

Tourism Update

VOLUME 7, ISSUE 27

APRIL 2018

BRIEF ANALYSYS ON THE TOURISM INDICATORS OF MALDIVES



STATISTICS & RESEARCH SECTION
MINISTRY OF TOURISM
5TH FLOOR, VELAANAAGE, AMEER AHMED MAGU
MALE, MALDIVES

MAJOR INDICATORS – FIRST QUARTER 2018

Tourist Arrivals were robust during the first quarter, recording a total of 420,103 arrivals, leading to a growth of 17% compared to the same period in 2017. The peak month in this quarter was February which received 144,286 arrivals, contributed greatly by the upturn in Chinese market (38.1%) mainly on the occasion of Chinese New Year holidays in February. Overall, the first three months of 2018 reflected a continuation of the strong results of 2017.

In terms of new developments, during the first quarter of 2018, two new resorts came into operation, one in Baa Atoll (Dreamland-The Unique Sea & Lake Resort/Spa) and one in H.Dh Atoll (Hondaafushi Island Resort) with a combined bed capacity of 152. Hondaafushi Island Resort was the first tourist resort development in H.Dh Atoll, a long awaited economic resource for the region. Within this period, 26 guesthouses and 3 vessels registered and commenced its operations.

At the end of the first quarter of 2018, the registered number of establishments in the Maldives reached 759 with 42,050 beds. Within these registered properties, on average 748 facilities with 40,962 beds were operational. These include 129 resorts with 29,277 beds, 10 hotels with 1456 beds, 468 Guest houses with 7581 beds and 140 Safari vessels with 2,648 beds. Total bed nights of all these tourist accommodating facilities amounted to 2,740,811, recording a significant growth of 18% during this period. The occupancy rate of 2018 stood at 75% during the first quarter which is, an increase of 4.8% from 2017. Likewise the average duration of stay increased to 6.5% during this period.

Table: 1: Major indicators at end March, 2018

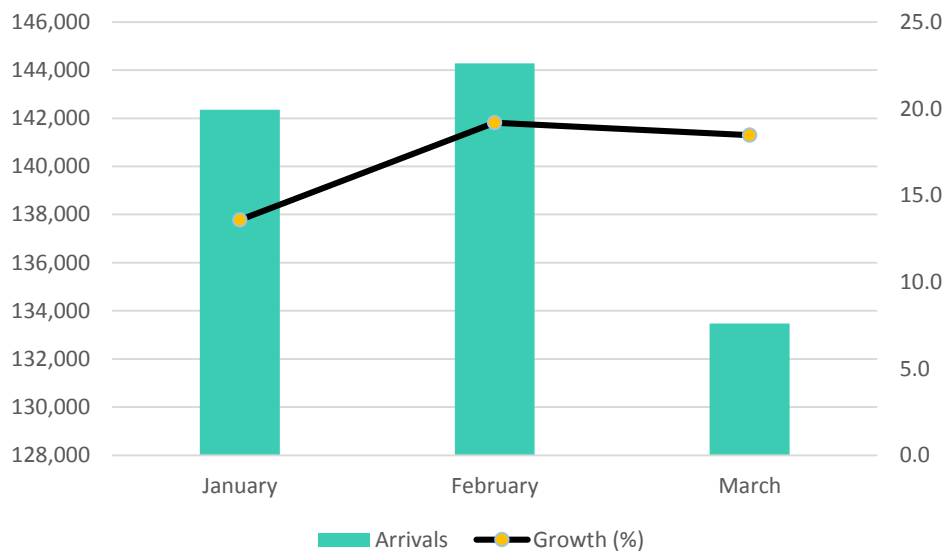
Major Indicators 2018	Jan - Mar	Total
Arrivals	420,103	420,103
% Change over 2018	17.1	17.1
Bed Nights (estimated)	2,740,811	2,740,811
% Change over 2018	18.0	18.0
Occupancy Rate	75	75
% Change over 2018	4.7	4.7
Operational Bed Capacity (Avg.)	40,962	40,962
% Change over 2018	11.0	11.0
Average Duration of Stay (Days)	7	7
% Change over 2018	0.0	0.0

TOURIST ARRIVALS TO THE MALDIVES

During the first quarter of 2018, January to March, tourist arrivals flourished to the Maldives reinforced by the commencement of new international flights, along with increased flight movements by existing international flights, as well as apt economic conditions in major tourist generating source markets. Total tourist arrivals for the first quarter of 2018 increased by 17% to reach 420,103 compared with the same period of 2017.

