Papua New Guinea
Tourism Demand Assessment Part I

Investing in the Growth Potential of Niche Tourism in Papua New Guinea

July 2018

IN PARTNERSHIP WITH

Australian Aid

NEW ZEALAND FOREIGN AFFAIRS & TRADE Aid Programme

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The Papua New Guinea Tourism Promotion Authority (TPA) is a statutory body funded by the Government of Papua New Guinea. It is managed by a board, made up of government and private sector stakeholders. TPA has a mandate to create and implement tourism policies; promote and market PNG as a tourism destination; encourage the development and expansion of tourism infrastructure and products; facilitate new investments; and promote high levels of service, education and management.

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The International Finance Corporation's (IFC) work in Papua New Guinea is guided by the Papua New Guinea Partnership. Australia, New Zealand and IFC are working together through the partnership to promote sustainable economic development, reduce poverty and stimulate private sector investment in Papua New Guinea.

The Papua New Guinea Tourism Demand Assessment was commissioned by IFC and TPA. The study was conducted by the international market research firm Euromonitor International, using a mixed methodology of primary and secondary research sources. Data for the study were provided by the Papua New Guinea TPA, the 2017 International Visitor Survey and other sources.

IFC's work in Papua New Guinea is guided by the Papua New Guinea Partnership. Australia, New Zealand, and IFC are working together through the partnership to promote sustainable economic development, reduce poverty and stimulate private sector investment in Papua New Guinea.

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EXECUTIVE SUMMARY

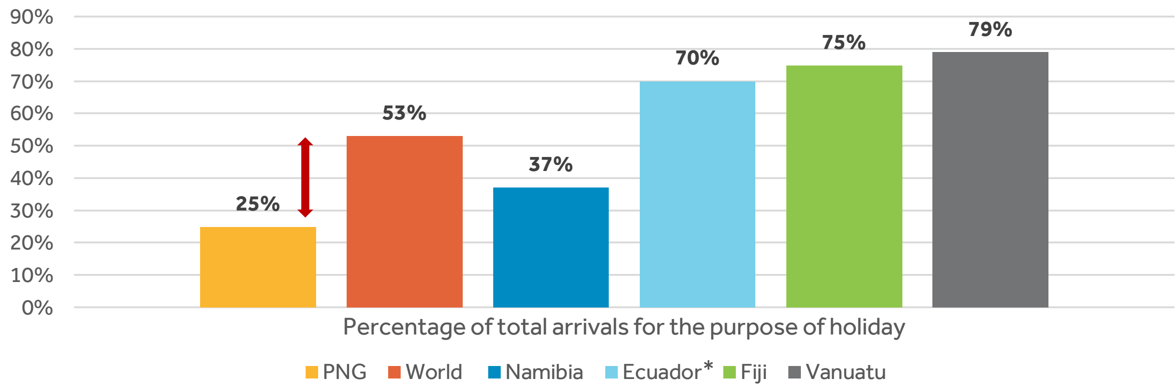
Executive Summary

The International Finance Corporation (IFC), the governments of Australia and New Zealand and the Papua New Guinea Tourism Promotion Authority (TPA) have partnered to conduct this study to determine the potential to grow holiday air arrivals to Papua New Guinea (PNG) from global niche markets.

The tourism industry in PNG represents an opportunity for diversified economic growth supporting jobs and small businesses, especially in rural areas. Holiday arrivals to PNG have grown slowly overall with steady growth of total arrivals from 2011 to 2015 and a 22% bump in 2014 when TPA launched their 'A Million Different Journeys' marketing campaign. From 2016 to 2017, however, there was a significant decrease in holiday arrivals (43 percent) due to general elections and associated travel advisory warnings (PNGTPA 2018b). The positive historical growth and the recent decrease demonstrate both increasing interest in PNG as a holiday destination and aversion to an uncertain political climate.

PNG is heavily reliant on business travellers, as they make up 54 percent of all arrivals, while holiday travellers make up 25 percent (PNGTPA 2018b). At the global level, holiday travellers make up the bulk of international arrivals at 53 percent of all trips (UNWTO 2017). Compared to the global market, PNG has a "holiday market gap" of 28 percent, equally 52,000 holiday visitors and $148 million[1] worth of spend per year. Regionally, about 75 percent of all arrivals in Vanuatu and Fiji were holiday travellers in 2017. Globally, niche market benchmark destinations of Namibia and Ecuador also receive more holiday visitors. Namibia has a strong visiting friends and relatives market and is still able to draw almost 40% of their arrivals for holiday, and 70% of Ecuador's total arrivals are holiday makers (Figure 1).

Figure 1 Holiday arrivals as a percentage of total arrivals



Source: TPA 2018, UNWTO Tourism Highlights 2017, MET Namibia Statistical Yearbook 2016, Anuarios de Entradas y Salidas Internacionales al Ecuador 200 al 2016 – INEC, Fiji Bureau of Statistics 2018, Vanuatu National Statistics Office 2018.

**Statistics for Ecuador are for 2016 as 2017 tourism statistics are not yet available.*

1 All amounts in the report are in United States dollars ($).

The goal of the study is to identify opportunities for PNG to close the holiday market gap and increase the contribution of tourism to the economy. The study examines the existing tourism industry in the country, with special focus on East New Britain and Milne Bay Provinces; quantifies the global size and value of five niche markets—cultural tourism, birdwatching, soft adventure, historical tourism and diving; and examines trends in these markets. Based on this evidence, the study identifies growth scenarios for the niche markets and recommends a set of investments needed to increase the economic benefit of tourism to PNG by increasing arrivals and revenue from the five markets. The study therefore seeks to provide a platform for government, the private sector and donor partners to determine tourism investment planning, marketing strategies, and destination development opportunities.

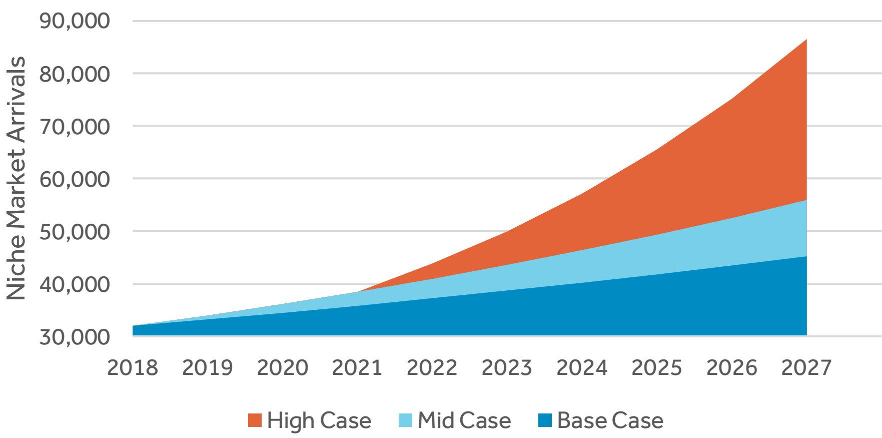
While IFC and TPA recognise the importance and value of many tourism markets, this analysis focuses on the five identified niche markets, based on the potential for sustainable growth, global trends and PNG's tourism assets and comparative advantages.

Summary of Findings

This research has shown that Papua New Guinea has the potential to receive 86,570 niche market visitors, contributing $286 million to the economy annually by 2027 in a high-growth scenario (Figure 2), increasing arrivals by 82 percent and receipts by 70 percent. To realise this growth, the Government of PNG and the private sector must make $78 million of coordinated investments to address air transport and accommodation capacity, strengthen the regulatory environment, develop and formalise products, improve infrastructure, build capacity, and increase marketing.

This study divides investment requirements into mid- and high-growth scenarios to illustrate the potential of these markets to increase arrivals and spending at varying levels of investment, and provides a base case for estimated growth where there are no new investments (Figure 2). In the mid-growth case, $21 million in investments could boost annual niche market arrivals by 17 percent to 55,950 and receipts by 24 percent to $209 million by 2027.

Figure 2 Niche market arrivals growth scenarios for Papua New Guinea



Papua New Guinea is dependent on business travellers and the Australia market, with business travellers comprising 54 percent of all arrivals by purpose of visit and Australians comprising 53 percent of all holiday arrivals by source market (PNGTPA 2018b). PNG's holiday offer focuses on two main products: the Kokoda Track and cultural festivals. Although these products have strong community benefits, their location-specific and time-bound nature limits the spread and growth of tourism.

To close the holiday market gap, diversify markets and spread the benefit of tourism throughout the country, the Government of Papua New Guinea and the tourism industry should focus on developing niche market tourism. PNG faces significant challenges in attracting mass market tourists. The country suffers from safety and security issues resulting in a poor reputation in the international media, especially in the nearby source markets of Australian and New Zealand. Added to this is the high-cost of the destination and limited tourism and transport infrastructure. Niche market tourists offer a specific opportunity for PNG as they are highly motivated travellers that are willing to travel to high-cost destinations, cope with poor infrastructure, and are less risk-adverse. Focusing on niche markets will help PNG to build the tourism industry and gain market penetration over time.

In 2016, Papua New Guinea received 31,977 niche market arrivals, comprising 85 percent of total holiday arrivals. Soft adventure and cultural tourists made up 36 percent and 27 percent of holiday arrivals respectively, while historical tourism comprised 15 percent and dive six percent. Birdwatching was the smallest market at just over one percent of holiday arrivals. Although the 2017 International Visitors Survey found that there are high levels of participation in niche market activities, most of this participation comes from casual, rather than serious, niche market participants. The serious niche market visitors coming to PNG are spending more per trip than the global average. While that demonstrates the value that tourists see in PNG holidays, the higher cost of travel to the country inhibits further niche market growth.

To benefit from niche market growth trends, the government and private sector must make investments to increase market penetration and decrease overall costs of travel. The potential, trends and demographics for five high-growth markets, cultural tourism, birdwatching, soft adventure, historical tourism and diving are outlined in Table 1.

Table 1 Niche market profiles

Niche Market	Cultural	Birdwatching	Soft Adventure	Historical	Dive
Global size	270 million trips	4.9 million trips	357 million trips	5.5 million trips	2.5 million trips
Global value	$453 billion	$22 billion	$470 billion	$18.8 billion	$8.1 billion
Forecasted CAGR 2018–2027	10 percent	5 percent	20 percent	10.8 percent	5 percent
PNG size	10,009	460	13,641	5,665	2,202
PNG value	$35 million	$3.3 million	$32.2 million	$16.2 million	$6.9 million
Key source markets	Europe (Denmark & Spain), USA and UK	USA, UK and Netherlands	USA, Europe (UK, Denmark & France) and China	UK, USA, Europe (Italy & France)	USA, Europe (UK, Denmark & France), China
PNG's Comparative Advantage	• Diverse and varied intangible cultural heritage and cultural industries	• More than 100 endemic birds, 12 endemic and 29 near-endemic bird-of-paradise species • Variety of flora and fauna and unspoiled natural environment	• Variety of terrain, climates and adventure tourism assets • Potential for a multitude of soft adventure activities	• Numerous historical attractions and relics from WWII • Unique and iconic WWII narrative	• Diverse marine assets and wrecks • Uncrowded and unspoiled destination
Drivers	• Ease of access to information about different destinations and cultures online • Review sites playing a large role in destination selection • Cultural attractions on popular tourism routes	• Growth in wildlife photography • Decreased cost of birding equipment • Increasing number of wildlife and birding documentaries	• Increase in travellers looking for active experiences • Increase in self-identifying adventure travellers • Demand for authentic travel experiences	• Travellers with a family link to the wars are at a stage in their life where they have time and money to travel • Students and academics travel to learn about historical events and sites	• Growing environmental awareness • US and Europe markets are saturated, but the China market is rapidly growing
Trends	• Cultural tourists seeking authentic, interactive and unique experiences • Culinary experiences gaining popularity • Most bookings are made online	• Looking for new places to explore and see new bird species • Increased demand for more in-depth experiences with the community • Younger demographic interested in birding	• Focus on "being in a natural environment, learning and meaningful experiences" • Most in-demand activities are hiking, ecotourism and cultural • Adventure travellers want customisable trips for custom experiences	• Dark tourists travel to sites of historical disaster or catastrophe • Strong support in Australia for people to learn about their family history, honour their ancestors, and retrace their steps	• Diving in the Coral Triangle becoming more popular due to consistently warm waters and good quality diving compared to other locations
Outlooks	• Cultural tourism is growing rapidly • Key subset of market seeks unique cultures and off the beaten path experiences	• Birding holidays are expected to grow in demand as more places are being developed for these activities	• Adventure tourism is growing strong, with more arrivals from emerging economies and further focus on sustainable practices	• The demographics are shifting from veterans and descendants to dark tourists, historians and academics	• Coral Triangle diving is expected to have high growth due to popularity and word of mouth marketing as well as rapid growth from China

Source: See Niche Market Sizing Sources in Annex

Niche Market Potential in PNG

Cultural tourists have a relatively high value spend per trip to Papua New Guinea and a large market base with strong global growth potential. It is well aligned with PNG's cultural assets and current market positioning as a destination with unique cultural attractions. Cultural tourism is one of two products that sell PNG globally (the other being the Kokoda Track), and requires further investment to reach its potential. With a diverse range of cultural attractions throughout the country, cultural tourism development provides opportunities for tourism development outside the current hubs in ENB and MB.

Birdwatching tourists spend approximately 70 percent more in PNG than the global average for birdwatching trips. Despite its relatively smaller global size, the birdwatching market's high value/low volume model of tourism fits wells with PNG's goals of sustainable tourism development, especially in sensitive nature areas. Birdwatching development also provides opportunities for tourism development outside the current hubs in ENB and MB.

Soft adventure tourism is a strongly growing segment, with the industry predicting 20 percent annual growth over the next 10 years. While soft adventure tourists spend less per trip than other niche markets, the segment has a large global base from which PNG can attract new visitors. Although PNG requires additional soft adventure product development and formalisation, adventure tourism assets exist in the country.

Historical tourism is PNG's top niche market by number of visitors, although the segment spends less per trip than cultural tourism or divers. Historical tourism is a strong market for PNG at the moment and will continue to grow over time. However, the historical tourism demographic is changing and success will depend on upgrades at historical tourism sites, appropriate product development, and flexible marketing strategies to target the shifting historical tourist market.

The dive market takes advantage of PNG's marine tourism assets and brings in tourists with a higher than average spend. Although the dive market in PNG is still relatively small, divers appreciate the pristine environment and uncrowded dive sites. However, competition among dive sites in the Coral Triangle is strong and PNG must define its comparative advantage to stand out.

Summary of Growth Scenarios and Investments Required

Papua New Guinea has the potential to grow holiday arrivals to 86,570 arrivals per year over the next ten years if the Tourism Promotion Authority (TPA) and tourism stakeholders make appropriate and necessary investments in air transport and accommodation capacity, infrastructure, product development, regulatory areas, capacity and marketing. The study examines growth potentials in a mid-growth scenario and a high-growth scenario, demonstrating the potential size and value of the niche markets by 2027, given different levels of investment.

The mid-growth scenario estimates that visitors from the five segments will grow to reach 55,950 visitors annually by 2027, while corresponding tourist receipts are estimated to reach $209 million per year by 2027 (Figure 3). This is an additional 10,700 visitors and $40.7 million in spending per year from the base case scenario (Table 2). It assumes that the growth projection of tourist arrivals to Papua New Guinea will mirror global historic growth performance for each of the five segments. Currently PNG's current performance trails that of global performance. To achieve this growth target, the PNG Government and tourism private sector will need to make essential tourism infrastructure and services investments worth $21 million to attract more tourists.

The high-growth scenario estimates that the number of visitors for the five segments will reach 86,570 by 2027, while corresponding tourist receipts are estimated to reach $286 million annually by 2027 (Figure 3), an additional 41,350 visitors and $117 million in tourist receipts per year compared to the base case (Table 2). It assumes that the growth projection of niche market arrivals to Papua New Guinea will match global historical rates for three years and then ramp up to mirror the growth forecast for each of the five segments, based on trade interviews. To achieve this growth target, the country needs to invest $78 million in essential tourism infrastructure and services to attract more tourists, as well as additional value-added investments to tap into new and emerging market opportunities.

Table 2 Forecast tourism statistics for Papua New Guinea for high-growth scenario

	2016		Base Case 2027		Mid-Growth Scenario 2027		High-Growth Scenario 2027	
	Arrivals	Receipts USD million	Arrivals	Receipts USD million	Arrivals	Receipts USD million	Arrivals	Receipts USD million
Culture tourism	10,009	$35.0	15,480	$68.7	19,610	$87	22,190	$90.0
Birdwatching	460	$3.3	510	$4.6	520	$4.7	640	$5.8
Soft adventure tourism	13,641	$32.2	18,110	$54.3	21,160	$63.4	47,150	$129.2
Historical tourism	5,665	$16.2	8,880	$32.1	11,330	$40.9	13,200	$47.7
Diving	2,202	$6.9	2,240	$8.8	3,330	$13.2	3,390	$13.4
Total	**31,977**	**$93.6**	**45,220**	**$168.5**	**55,950**	**$209.2**	**86,570**	**$286.1**

Source: PNG Total Arrivals Statistics 2017 (TPA 2018b) and PNG 2017 International Visitors Survey (TPA 2018c)

Figure 3 Potential niche market revenue growth scenarios

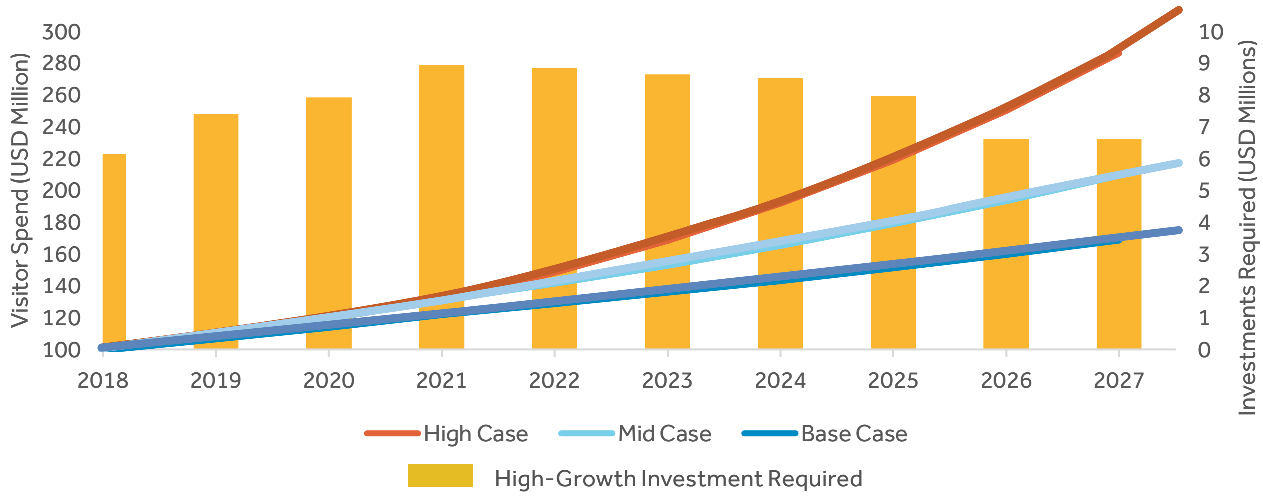
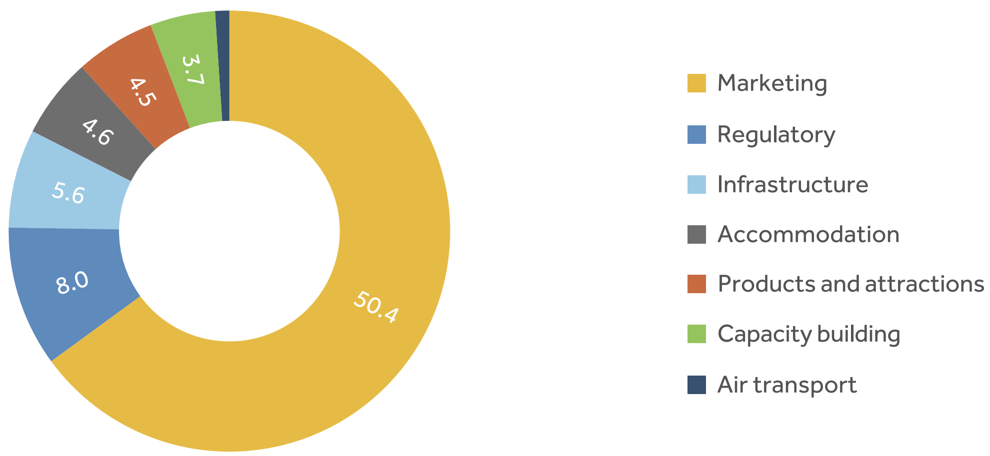


Figure 4 Required investments to grow niche market arrivals in high-growth scenario USD million



In the high-growth case, soft adventure tourism is expected to grow the fastest, contributing to the largest share of visitors in 2027 with 47,152 arrivals. This is followed by cultural, historical, diving and birdwatching travellers. Soft adventure tourism is also expected to garner the highest share of tourist receipts, reaching $129 million in 2027, owing to the sheer growth in volume of visitors targeted by this segment. For PNG to achieve this high-growth target, the Government, TPA and private sector must invest additional resources in targeted marketing to increase market penetration and combat the negative international perception, streamlining visa systems and improving the safety situation, enhancing products and attractions, building infrastructure, and improving industry capacity.

In order to attract these additional visitors and achieve projected visitor spend, the Government of PNG and the tourism private sector must make investments worth approximately $21 million for the mid-growth scenario and $78 million for the high-growth scenario (Figure 3).

These investments can be categorised into the following types (Figure 4).:

- More than 50 percent of the investments focus on increased tourism marketing at the destination level, operator level and directly to niche markets consumers (Table 3). Investments must begin in the next two years to catalyse growth.
- The Government must address regulatory issues to enhance safety, streamline visa systems, improve conservation and mainstream tourism in government policies (Table 4). Safety and visa investments are essential and should be addressed immediately. Conservation and streamlining investments can occur gradually over the next five years.
- TPA will need to work with the private sector to identify, develop and package niche tourism products and attractions to meet market demand (Table 5). Product development investments must begin in the next two years to catalyse growth.
- At the national level, both Government and private sector will need to invest in capacity building, including education, training and professional development for tour operators, government staff, private sector associations, guides, etc. (Table 6). Capacity building investments should start immediately and continue over the ten-year period.
- Working together, the private sector, the Government and TPA need to develop infrastructure to build attractions and improve road and air transportation in priority destinations (Table 7). Infrastructure developments is required within the first five years.
- To meet the needs of increased international arrivals at the national level and in East New Britain and Milne Bay, the private sector must investment in accommodation (Table 8). Accommodation investment should occur gradually over the next ten years.
- Air Niugini and PNG Air will need to invest in increased air transportation services to cater for the increase in international arrivals and arrivals to East New Britain and Milne Bay. Increase air transportation services should grow gradually over the next ten years (Table 9).

Table 3 Marketing investments required in PNG

Niche	Description	Lead Stakeholder	Investment in Mid-growth Scenario	Investment in High-growth Scenario
All	Destination awareness-raising campaign in three key source markets, over ten years.	TPA	$5,000,000	$20,000,000
	Public relations campaigns for five years in mid-growth and ten years in high-growth cases.	TPA	$7,500,000	$15,000,000
	Subsidise inbound tour operators' attendance at strategic trade shows for two niche markets in the mid-growth and five niche markets in the high-growth cases, over ten years.	TPA	$2,000,000	$5,000,000
	Contract a market research firm to conduct research on two Chinese niche markets.	TPA	--	$150,000
	Target direct marketing and annual famils for each niche market. Three large and ten boutique outbound operators each for cultural tourism, birdwatching, soft adventure and dive. Two to four boutique historical tourism outbound tour operators.	TPA	$3,150,000	$5,250,000
	Develop and launch social media strategies with specific campaigns for cultural, soft adventure, historical and dive tourism, over ten years.	TPA	--	$4,000,000
	Harmonise niche tourism marketing activities at the national level, ensure a coordinated marketing approach, and create a unified destination image	TPA with Private Sector	--	--
Bird-watching	Raise awareness with key markets through online marketing, leveraging influencers, and public relations in print media.	TPA with the private sector	--	$1,000,000

Table 4 Regulatory investments required in PNG

Niche	Description	Lead Stakeholder	Investment in Mid-Growth Scenario	Investment in High-Growth Scenario
All	GoPNG should invest in expanding the tourist police task force in two priority tourism areas over nine years working with development partners.	Royal Papua New Guinea Police Constabulary, Development partners	---	$1,500,000
	Invest in a youth engagement program to increase safety and security for both locals and tourists in three tourism hotspots.	Department of Community Development, Religion & Sports	--	$1,500,000
	Implement a conservation program over five years and mainstream sustainability into the National Tourism Masterplan.	TPA, GoPNG, Conservation Environment Protection Authority	--	$5,000,000
	Implement online visa system for target source markets.	Immigration and Citizenship Services Authority	--	--
Cultural	Integrate cultural tourism into national development polices and tourism plans, including the National Tourism Masterplan	TPA & NCC	--	--
Bird-watching	Incorporate and mainstream sustainability into the National Tourism Masterplan	TPA	--	--

Table 5 Product and attraction investments required in PNG

Niche	Description	Lead Stakeholder	Investment in Mid-growth Scenario	Investment in High-growth Scenario
Cultural	Develop three to five cultural tourism routes with itineraries.	TPA with private sector	$350,000	$350,000
	Develop a community-based tourism program. Launch five new cultural products and improve five existing cultural products.	TPA NCC	--	$1,500,000
Birdwatching	Define the comparative advantage of each birding region. Research detailed information about each area.	TPA with the Private Sector	$100,000	$100,000
	Work with financial institutes or partners to offer incentives or financing for five specialised accommodations development and facility upgrades.	TPA to lead policy private sector to lead investments	--	$1,250,000
Soft adventure	Develop a community-based tourism program. Launch three to five new soft adventure products.	TPA Private sector	--	$1,500,000
	Develop three to five soft adventure tourism routes with supporting itineraries.	TPA with private sector	$350,000	$350,000
Historical	Develop formalised historical products using media and technology. Five sites in mid-growth and ten sites in high-growth scenarios.	TPA	$62,500	$187,500
	Create three historical tourism routes and supporting itineraries.	TPA with private sector	$350,000	$350,000
	Create regional WWII routes with Vanuatu and Solomon Islands.	TPA	--	$100,000
Diving	Differentiate and define each dive destination with a focus on comparative advantage within the Coral Triangle.	PNGDA	$100,000	$100,000

Table 6 Capacity-building investments required in PNG

Niche	Description	Lead Stakeholder	Investment in Mid-growth Scenario	Investment in High-growth Scenario
All	Provide scholarships for 20 operators per year to existing TVET programs with specific focus on cultural, soft adventure and birdwatching inbound tour operators. Program for two years in mid-growth and five years in high-growth cases.	GoPNG	$60,000	$220,000
	Take advantage of existing guide trainers and leverage regional experiences. Create an in situ on-the-job guide training program. Program for five sessions in mid-growth and ten trainings in high-growth cases.	TPA	$50,000	$100,000
	Invest in strengthening existing TVET tourism courses at the local technical colleges over five years.	GoPNG Donors	--	$3,000,000
	TPA can consider hosting a World Tourism Organization Capacity Building Program in Tourism Development and Management.	TPA	--	$250,000
	Five additional trained paramedics in the country.	Department of Health and HIV/ AIDS	--	$32,500
Cultural	Launch new or expand existing inbound tour operator services to meet tourist demand. Two inbound operators in mid-growth and five inbound operators in high-growth scenarios.	Private sector	$24,887	$51,450
Birdwatching	Launch new or expand existing inbound tour operator services to meet tourist demand. Two inbound operators in high-growth scenario.	Private sector	--	$21,095
	Train local birdwatching guides with overseas professional birding guides.	TPA	$25,000	$25,000

Table 7 Infrastructure investments required in PNG

Niche	Description	Lead Stakeholder	Investment in Mid-growth Scenario	Investment in High-growth Scenario
All	Identify and improve roads to allow convenient and smooth access between tourist attractions in tourism regions.	Department of Works	--	$1,670,000
Cultural	Develop new or expand existing cultural tourism attractions to meet tourist demand from additional visitors. Five attractions in mid-growth and nine attractions in high-growth scenarios.	Private Sector	$22,277	$40,722
Bird-watching	Develop infrastructure around two birdwatching sites in mid-growth and five sites in high-growth scenarios.	Private Sector	$347,100	$867,750
Soft Adventure	Create a strategy for private sector and donor investment in five integrated soft adventure sites.	TPA	$40,000	$40,000
	Financing for developing soft adventure infrastructure. Two sites in mid-growth and five sites in high-growth scenarios. Expand or launch at least 18 new sites by 2027 to meet capacity demands of increased visitors flows.	Private sector with support of donors and investors	$600,000	$2,338,438
Historical	Create a management structure for historical sites.	TPA, Provincial Government	$50,000	$50,000
	Conduct upgrades at historical sites: • small-scale upgrades at ten sites and intensive refurbishments at three sites in mid-growth scenario; and • small-scale upgrades at 15 sites, intensive refurbishments at 11 sites and capacity and accessibility upgrades at seven sites in high-growth scenario in total.	TPA	$175,000	$538,569
Diving	Renew the mooring equipment program.	TPA and PNGDA	$12,000	$12,000
	Install one decompression chamber each in two provinces. Utilise the DAN grant program and training program on decompression chamber operation.	PNGDA	--	$42,000

Table 8 Transport investments required in PNG

Niche	Description	Lead Stakeholder	Investment in Mid-growth Scenario	Investment in High-growth Scenario
All	Increased air capacity per year equivalent to: • 18 flights to ENB and 17 to MB in mid-growth scenario; and • 44 flights to ENB and 50 flights to MB in high-growth scenario.	Air Niugini PNG Air	$278,000	$747,750
	Develop new air routes that link tourism destinations and remove the need to travel back to Port Moresby to connect between provinces.	TPA Air Niugini PNG Air	--	--
	Train 15 airport ground staff in mid-growth and 30 staff in high-growth in international aviation standards.	NAC, Air Niugini PNG Air	$30,000	$60,000
	Refurbish terminals at Tokua Airport (Rabaul) and Gurney Airport (Alotau).	GoPNG NAC	Funded by ADB	Funded by ADB

Table 9 Accommodation investments required in PNG

Niche	Description	Lead Stakeholder	Investment in Mid-growth Scenario	Investment in High-growth Scenario
All	Expand or open new hotels to increase capacity by 37 rooms in ENB and 13 rooms in MB in the high-growth scenario.	Private Sector	--	$3,306,000

Methodology

All information and research presented in the report were analysed using information gathered through various research methodologies. These methodologies include:

Secondary research: Secondary or desktop research was conducted to collate existing publications, journal articles and press releases relevant to the research objectives. This included data and research findings from various years and sources on a variety of topics related to the market segments associated with the study.

