Tourism Quarterly

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October 2019

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Introduction

The third quarter (July to September) of the year is typically very quiet. Our winter is not known for attracting many tourists, however we are placing increasing emphasis on broadening the traditional October-March season, so are closely tracking September in particular. In 2019 we saw occupancy rates in serviced and self-catering accommodation increase significantly compared to September 2018. This is very encouraging, and we aim to maintain this trend in future years.

As we continue to market the Falklands in the overseas markets, our digital activities are increasingly important, and we are delighted to have recorded the largest number of unique visitors and pages viewed on falklandislands.com in September: 37,000 and 82,000 respectively.

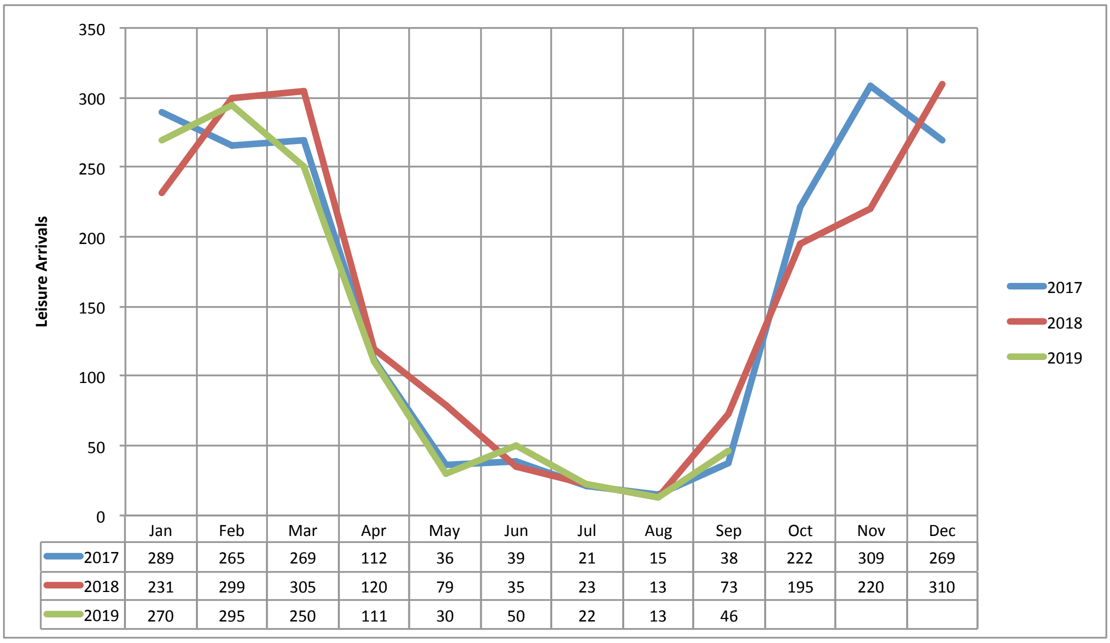
As always, please drop me a line with any comments or thoughts you have about *Tourism Quarterly*. The aim of the publication is to provide useful and easily accessible information for everyone involved in tourism.

Stephanie Middleton
Executive Director

This Quarter

Leisure Tourist Arrivals

Leisure tourist arrivals fell by 25.7% in Q3 2019 compared to the same period in 2018. However, numbers are relatively small in this quarter and this amounts to a fall of only 28 visitors.