All three months of the first quarter enjoyed double digit growth rates of 13.6%, 19.2% and 18.5% respectively. Trend depicts a rise in arrivals from January (142,351) to February (144,286), and a modest decrease in arrivals in the month of March (133,466). Nevertheless the growth rate of March was relatively high (18.5%), in fact much higher than that of January (13.6%).

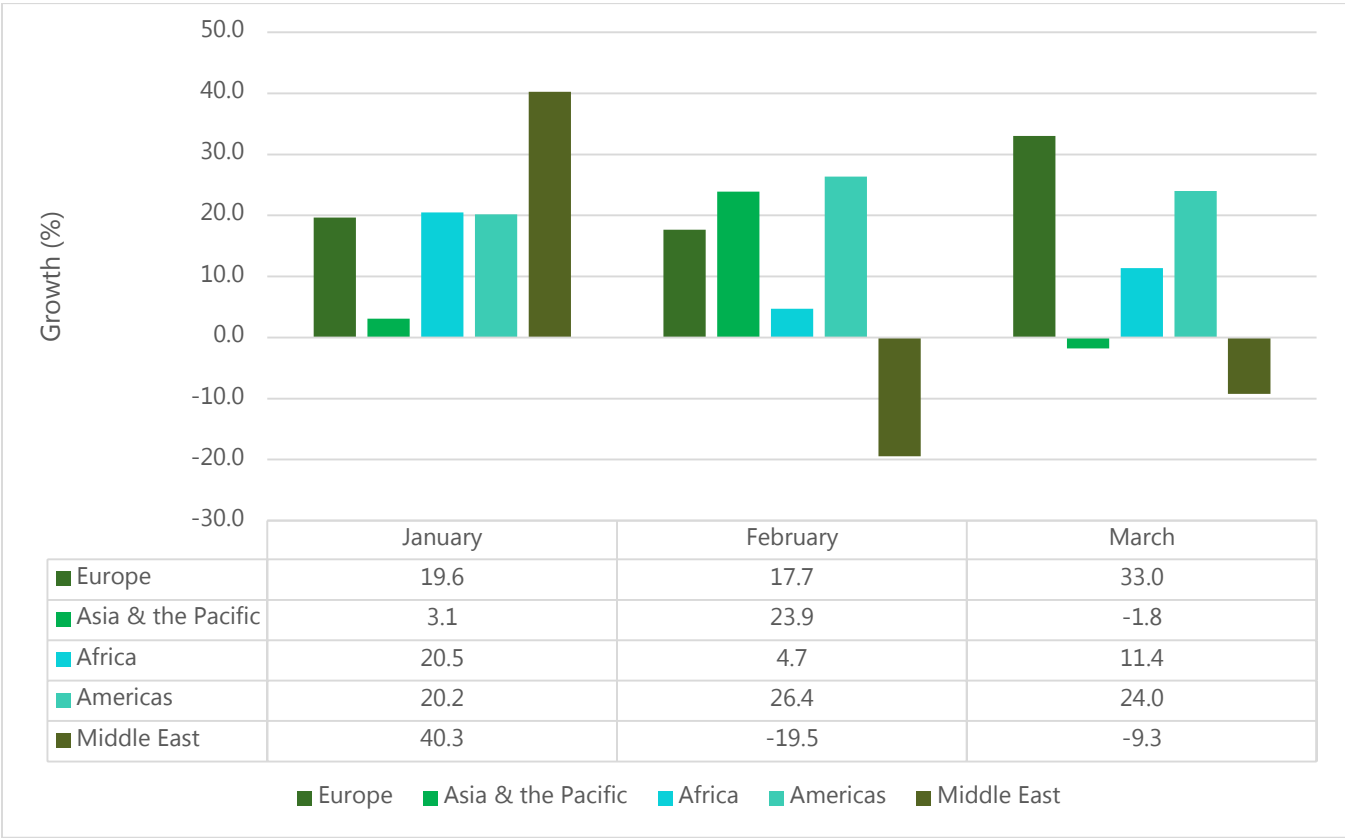
Figure 1: Tourist Arrivals and growth percentage to the Maldives, January - March 2018



During January 2018 Hong Kong Airlines commenced its first ever scheduled operations to the Maldives, offering direct flights between the Maldives and Hong Kong. In February, Air Asia’s long-haul affiliate Air Asia X started operating direct flights to Maldives from Kuala Lumpur.

