



Making Cooperation Work

# COMCEC STRATEGY

For Building an Interdependent Islamic World

## COMCEC TOURISM OUTLOOK 2019



COMCEC

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**Comcec Coordination Office**  
**February, 2019**



# OUTLINE

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- The Importance of Tourism for Development
- Tourism Trends
- Overview of International Tourism in the World
- International Tourism in the OIC Member Countries



# The Importance of Tourism for Development

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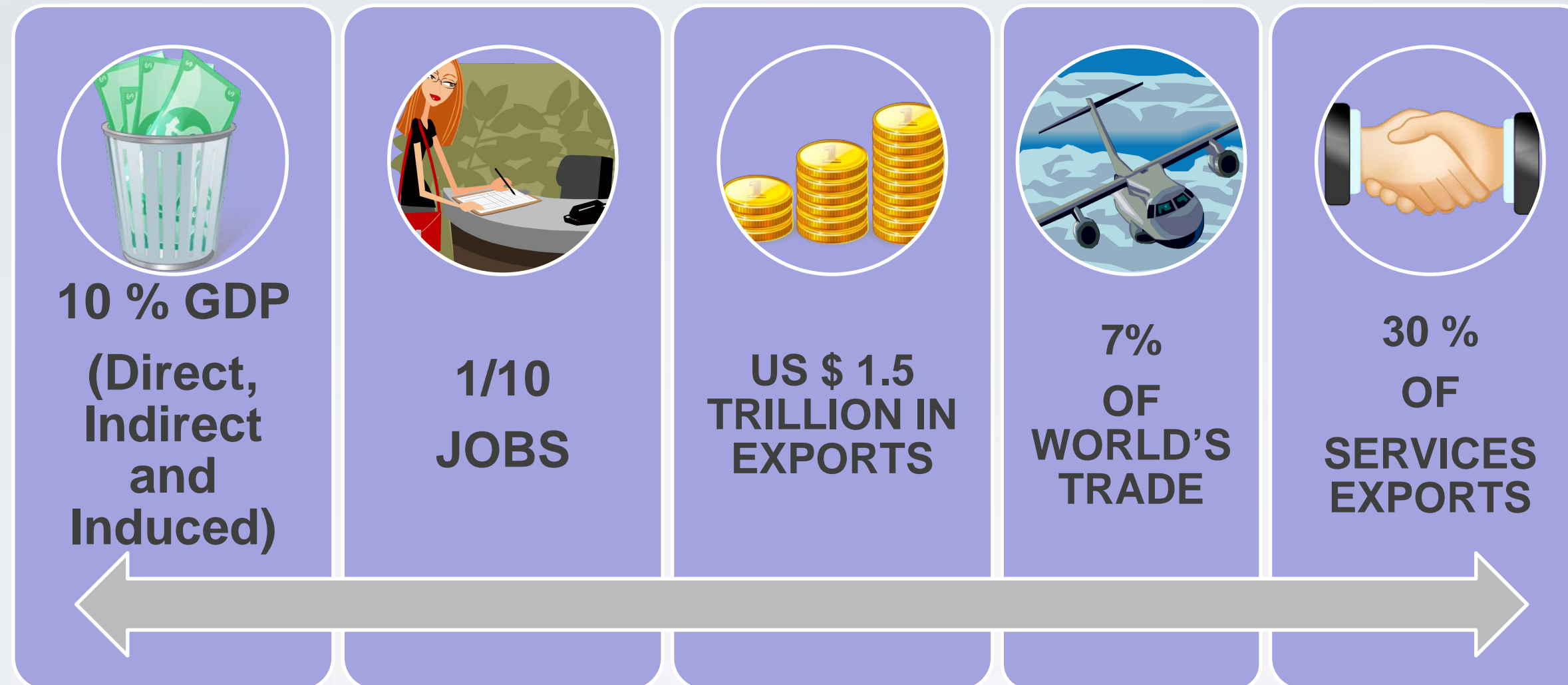
A remarkable  
socio-economic  
phenomena

A critical sector  
for both  
advanced and  
developing  
economies

Related to more  
than 185 supply-  
side economic  
activities, with  
direct and  
indirect effects



# The Importance of Tourism for Development



Source: UNWTO Tourism Highlights, 2018 Edition



# Key Tourism Trends

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- Demographic changes
- Behavioral changes
- Advancements in technology
- Crises and risk management
- Sustainability

Source: Horwart HTL Tourism Megatrends, 2016



# Demographic Changes



Share of global population  
over the age of 60



- Active travelers
- Security is important
- Personalized services
- Soft adventure for «feeling young»
- Health, sport and wellness products

Source: Horwart HTL Tourism Megatrends, 2016



# Demographic Changes



Middle Class Population  
(in billion)



- The increase in average income results in a growing middle class
- Emerging source markets

Source: Horwart HTL Tourism Megatrends, 2016



# Demographic Changes

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## Generation Y (Millennials)

- 50 % of all travelers by 2025
- Technology is essential!!!

## Generation Z (iGen – 6-20 ages)

- Spend parents' money faster
- High level of involvement in digital trends
- A more dynamic lifestyle

Source: Horwart HTL Tourism Megatrends, 2016



# Behavioral Changes



- Increase in the share of emerging economies
- 10 cities are from the Middle East and Asia in the top 20 global destinations by international overnight visitors.