Trade interviews: To size and map each market segment, the project team conducted trade interviews with organisations linked to each market segment. These organisations included tour operators and agencies, government agencies, trade association, active bloggers, academics and industry experts.

Pulse interviews: The project team conducted pulse interviews with local businesses that specifically target tourists as their clientele to understand broad observations pertaining to tourist behaviours. These businesses include inbound tour operators, local travel agents, retailers and other service providers.

Consumer surveys: Several online consumer surveys were conducted to build a holistic understanding of consumer preferences in relation to the research objectives. The surveys included tourists' criteria for selecting holiday destinations and their perceptions of PNG, East New Britain, Milne Bay and similar destinations relevant to the activity segment. Findings from the surveys allowed the project team to develop the market segment profiles and to understand perceptions and preferences for PNG and tourism destinations similar to PNG.

Growth scenarios: This Tourism Demand Assessment examines three growth scenarios demonstrating the potential of niche markets: 1) base case, where no additional investments are made and PNG's historical holiday market growth is maintained; 2) mid-growth case, where some critical investments are made and niche market growth in PNG matches global historical growth rates; and 3) high-growth case, where significant investments are made to unlock the potential of niche markets with growth in PNG mirroring historical global trends for the first three years and then ramping up to meet global predicted forecasts until 2027. In the high-growth case, PNG will catch up to and compete with benchmarked destinations and close its holiday market gap. Growth scenarios and investment recommendations are made at the national level and for East New Britain and Milne Bay Provinces in line with government priorities for destination development.

Investments: The investment recommendations in this study combine two aspects into an actionable plan for developing tourism in PNG. 1) Identifying overall and niche market investments needed to spur tourism growth in PNG for the mid-growth and high-growth scenarios. Through consultations with government, local tourism stakeholders and international operators, key obstacles to growth were identified, including infrastructure needs, product development and attraction needs, marketing opportunities, capacity building requirements, and regulatory challenges. 2) Examining the carrying capacity of PNG's tourism infrastructure to meet forecasted tourist numbers in the three growth scenarios. Carrying capacity was assessed for air transportation, accommodation, tour operators, and attractions, and deficiencies were identified in each of the base, mid- and high-growth scenarios.

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Glossary

Birdwatching: Observing or photographing birds in their natural habitat.

Cultural industries: The production, creation and distribution of goods and services that are cultural in nature and contribute to the economy through sales and/or employment. Although globally categories differ, in the Pacific cultural industries typically include handcrafts, performing arts, fashion, visual arts, music and film, among others.

Cultural tourism: Visiting a destination for an indigenous cultural experience.

Dark tourism: Visiting a destination associated with tragedy, destruction or disaster such as war, genocide or natural disasters

Dive tourism: Scuba diving in fresh or salt water; includes only active divers with advanced certifications. Dive tourism includes only trips that are for the main purpose of diving with divers taking multiple dives per trip.

Government: Any government agency in Papua New Guinea, as a recipient of tourism expenditure, or as a legislator or regulator.

Hard adventure tourism: Participating in activities that are high risk in nature, such as caving, climbing (mountain, rock, or ice), trekking, paragliding and bungee jumping and that can require special equipment.

Historical tourism: Visiting sites, relics, monuments, memorials or services related to World War I (WWI) or World War II (WWII).

Inbound tour operator: A destination country service provider that arranges itineraries, transport, accommodation, and tourism products for international tourists, and markets them to outbound tour operators; located within Papua New Guinea in this study.

Intangible cultural heritage: The practices, expressions of traditional and cultural knowledge, skills and representations that communities recognises are their cultural heritage. Typically refers to the process of knowledge by which artists create cultural representations, such as dances, songs and handcrafts.

Niche market: High-value tourists motivated to travel for specific, unique experiences.

Outbound tour operator: Outbound country service provider that markets and sells trips to tourists; located in outbound markets.

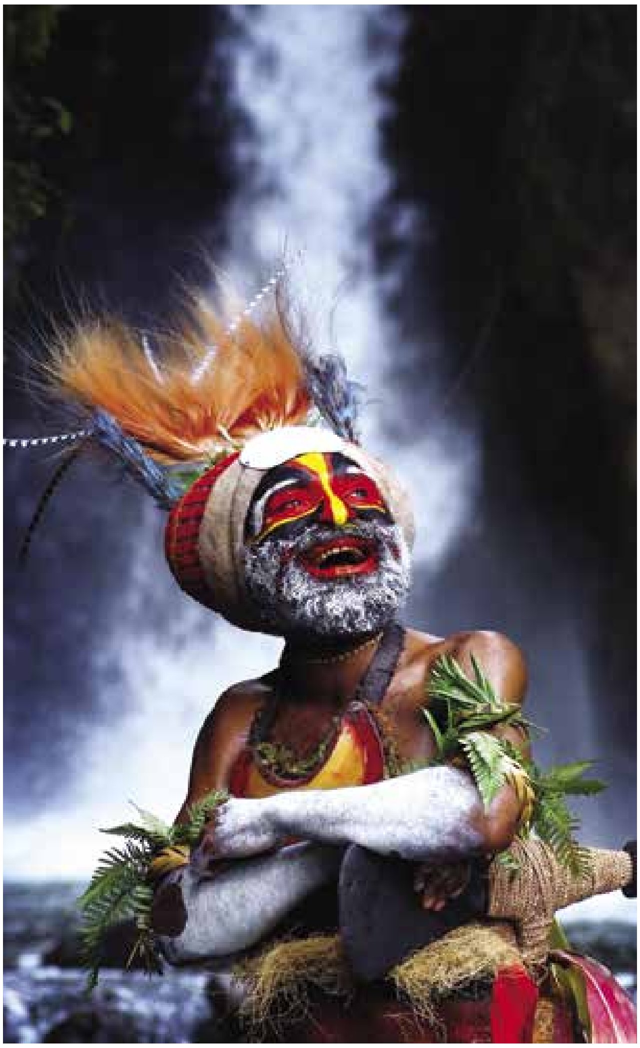
Soft adventure tourism: Participating in nature-based and cultural activities that are low risk, such as hiking, fishing, surfing, snorkelling, and kayaking; excludes trekking, bird watching and diving for the purposes of this study.

1 Introduction

The *Demand Assessment for Tourism in Papua New Guinea* study will assist the Government of Papua New Guinea in strategic tourism development, targeting air arrivals from five key global niche markets. The International Finance Corporation (IFC), a member of the World Bank Group focused on private sector development, and the Tourism Promotion Authority of Papua New Guinea (TPA) will use the study to determine tourism investment planning, marketing strategies, and destination development opportunities. It is anticipated that the private sector will also use the study to identify investment opportunities to grow value from these markets.

This report evaluates:

- The current state of play of the tourism industry in Papua New Guinea (PNG) and specifically in East New Britain and Milne Bay Provinces as key tourism hotspots and government priority destinations;
- The performance, profiles and potential of five of PNG's niche tourist segments;
- Growth projection scenarios for the five key tourism segments until 2027 for PNG; and
- Investment propositions required to reach the growth projections.



The Tourism Demand Assessment will also inform the World Bank Group's Papua New Guinea Tourism Sector Development Project, TPA's marketing activities, and revision of the National Tourism Masterplan. The objective of the Tourism Sector Development Project is to improve tourism services in targeted destinations through institutional and policy frameworks, infrastructure development, and community and product development. The project focuses on the two provinces of East New Britain and Milne Bay, identified by the Government of PNG as tourism hotspots.

This analysis focuses on five of PNG's niche markets: cultural tourism, birdwatching, soft adventure tourism, historical tourism and diving. These markets were jointly selected by IFC and TPA.

The Tourism Demand Assessment was conducted from June 2017 to March 2018. The report provides detailed information on niche market global size and value, trends, and potential for PNG—information not readily accessible through other sources. The findings bring together information gathered from extensive stakeholder consultations and trade interviews within PNG and at the global level, including inbound tour operators, accommodation providers, service providers, local and international associations, government, regional operators, outbound tour operators, and experts. A survey with consumers was conducted to gather primary data on niche market travellers.

This study focuses on developing holiday air arrivals into Papua New Guinea. All mentions of "holiday arrivals" in this report refer to holiday air arrivals and excludes cruise arrivals unless specifically mentioned. Total arrivals data in this report exclude cruise and short-term employment.

2 State of Play in Papua New Guinea

2.1 Tourism in Papua New Guinea

The tourism industry in PNG represents an opportunity for diversified economic growth supporting jobs and small business, especially in rural areas, as 60 percent of PNG's international arrivals travel outside Port Moresby, according to the PNG 2017 International Visitors Survey (IVS). However, PNG has experienced slow growth in holiday tourist arrivals from 2011 to 2016 and targeted efforts are currently under way to increase arrival numbers.

PNG has a strong opportunity to leverage products and destinations developed for the cruise industry to build a holiday air arrivals market. The rapid development of the cruise industry has spurred product development, particularly in day tour options, and greater interest among businesses, tourist markets and development agencies to develop tourism in these areas. Although cruise industry growth has currently plateaued, a budding tourism industry has been established in East New Britain and Milne Bay. The challenge now is to support these burgeoning tourism destinations to build on their cruise offer and create products and services targeted at air arrivals, thus expanding their customer base.

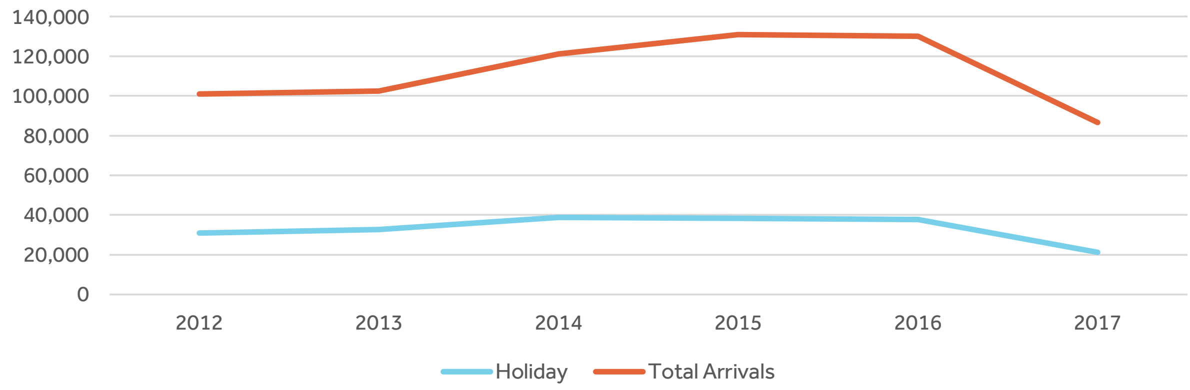
PNG faces significant challenges in attracting mass market tourists, while niche market travellers offer potential. The country suffers from safety and security issues resulting in a poor reputation in the international media, especially in the nearby source markets of Australian and New Zealand. Added to this is the high-cost of the destination and limited tourism and transport infrastructure. Niche market tourists offer a specific opportunity for PNG as they are highly motivated travellers that are willing to travel to high-cost destinations, cope with poor infrastructure, and are less risk-adverse. Focusing on niche markets will help PNG to build the tourism industry and gain market penetration over time.

Visitor Arrivals

Air arrivals to PNG experienced slow growth from 2011 to 2016. However, tourism is susceptible to shocks and this growth was followed by a decrease of 34 percent in total air arrivals: from 130,161 in 2016 to 86,403 in 2017. This decline was felt across all markets and was due to national elections, with new travel advisories issued by source market countries' governments. Visitor arrivals to PNG are anticipated to rebound in 2018 and positive growth is expected to return at a rate of around two to three percent, based on historical trends. For this reason, the analysis in this report uses 2016 arrivals data and references 2017 numbers where appropriate.

Holiday arrivals paralleled the steady growth of total arrivals from 2011 to 2015, with a 22% bump in 2014 when TPA launched their 'A Million Different Journeys' marketing campaign. Holiday arrivals in 2017 were 21,281. There was a one percent decrease in holiday arrivals in 2016 and a significant decrease of 43 percent in 2017, due to general elections and associated travel advisory warnings (PNGTPA 2018b) (Figure 5). Total visitor arrivals grew at a compound annual growth rate (CAGR) of about three percent from 2011 to 2016 and holiday arrivals at a CAGR of five percent from 2011 to 2016. The positive historical growth and the 2016 to 2017 decrease in holiday arrivals demonstrate an increasing interest in PNG as a holiday destination, but aversion to an uncertain political climate.

Figure 5 Total and holiday arrivals 2012-2017

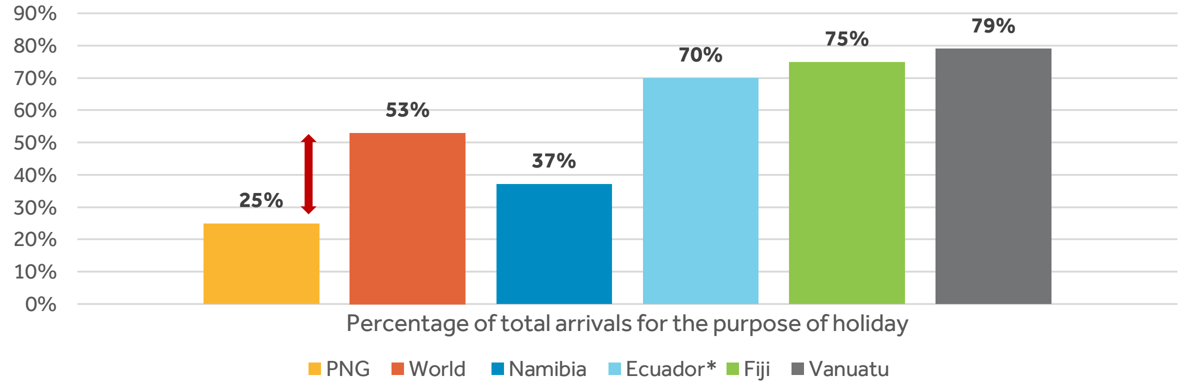


Source: PNG Tourism Promotion Authority Annual Arrivals 2017 (PNGTPA 2018b)

PNG is reliant on business travellers, creating a holiday market gap of 28 percent compared to global tourism industry standards, equating to 52,000 additional holiday visitors spending $148 million per year in PNG. Although the country saw steady slow arrivals growth until 2016, the tourism industry is currently reliant on business travellers. At the global level, holiday travellers in 2017 made up the bulk of international arrivals at 53 percent of all international trips (UNWTO 2017), but most visitors to PNG were business travellers, comprising 54 percent of all arrivals, and holiday travellers accounted for only 25 percent. Compared to the global market, PNG has a "holiday market gap" of 28 percent.

Regionally, about 75 percent of all arrivals in Vanuatu and Fiji were holiday travellers in 2017. Globally, niche market benchmark destinations of Namibia and Ecuador also receive more holiday visitors. Namibia has a strong visiting friends and relatives market and is still able to draw almost 40% of their arrivals for holiday, and 70% of Ecuador's total arrivals are holiday makers (Figure 6).

Figure 6 Percentage of total arrivals for the purpose of holiday by destination, 2017

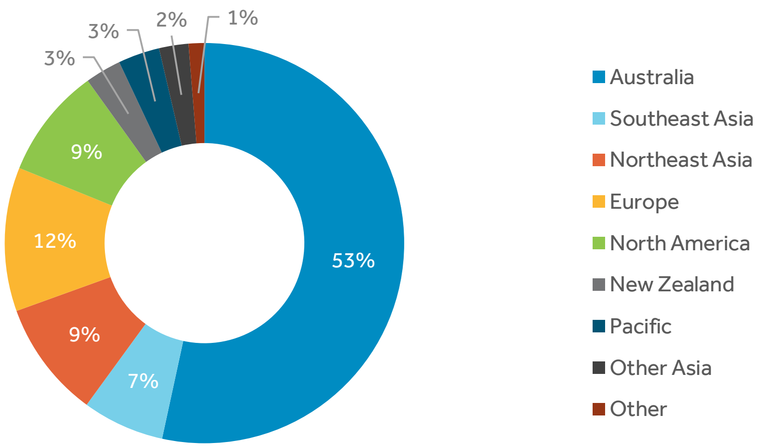


*Source: PNGTPA 2018b, UNWTO 2017, INEC 2018 Fiji Bureau of Statistics 2018, Vanuatu National Statistics Office 2018. *Statistics for Ecuador are for 2016 as 2017 tourism statistics are not yet available.*

Key Source Countries

Papua New Guinea is dependent on the Australian market, with Australians comprising 53 percent of holiday arrivals (PNGTPA 2018b) (Figure 7). Australia is a large and close source market for PNG, with strong historical and political ties. At the global level, however, Australia makes up only about one percent of the holiday outbound market. This means that the large source markets of North American, Europe and Asia are largely untapped.

Figure 7 PNG holiday arrivals by region or country of origin 2017



UNWTO Regional Categorization used for countries with arrivals less than 5 percent.

Source: PNGTPA 2018b

Short-haul markets: Australia and New Zealand

- Due to its proximity to PNG, Australia continues to be the largest source of arrivals for the country. Holiday arrivals from Australia and New Zealand grew on average about seven percent a year from 2012 to 2016.
- Australia and New Zealand holiday visitors to PNG have been heavily focused on the Kokoda Track, due to targeted marketing efforts by TPA's destination marketing representative in Australia.
- Globally, Australian tourists are increasingly seeking new and authentic destinations, taking advantage of off-peak prices, picking immersive and interactive trips, and indulging in authentic cuisine (Travel Weekly 2017).

Long-haul markets: USA and Europe

- USA holiday arrivals accounted for five percent of total arrivals and eight percent of holiday arrivals to PNG in 2017. Albeit from a small base, holiday arrivals from the USA grew on average at 14 percent a year from 2012 to 2016.
- Holiday tourists from the UK constitute seven percent of holiday arrivals in 2016 and three percent in 2017, growing at an average rate of 21 percent a year from 2012 to 2016.
- Tourists from the USA and Europe visit PNG mainly for cultural tourism, soft adventure activities, diving, and birdwatching, with UK and German visitors focusing more on birdwatching and historical tourism.
- Soft adventure activities and cultural tourism appeal to the US market and, due to a strong US dollar in 2016, global tourism departures from the USA have been growing.
- Holiday tourists from Europe are increasingly seeking special interest holidays, such as adventure, community-based, cultural, nature and wellness tourism. They are also seeking more exclusive and authentic experiences and prefer destinations that are perceived to be relatively safe (CBI 2017).

Long-haul market: Japan

- Japanese tourists accounted for three percent of overall arrivals or six percent of holiday arrivals to PNG in 2017. From 2012 to 2016, however, arrivals decreased slightly at an average year-on-year negative three percent.
- Although arrivals from Japan have been stagnant, Air Niugini launched a route to Japan in June 2016. Air Niugini and the PNG Tourism Promotion Authority are promoting the destination to Japanese travellers (Air Niugini 2016) with the aim of increasing Japanese arrivals.
- Japanese tourists participate in diving, cultural activities, and soft adventure activities.
- Global outbound departures for holiday travel from Japan were stagnant from 2014 to 2016, with the most popular destinations being Taiwan, Hawaii and South Korea (Berrigan 2018).

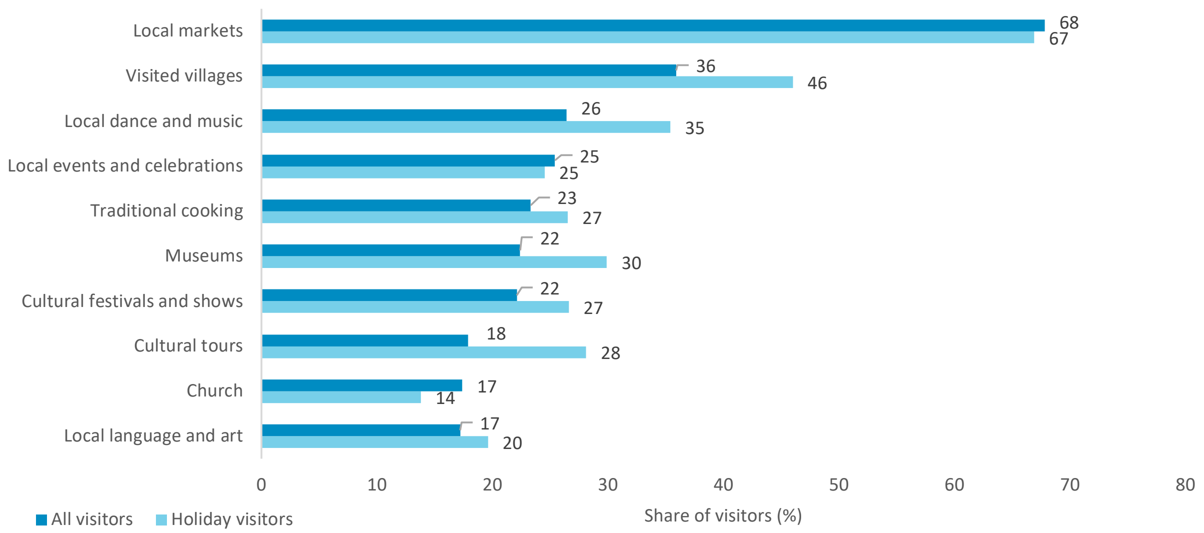
Along with China, these countries also underpin global demand from the market segments assessed in this report: cultural tourism, bird watching, soft adventure tourism, historical tourism and diving. Together, these five markets constituted 85 percent of holiday arrivals to PNG in 2016. With the anticipated commencement of regular direct flights to Shanghai from Port Moresby in 2018, arrivals from China are expected to rise in the forecast period. Capturing value from these Chinese arrivals will depend on appropriate investment, product development and marketing.

Tourism Products

PNG's holiday offer focuses on two main products: the Kokoda Track and cultural tourism. The Kokoda Track is an iconic tourism product with a strong market penetration in Australia; 25 percent of holiday visitors experienced the trail and there were over 3,000 serious trekkers in 2017. Cultural tourism currently focuses on festival experiences. An estimated 10,000 tourists travelled to PNG in 2016 specifically for cultural experiences.

Although the Kokoda Track and cultural tourism have strong community benefits, their location and time-specific nature limits the spread and growth of tourism. Given the nature of the Kokoda Track and cultural festivals products, communities can benefit from these products. Additionally, they are already relatively well known in the key source market of Australia. Right now, they form the foundation of PNG's existing comparative advantage against other destinations. However, both products are location specific, which limits the spread of tourism benefit. The cultural festivals are also time specific, meaning that tourism happens only during the festivals and there is a limited flow of tourists at other times of the year (Figure 8). This has the potential to exceed the carrying capacity of products, which could affect the environment and culture, as well as degrade the tourist experience.

Figure 8 All visitors' and holiday visitors' participation in cultural activities in PNG in 2017



Source: PNG 2017 International Visitors Survey (TPA 2018c)

Average Visitor Spend

Holiday travellers to PNG spend significantly more than business travellers. The average spend per holiday visitor per trip is approximately $2,859, which is 22 percent higher than that of business travellers ($2,345) and 105 percent higher than that of travellers visiting friends and relatives ($1,396). North American visitors spend $3,537 and European visitors spend $3,251 while Australians and New Zealanders tend to spend less: $2,036 and $1,985 respectively. This is likely due to the longer length of stay for North American (12.6 nights) and European (13 nights) travellers, higher flight costs, and focus on holiday travel versus business travel (PNGTPA 2018c).

Length of Stay

The average length of stay for international holiday visitors to PNG is 10.5 nights while the global average length of holiday trips is eight nights (Visa 2018). Among respondents to PNG's 2017 International Visitors Survey, 55 percent stayed in PNG for 7 or more days (PNGTPA 2018c). Common reasons contributing to longer visitor trips to PNG include:

- multi-province itineraries;
- demand for an immersive cultural experience that takes more time;
- value-maximizing vis-à-vis cost of international flights; and
- infrequent provincial flights that extends travel time.

