and safety standards across the tourism sector and enforce penalties for non-compliance;
- develop legislation to ensure that tourism operators are registered with the relevant tourism agencies and obtain an operating license;
- establish a licensing mechanism to address the maintenance of standards for all tourism entities via periodic inspection of operators;
- support the implementation of green tourism standards like Green Globe and Blue Flag to facilitate the development of a sustainable product and elevate Barbados' status as an environmentally-friendly destination; and
- support the MTW and Town and Country Planning Department stipulations for the appropriate signage of tourist attractions.

10.8.2 Accessible Tourism

Accessible tourism is the ongoing endeavour to ensure that tourist destinations, products and services are accessible to all people, regardless of their physical limitations, disabilities or age. It encompasses publicly and privately owned tourist locations. Accessible tourism enables people with access requirements, including mobility, vision, hearing and cognitive dimensions of access, to function independently and with equity and dignity through the delivery of universally designed tourism products, services and environments.

The Government in keeping with its commitment to the programme to develop a Fully Accessible Barbados (FAB) as championed by the Barbados Council for the Disabled is committed to acting in a socially sustainable manner by preparing for the inevitable ageing of the population and the increasing expectations of people with disabilities.

The Government will therefore:

- support the FAB programme by recognizing public and private sector initiatives that have made their facilities and services accessible;
- consider an incentive regime to facilitate persons/ businesses who make provision for the disabled;
- provide special licenses for taxi operators that provide facilities to accommodate wheelchairs to work at the airport and seaport;
- upgrade facilities at the ports of entry to better accommodate the differently able;
- encourage the implementation of Braille signage in public spaces and on restaurant menus;
- provide sensitivity training for employees to improve the acumen for dealing with accessibility issues; and
- Encourage the sector to employ disabled persons.

10.9 Human Resource Development

In a globally competitive service environment, a sustainable tourism model requires competently trained personnel at each level of the service delivery chain. This emphasis on training and development is especially relevant to the Barbados brand as the expectation for a high-end destination is uncompromising dependent on exceptional service delivery to provide value for money.

Therefore, to sustain investment in human resource development within the tourism sector Government will:

- conduct a manpower audit to measure and monitor the quality and quantity of skills presently available in the tourism sector;
- collaborate with the relevant tourism and developmental agencies to conduct a human resource needs assessment for the sector at all levels, as a basis for crafting a human resource development strategy for the tourism sector;
- support the development of a cutting edge educational and training system that equips Barbadians with the requisite knowledge, skills and creative output required to develop, manage, lead and revolutionize the tourism sector;
- establish and maintain databases of suitably qualified and skilled personnel and institutions which offer tourism training programmes;
- build capacity among the tourism institutions to plan, manage, develop, implement and monitor sustainable tourism;
- review and evaluate the existing tourism education and training and development systems, with a view to modifying current methodologies and strengthening institutional capability and efficiency in delivering the quality and quantity of appropriate education and training required;
- support efforts to ensure that school programmes and curricula from primary through tertiary level (including teacher training modules) are specifically targeted to include sections on tourism;
- promote and showcase diverse career options available in the tourism industry from the level of service provider to manager, trainer, or planner;
- encourage the establishment of a structured mentorship programme to provide advice and guidance to any person, in particular students who aspire to pursue a career in the tourism industry;
- improve the skills and knowledge of public sector officials employed in tourism, aviation, finance, agriculture and other related ministries to create a greater understanding of the tourism industry and the inter-relationship between Ministries, to assist in more effective policy implementation, creation of synergies and revenue management;
- improve access to training opportunities through a system of tourism scholarships, student revolving loans, incentive schemes;
- develop the relevant foreign language skills within the community and among persons intimately involved with the industry and effectively integrate these persons into the tourism sector;
- implement a continuous programme of tourism education and awareness;
- provide cultural etiquette training for industry workers to equip them with the skills and knowledge they require to better understand cultural behaviors and habits, in order that they may provide world class

service to visitors from increasingly diverse markets;

- establish a national benchmark for excellence through the facilitation of a mandatory National Host certification programme, designed to improve the knowledge base, interpersonal and communication skills and level of professionalism of all tourism workers, particularly front line positions like the hotel workers, Police Officers, Customs and Immigration Officers, taxi drivers, tour guides, etc., and ensure consistency in standards and cultural interpretation;
- support efforts for the implementation of a National Orientation programme to educate new entrants and re-orient present workers about the tourism industry, to enable them to foster a greater appreciation and understanding of the sector;
- set up framework making it mandatory for beneficiaries of national tourism marketing funds to enrol their staff in the National Host and National Orientation programmes; and
- support a harmonious labour-relations environment, which shows a commitment to working in partnership to deliver world class products and services.

