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# COMCEC STRATEGY

For Building an Interdependent Islamic World

## COMCEC TOURISM OUTLOOK 2017



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**COMCEC Coordination Office**  
**February, 2018**

# 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

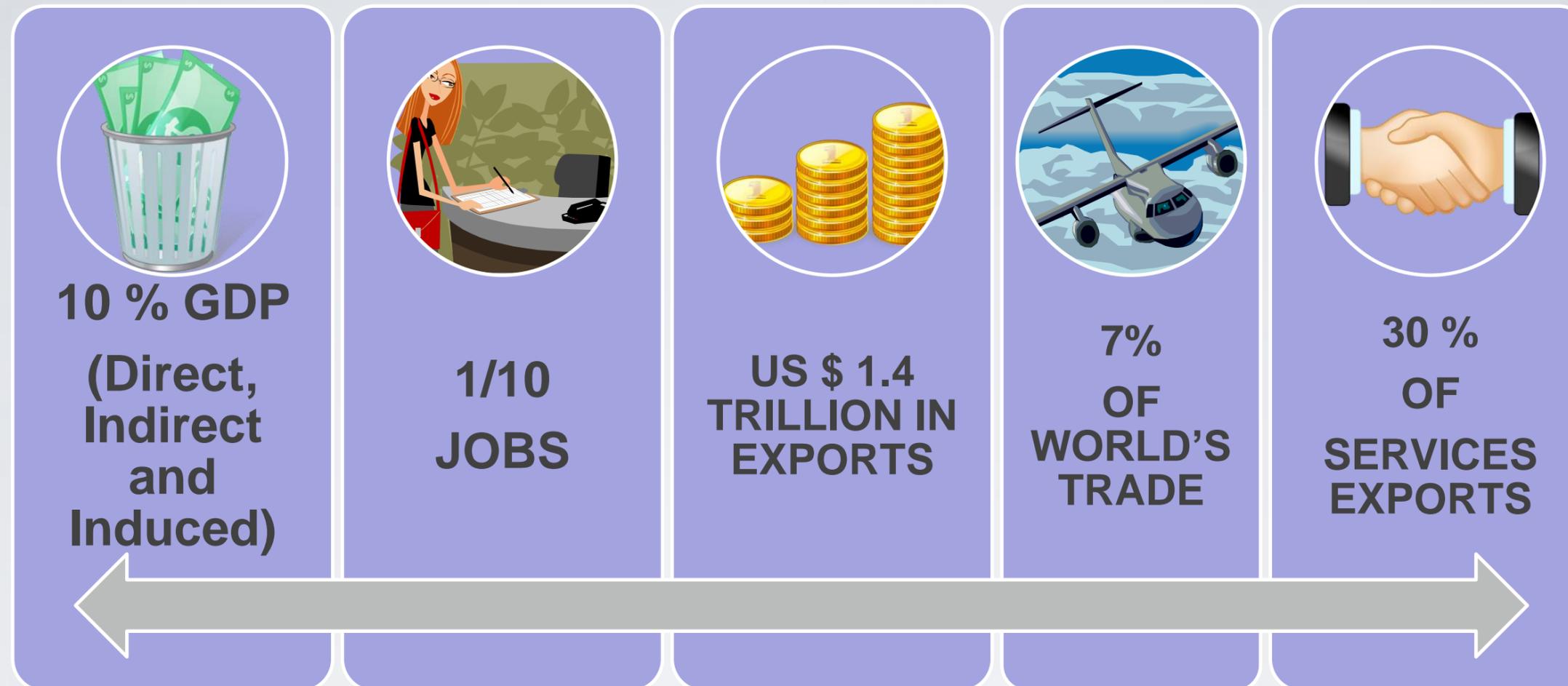
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A remarkable  
socio-economic  
phenomena

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, 2016 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



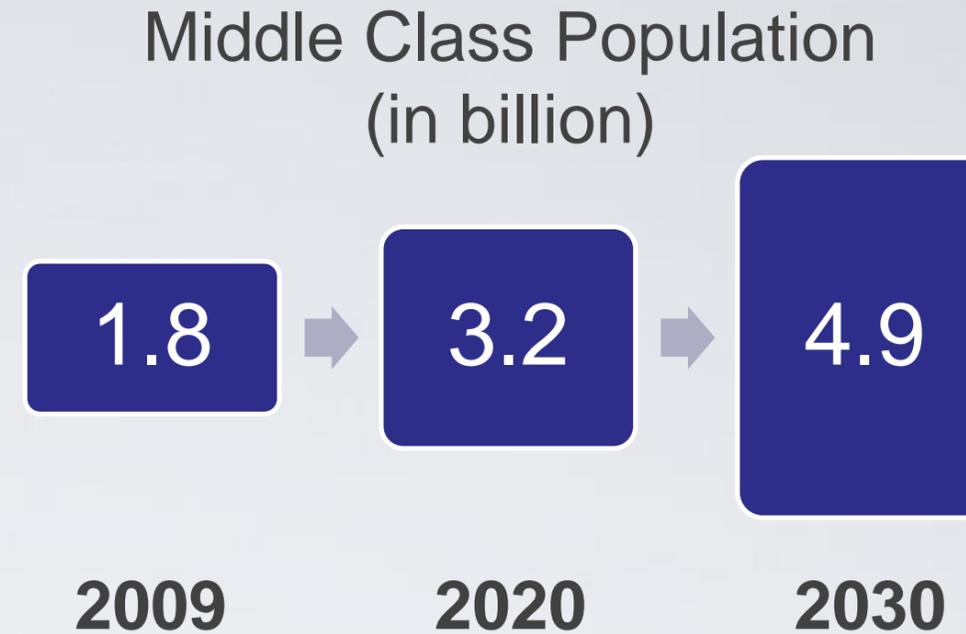
Share of global population over the age of 60



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

Source: Horwart HTL Tourism Megatrends, 2016

# Demographic Changes

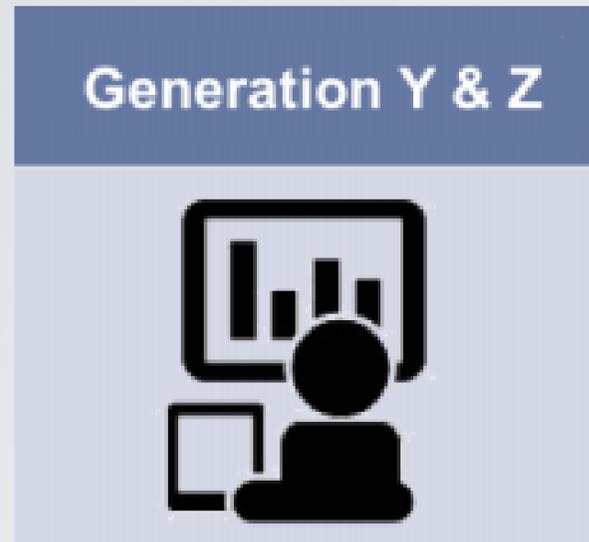


- The increase in average income results in a growing middle class
- Emerging source markets

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



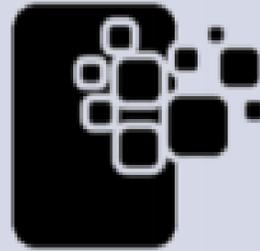
- Increase in the share of emerging economies
- 10 cities are from the Middle East and Asia in the top 20 global destinations by international overnight visitors.