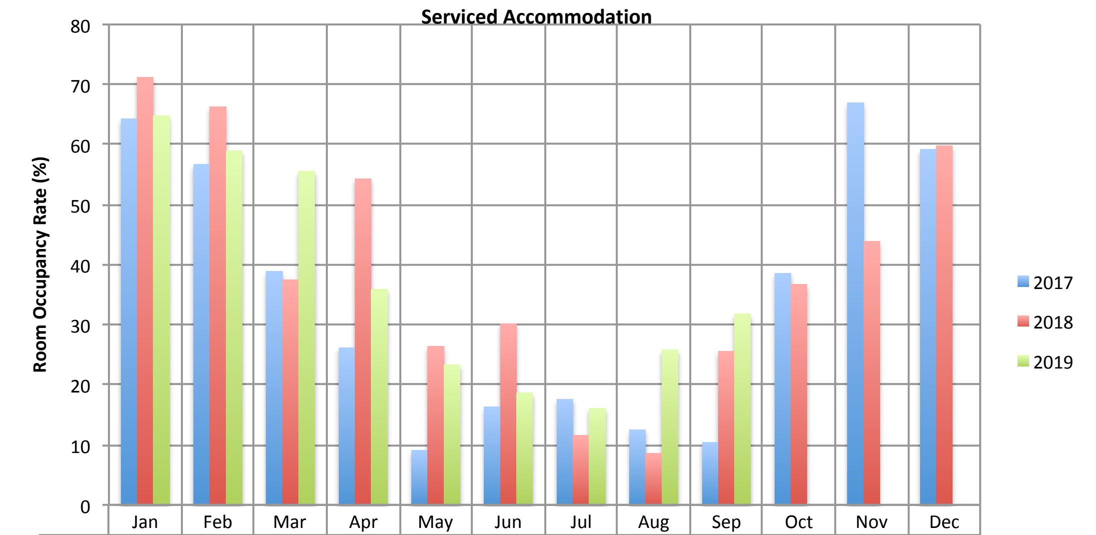
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2017	289	265	269	112	36	39	21	15	38	222	309	269
2018	231	299	305	120	79	35	23	13	73	195	220	310
2019	270	295	250	111	30	50	22	13	46			

Month	2017-18	2018-19	2019-20	Change (%)
Jul	21	23	22	(4.3)
Aug	15	13	13	0.0
Sep	38	73	46	(37.0)
Oct	222	195		
Nov	309	220		
Dec	269	310		
Jan	231	270		
Feb	299	295		
Mar	305	250		
Apr	120	111		
May	79	30		
Jun	35	50		

This Quarter

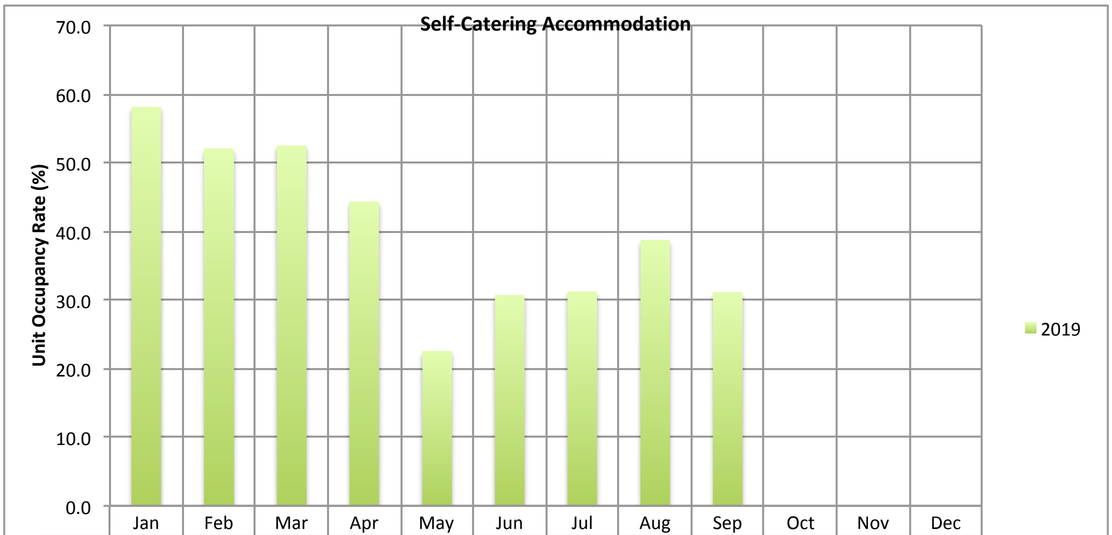
Accommodation Occupancy

Room occupancy rates for serviced accommodation were up in all three months of the quarter compared to 2018, with growth in August being significant.