Source: Horwart HTL Tourism Megatrends, 2016

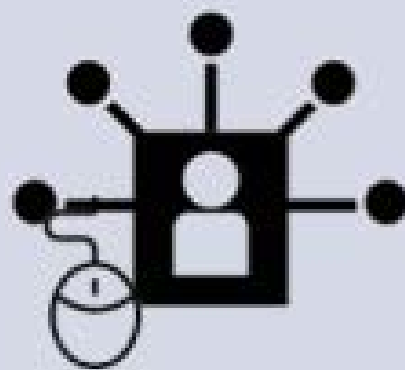


# Advancements in Technology

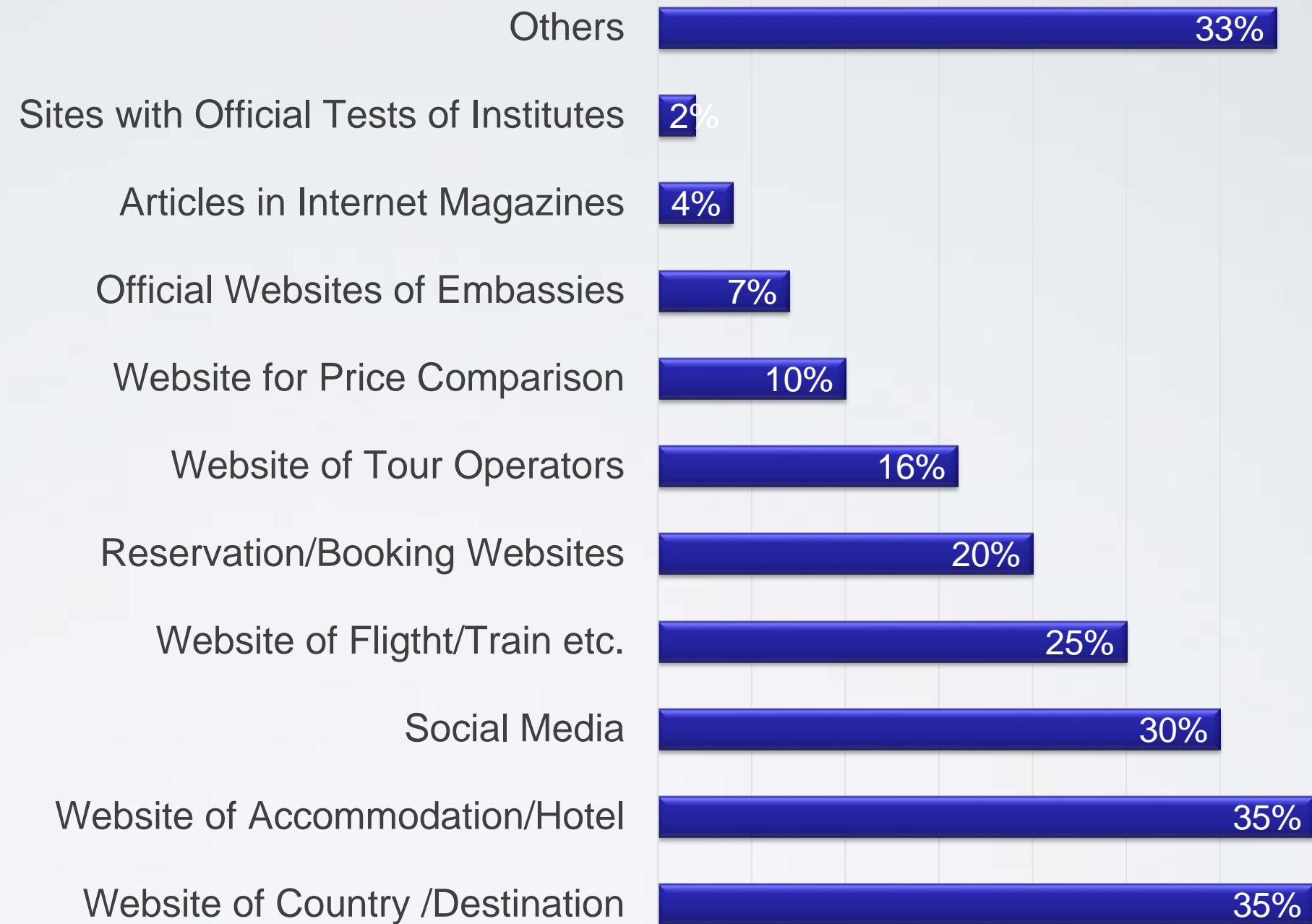
## Technological (r)evolution



## Digital channels



## INTERNET INFORMATION SOURCES

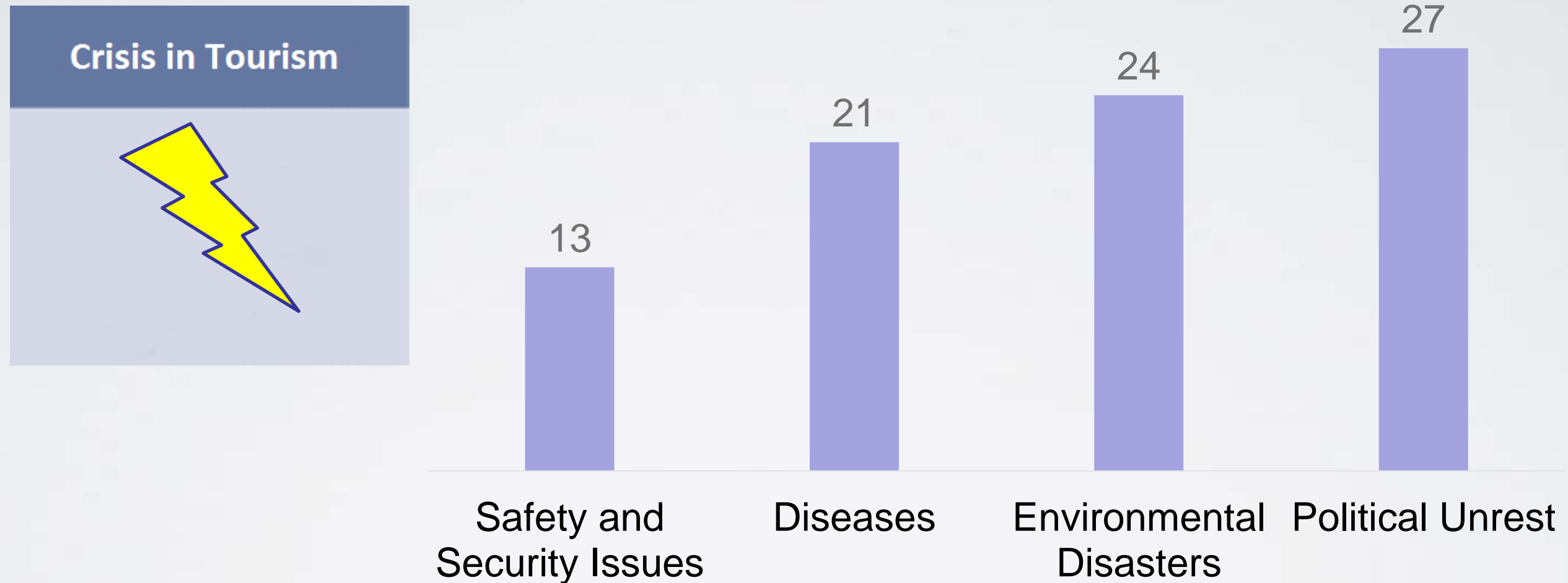


Source: ITB World Travel Trends Report 2015-2016