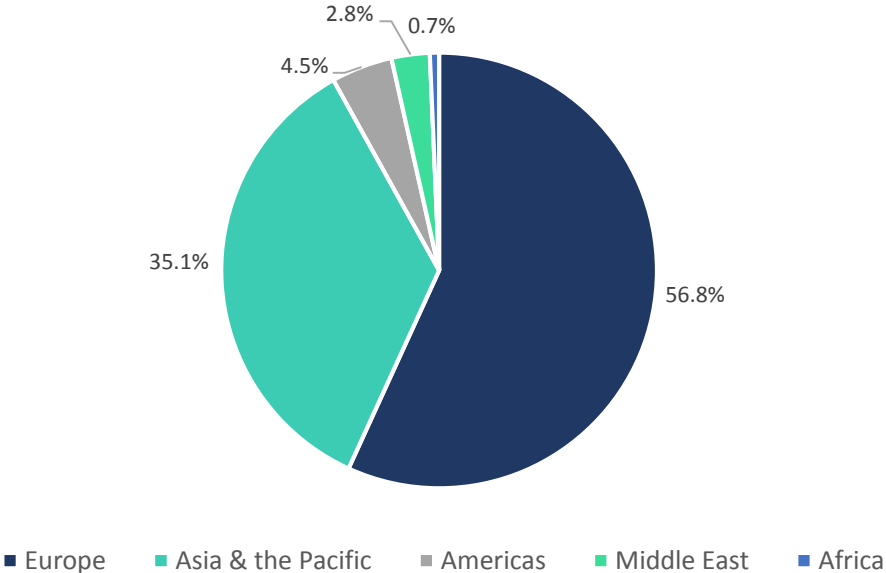
Figure 3 below shows arrival growths observed by different market regions in the first quarter. Europe performed impressively ascending to a growth of 33% in March. Asia & the Pacific region was volatile posting a slight increase in January (3.1%), sharp increase in February (23.9%) and a decline of (-1.8%) in March. As usual Africa and America observed healthy growth rates. Middle Eastern region demonstrated a remarkable performance in January with a staggering growth of 40.3% but started sinking with negative growths afterwards.

Figure 2: Arrival growth by regions, January – March 2018



MAJOR MARKET REGIONS

Figure 3: Market Share by Regions, end March 2018



Europe was the largest market generating region to the Maldives capturing 56.8% of shares at the end of March 2018. From the European region, 238,696 tourists visited the Maldives which is, an increase of 23.2% compared to that of 2017.

The second leading market was Asia and the Pacific holding 35.1% of shares. This market has been sinking as one of its major contributors-*China*, has been losing its shares, but for the first quarter of 2018, the market registered a positive growth of 8.5%, enhanced by the Chinese New Year holidays.

The next best market Americas contributed to 4.5% of shares, continuing to grow strongly in the first three months of 2018, compared to the same period last year, attaining a remarkable growth of 23.4%.

Market share of Middle East was at 2.8% with an increase of 5.1% by the end of March 2018. Though this was the case, January was the only month in which the region observed a growth.