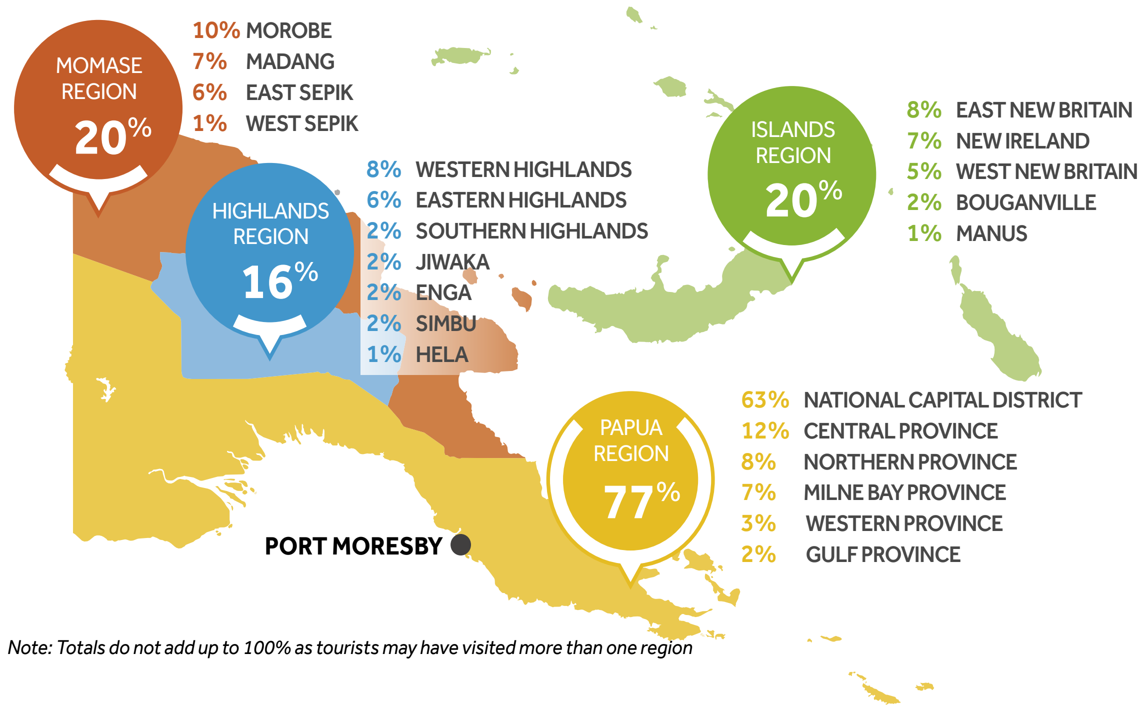
Mode of Booking

Holiday visitors to PNG rely on recommendations from friends and family and prefer to book trips via travel agents and outbound tour operators. Based on the 2017 International Visitors Survey, 43 percent of holiday visitors use recommendations from friends and family and 29 percent use travel agents to plan their trips. This indicates that there is limited online information about PNG and few local businesses with online booking tools. The predominant method for holiday visitors to book travel is through travel agents, with 38 percent booking this way (PNGTPA 2018c). Additionally, logistical challenges, including booking domestic flights and hiring multiple vehicles for transportation in different provinces, require the on-ground knowledge from tour operators. Outbound tour operators also offer the convenience of having a single knowledgeable point of contact who is familiar and responsive to confirming travel plans, especially for first-time visitors.

Locations visited

Over 60 percent of holiday visitors travel outside the National Capital District (Port Moresby), spreading the benefit of tourism throughout PNG. The National Capital District has the highest visitor numbers, as all travellers entering PNG by air would transit through Port Moresby. The Kokoda Track is located in the National Capital District and runs through the Central Province and Northern Province. The popular trek's location leads to high visitation to these provinces at 12 percent and 8 percent of total visitors respectively in 2017. Outside the National Capital District region and Kokoda related provinces, provinces with the highest visitation are Morobe (10 percent of total visitors), Western Highlands and East New Britain (8 percent each), and Madang, New Ireland and Milne Bay (7 percent each) (PNGTPA 2018c). Other tourist destinations in the country include Kavieng, Kimbe Bay, Oro Bay, Wewak, Lorengau, and Bougainville (Figure 9).

Figure 9 Percentage of total arrivals to each region and province in 2017



Source: PNG 2017 International Visitors Survey (TPA 2018c)

Accommodation

Outbound tour operators who send tourists to PNG note that accommodation quality in PNG could be improved with a specific focus on value for money. There are approximately 260 accommodation properties targeted at holiday travellers. Issues noted by outbound tour operators, especially outside of Port Moresby, include a lack of basic infrastructure and amenities, poor water systems, and a lack of hot water at some accommodations. TPA is seeking to address these issues through the Accommodation Accreditation Scheme. The scheme provides guidelines for accommodation facilities, encouraging them to meet traveller expectations. Participation in the scheme is voluntary and allows for the accommodation to be included in TPA marketing materials. Inspections are done annually to verify accommodations are operating in accordance with guidelines. There are currently 92 accommodations participating in the scheme.

Arrival and Departure Ports

The majority of visitors enter PNG by air use the national carrier, Air Niugini, and travel throughout the country via domestic air transportation. The airline supports the largest number of international flights to and from PNG. Other than entering by air via Port Moresby's Jacksons International Airport, visitors can enter PNG by sea via cruises and yachts; and by land via the Skouw-Wutung border crossing. Cruise ports include Port Moresby, Madang, Lae, Kieta, Rabaul, Alotau and Kimbe. Visitors travel throughout the country mostly via domestic air transportation, utilising the 52 commercial domestic airports in the country.

Poor airline services and high air transportation costs are a major impediment to growing tourism in the provinces. In the 2017 International Visitors Survey, travellers to East New Britain and Milne Bay rated airline services and air transport costs as the top areas for improvement. Overall trip costs and airlines were also noted as key reasons for holiday visitors to these provinces not wanting to return (TPA 2018c).

Current international and domestic airport infrastructure is limited, creating scheduling challenges and affecting the visitor experience. Being able to fly aircraft for more hours during the day should allow for higher utilization rates. Upgrades have been made to some provincial airports already and this should be done in other provincial airports to improve transportation infrastructure. Adjusting flight schedules so that large flight arrivals do not overlap will alleviate immigration queues. Additionally, customer service and technology systems require upgrades to improve visitor experience.

Visa Policies

Cumbersome visa-on-arrival polices for the main source markets of Australia, USA, UK and New Zealand, and restrictive visa policies for emerging markets in Eastern Europe, South and Southeast Asia, and the Middle East hamper holiday arrivals. In Indonesia, passport holders of 168 jurisdictions are permitted to visit the country without any visa for 30 days, while PNG's requirement is that passport holders of 72 jurisdictions obtain a visa on arrival. For countries not on the visa-on-arrival list, applications for visas may take up to six weeks, during which the traveller will not have access to their passport. Limited information about the processing time for visas is available on the immigration website, creating difficulties in travel planning.

In contrast, destinations in Southeast Asia, such as the Philippines, have a processing time of two to ten business days. Similarly, Sri Lanka has a processing time of two days. Sri Lanka utilises an online application form where travellers can fill in their details and receive an electronic visa linked to their passport so that a stamp is not needed at immigration in the airport. This makes it simple for travellers to apply and receive visas without having to send in their passports. It also makes the immigration process smoother in the airport and minimises the waiting time for travellers. Australia offers a similar option for specific countries and has an average turn-around time of less than one day. Australia offers two other types of visa options, both of which involve application online and no physical stamp in the passport.

Marketing

Papua New Guinea Tourism Promotion Authority (TPA) coordinates the marketing efforts for international tourism, while inbound operators, accommodation owners and associations promote their specific products and niches. Government marketing initiatives are categorised into types: 1) those handled by destination marketing representatives (DMRs) and 2) those handled by the head office of TPA. DMRs are in USA, UK, Europe (Germany based), Australia, Japan, and China. They are responsible for promoting PNG tourism in their respective regions. Each DMR utilises a quarterly budget provided by TPA to conduct marketing activities. A fee is charged to TPA for conducting the marketing services. Marketing initiatives conducted by the TPA head office can be categorised into marketing and promotions, internet marketing, and research and statistics. Additionally, the head office allocates budget to support certain overseas activities, such as trade shows.

TPA marketing initiatives include:

- Engaging with local tour operators to develop tourism products;
- Hosting annual familiarisation trips for outbound tour operators and media;
- Hosting the annual Lukim PNG Nau tourism expo with inbound operators and accommodation provides selling to outbound operators;
- Creating media and outbound tour operator training content about PNG;
- Representing PNG TPA at trade and consumer shows; and
- Working with journalists, TV shows, social media influencers and others for public relations coverage of PNG.

PNG markets online via its official tourism website and social media pages. Tour operators generally develop their own marketing materials independent of TPA, which can result in decentralised information. TPA and DMRs also present at travel fairs and trade shows to build relationships with outbound operators and promote PNG's destination offerings.

Marketing Initiatives

In 2017, total marketing spend per holiday arrival to PNG was $88 including both TPA-led and Destination Marketing Representative activities. Accounting only for arrivals from countries where overseas marketing was conducted, overseas marketing return for holiday arrivals overall was 28 times in 2017. Marketing spend per arrival was lowest for Australia and New Zealand, meaning this was the cheapest market from which to bring tourists terms of marketing spend (Table 10).

In contrast, the most expensive market to bring in tourists from was China at $294 of marketing spend needed per holiday arrival. It cost almost eight times more to bring in Chinese tourists compared to Australian or New Zealand tourists. This may to be due to the high cost of entering a new market and the length of time it takes to obtain a visa, as Chinese tourists are travelling more frequently and are not willing to be without their passport during the visa application time. The marketing return should gradually increase over time as PNG gains a foothold in the China market.

Table 10 TPA marketing budget and return per source market 2017

Source Market	Marketing Spend USD	% of Total Budget	Holiday Arrivals	Visitor Spend USD million	Marketing Spend per Arrival USD	Return
Australia/NZ	$443,756	27%	11,986	$24.4	$37	55x
North America	$280,185	17%	1,903	$6.7	$147	24x
UK & Europe	$485,270	30%	2,474	$8.0	$196	17x
Japan & Korea	$244,635	15%	1,443	$3.9	$170	16x
China	$167,512	10%	570	$1.6	$294	9x
Total	**$1,621,358**	**100%**	**18,376**	**$44.6**	**$88**	**28x**

Source: Based on 2017 holiday air arrivals, 2017 marketing budget, and 2017 IVS average spend from source market data.

Source markets that contain high numbers of participants in the five niche segment activities and have a high return on marketing investments:

- **Australia:** diving, birdwatching, soft adventure tourism and historical tourism;
- **USA:** diving, birdwatching, cultural tourism, soft adventure tourism and historical tourism;
- **UK:** diving, birdwatching, soft adventure tourism and historical tourism;
- **Germany:** diving, cultural tourism and soft adventure tourism; and
- **France:** diving, cultural tourism and soft adventure tourism.

It is important to note that niche segment level marketing should continue to focus on the marketing channels most applicable to the preferences of the segment.

- **Cultural** tourists typically travel independently and PNG should raise awareness with customers through online and social media marketing. However, given PNG's challenges, marketing should target tour operators that specialise in cultural tourism traditional marketing channels, such as famils (familiarisations) and tradeshows.
- **Birdwatching** marketing should focus on print media and online communities, such as birding forums and websites, to reach individual travellers and drive demand for tour operators.
- **Soft adventure tourism** relies on social media and other online marketing to drive customer awareness. However, like cultural tourism, PNG will need to work with tour operators through traditional channels to build and sell tours.
- **Historical tourism** largely depends on outbound operators for tours related to the Pacific front.
- **Diving** marketing is heavily trade show focused and driven by tour operators, with a goal to raise awareness among trade of the dive assets. Word of mouth marketing is also important and can be driven through social media campaigns.

2.2 Tourism in East New Britain and Milne Bay

East New Britain

There were 1,596 holiday arrivals in East New Britain (ENB) in 2017. According to the 2017 IVS, visitors spent an average of 6.4 nights in East New Britain out of an average 12.3 night-long trip to PNG (PNGTPA 2018c). Based on information from trade interviews in ENB, major markets visiting this region were Australia, Japan, UK, Germany, France, Russia, and China.

European tourists generally prefer less structured experiences and enjoy the unpolished nature of tours, whereas Chinese tourists prefer a structured itinerary. The main niche segment activities in East New Britain are historical tourism, soft adventure tourism, and cultural tourism. Historical sites were primarily visited by Japanese and Australian tourists; interest from Japanese tourists in historical sites has been decreasing and has shifted to other activities, such as diving. Cultural activities appeal more to Australian and European tourists, while all source markets participate in soft adventure activities. Many soft adventure tours incorporate some historical sites and cultural elements into their itineraries.

Available attractions in ENB include:

- **Historical:** Historical sites include General Yamamoto's Bunker, the Japanese barge tunnels, the floating crane at Nguvalian beach, the German Cemetery, the Bitapaka War Cemetery. Many of these sites, such as the floating crane and barge tunnels, have little tourism infrastructure built around them.
- **Cultural:** Cultural activities in ENB include the Frangipani and Mask Festivals, village visits, and fire dance demonstrations. It is possible to stay at guesthouses and be immersed in the local way of life. Cultural and historical tours are often mixed together.
- **Diving:** Several dive operators, including Kabaira Beach Hideaway and Rabaul-Kokopo Dive, offer wall, reef, shore, and wreck dives in the area. Due to the number of WWII wrecks in the area, there is a high concentration of wreck dives in ENB.
- **Birdwatching:** ENB's birdwatching is mostly undeveloped, although tours are possible. Birdwatching focuses on Kokopo and the Gazelle Peninsula, with more than 12 species endemic to the Islands Region. However, nearby provinces such as Walindi, Kavieng, and Arawa, have many more notable species to view (Walindi 28 species, Kavieng 17 species, Arawa 35 species) and most species viewable in the Gazelle Peninsula can be viewed in Kavieng and Walindi as well. Species in Walindi and Kavieng tend to be endemic to the Islands Region, while species in Arawa tend to be endemic to Bougainville and Solomon Islands.
- **Soft adventure:** Soft adventure activities include fishing, swimming, snorkelling, canoeing and volcano hikes, and visiting the Malmaluan lookout, the Duke of York Islands, old Rabaul town, and the observatory.

Milne Bay

There were approximately 1,468 holiday arrivals in Milne Bay Province (MB) in 2017. According to the 2017 IVS, visitors spent an average of 8.5 nights in Milne Bay out of an average 12.3 night-long trip to PNG (TPA 2018c). Based on trade interviews with operators in MB, tourist demographics visiting this region include Australia, USA, Germany, UK, France and Belgium.

Australians are the main visiting demographic to Milne Bay, followed by Americans and Europeans. There are some Japanese and Chinese tourists, but not in the same volumes. Australians, Americans and Europeans are focused on soft adventure activities, with Australians and Americans also heavily participating in diving. Australian tourists make up the bulk of participants for historical tourism. Previously, Japanese tourists preferred historical tours, but the demographic has shifted more towards cultural tours in recent years. Japanese tourists also consistently participate in diving in Milne Bay. European tourists are the main demographic for cultural tours. Birdwatching in Milne Bay does not have a main source market and is a mix of demographics.

Available attractions in Milne Bay include:

- **Diving:** The main dive resort is Tawali, with over 60 dive sites encompassing the Trobriand Islands, the D'Entrecasteaux Islands and the Louisiade Archipelago. A wide variety of diving types are offered here and there are many dive locations yet to be explored in this region. Both live-aboard and resort dives are offered.
- **Culture/History:** Tourist attractions include guesthouses, traditional dance performances, local food, bush walks, yam gardens, and village visits. The Kenu and Kundu Festivals are held in Milne Bay and there are a few historical attractions, including snorkelling over a Japanese Zero fighter, Turnbull War Memorial Park, and tours about the Battle of Milne Bay.
- **Soft adventure:** Snorkelling, kite surfing, surfing, and fishing are available in Milne Bay. Snorkelling is offered by most dive resorts, while surfing and kite surfing are done primarily around Fergusson and Normanby Islands. Fishing is done at the southern Conflict Group islands.
- **Birdwatching:** Birdwatching tours are available in Milne Bay, but there are only around eight species, some subspecies of which are endemic to the D'Entrecasteaux and Trobriand Islands area. These are primarily located on Fergusson Island, which is accessible only by boat. Fergusson Island is one of the only locations to see the Goldie's bird-of-paradise.

Key Challenges in East New Britain and Milne Bay

Domestic flights in PNG, especially to ENB and MB, are expensive and time consuming. Ground operations tend to be inefficient due to slow and outdated computer systems, which fuels customer frustration on top of flight delays or cancellations. Flights from Port Moresby to many provinces operate only during the day, as many provincial airstrips do not have landing lights. Prices for flights are high because the utilization rate for the aircraft is limited. The additional cost and travel time make PNG less attractive than alternative destinations.

Low awareness of ENB and MB in global tourism markets. Even with the cruise industry raising destination awareness, ENB and MB have low market penetration into their key source markets of Australia, USA and Europe. Additionally, the destinations do not have a well-defined comparative advantage from which to target niche markets. Although both provinces have a range of activities that fit within the five markets outlined in this report, neither destination has defined its comparative advantage for any of the niches markets.

Inbound tour and ground operator activities in ENB and MB are largely uncoordinated. Inbound tour and ground operator activities in ENB and MB have been a mix of independent and collaborative. Links to communities have been historically challenging, but are currently being developed, again largely due to the growth in cruising. IFC is working to strengthen these destinations by building the capacity of umbrella inbound operators to work with and coordinate ground operators and small and medium sized enterprises (SMEs).

Provincial private sector tourism associations currently facilitate marketing, management and development in ENB and MB. Provincial private sector tourism associations currently represent the coordinated, collaborative efforts of the provincial tour operators. However, the associations differ in terms of capacity, membership and budget.

3 Global Market for Key Tourism Segments

3.1 Identifying Niche Market Segments for PNG Tourism

Developing niche market tourism can bring 86,570 niche market arrivals per year and contribute $286 million in revenue annually by 2027. With appropriate investments in infrastructure, capacity building, product development, marketing and addressing regulatory issues, PNG could grow its annual niche market tourism revenue, spread the benefit of tourism and generate new jobs.

Cultural tourists have a relatively high value spend per trip to PNG and a large market base with strong global growth potential. It is well aligned with PNG's cultural assets and current market positioning as a destination with unique cultural attractions. Cultural tourism is one of two products that sell PNG globally (the other being the Kokoda Track), and requires further investment to reach its potential. With a diverse range of cultural attractions throughout the country, cultural tourism development provides opportunities for tourism development outside the current hubs in ENB and MB.

Birdwatching tourists spend approximately 70 percent more in PNG than the global average for birdwatching trips. Despite its relatively smaller global size, the birdwatching market's high value/low volume model of tourism fits wells with PNG's goals of sustainable tourism development, especially in sensitive nature areas. Birdwatching development also provides opportunities for tourism development outside the current hubs in ENB and MB.

Soft adventure tourism is a strongly growing segment, with the industry predicting 20 percent annual growth over the next 10 years. While soft adventure tourists spend less per trip than other niche markets, the segment has a large global base from which PNG can attract new visitors. Although PNG requires additional soft adventure product development and formalisation, adventure tourism assets exist in the country.

Historical tourism is PNG's top niche market by number of visitors, although the segment spends less per trip than cultural tourism or divers. Historical tourism is a strong market for PNG at the moment and will continue to grow over time. However, the historical tourism demographic is changing and success will depend on upgrades at historical tourism sites, appropriate product development, and flexible marketing strategies to target the shifting historical tourist market.

The dive market takes advantage of PNG's marine tourism assets and brings in tourists with a higher than average spend. Although the dive market in PNG is still relatively small, divers appreciate the pristine environment and uncrowded dive sites. However, competition among dive sites in the Coral Triangle is strong and PNG must define its comparative advantage to stand out.

Table 11 Global and PNG niche market size and value

Niche Segment	Global Size Trips in 2016	Global Value USD billion	Global Value per Trip USD	PNG Size Trips in 2016	PNG Value USD million	PNG Value per Trip USD
Cultural tourism	270,000,000	$453	$1,675	10,009	$35	$3,501
Birdwatching	4,900,000	$22	$4,520	460	$3.3	$7,071
Soft adventure tourism	357,000,000	$470	$1,315	13,641	$32.2	$2,363
Historical tourism	5,500,000	$18.8	$3,410	5,665	$16.2	$2,851
Diving	2,500,000	$8.1	$3,238	2,202	$6.9	$3,116

Sources: See Niche Market Sizing Sources in Annex

To examine each market segment independently, the definitions of the market segments for this study have been defined such that there is no overlap between tourists travelling for the purpose of each segment. According to the Adventure Travel Trade Association, birdwatching and diving are typically included in soft adventure tourism. For the purposes of this study, however, soft adventure tourism excludes birdwatching and diving in order to assess these segments independently (Table 11).

3.2 Cultural Tourism

Key takeaways for the cultural tourism market

- **Value of global cultural tourism in 2016:** $453 billion
- **Global growth forecast:** 10 percent CAGR for 2016 to 2020
- **Global average cultural tourist spend:** $1,675 per trip
- **Potential for PNG:** PNG has a unique comparative advantage in cultural tourism based on its diverse and varied intangible cultural heritage and cultural industries. To build on this base, itinerary development, immersive and interactive product development, and destination level marketing are needed.

The global cultural tourism market is estimated to consist of 184 million tourists who took 270 million trips and spent $453 billion in 2016. The cultural tourism market is expected to grow at 10 percent CAGR from 2016 to 2020.

This estimate includes cultural tourists who travelled internationally for the primary purpose of having a cultural experience, including visiting local places of cultural importance, and learning and participating in local cultural activities, such as festivals, homestays, and traditional cooking experiences. While this captures mainstream cultural tourism trends, a subset of these travellers would be considered expedition tourist who are specifically interested cultural tourism in undiscovered and off-the-beaten-path destinations like Papua New Guinea.

453
USD BILLION
2016

270 ▲10%
CAGR 2016-20
MILLION TRIPS
2016

The internet and social media have spread information about destinations and cultures globally, and have made travelling to see these destinations and cultures a trend. Mainstream cultural tourism accounts for 29% of global holiday trips.[2] The number of global cultural tourists is expected to grow at 10 percent CAGR for 2016–2020. Cultural tourism is already an important market for PNG and building on this success is a valuable opportunity for PNG's tourism industry.

Trends in the cultural tourism market include:

- Seeking authentic and meaningful experiences and opportunities to engage with local peoples and cultures;
- Exploring culinary practices of different cultures through hands-on and interactive tours; and
- Cultural tourists are well-travelled and seek new and unique experiences, a benefit for PNG as an emerging destination.

Cultural Tourist Profile

In the global context, cultural tourists prefer to travel independently, so destinations must provide a basic sense of safety and security. According to cultural tour operators, tourists tend to travel independently, as this leaves them free to interact with the local culture and people. The demographic of cultural tourists can vary greatly, especially due to the wide range of activities that may qualify as cultural tourism. The global demographics, travelling and booking habits of mainstream cultural tourists are shown in Figure 10. For PNG, it will be important to target the subset of cultural tourists interested in expedition travel. These tourists tend to be older, well-travelled and adventurous with higher incomes.

Figure 10 Global cultural tourist profile

Demographics

Age	35-65 years old
Key Source Markets	1. Europe (DE, ES) 2. USA 3. UK

Booking Habits

Time in advance that bookings are made	3 months
Method of booking	Individually online

Traveling Habits

Avg number of cultural trips per year	1.5
Average duration of each trip	8 days
Average spend per trip	USD 1,675
Top 3 destinations for cultural tourism	1. France 2. Italy 3. Japan
Preferred type of cultural tourism	Independent travel

When accessing remote or less well-known destinations, cultural tourists will book with outbound tour operators or travel agents. Given the challenges of travelling within PNG, cultural tourists predominately book through outbound tour operators. These typically fall into two categories: large and well-known companies, such as Intrepid Travel and G Adventures, and small, boutique tour operators. Although some already offer cultural trips to PNG, there is a strong focus on festivals. Larger companies have a wider reach, while small, boutique companies typically have a dedicated following of clients who book different trips each year or specifically focus on PNG as a cultural destination.

2 Based on Euromonitor estimates.

Top Five Most Important Criteria for Cultural Tourism Trip

- Number of cultural activities available
- Uniqueness of cultural activities available
- Authenticity of cultural activities
- Recommended by other cultural travellers
- UNESCO world heritage site certification

> ***"The key is to tell a compelling story about their local history and culture that will entice global tourists to book a holiday there."***
>
> *- Cultural tour operator*

As cultural tourists want to maximise their cultural experiences, destinations with numerous cultural activities tend to be more attractive. Cultural tourists seek unique, authentic and immersive experiences and are keen to learn about new cultures and practices, including traditional practices, food, music and religion.

Top Five Considerations Travelling to Cultural Tourism Destinations

- **Cost:** Cultural tourists seek value for money when selecting a destination. While affordability depends on budget, they are willing to pay for unique experiences.
- **Safety:** Safety ranks high in terms of travel consideration, as this segment seeks to travel into rural areas and have genuine experiences without fear of harm or danger. This means that most cultural tourists book packaged tours through outbound tour operators in destination such as PNG.
- **Attitude of locals:** Countries with rich cultures that are also known for their warm and welcoming hospitality are attractive to cultural tourists.
- **Access:** For the majority of travellers, consistent and adequate transportation is needed to ease access to sites and move from one site to another.
- **Information:** Given that tourists in this segment prefer to plan their trips in detail and to travel independently, basic information and directories available in English would facilitate understanding, especially for predominantly non-English speaking destinations. However, given the logistical challenges in PNG, package tours will continue to be necessary for this market.

Cultural Tourism in PNG

27%

% OF 2016 PNG HOLIDAY AIR ARRIVALS PARTICIPATING IN CULTURAL TOURISM

10,009

NO. OF PNG HOLIDAY AIR ARRIVALS PARTICIPATING IN CULTURAL TOURISM (2016)

29%

GLOBAL CULTURAL TOURISM TRIPS AS A % OF HOLIDAY TRIPS

270 MIL

NO. OF CULTURAL TOURISM TRIPS GLOBALLY (2016)

PNG has the potential to capture a larger share of the global cultural tourism market through building itineraries, supporting specific cultural tourism product development, and increasing targeted marketing efforts to cultural tourists through partnerships with outbound tour operators. Twenty-seven percent of holiday arrivals to PNG in 2016 came for the purpose of cultural tourism. This is similar to the global average of 29 percent of holiday trips taken for the purpose of cultural tourism. There are over 1,000 cultural groups and 800 languages spoken in Papua New Guinea, making it an extremely culturally diverse country (PNGTPA 2018a). Currently, cultural tourists focus on participating in cultural festivals and shows. However, PNG has a variety of other cultural assets that could be better developed into interactive tours.

Top Cultural Tourism Locations in PNG

More than one third of the country's population live in the highlands, making it a cultural hotspot (PNGTPA 2018a). The Kenu and Kundu Festival in Milne Bay and the National Mask Festival in East New Britain are important tourism events in these provinces that have catalysed growth and helped to establish their position as tourism hotspots. There are several cultural festivals held in the highlands, including the Goroka Show, the Hagen Festival, and the Kutubu Festival. Other areas known for cultural tours and festivals are Wabag for the Enga Show, Sepik for its Crocodile Festival, and Lae for the Morobe Show.

Outbound Cultural Tour Operator Perceptions of PNG

Outbound cultural tour operators are generally aware of PNG, but are unfamiliar with its specific cultural offerings. Many operators indicate that they do not have sufficient marketing materials on PNG and are hesitant to market unknown destinations. PNG is perceived as an exotic destination with little infrastructure. Its main appeal for tourists is to explore its tribal cultures, festivals and pristine scenery.

"Papua New Guinea has unique folk crafts, spoken rituals, celebrations and beliefs, music, songs and dances, and even traditional medicine."

- Cultural tour operator

To increase the number of cultural tourists to PNG, TPA should partner with key outbound tour operators that specialise in cultural tours to build and market appropriate cultural itineraries. Outbound tour operators require detailed and accurate information about cultural events and festivals well in advance in order to plan and market their trips. Most outbound tour operators will develop their trip itineraries up to 18 months in advance. To build itineraries and confirm reservations, outbound tour operators will require local ground operators and accommodation with enhanced professionalism, accurate festival dates, and improved communication skills.

Outbound cultural tour operators suggest that to build PNG as a cultural tourist destination, it should continue to take part in tradeshows for key source markets. In addition, they should explore the emerging cultural tourism market in Asia and participate in trade shows such as ITB Asia in order to build contacts, use the Asian Tourism Forum, and work with travel agencies or travel consultants. Other improvements mentioned are better connections to international flights, regular and responsive communication of local agents and ground operators, high quality resorts, a pool of well-trained guides, and better service for both guests and outbound operators.

Cost Comparison

Cultural tourists spend more than double the global average on trips to PNG and want to see value for money. Overall cultural tourists seek value for money and tend to have a higher disposable income. Excluding international flights, cultural tourists globally spend $209 per day on their trips, compared to $420 per day in PNG. The demographic spans from age 35 to 65 years old, with the younger age bracket having a lower disposable income to spend on travel. Per trip, cultural tourists on average spend 40 percent of their trip on accommodation ($670), 30 percent on food and beverages ($502), and 20 percent on cultural activities ($335) or $42 on cultural activities per day.[3] It is important to note that a cultural tourist would consider trying local food and beverages a cultural experience.