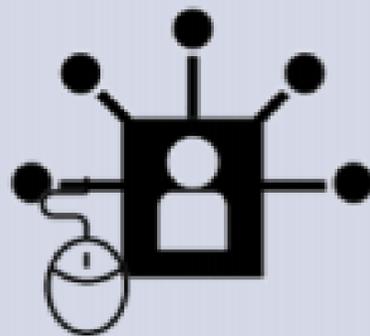
Source: Horwart HTL Tourism Megatrends, 2016

# Advancements in Technology

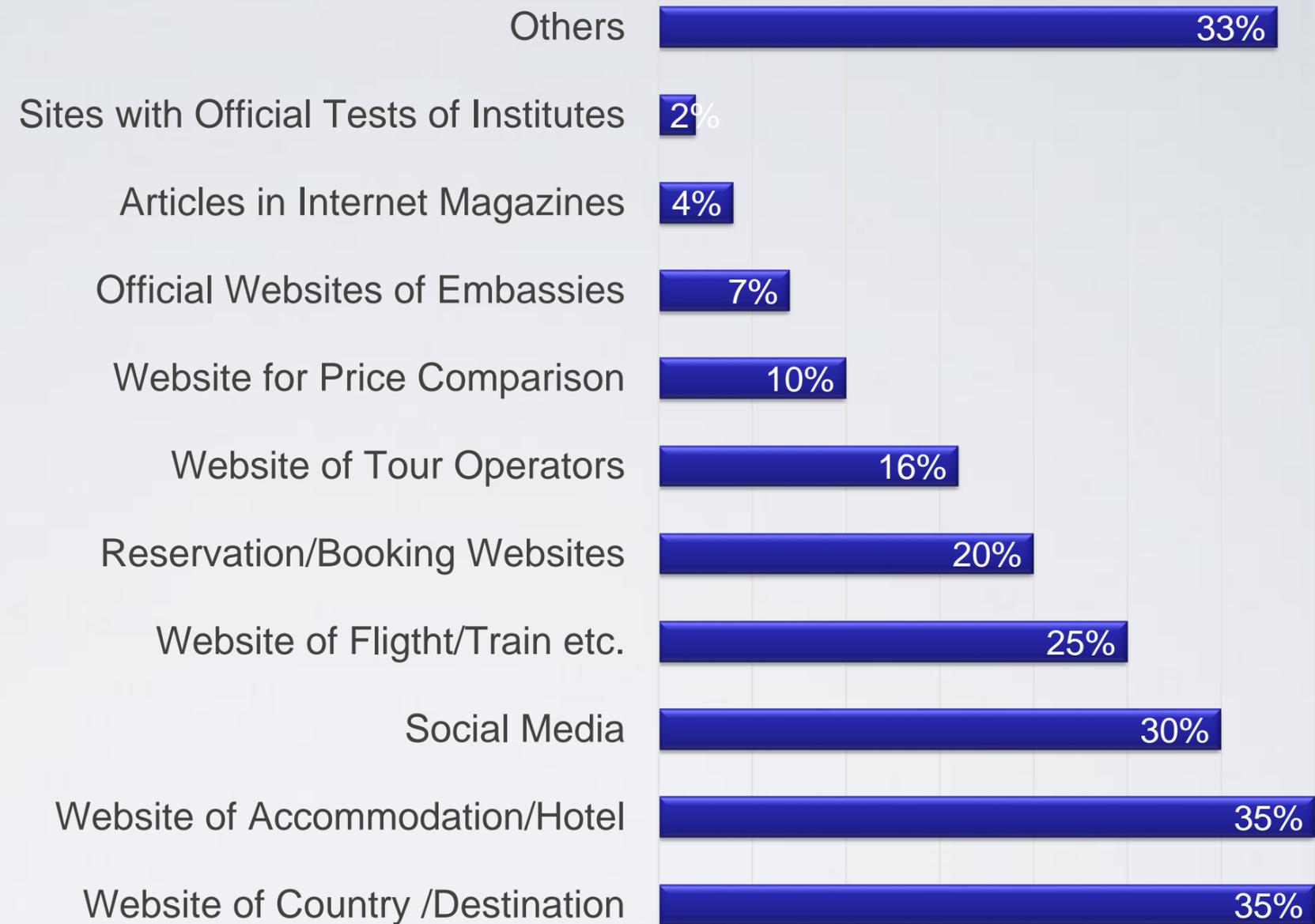
## Technological (r)evolution



## Digital channels



## INTERNET INFORMATION SOURCES



Source: ITB World Travel Trends Report 2015-2016



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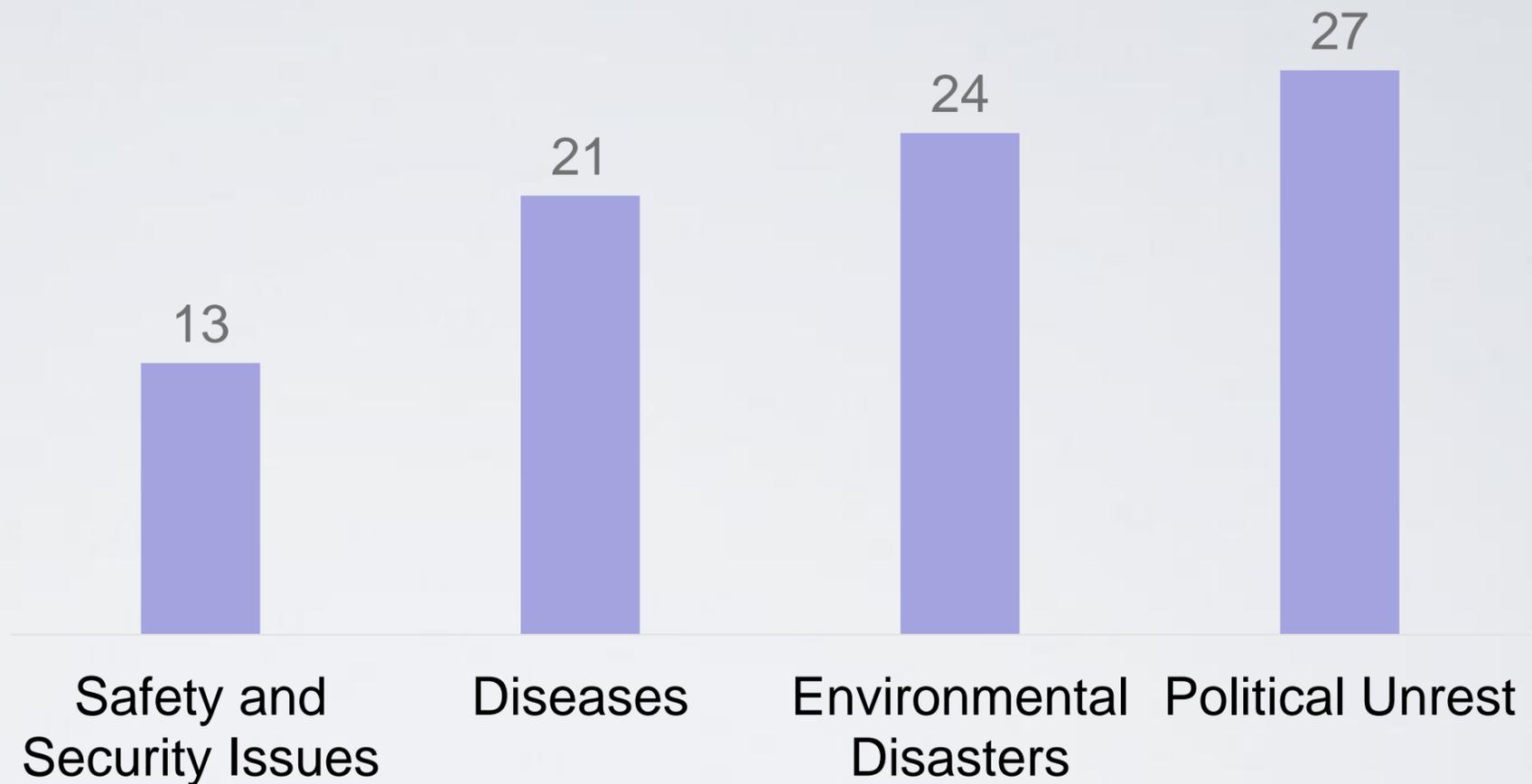