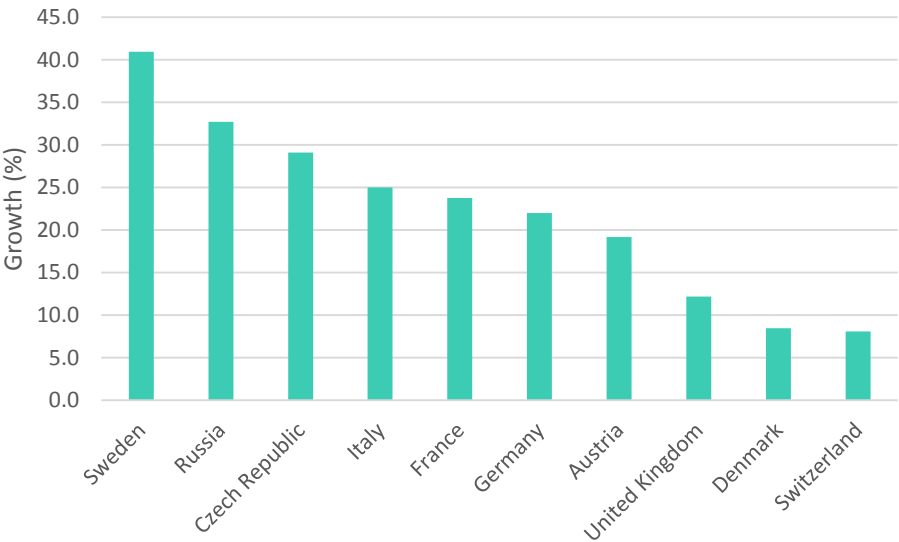
Africa captured the lowest share of 0.7% during the first quarter along with a firm growth of 12.8%.

MAJOR EUROPEAN MARKETS

The most favorable performance from the European region was demonstrated by the Finland market, posting a positive growth of over 80% for the period, January to March 2018, compared with the same period of 2017. Second best performance for the period from this region was observed from Portugal, with an increase of 61.7% (refer figure 5). Only one market recorded a negative growth, which is Greece, registering a decline of -0.2%.

The top 10 markets in this region were (1) Italy, (2) Germany, (3) U.K., (4) Russia, (5) France, (6) Switzerland, (7) Austria, (8) Sweden, (9) Czech Republic and (10) Denmark. While all these markets recorded positive growths, amongst these markets, Sweden, Russia and Czech Republic observed impressive growths of 40.9%, 32.7% and 29.1% respectively.

Figure 4: Growth percentage of top 10 European Markets, end March 2018



The leading market from the region, for the first quarter of 2018 was Italy, holding a market share of 9.9% of the total arrivals to the Maldives. During this period, Italian market performed extremely well, its growth accelerating every month, to record a robust growth of 25%, by the end of March.

The second leading market in this region, Germany captured 7.8% of market share and observed a healthy growth of 22% compared to the same period last year.

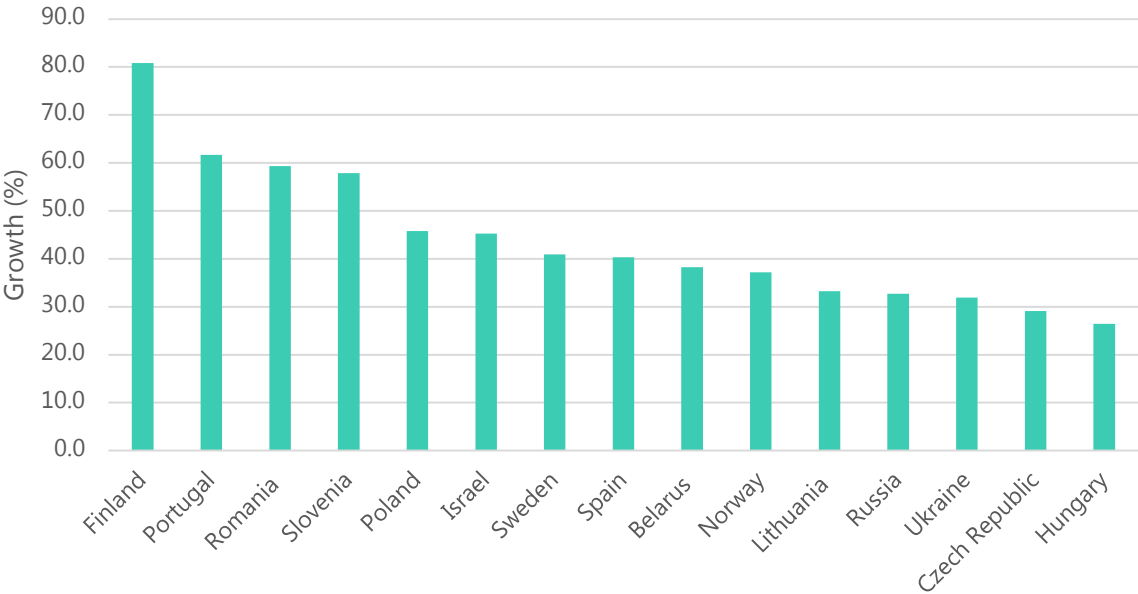
United Kingdom also shared a similar market share as Italy (7.8%), during the first quarter of 2018, though the arrival growth incurred by this market, for this period, was comparatively less (12.2%).