Marketing Initiatives

Cultural tourism marketing is conducted by TPA, inbound operators, and destination marketing representatives. The main markets targeted include Europe (Germany), UK, and Australia. Channels for cultural tourism marketing include Instagram, Facebook, Twitter, the PNG tourism website, and trade shows. Destination marketing representatives (DMRs) conduct ad-hoc events, such as working with magazines for articles or speaking in seminars. Building relationships with the media is one of the main areas of responsibility for DMRs and numerous initiatives have been conducted with high-profile publications, such as National Geographic and The Guardian, to create articles and media releases about PNG. Press trips are arranged by DMRs to bring press members to PNG to experience what the country has to offer and produce media releases about it.

Information about PNG's cultural festivals is available online through TPA's website, while information about PNG's non-festival cultural tourism offerings is not readily available. DMRs focus on promoting festivals, rather than non-festival cultural tourism offerings. Detailed information about PNG's cultures, where in PNG to find them, and a comprehensive list of cultural tourism options for each culture should be on the PNG tourism website. It is also recommended that a social media marketing campaign be developed specifically for cultural tourism in PNG, as current information on social media is a mix of topics that lacks focus. Start by identifying social media influencers[4] that have large audiences and work with them to promote PNG.

3 Based on consumer survey and trade interviews conducted by Euromonitor.

4 An influencer is a social media user who has established credibility in a specific industry and can persuade their large following to purchase or try products based on their recommendations.

Cultural Tourism Constraints

SWOT Analysis

A SWOT analysis (Figure 11) provides a snapshot of PNG's cultural tourism sector strengths, weaknesses, opportunities and threats, outlining key critical constraints that must be addressed.

Figure 11 PNG cultural tourism SWOT analysis

STRENGTHS • Extremely diverse and high density of unique cultures throughout the country • Cultural heritage has been protected • Many festivals and events held throughout the year	**WEAKNESSES** • Lack of online marketing and social media presence • Few immersive product experiences • Low marketing of cultural festivals • Tourism knowledge in the industry in early stages of development • Low community awareness of tourism opportunities
OPPORTUNITIES • Global trend for immersive experiences and opportunities for interaction • Increasing use of low-cost online marketing channels like social media, blogs and traveller review sites by cultural tourists	**THREATS** • Competitors are already well known and developed with high market penetration • Cultural degradation can happen over time if carry capacity is exceeded • Saturation of visitors at popular products and festivals will impact viability

Marketing

PNG has low market penetration and awareness in outbound markets with high numbers of cultural tourists. Feedback from trade interviews highlighted the lack of awareness among individual travellers on PNG as a cultural tourism destination, so outbound tour operators were not receiving inquires on PNG. This indicates that further marketing is needed to build knowledge about PNG as a cultural tourism destination. Although publicity has been garnered on an international scale from documentaries, TV shows and trade shows, marketing activities need to be expanded, with a focus on specific target markets and a defined return on investments to measure impact.

Regulatory

Cultural tourism and cultural industries development are not well coordinated across the government. Both TPA and the National Culture Commission (NCC) support culture sector development through different activities, but with low coordination. There is a need to strengthen the NCC and increase ties between the two organisations. Culture sector development should be mainstreamed in tourism policies and development plans to ensure it follows best practices in cultural conservation.

Products and attractions

PNG has strong cultural tourism assets, while products are not well defined, packaged or promoted. With over 1,000 cultural groups (Whitford 2014), more than 800 local languages (PNGTPA 2018a), and 54 cultural festivals (Whitford 2014), PNG has a wealth of cultural tourism assets. However, outside of annual festivals, there are no well-defined cultural tourism itineraries that package a diverse mix of experiences targeted to cultural tourist needs and preferences. Cultural tourism outbound tour operators seeking to offer tours to PNG would need to invest significant time and money to create an itinerary. These extra costs lower the profitability of PNG cultural tour packages and increase the risk for outbound operators.

Due to a lack of available information, logistical complexities of travel and the security situation in PNG, independent travel for cultural tourists is difficult. At the global level, cultural tourists prefer to research, plan and travel independently. They prefer to research the specific cultures and traditions in a destination and create a customised and unique itinerary. Even in destinations that require tour operator support, cultural tourists prefer to work directly with inbound tour operators. Limited, easily-accessible information on PNG's cultural tourism attractions and inbound tour operators specialising in cultural tours has hindered cultural tourism growth. A specific challenge is that communities change the dates of festivals at the last minute, which can be very expensive and detrimental for tour operators.

While the authenticity of cultural experience of products in PNG is strong, there is no formal cultural tourism product development process to ensure community benefit-sharing and high-quality experiences. A lack of formal process has led to tensions within communities in some places over benefit-sharing from tourism. Additionally, cultural tourism enterprises and attractions require further professionalisation to cater to the needs of cultural tourists. Cultural tourists often plan their trips far in advance and require sufficient information on the experience, logistics and dates of cultural events. Further, cultural tourists desire authentic and interactive experiences and opportunities for learning and exchange. Although, PNG's products are considered authentic, cultural tourists seek more formalised opportunities for learning, exchange and interactivity. Formal systems will also help mitigate the potential impact of over-visitation to popular community tours or festivals. As cultural tourism grows, communities may face the threat of over-visitation, which may negatively affect their culture and lives, as well as reduce the viability of the tourism product.

Cultural Tourism Investments

To tap into the potential of the global cultural tourism market, tourism stakeholders in PNG must invest in improving cultural tourism infrastructure, products and attractions, marketing, capacity and regulatory issues. To reach global cultural tourism forecasted growth rates, the investments shown in Table 12 are required.

Table 12 Cultural tourism investments required in PNG

Investment Type	Description	Lead Stakeholder	Investment in Mid-growth Scenario	Investment in High-growth Scenario
Marketing	Identify and target three large and ten boutique cultural tourism outbound operators in North America and Europe with a focus on USA and Germany and offer one cultural tourism famil annually.	TPA	$1,050,000	$1,050,000
	Develop and launch a social media strategy with specific campaigns for cultural tourism using interactive tactics. Identify and assess key cultural tourism influencers in North America and Europe.	TPA		$1,000,000
Regulatory	Integrate cultural tourism into national development polices and tourism plans, including the National Tourism Masterplan.	TPA & NCC	--	--
Products and attractions	Develop three to five cultural tourism routes with itineraries.	TPA in coordination with private sector	$350,000	$350,000
	Develop a community-based tourism program. • Launch five new cultural products and improve five existing cultural products. • Program to be based on best practices. • Create guidelines for cultural tourism as part of program.	TPA & NCC	--	$1,500,000
Capacity building	Launch new or expand existing inbound tour operator services to meet tourist demand: • two inbound operators in mid-growth scenario; and • five inbound operators in high-growth scenario.	Private sector	$24,887	$51,450
Infrastructure	Develop new or expand existing cultural tourism attractions to meet tourist demand from additional visitors: • five attractions in mid-growth scenario; and • nine attractions in high-growth scenario.	Private sector	$22,277	$40,722

Marketing

TPA should identify and target three large and ten boutique cultural tourism outbound tour operators in North America and Europe, with a focus on USA and Germany, and offer one cultural tourism famil annually. Emphasis should be on the subset of cultural tourists seeking expedition trips. TPA's marketing for cultural tourism should focus on raising awareness and providing detailed planning information to tour operators. Marketing to outbound tour operators should focus on pitching the cultural tour routes and itineraries through familiarisation trips (famils), direct marketing, and training agents on the product. Dependent on interest by outbound tour operators, TPA can develop marketing tools such as Facebook applications, and offer incentives to operators to encourage them to sell specific routes. This is expected to cost $1.05 million over ten years.

TPA should develop and launch a social media strategy with specific campaigns for cultural tourism that increase targeted postings using interactive tactics and identify and assess key cultural tourism influencers in North America and Europe. The most cost-effective ways to reach larger audiences include social media and public relations campaigns. Creating targeted social media campaigns, especially in Instagram, for specific source market segments will help to define focused marketing messages that resonate with potential tourists. This will require consistency for sufficient market penetration in the fast-paced digital marketing world. TPA should continue to work with influencers while assessing them regularly on their potential return on investment. Influencers should be invited to the targeted annual cultural tourism famil. TPA should consider more interactive social media tactics to engage potential visitors, including photo competitions, quizzes, and win-a-trip campaigns. This is expected to cost $1 million over ten years.

TPA should launch an intensive and targeted public relations campaign to address safety perceptions of PNG. TPA should work with a public relations specialist to create a campaign to reorient the image of PNG in key source markets. The campaign should involve both public and private sectors to put forth a consistent message that the tourism hotspots of ENB and MB are safe destinations. The campaign will need to keep on-ground realities in mind to ensure that campaign messages are in line with the real safety situation as it evolves over time. While this investment will benefit all markets, it is critical for growing the cultural tourism and soft adventure markets in particular. This investment is part of the broader marketing recommendation detailed in the Overarching National Investments chapter below.

Regulatory

TPA should work with the National Culture Commission to integrate cultural tourism into national development policies and tourism plans. Culture should be an essential part of the National Tourism Masterplan. Collaborating with cultural experts and the National Cultural Commission on the development and implementation of these policies and plans will provide strong support for developing cultural tourism. Product development strategies should focus on creating experiences in existing real-life natural and cultural spaces, instead of museums or cultural centres. Existing cultural centres can be used as places for cultural preservation and for educating local communities on cultural tourism.

Products and attractions

TPA should invest in developing three to five cultural tourism routes with supporting itineraries. PNG already has many high quality cultural tourism products, but they are not linked in formal itineraries or routes. TPA should work with provincial governments and associations and individual cultural tour operators to create three to five cultural tourism routes that link cultural festivals and products. At least two of the routes should not be dependent on festivals, allowing visitors to experience PNG's culture outside specific dates. All itineraries should be developed in coordination with the private sector, including outbound tour operators, to ensure they are responsive to market demand and packaged into marketing materials. These itineraries should include full information on the cultures showcased, accommodation options, local attraction information, inbound tour operators offering the experiences, and other logistical information. This is expected to cost $350,000 over three years.

TPA and partners should develop a community-based tourism program to launch five new cultural products and improve five existing cultural products, including festival and non-festival products. The focus of this program should be to empower local communities, giving them the skills to develop and expand cultural tourism offerings themselves. This ensures that local communities benefit from showing their lands and cultures to tourists, while promoting the authentic nature of cultural tourism. A community-based cultural tourism program benefits local communities and attracts cultural tourists, creating a sustainable industry. Within the program, existing cultural products should be enhanced through product formalisation, including tour script development, compilation of important information and guide training. It is critical that TPA works with communities to ensure that they identify and commit to dates for festivals at least one year in advance. This is expected to cost $1.5 million over ten years.

The community-based tourism program should be based on best practices and include product development, private sector links, training on financial and business management, and quality assurance. All products should be developed in coordination with the private sector to ensure that they are responsive to market demand and have market access links. Enhanced professionalism in existing and newly developed products is essential. The program should include strong coordination aspects to set and communicate dates and logistical information well in advance of festival and event times. It is likely that TPA will require donor funding and community-based tourism expertise to implement this program.

TPA should create guidelines for cultural tourism as part of the community-based program. To provide the level of interaction that cultural tourists are seeking, creating standards or best practices for cultural tour products will help tour operators raise standards and incorporate these elements into their tours. In terms of festivals and cultural shows, interactive elements could be incorporated before or after the festivals. These could be interactive lessons on how articles used in the festival are made. For instance, a culinary festival could include hands-on cooking lessons and a cultural festival could include weaving lessons.

Capacity

The private sector will need to invest $24,887 in the mid-growth case and $51,450 in the high-growth case for expanding the capacity of or launching new cultural tour operators to cater to additional visitors. At national level, there will be a shortage of inbound tour operator capacity for cultural tourism. To fill the gap, the private sector will need to invest in expanding tour operations or launching new tour operator businesses to cater for the increased number of tourist arrivals. Investment in two inbound cultural operators is needed in the mid-growth scenario and five in the high-growth scenario. This is expected to cost $24,887 in the mid-growth scenario and $51,450 in the high-growth scenario.

Infrastructure

New cultural tourism products will need to be developed to cater for the increased number of tourist arrivals and to mitigate over-visitation to existing products. At the national level, the private sector will need to invest $22,277 in the mid-growth scenario and $40,722 in the high-growth scenario in cultural tourism attractions and products to cater for additional visitors. New cultural tourism products will need to be developed to cater for the increased number of tourist arrivals and to mitigate over-visitation to existing products. At the national level, the private sector will need to invest $22,277 in five attractions, costing $22,277 over ten years, in the mid-growth scenario and $40,722 in nine attractions, costing $40,722 over ten years, in the high-growth scenario to cater for additional visitors over ten years.

Photo: John Y. Can

Case Study: Namibia Cultural Tourism

Namibia's pioneering community-based natural resource management (CBNRM) policy created a strong enabling environment for community-based tourism, allowing communities to plan, own and benefit from tourism enterprises. Namibia's thriving wildlife populations, good infrastructure as a Sub-Saharan African destination, and its accessibility make it a popular destination for visitors seeking a safari experience. The goal of the CBNRM policy is to vest economic user rights with resident communities through the establishment of demarcated and registered conservancies. The conservancy management entities are then able to establish tourism ventures, including cultural tourism products, under common property rights.

The success of Namibia's cultural tourism products is based the development of cultural products along existing tourism routes and strong links to the private sector, the presence of iconic cultural tourism assets, and effective marketing. Through a holistic development program, the Ministry of Environment and Tourism and industry stakeholders developed a range of cultural products. The most successful products were those developed along popular, existing routes to tap into accessible visitor volume flows and linked to a private sector partner that has market control. Product development was coupled with training of service providers and entrepreneurs to encourage high quality products, business management, and customer service. It is important to note that many cultural products in Namibia, and elsewhere, have not succeeded because they were not located close to established tourism routes, did not have a private sector partner, and had inadequate business planning. Namibia has globally iconic and authentic cultural tourism assets that supported the creation of a strong and recognizable cultural destination image. To support overall destination and specific cultural tourism marketing, the Namibia Tourism Board conducted market research to identify target markets, then marketed routes and itineraries through traditional marketing channels at trade shows, famils, their award-winning website, and targeted social media campaigns.

3.3 Birdwatching

Key takeaways for the bird-watching market

- **Size of global birdwatching market in 2016:** $22 billion
- **Global growth forecast:** 5 percent CAGR from 2016 to 2020
- **Global average birdwatching spend:** $4,520 per trip
- **Potential for PNG:** PNG has over 100 endemic birds with 12 endemic and 29 near-endemic bird-of-paradise species, a variety of other local flora and fauna, and an unspoiled natural environment for viewing. With appropriate investments, PNG can become a world class birdwatching destination.

The global birdwatching market is estimated to consist of 3.2 million tourists who took 4.9 million trips and spent $22 billion in 2016. The birdwatching market is expected to grow at 5.0 percent CAGR from 2016 to 2020. This estimate includes birdwatchers who travel internationally for the primary purpose of observing or photographing birds in their natural habitat.

22
USD BILLION
2016

4.9 ▲5%
CAGR 2016-20
MILLION TRIPS
2016

Approximately 70 percent of global birdwatchers come from the USA, the UK and the Netherlands. Despite a historical decline of birdwatchers from the USA of 5.4 percent between 2006 and 2016, specialised international birdwatching tour operators have observed a gradual increase in demand for birdwatching tours from the Asian markets, such as China and Japan, and are positive that the demand for birdwatching trips will follow an estimated growth of five percent CAGR for 2016–2020.

The main drivers for birdwatching are an increased interest in wildlife photography, decreased costs of birding equipment, and the prevelance of wildlife and birding documentaries. In recent years, documentaries such as The Life of Birds, The Eagle Huntress, March of the Penguins, and the USA's Public Broadcasting Station's television series Nature, have educated viewers and increased the interest in birdwatching.

Trends in the birdwatching market include:

- Exploring more remote and lesser known destinations as birdwatchers look for new bird species;
- Increased demand for in-depth and immersive experiences with local communities surrounding birding sites; and
- Increase in the number of young people interested in birding, a market traditionally dominated by older people with higher disposable incomes.

> ***"As many birders keep lists, it is more important for them to see a larger volume of birds rather than the rarity of a species on a birdwatching trip"***
>
> *- Birding tour operator*

The demand for birdwatching holidays is expected to grow as more destinations are discovered, made accessible, and made known online through birding reports. This will be aided by the planned development of mobile applications, such as online birding lists and bird trip planners.

Birdwatcher Profile

Costa Rica, Ecuador, and the USA are considered the top three destinations for birdwatching globally for the number of species and rarity of birds in each destination. Their proximity to main birdwatching markets make Costa Rica and Ecuador more accessible and affordable than long-distance markets. Birdwatchers are mostly independent travellers; they prefer to travel solo or in small groups and plan their own itineraries. They prefer local bird guides who are knowledgeable about the habits and locations of the birds. The global birdwatching demographics and preferred travel and booking habits are shown in Figure 12.

Figure 12 Global birdwatcher profile

Demographics

Age	40-70 years old
Key Source Markets	1. USA 2. UK 3. Netherlands

Booking Habits

Time in advance that bookings are made	1 - 3 months
Method of booking	Individually online

Traveling Habits

Avg number of birdwatching trips per year	1.5
Average duration of each trip	12 days
Average spend per trip	USD 4,520
Top 3 destinations for birdwatching	1. Costa Rica 2. Ecuador 3. USA
Preferred format of birdwatching	Independent travel

Top Five Most Important Criteria for Birdwatching Trips

- Number of bird species in the destination to maximise viewing per trip
- Rarity of bird species attuned to the birdwatcher's specific interests
- Availability of trails that lead to multiple birdwatching sites
- Other birdwatchers' recommendations
- Availability of birding guides with local knowledge

Top Five Considerations Travelling to a Birdwatching Destination

- **Cost:** Value for money is a primary concern for birdwatchers, as trips are expensive and they are likely to make multiple trips a year. Birdwatchers are willing to pay for more expensive destinations as long as there is value.
- **Access to information:** Birdwatchers want easily accessible, online information, as they enjoy independently researching destinations before booking. They rely on online recommendations and hesitate to select a destination where they risk not seeing birds and wasting time and money.
- **Safety:** Given the older demographic of the market, destination safety is a key concern. As birdwatchers often travel with expensive equipment, such as cameras, scopes and binoculars, they do not want to risk being targets of thieves.
- **Accommodation:** Birdwatchers consider the quality of accommodation – comfort, availability of nearby birdwatching facilities, distance to birdwatching sites – important. Bird feeds and birding platforms enhance the experience as they can sight birds in their environment without travelling to birdwatching sites. However, birdwatchers value seeing birds in their natural habitats so keeping domesticated or caged birds does not appeal to birdwatchers.
- **Access:** Ease of access to birdwatching sites is important, as many sites are in remote areas without proper roads or trails. While willing to hike, birdwatchers prefer easily accessible and well-maintained trails to reach secluded bird sites.

Birdwatching in PNG

1.2%
% OF 2016 PNG HOLIDAY AIR ARRIVALS FOR BIRDWATCHING TRIPS

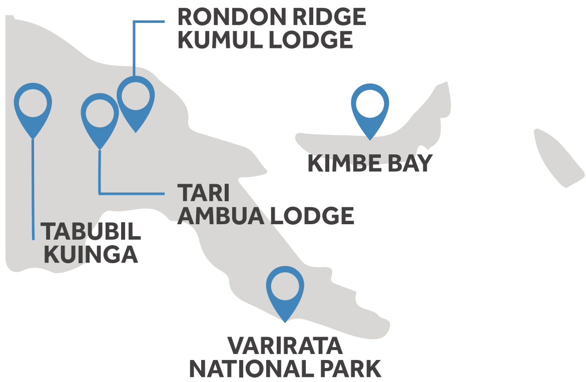
460
NO. OF BIRDWATCHING TRIPS TO PNG (2016)

0.5%
GLOBAL FOR BIRDWATCHING TRIPS AS A % OF HOLIDAY TRIPS

4.9 MIL
NO. OF INTERNATIONAL BIRDWATCHING TRIPS GLOBALLY (2016)

PNG has a higher percentage of birdwatching trips compared to the global market, demonstrating the strength of the market in the country. However, PNG could significantly grow its birdwatching market with product improvements, exploring new sites and specific guide training.

Birdwatching trips represented 1.2 percent of all holiday arrivals to PNG in 2016, higher than the global average of 0.5 percent of total holiday trips for the primary purpose of bird watching. Travellers took approximately 460 birdwatching trips to PNG in 2016, while global travellers took 4.9 million birdwatching worldwide.



Top BirdWatching Locations in PNG

With a range of climates, Papua New Guinea has a variety of bird species. Popular birdwatching areas include Tabubil and Kuinga near the border with Western Papua, Tari and Rondon Ridge in the highlands, and Varirata National Park just outside Port Moresby. On the New Britain Islands, Kimbe Bay and Manus Island are popular sites.

Outbound Birdwatching Operator Perceptions of PNG

Papua New Guinea is considered an excellent destination for birdwatching, as it is host to a large variety of bird species, including 114 endemic species with 12 endemic and 29 near endemic birds-of-paradise species (Birdlife International 2018). The remoteness and wildness appeal to serious birdwatchers who want to watch birds in their natural habitat without the crowd of other tourists.

Despite PNG's birdwatching assets, few outbound tour operators plan regular trips there. They commented that there are few areas developed specifically for birdwatching, and even fewer trained local guides.

"PNG is one of the best birding places in the world, and people are always interested to see birds-of-paradise, however safety is always the main concern."

"Private transportation and transfers are absolutely necessary because of safety; therefore, tours are usually expensive."

- Birdwatching tour operator

A key challenge to sell birdwatching trips to PNG is the high costs of the destination. The key source markets of the USA and UK are relatively far away, meaning costlier flights and longer trips. Accommodation, transportation and food costs are also higher in PNG than in competitor destinations such as Costa Rica and Ecuador. Expensive and time-consuming domestic air transportation adds to the cost and length of trip in PNG.

Safety issues in Port Moresby are also a concern. Travel advice on PNG published by source market governments warn of crime and unrest, contributing to tourists' perceptions of safety. TPA's marketing tactics to counter perceptions of safety to the birdwatching market will need to reflect realities on the ground. Decreasing the amount of time spent in transit in Port Moresby will also be necessary.

Cost Comparison

The necessity of multiple domestic flights on PNG birdwatching trips makes itineraries very costly compared to other destinations. Excluding international flights, globally, birdwatchers spend on average $377 per day compared to $572 in PNG. Birdwatchers want to see as many species as possible. In PNG this means taking multiple domestic flights, increasing transportation costs and time spent travelling. In other destinations, birdwatching routes are established to reduce travel times and costs.

Marketing Initiatives

Birdwatching in Papua New Guinea is marketed by the TPA and the private sector. TPA has focused marketing efforts for birdwatching in the UK and Europe. The destination marketing representatives (DMRs) manage marketing in the USA, Europe and Japan, with a specific focus on birdwatching out of the UK and Germany offices. PNG representatives attend the Birdfair annually to promote PNG to consumers directly. TPA posts full-page advertorials in birdwatching magazines, and distributes birdwatching brochures at trade events with outbound tour operators. Outbound and inbound tour operators offering birdwatching tours to PNG advertise tours on their websites and sponsor articles in nature or birding magazines to target potential customers.

Current online and social media birdwatching promotion through official PNG tourism sites has limited reach among birdwatchers who travel specifically for birdwatching. Birdwatchers are usually found on birdwatching community websites and social media pages such as BirdForum, Fatbirdwatcher, Avibase and Garden Wildlife Direct, where information specific to birdwatchers would be created, shared and engaged. These websites are also consulted when preparing for birdwatching trips, hence online marketing strategies should focus on increasing informational content about PNG on these sites, to promote birdwatchers' interest in PNG as a destination.

Birdwatching Constraints

SWOT Analysis

A SWOT analysis (Figure 13) provides a snapshot of PNG's birdwatching sector strengths, weaknesses, opportunities and threats, outlining key critical constraints that must be addressed.

Figure 13 PNG birdwatching SWOT analysis

STRENGTHS	• Large number of endemic species to PNG • Uncrowded and unexplored areas still available • Bird species are closely linked to the PNG cultural heritage	• Accessibility and reliability of transportation • Security and perception of unsafe areas • Few trained and professional local guides with essential birding equipment	WEAKNESSES
OPPORTUNITIES	• Marketing PNG as a top birdwatching destination on the global market • Birdwatchers are willing to spend to see specific bird species	• Competitors are already well known and developed with high market penetration • Cultural degradation can happen over time if carry capacity is exceeded • Saturation of visitors at popular products and festivals will impact viability	THREATS

Marketing

There is a lack of awareness in source markets on PNG's birding assets. There is low penetration of PNG as a birding destination in traditional marketing outlets such as print media and with outbound tour operators. This is exacerbated by a low general awareness about PNG as a tourism destination.

Regulatory issues

Long-term sustainability of birdwatching will depend on conservation of bird habitats and the ecosystem. While this is not a critical issue right now, population growth and increased tourism will put additional pressures on the environment that will need to be managed. Additionally, communities are not currently engaged in formal conservation and do not have an awareness of conservation issues and challenges.

Products and attractions

PNG lacks consolidated and comprehensive planning information for birdwatchers that is easily accessible online. Many small lodges around PNG may offer birdwatching tours, but serious independent birdwatchers also expect information such as lists of bird species, known nesting locations, and appropriately positioned hides to be available at the lodges or from bird guides.

Current accommodation does not meet birdwatcher needs. While birdwatchers are willing to stay in poor accommodation to access birding sites, they prefer accommodation that connects with nature, is eco-friendly and enables ad hoc birdwatching. Birdwatchers also seek security in their accommodation to protect their expensive birdwatching equipment.

Capacity

PNG has few well-trained birdwatching guides. Birdwatchers require highly-trained guides who can identify and track birds in specific locations as well as offer information on bird species and the surrounding flora and fauna. Birdwatchers conduct thorough research on bird species before travelling and expect that guides can provide them with additional, in-depth knowledge. While there are a few good birdwatching guides in PNG, additional guides are needed to meet increased demand and tourist expectations.

Infrastructure

PNG lacks developed infrastructure at birdwatching sites and not all birding sites are accessible. PNG has strong birding assets but not all bird areas have been developed or are easily accessible. Even existing birding sites do not always have appropriate and well-maintained walking trails and there are few bird hides or towers for viewing. Hides that do exist may be poorly built or located.

Birdwatching Investments

To tap into the potential of the global birdwatching tourism market, tourism stakeholders in PNG must invest in improving birdwatching infrastructure, products and attractions, marketing, capacity, and regulatory issues. To reach global birdwatching forecasted growth rates, the investments shown in Table 13 are required.

Table 13 Birdwatching tourism investments required in PNG

Investment Type	Description	Lead Stakeholder	Investment in Mid-growth Scenario	Investment in High-growth Scenario
Marketing	Identify and target three large and ten boutique birdwatching tourism outbound operators in North America and Europe with a focus on USA and UK and offer one birdwatching tourism famil annually.	TPA	$1,050,000	$1,050,000
	Raise awareness with key markets through online marketing, leveraging influencers, and public relations in print media.	TPA in coordination with the private sector	--	$1,000,000
Regulatory	Incorporate and mainstream sustainability into the national tourism plan.	TPA	--	--
Products and attractions	Define the comparative advantage of each of the birding regions in PNG. Conduct further research to present a map of birding sites and include detailed information about each of the areas, bird lists, flora, fauna, images, and testimonials.	TPA in coordination with the private sector	$100,000	$100,000
	Work with financial institutes or partners to offer incentives or financing for five specialised accommodations development and facility upgrades.	TPA to lead policy Private sector to lead investments	--	$1,250,000
Capacity building	Launch new or expand existing inbound tour operator services to meet tourist demand. Two inbound operators in high-growth scenario	Private sector	--	$22,095
	Train local birdwatching guides with overseas professional birding guides.	TPA	$25,000	$25,000
Infrastructure	Develop infrastructure around birdwatching sites, including walking paths, birding platforms, and birding hides. Enlist local bird guides to identify the most appropriate locations. • Two sites in mid-growth scenario • Five sites in high- growth scenario	Private sector	$347,100	$867,750

Marketing

TPA should identify and target three large and ten boutique birdwatching tourism outbound tour operators in North America and Europe, with a focus on USA and UK, and offer one birdwatching tourism famil annually. TPA's marketing for birdwatching tourism should focus on raising awareness and providing detailed planning information to tour operators. Marketing to outbound tour operators should focus on pitching the birdwatching tour routes and itineraries through famils, direct marketing and training agents on the product. Dependent on interest by outbound tour operators, TPA can develop marketing tools such as Facebook applications, and offer incentives to operators to encourage them to sell specific routes. This is expected to cost $1.05 million over ten years.