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2017	64.3	56.7	38.9	26.2	9.1	16.3	17.6	12.5	10.4	38.6	67.0	59.2
2018	71.2	66.3	37.5	54.3	26.4	30.2	11.6	8.6	25.6	36.7	43.9	59.8
2019	64.8	59.0	55.6	35.9	23.3	18.7	16.1	25.8	31.8			

Self-catering accommodation also performed well in August for a shoulder-season month, reaching almost 39%.

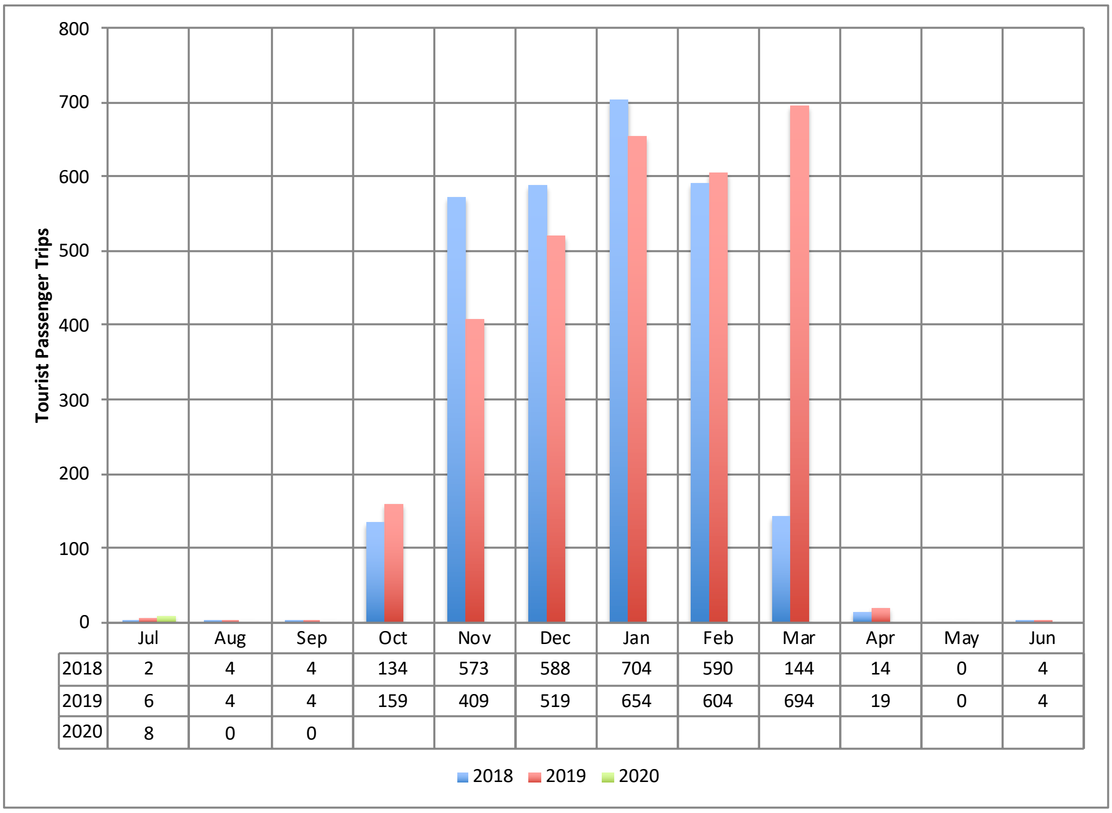


	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2019	58.1	52.0	52.5	44.3	22.5	30.7	31.2	38.7	31.1			

This Quarter

Tourist Passengers Carried on FIGAS

FIGAS typically carries very few tourist passengers during Q3 of the year – there were 8 this year compared to 14 in 2018.