# Crises and Risk Management

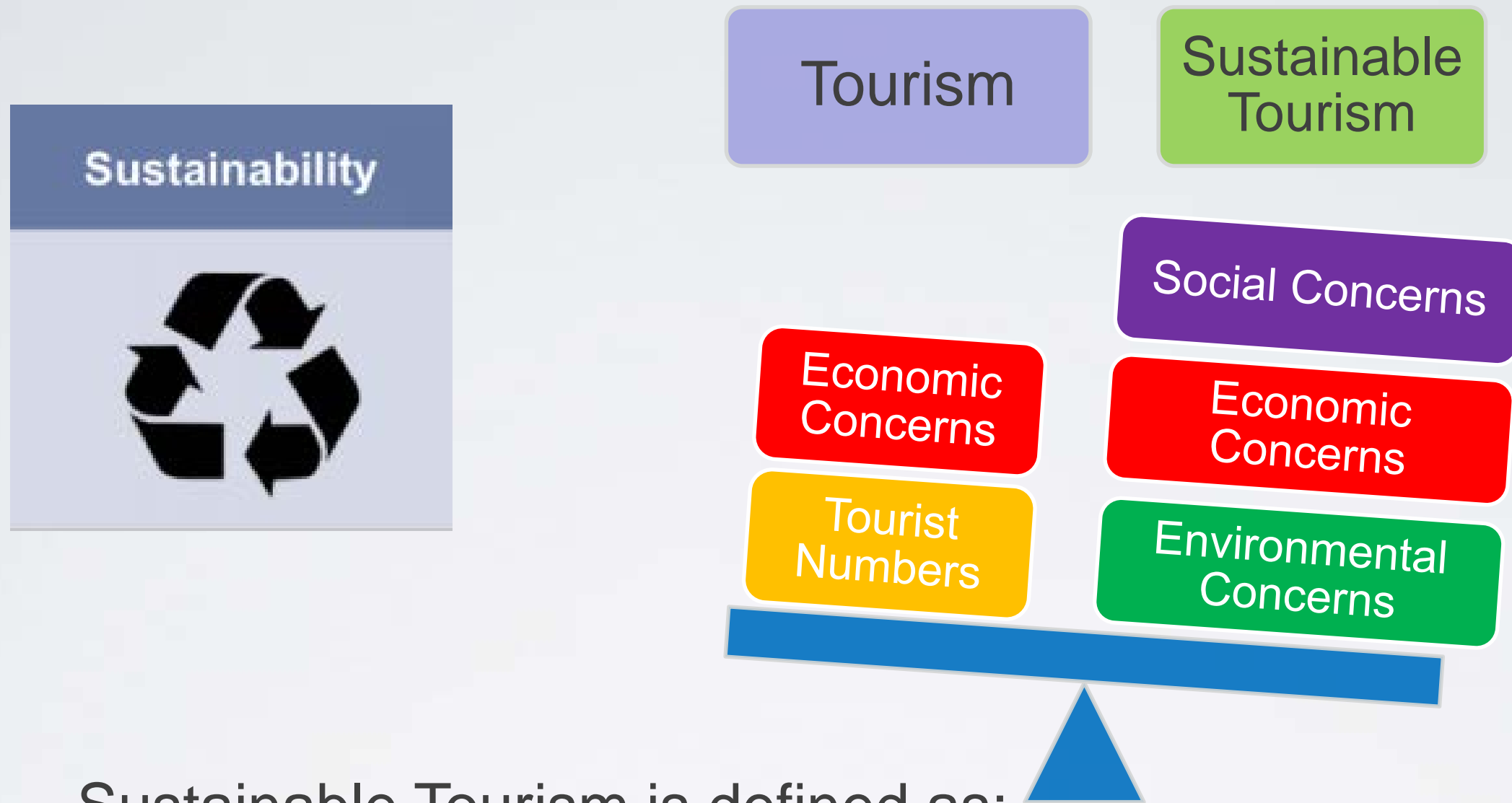
## Time to Recover from Crises for Tourism (months)



Source: WTTC, 2016



# Sustainability

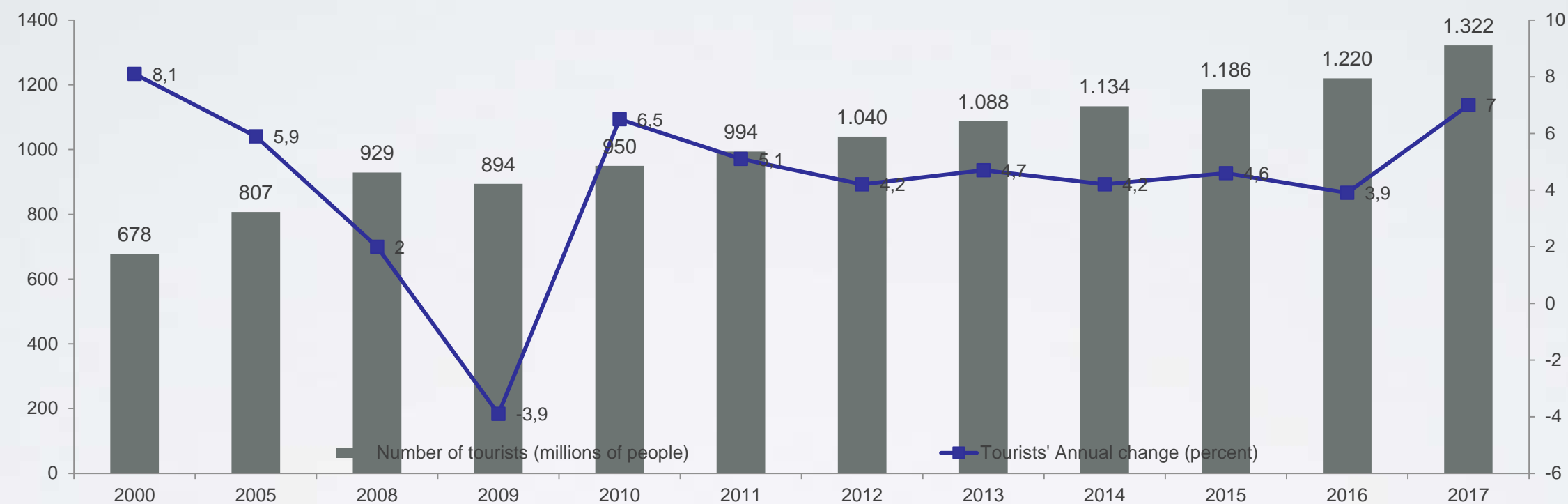


Sustainable Tourism is defined as:  
« tourism that respects both local people and the traveler,  
cultural heritage and the environment »



# International Tourist Arrivals

(Millions)