TPA and the private sector should collaborate to raise awareness with key markets through online marketing, leveraging influencers and public relations in print media. Birdwatching at the global level relies on word of mouth and a strong comparative advantage. Traditional markets still look to print media for information on new birding destinations. Information about the regions and their comparative advantages can be used by TPA and individual businesses to promote birdwatching. This should be conducted through a coordinated prints and social media campaign managed by TPA, including working with credible influencers in key birdwatching markets. This is expected to cost $1 million over ten years.

Regulatory

TPA and relevant government agencies should ensure that sustainability is incorporated and mainstreamed into the national tourism plan. A sustainable tourism plan that protects biodiversity and builds reliable infrastructure to facilitate access to birdwatching hotspots is essential. In implementation, TPA will need to partner with local communities and conservation organisations to improve preservation of birdwatching sites, access to sites, and standards for communities to benefit from land ownership and natural resource management.

TPA should collaborate with conservation groups to implement sustainable birding tourism programs in PNG to highlight the country's valuable natural resources, and raise its reputation within the birding community. Birdwatchers are keen to ensure that destinations are implementing sustainable tourism approaches. Benefits of collaboration with organisations can increase local engagement and education of natural tourism resources, and create economic sustainability for the local community. Providing opportunities for birdwatchers to participate in building sustainability at local sites is a potential value-add for trips. This investment is part of the broader conservation program recommendation detailed in the Overarching National Investments chapter below.

Products and attractions

Led by TPA, the PNG birdwatching industry should define the comparative advantage of each of the birding regions to better differentiate products and provide detailed information to travellers and trade. Inbound tour operators will need to compile existing detailed information on each birding site and potentially conduct further research to present a map of birding site locations, detailed information about each of the birding areas, directory and bird lists of the birds and other flora and fauna species, images, and birdwatcher testimonials. This is expected to cost $100,000 over two years.

TPA should advocate for local financial institutes to offer incentives or appropriate financing for the development new specialised accommodations or facility upgrades of five properties to provide better value for money. TPA should encourage specialised accommodations near birdwatching sites through investment promotion to better cater to birdwatchers' needs. Different concepts can be used for each of these, such as eco-friendly, luxury, or budget. Regardless of concept, they should all allow for maximisation of time spent birdwatching and doing birdwatching-related activities, such as group discussions about the birds seen during the tours. Birdwatchers carrying their own equipment, would expect to have electricity to recharge their equipment at their accommodation. As birdwatching accommodations tend to be in remote locations, it would be essential to ensure that electricity is available, and accommodations are able to provide the wall outlets for charging stations. This is expected to cost $1.25 million over 3 years.

Capacity building

The private sector will need to invest $22,095 in the high-growth scenario to expand the capacity of existing birdwatching tour operators or launch two new ones to cater for additional visitors. At the national level, there will be a shortage of inbound tour operator capacity for birdwatching. To fill the gap, the private sector will need to invest in expanding tour operations or launching new tour operator businesses to cater for the increased number of tourist arrivals. This is expected to cost $26,000 over ten years.

TPA should implement training with overseas professional birding guides to improve local birdwatching guides. Training courses for local birdwatching guides focused on birding, ecology, and customer service are critical to delivering a quality product for PNG to attract more birdwatchers. International birdwatchers have high expectations of professional guides that go beyond knowledge of local bird species. The availability of professionally trained guides is critical to attracting serious birdwatchers to PNG. This is expected to cost $25,000 over one year.

Infrastructure

The private sector should develop infrastructure around birdwatching sites, including walking paths, birding platforms and hides, to ensure access and attract high-value birdwatchers. This would require enlisting local bird guides to identify the most appropriate path, platform and hide locations. The costs of developing this specialised infrastructure is expected to be $173,550 per set of an elevated birding platform, a birdwatching hide, and a 10-kilometre walking trail, which totals $347,100 for installation at the top two sites over five years. The high-growth scenario requires further birdwatching site development, including elevated birding platforms, birdwatching hides, and a 10-kilometre walking trail for each site, which totals $867,750 over five years for installation at the top five sites.

Case Study: Ecuador Birdwatching Tourism

Birdwatching tourism in Ecuador has seen increased interest as a result of intensive and targeted government initiatives. Tourism is one of Ecuador's key focus areas for economic development, and the industry has seen increased interest because of eco-tourism. Ecuador's tourism sector brought in $1.6 billion in international tourism receipts in 2015, compared with $488 million in 2005, and visitor numbers rose from 860,000 to 1.5 million. Birdwatching started as a secondary product to eco-tourism, but has gained traction as a specialised activity with the support of government initiatives, including regulating tourism service operators, developing training plans for guides, and improving transport infrastructure.

Ecuador's success in birdwatching tourism is a result of sustainable tourism planning, improved transportation infrastructure, a clearly defined marketing strategy, training and support for guides, and specialised accommodation options. A sustainable tourism plan launched in 2009 focused on protecting biodiversity and building infrastructure to facilitate access to birdwatching hotspots. This requires participation from both local communities and the government. Improved transport infrastructure allows inbound operators to bring birdwatchers to different attractions more effectively, allowing for more extensive itineraries to be created. The government and private sector work together on a clearly defined marketing strategy. The government manages country-level promotion and the private sector specifically markets birdwatching. Specially trained birdwatching guides create an interactive learning experience by sharing information on bird activity and behaviour, Ecuador's ecology, microclimates, and other animal species. Good quality guides are a critical aspect of the birdwatching offer. A variety of birdwatching accommodation options located close to birdwatching sites and catering to different preferences among birdwatchers will attract birdwatchers at all budget levels.

3.4 Soft Adventure Tourism

Key takeaways

- **Size of global soft adventure market in 2016:** $470 billion
- **Global growth forecast:** 20 percent CAGR from 2016 to 2020
- **Global average soft adventure spend:** $1,315 per trip
- **Potential for PNG:** Papua New Guinea's variety of terrain and adventure tourism assets make it possible to offer different soft adventure activities in the provinces, such as surfing, sport and game fishing, snorkelling, hiking, and canoeing. Products must be formalised and marketed through adventure tour operators to increase arrivals.

The global soft adventure market is estimated to consist of 238 million tourists who took 357 million trips and spent $470 billion in 2016. The global soft adventure travel market is expected to grow at 20 percent CAGR from 2016 to 2020.

This estimate includes soft adventure travellers who travelled internationally for the primary purpose of visiting a destination to take part in low-risk adventure activities such as backpacking, camping, canoeing, cycling, fishing, hiking, kayaking, rafting, sailing, snorkelling, surfing, and viewing flora and fauna. It excludes hard adventure activities that are higher risk in nature, such as caving, climbing (mountain/rock/ice), trekking, paragliding and bungee jumping. Trekking, such as the Kokoda Track, is considered hard adventure as it requires training and has a high difficulty level.

470
USD BILLION
2016

357 ▲20%
CAGR 2016-20
MILLION TRIPS
2016

The number of soft adventure travellers grew by 17 percent per year between 2009 and 2012 (GWU and ATTA 2013). The growing demand for authentic travel experiences also means that more travellers are likely to plan activities that may involve a mix of physical activity, cultural exchange and interaction with the environment, all of which are components of adventure travel.

Trends in adventure travel include:

- Focus on "being in a natural environment, learning and meaningful experiences" as reported in The New Adventure Traveller 2017 survey;
- Hiking, ecotourism, cultural and environmentally sustainable activities are currently the most popular activities for adventure travel; and
- Adventure travellers want customisable trips for unique experiences, which is in line with travellers wanting authentic travel experiences rather than mass tourism experiences.

Adventure travel operators are optimistic on the continued growth of soft adventure tourism, estimating a CAGR of 20 percent from 2016 to 2020, with emerging economies in Asia driving arrivals.

Soft Adventure Traveller Profile

Soft adventure travel has increased tremendously from emerging markets in South America and Asia, while growth from mature markets such as the USA has slowed. Although the USA still dominates in terms of absolute number of adventure travellers, soft adventure destinations are increasingly looking to emerging markets to attract new visitors. The global demographics, travelling and booking habits of soft adventure tourists are shown in Figure 14.

Figure 14 Global soft adventure tourist profile

Demographics

Age	30-40 years old
Key Source Markets	1. USA 2. Europe (UK, DE, FR) 3. Asia

Booking Habits

Time in advance that bookings are made	1 - 3 months
Method of booking	Individually online

Traveling Habits

Avg number of soft adventure trips per year	1.5
Average duration of each trip	6 days
Average spend per trip	USD 1,315
Top 3 destinations for soft adventure tourism	1. New Zealand 2. Southern Africa 3. South America
Preferred format of soft adventure tourism	Independent travel

The top five soft adventure activities are hiking, ecotourism, kayaking, rafting and backpacking.[5] Hiking tops the list as an easy to access activity with minimal to no specialised equipment requirements. Ecotourism, which essentially involves nature viewing, ranks second as a result of increasing interest and priorities of travellers to immerse themselves in nature and the environment.

5 Based on the ATTA Industry Snapshots 2017 and trade interviews with adventure tourism providers

Top Five Most Important Criteria for Soft Adventure Trips

- Number of soft adventure activities in the area
- Uniqueness of activities available in the area
- Availability of equipment rental for the intended activities
- Areas not well travelled by tourists
- Option to do activities without a guide

The top criterion for travellers in choosing a destination is the number of activities in the same area, as this saves time travelling between destinations for different activities. The uniqueness of activities is the second criterion, as the destination becomes more attractive when travellers are able to participate in activities that are not available in other destinations.

Top Five Considerations when Travelling to Soft Adventure Tourism Destinations

Ease of access to activity site
1

Cost
2

Quality of accommodation
3

Attitude towards foreigners
4

Distance from country of residence
5

- **Accessibility:** The top consideration for soft adventure travellers is the ease of access to the activity site. Soft adventure trips are short on average and easy access helps maximise the amount of time spent on the activity versus time spent on travelling.
- **Cost:** With an average of more than one trip per year for soft adventure trips, travellers are conscious of the cost of each trip.
- **Accommodation:** With soft adventure trips, accommodation need not be luxurious, although basic amenities would be expected.
- **Attitudes:** Locals' friendly attitude towards foreigners enhances the experience, as soft adventure activities tend to involve interaction with local guides and potentially other local operators.
- **Distance:** Given the top three destinations of New Zealand, Southern Africa and South America and the top three source markets of USA, Europe and Asia, soft adventures travellers prioritise distance the least. They are willing to travel far to experience high quality adventure destinations.

Soft Adventure Tourism in PNG

36%
% OF 2016 PNG HOLIDAY AIR ARRIVALS PARTICIPATING IN SOFT ADVENTURE TRIPS

13,641
NO. OF PNG HOLIDAY AIR ARRIVALS PARTICIPATING IN SOFT ADVENTURE TOURISM (2016)

38%
GLOBAL SOFT ADVENTURE TRIPS AS A % OF HOLIDAY TRIPS

357 MIL
NO. OF SOFT ADVENTURE TRIPS GLOBALLY (2016)

PNG has the potential to capture a much larger share of the soft adventure market by improving the quality and number of soft adventure attractions. Thirty-six percent of holiday visitors participated in at least one soft adventure activity in PNG in 2016, which equates to about 13,641 participants for soft adventure travels. This is similar to the estimated number of trips taken globally for soft adventure purposes of all holiday trips at 38 percent. In absolute terms, 357 million soft adventure trips were taken globally in 2016. The country's pristine beaches and natural environment have the potential to attract more soft adventure travellers, while itineraries incorporated with PNG's unique rich culture and local festivals have been highly popular.

Top Soft Adventure Locations in PNG

Popular soft adventure activities in Papua New Guinea are surfing, fishing, hiking, snorkelling and canoeing. These activities can be done in most provinces, with Vanimo and New Ireland/New Britain islands known for surfing and fishing, and Madang for canoeing, surfing, hiking and fishing. However, activities are currently ad hoc and not formally developed.

Outbound Soft Adventure Operator Perceptions of PNG

Most operators are unaware of PNG as a soft adventure destination, resulting in few operators offering tours to PNG for this purpose. Current marketing materials do not focus on PNG's soft adventure tourism assets and few formalised soft adventure products exist.

Additional challenges faced by outbound tour operators include PNG's distance from source markets and perceived risks to travellers. Key source markets comprising USA and Europe are relatively far away, increasing flight and logistics costs. A focus on coverage of negative events in PNG in international media, also discourages travellers from investigating PNG as a holiday destination.

> ***"PNG has very big potential. It will be interesting for young travellers who want a lot of activities and adventure."***
>
> ***"Not very familiar with PNG; no opinion or perception at all"***
>
> *- Adventure tour operators*

Some operators felt that PNG has several unpredictable elements that make it difficult to plan a trip. Offering a tour package to PNG can be unpredictable, with potential disruptions due to transport issues, internal conflicts and natural disasters, all of which increase operators' costs. Poor communication from inbound operators and ground providers also increases risks.

Adventure Travel Development Index (ATDI)

PNG RANKED
122/163
COUNTRIES

▼ 3 PLACES FROM 2013

▲ ADVENTURE

▼ SAFE & WELCOMING
▼ READINESS

Figure 15 PNG ADTI score 2016

For PNG to become a leading soft adventure destination, it needs to prioritise improvements in sustainable development, safety, health, and natural resources to create a safe and welcoming environment for travellers, while developing its humanitarian, cultural resources, infrastructure and image to make the country ready for soft adventure tourism.

Destinations in ATDI[6] 2016 are ranked separately for developed and developing countries. The top three for the latter are the Czech Republic, Israel and Estonia, while Papua New Guinea was ranked 122 out of 163 countries, three places lower than its 2013 ranking. From the scorecard, PNG improved on the "Adventure" factor, but fell in terms of the "Safe and Welcoming" and general "Readiness" factors for adventure tourism (Figure 15).

Some of PNG's low-scoring factors, such as safety, health and infrastructure issues, are not limited to the tourism industry. Addressing them requires collaborative effort from multiple governmental departments across the country (Figure 16).

Figure 16 ADTI factors

ADVENTURE	• Adventure Activity Resources	• Entrepreneurship
SAFE AND WELCOMING	• Sustainable development • Safety	• Health • Natural Resources
READINESS	• Humanitarian • Cultural Resources	• Infrastructure • Image

Cost Comparison

Soft adventure tourists enjoy doing multiple soft adventure activities, so managing the cost of transportation between sites is essential. Excluding flights, globally, soft adventure tourists spend on average $220 per day on their trips, compared to $377 per day in PNG. Due to undeveloped transportation infrastructure, transportation to and from soft adventure sites in PNG is typically costlier than it is elsewhere. Soft adventure activities also require equipment that must be imported and regularly serviced, further raising costs.

6 The ATDI is an adventure travel scorecard designed by the Adventure Travel Trade Association and The George Washington University that ranks adventure tourism potential for countries around the world based on principles of sustainable adventure tourism. Countries are scored on ATDI factors, which are split into three broad categories – Adventure, Safe and Welcoming, and Readiness.

Marketing Initiatives

The bulk of soft adventure tourism marketing efforts is conducted by trade associations and by inbound and outbound tour operators focusing on specific activities. The most well-received content usually involves surfing or fishing. Soft adventure tourism is promoted by TPA and the destination marketing representatives (DMRs) through trade familiarisation trips, print, online, and social media. These focus on nature hikes, fishing and surfing. The main target for soft adventure tourism is the USA, the UK, Japan and Australia, which are markets with strong surfing and sport fishing cultures.

Compared to the other segments, less marketing content is generated for soft adventure tourism, resulting in a lack of engagement and awareness of activities available in PNG. Current PNG marketing in Australia is for hard adventure activities, focusing on the Kokoda Track, leaving soft adventure activities overshadowed by the iconic product. Soft adventure tourists typically use specific channels related to their activities of interest (e.g. surfing, fishing, kayaking, etc.), such as websites, forums and magazines, where there is limited information available on PNG's product offerings. Other soft adventure activities, such as hiking, canoeing, snorkelling and viewing nature, cater to more general populations. Tourists seeking these experiences look for packages that include a variety of activities within a single trip.

Soft Adventure Tourism Constraints

SWOT Analysis

A SWOT analysis (Figure 17) provides a snapshot of PNG's soft adventure tourism sector strengths, weaknesses, opportunities and threats, outlining key critical constraints that must be addressed.

Figure 17 PNG soft adventure SWOT analysis

STRENGTHS	WEAKNESSES
• Uncrowded destination with strong nature based assets • Undiscovered and great exploring • Environment and indigenous heritage tie together, providing deeper cultural connections	• Lack of infrastructure for adventure activities • Few knowledgeable local industry players to build and supply adventure tourism • High cost of obtaining equipment for activities
OPPORTUNITIES	**THREATS**
• Segment is at infancy stage and can grow sustainably with the right direction and planning • Niche in adventure tourism - offering integrated cultural interaction for unique and authentic experiences	• Lower cost competitor destinations in the region • Internal political and land ownership conflicts hindering tourism development

Marketing

TPA does not currently target the soft adventure markets through industry-specific trade shows. TPA participates in approximately ten trade shows each year, none of which specifically target the adventure market. In trade interviews, outbound tour operators showed a lack of awareness of PNG's soft adventure activities and experiences, and did not have specific information or tools to support them in selling the destination.

There is low awareness of PNG as a soft adventure tourism destination in the market at the traveller level. Outbound operators also noted in trade interviews that travellers are not making inquiries about PNG because they are not aware of PNG's offerings and potential as a tourism destination. This is complicated by safety and adverse perceptions. Soft adventure travellers have multiple options when deciding on a holiday destination. PNG's current safety situation presents both real and perceived risks, inhibiting travellers from choosing PNG as their holiday destination.

Products and attractions

There are few formal soft adventure itineraries that are promoted to trade. There are a lack of locations where numerous soft adventure activities can be linked together with relative ease. Adventure attractions are spread out across PNG and, as a result, outbound operators do not feel that there is a critical mass of soft adventure tourism activities in PNG or do not know how to create a reasonable and profitable itinerary by linking multiple sites together.

Soft adventure product development is challenging due to limited available land. Soft adventure tourism products are best situated in natural environments with opportunities for community interaction. Some soft adventure activities also require high levels of investment and strong management to ensure high quality and the safety of travellers. Given traditional land tenure regulations, private investors with sufficient capital often cannot access land on which to develop products.

Infrastructure

Currently there is low formal soft adventure product development in PNG and an overall lack of product diversification for the market. Generally, there are not sufficient formally developed soft adventure tourism activities available in PNG. Aside from sport fishing and surfing, they are not well formalised or developed. Kayaking, canoeing and hiking (versus trekking) are often presented as ad hoc experiences by resorts. With the terrain and land available in PNG, there is potential for soft adventure tourism, but the infrastructure and product offerings need to be built first.

Soft Adventure Tourism Investments

To tap into the potential of the global soft adventure tourism market, tourism stakeholders in PNG must invest in improving soft adventure infrastructure, products and attractions, and marketing. To reach global soft adventure tourism forecasted growth rates, the investments shown in Table 14 are required.

Table 14 Soft adventure tourism investments required in PNG

Investment Type	Description	Lead Stakeholder	Investment in Mid-growth Scenario	Investment in High-growth Scenario
Marketing	Identify and target three large and ten boutique soft adventure tourism outbound tour operators in North America, Australia and New Zealand and offer one soft adventure famil annually.	TPA	$1,050,000	$1,050,000
	Develop and launch a social media strategy with specific campaigns for soft adventure tourism using interactive tactics. Identify and assess key soft adventure tourism influencers in North America, Australia and New Zealand.	TPA	--	$1,000,000
Products and attractions	Develop a community-based tourism program. • Launch three to five new soft adventure products. • Program to be based on best practices.	TPA Private sector	--	$1,500,000
	Develop three to five soft adventure tourism routes with supporting itineraries.	TPA in coordination with the private sector	$350,000	$350,000
Infrastructure	Create a strategy for private sector and donor investment in five integrated soft adventure sites.	TPA	$40,000	$40,000
	In line with strategy, provide financing for investments and grants to tour operators for developing soft adventure infrastructure in key tourism hotspots: • two sites in mid-growth scenario; • five sites in high-growth scenario; and • Overall, investment in at least 18 new sites or expansion of existing site capacity is needed to meet forecasted visitor demand.	Private sector to invest with support of donors and investors	$600,000	$2,338,438

Marketing

TPA should identify and target three large and ten boutique soft adventure tourism outbound tour operators in North America, Australia and New Zealand and offer one soft adventure famil annually. TPA's marketing for soft adventure tourism should focus on raising awareness and providing detailed planning information to tour operators. Marketing to outbound tour operators should focus on pitching the soft adventure tour routes and itineraries through familiarisation trips (famils), direct marketing and training agents on the product. TPA may be interested in developing specific marketing tools such as Facebook applications and in offering incentives to outbound tour operators to encourage them to sell specific routes. This will depend on initial interest by outbound tour operators. This is expected to cost $1.05 million over ten years.

TPA should develop and launch a social media strategy with specific campaigns for soft adventure tourism that increases targeted postings using interactive tactics and identify and assess key cultural tourism influencers in North America, Australia and New Zealand. The most cost-effective ways to reach larger audiences are social media and public relations campaigns. Creating targeted social media campaigns, especially in Instagram, for specific source market segments will help to define focused marketing messages that resonate with potential tourists. This will require consistency for sufficient market penetration in the fast-paced digital marketing world. TPA should continue to work with influencers while assessing them regularly on their potential return on investment. Influencers should be invited to the targeted annual soft adventure famil. TPA should consider more interactive social media tactics to engage potential visitors, including photo competitions, quizzes and win-a-trip campaigns. This is expected to cost $1 million over ten years.

In line with cultural tourism investment recommendations, TPA should implement an intensive public relations campaign to help address the negative reputation of the country through positive news media stories. For soft adventure tourism, the campaign should target the key source markets of Australia, USA, UK, Germany and Japan. An intensive public relations campaign will raise destination awareness and combat negative reputation issues for all markets. This investment is part of the broader marketing recommendation detailed in the Overarching National Investments chapter below.

Products and attractions

TPA should launch three to five new soft adventure tourism products as part of the community-based tourism program recommended for cultural tourism development. Soft adventure tourism also offers opportunities for communities to benefit from tourism. The focus of this program should be to empower local communities, giving them the skills to develop and expand soft adventure tourism offerings themselves. The community-based tourism program should be based on best practices and include product development, training on financial and business management, quality assurance, and a coordinated marketing approach for all cultural tours. All products should be developed in coordination with the private sector to ensure that they are responsive to market demand and have market access links. Enhanced professionalism in existing and newly developed products is essential. The expected cost for this is $1.5 million over five years.

Once existing products have been defined and formalised or new products developed, TPA should invest in developing three to five soft adventure tourism routes with supporting itineraries. Similar to cultural tourism, soft adventure tourism products need to be linked in formalised itineraries, which can then be combined into different routes. TPA should work with provincial governments and associations and individual soft adventure tour operators to create three to five soft adventure routes that link products together. TPA should develop two types of itineraries, ones that highlight specific types of experiences (e.g. hiking, mountain biking, water-based activities), and ones that include a diverse mix of activities. All itineraries should be developed in coordination with the private sector, including outbound tour operators, to ensure that they are responsive to market demand and packaged into marketing materials. These itineraries should include full information on the soft adventure showcased, accommodation options, local attraction information, inbound tour operators offering the experiences, and other logistical information. This is expected to cost $350,000 over three years.

Infrastructure

TPA and the government should create a strategy for private sector and donor investment in integrated five soft adventure sites with multiple activities in key tourism hotspots. PNG's long-term tourism plan should incorporate a strategy to identify and develop the country's potential soft adventure locations. The number of soft adventure activities, such as canoeing, surfing, and hiking, that can be offered in the same area is an advantage that PNG can leverage. Visitors who come from distant countries can maximise their time in PNG experiencing activities rather than travelling between locations. The integrated soft adventure sites are shared facilities that need to be managed properly and sustainably to ensure their long-term tourism potential. This is expected to cost $40,000 over one year.

Infrastructure development for product should focus on integrated adventure areas with facilities and equipment since adventure tourists prioritise having a variety of adventure activities available in the same area. It is important that the adventure infrastructure utilises the natural landscape and integrates the local community in its operations to benefit them economically while sustainably built. This can be done by working with seasoned members of the adventure community to identify ideal sites for multiple activities. For example, 20 kilometres of multi-purpose trails, and provision of rental equipment could cost up to $320,000 per site. A total investment of $2.34 million is needed over ten years to develop up to five of these integrated soft adventure parks, with $1.56 million for developing new integrated site areas and $778,438 for developing new attractions or expanding existing attractions in the integrated sites.

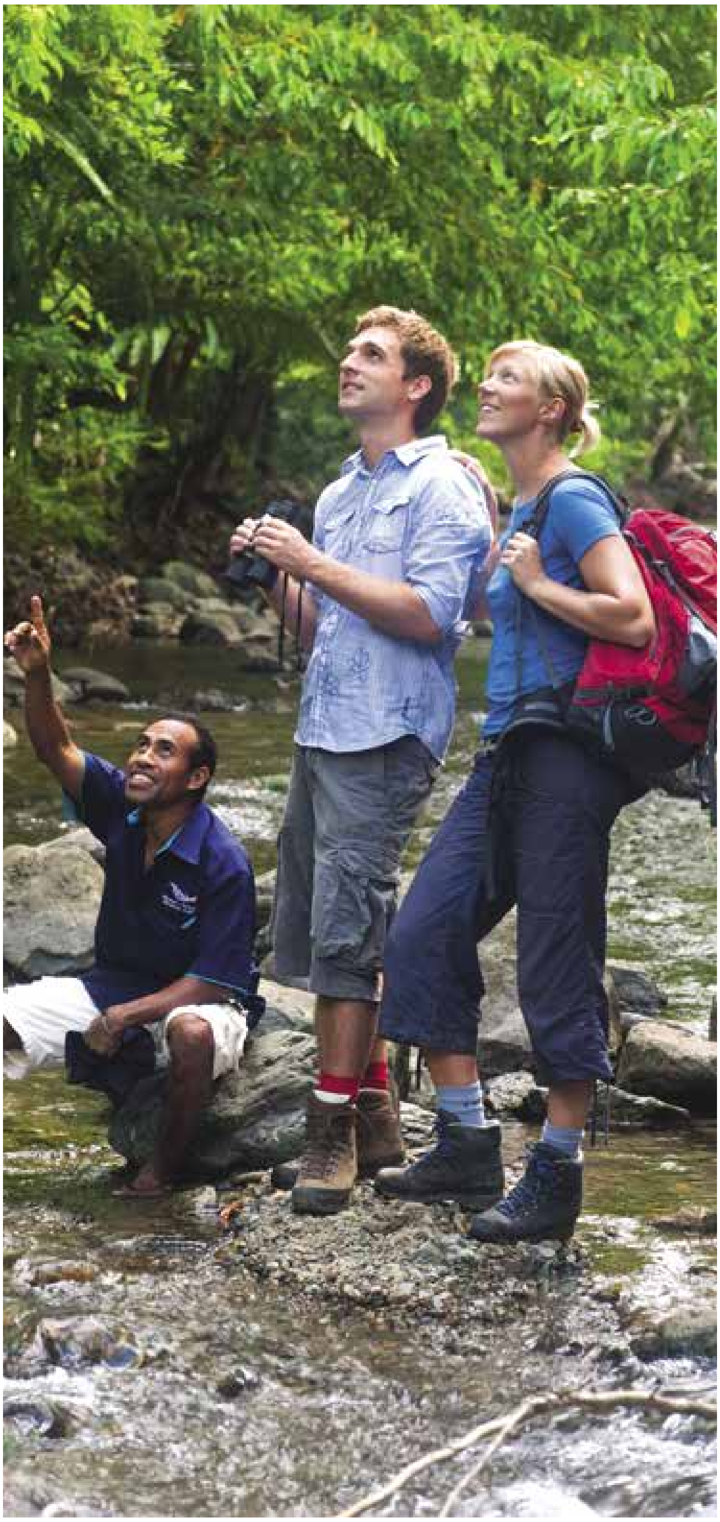



Photo: Scott Chacon

Case Study: Rwanda Soft adventure Tourism

Rwanda is now perceived as one of the safest countries in the region due to strong government and marketing efforts by the country to change international perceptions, despite the conflicts and genocide that occurred in the 1990s. The success of Rwanda's tourism industry shows that a country with a reputation of conflict can change global perceptions with strong leadership and marketing direction, coupled with iconic tourism products. According to 2016 statistics released by the Rwanda Development Board, tourism spend revenues increased considerably from $131 million in 2006 to $404 million in 2016, with year-on-year growth peaking at 26 percent in 2011.