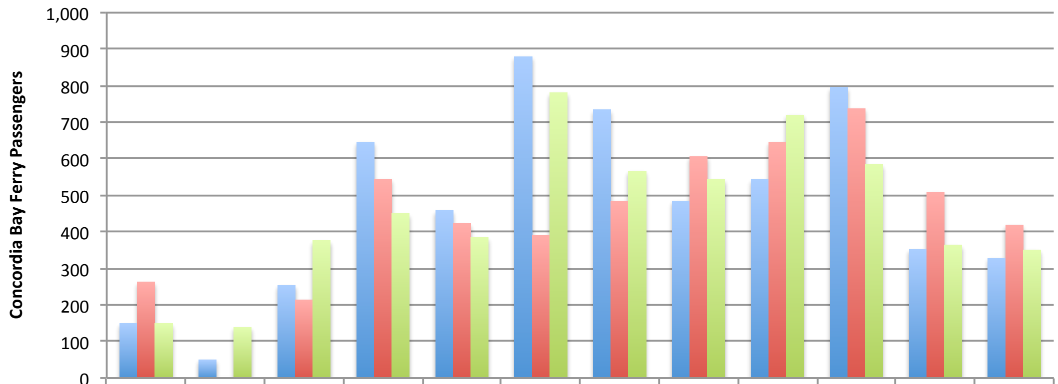
Month	2017-18	2018-19	2019-20	% Growth
Jul	2	6	8	33.3
Aug	4	4	0	-
Sep	4	4	0	-
Oct	134	159		
Nov	573	403		
Dec	588	519		
Jan	704	654		
Feb	590	604		
Mar	144	694		
Apr	14	19		
May	0	0		
Jun	4	4		

Courtesy of FIGAS

This Quarter

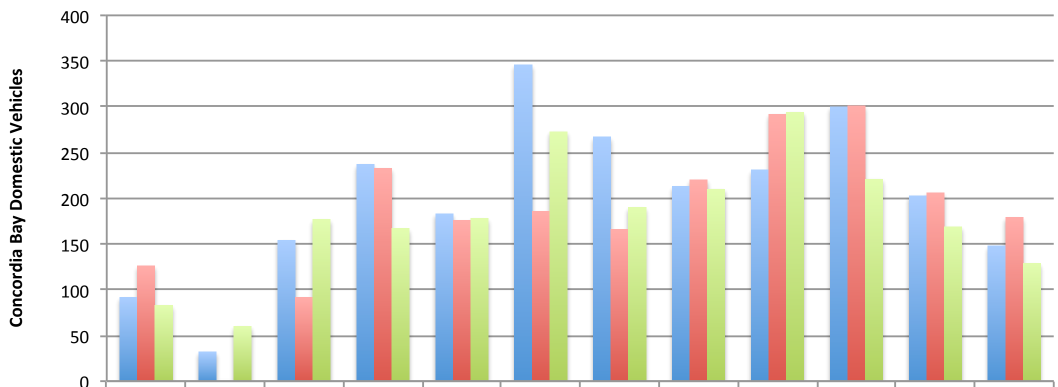
Passengers and Domestic Vehicles on Concordia Bay Ferry

It has not been possible to obtain Concordia Bay ferry passenger numbers for Q3 2019. These will be included in the next edition of Tourism Quarterly. The chart below shows the most recent data available.



	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
2016-17	150	50	254	646	458	880	734	485	544	796	352	328
2017-18	263	0	214	545	423	390	484	606	646	738	509	419
2018-19	149	139	376	450	385	781	567	544	720	585	364	351

It has not been possible to obtain Concordia Bay ferry vehicle numbers for Q3 2019. These will be included in the next edition of Tourism Quarterly. The chart below shows the most recent data available.