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# Crises and Risk Management

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



Source: WTTC, 2016

# Sustainability

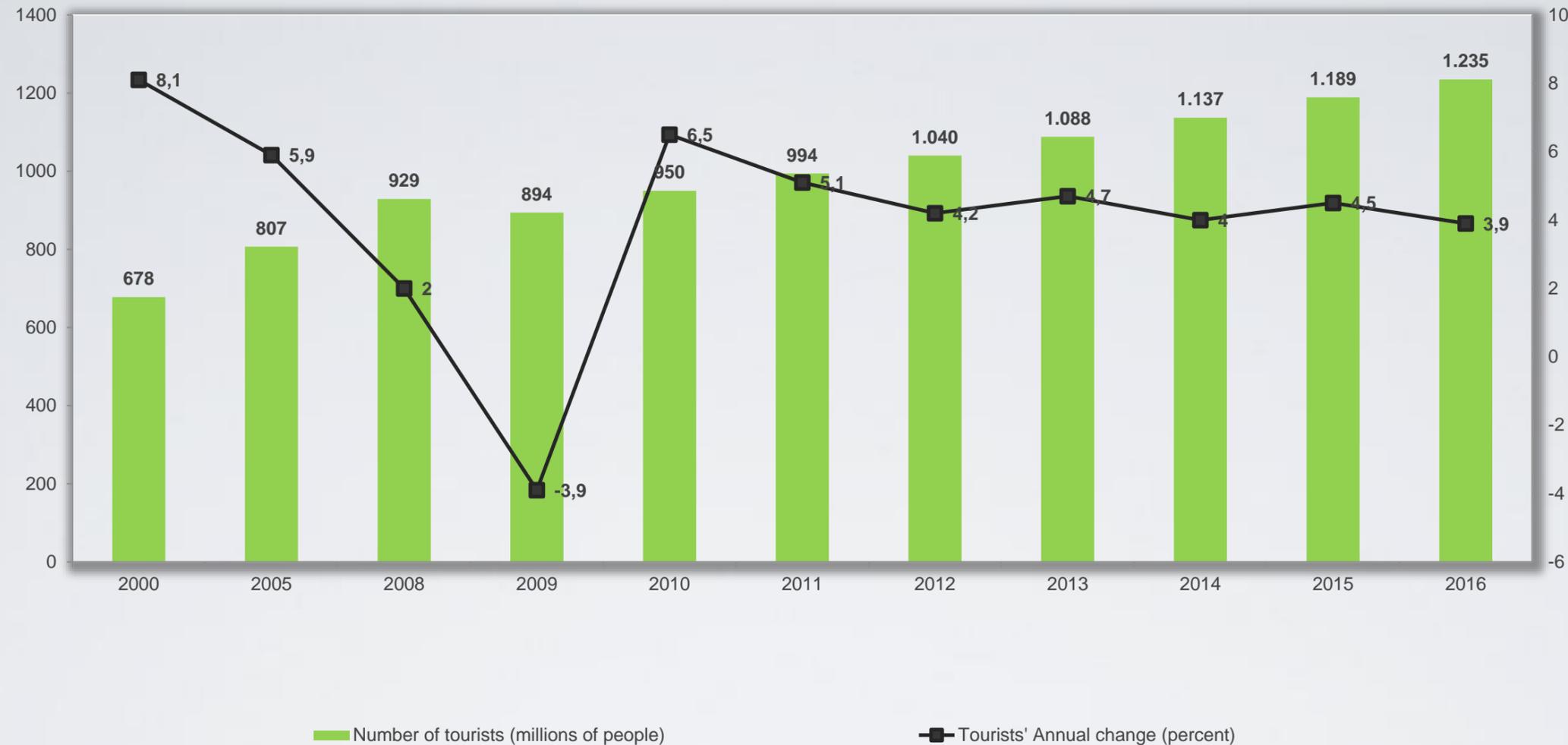


Sustainable Tourism is defined as:

« tourism that respects both local people and the traveler, cultural heritage and the environment»

# International Tourist Arrivals

(Millions)