Russia has yielded sound results in the first quarter of 2018, accounting for a market share of 5.8%. Its growth of 32.7% was the second best growth within the European region. The French market has also been steadily increasing its arrivals and indicated a growth of 23.7% in arrival numbers, to reach a market share of 5%, during the first quarter of 2018.

Swiss market was the 6th best contributor in the European region with 2.6% shares and a modest growth of 8%. This market is one of the markets which has been slowly losing momentum, over the years. Regardless of this, the Swiss market tends to grow annually.

During the first quarter of 2018, the Austrian market saw an increase of 19.2%, securing 1.9% of shares. The 7th highest growth rate from the European region (refer figure 5), was experienced by Sweden, with a staggering growth rate of 40.9% though the market share comprised of only 1.4%. Czech Republic also demonstrated a strong growth of 29.1%, registering a market share of 1.2%. The 10th place has been occupied by Denmark, reflecting an increase of 8.1% in arrivals and 1.1% shares.

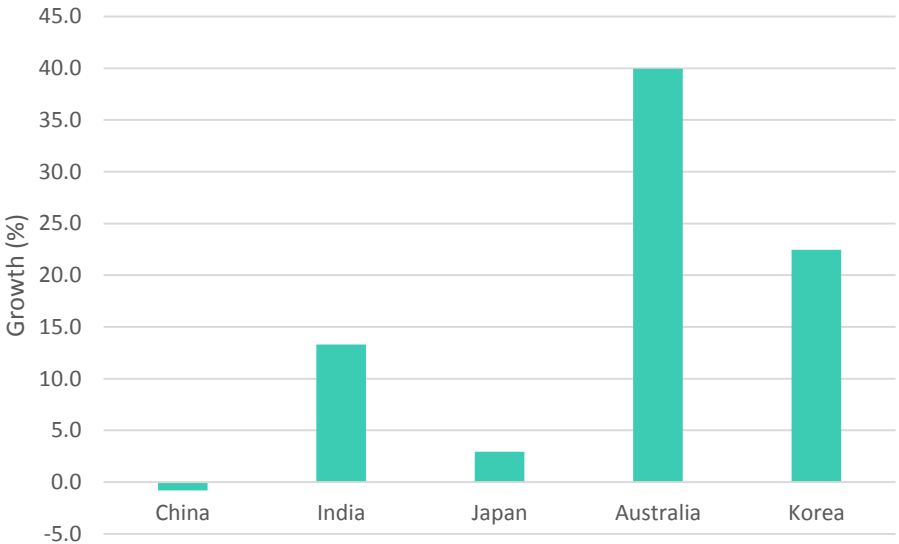
Figure 5: Top 15 European markets by growth, end March 2018



MAJOR MARKETS FROM ASIA AND THE PACIFIC

Asia and the Pacific was the second leading market generating region for the Maldives, by the end of March 2018, with a share of 35.1% of the total arrivals. Market share of the Asia Pacific region has been weighed down, partly by a few that showed declines including the biggest market generator, China. However, this decline slowed down considerably during the first quarter of 2018.

Figure 6: Market Growth percentage of main markets of Asia & the Pacific, 2018



China remained as the top market generator to the Maldives, as well as in the region with 17.3% of the market shares. However, it has continued its declining trend since October 2015, reflecting a negative growth of -0.8% during the first quarter. Nevertheless Chinese market observed a growth of 38.1% during February, enhanced by the “Chinese New Year” holidays.