10.9.1 Work Permits

Government's policy on the use of expatriate resources to facilitate training will be guided by the following policies:

- to ensure that preference in employment must be given to suitably qualified nationals;
- work permits may only be issued on recommendation from the Ministry of Tourism to non-nationals where suitably qualified nationals are not available and only where there are clearly identified modules for the transfer of knowledge and experience;
- the processing of applications of work permits will continue to be open to public comment and appeal; and,
- all non-national tourism professionals will undergo mandatory culture-based classes to help integrate them into Barbadian workplaces and society.

10.10 Infrastructure

The infrastructure for tourism is critically important and wide-ranging. It includes telecommunications, road networks, signage, information centres, convention and conference facilities, etc. Barbados' excellent infrastructure is a source of competitive advantage in the region. The following policy guidelines apply to the ongoing provision and upgrade of infrastructure.

Government will:

- develop a coordinated national approach to create an effective system for tourism signage;
- review current road signage policy to ensure maximum efficiency;
- allocate resources to the development and maintenance of an efficient road infrastructure for vehicular and pedestrian traffic;
- consider standardizing the use of international symbols & where practicable the use of foreign language signage;
- continuously upgrade and maintain directional and interpretative signage around the island;
- facilitate the use of quality-designed, environmentally sensitive, interpretative signage for entryways, streetscapes and public facilities;
- continuously maintain and upgrade existing infrastructure in order to improve accessibility and mobility;
- improve the accessibility and infrastructure of rural areas to allow these areas to unleash their tourism potential; and
- develop bi-annual Product Assessment tours with the Ministry of Tourism and representatives from the relevant agencies, to monitor and assess the quality of the tourism infrastructure, to ensure that standards are maintained on an ongoing basis and any gaps within the system are identified and documented to be addressed within specific timelines.

10.11 Information Technology

To encourage and facilitate the effective use of the telecommunications infrastructure and technology in the development of sustainable tourism modelling, Government will:

- creatively and aggressively utilize modern computer and communications technologies to effectively market, promote and distribute travel and tourism products, services and information;
- develop an e-marketing strategy that will constantly monitor internet and related technology developments as they relate to online marketing, sale of destination and changing customer needs and behaviours;
- facilitate the acquisition and use of technology to revamp all tourism facilities in order to provide:
 - client-friendly and environmentally sound systems;
 - modern and efficient safety and security measures;
 - reservations systems;
 - universal access to the internet; and
 - revenue management systems.
- encourage and support the development of appropriate training and retraining of all personnel in the use of technology;
- support the transitioning of the tourism workforce to the knowledge economy to stimulate innovation within the sector;
- collaborate with stakeholders and key agencies to provide technical support to the tourism industry in key areas such as:
 - integrating IT at ports of entry – e.g. ID and fingerprint scanners etc, to enhance the processing through immigration whilst providing demographic information to be used for marketing research;
 - online booking and mobile technology;
 - customer relationship management (CRM);
 - smart card technology;
 - online social networking;
 - data security;
 - artificial intelligence (AI); and
 - green technology.
- utilise technology as a cost-effective method for marketing the island and constantly engaging the customer through the internet, leveraging social media and mobile applications; and
- support the use of intelligent information systems for data capture and client recognition, facilitated in a way that, among other things, allows for the use of an activities loyalty card that can be swiped at all attractions providing instant feedback on visitor experience and expenditure patterns.

10.12 Product Enhancement and Development

The Barbados tourism industry must differentiate itself from the competition through the creation of innovative, creative, high-quality products and services which offer unique, engaging and memorable experiences and value for money in a clean, safe and welcoming environment. Special emphasis must also now be placed on the expansion of the island's product offering to showcase *everything* that the island has to offer. This will call for a revolutionary approach being taken to product and marketing innovation and continuous improvement. In order to remain competitive in the increasingly competitive environment, the Government will:

- establish a Product Development Company to oversee the competitiveness of the Barbados Brand in the areas of research and analysis, quality assurance, investment, diversification and innovation;
- undertake a comprehensive national 'Product audit' to identify unique selling points that define the distinctive features that differentiate Barbados from the competition and attract the type of consumer that will appreciate what the destination has to offer, while having a positive effect on the local economy and no negative impact on the natural and built environment;
- facilitate a market driven approach to product development, which is research-based and aligned with the demands and expectations of the contemporary traveller;
- foster a culture of tourism innovation and research that will allow the development of new, unique or varied tourism concepts. This would enable Barbados to compete and 'stand out' from its competitors;
- develop an innovative sustainable product that facilitates a year round tourism industry and attracts a high yield traveller;
- diversify and differentiate the Barbados product offering beyond sand, sea and sun;
- facilitate the upgrade and creation of the type of attraction, activities, products and services that deliver unique, memorable and authentic experiences and cater to the needs of the increasingly demanding contemporary consumer in the following segments:
 - Baby Boomer and Seniors
 - Multigenerational
 - Emerging markets
 - Special interest
 - Double Income No Kids (DINKs)
 - Gen X, Gen Y
 - Diaspora
 - Singles (especially female)
 - Ethnic minority (African American, Hispanic American etc.)
- develop cultural attractions, programmes and activities that provide opportunities for fun experiences, with a strong emphasis on experiential and educational activities;
- identify innovative ways to establish authentic and sustainable indigenous tourism enterprises;
- facilitate the development of entrepreneurial seed and venture capital for tourism business start ups;
- ensure that Barbados' core tourism brand elements of friendliness, safety and cleanliness are protected, maintained and strengthened as part of the national quality strategy;
- encourage the development of innovative vacation formats;