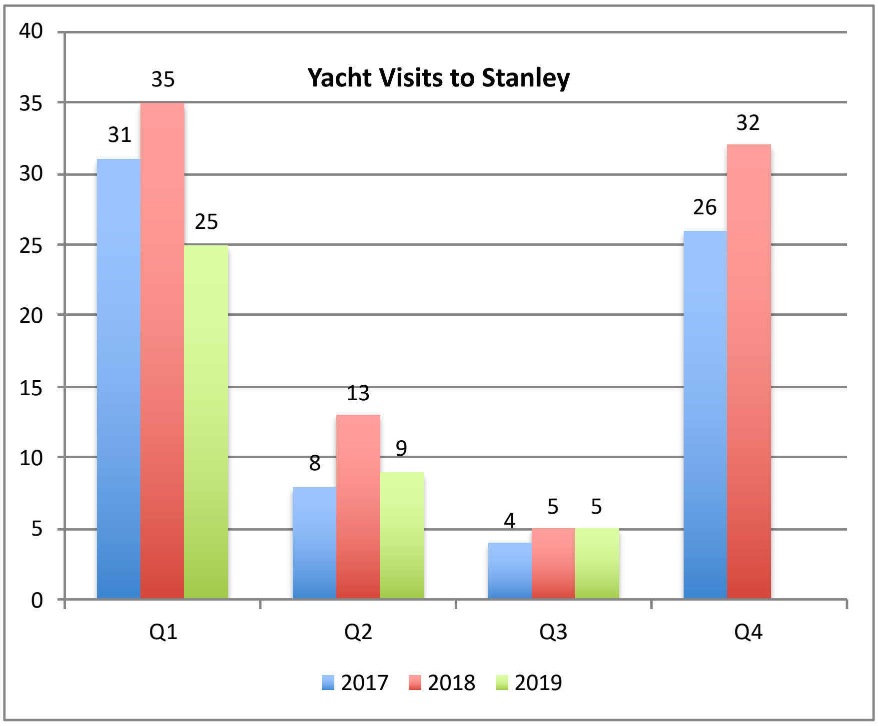


	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
2016-17	92	32	154	237	183	346	267	213	231	300	203	148
2017-18	126	0	92	233	176	186	166	220	292	301	206	179
2018-19	83	60	177	167	178	273	190	210	294	221	169	129

This Quarter

Yacht Visits to Stanley

A total of 5 yacht visits were made to Stanley in Q3 2019, the same number as in the same quarter of 2018.



Courtesy of Falkland Islands Yacht Club

Jetty Visitor Centre Footfall

The JVC footfall was up by a significant 76% in Q3 2019 compared to the same quarter in 2018.

Month	2017-18	2018-19	2019-20	% Growth
Jul	314	0	327	-
Aug	316	284	399	40.5
Sep	616	480	620	29.2
Oct	4,437	3,604		
Nov	7,689	6,616		
Dec	10,202	11,841		
Jan	21,265	17,877		
Feb	19,249	22,749		
Mar	7,755	11,646		
Apr	507	1,505		
May	543	421		
Jun	282	314		
Total	**73,175**	**77,337**		

This Quarter

Website: www.falklandislands.com

The number of unique visitors to the website continues to exhibit strong growth. There were almost 36,000 unique visitors in September, the highest figure ever recorded by some considerable margin, viewing almost 79,000 pages.

Website	Unique Visitors			Pages Viewed		
	2018	2019	(%)	2018	2019	(%)
Jan	17,567	24,680	40.5	52,623	74,700	42.0
Feb	13,587	22,909	68.6	38,747	54,147	39.7
Mar	13,047	24,787	90.0	35,543	57,291	61.2
Apr	11,423	27,207	138.2	31,891	60,538	89.8
May	18,827	24,813	31.8	40,389	55,261	36.8
Jun	19,972	22,171	11.0	42,703	48,188	12.8
Jul	19,320	26,053	34.8	45,003	55,830	24.1
Aug	18,377	25,351	37.9	42,687	58,708	37.5
Sep	18,755	35,889	91.4	43,984	78,812	79.2
Oct	20,035			50,568		
Nov	21,741			60,786		
Dec	22,113			60,082		

Social Media: Facebook and Twitter

Facebook Reach in Q3 2019 was down 21% on the same period in 2018, unable to attain the strong reach that was recorded in July-September 2018, which was driven by some particularly successful campaigns. Twitter Impressions were down by the same amount.