Source: World Tourism Organization



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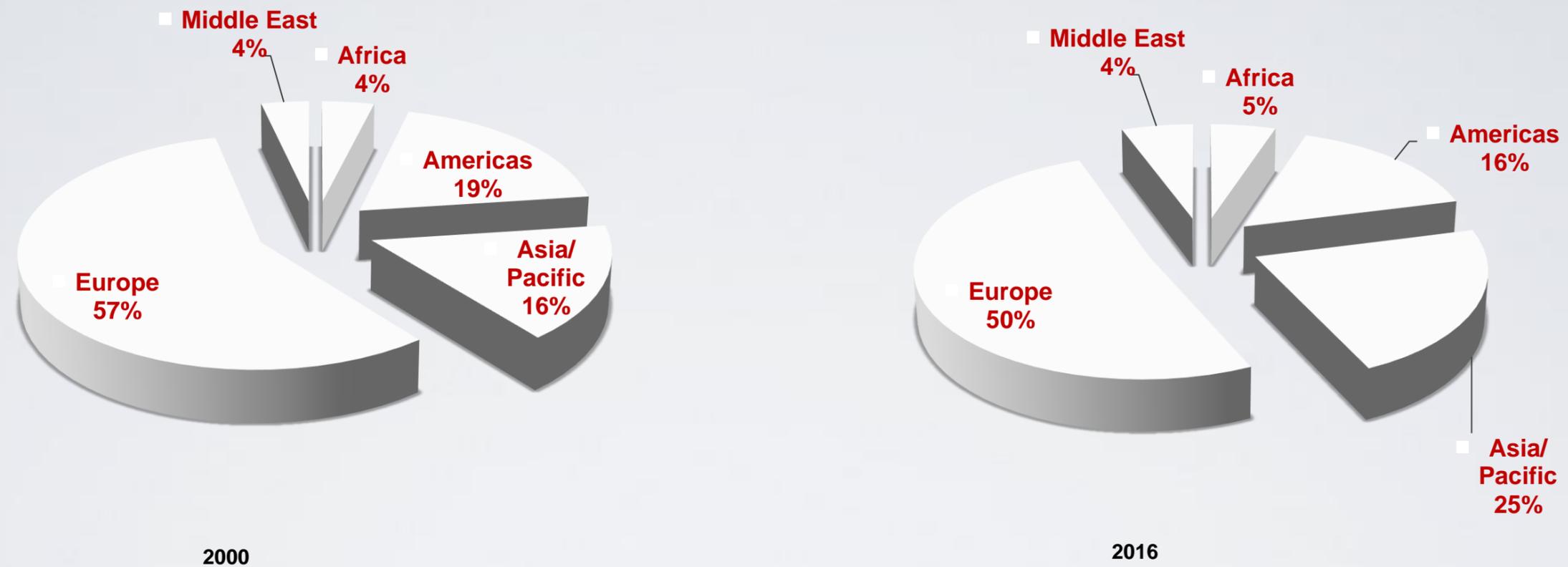
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# International Tourism- Market Share

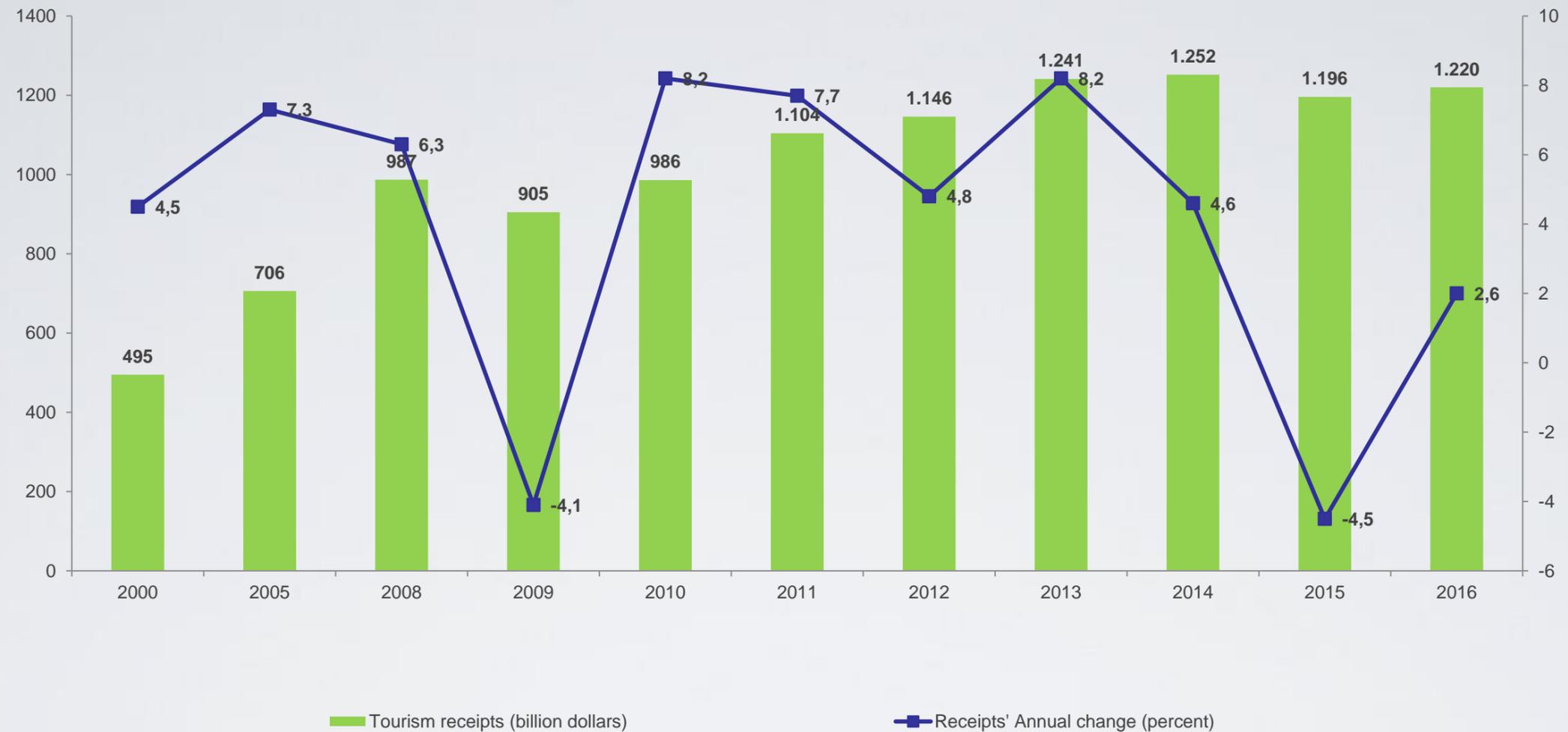
## Tourist Arrivals



Source: UNWTO, Tourism Highlights 2014 & World Tourism Barometer, Volume 14, July 2016

# International Tourism Receipts

(Billion \$)