- increase the diversity and value proposition of the tourism product to encourage higher visitor spend by taking a ‘quality’ rather than ‘quantity’ approach;
- develop accessible product by offering facilities (accommodation, attractions and other services) and upgrading local infrastructure to accommodate the rapidly expanding markets catering to the “differently able” and seniors; and,
- establish standards for product development to:
 - improve product competitiveness;
 - facilitate innovation; and
 - ensure product delivery that offers value for money and remains relevant, competitive and of a high quality.

As it relates to the established product, Government will as a matter of urgency:

- secure the brand image, competitiveness and international reputation of Barbados by encouraging the adoption and ensuring the enforcement of national and international standards across the entire industry;
- support the development of the UNESCO World Heritage designated site into a world class attraction through the creation of themed tours, interpretative signage, tourist information centres, facilities and amenities, trained and knowledgeable tour guides, upgrading infrastructure and historic promotional material;
- review and continually update the existing regulatory framework for the accommodation sector to ensure standards are consistently adhered to;
- develop standards for the villa and direct services sectors; and,
- ensure that sustainable and responsible guidelines and legislation are adhered to in all aspects of development, including the use of environmentally friendly, green materials in any retrofitting or renovations in the design, construction and operating of open spaces.

10.12.1 Unique Selling Points

The Government will build on the foundation of the core competencies identified from the audits and research and develop unique selling points that are 100% indigenous and specific to the island of Barbados that will differentiate Barbados’ product from every other competitor in the world.

As part of the comprehensive strategy to be employed in developing a unique national product, Government will:

- conduct a comprehensive national Product Audit and Quality Assessment, to identify existing attractions and develop a total product inventory, to assess the volume, distribution, state of readiness and quality of products by district and by parish;
- identify Barbados’ unique selling points in the areas of history, culture, sports, nature, and utilize these as basis to differentiate the Barbados Brand;
- develop an Interpretative Signage programme, highlighting key points of unique historic and national significance around the island;

- develop a strategic objective for filling gaps to facilitate the competitive offer of targeted niche markets in the areas of cultural heritage tourism, culinary tourism, community tourism, health and wellness tourism, agro-tourism, sports tourism, faith-based tourism, events tourism etc.;
- seek to strengthen Barbados' brand and image by ensuring that its product remains relevant, competitive and of a high quality;
- ensure the preservation of local culture to insulate the same from over-commercialization and exploitation;
- encourage the sustainable development of currently underdeveloped and environmentally sensitive areas;
- enforce national beautification and anti-litter programmes, particularly in the capital of Bridgetown, to enhance the quality and competitiveness of the Barbados Brand; and,
- maximise heritage and historical assets by clustering and cross promoting complementary experiences.

10.14 Foreign Investment

The Government of Barbados recognises the importance of attracting foreign investment as an important element to achieve the growth and development objectives of the tourism sector. It further recognizes that systematic and sustained investment in product and infrastructure offerings will be essential over the coming years to improve the quality and standards of the overall tourism product in an increasingly competitive environment. It is therefore essential that a favourable business environment and efficient and well maintained infrastructure be established and maintained.

To this end, Government will:

- establish an investor-friendly but transparent business environment and regulatory framework;
- establish the requisite institutional arrangements to govern the administration of tourism investment activities in Barbados;
- develop a framework for relevant data collection and assimilation on market trends, demand and supply, visitor movements and visitor expenditure providing potential investors with basic information identifying opportunities and enhancing the ability to make relevant investment decisions; and
- adopt a practical policy for equity participation in tourism projects.

The Government facilitates investment primarily through the economic and regulatory environment. In all tourism development areas other than the small, micro-enterprises or the ancillary services sector, the Government will encourage foreign investment that meets the following criteria:

- investors and companies that will develop, promote and implement responsible tourism;
- local job creation;
- preservation and promotion of the nation's culture and heritage;
- utilization of local resources particularly the use of alternative energy resources;
- development that contributes to the social and physical well-being of local communities;
- investment in rural communities;
- investment that facilitates diversification of the tourism product in sustainable niche areas, e.g. community tourism, culinary tourism, ecotourism, health tourism, heritage tourism, sports tourism, etc.; and
- tourism development that focuses on year-round tourism that targets specialized niche markets, to mitigate against the seasonal nature of the industry so that consistent yield expectations will be met.