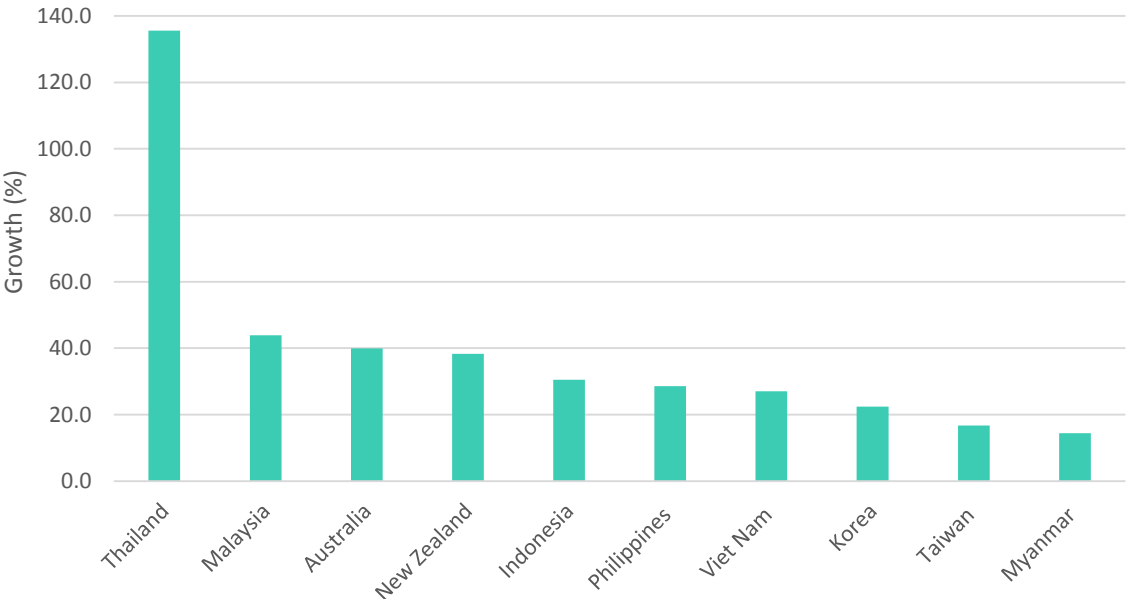
The second in the region was Indian Market with 4.6% shares and has been growing steadily over the first quarter. A significant growth of 13.3% in arrivals was observed from the Indian market during the first quarter and is continuing to grow.

Japan was the third best market contributor in the region, to the Maldives with 2.5% shares and showed a positive growth of 2.9% from 2017.

Australian market stepped up to the 4th position (in the Asia & Pacific region) during the first quarter of 2018, performing impressively, with a positive growth of 40.9% in arrivals, compared to the same period in 2017. Australian market held the third highest growth in the Asia and the Pacific region.

Korea recorded a firm growth in its arrivals (22.4%) during the first quarter of 2018, securing a market share of 1.8%. As one of the major markets in Asia and the Pacific, Korean market has lately been on the recovery track.

Figure 7: Top 10 markets of Asia & the Pacific by growth, end March 2018



MAJOR MARKETS FROM OTHER REGIONS

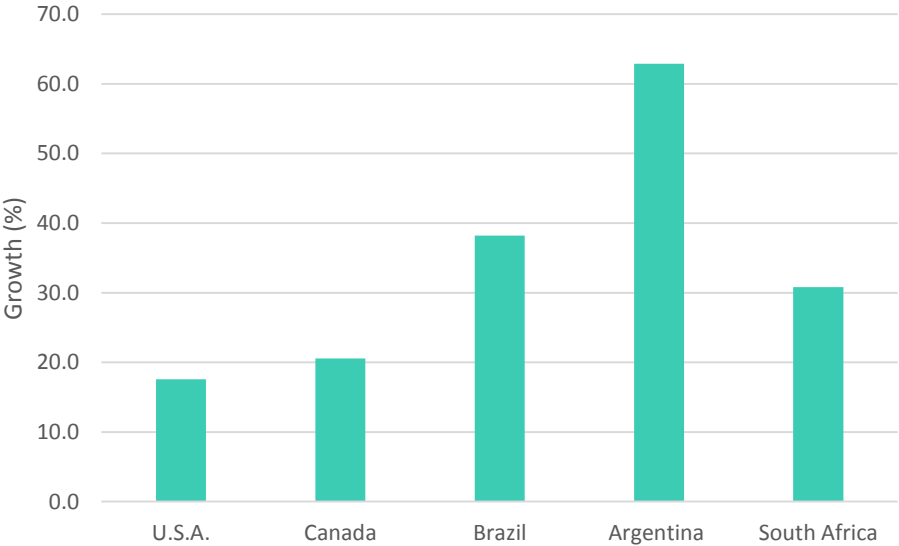
In the American region, USA is a market growing swiftly and accounts for the largest market share of 2.7%. During the first quarter of 2018, arrivals to the Maldives from USA increased by 17.5% compared to the same period of last year. Hence it is the best performing market amongst Americas.