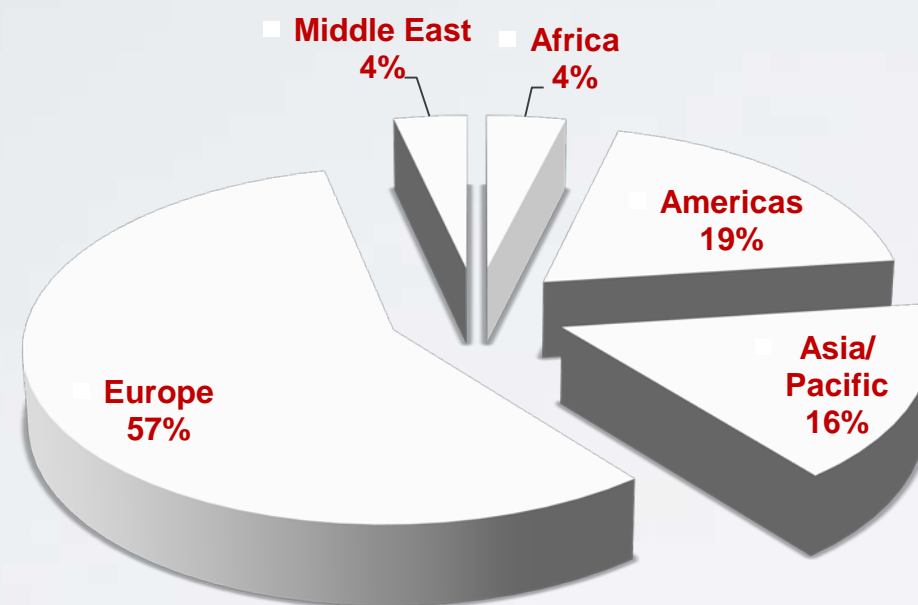


Source: World Tourism Organization

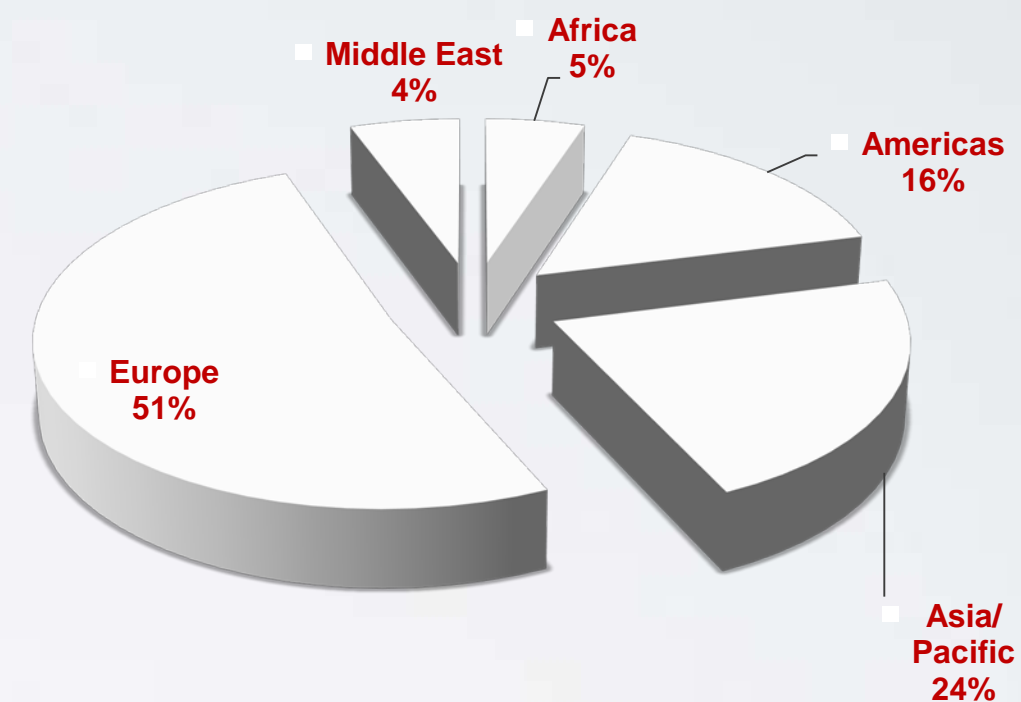


# International Tourism- Market Share

## Tourist Arrivals



2000



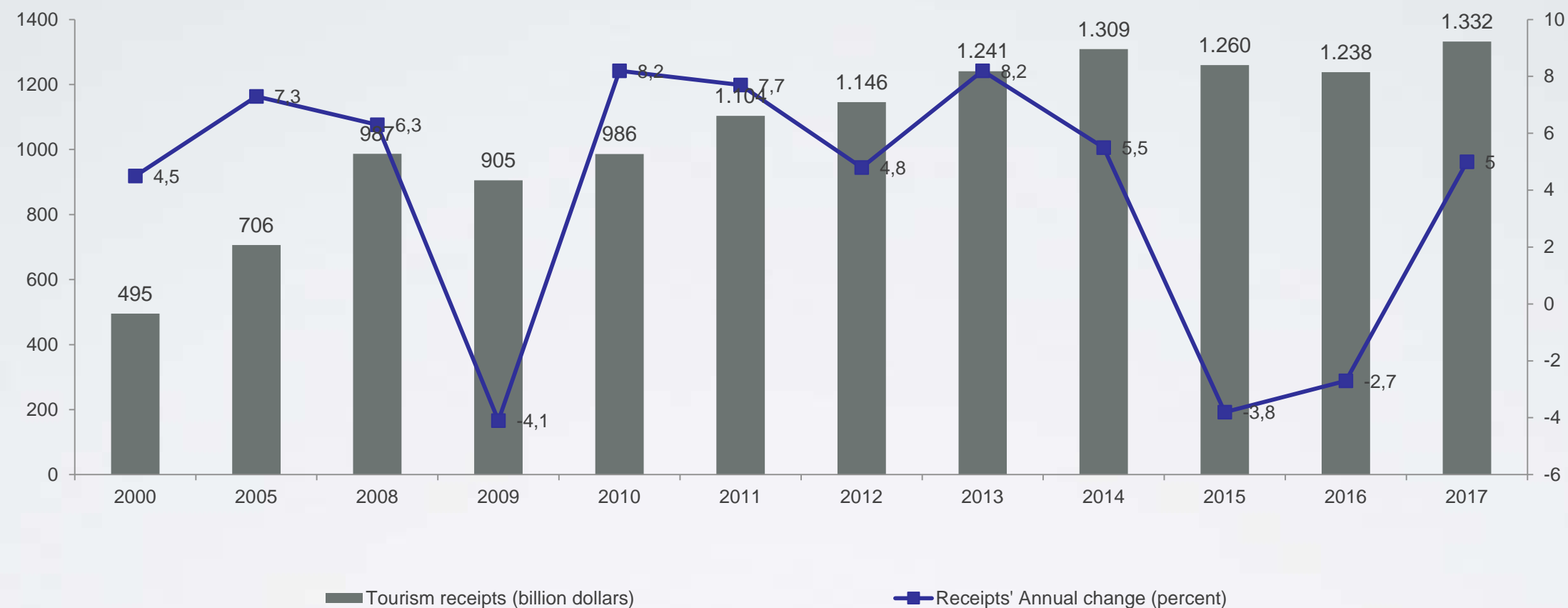
2017

Source: UNWTO, Tourism Highlights 2018 & World Tourism Barometer, Volume 19, Jan 2019



# International Tourism Receipts

(Billion \$)