Government on completion of the carrying capacity audit, to effectively manage tourism development consistent with its findings will:-

- ensure that the promotion and facilitation of investment is supported by appropriate research, market intelligence and analysis;
- adopt a proactive approach, based on empirical and accurate data for reducing the potential for any misalignments between product demand and product supply;

- promote a competitive and dynamic range of investment opportunities in targeted niche markets to facilitate BTII and Invest Barbados' marketing of available investment opportunities;
- encourage the development of branded tourism products;
- designate zones and sites for tourism development;
- encourage the development of SMME's, particularly those which stimulate local community involvement and capitalize on the attractions and products which are indigenous to their areas; and
- encourage communities to develop community based tourism projects.

10.15 Health, Safety and Security

In the face of increased incidences of terrorism, civil unrest, natural disaster, health pandemics around the globe, safety and security has become one of the major concerns of today's travellers and heavily influences their choice of destination. Therefore, successful and sustainable tourism efforts rely indispensably upon the provision of an environment in which guests feel safe and comfortable. Notwithstanding the increasing incidences of crime, harassment and other undesirable behaviours nationally, and specifically against tourists, Barbados has maintained a reputation as a relatively safe and healthy destination. For tourism to survive, this reputation has to be protected at all costs.

The rising incidences of crime and deviance, is a national problem that will require a national response, involving the assistance and attention of all Barbadians. In order to promote an improved environment for the health, safety and security of residents and visitors, Government will:

- adopt a zero-tolerance approach to ensure a safe and secure Barbados is maintained for locals and visitors alike by dealing swiftly and comprehensively with issues of crime and all forms of deviant behaviour;
- provide adequate and relevant information at points of entry and accommodation to visitors that will help to improve their safety and security;
- ascertain the root causes of crime to stem any further growth of this scourge on Barbadian society;
- support preventative and rehabilitative measures that focus on mentorship and self-help programmes for "at-risk" youth that provide entrepreneurial and job skills development;
- support the development of a legal and institutional framework to deter crimes against visitors including the creation of a tourism police task force;
- educate stakeholders about the existing laws regulating public vending and invite those operating without license to regularize their status and educate them of the benefits to be derived from coming on-board in order to achieve their buy-in;
- enforce legislation that outlaws illegal vending;
- support the improvement of human, technological and physical resources of the security forces;
- counter the sub-culture of violence and illegal drug use by deploying more intense beach patrols by security forces and the strengthening of community policing;
- continue to work closely with regional security counterparts to strengthen border controls and benchmark best practices to combat drug and gun trafficking;
- encourage business continuity planning to mitigate against external shocks and to restore operations in a timely and efficient manner after a disaster;
- facilitate an effective and operational national disaster management plan that, among other things, focuses on an educational component that includes the tourism sector;
- facilitate the effective management of natural and man-made disasters in the tourism sector through contingency plans and simulation exercises;
- enforce public health controls at the air and sea ports to prevent and minimize the spread of communicable, vector borne and other diseases;

- implement standards and practices to ensure food safety;
- adopt and promote the use of international health and safety standards at all types of accommodations within the country;
- take suitable action to prevent and minimize the spread of communicable and other diseases which impact the tourism sector;
- provide adequate resources to maintain Barbados' reputation as the premier healthcare provider in the region; and
- ensure Barbadians and visitors are provided access to health care facilities for emergency services.

10.16 Research and Development

Government realizes that contemporaneous and accurate research has to be at the epicenter of tourism development in order to inform effective product development and marketing and promotion strategies. As the global tourism market becomes increasingly competitive, timely, relevant and accurate research and statistics will be critical in maintaining Barbados' competitive edge and increasing market share. In order to drive innovation and develop a more crisis-resilient, strategically focused and competitive destination, a culture of research and development and analytical thinking has to be established across the Barbados tourism industry.