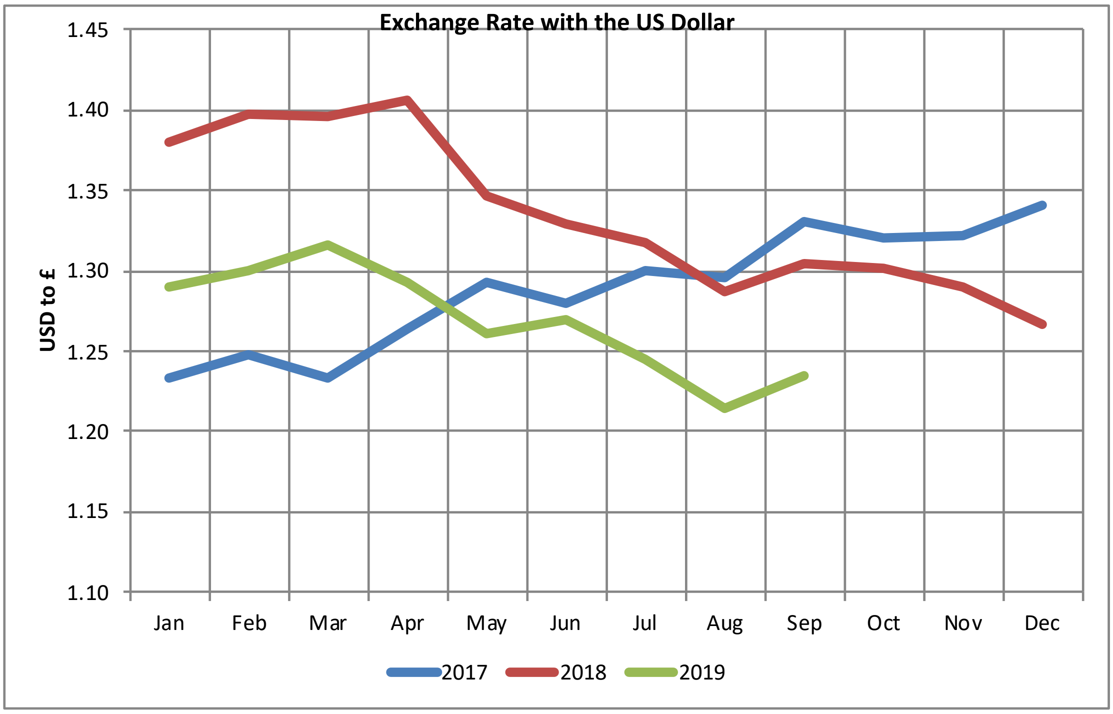
Social Media	Facebook Reach			Twitter Impressions		
	2018	2019	(%)	2018	2019	(%)
Jan	478,523	1,354,670	183.1	52,100	40,100	(23.0)
Feb	262,831	2,610,402	893.2	26,400	76,500	189.8
Mar	509,812	622,928	22.2	27,900	57,300	105.4
Apr	315,558	631,993	100.3	24,700	49,300	99.6
May	1,003,621	532,994	(46.9)	30,500	46,000	50.8
Jun	1,186,333	443,445	(62.6)	55,800	30,200	(45.9)
Jul	1,265,196	801,624	(36.6)	75,200	55,600	(26.1)
Aug	654,438	654,400	(0.0)	71,900	64,700	(10.0)
Sep	692,299	603,570	(12.8)	55,600	39,500	(29.0)
Oct	470,168			41,000		
Nov	638,618			54,200		
Dec	665,219			39,400		

Facebook Reach: Total number times a post is displayed (seen) in the month
Twitter Impressions: Total number of times a tweet is displayed (seen) in the month