Source: World Tourism Organization



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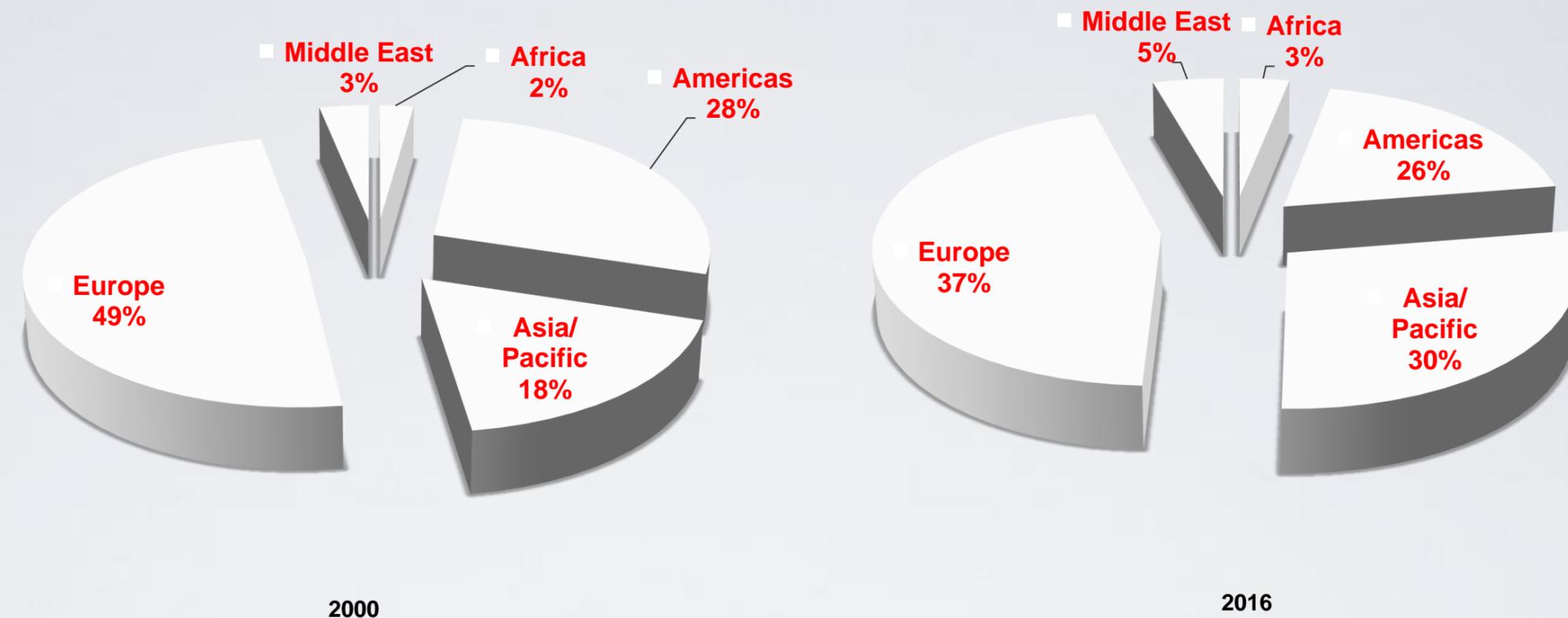
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# International Tourism- Market Share

## Tourism Receipts



Source: UNWTO, Tourism Highlights 2014 & World Tourism Highlights 2017

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

COMCEC	2016 (\$ billion) <sup>1</sup>	2016 % of total	2017 Growth <sup>2</sup>	2027 \$ billion <sup>1</sup>	2027 % of total	Growth <sup>3</sup>
Direct contribution to GDP	198.1	3.2	3.8	327.4	3.2	4.8
Total contribution to GDP	542.4	8.7	3.9	914.5	9.2	5.0
Direct contribution to employment <sup>4</sup>	13.257	2.4	1.3	17.62	2.5	2.8
Total contribution to employment <sup>4</sup>	35.514	6.4	1.2	48.039	6.8	2.9
Leisure spending	271.9	2.4	2.9	446.6	2.4	4.8
Business spending	87.8	0.7	7.3	147.2	0.8	4.6
Capital investment	108.6	6.7	5.0	198.8	7.5	5.7

<sup>1</sup>2016 constant prices and exchange rates; <sup>2</sup>2016 real growth adjusted for inflation (%); <sup>3</sup> annual real growth adjusted for inflation; <sup>4</sup>000 jobs