Canada was the second best performing market within the American region, holding a market share of 0.7%, posting an increase of 20.5% in its arrivals by the end of March 2018.

South American markets like Argentina and Brazil also depicted a strong performance, observing robust growths of 62.9% and 38.2% respectively in the first quarter of 2018. But both these markets captured only slight shares of 0.3% and 0.5% respectively.

In the African region, the South African market is the largest contributor with 0.3% market share and an immense growth of 30.8% when compared to 2017.

Figure 8: Market Growth percentage of main markets of Africa and Americas, end March 2018



Amongst Middle Eastern markets, Saudi Arabia is the highest contributor, accounting for 1.4% of the market share of the total arrivals during the first quarter of 2018. At the end of March 2018, the Saudi Arabian market showed a double digit growth of 18.4% compared to the same period of 2017.

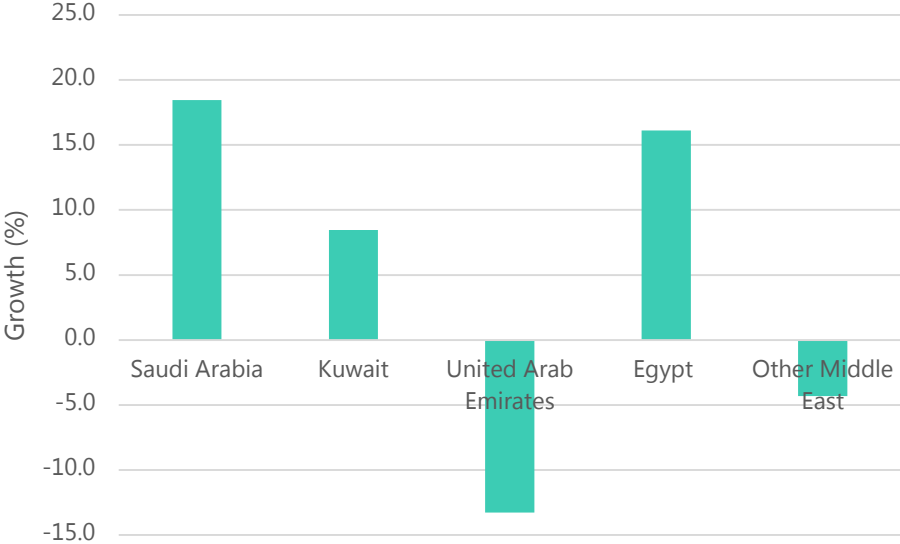
Kuwait has showed a firm recovery during the first quarter of 2018. While this market has obtained a share of 0.4%, a modest growth (8.4%) was observed.

Arrivals from the United Arab Emirates have been down by -13.3% for the period. This market started softening in February which continued on.

Arrivals from Egypt spiked up during the first quarter, showing a notable growth of 16.1% for the period.

Other Middle Eastern markets have reduced its arrivals compared to the same period of 2017. As such, a negative growth (-4.3%) was observed.

Figure 9: Market Growth percentage of top 5 markets of Middle East, end March 2018



TOP TEN MARKETS, FIRST QUARTER 2018

Figure 10: Top 10 markets to Maldives, Arrivals vs. growth rate from Jan–March 2018



China remained as the top market to the Maldives during the first quarter of 2018, accounting for 72,539 arrivals. Chinese arrivals have been on the downward trend since the last quarter of 2015, recording a decline of 0.8%, by the end of March 2018.