Rwanda's success in soft adventure tourism is due to building on a successful iconic product (gorilla trekking), diversifying the number of soft adventure tourism offerings, implementing inclusive conservation efforts, intensive marketing by the government, and commitment to improvement of accessibility to soft adventure tourism sites. The government recognised the need to grow the soft adventure tourism segment and go beyond a single product offering – gorilla trekking. It diversified its product offerings and developed other soft and hard adventure activities, such as trekking, biking, hiking and a canopy walk – if tourist interest in one activity drops, there are other activities of interest. Inclusive conservation efforts improved education about tourism and reduced unsustainable practices to ensure that tourism offerings can grow. Intensive marketing efforts by the government changed negative international perceptions into positive ones, boosting tourism. Commitment to infrastructure improvements increased accessibility to numerous soft adventure sites in conjunction with the diversified soft adventure offerings.

3.5 Historical Tourism

Key takeaways for historical tourism

- **Size of global historical tourism in 2016:** $18.8 billion
- **Global growth forecast:** 11 percent CAGR from 2016 to 2020
- **Global average historical tourist spend:** $3,410 per trip
- **Potential for PNG:** PNG has numerous historical attractions and relics from WWI and WWII. However, the government must refurbish historical sites to protect them, conduct in depth research on site history, and train guides to provide immersive experiences.

In 2016, an estimated 3.8 million tourists took 5.5 million trips for the purpose of historical tourism, with a market value of approximately $18.8 billion.

Historical tourism is defined as international tourist trips for which the primary purpose is to visit areas of historical importance — specifically sites, relics, and memorials related to World War I (WWI), World War II (WWII), as well as the pre- and post-world war periods.

The industry is expected to grow at 10.8 percent CAGR over the 2016 to 2020 period. The demographic for historical tourists is shifting towards academics, students, dark tourists and descendants of veterans learning about their family history. Traditionally the historical tourism market consisted mainly of veterans or those with a direct link to WWI or WWII, but the number of these people is declining due to age.

18.8
USD BILLION
2016

5.5 ▲10.8%
CAGR 2016-20
MILLION TRIPS
2016

Students, dark tourists and descendants of veterans are a growing sub-segment of the historical tourist demographic, and are expected to bolster growth for the segment. Students and academics are interested in travelling to locations relevant to their studies to experience in person the remnants of the events that transpired. They are interested in experiencing a personal connection to their field to acquire a more holistic understanding of history. Dark tourists, on the other hand, visit sites of tragedy or disaster out of curiosity or interest in the macabre nature of events that occurred.[7] Lastly, descendants of veterans are generally interested in learning more about their family heritage and the events that shaped their ancestors' lives.

Historical Tourist Profile

Long lead times for historical tourism bookings is due to the market's older demographic and the high demand for event-specific WWI and WWII specialised tours, combined with a relatively low number of tour operators offering these tours. As a result, tours are often booked as long as 18 months in advance. Academics, students, and dark tourists are somewhat less likely to choose a guided tour, as they are probably more knowledgeable than the tour guides, but their number is relatively low compared to the number of traditional veterans or veteran-related tourists. The global demographics, travelling and booking habits of historical tourists are shown in Figure 18.

Figure 18 Global historical tourist profile

Demographics

Age	50-75 years old
Key Source Markets	1. UK 2. USA 3. Europe (IT, FR)

Booking Habits

Time in advance that bookings are made	18 months
Method of booking	Mix of own arrangements and travel agent

Traveling Habits

Avg number of historical trips per year	1.5
Average duration of each trip	11 days
Average spend per trip	USD 3,410
Top 3 destinations for historical tourism	1. France 2. Poland 3. Germany
Preferred format of historical tourism	With tour guide

Top Five Most Important Criteria for Historical Tourism Trip

- Number of WWI/WWII activities and/or sites
- Personal or family connections to WWI/WWII
- Connecting with veterans or people affected by conflict
- Good guides with strong local knowledge of events
- Recommendation by historical travellers

> ***"Many people join the tours to trace back family members who fought during the wars."***
>
> *- Historical tour operators*

7 While WWI and WWII sites and events would qualify as dark tourism, not all dark tourism is WWI or WWII tourism. Dark tourism may also include sites of tragedy that have no connection to war, such as Pompeii.

Instead of presenting each site as an individual element, tours strive to link together a series of sites and locations to illustrate a particular battle or campaign in a storytelling format. Sites are brought to life through tour guides' dramatic recounting of events. To maximise their immersion, having numerous sites to visit for different parts of the event is desired.

Having a personal or family connection to WWI or WWII is another common criterion historical tourists consider. For those who are interested in hearing different perspectives and personal anecdotes about the events of the wars, the opportunity to connect with veterans, people who were involved in the war, or people who were affected by the war can be an attractive feature.

Tour guides must be knowledgeable and skilled in recounting the events of a historical site as a dramatic and engaging story. Historical tourism depends on the ability of the guide to narrate events and on the opportunity for tourists to talk to individuals with unique perspectives on the event. Feedback and opinions from historical tourists who have taken tours before are critical and taken into account when planning a historical trip.

Top five Considerations when Travelling to a Historical Tourism Destination

- **Information:** Availability of information is a priority for tourists when planning their trips. Historical tourists want a tour where they learn about the events that occurred and have unique opportunities to communicate with people who were involved in or affected by the event. Making known what opportunities are available is crucial to attract historical tourists.
- **Language:** Language is another important criterion, as the allure of such trips is to learn about the site and event. Tour guides must be able to recount events expressively and sensitively, as this is an essential aspect of historical tourism. Not only a good knowledge of the language is important, but also a good command of how to use language in an expressive and sensitive manner.
- **Accommodation:** The quality of accommodation is important to historical tourists due to the generally older demographic of this segment. They are less willing to sacrifice comfort for price or convenience.
- **Accessibility:** Given the older demographic and limited physical mobility of historical tourists ease of access to activity sites is somewhat important. However, tourists are willing to go off the beaten path to visit particularly important sites.
- **Safety:** Whilst general safety is still required, visitors to historical sites would expect and accept some level of risk. They understand that some sites could have decommissioned minefields and relics exposed to the elements.

Historical Tourism in PNG

15%
% OF 2016 PNG HOLIDAY AIR ARRIVALS PARTICIPATING IN HISTORICAL TOURISM TRIPS

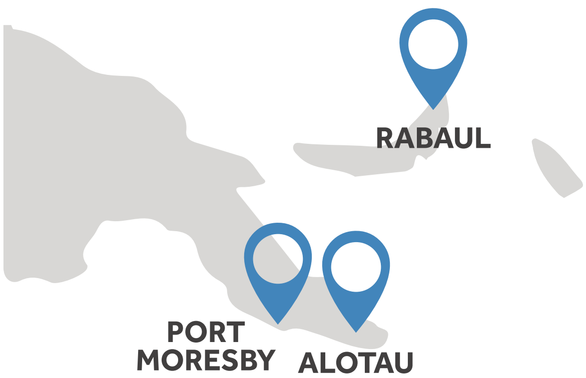
5,665
NO. OF HISTORICAL TOURISM TRIPS (2016)

0.6%
GLOBAL HISTORICAL TOURISM TRIPS AS A % OF HOLIDAY TRIPS

5.5 MIL
NO. OF HISTORICAL TOURISM TRIPS GLOBALLY (2016)

With Papua New Guinea being the location of pivotal events of WWII on the Pacific front, the historical tourism potential for PNG is immense. In 2016, 15 percent of holiday arrivals to PNG participated in historical tourism during their stay. Compared to the global average of 0.6 percent of holiday trips involving historical tourism, PNG has an advantage. More than five million historical tourism trips were taken globally in 2016, while PNG had an estimated 5,665 historical holiday arrivals.

PNG has the potential to increase arrivals from the historical tourism market by creating a researched narrative to bring history alive in the existing and underdeveloped sites. Although PNG has numerous historical wrecks, memorials, and sites, most are currently undeveloped for tourism. Developing these sites and integrating them into standard tour itineraries could enhance the attractiveness of PNG as a historical tourism destination.



Top Historical Tourism Locations in PNG

Currently, there are three main areas typically known for historical sites: Rabaul, Milne Bay and Port Moresby.

Rabaul is known for its WWII Peace Memorial, Japanese tunnel networks, and numerous wreck sites. Alotau is known for the Battle of Milne Bay, a turning point in the war in the Pacific. Port Moresby is where the Kokoda Track starts and is the location of the Bomana War Cemetery.

Outbound Historical Tour Operator Perceptions of PNG

Historical tour operators commented that many tourists, outside of Australia and New Zealand, have never heard of PNG's role in the war or have not heard of PNG as a destination. For those who have heard of PNG, visiting for historical purposes is not high on their priority list. European WWI and WWII destinations and sites are generally more popular with few outbound tour operators offering Pacific historical tours, apart from to Japan or Hawaii. Currently, the main market for PNG historical tourism is Australians, due to their presence in PNG during the wars. Australians also have a connection to PNG through the colonial history and heritage, broadening their historical interests in the country.

The product offering, level of marketing, and storytelling for historical tours in PNG are not developed enough to attract significant international historical tourists. Developing infrastructure at these sites, creating a researched narrative to bring history alive, and training guides to provide illustrative narrative are needed. In terms of marketing, outbound historical tour operators suggest focusing on social media, veterans' associations, military associations, academies, and history magazines to find audiences interested in historical tours. Highlighting the local story of the war is important, as it brings out the unique perspective of PNG's role in WWII. Defining strong local narratives and creating opportunities to interact with individuals who were involved in the war directly or indirectly are essential for an enhanced product offering.

Cost Comparison

The price range is relatively similar for global and PNG spend; but historical tours globally have more developed infrastructure and product development around the sites than do some of the sites in PNG. Excluding flights, historical tourists spend on average $310 per day compared to $242 in PNG. Historical tour guides globally are also highly effective at narrating events of the war and bringing historical sites to life. As PNG develops it historical tourism products, attention will need to be paid to cost structure as multiple guides may be needed. Outbound tour operators may want to include a specialist guide with expert knowledge on PNG history or the wars. This will increase guiding costs, as local guides will also be necessary.

Marketing Initiatives

Historical tourism marketing is conducted by TPA, inbound operators, and direct marketing representatives. The main target market for historical tourism marketing is Australia. Marketing channels used include Facebook, Twitter, Instagram, the PNG tourism website, and print media. Outside of Kokoda Track-specific marketing, the bulk of marketing initiatives focus on articles in magazines and other printed media.

The demographic of historical tourists is shifting from veterans and individuals directly involved in wars to students, academics, and descendants of those involved in wars. Creating a social media marketing campaign based on education about events of the wars with assistance from a marketing firm is recommended to address the growing demographic. When targeting historical tourists of the war education demographic, focusing on source markets such as the USA or Europe could yield potential. Marketing in print media should continue, but this should decrease over time in accordance with the declining veteran demographic.

Historical Tourism Constraints

SWOT Analysis

A SWOT analysis (Figure 19) provides a snapshot of PNG's historical tourism sector strengths, weaknesses, opportunities and threats, outlining key critical constraints that must be addressed.

Figure 19 PNG SWOT analysis for historical tourism

STRENGTHS	WEAKNESSES
• High number of wrecks, relics and memorials throughout PNG • PNG was a key location in WWII with an interesting and iconic story	• Sites of memorials, relics, wrecks not sufficiently developed • Time spent at each site on tours is relatively short and experience is not immersive • Lack of dramatic narrative of battles
OPPORTUNITIES	**THREATS**
• Increasing dark tourism and academic travel markets • Use of new technology to bring sites to life • Opportunities to bundle historical tourism sites with cultural and soft adventure tours	• Regional competition with other Pacific destinations that have strong historical tourism assets • Number of tourists with a direct or family link to WWI/WWII is decreasing

Marketing

Historical tourism marketing is largely focused on promoting the Kokoda Track to the Australian market. Other historical tourism products have low penetration into the Australian market. Other markets, such as North America and New Zealand, are not being targeted for historical tourism. This means that most tourists that visit historical sites are casual tourists versus serious historical tourists.

Product and attractions

Experiences at individual historical sites do not have a clear narrative, nor do they offer different perspectives or link to a larger story about WWII in PNG. Guides at most historical sites currently do not have a full, formal tour script that includes details about the historical event. Additionally, tour experiences do not always present multiple perspectives of the historical event, importantly the local experience. Further, individual historical sites are not always linked together to provide a greater narrative for the PNG WWII experience.

Historical sites lack interpretive information and accessibility infrastructure. Additionally, most do not have any formal interpretative information aside from commemorative plaques. They also lack infrastructure such as car parks and walkways to ease access, especially for elderly visitors.

Historical tours are often mixed with cultural tours in PNG, but historical tourists would prefer an in-depth historical only tour. Historical tourists prefer an immersive experience based on storytelling and narrative, so tour guides need to be trained in the dramatic storytelling style of tour guiding on which historical tourism relies. While bundling historical tours with cultural tours is a good way to build awareness about PNG's historical sites, as the historical tourism segment develops, dedicated tours for historical tourism will need to be created.

Capacity

In some situations, outbound operators have commented that last minute changes in terms of guides or daily activities can affect the quality of tours. In some instances, tours have been booked, but the guide does not show up or sends a replacement guide who does not have much knowledge about the events or the tour.

Infrastructure

Historical tourism sites in PNG are in dire need of refurbishment, protection and upgrading. While a few sites have been upgraded, most historical sites continue to deteriorate due to climate, time and visitation. Poor management of these sites also means that there is no clear owner responsible for the maintenance and upkeep.

Historical Tourism Investments

To tap into the potential of the global historical tourism market, tourism stakeholders in PNG must invest in improving historical tourism infrastructure, products and attractions, marketing, and capacity. To reach global historical tourism forecasted growth rates, the investments shown in Table 15 are required.

Table 15 Historical tourism investments required in PNG

Investment Type	Description	Lead Stakeholder	Investment in Mid-growth Scenario	Investment in High-growth Scenario
Marketing	Identify and target two to four boutique historical tourism outbound tour operators in key markets of Australia, New Zealand, and USA through direct marketing and famils.	TPA	--	$1,050,000
	Develop and launch a social media strategy with specific campaigns for historical tourism using interactive tactics. Identify and assess key historical tourism influencers in Australia, New Zealand, and North America.	TPA	--	$1,000,000
Products and attractions	Develop formalised historical products using media and technology: • five sites in mid-growth scenario; and • ten sites in high-growth scenario.	TPA	$62,500	$187,500
	Create three historical tourism routes and supporting itineraries	TPA in coordination with private sector	$350,000	$350,000
	Create regional WWII routes with Vanuatu and Solomon Islands	TPA	--	$100,000
Infrastructure	Create a management structure to oversee maintenance and improvements of historical sites. Historical museum experts to lead refurbishments and ensure that sites are developed according to best practices.	TPA Provincial government	$50,000	$50,000
	Conduct upgrades at historical sites: • small-scale upgrades at ten sites and intensive refurbishments at three sites in mid-growth scenario; and • small-scale upgrades at 15 sites, intensive refurbishments at 11 sites and capacity and accessibility upgrades at seven sites in high-growth scenario in total.	TPA	$175,000	$538,569

Marketing

TPA should identify and target two to four boutique historical tourism outbound tour operators in key markets of Australia, New Zealand and USA through direct marketing and famils. Outbound tour operators with specific links in niche markets will be able to generate interest in their home countries. TPA should host one historical tourism-specific famil annually. There is also potential to link to military-interest groups in Australia, New Zealand and USA for team building or educational trips to PNG. This is expected to cost $1.05 million over ten years.

TPA should develop and launch a social media strategy with specific campaigns for historical tourism that increases targeted postings using interactive tactics and identify and assess key cultural tourism influencers in Australia, New Zealand and North America. The most cost-effective ways to reach larger audiences are social media and public relations campaigns. Creating targeted social media campaigns, especially in Instagram, for specific source market segments will help to define focused marketing messages that resonate with potential tourists. This will require consistency for sufficient market penetration in the fast-paced digital marketing world. TPA should continue to work with influencers, while assessing them regularly on their potential return on investment. Influencers should be invited to the targeted annual historic tourism famil. TPA should consider more interactive social media tactics to engage potential visitors, including photo competitions, quizzes, and win-a-trip campaigns. This is expected to cost $1 million over ten years.

Products and attractions

TPA should work with inbound tour operators to develop formalised historical products using the media, technology and storytelling to enhance tourists' experience. Historical tour operators should be focused on bringing the sites to life and recounting or re-enacting some of the events of the wars. The ability to provide multiple perspectives on the events to create a holistic experience is also crucial. Even simple media, such as multi-lingual audio guides, informational plaques, and videos can be effective. Content at historical sites will contribute to creating an immersive experience and engage tourists for a longer time at each site. Creating this content in multiple languages caters to different source markets and ensures that different types of tourists are getting the same high-quality experience. Partners should enhance five sites in the mid-growth scenario and ten sites in the high-growth scenario. This is expected to cost $62,500 in the mid-growth scenario and $187,500 in the high-growth scenario over five years.

TPA, with the private sector, should invest in creating three historical tourism routes and supporting itineraries that tell the overarching story of WWII in PNG in a systematic way. Historical tourism products need to be linked in formalised itineraries, which can then be combined into different routes. The routes should focus on telling the specific PNG WWII story from different perspectives. The tour should be packaged to guide tourists on a journey with distinct experiences at each historical site. It will be critical for the routes to be fully researched and verified by historians. These itineraries should include full information on the historical tourism products, accommodation options, local attraction information, inbound tour operators offering the experiences, and other logistical information. This is expected to cost $350,000 over three years.

In the long term, there is potential for TPA to work with other Pacific destinations to create regional WWII routes and tell the larger Pacific story. Regional historical tourism route development should focus on a multi-country approach by linking WWII experiences in PNG, Vanuatu and Solomon Islands. This will require international coordination with the Vanuatu Tourism Office and the Solomon Islands Visitors Bureau. The expected cost for this is $100,000 over two years.

Capacity building

Guide training should include training in operations and procedures to run smooth, high-quality itineraries. Tour guides for historical tourism sites are usually independent and function as individual ground operators. Logistics such as booking, cancellations and communications should all have standard handling procedures. Improvements in this area will allow historical tours to meet international expectations and deliver a consistent, engaging product. This investment is part of the broader capacity-building recommendation detailed in the Overarching National Investments chapter below.

Infrastructure

TPA and provincial governments must invest in historical site infrastructure and creation of a management structure to oversee maintenance and improvements to meet international expectations. As the WWII sites are already 75 years old, there is an urgent need to refurbish and protect them and ensure that relics are not removed by locals or tourists. This will require investment by the government, as the sites are public goods. Moving forward, TPA should work with the provincial governments and industry to develop management plans for the long-term maintenance and development of the sites. Refurbishment should be led by historical museum experts to ensure that sites are developed according to best practices. Infrastructure development should include improved accessibility, including car parks and walkways where appropriate. This is expected to cost $50,000 over ten years.

It is recommended that TPA invest at least $10,000 each to ten sites for smaller upgrades and $25,000 each to three sites for more intensive refurbishment. The total cost is $175,000 in the mid-growth scenario. Further site refurbishment and development can continue in the high-growth scenario to develop additional historical sites. This should include intensive site refurbishments at 11 sites with additional 15 sites having small scale upgrades. Overall, at least seven historical attractions will need to expand their accessibility and visitor management infrastructure to accommodate visitations from increase demand in the high-growth scenario. This is expected to cost $538,569 for site refurbishment and expansions of site accessibility over five years in the high-growth scenario.


Photo: Nelo Hotsuma

Case Study: Okinawa Historical Tourism

Okinawa has developed its tourism infrastructure and quality of historical sites in order to have high-quality products and services to offer anticipated tourists. Historically, the number of international tourists visiting historical war sites in Okinawa has been small. However, the developed tourism infrastructure and high quality of the sites ensures that site operators are well equipped to provide a world-class tourism experience to international tourists in the future, with features such as multilingual audio guides, multilingual signs, easy access to sites and illustrative tour guides. This is a long-term approach for Okinawa that emphasises quality of experience.

Okinawa's success in historical tourism is due to well-maintained and developed site infrastructure, bundling historical sites with other tourism attractions, marketing to outbound operators specializing in military tours, and high-quality guides who can provide multiple perspectives on events. Tourism infrastructure is well maintained and regularly improved when opportunities present themselves. Sites are managed by the tourism bureau or local foundations. For tours, bundling historical sites with other tourist attractions is important, because many tourists do not go to Okinawa exclusively to see historical sites. Building relationships with outbound military tour operators is crucial, as they bring the majority of tourists that exclusively visit for historical tourism. Inbound operators are able to cater to the needs of historical tourists by having specialised guides able to provide a variety of perspectives on the events.

3.6 Diving

Key takeaways for the diving market

Size of global diving market in 2016: $8.1 billion

Global growth forecast: 5 percent CAGR from 2016 to 2020

Global average dive spend: $3,238 per trip

Potential for PNG: PNG could develop its natural waters into one of the world's best diving destinations with appropriate conservation and marine management and targeted marketing.

Globally, there is an estimated 1.5 million tourists taking 2.5 million international trips for diving in 2016 with a market value of $8.1 billion.

Diving tourism is defined as international tourist trips with the primary purpose of underwater diving in freshwater or saltwater, typically undertaking multiple dives over multiple days per trip with a dive operator. This only includes diving that uses self-contained underwater breathing apparatus (scuba), and excludes all types of snorkelling and freediving activiites.

8.1
USD BILLION
2016

2.5 ▲5%
CAGR 2016-20
MILLION TRIPS
2016

The global diving industry is expected to grow at five percent CAGR over the 2016 to 2020 period. Growth in new PADI certifications slowed from nine percent in 2000 to 4.4 percent in 2013.[8] Nevertheless, with the rise in the divers' base from emerging markets, coupled with the increasing popularity of adventure sports, diving operators remain optimistic.

8 PADI (Professional Association of Diving Instructors) data, Euromonitor estimates

The number of new Chinese divers is rapidly growing and contributing to global demand, with Chinese PADI certifications quadrupling from 6,400 to 28,000 from 2010 to 2013 (Liu 2014). This is expected to rejuvenate the industry, as the diving market in the USA and Europe becomes saturated.

The Coral Triangle, including PNG, houses 76 percent of all known coral species, six of the world's seven turtle species and over 3,000 species of fish (The Coral Triangle 2018). Located within Asia-Pacific waters and accessible via Indonesia, Malaysia, the Philippines, Papua New Guinea, Timor Leste, and Solomon Islands, the biodiversity of the Coral Triangle exceeds the Caribbean, according to anecdotal comments by international dive operators. Divers globally are gaining awareness about the Coral Triangle, and diving sites in the Coral Triangle are currently reviewed in blogs, diving websites, and TripAdvisor.

Diver Profile

A preference for booking and finding information online for diving trips makes it essential for global market players to have comprehensive websites, easy interfaces for making bookings, and detailed information presented in a user-friendly manner to attract divers. The global demographics, travelling and booking habits of diving tourists are shown in Figure 20.

Figure 20 Global dive tourist profile

Demographics

Age	38-55 years old
Key Source Markets	1. USA 2. Europe (UK, DE, FR) 3. China

Booking Habits

Time in advance that bookings are made	4 months
Method of booking	Individually online

Traveling Habits

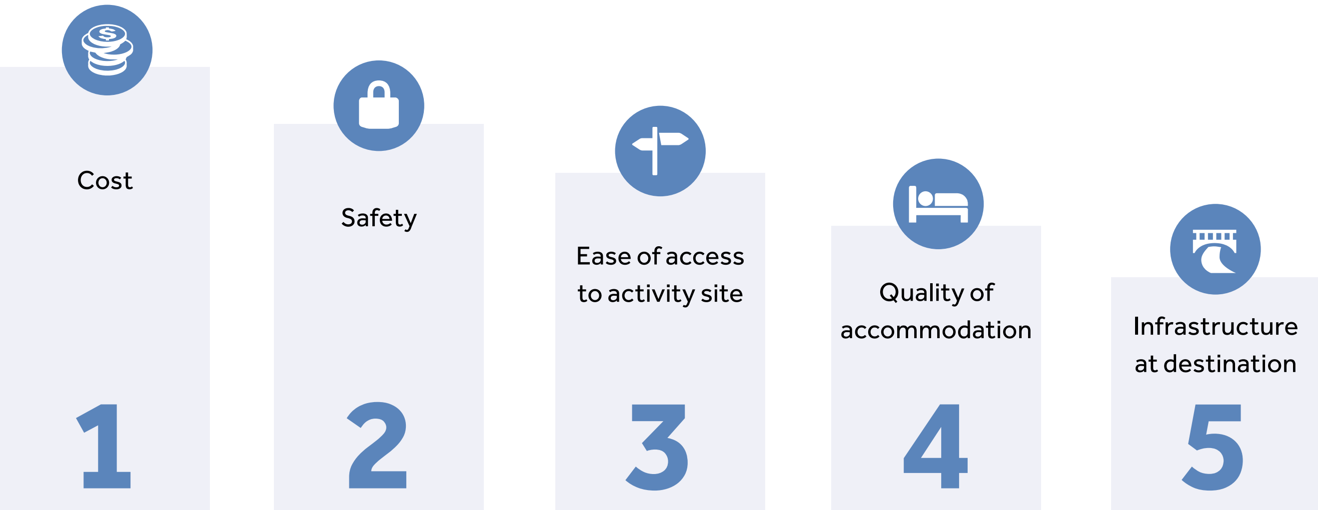
Avg number of diving trips per year	1.6
Average duration of each trip	10 days
Average spend per trip	USD 3,238
Top 3 destinations for diving	1. Indonesia 2. Maldives 3. Egypt
Preferred format of diving	Buddy diving with a Dive Master

Top five Most Important Criteria during Dive Trips

- Ability to see a wide variety of marine life
- Chance sighting of rare species
- Checking off species that have yet to be encountered on personal bucket lists
- Easy access to dive sites to maximise dive time
- Efficient and convenient transportation logistics

> ***"They are very interested in local fish or sea mammals and in general plenty of diving time. They require clean accommodation basic food and good customer service"***
>
> *- Diving tour operator*

Top five Considerations when Travelling to a Diving Destination



- **Cost:** Diving is a relatively expensive pursuit and to maximise utility, divers would rather stretch their dollar to go on two or more less expensive dive trips a year than splurge it on a single trip.
- **Safety:** Divers will not compromise on safety. They expect good quality, well-maintained equipment rentals and international safety standards for dive operations such as PADI, SSI, NAUI, CMAS, or BSAC.[9]
- **Dive site accessibility:** To maximise dive time, divers are willing to pay more for ease of access to dive sites.
- **Accommodation:** Good quality live-aboard experiences are preferred, as they maximise time spent diving by offering efficient travelling, rest, meals, and dive schedules. For resort-based diving, these need not be luxurious as long as basic amenities are available and consideration is given to divers' specific needs.
- **Local Infrastructure:** Local transport infrastructure is important, as a diver may lose diving time due to increased travel times.