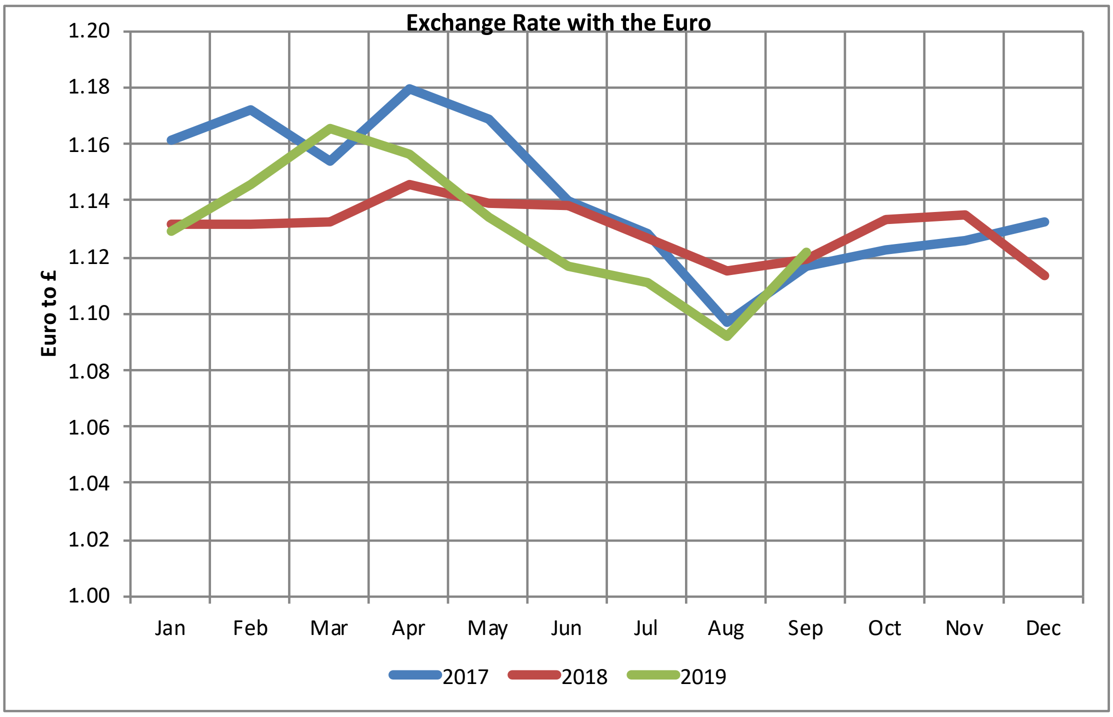
This Quarter

Currency Exchange Rates

US Dollar: During Q3 the value of the pound fell against the dollar largely due to the uncertainties of Brexit; although there was some slight recovery in September. This makes the Falklands cheaper for US visitors as they can buy more pounds for their dollars.



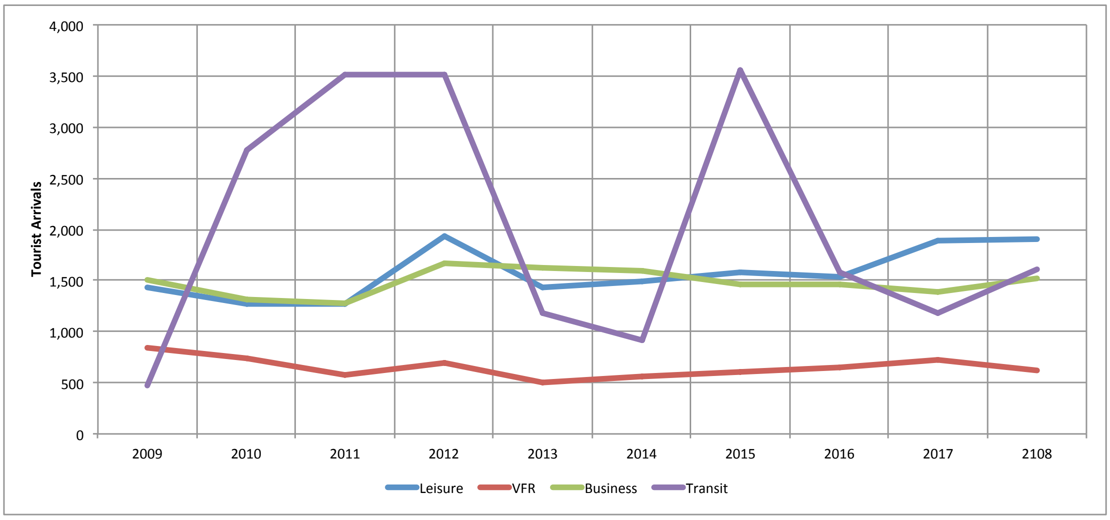
Euro: The value of the pound against the euro also fell during Q3, mainly due to the uncertainties of Brexit, although as with the US dollar, it recovered in September. This makes the Falklands cheaper for visitors in eurozone countries.