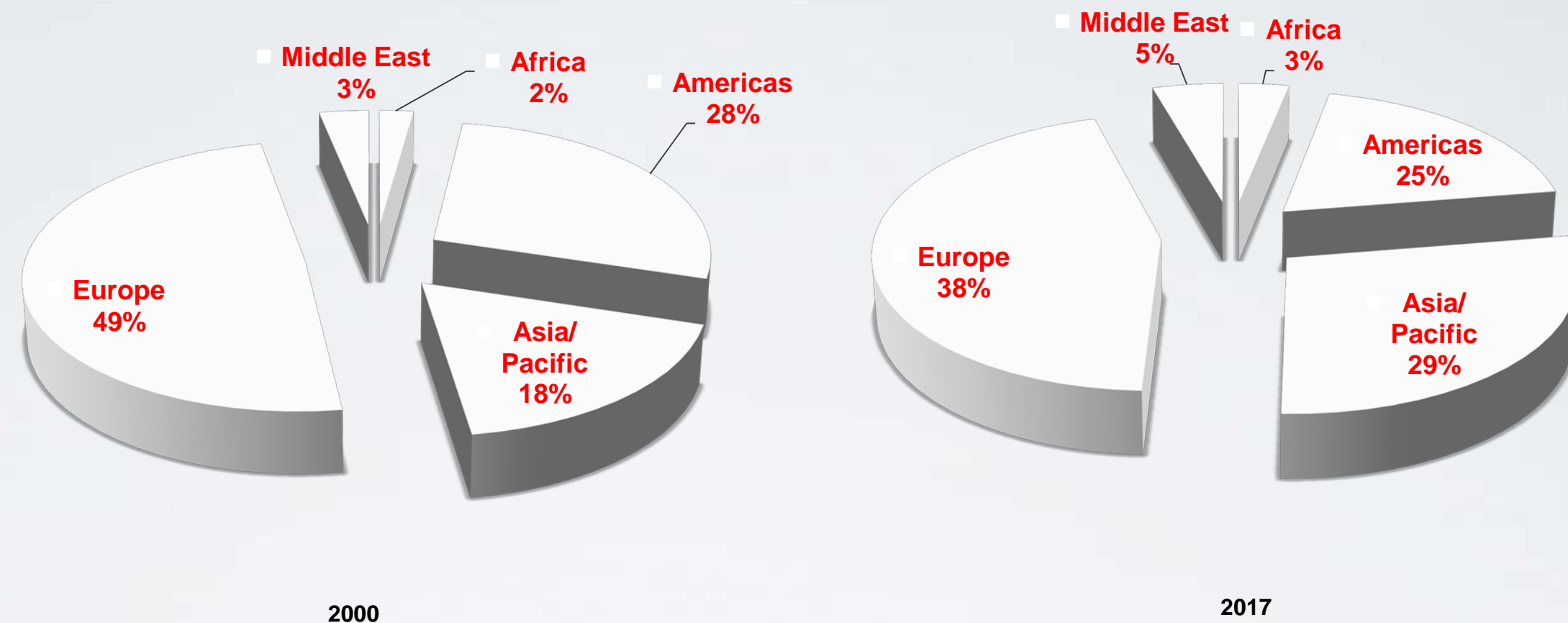


Source: World Tourism Organization



# International Tourism Market Share

## Tourism Receipts



Source: UNWTO, Tourism Highlights 2014 & World Tourism Highlights 2018



# Estimates and Forecasts for Travel&Tourism Economic Impact in OIC Member States

COMCEC	2017 \$ billion <sup>1</sup>	2017 % of total	2018 Growth <sup>2</sup>	2028 \$ billion <sup>1</sup>	2028 % of total	Growth <sup>3</sup>
Direct contribution to GDP	212.8	3.3	4.5	344.8	3.4	4.5
Total contribution to GDP	561.5	8.7	4.3	926.1	9.2	4.7
Direct contribution to employment <sup>4</sup>	16.801	2.8	2.7	22.530	3.0	2.7
Total contribution to employment <sup>4</sup>	42.982	7.3	2.6	57.588	7.7	2.7
Leisure spending	293.5	2.5	5.0	477.8	2.5	4.5
Business spending	93.2	0.8	3.2	152.5	0.8	4.7
Capital investment	104.4	6.3	3.9	183.0	7.1	5.4

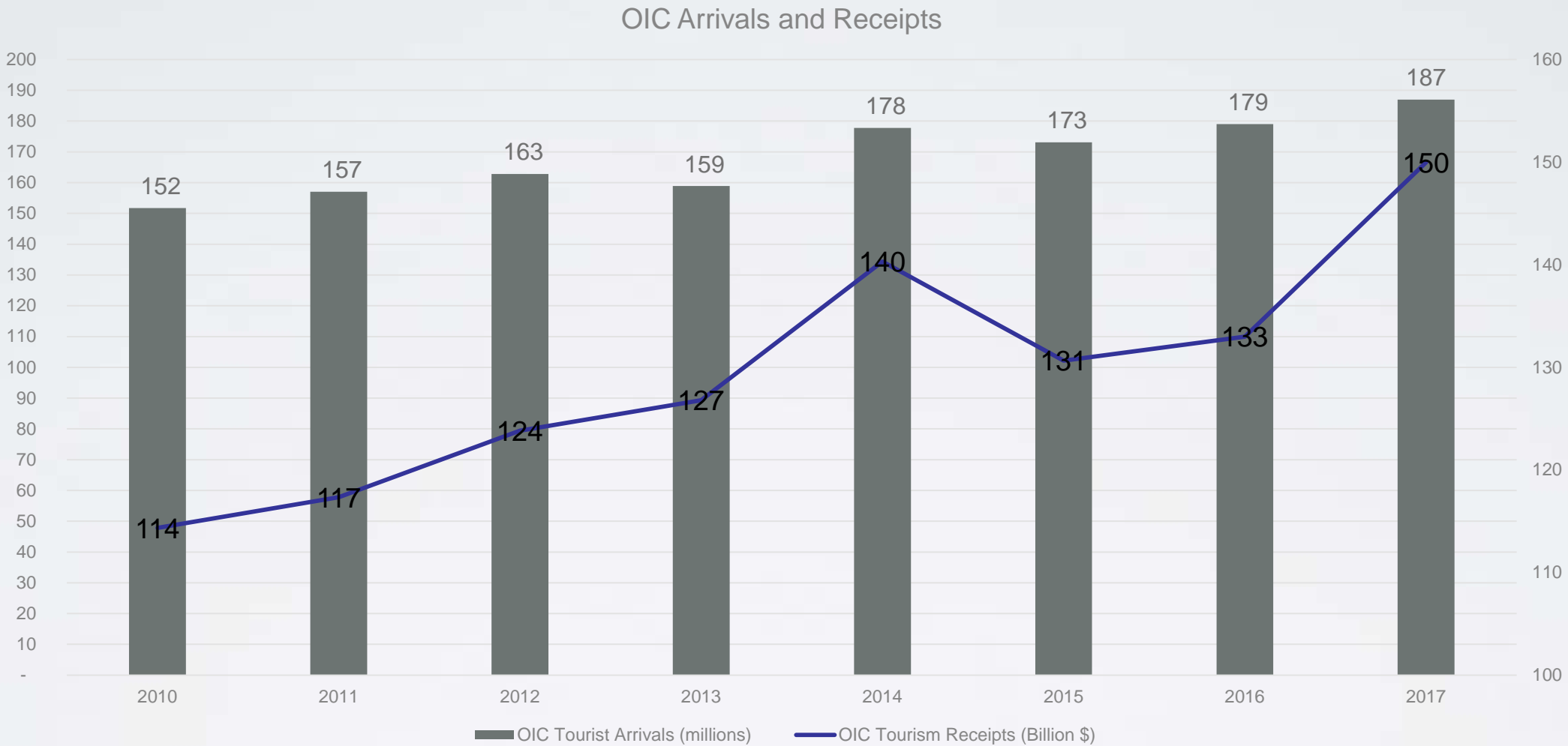
<sup>1</sup>2017 constant prices and exchange rates; <sup>2</sup>2017 real growth adjusted for inflation (%); <sup>3</sup> annual real growth adjusted for inflation; <sup>4</sup>000 jobs  
Source: WTTC, Economic Impact 2018 Report-COMCEC