Italy, the second most tourist generating market to the Maldives during the first quarter, experienced a healthy growth of 25%, compared to the same period of 2017, to reach 41,489 arrivals.

Germany being third largest market to the Maldives, also followed a similar trend during the first quarter of 2018, performing well with respect to tourist arrivals (32,806) as well as growth (22%).

U.K held the position at the 4th place, increasing its arrivals to 32,633, by the end of March with a significant growth of 12%.

Russia was the best performer in terms of growth rate with a bold increase of 32.7% for the first three months of 2018 compared with that of 2017. 24,415 tourists from the Russian market visited the Maldives, landing the Russian market at the 5th position at the end of the period.

France at the 5th position registered a strong growth of 23.7% due to the strong arrivals (20,845) recorded between January and March 2018.

Indian market which is seen progressing, recorded a positive growth of 13.3% and captured 4.6% market shares.

USA, a market growing with fast pace, demonstrated impressive results, a growth rate of 17.5% and over 11,000 arrivals.

Swiss Market is not a year rounder in the top ten market list. However in the first quarter, the market occupied the 9th position, following an increase of 8%, posting 10,819 tourist arrivals from the market.

Japan was the 10th largest market for the period with 10,643 arrivals and a modest growth of 2.9% at the end of March 2018, compared with the same period of 2017.

Figure 11: Market share of top 10 markets to the Maldives, January-March 2018

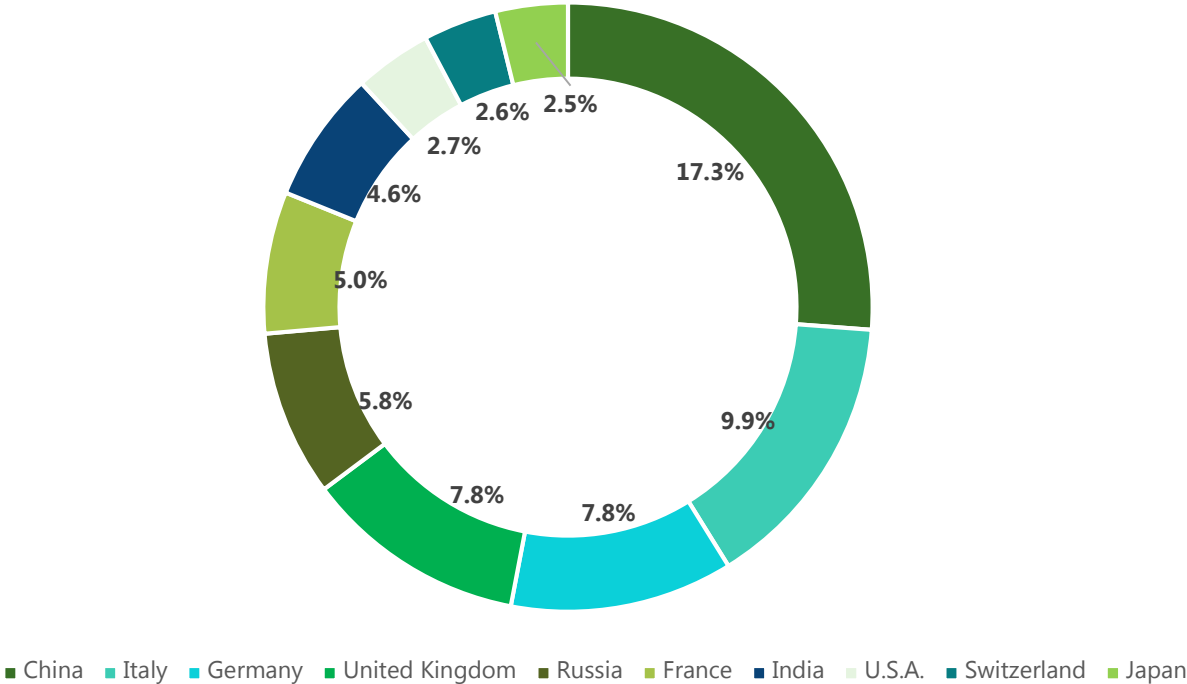


Figure 12: Top 10 markets to the Maldives, January-March 2018