Source: WTTC, Economic Impact 2017 Report-COMCEC



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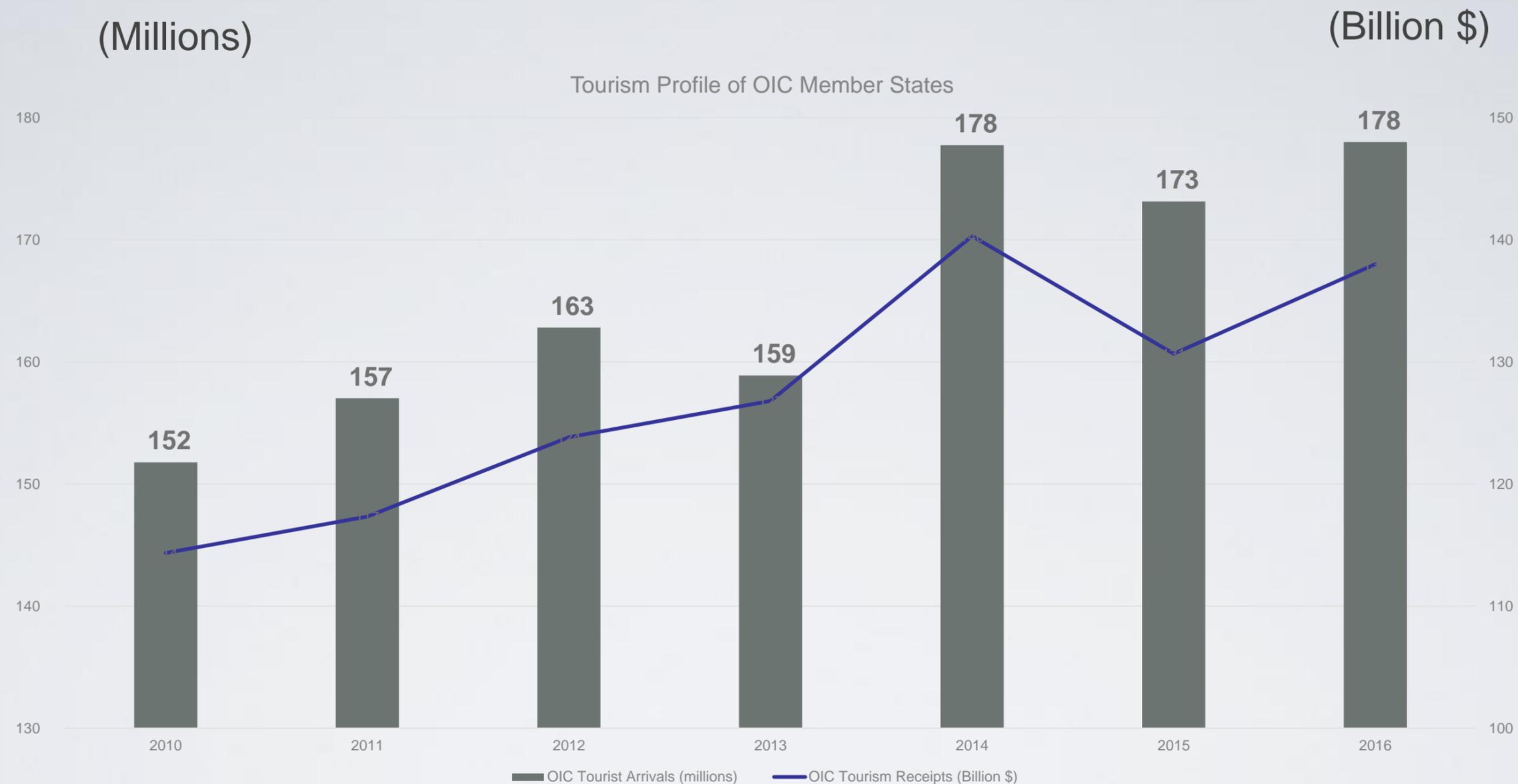
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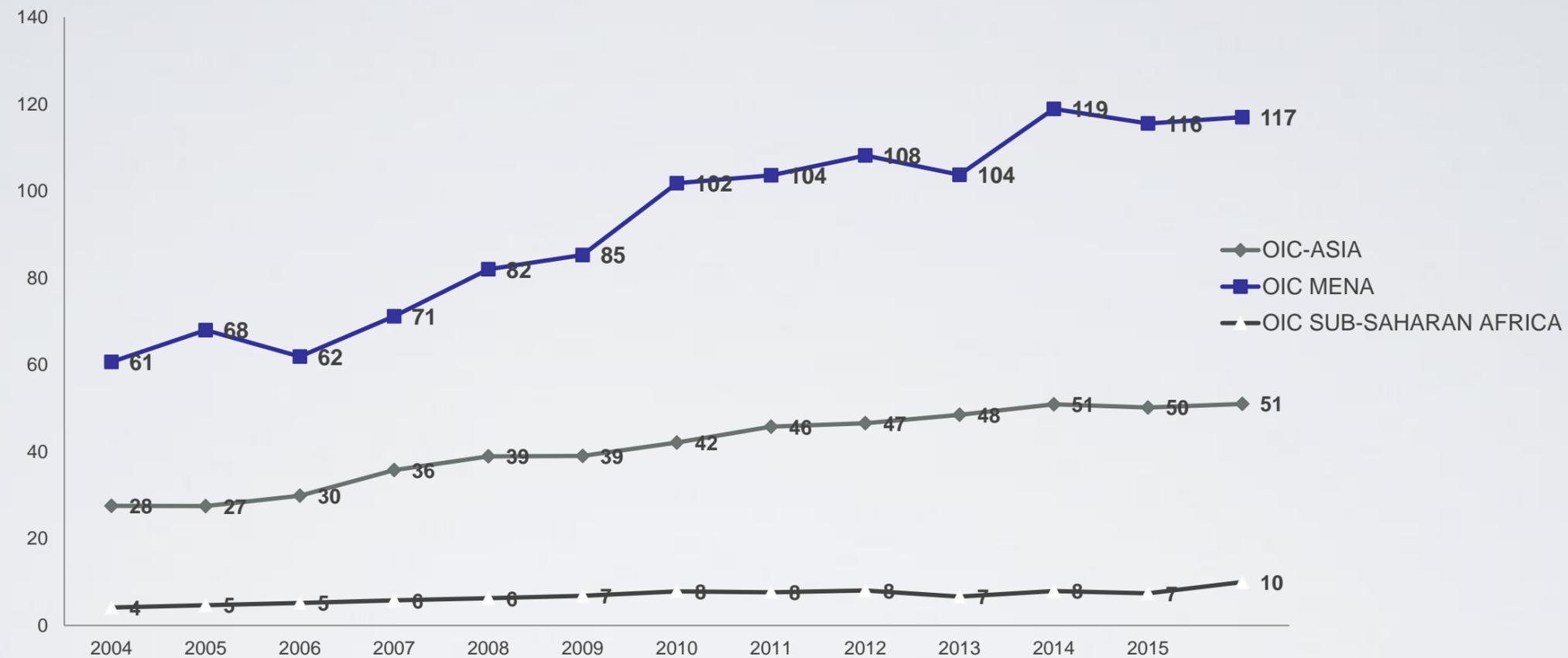
# International Tourism in the OIC Member Countries



Source: UNWTO, 2016 (Last available data for OIC countries were used)