# International Tourism in the OIC Member Countries

(Millions)

(Billion \$)



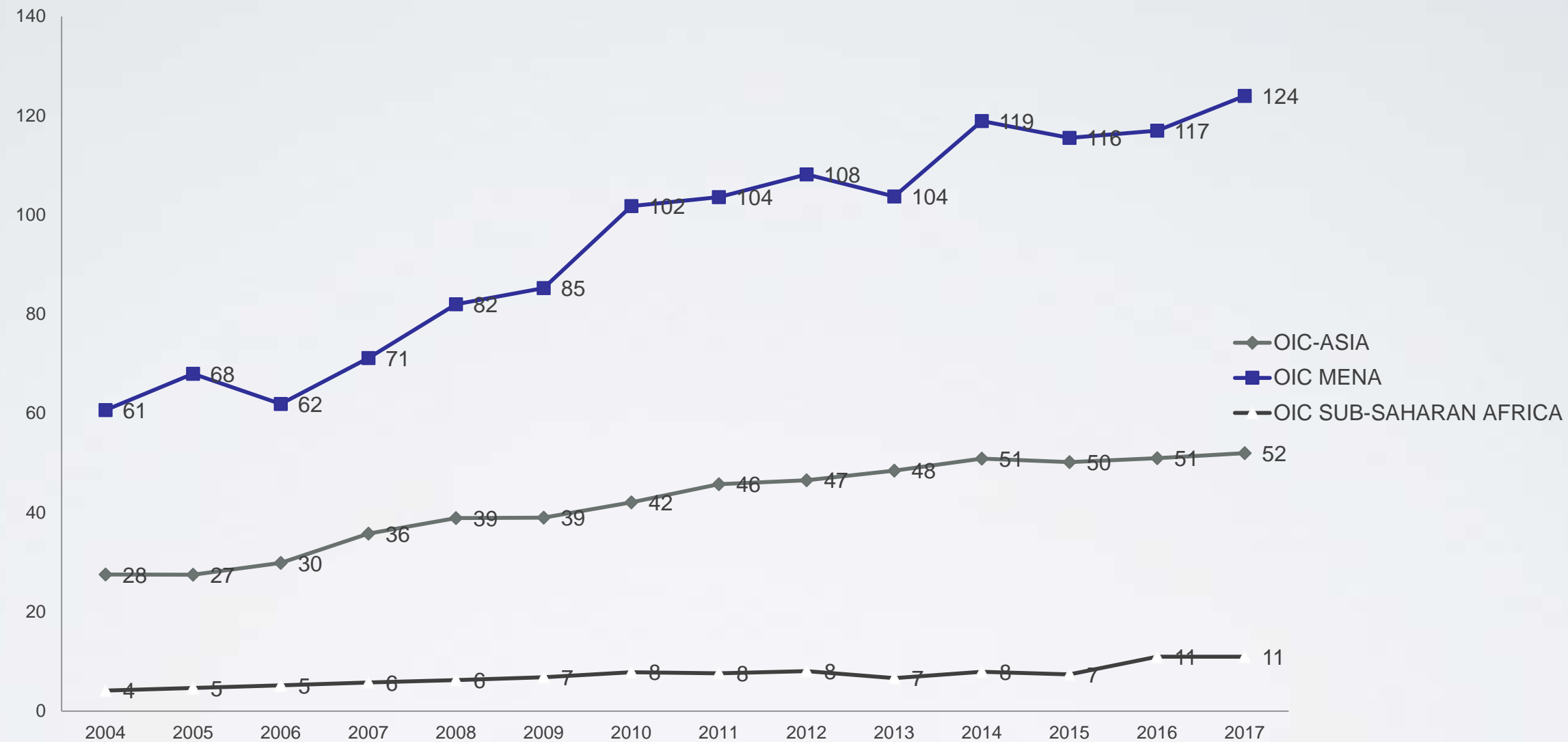
Source: UNWTO, 2018 (Last available data for OIC countries were used)





# Tourist Arrivals in OIC Regions (OIC-MENA, OIC-Asia, and OIC-Sub-Saharan Africa)

(Millions)