To close the current gap in the research and development, Government will:

- establish a Research Business Unit that is dedicated to enhancing the resource base and build research capacity and capabilities to meet the research needs of the industry and Government, whether it is short-term, tactical research, monitoring and evaluation, or long-term strategic research:
 - to source relevant, timely and accurate data to facilitate strategic decision making in product development and marketing and promotion;
 - to benchmark best practices within the global tourism industry, with a view to ensuring that the Barbadian product compares favourably with world class operational, technological and infrastructural standards;
 - to meet the research needs of industry and Government;
 - to ensure a more crisis-resilient industry;
 - ensure the effective transformation of research gathered into actionable, sustainable marketing and product development strategies that will:
 - i. make the industry more, innovative, strategic and crisis-resilient; and
 - ii. facilitate increased market share and competitive advantage.
- conduct market research to enhance the understanding of the tourism customer, the tourism industry and the tourism resource. This level of analysis will enable the Ministry of Tourism to deliver *the right message and the right product, at the right time, in the right way, to the right customer.*
- enhance and strengthen the research and development capability of the Ministry of Tourism and its agencies with respect to the methodology and scope of data gathering and analysis;

Research will be strengthened in the areas of:

- economic and forecasting modelling;
 - industry performance surveys;
 - trend analysis and scenario planning;
 - competitor analyses at the regional and international levels;
 - qualitative and quantitative visitor tourism research;
 - tourism market research and visitor segmentation studies;
 - tourism destination benchmarking;
 - local tourism awareness and satisfaction surveys; and
 - visitor brand perception and satisfaction surveys.
- establish adequate research models to determine visitor spend to Barbados across the spectrum, from budget travellers to high net worth travellers, but especially business travellers;
 - continue to pursue the implementation of a Tourism Satellite Account to:
 - track spend in the various tourism sub-sectors; and
 - develop information on the economic effects of tourism which can be used in the planning of promotional activities for specific market segments and

- provide accurate information to policy-makers and finance planners of the full economic impact of the tourism sector.
- facilitate the development of a centralised management information system for the collection and management of tourism data that can be used to improve promotion and enhance product development activities;
- commit resources for sustained research to ensure the long-term success of product development, human resources, conservation and marketing strategies ;
- facilitate on-going market research of high yield and sustainable target markets to inform and optimize destination-marketing efforts;
- encourage the implementation of market segmentation software and technology to ensure that all elements of the marketing mix (price, product and promotion) are designed to:
 - identify customer profiles;
 - meet particular needs of different customer and prospect groups;
 - identify placement of marketing initiatives and proactivity in specific areas and the subsequent monitoring and evaluation of their success; and
 - increase arrivals and visitor spend.
- conduct research at every phase of the tourism travel cycle on an ongoing basis to proactively ascertain any new shifts in customer behaviour and expectations;
- create a culture that allows for an effective information dissemination strategy that would furnish industry stakeholders with timely, details and accurate market intelligence information;
- establish an annual tourism state of the industry seminar with stakeholders;
- foster collaboration with agencies such as the UWI Tourism Research Centre, to develop a tourism seminar series inviting local, regional and international experts from a wide range of disciplines to present on cutting edge topics that that are relevant to the development of the tourism sector;
- develop stronger synergies with agencies such as the UWI Tourism Research Centre to conduct research projects and prepare industry reports that are designed specifically for industry partners, ministry officials and community organization;
- award a minimum of two tourism research scholarships for masters students undertaking a research-based thesis on an area of relevant importance to the tourism industry. The scholarships will be designed to build research capacity in tourism, encourage research applicable to the industry, increase the profile of tourism research, and create stronger links between researchers, industry and the public sector;
- collaborate with the private sector to develop, utilise and analyse feedback tools such as Guest Comment Cards and all forms of social media, as well as the administration of frequent national Visitor Focus Groups and Surveys to gauge the visitor experience and the constant monitoring of customer feedback on review sites;
- utilize the datasets of regional and international agencies such as the CTO, UNWTO, WTTC, WEF, OAS, EU amongst others, to develop a comprehensive collection of market intelligence that will form the basis of strategic decision-making for the industry; and

- continue the collaboration between, the MOT, the BTA, BHTA, BSS, CTO and the Central Bank to pool resources and ensure that relevant and timely research is being conducted in areas that are pertinent to the development of the tourism industry.

10.17 Youth Development

10.17.1 Tourism Capacity Building and Awareness Programmes

The development of our youth will be one of the pillars upon which a sustainable tourism industry will be built. Necessarily, youth programmes are a component of training and development initiatives, but given the critical importance of tourism to the national economy, a strategic approach to youth involvement is required.

It is imperative that our heritage, history, politics and current affairs are so infused into their knowledge base that they can instinctively and with conviction better interact with and educate tourists.

In pursuit of this objective, Government will forge closer ties with the Ministries responsible for Youth, Education, Community Development, Labour and the Environment.

10.17.2 Education and Sensitization Programmes

The Government will:

- promote the teaching of tourism as a stand-alone topic at the primary and secondary school level and utilize fun, interactive methods to promote tourism such as DVDs and handbooks, e.g. those produced by the CTO;
- facilitate the development of sensitization programmes specifically targeting the youth utilizing social media, positive text messages/blitzes about our historical places of interest and involving the youth in radio and television programmes;
- encourage the development of a youth travel market to facilitate travel by young people domestically, regionally and internationally;
- facilitate the expansion of the range and scope of education and training opportunities and provide career guidance in the tourism sector; and
- support BHTA's STEP programme.

