



## **Cayman Islands Government**

### **Ministry of Tourism, Environment, Investment & Commerce**

Statement by the Honourable Charles E. Clifford, JP  
Minister for Tourism, Environment, Investment and Commerce  
16 March 2009

### Tourism Outlook 2009

Madam Speaker, there can be no doubt that the global economic recession is having an impact on international travel. Consumer confidence is at an unprecedented low, driven by fear, uncertainty and concern. Booking windows have shrunk, making it virtually impossible to predict future travel; and even the most affluent of consumers are looking for deals.

But there is good news. According to the latest American Express Harrison Group research, families will do whatever it takes to keep travel in their plans because it's the only time that they truly get to spend together. In the same study, 66% of parents admitted their children were very influential in vacation decision-making.

The household income of our target demographic for the summer shoulder season is lower than that of our target for the winter months, so potential visitors may be more affected by the US recession. It is imperative therefore that we have compelling offers in the marketplace to break through the competitive noise and give visitors comfort that a vacation in the Cayman Islands is "worth it".

Madam Speaker, this does not mean discounting and devaluing the Cayman Islands product, however, as several of our regional competitors are still struggling to get back to the price level they were at before 9/11 due to pursuing an unsustainable strategy that focused heavily on deep discounting.

The DoT's summer strategy, in addition to offering the regular fifth night free, will extend value where families cherish it most. The package offers targeting the US market will allow kids travelling with adults to eat, stay, and play free at some of our best attractions including the Cayman Turtle Farm at Boatswain's Beach, Queen Elizabeth II Botanic Park, Pedro St. James and a wide variety of private sector owned water sports. And this year, for the first time, kids aged 12-17 will

be able to dive free. Sea School will provide a welcome distraction for kids aged 5-11, where they'll learn about Cayman's marine life and become "protectors of the environment". They'll also create their own authentic Caymanian crafts and receive a Sea School certificate from Sir Turtle himself.

While an attractive summer offer, we needed something more to cut through the advertising and PR clutter if we are able to effectively compete with Caribbean and US beach destinations and hotels, many of whom are offering deep discounts.

This summer, the local tourism industry is partnering with Cayman Airways to implement a Kids Fly Free promotion which, in today's environment, will be a direct motivation for families to travel. If the current economic environment is forcing some families to consider whether or not to even have a summer vacation – or how to maximise their value in doing so – a Kids Fly Free programme will serve us well. Cayman Airways which was instrumental in bolstering this winter's performance by introducing the Washington DC route and resuming Chicago, will continue to play a pivotal role this summer.

The Acting Director of Tourism recently conducted a media blitz in New York City and I can tell you that if the reaction from the media is anything to go by, the Kids Fly Free programme will be a great success.

We are also offering families another reason to travel this summer ... the first ever world class Skate camp programme in the Caribbean. According to research, there are more than 20 million skateboarders. Skateboarding has eclipsed baseball as the national pastime of America's youth. 'Skate Cayman' will reinforce Cayman's leadership position in the region by creating an authentic, credible programme geared towards families by teaming world class athletes with a world class on-island asset - Black Pearl Skate Park at Grand Harbour.

While we are still in negotiations with leading skating athletes and cannot therefore release specific details, I can tell you that we expect some of the top names in skateboarding to endorse the programme.

Although not officially part of our summer programme, another event which will help to increase business is 'Something Blue', a luxury wedding summit for the tastemakers and influencers in the romance market. This event takes place in June and will, through great PR, let brides know that the Cayman Islands is the perfect place for a summer, fall, spring or winter wedding.

In summary Madam Speaker, consumers will still choose to travel, but it will take great cooperation on the part of our tourism stakeholders to ensure the destination continues to stand out among the crowd and region. This summer, we are giving great value as families will receive the fifth night free and other discounts including children related activities and airfare. The rest of our competitors have deep discounts in the marketplace so we have also included other incentives to travel including our Sea School and the Skate Cayman activity.

I would like to thank the tourism stakeholders in the public and private sectors for having the foresight to develop such an aggressive summer programme – the best to date – and for the unprecedented level of consultation and participation.

The tourism industry realises this is not a year of business as usual...we have been working together for the past three years to continuously grow air arrivals and to attain arrivals of over 300,000, the highest in six years. While recent months, have been impacted by three hurricanes and the US economy, we are still doing relatively well. There is more to be done and components of our sector which remain vulnerable, and we will continue to dedicate ourselves to moving forward together.