Diving in PNG

5.9%
% OF 2016 PNG HOLIDAY AIR ARRIVALS PARTICIPATING IN DIVING TRIPS

2,202
NO. OF DIVING TRIPS IN PNG (2016)

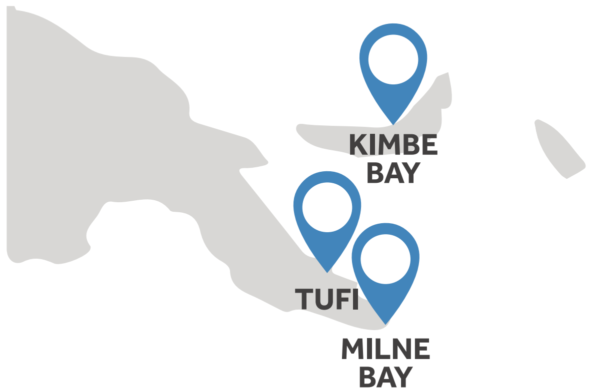
0.3%
GLOBAL DIVING TRIPS AS A % OF HOLIDAY TRIPS

2.5 MIL
NO. OF DIVING TRIPS GLOBALLY (2016)

9 PADI refers to Professional Association of Diving Instructors. SSI refers to Scuba Schools International. NAUI refers to National Association of Underwater Instructors. CMAS refers to Confédération Mondiale des Activités Subaquatiques. BSAC refers to the British Sub-Aqua Club.

There is high potential for significant growth in this market for PNG. In 2016, diving visitors made up 5.9 percent of total holiday air arrivals in PNG compared to 0.3 percent of total global holiday trips. The difference highlights PNG's potential as a diving destination. In relation to the total global number of dive trips, PNG has much room for growth as it hosted 2,202 trips, compared to the 2.5 million trips that were taken globally in 2016.

The future outlook for diving in Papua New Guinea is highly positive amid growing interest in the Coral Triangle as a diving destination and growth in the Chinese dive market. Papua New Guinea is positioned to leverage this trend as dive sites in PNG are pristine and mostly untouched. The country's proximity to China is also an advantage, as divers from this new source market are rapidly growing and travel costs for Chinese visitors are much lower than for visitors from the USA, for example.



Top Diving Locations in PNG

Papua New Guinea provides the springboard to numerous good quality diving sites within the Coral Triangle with more than 350 known diving sites across the country. Renowned areas for diving include Port Moresby, Milne Bay, Tufi, Madang, Kimbe Bay, Rabaul, and Kavieng. In particular, Kimbe Bay is known for its sea-mounts, naturally formed pillars that rise out of the ocean floor and act as a beacon for marine life. Milne Bay is known for muck diving, which involves divers scouring the seabed for macroscopic life such as mantis shrimp. Tufi is known for its reefs formed from rock, sand, coral or other material such as shipwrecks.

Outbound Dive Operator Perceptions of PNG

PNG is a part of the Coral Triangle and naturally has high-quality dive sites but faces strong competition from regional destinations. Due to the longer travel times required, divers find it easier to go to other countries that offer diving in the Asia-Pacific region. Faced with long transit times in Port Moresby and delayed or cancelled flights, divers may choose other destinations in South-East Asia that have more efficient transportation infrastructure. The majority of divers who have travelled to PNG have commented on very positive experiences with all resorts, rating 4.0/5.0 or higher on TripAdvisor. By addressing the accessibility issue, outbound operators believe that PNG could become a leading dive destination, giving divers a new experience in unchartered waters. To preserve the pristine state of its marine waters, PNG should continue to be vigilant regarding sustainability and preservation of the marine environment. PNG Dive Association's Environmental Code of Ethics recognises the benefits of sustainable dive tourism and serves as a strong set of principles for dive operators.

According to outbound operators, the amount of online marketing content on Papua New Guinea as a diving destination is less than for other destinations. They believe that boosting internet reviews and leveraging social media to showcase its dive sites may raise global divers' interest in visiting the country.

Cost Comparison

With most PNG dive resorts offering one-day, two-tank boat dives in the range of $100 to $200, dive tours are competitively priced compared to global diving operators. Excluding international flights, the average spend per day for divers globally is $324 compared to $287 in PNG. Globally, divers spend approximately 25 percent of their total trip spend ($810) on diving tours. With six to seven days of diving typically on a ten-day trip, divers spend approximately $101 on diving tours on each diving day. Although divers would prefer to dive every day, safety precautions are taken by implementing rest days and a 24-hour surface period before flying. Globally, diving tours alone by boat with two dives included cost from $60 to $270, averaging $114 per two-dive tour.

Marketing Initiatives

The main source markets targeted for diving include the USA, UK, Australia, Japan and China. TPA oversees marketing initiatives and directly manages marketing in Australia and New Zealand. The destination marketing representatives (DMRs) manage marketing in the USA, Europe and Japan, with a specific focus on diving in Japan. Channels of marketing used include websites, Facebook, Twitter, Instagram, workshops, trade shows, blogs, and magazine articles.

PNG Dive Association (PNGDA) drives private sector dive marketing. PNGDA is an association funded by inbound dive operators and plays a significant role in promoting diving in PNG at the country level. PNGDA attends the following trade shows:

- Boot Dusseldorf
- OZtek Sydney bi-annually
- Marine Diving Fair Tokyo
- Australia International Dive Expo Sydney
- Interdive Germany
- Diving Equipment and Marketing Association (DEMA) Trade Show USA
- Asia Dive Expo (ADEX) Singapore
- Dive Resort Travel (DRT) Show Hong Kong
- Salon de la Plongée Paris

For print advertising, PNGDA also does a monthly double page co-op advert in Dive Log Australia, a diving magazine. When funds are available, more advertisements are purchased. Boot Dusseldorf, OZtek, Marine Diving Fair Tokyo, DEMA, and the advertisements in Dive Log Australia have been going for over 20 years.

PNGDA members attend trade shows at their own expense and support other TPA initiatives such as hosting outbound operators on famils and conducting tours for the press. In addition to their own products, they may promote other activities in the country to raise awareness of the destination. The membership of PNGDA is largely collaborative, rather than competitive, working together to raise the overall profile of diving in PNG. As divers typically travel to more than one province on a dive trip, dive operators pool their efforts to market the destination, rather than particular resorts. As funds are limited, PNGDA and the operators coordinate amongst themselves to have attendance at as many trade shows as possible.

Online marketing for PNG diving is managed individually by the inbound operators with PNGDA's website to serve as a central resource. While this report was being prepared, PNGDA's website was under renovation and, once launched, it will be a gateway to inbound operators' individual webpages. It will also be a resource for general information about diving in PNG. Other online marketing, such as social media, is conducted at each individual inbound operator's discretion. Compared to other diving destinations, PNG operators post on social media less frequently. Operators are active in responding to reviews on TripAdvisor, addressing any questions, concerns, or comments. There are challenges, however, in conducting online marketing for inbound operators on an individual level due to the high cost of internet in the country and intermittent internet connection.

Diving Constraints

SWOT Analysis

A SWOT analysis (Figure 21) provides a snapshot of PNG's dive sector strengths, weaknesses, opportunities and threats, outlining key critical constraints that must be addressed.

Figure 21 PNG dive tourism SWOT analysis

STRENGTHS • High level of marine flora and fauna biodiversity and health • Uncrowded, largely untouched dive sites • Wide range of dive types available	**WEAKNESSES** • Difficulty maintaining boats and other equipment, lack of access to replacement equipment • Access to locations based on arrangements with landowners • Lack of online marketing
OPPORTUNITIES • Growth of social media allows dive destinations to be marketed cheaply • Strong word of mouth marketing channels exist in the dive segment • There is an accessible Chinese market where diving is just beginning to grow	**THREATS** • With dive segment growth, sites could become over crowded and damage the environment • Nearby locations in the Coral Triangle have similar dive offerings as PNG and are strong competitors

Marketing

There is low penetration into key source markets for dive tourism. While PNGDA and TPA conduct regular marketing, there is a need to increase consistent trade show participation and online marketing to increase penetration into key source markets and raise destination awareness with potential travellers.

Regulatory

Sustainability programs are crucial to continue to prevent environmental degradation and protect marine life. PNGDA manages the mooring program and inbound operators manage their individual sustainability and education programs. PNGDA and inbound operators are aware of the importance of protecting their marine environment, as their businesses depend on its well-being. Regular maintenance of moorings and education of local communities to prevent unsustainable practices will have greater importance as more divers visit PNG. It will also be important to ensure that divers themselves are not damaging the marine environment. Dive operators and resorts will need to work together to enforce a strong divers code of conduct.

Due to difficulties in obtaining tourist visas, some potential divers decided not to, or were unable to, dive in Papua New Guinea. Historically, PNGDA and inbound operators marketed to a wide range of source markets. However, difficulties in obtaining tourists visas, including long processing times and high costs, resulted in those markets not pursuing diving in PNG. Affected markets include Russia, Belarus, Ukraine, and Georgia. Visa policies affect a range of travellers across all the markets.

Products and attractions

Dive destinations in PNG have not been well-defined and their comparative advantages not well-communicated within the Coral Triangle. Serious divers seek unique and rare experiences and want specific information on what they could see when diving. While PNGDA conducts regular marketing, individual dive destinations within PNG need to better define their comparative advantage to compete with similar dive destinations within the Coral Triangle.

Infrastructure

It is costly to travel to PNG provinces with diving sites due to the need for multiple flights and high flight costs. Unless diving near Port Moresby, additional flights are required to travel to other provinces. Unexpected flight delays and cancellations further add to trip-planning difficulties for tourists. This increases the travel time and cost for divers and decreases the value for money of diving in PNG compared to competitor destinations. However, at the time of the report, Air Niugini has favourable policies in place regarding allowances for divers – 15 kilograms of diving equipment can be checked for free.

Divers require safety equipment to have confidence in a destination. While the PNGDA has put safety standards in place for dive operator members, there are no functioning decompression chambers in PNG at the time of report writing. Previously, there was a chamber in Port Moresby, requiring a special low-altitude flight from provincial dive destinations if an accident occurred. Due to a management issue, that chamber is no longer functioning.

Diving Investments

To tap into the potential of the global dive market, tourism stakeholders in PNG must invest in improving dive tourism infrastructure, products and attractions, marketing, capacity and regulatory issues. To reach global dive tourism forecasted growth rates, the investments shown in Table 16 are required.

Table 16 Diving tourism investment required in PNG

Investment Type	Description	Lead Stakeholder	Investment in Mid-growth Scenario	Investment in High-growth Scenario
Marketing	Identify and target three large and ten boutique dive tourism outbound operators and offer one dive tourism famil annually.	TPA PNGDA	--	$1,050,000
	Promote dive destinations through an online marketing strategy.	TPA in coordination with PNGDA	--	$1,000,000
Products and attractions	Differentiate and define each dive destination with a focus on comparative advantage within the Coral Triangle.	PNGDA	$100,000	$100,000
Infrastructure	Renew the mooring equipment program.	TPA and PNGDA	$12,000	$12,000
	Install one decompression chamber each in two provinces. Utilise the DAN grant and training programs on decompression chamber operation.	PNGDA	--	$42,000

Marketing

TPA and PNGDA should identify and target ten boutique dive tourism outbound tour operators and offer one dive tourism famil annually. TPA's marketing for dive tourism should focus on raising awareness and providing detailed planning information to tour operators. Marketing to outbound tour operators should focus on pitching specific dive destinations through famils, direct marketing and training agents on the product. This is expected to cost $1.05 million over ten years.

TPA should work with the PNGDA and inbound dive operators to promote dive tourism through an online marketing strategy that includes social media. Dive marketing at the global level relies on word of mouth and a strong comparative advantage. The PNG diving industry currently does not have as large a presence in these channels as do competitor destinations. To improve online marketing, TPA and PNGDA should create an online strategy together that centralises online marketing and coordinates social media marketing. The information compiled about PNG diving should be uploaded to PNGDA's website as a centralised resource, including a directory of all the diving operators, with links to their websites and general information about visiting PNG and getting to the resorts. Dive operators should use social media channels, with a focus on Instagram, to promote diving in PNG in a coordinated manner, using videos and pictures in every post, linking back to websites and using consistent hashtags to build a collective social media presence. PNGDA can work with its members to increase participation in diving website forums to raise awareness about PNG diving through regular posting and answering questions about PNG diving. Online marketing is an alternative to traditional marketing channels for bringing in divers and will improve the stability of PNG's diving industry. This is expected to cost $1 million over ten years.

Regulatory

PNGDA should work with dive operators to continue their regular environmental awareness and community capacity-building initiatives, such as trash clean-up events or teaching classes on hotel service operations, at least quarterly. This will raise awareness about marine sustainability and the benefits of diving tourism. Inbound operators should pool their resources and share their educational materials so that more regular information and education can be provided to the local communities. Programs conducted in one province could also be implemented in other provinces. An expansion of these initiatives to ensure that divers themselves are also aware of sustainable practices while diving will ensure that all parties are playing a role in preserving the marine environment. Sustainability and capacity-building programs can be showcased in marketing materials to position the PND dive industry as an example of a green, community-driven industry, which will resonate well with divers. This investment is part of the broader conservation program recommendation detailed in the Overarching National Investments chapter below.

Visa investment recommendations are included in the overarching investment section below.

Productions and attractions

PNGDA should work with the dive industry to differentiate and define each dive destination with a focus on comparative advantage within the Coral Triangle. The PNG dive industry should define the comparative advantage of each of the dive regions to better differentiate products and attract specific dive sub-markets (e.g. wreck, muck, cave, night). The industry will need to compile existing detailed information on each dive destination and potentially conduct further research to present a map of dive site locations, detailed information about each of the diving areas, a directory of the flora and fauna species that divers are able to see in PNG, images from the dive sites, and diver testimonials. This information can be used by TPA, individual businesses and PNGDA's to promote diving. This is expected to cost $100,000 over two years.

Capacity

The government and the Department of Health should increase the number of trained paramedics in the country by at least five to build further confidence with the markets. Trained paramedics are crucial in responding to a wide range of emergencies that could occur during diving and could be utilised in non-diving related emergencies. They will also support the overall tourism industry, especially the adventure market, where there is a greater risk of injury. This is expected to cost $32,500 over two years.

Infrastructure

Renew the mooring program equipment to ensure that the PNGDA has functioning equipment to maintain and replace old moorings. This will be a crucial part of maintaining the sustainability of PNG's diving sites. With the current mooring equipment becoming dated, a new set of equipment, including two underwater drills, two jackhammers, pins, and shackles, should be funded to allow for the mooring program to continue. Doing so will ensure that reefs are preserved. The cost of the mooring program equipment and shipping to PNG is estimated at $12,000 over one year.

Provincial governments to work with PNGDA to install decompression chambers in key dive areas. The PNG dive industry has safety standards in place through the PNGDA to ensure quality and low risk of accidents. However, serious divers will still want to be assured that safety equipment and personnel are in place for their own peace of mind. This includes decompression chambers in key diving regions, trained personal to operate the chambers and a plan for management and operation. The Divers Alert Network (DAN) offers training on decompression chamber operation and has a grant program to support the installation and use of chambers (DAN 2018). The cost of a decompression chamber is approximately $15,000 with shipping, so $30,000 is needed for two provinces to have one installed. Training for chamber operators in two provinces through DAN would cost $12,000. The two decompression chambers and associated set-up and training are expected to cost $42,000 over two years.

Air transport investments are included in the Overarching National Investment chapter below.

Case Study: Sulawesi Diving Tourism

Sulawesi is widely regarded as one of the top 10 dive destinations in the world. Its world-famous Bunaken National Park features more than 8,000 hectares of coral reefs and a variety of fish species. The other major dive site in Sulawesi is Lembeh Straits.

Key factors contributing to Sulawesi's dive tourism include direct flights from key source markets; proactive and collaborative marketing by government and the private sector; a collaborative management approach to marine parks; and active private sector representation in sector management. The availability of regular direct flights to Singapore, a major transport hub, as well as to several Tier 2 cities in China, supports increased arrival numbers by allowing mid-range and budget travellers access to the destination. National and provincial governments specifically promote diving through their overall destination marketing efforts, while the private sector complements this with direct marketing to travel agents and the use of online channels, websites and social media to reach international divers. This collaborative approach allows for coordinated and effective marketing, especially when identifying and targeting emerging markets. To promote sustainability of the tourism resource in Sulawesi, the government established 16 million hectares of marine protected areas (MPAs). The government's collaborative approach to managing MPAs allows stakeholders to play an active role in developing marine tourism in Sulawesi. The private sector, through the North Sulawesi Watersports Association, participates in shaping park policies; oversees awareness, education and employment in villages near diving sites; and plays a strong role in upholding service quality and standards.

4 Overarching National Investments for PNG

To realise niche market potential, a series of overarching investments at the national level must be implemented in parallel with market specific investments. Making investments in air transport, accommodation, marketing, capacity building and regulatory issues will unlock the potential of niche market tourism in PNG, as well as support overall tourism development. The investments set out in Table 17 support PNG to reach arrivals projected in this report.

Table 17 Overarching national investments required in PNG

Investment Type	Description	Lead Stakeholder	Investment in Mid-Growth Scenario	Investment in High-Growth Scenario
Marketing	Harmonise niche tourism marketing activities at the national level, ensure a coordinated marketing approach, and create a unified destination image.	TPA Private sector	--	--
	Destination awareness-raising campaign in three key source markets.	TPA	$5,000,000	$20,000,000
	Engage public relations experts and implement image-changing campaigns for five years in mid-growth and ten years in high-growth scenario.	TPA	$7,500,000	$15,000,000
	Subsidise inbound tour operators' attendance at strategic trade shows for two niche markets in the mid-growth and five niche markets in the high-growth cases.	TPA	$2,000,000	$5,000,000
	Contract a market research firm to conduct research on two Chinese niche markets.	TPA	$150,000	$150,000
Regulatory	GoPNG should invest in expanding the tourist police task force in two priority tourism areas over nine years working with development partners.	Royal Papua New Guinea Police Constabulary, Development partners	--	$1,500,000
	Invest in a youth engagement program to increase safety and security for both locals and tourists in three tourism hotspots over ten years.	Department of Community Development, Religion & Sports	--	$1,500,000
	Implement a conservation program over five years and mainstream sustainability into the National Tourism Masterplan.	TPA, GoPNG, Conservation Environment Protection Authority	--	$5,000,000
	Implement online visa system for target source markets.	Immigration and Citizenship Services Authority	--	--

Capacity building	Provide scholarships for 20 operators per year to existing TVET programs with specific focus on cultural, soft adventure and birdwatching inbound tour operators. Program for two years in mid-growth and five years in high-growth cases.	GoPNG	$60,000	$220,000
	Take advantage of existing guide trainers and leverage regional experiences. Create an in situ on-the-job guide training program. Program for five sessions in mid-growth and ten sessions in high-growth cases.	TPA	$50,000	$100,000
	Invest in strengthening existing TVET tourism courses at the local technical colleges over five years.	GoPNG Donors	--	$3,000,000
	TPA can consider hosting a World Tourism Organization Capacity Building Program in Tourism Development and Management.	TPA	--	$250,000
	Five additional trained paramedics in the country.	Department of Health and HIV/AIDS	--	$32,500
Infrastructure	GoPNG with donor support should identify and improve roads needed to allow convenient and smooth access between tourist attractions in tourism regions. Assuming 100 km of roads are needed.	Department of Works	--	$1,670,000
Air transport	Increased air capacity per year equivalent to: • 18 flights to ENB and 17 to MB in mid-growth scenario • 44 flights to ENB and 50 flights to MB in high-growth scenario	Air Niugini PNG Air	$278,000	$747,750
	Develop new air routes that link tourism destinations and remove the need to travel back to Port Moresby to connect between provinces.	TPA Air Niugini PNG Air	--	--
	Train airport ground staff in international aviation standards, using programs such as International Air Transport Association's (IATA) diploma courses. 15 staff in mid-growth scenario and 30 staff in high-growth scenario.	NAC Air Niugini PNG Air	$30,000	$60,000
	Refurbish terminals at Tokua Airport (Rabaul) and Gurney Airport (Alotau).	NAC	Funded by ADB	Funded by ADB
Accommodation	Expand or open new hotels to increase capacity by 37 rooms in ENB and 13 rooms in MB in the high-growth scenario.	Private sector	--	$3,306,000

Marketing

TPA should harmonise tourism marketing activities at the national level to ensure a coordinated marketing approach and unified destination image. It is crucial that a long-term marketing strategy be in place, and differentiated from other destinations by having a strong marketing position. Many of the niche segment marketing investments, such as destination awareness campaigns, online and social media marketing, famils, and trade show participation, can be coordinated to leverage economies of scale. This should be a part of TPA's normal operational budget.

To raise awareness of PNG as a tourism destination, a destination awareness-raising campaign should be conducted in three of the following target source markets: Australia, New Zealand, USA, UK or Europe. This will raise PNG's profile as a tourism destination to both tourists and outbound operators. It should leverage the expertise of destination marketing firms and focus on educating outbound operators on PNG's tourism offerings, developing business relationships between inbound and outbound operators, and educating tourists about PNG. This is expected to cost $5 million over 5 years in the mid-growth scenario and $20 million over ten years in the high-growth scenario.

To address the perception of safety issues, TPA should invest in engaging public relations experts who have successfully changed public opinion and national reputations through a series of campaigns. The campaign will need to keep on-ground realities in mind to ensure that campaign messages are in line with the real safety situation as it evolves over time. With safety as one of the core concerns of potential tourists to PNG, the international perception that PNG is unsafe needs to be addressed through positive marketing and deeper engagements with travellers. These marketing and PR campaigns targeted at source markets require approximately $1.5 million annually, ideally for two or more years to build momentum and see effective results. Assuming a five-year campaign in the mid-growth scenario, this is expected to cost $7.5 million. Assuming a ten-year campaign in the high-growth scenario, this is expected to cost $15 million.

TPA should subsidise inbound tour operators' attendance at strategic trade shows. Inbound operators do not have enough funds to bring themselves to all the strategic trade shows for their niche segment. Inbound operators currently must decide, based on their limited budget, which shows they are going to attend. In some instances, operators may not be able to attend any trade shows at all. TPA's assistance in bringing inbound operators to trade shows will allow for more trade shows to be attended and interest in PNG to increase. It is important for there to be regular PNG presence at the same trade shows every year so that outbound operators grow familiar with it. The inbound operators are familiar with their own products and are the best positioned individuals to make a convincing proposition to prospective customers. This is expected to cost $1 million per niche segment totalling $5 million over ten years. TPA should support two niche markets in the mid-growth and all five niche markets in the high-growth scenario.

To unlock the potential of the Chinese market in a sustainable way, TPA should conduct further research on the Chinese outbound market. Chinese outbound tourism is an important and growing market, with an increasing interest in niche activities, specifically diving and birdwatching. PNG has the potential to unlock this lower-volume, higher-spending Chinese sub-market. With appropriate research on the Chinese niche market demographics, product interest and marketing distribution channels, PNG can further grow this market in a low volume, sustainable manner. Any investment in marketing to the Chinese market will need to be coupled with visa policy changes. This is expected to cost $150,000 over two years in the high-growth scenario.

Regulatory

The government should invest in expanding the tourist police task force in two priority tourism areas. Visible actions, such as tourist police patrolling high-tourist volume areas, have been effective in reducing crime and increasing tourist numbers, as seen in Simbu Province. The tourist police concept can be expanded to two provinces. Their main responsibilities would involve patrolling, ensuring that tourists can feel safe on their holiday and know where to turn for help if needed, and education of local communities about tourism in outreach programs. The success of a tourist police program will be based on transparency, accountability, and eliminating corruption. Tourist police forces in the provinces should be formally linked with provincial tourism offices and associations to support accountability. The tourist police should also include a community engagement program and support local businesses and community members to address crimes perpetrated by tourists. An investment of $1.5 million is needed to set up and operate a tourist police department in two provinces for nine years.

The government should work with donors to invest in youth engagement programs to increase safety and security for both locals and tourists in PNG. These programs should be implemented in partnership with international organisations to help youth develop life skills, social development and civic behaviour, and support job training and placement. Similar youth engagement programs have been implemented in the Pacific that focus on youth policy, employment, and civic participation. Educating local communities through outreach programs about the value of tourism on the economy and its opportunities can motivate communities to provide a welcoming and positive experience for tourists. Such programs are expected to require approximately $1.5 million to implement in three tourism hotspots over five years.

The government, working with TPA, donors and international conservation agencies should implement a conservation program and mainstream sustainability into the national tourism plan. Conservation programs and sustainable development of the tourism industry will ensure that PNG does not overly tax its tourism capital and eventually deplete this resource. In implementation, TPA will need to partner with local communities and conservation organisations and the Conservation Environment Protection Authority to improve preservation of tourism sites, access to sites, and standards for communities to benefit from land ownership and natural resource management. Some segments, such as diving, already have individual initiatives that should be coordinated and integrated into this overarching program to receive funding where appropriate. These biodiversity conservation activities are expected to cost $5 million over a five-year implementation period.

The Immigration and Citizenship Services Authority should create an efficient, online visa systems for target source markets to facilitate entry into PNG and holiday planning. Along with improvements to airport infrastructure, allowing target source market countries to apply for visas online, instead of having to submit their passport for six weeks for visa approval, will greatly increase the smooth flow of tourists into the country. This will also make it easier for tourist segments that have a shorter trip planning period to decide to visit PNG.

Capacity building

The Government of PNG should provide scholarships to existing TVET programs to target tourism operators and provincial private sector association management, with specific focus on cultural, soft adventure, birdwatching and historical inbound tour operators. To ensure that tourists get the best experience from the unique tourism products available in PNG, tourism operators must improve their service quality to match international standards. Provincial private sector associations oversee tour operator standards, ensure sustainable resource management, and market the destination. Their role in the provinces should lead to a more central and visible place for tourism-related issues to be handled locally. To be effective, staff or members of the association will need a solid understanding of the tourism industry, and strong decision-making, policy-formulation and people-management skills. Existing tourism training programs are available through technical and vocational education and training (TVET) institutes in PNG, allowing tour operators and association staff to upgrade their skills with formal training. Based on an average of $1,500 per scholarship for local certification courses, an investment of $60,000 would be the minimum to provide scholarships for 20 tour operators and association staff per year for two years as a trial in the mid-growth scenario. The high-growth scenario would offer scholarships for 20 tour operators and association staff per year for five years at an expected cost of $220,000.

TPA and the private sector should take advantage of existing guide trainers and leverage regional experiences. Guide training is also necessary to improve the product experience. Guide training is best done in situ at the product location. The private sector should invest in enhancing their guides' skills by providing scholarships to their staff to attend training. An in situ on-the-job guide training program would need to be sponsored by TPA and would cost $50,000 for five sessions in the mid-growth scenario, with the potential to create a fee-for-training system, whereby private sector participants pay a tuition fee. In the high-growth scenario, ten sessions for $100,000 should be implemented over five years.

To ensure quality training for tourism operators and guides, the government and donors should invest in strengthening existing TVET tourism courses at the local technical colleges. The government and TPA should work with donor partners to invest in a "skills strengthening" program, with a specific focus on tourism skills. Similar TVET strengthening programs have been implemented in Vanuatu with success. The program would require capacity building within existing TVET programs and opening new regional skills training centres in tourism hotspots. This expected cost for this is $3 million over five years.

TPA can consider hosting a United Nations World Tourism Organization capacity-building program in tourism development and management for TPA staff, provincial governments and private sector associations. This program is a series of intensive courses, training participants on tourism development, management and promotion; increasing tourism awareness; general management and implementation of tourism policies and strategies; and human resource development. The program ranges from 1 to 3 months, and is expected to require $250,000.

The government and the Department of Health need to increase the number of trained paramedics in the country by at least five to build further confidence with the markets. Trained paramedics are crucial in responding to a wide range of emergencies that could occur during tourism activities and are especially crucial for the diving and soft adventure segments. They will also support the overall tourism industry, by building visitor confidence in the destination. This is expected to cost $32,500 over two years.

Infrastructure

The Government of PNG, with donor support, should identify and grade or improve roads to allow convenient and smooth access to newly developed soft adventure sites, especially for travellers who want to experience multiple attractions within one day. Improving of provincial roads would have exponential economic benefits for the community in the area, not just tourism benefits. Past infrastructure development projects have cost up to $31 million. Assuming that 100 kilometres of road needs to be improved for new attractions, an estimated $1.67 million is needed over ten years.