10.17.3 Creating Opportunities for Informal Interaction between Youth and Visitors

Opportunities will be created for the youth to interact with visitors in the following ways:

- facilitate the development of a "Meet and Greet" programme at the ports of entry (sea port and airport) for the youth to welcome visitors to the island and distribute souvenirs;
- collaborate with the Ministries responsible for Youth Affairs, Community Development, Culture and the Environment, to host shows within communities to showcase local talent, cuisine, art etc. and offer the experience to the tourists. Shows can act as fund raisers for scholarships, donations for the needy in the community etc.;
- collaborate with the Ministry of Education and Human Resources Development for schools to host open days/exhibitions on Barbadian culture where tourists will be invited to participate;
- involve Youth in the People-to-People Programme where they can interact and act as hosts to visitors, share memorable experiences and learn about other cultures; and

- create summer jobs for youth as tour guides etc. to expose them to travel and tourism and to prepare them for careers in the industry after graduation.

10.17.4 Using Technology to Involve the Youth

In order for tourism information to be more easily accessible, Government will:

- development of a special tourism portal on the Ministry of Tourism's website for primary, secondary and tertiary level students seeking information on the industry, to educate and promote awareness of the industry;
- encourage utilization of social media to provide a forum for greater interaction with the youth through Facebook, Twitter, You Tube, blogs, review boards, videos, pictures, positive text messages etc., to foster discussion, solicit suggestions and garner different points of view; and
- find ways to involve technologically savvy youth in critiquing the national website and assisting in the social media aspects of the marketing and promotional efforts.

10.17.5 Tourism in Schools

For tourism to be a critical component of the education system, more vigorous measures will to:

- collaborate with the Ministry of Education, UWI, BCC and the BHTA to develop a more structured national Adopt-a-School, mentorship and internship programmes that will ensure that there is an effective balance between the output of the educational system and the occupational demands of the tourism sector;
- offer a minimum of two scholarships per year, in relevant disciplines of the tourism industry that will be critical to the sector going forward;
- strengthen and broaden the scope of the Adopt-A-School Programme by encouraging a wider cross section of tourism stakeholders to get involved in the programme;
- encourage sports teams and other extra-curricular clubs who travel overseas to promote Barbados as a destination; and
- create opportunities for youth entrepreneurship opportunities within the tourism industry.

10.18 Transportation

10.18.1 Air Transportation

Barbados' geographic location dictates that the inbound tourism market is almost completely dependent on efficient air services delivery. The successful development of the Barbados tourism industry is heavily dependent on reliable and affordable air transportation.

The Government is therefore committed to maintaining a policy and regulatory framework that stimulates demand and growth circumscribed by the optimum numbers determined from the carrying capacity audit, while ensuring competitive market access and a sustainable and safe aviation sector.

In the interest of the further growth and development of the tourism industry, the following policy measures are proposed to:

- pursue a regional and international open skies policy to create a framework for competitive price arrangements and better quality through fairer competition that would stimulate inter-regional and international travel;
- encourage air service agreements that provide adequate airlift to traditional and emerging markets, with emphasis on direct non-stop scheduled service or alternatively, deployment of charter services;
- improve the quality and efficiency of the air transportation infrastructure;
- to supply air transportation in accordance with tourist demand and to provide services that are competitive and tailor made to the needs of clients;
- implement initiatives to improve load factors during slow periods through the coordination of new events;
- package 'experiences' for longer transit visitors i.e. 5 hours or more;
- encourage development of mechanisms to provide added airlift from our legacy carriers, but also to negotiate with non-traditional carriers from Latin America, Eastern Europe, the Far East, Africa etc., as these countries are targeted as new source markets;
- review the structure of ticket taxes and try to reduce the burden for potential visitors, by reducing airfares and possibly stimulating interest in short-notice bookings and inter-regional travel, thus making Barbados more attractive as a tourism destination;
- implement an effective "pull strategy" that ensures that the tourism products offered are capable of attracting the quantum and mix of customers needed to meet limited airline expectations of yield and profitability;
- improve 21st century capacity for handling anticipated increased volumes of traffic through the air and sea ports. Government will:
 - improve border control procedures to minimize inconvenience to passengers and carriers;
 - adopt new technologies to improve processing and detection of risks;
 - expand the terminals where necessary;
 - enhance technological capabilities;
 - facilitate increased utilisation of terminals; and
 - provide jet bridges at the airport to facilitate efficient 21st century transfer of passengers to the terminal during inclement weather.