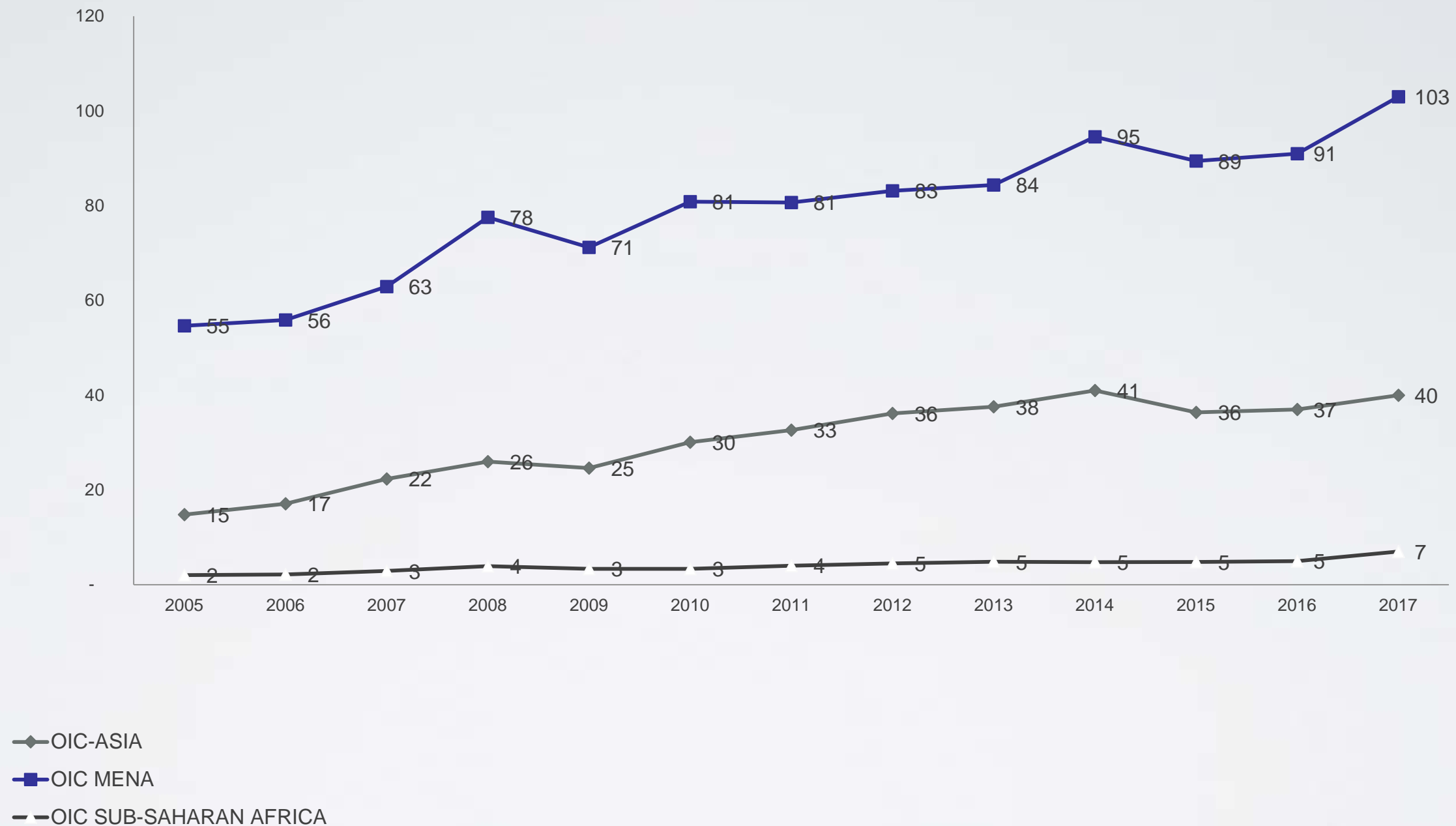


Source: UNWTO, 2018



# Tourism Receipts in OIC Regions (OIC-MENA, OIC-Asia, OIC-Sub-Saharan Africa)

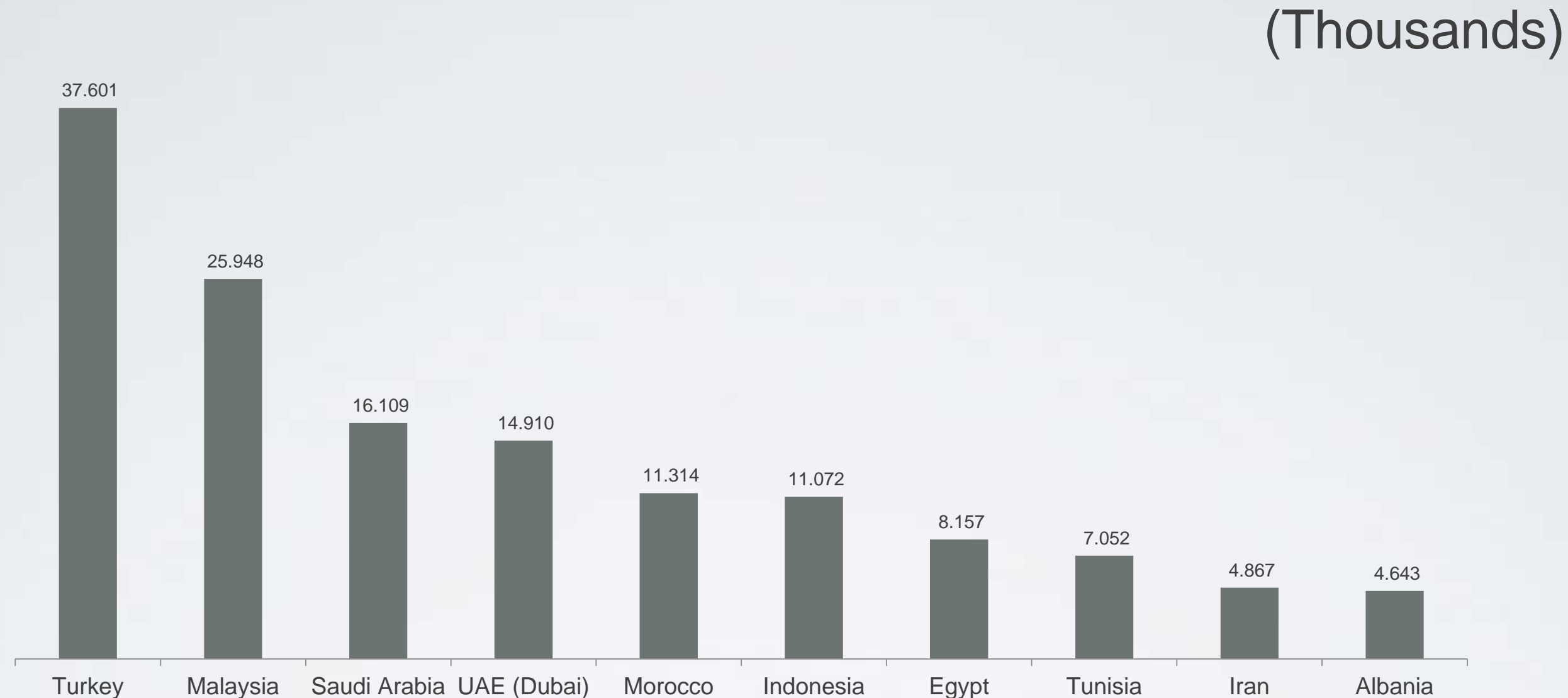
(Billion \$)