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

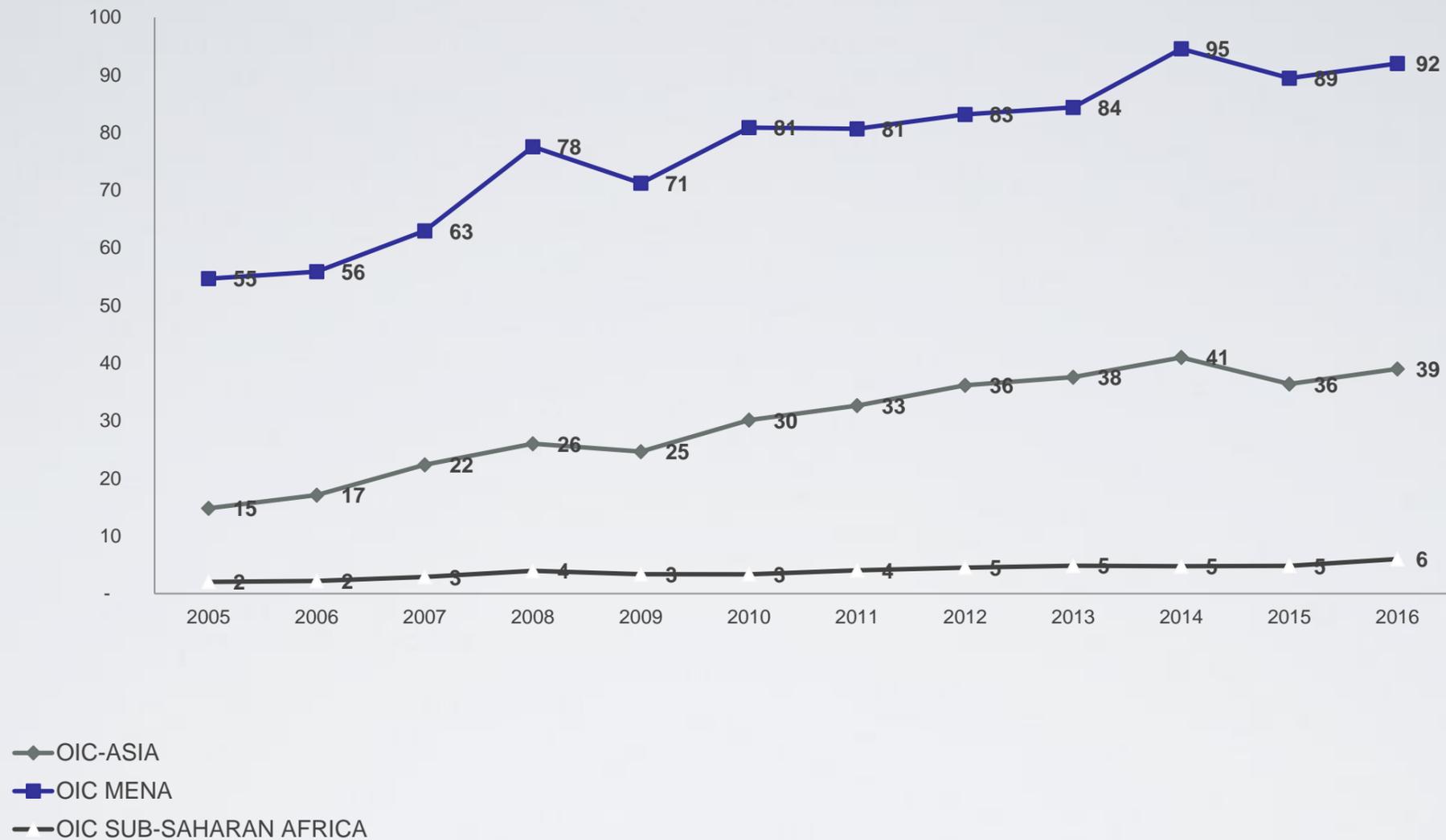
(Millions)



Source: UNWTO, 2016

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

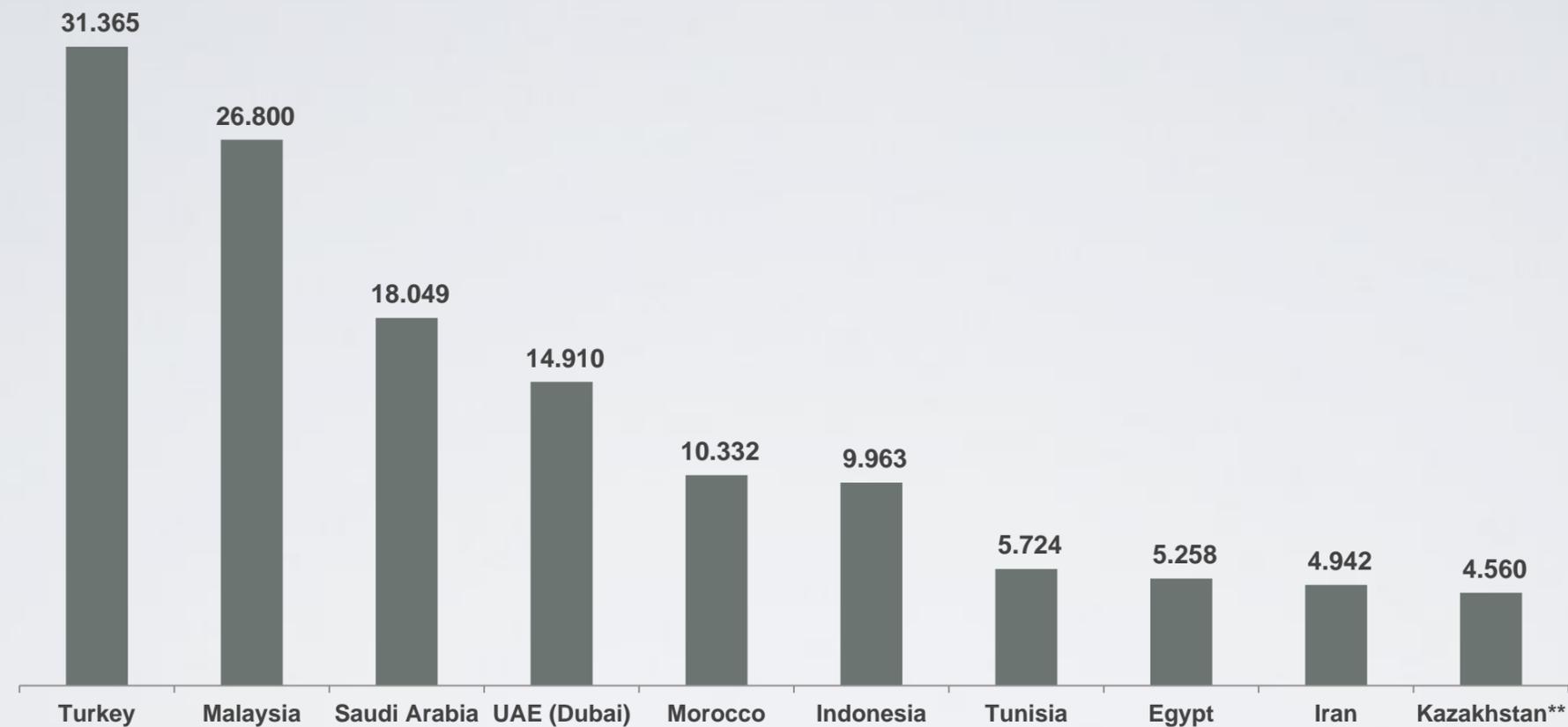
(Billion \$)



Source: UNWTO, 2016

# Top 10 OIC Tourism Destinations in International Tourist Arrivals (2016)

(Thousands)