10.18.2 Cruise and Maritime Transportation

The development of a sustainable and efficient cruise tourism industry can have a considerable economic impact on Barbados. Ships in port consume significant local resources on a temporal visit to take on supplies, such as water, food, beverage and other critical services, and passengers have the opportunity to take tours and visit sites and attractions.

Government will be consistent with the results of the carrying capacity audit and having balanced the cost/benefit:

- develop a medium to long term plan for the development of the cruise sector addressing infrastructure needs and opportunities for suppliers;
- develop regulations to govern the industry;
- improve the quality and price competitiveness of berthing facilities and access to ancillary services to continue to attract cruise operators to Barbados' port;
- upgrade cruise ship infrastructure and services provided to meet international standards and market demand;
- advocate, conduct and promote applied research on cruise ship tourism to assist in policy formation at the national and regional levels to inform future strategic tourism development;
- develop mechanisms to continuously assess the carrying capacity of the existing attractions and services used by the cruise visitor;
- continuously improve and provide quality product offerings and exciting, memorable touring experiences with the object of increasing the disembarkation ratio and customer satisfaction index that should result in repeat visitation and increased cruise passenger spend;
- upgrade and expand the existing product offering by developing a suite of authentic Barbadian Signature Experiences that act as a drawing card to attract target market segments that will result in cruise passenger conversion to stay over tourists;
- identify innovative ways to establish authentic and sustainable indigenous tourism enterprises;
- facilitate opportunities for provisioning of ships to enhance linkages with the agricultural and local manufacturing sectors;
- conduct a carrying capacity study to ensure that maximum benefits are realized, whilst sustaining the natural resources of Barbados/ascertain the maximum level of visitation at each attraction/site to ensure that resources are being protected;
- formulate a strategy specifically to target cruise ship crews who are an important financial resource;
- encourage the development or designation of sites/attractions as primarily cruise market sites and offer exciting experiences that are tailor made for the length of time cruise ships are on island that would still encourage conversion;
- enhance the Bridgetown shopping experience;
- develop and expand niche markets such as weddings, sports, heritage and nature and community tourism;
- maximise heritage and historical assets by clustering and cross promoting complementary experiences;

- undertake and encourage research to inform future strategic tourism development;
- develop a Barbados cruise tourism brand;
- collaborate with regional partners to develop a cruise tourism brand for the Southern Caribbean;
- improve accessibility for the booking of Barbadian products and experiences;
- establish joint marketing campaigns between local and regional agencies;
- develop and strengthen national relationships with cruise executives and forge strategic partnerships with cruise lines at the Ministerial level;
- develop a programme to increase employment of locals on board cruise lines;
- further develop and strengthen national relationships with cruise executives;
- create a department dedicated to the development of cruise tourism. The areas of focus will be on the development of initiatives to:
 - maximize the benefits of cruise tourism to Barbados including cruise and stay programs;
 - improve travel agency relationships (top 20% of agents sell 80% of cruises);
 - increase passenger spending;
 - increase port of call business for the Port of Barbados etc.; and
 - attract more cruise vessels to home port in Barbados.
- encourage home porting as a way to increase cruise visitor spend and offshore provisioning;
- improve skills and industry standards; and
- maintain a strong environmental focus.

10.18.3 Welcome at Entry Ports

The Barbados airport and seaport and the services they provide are critical for inbound and outbound tourism and have a powerful influence on Barbados' image as a tourism destination. The manner in which travellers are processed at air and sea ports forms both the first and sometimes final impression of Barbados and can leave a powerful imprint on the visitor experience.

Government will:

- introduce new technologies and increased infrastructure investment for passenger processing and border control with tourism interests being closely considered in the decision making process;
- implement a more streamlined, efficient processing of international visitors, through efforts to continuously improve border control processes, while meeting safety and security requirements;
- ensure that the function of the airport infrastructure and its associated Human Resources complement is optimized;
- implement ongoing training to improve the technical and customer service skills of the workforce responsible for immigration, customs and general services, including red caps and taxi dispatch services;
- enhance the "Arrival Experience" at the airport and seaports to provide a positive visitor experience;