Source: UNWTO, 2018



# Top 10 OIC Tourism Destinations in International Tourist Arrivals (2017)



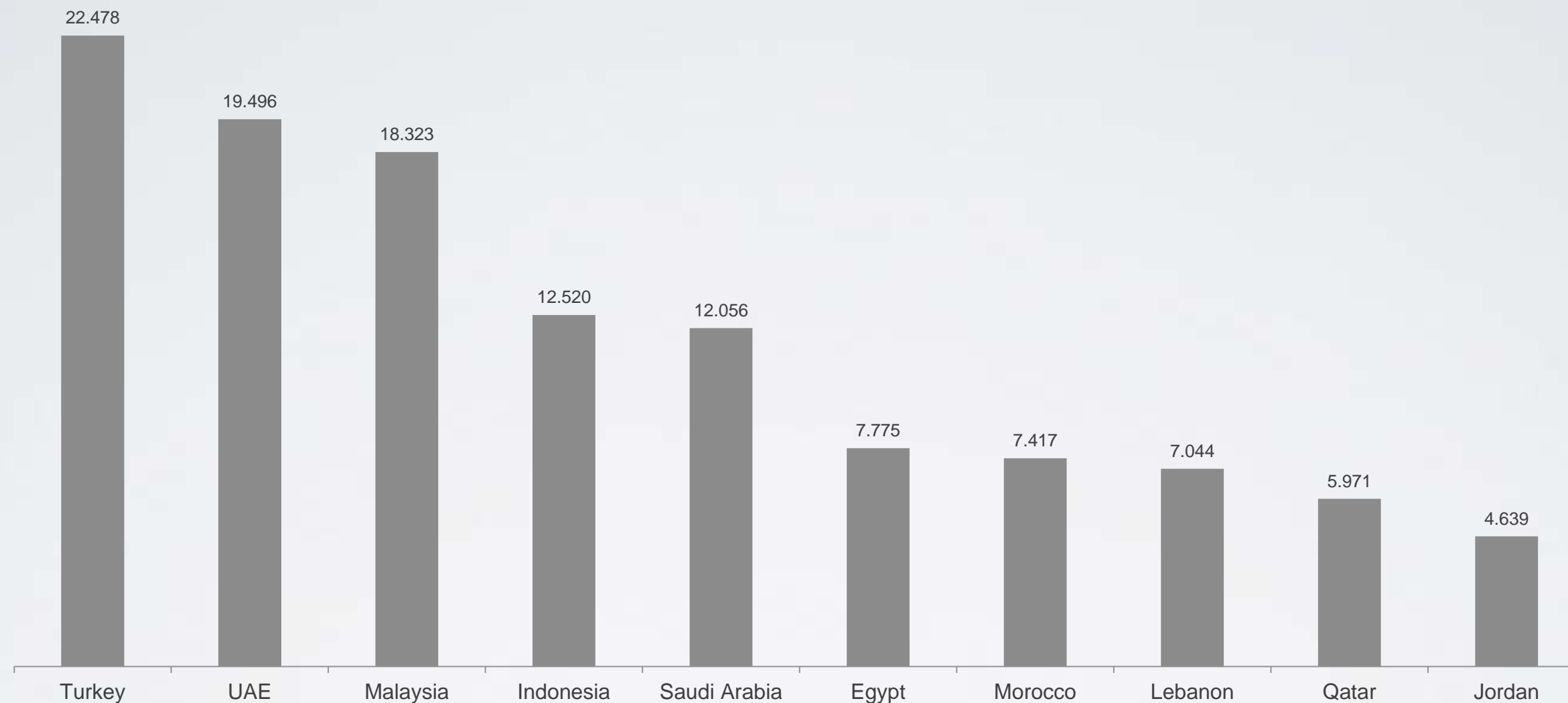
Source: UNWTO, Tourism Highlights 2018 & Tourism Barometer Volume 14, July 2017

❑ Top-10 countries hosted **142 million international tourist** in 2017.



# Top 10 OIC Tourism Earners in International Tourism (2017)

(Billion \$)



❑ Top-10 countries earned **US\$ 118 billion** as international tourism receipts in 2017.



# Countries by Major Surplus on Travel Balance- 2016

	Tourism Receipts			Tour. Expenditures			Balance		
	2014	2015	2016	2014	2015	2016	2014	2015	2016
<b>Turkey</b>	29.6	26.6	19	5.1	5.4	4,8	24.5	21.2	14.2
<b>Malaysia</b>	22.6	17.6	18.1	12.4	10.5	10.5	10.2	7.1	7.6
<b>Morocco</b>	7.1	6.0	6.5	1.4	1.4	1.5	5.6	4.6	5
<b>Indonesia</b>	10.3	10.7	11.3	7.7	7.3	7.7	2.6	3.4	3.6
<b>Egypt</b>	7.2	6.1	2.6	3.1	3.4	-	4.1	2.7	-
<b>Kuwait</b>	0.4	0.1	0.2	11.3	12.4	12.3	-10.9	-12.3	-12.1
<b>S. Arabia</b>	8.2	10.1	12.1	24.1	20.7	16.7	-15.9	-10,6	-4.6
<b>UAE</b>	14.0	16.0	19.4	14.4	15.1	17.1	-0.4	0.9	2.3
<b>Qatar</b>	4.6	5.0	5.4	8.7	8.2	9.6	-4.1	-3.2	-4.2

Source: UNWTO, 2016



## Recent Developments in the OIC Member Countries

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- ▶ **Turkey** recorded 24% increase in arrivals and 20% increase in receipts in 2017.
  - ▶ Improved demand from Asia and Africa.
  - ▶ Exchange rate fluctuations.
  - ▶ Recovery effects

Source: UNWTO, 2017



## Recent Developments in the OIC Member Countries

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- ▶ **Malaysia** had a stable year with 18 billion USD receipts and 26 million arrivals in 2017.
  - ▶ Proximity to potential generating regions.
  - ▶ Launched e-visa service for visitors from China.
  - ▶ Stepped up promotion of Penang.
  - ▶ New air connections

Source: UNWTO



## Recent Developments in the OIC Member Countries

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- ▶ **Saudi Arabia** reported a 10% decrease in arrivals and a 9% increase in receipts in 2017.
- ▶ Based on 2015 data **UAE** enjoyed 5% increase in arrivals and 8% increase in receipts in 2016.
- ▶ **Morocco** had a 10% increase in arrivals and 13% increase in receipts in 2017.
- ▶ **Indonesia** had a 12% increase in receipts in 2017.
- ▶ **Egypt** realized significant increase (54%) in arrivals and receipts (200%) in 2017.

Source: UNWTO



## Recent Developments in the OIC Member Countries

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- ▶ **Tunisia** recovered the effects of crises and posted a 23% increase in arrivals 5% in receipts in 2017.
- ▶ **Iran** had a slight decrease (1%) in arrivals.
- ▶ **Algeria** (48%), **Albania** (14%), **Palestine** (25%), **Lebanon** (10%), **Jordan** (8%) are other OIC countries enjoyed significant increase in arrivals in 2017
- ▶ Concerning receipts **Nigeria** (138%), **Bangladesh** (58%), **Kazakhstan** and **Jordan** (15%), **Albania** (14%), **Azerbaijan** (11%), **Qatar** (10%) are some of the member states increased their tourism receipts in 2017.

Source: UNWTO



# Tourism Opportunities and Challenges for the OIC Member Countries

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## Opportunities

- ☐ Natural Resources
- ☐ Cultural Resources
- ☐ Human Resources
- ☐ Authenticity and novelty
- ☐ Price competitiveness
- ☐ Dynamism

## Challenges

- ☐ Insufficient Tourism Investment & Infrastructure
- ☐ **POOR DESTINATION PLANNING & PRODUCT DEVELOPMENT**
- ☐ Travel Facilitation Problems
- ☐ Safety and Security Related Problems
- ☐ Low Tourism Service Quality
- ☐ **INSUFFICIENT MARKETING AND PROMOTION**
- ☐ Insufficient Image Building and Branding
- ☐ **LACK OF TOURISM DIVERSIFICATION**



# Destination Management Organizations

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Destination  
Management  
Strategies  
(2019-1)



Multi-destination Tourism Corridors in OIC (2019-2)





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## THANK YOU

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