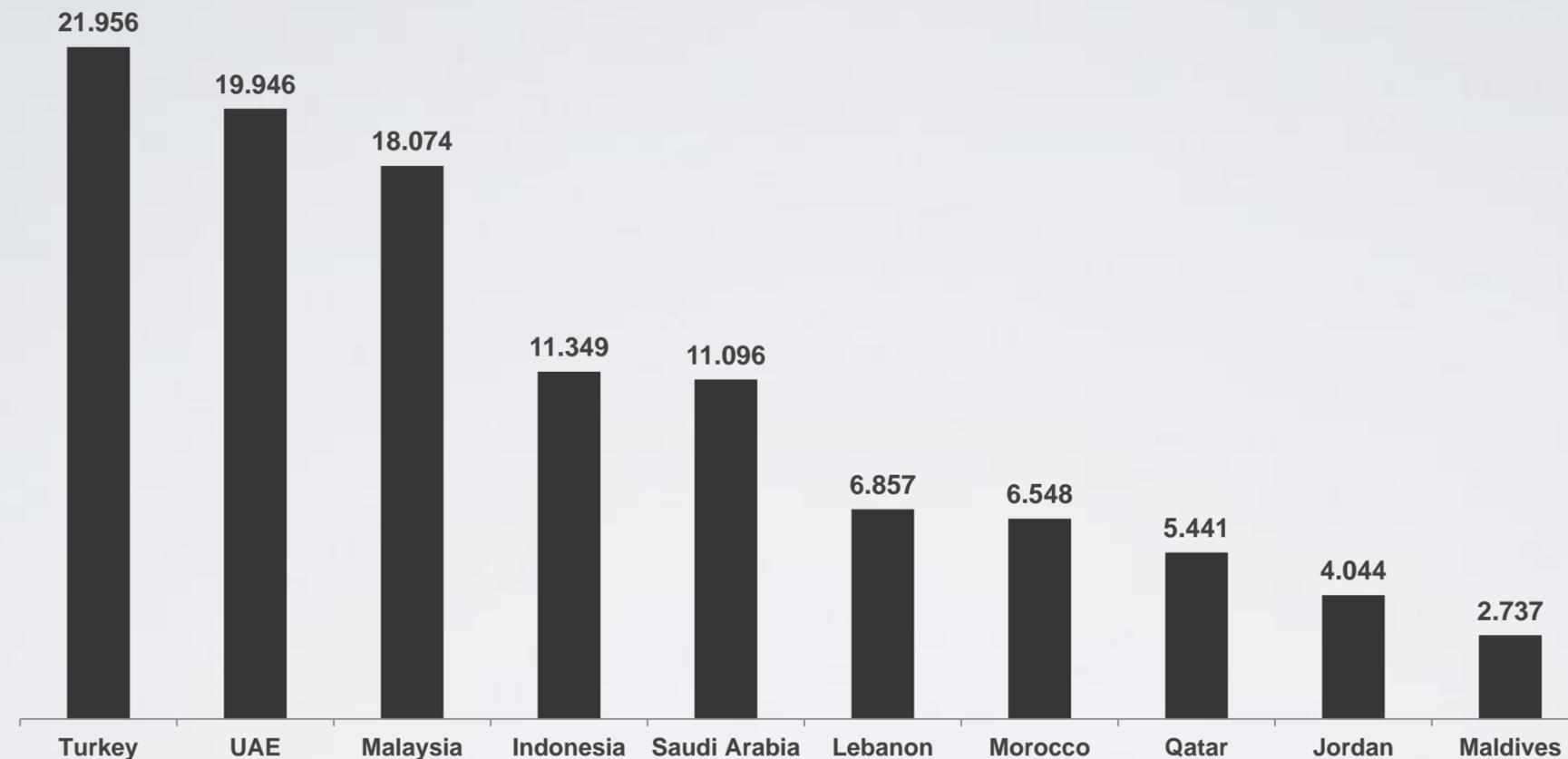


Source: UNWTO, Tourism Highlights 2017 & Tourism Barometer Volume 14, July 2017

□ Top-10 countries hosted **132 million international tourist** in 2016.

# Top 10 OIC Tourism Earners in International Tourism (2016)

(Billion \$)



□ Top-10 countries earned **US\$ 109 billion** as international tourism receipts in 2016.

# Countries by Major Surplus on Travel Balance- 2015

	Tourism Receipts			Tour. Expenditures			Balance		
	2013	2014	2015	2013	2014	2015	2013	2014	2015
<b>Turkey</b>	28.0	29.6	26.6	4.8	5.1	5.4	23.2	24.5	<b>21.2</b>
<b>Malaysia</b>	21.5	22.6	17.6	12.2	12.4	10.5	9.3	10.2	<b>7.1</b>
<b>Morocco</b>	6.9	7.1	6.0	1.3	1.4	1.4	5.5	5.6	<b>4.6</b>
<b>Indonesia</b>	9,1	10,3	10,7	7,7	7,7	7,3	1,4	2,6	<b>3,4</b>
<b>Egypt</b>	6.0	7.2	6.1	3.0	3.1	3.4	3.0	4.1	<b>1.7</b>
<b>UAE</b>	12.4	14.0	16.0	13.8	14.4	15.1	-1.4	-0.4	<b>0.9</b>
<b>Kuwait</b>	0.3	0.4	0,5	11.6	11.3	13,1	-11.3	-10.9	<b>-12.6</b>
<b>S. Arabia</b>	7.7	8.2	10.1	17.7	24.1	20.7	-10.0	-15.9	<b>-10.6</b>
<b>Qatar</b>	3.5	4.6	5.0	6.6	8.7	8.2	-3.1	-4.1	<b>-3.2</b>

Source: UNWTO, 2016

## Recent Developments in the OIC Member Countries

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- ▶ **Turkey** recorded 21% decrease in arrivals and 18% decrease in receipts in 2016.
  - ▶ Regional safety issues affecting the image of country as a destination.
  - ▶ Russian market started to recover.
  - ▶ Improved demand from Asia and Africa.

Source: UNWTO, 2017

## Recent Developments in the OIC Member Countries

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- ▶ **Malaysia** realized a slight increase in both arrivals (4%) and receipts (3%) in 2016.
  - ▶ Proximity to potential generating regions.
  - ▶ Launched e-visa service for visitors from China, effective 1 March 2016.
  - ▶ Stepped up promotion of Penang.
  - ▶ New air connections

Source: UNWTO

## Recent Developments in the OIC Member Countries

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- ▶ Based on 2015 data **UAE** enjoyed 5% increase in arrivals and 8% increase in receipts in 2016.
- ▶ **Saudi Arabia** reported a slight increase in arrivals and a 10% increase in receipts in 2016.
- ▶ **Morocco** had a slight increase in arrivals and receipts.
- ▶ **Egypt** realized significant declines (-43%) in arrivals and receipts (-56%) in 2016.

Source: UNWTO

## Recent Developments in the OIC Member Countries

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- ▶ **Tunisia** recovered the effects of crises and posted a 7% increase in arrivals but receipt still declined by 8% in 2016.
- ▶ Based on 2015 data **Iran** had a 6% decrease in arrivals.
- ▶ **Indonesia** (16%), **Lebanon & Oman** (11%), **Albania** (8%), **Jordan** (3%), **Mozambique** (6%) are other OIC countries enjoyed increase in arrivals in 2016.
- ▶ Concerning receipts **Albania** (13%), **Azerbaijan** (18%), **Maldives** (6%), **Nigeria** (165%), **Kuwait** (20%), are the member states increased their tourism receipts in 2016.

Source: UNWTO



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# 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 **Development**, Marketing and  
Management Strategies in OIC



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## THANK YOU

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