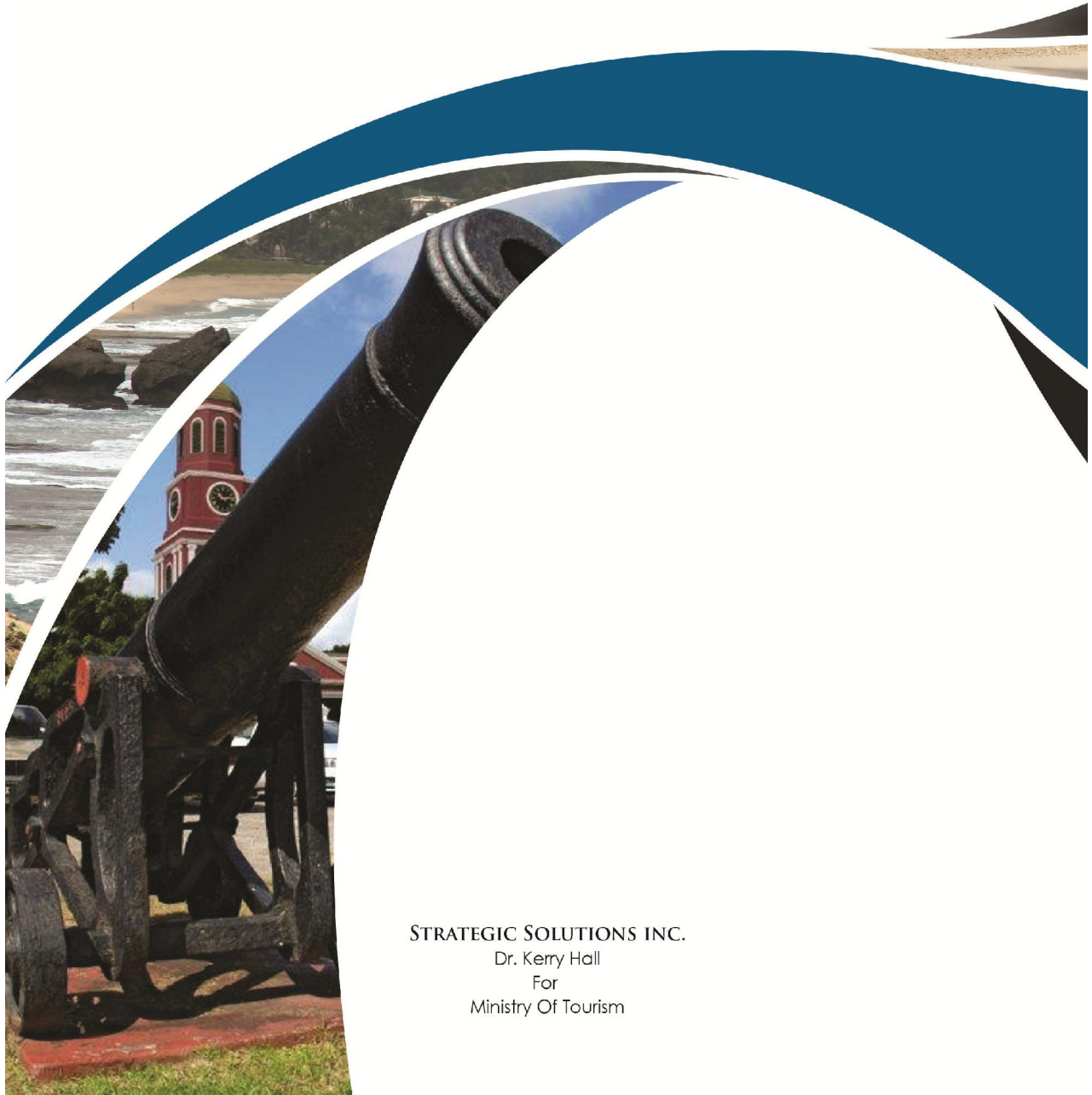
- enhance the aesthetics in the arrival hall at air and sea ports through displays of images of world famous Barbadians icons, gold medal award winning Chelsea floral displays etc.; and
- facilitate the installation of TV monitors streaming welcoming messages from the Prime Minister, Minister of Tourism, Barbadian icons and promoting local attractions to the captive audience.

10.18.4 Ground Transportation

Ground Transportation is vital for ease of movement throughout Barbados. A strong transport infrastructure (and specifically transport systems) is critical to ensuring that tourism continues to play a significant role in the economic future of Barbados. The public transportation system has become increasingly important to the tourism industry.

In further developing the ground transportation sector in Barbados, Government will:

- provide continuous training for taxi drivers and other transport operators in order to enhance their services;
- implement a metered or dispatch system for taxis and regulate fares across the sector;
- expand the range and accessibility of different transportation options to visitors;
- consider the safety and standards of ground transportation services to satisfy the needs of tourists;
- implement a scheduling system for bus service and make information available through various media for ease of access;
- improve standards and quality control among all forms of ground transportation;
- improve ground transportation services for the tourism industry and eliminate bottlenecks;
- encourage entrepreneurship in the provision of transportation services;
- encourage the development of themed touring experiences in line with the niche markets that are being targeted;
- improve the linkages and co-ordination among different forms of transportation and encourage strategic alliances with other stakeholders in the industry;
- ensure the development of an efficient road infrastructure, particularly the upgrade and maintenance of secondary and tertiary roads leading to tourist sites and attractions; and
- ensure the national transport network as a whole offers safe, comfortable, efficient, accessible transportation to key business centers and tourist attractions.



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