Air transport

There will be a need for increase air capacity equivalent to an additional 18 flights per year to ENB and 17 flights per year to MB in the mid-growth scenario and an additional 44 flights per year to ENB and 50 flights per year to MB in the high-growth scenario. International air transportation seat capacity will be sufficient to cater for increased demand in the high-growth case. This is expected to cost $278,000 in the mid-growth scenario and $747,750 in the high-growth scenario over ten years.

At a destination level, TPA should work closely with Air Niugini and PNG Air to develop new air routes that link tourism destinations and remove the need to travel back to Port Moresby. This will reduce the amount of time spent travelling by tourists, and increase their spend in destinations.

To improve in-airport operational efficiency, the National Airport Corporation (NAC) should train ground staff in international aviation standards, using programs such as International Air Transport Association's (IATA) diploma courses. The training of airport staff is expected to complement the airport refurbishment efforts, leading to an improvement in the seamless airport experience for future travellers. In the mid-growth scenario, 15 staff should be trained, costing $30,000. In the high-growth scenario, at least 30 staff should be sponsored for IATA's diploma per airport, requiring $60,000 of investment. Training should be conducted over the first five years.

A terminal refurbishment is needed for both Tokua Airport (Rabaul) and Gurney Airport (Alotau) to increase comfort and efficiency of the traveller. With airports being the first impression of a destination when a visitor lands, it is important to have a smooth process and basic airport facilities to meet travellers' expectations. Investments needed include upgraded check-in systems, boarding areas, and luggage loading areas; runway lights to extend airport operational hours; and upgraded shops and convenience stores catering to international tourists. Investment plans and infrastructure upgrades for provincial airport are in progress through the Civil Aviation Development Investment Program funded by the Asian Development Bank. These should address most of the airport refurbishment concerns and therefore no additional investment is required.

Accommodation

The private sector will need to invest in opening an additional 37 rooms in ENB and an additional 13 rooms in MB to cater for the increased demand. At the national level, there will be sufficient accommodation to meet capacity increases. This takes into account domestic travellers as well as international travellers. Investors should consider their target market when expanding or opening new accommodations to ensure that the property size, the aesthetics and prices meet consumer demands. This is expected to cost $3.3 million over ten years.

5 Growth Scenarios

Papua New Guinea has the potential to grow holiday arrivals to 86,570 arrivals per year over the next ten years if TPA and tourism stakeholders make appropriate and necessary investments in air transport and accommodation capacity, infrastructure, product development, regulatory areas, capacity and marketing. Below are three scenarios based on PNG's current tourism growth relative to global tourism growth. They demonstrate the potential size and value of the tourism market by 2027, given different levels of investment. The three scenarios described below are attainable by implementing recommended and necessary investments.

1. **Base-growth case,** where the government, TPA and the private sector continue their existing programs and make no additional investments in tourism. In this case, PNG's historical holiday market growth is maintained, the tourism industry loses competitiveness, and the holiday market gap widens. PNG's niche market arrivals will continue to grow below the global average rate for all segments except birdwatching.
2. **Mid-growth case,** where the government, TPA and the private sector make some critical investments to remain competitive. In this case, niche market arrivals growth rates match global historical growth rates for each niche market.
3. **High-growth case,** where the government, TPA and the private sector make significant investments to unlock the potential of niche markets. For the first three years, PNG niche market growth will mirror historical global trends and then will ramp up to meet global forecasts for niche market growth. In this case, PNG is able to catch up to and compete with benchmarked destinations and close the holiday market gap. The three-year, lower growth period allows relevant lag time for PNG's investments to take hold and outbound tour operators to build and sell trips.

5.1 Base-Growth Scenario

Basis of Base-Growth Scenario

Without investment, the growth potential of the destination will not be completely harnessed, leading to sub-optimal growth in visitors and tourism expenditure. The base case estimates that visitors for the five niche markets will reach 45,220 visitors by 2027, while corresponding tourist receipts are estimated to reach $168.5 million in 2027. The base scenario assumes that the growth projection of tourist arrivals to Papua New Guinea leverages on its historical growth performance, where TPA and the private sector make no additional investments (Table 18).

Table 18 Forecast tourism statistics for PNG for base-case scenario

Base-growth scenario	2016		Forecast 2027	
	Arrivals	Receipts USD million	Arrivals	Receipts USD million
Cultural tourism	10,009	$35.0	15,480	$68.7
Birdwatching	460	$3.3	510	$4.6
Soft adventure tourism	13,641	$32.2	18,110	$54.3
Historical tourism	5,665	$16.2	8,880	$32.1
Diving	2,202	$6.9	2,240	$8.8
Total	**31,977**	**$93.6**	**45,220**	**$168.5**

East New Britain and Milne Bay

By 2027, East New Britain and Milne Bay are expected to receive 3,400 and 3,140 niche market visitors respectively, projected on the current proportion of holiday travellers who visited these provinces. However, with the focus of East New Britain and Milne Bay to be developed as tourism hubs, there is potential for much higher arrivals to both provinces by 2027, further discussed in the mid- and high-growth scenarios (Table 19).

Table 19 Forecast tourism statistics for provincial base-case scenario

	Arrivals		CAGR (2016 – 2027)
	2016	2027	
East New Britain	2,398	3,400	2.9%
Milne Bay	2,206	3,140	3.0%

5.2 Mid-Growth Scenario

Basis of Mid-Growth Scenario

The mid-growth scenario estimates that visitors from the five segments will grow to reach 55,950 visitors annually by 2027, while corresponding tourist receipts are estimated to reach $209.2 million per year by 2027. This is an additional $40.7 million in spending per year from the base case scenario. It assumes that the growth projection of tourist arrivals to Papua New Guinea will mirror global historic growth performance for each of the five segments. Currently PNG's current performance trails that of global performance. To achieve this growth target, the PNG Government and tourism private sector will need to make essential tourism infrastructure and services investments in to attract more tourists.

Cultural tourism is expected to garner the highest share in tourist receipts to reach $87 million in 2027, generated from 19,610 cultural tourist arrivals. However, the largest share of arrivals is expected to come from soft adventure travellers at 21,160 in 2027, followed by cultural, historical, diving, and birdwatching travellers. Historical tourism is expected to grow the fastest, with a six percent CAGR between 2018 and 2027. Given its heritage, cultural tourism in PNG is a segment to be further developed and marketed to yield its potential tourism gains (Table 20).

Table 20 Forecast tourism statistics for PNG for mid-growth scenario

Mid-Growth Scenario	2016		Forecast 2027		2027 additional to Base Case	
	Arrivals	Receipts USD million	Arrivals	Receipts USD million	Arrivals	Receipts USD million
Cultural tourism	10,009	$35.0	19,610	$87.0	4,130	$18.3
Birdwatching	460	$3.3	520	$4.7	10	$0.1
Soft Adventure tourism	13,641	$32.2	21,160	$63.4	3050	$9.1
Historical tourism	5,665	$16.2	11,330	$40.9	2450	$8.8
Diving	2,202	$6.9	3,330	$13.2	1,090	$4.4
Total	**31,977**	**$93.6**	**55,950**	**$209.2**	**10,730**	**$40.7**

By 2027, East New Britain and Milne Bay are expected to receive 4,200 and 3,890 niche market visitors respectively, projected on the current proportion of holiday travellers who visited these provinces (Table 21).

Table 21 Forecast tourism statistics for provinces for mid-growth scenario

	Arrivals		CAGR (2016–2027)
	2016	2027	
East New Britain	2,398	4,200	4.8%
Milne Bay	2,206	3,890	4.8%

5.3 High-Growth Scenario

Basis of High-Growth Scenario

The high-growth scenario estimates that visitors for the five segments will reach 86,570 visitors by 2027, while corresponding tourist receipts are estimated to reach $286.1 million in 2027, an additional $117.6 million in tourist receipts per year compared to the base case. Making investments in infrastructure, capacity building, product development and marketing will unlock the potential of niche market tourism in PNG. It assumes that the growth projection of niche market arrivals to PNG will match global historical rates for three years and then ramp up to mirror the growth forecast for each of the five segments based on trade interviews. To achieve this growth target, there are essential tourism infrastructure and services that PNG needs to invest in to attract more tourists.

Soft adventure tourism is expected to grow the fastest, contributing to the largest share of visitors in 2027 with 47,150 arrivals. This is followed by cultural, historical, diving and birdwatching travellers. Soft adventure tourism is also expected to garner the highest share in tourist receipts to reach $129.2 million in 2027, owing to the sheer growth in volume of visitors targeted by this segment. By investing in additional resources to combat the negative perception of safety in PNG, provincial airport infrastructure expansions, marketing campaigns, and conservation programs, tourism in PNG has the potential to meet this high-growth target (Table 22).

Table 22 Forecast tourism statistics for PNG for high-growth scenario

High-growth scenario	2016		Forecast 2027		2027 additional to Base Case	
	Arrivals	Receipts USD million	Arrivals	Receipts USD million	Arrivals	Receipts USD million
Cultural tourism	10,009	$35.0	22,190	$90.0	6,710	$21.3
Birdwatching	460	$3.3	640	$5.8	130	$1.2
Soft adventure Tourism	13,641	$32.2	47,150	$129.2	29,040	$74.9
Historical tourism	5,665	$16.2	13,200	$47.7	4,320	$15.6
Diving	2,202	$6.9	3,390	$13.4	1,150	$4.5
Total	**31,977**	**$93.6**	**86,570**	**$286.1**	**41,350**	**$117.6**

East New Britain and Milne Bay

By 2027, East New Britain and Milne Bay are expected to receive 6,580 and 6,100 niche market visitors respectively, projected on the current proportion of holiday travellers who visited these provinces (Table 23).

Table 23 Forecast tourism statistics for provinces for high-growth scenario

	Arrivals		CAGR (2018–2027)
	2016	2027	
East New Britain	2,398	6,580	8.8%
Milne Bay	2,206	6,100	8.8%

6 Investment Scenarios

The investment recommendations include both public and private sector investments necessary to remove barriers and grow niche market tourism. They are made at the national level and for East New Britain and Milne Bay Provinces, in line with government priorities for destination development.

The investment recommendations below combine two aspects into an actionable plan for developing tourism in PNG. Necessary investments were studied from two perspectives.

1. **Identifying overall and niche market investments needed to spur tourism growth in PNG for the mid-growth and high-growth scenarios.** Through consultations with government, local tourism stakeholders and international operators, key obstacles to growth were identified, including infrastructure needs, product development and attraction needs, marketing opportunities, capacity building requirements, and regulatory challenges.
2. **Examining the carrying capacity of PNG's tourism infrastructure to meet forecasted tourist numbers in the three growth scenarios.** Carrying capacity was assessed for air transportation, accommodation, tour operators, and attractions, and deficiencies were identified in each of the base, mid- and high-growth scenarios.

6.1 Base-Growth Scenario Investments

Even though TPA and the private sector make no additional facilitating investments in the base case, in order to meet the capacity needs of the forecasted number of tourists, the private sector will need invest at least $70,000 in air transport by 2027. This includes adding capacity equivalent to four new flights per year to ENB and five new flights per year to MB.

6.2 Mid-Growth Scenario Investments

The Government of PNG and the tourism private sector need to make investments worth $21 million in improving carrying capacity, infrastructure, product development, capacity building, and marketing to attract more visitors.

- Marketing investments worth $17.7 million, outlined in Table 24, must being in the next two years to catalyse growth;
- Product development and attraction investments worth $1.3 million, outlined in Table 26, must being in the next two years to catalyse growth;
- Capacity building investments worth $160,000, outlined in Table 27, will need to be ongoing over the next ten years; and
- Air transport, Accommodation and Infrastructure investments worth $1.55 million are outlined in Table 28, 29 and 30. These investments will need to be ongoing over the next ten years.

More details on the individual recommendations can be found in the niche market sections and Overarching National Investment chapter above.

6.3 High-Growth Scenario Investments

The Government of PNG and the tourism private sector need to make investments worth $78 million in improving safety, building the capacity of tour operators, conducting targeted marketing, conserving the environment, and upgrading products and infrastructure to attract additional niche market visitors in this high-growth scenario. To achieve high-growth scenario rates, all mid-growth scenario investments must be made.

- Marketing investments worth $50.4 million, outlined in Table 24, must being in the next two years to catalyse growth;
- Regulatory investments worth $8 million are outlined in Table 25 will need to be implemented during the next three years;
- Product development and attraction investments worth $5.8 million, outlined in Table 26, must being in the next two years to catalyse growth;
- Capacity building investments worth $3.7 million, outlined in Table 27, will need to be ongoing over the next ten years; and
- Air transport, Accommodation and Infrastructure investments worth $9.7 million are outlined in Table 28, 29 and 30. These investments will need to be ongoing over the next ten years.

Table 24 Marketing investments required in PNG

Niche	Description	Lead Stakeholder	Investment in Mid-growth Scenario	Investment in High-growth Scenario
All	Destination awareness-raising campaign in three key source markets, over ten years.	TPA	$5,000,000	$20,000,000
	Public relations campaigns for five years in mid-growth and ten years in high-growth cases.	TPA	$7,500,000	$15,000,000
	Subsidise inbound tour operators' attendance at strategic trade shows for two niche markets in the mid-growth and five niche markets in the high-growth cases, over ten years.	TPA	$2,000,000	$5,000,000
	Contract a market research firm to conduct research on two Chinese niche markets.	TPA	--	$150,000
	Target direct marketing and annual famils for each niche market. Three large and ten boutique outbound operators each for cultural tourism, birdwatching, soft adventure and dive. Two to four boutique historical tourism outbound tour operators.	TPA	$3,150,000	$5,250,000
	Develop and launch social media strategies with specific campaigns for cultural, soft adventure, historical and dive tourism, over ten years.	TPA	--	$4,000,000
	Harmonise niche tourism marketing activities at the national level, ensure a coordinated marketing approach, and create a unified destination image	TPA with Private Sector	--	--
Bird-watching	Raise awareness with key markets through online marketing, leveraging influencers, and public relations in print media.	TPA with the private sector	--	$1,000,000

Table 25 Regulatory investments required in PNG

Niche	Description	Lead Stakeholder	Investment in Mid-Growth Scenario	Investment in High-Growth Scenario
All	GoPNG should invest in expanding the tourist police task force in two priority tourism areas over nine years working with development partners.	Royal Papua New Guinea Police Constabulary, Development partners	---	$1,500,000
	Invest in a youth engagement program to increase safety and security for both locals and tourists in three tourism hotspots.	Department of Community Development, Religion & Sports	--	$1,500,000
	Implement a conservation program over five years and mainstream sustainability into the National Tourism Masterplan.	TPA, GoPNG, Conservation Environment Protection Authority	--	$5,000,000
	Implement online visa system for target source markets.	Immigration and Citizenship Services Authority	--	--
Cultural	Integrate cultural tourism into national development polices and tourism plans, including the National Tourism Masterplan	TPA & NCC	--	--
Bird-watching	Incorporate and mainstream sustainability into the National Tourism Masterplan	TPA	--	--

Table 26 Product and attraction investments required in PNG

Niche	Description	Lead Stakeholder	Investment in Mid-growth Scenario	Investment in High-growth Scenario
Cultural	Develop three to five cultural tourism routes with itineraries.	TPA with private sector	$350,000	$350,000
	Develop a community-based tourism program. Launch five new cultural products and improve five existing cultural products.	TPA NCC	--	$1,500,000
Birdwatching	Define the comparative advantage of each birding region. Research detailed information about each area.	TPA with the Private Sector	$100,000	$100,000
	Work with financial institutes or partners to offer incentives or financing for five specialised accommodations development and facility upgrades.	TPA to lead policy private sector to lead investments	--	$1,250,000
Soft adventure	Develop a community-based tourism program. Launch three to five new soft adventure products.	TPA Private sector	--	$1,500,000
	Develop three to five soft adventure tourism routes with supporting itineraries.	TPA with private sector	$350,000	$350,000
Historical	Develop formalised historical products using media and technology. Five sites in mid-growth and ten sites in high-growth scenarios.	TPA	$62,500	$187,500
	Create three historical tourism routes and supporting itineraries.	TPA with private sector	$350,000	$350,000
	Create regional WWII routes with Vanuatu and Solomon Islands.	TPA	--	$100,000
Diving	Differentiate and define each dive destination with a focus on comparative advantage within the Coral Triangle.	PNGDA	$100,000	$100,000

Table 27 Capacity-building investments required in PNG

Niche	Description	Lead Stakeholder	Investment in Mid-growth Scenario	Investment in High-growth Scenario
All	Provide scholarships for 20 operators per year to existing TVET programs with specific focus on cultural, soft adventure and birdwatching inbound tour operators. Program for two years in mid-growth and five years in high-growth cases.	GoPNG	$60,000	$220,000
	Take advantage of existing guide trainers and leverage regional experiences. Create an in situ on-the-job guide training program. Program for five sessions in mid-growth and ten trainings in high-growth cases.	TPA	$50,000	$100,000
	Invest in strengthening existing TVET tourism courses at the local technical colleges over five years.	GoPNG Donors	--	$3,000,000
	TPA can consider hosting a World Tourism Organization Capacity Building Program in Tourism Development and Management.	TPA	--	$250,000
	Five additional trained paramedics in the country.	Department of Health and HIV/AIDS	--	$32,500
Cultural	Launch new or expand existing inbound tour operator services to meet tourist demand. Two inbound operators in mid-growth and five inbound operators in high-growth scenarios.	Private sector	$24,887	$51,450
Birdwatching	Launch new or expand existing inbound tour operator services to meet tourist demand. Two inbound operators in high-growth scenario.	Private sector	--	$21,095
	Train local birdwatching guides with overseas professional birding guides.	TPA	$25,000	$25,000

Table 28 Infrastructure investments required in PNG

Niche	Description	Lead Stakeholder	Investment in Mid-growth Scenario	Investment in High-growth Scenario
All	Identify and improve roads to allow convenient and smooth access between tourist attractions in tourism regions.	Department of Works	--	$1,670,000
Cultural	Develop new or expand existing cultural tourism attractions to meet tourist demand from additional visitors. Five attractions in mid-growth and nine attractions in high-growth scenarios.	Private Sector	$22,277	$40,722
Bird-watching	Develop infrastructure around two birdwatching sites in mid-growth and five sites in high-growth scenarios.	Private Sector	$347,100	$867,750
Soft Adventure	Create a strategy for private sector and donor investment in five integrated soft adventure sites.	TPA	$40,000	$40,000
	Financing for developing soft adventure infrastructure. Two sites in mid-growth and five sites in high-growth scenarios. Expand or launch at least 18 new sites by 2027 to meet capacity demands of increased visitors flows.	Private sector with support of donors and investors	$600,000	$2,338,438
Historical	Create a management structure for historical sites.	TPA, Provincial Government	$50,000	$50,000
	Conduct upgrades at historical sites: • small-scale upgrades at ten sites and intensive refurbishments at three sites in mid-growth scenario; and • small-scale upgrades at 15 sites, intensive refurbishments at 11 sites and capacity and accessibility upgrades at seven sites in high-growth scenario in total.	TPA	$175,000	$538,569
Diving	Renew the mooring equipment program.	TPA and PNGDA	$12,000	$12,000
	Install one decompression chamber each in two provinces. Utilise the DAN grant program and training program on decompression chamber operation.	PNGDA	--	$42,000

Table 29 Transport investments required in PNG

Niche	Description	Lead Stakeholder	Investment in Mid-growth Scenario	Investment in High-growth Scenario
All	Increased air capacity per year equivalent to: • 18 flights to ENB and 17 to MB in mid-growth scenario; and • 44 flights to ENB and 50 flights to MB in high-growth scenario.	Air Niugini PNG Air	$278,000	$747,750
	Develop new air routes that link tourism destinations and remove the need to travel back to Port Moresby to connect between provinces.	TPA Air Niugini PNG Air	--	--
	Train 15 airport ground staff in mid-growth and 30 staff in high-growth in international aviation standards.	NAC, Air Niugini PNG Air	$30,000	$60,000
	Refurbish terminals at Tokua Airport (Rabaul) and Gurney Airport (Alotau).	GoPNG NAC	Funded by ADB	Funded by ADB

Table 30 Accommodation investments required in PNG

Niche	Description	Lead Stakeholder	Investment in Mid-growth Scenario	Investment in High-growth Scenario
All	Expand or open new hotels to increase capacity by 37 rooms in ENB and 13 rooms in MB in the high-growth scenario.	Private Sector	--	$3,306,000

Annexes

Data Sources

	Source Name	Key Information Sourced	URL
1	George Washington University School of Business, ATTA, Xola Consulting	• Focuses on adventure tourism in general • Covers Europe, Latin America, North America • Market size, demographics, behaviour, expenditure	2010 Adventure Tourism Market Report
2	Adventure Travel Trade Association	• Framework for scoring countries based on 10 criteria that make the countries • Focused on national level • Factors are gov't policy, safety, health, natural resources, cultural resources, adventure activity resources, entrepreneurship, humanitarian, road infrastructure, tourism infrastructure, and brand	Adventure Tourism Development Index: An Adventure Travel Scorecard, The 2016 Report, Sixth Edition, September 2016
3	Multilateral Investment fund of the Inter-American Development Bank and The National Audubon Society	• USA focused • Market size, demographics, behaviours, expenditures, suggestions for development of market segment	Market Analysis of Bird-Based Tourism: A Focus on the U.S. Market to Latin America and the Caribbean
4	CBI Ministry of Foreign Affairs	• Europe focused • Market size, demographics, behaviours, expenditures, suggestions for development of market segment	Birdwatching tourism from Europe
5	Diving Equipment and Marketing Association	• USA focused • Market size, demographics, expenditures	Fast Facts: Recreational Scuba Diving and Snorkelling
6	PADI	• Demographics for PADI	Worldwide Corporate Statistics 2016, Data for 2010-2015
7	American Sportfishing Association, Southwick Associates	• USA focused • Market size, demographics, expenditures, behaviours	New Sportfishing Data and Industry Trends 2013
8	Acorn Consulting Partnership Ltd	• Overview of many tourism market segments • Demographics, market sizes, tour operators, marketing and distribution points, social networks	Developing a Niche Tourism Market Database for the Caribbean
9	2016 Visitor Arrivals Report	• Visitor arrival demographics • Source market arrival trends • Expenditures • Areas visited	Annual Visitor Arrival Statistics
10	2017 Papua New Guinea International Visitor Survey	• Visitor expenditure • Travel patterns and provinces visited • Activity participation • General demographics	The Tourism Potential in Papua New Guinea
11	ENB Tourism Master Plan 2017–2020	• Tourism master plan currently being developed • Review of arrivals in each area • Development plans	

12	Tourism Master Plan 2007–2017 Overview	• Overview of Master Plan previously executed • Status, successes, challenges	
13	Tourism Master Plan Implementation Review 2010	• Review of progress of 2007–2017 Master Plan • Level of implementation at time of writing • Recommended areas of focus to continue development	
14	Future infrastructure and investment plans	• Major infrastructure projects in progress • List of projects and cost	
15	Total Arrivals Statistics 2012–2016	• Arrivals to PNG data from 2012 to 2016 broken down by source market and reason for entering PNG	Annual Visitor Arrival Statistics
16	2013 Visitor Exit Survey Report	• Consumer demographics, behaviours • Recommendations on areas of focus	
17	Marketing Workshop 2016 presentation slides	• Presentation slides from 2016 Marketing Workshop • Slides from Chris, James, Lauren S, Lauren W, Rhett and Stella, Takashi	
18	DMR Yearly Reports 2015–2017	• DMR reports for 2015–2017 • Updates on marketing efforts in source markets	
19	2017 PNG Tourism Industry Association Inc. members	• List of 2017 PNG Tourism Industry Association members • Contact info, location	
20	ENB product database	• List of product offerings in ENB • Product details such as features of products and accessibility	

Niche Market Sizing Sources

#	Country	Segment	Source name (Company, organisation or publication)
1	Global	Birdwatching	Caribbean Tourism Organisation - Developing a Niche Tourism Market Database for the Caribbean 2008
2	Global	Birdwatching	Birdforum
3	Global	Birdwatching	10,000 birds
4	Global	Birdwatching	Avitourism - Survey and Statistics
5	USA	Birdwatching	U.S. Fish & Wildlife Service "Birding in the United States: A Demographic and Economic Analysis."
6	Global	Birdwatching	Surfbirds
7	UK/Europe	Birdwatching	CBI Market Intelligence - Product factsheet on Birdwatching Tourism from Europe (2015)
8	China	Birdwatching	Ma Zhijun: The rapid development of birdwatching in mainland China: a new force for bird study and conservation
9	USA	Birdwatching	Birder Specialization Differences in Conservation Involvement, Demographics, and Motivations (Hvenegaard, 2002)
10	USA	Birdwatching	National Audobon Society: Annual Report 2016
11	USA	Birdwatching	Birdwatching in American Society (Stephen R. Kellert,1985)
12	USA	Birdwatching	Market Analysis of Bird-Based Tourism: A Focus on the U.S. Market to Latin America and the Caribbean Including Fact Sheets on The Bahamas, Belize, Guatemala, Paraguay
13	Global	Diving	Divereport.com
14	Global	Diving	PADI
15	Global	Diving	Dive Operator Websites
16	Global	Diving	SSI website
17	UK	Diving	BSAC website
18	Global	Diving	CMAS website
19	EU	Diving	CBI Product Factsheet - Dive Tourism from Europe
20	Global	Diving	Caribbean Tourism Organisation - Developing a Niche Tourism Market Database for the Caribbean 2008
21	Global	Diving	PADI 2014 World Wide Statistics
22	Global	Historical Tourism	Visit Flanders WWI Awareness Survey
23	Global	Historical Tourism	World War II Tourism in France Bertram M. Gordon
24	EU	Historical Tourism	Auschwitz.org
25	Global	Historical Tourism	Backroadstouring.com
26	Global	Historical Tourism	Trafalgar Tours
27	Global	Historical Tourism	Stephen Ambrose Historical Tours
28	Global	Historical Tourism	Canadian Battlefield Tours
29	Japan	Historical Tourism	Hiroshima visitor website

30	USA	Historical Tourism	Pearl Harbour USS Arizona Press Kit
31	EU	Historical Tourism	Oradour sur Glane website
32	EU	Historical Tourism	Gedenkstatte Berlin Mauer
33	Japan	Historical Tourism	Japan Times: Hiroshima Peace Memorial Museum
34	EU	Historical Tourism	Majdanek
35	Global	Historical Tourism	Visa Global Travel Intentions Study 2015
36	Global	Historical Tourism	Globus Tours
37	Global	Historical Tourism	Dark tourism, thanatourism, and dissonance in heritage tourism management (Hartmann, 2012)
38	Global	Historical Tourism	Dark Tourism WWI, WWII sites
39	EU	Cultural Tourism	European Commission - Cultural Tourism
40	EU	Cultural Tourism	Council of Europe Impact of European Cultural Routes on SMEs' innovation and competitiveness
41	Global	Cultural Tourism	Tripadvisor Survey - Key Travel Trends 2016
42	Global	Cultural Tourism	UNWTO - Congress discuss links between cultural heritage and creative tourism
43	Global	Cultural Tourism	Visit Flanders - Tourism in Key Figures 2017
44	USA	Cultural Tourism	Airlines for America - Status of Air Travel in the USA
45	China	Cultural Tourism	China Internet Watch
46	Global	Cultural Tourism	Visa Global Travel Intentions Study 2015
47	Global	Cultural Tourism	Understanding the Behaviour of Cultural Tourists - Rami Isaac Dissertation
48	EU	Cultural Tourism	European Commission - Tourism statistics : Participation in tourism
49	Global	Adventure Tourism	World Tourism Organization (UNWTO) - Global Report on Adventure Tourism
50	Global	Adventure Tourism	Caribbean Tourism Organisation - Developing a Niche Tourism Market Database for the Caribbean 2008
51	USA	Adventure Tourism	ATTA - The New Adventure Traveler
52	Global	Adventure Tourism	ATTA - Adventure Tourism Market Study 2013
53	Global	Adventure Tourism	ATTA - 2016 Adventure Travel Trade Association Industry Snapshot
54	Global	Adventure Tourism	Tripadvisor - Tripbarometer 2016
55	Global	Adventure Tourism	ATTA - 2017 Adventure Travel Trends Snapshot
56	Global	All	Euromonitor Passport Travel 2018

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