Long Term Trends

Tourist Arrivals by Purpose of Visit (2009-2018)

Leisure tourism grew by 1% in 2018, which is significant as it is the first time there has been growth the year after an anniversary year (e.g. 2007, 2012, 2017) when leisure visitor numbers tend to spike. Visits to friends and relatives (VFR) fell by 13.2%, however business visitors grew by 9.1% and transit visitors by 36.1%. Overall, tourist arrivals for all purposes grew by 9.2%.

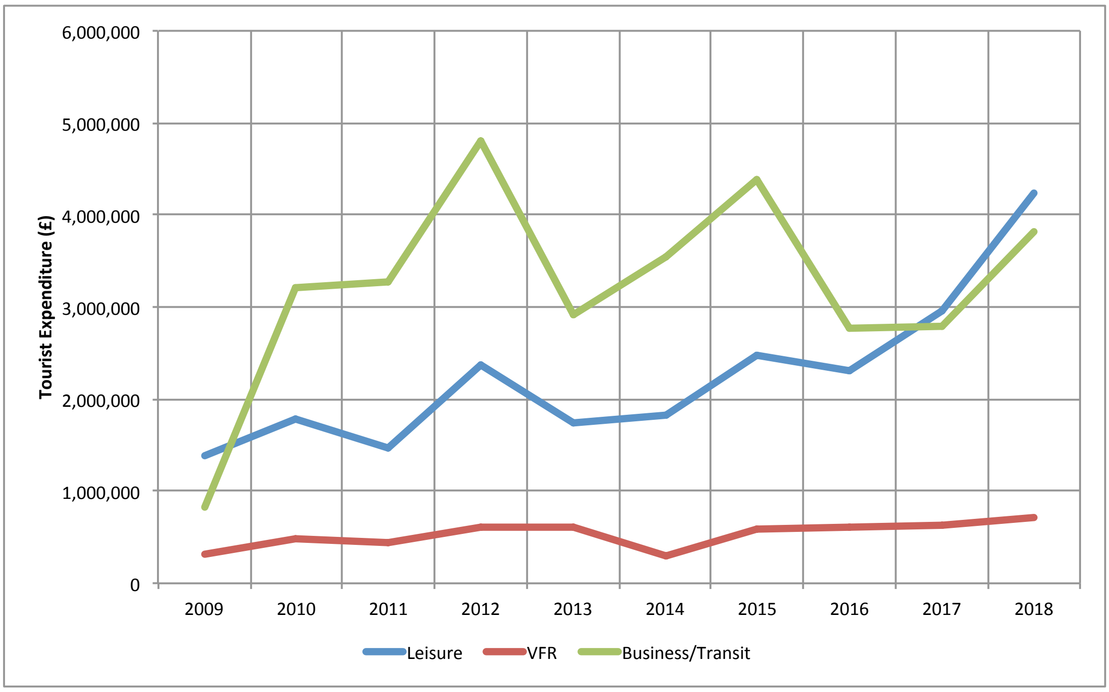


Year	Leisure	VFR	Business	Transit	Total	Leisure Growth (%)	Total Growth (%)
2009	1,429	839	1,510	468	4,246	(16.9)	(17.0)
2010	1,271	735	1,314	2,778	6,098	(11.1)	43.6
2011	1,276	578	1,277	3,518	6,649	0.4	9.0
2012	1,940	693	1,672	3,507	7,812	52.0	17.5
2013	1,426	501	1,621	1,179	4,727	(26.5)	(39.5)
2014	1,494	559	1,599	922	4,574	4.8	(3.2)
2015	1,576	605	1,455	3,553	7,189	5.5	57.2
2016	1,540	657	1,468	1,584	5,249	(2.3)	(27.0)
2017	1,884	718	1,392	1,184	5,178	22.3	(1.4)
2018	1,903	623	1,519	1,611	5,656	1.0	9.2

Long Term Trends

Tourist Expenditure by Purpose of Visit (2009-2018)

Tourist (all purposes) expenditure is calculated from the Air Visitor Survey undertaken by FITB at MPA. In 2018, leisure tourism generated almost £4.2 million in visitor expenditure, with all types of tourist generating almost £8.8 million.

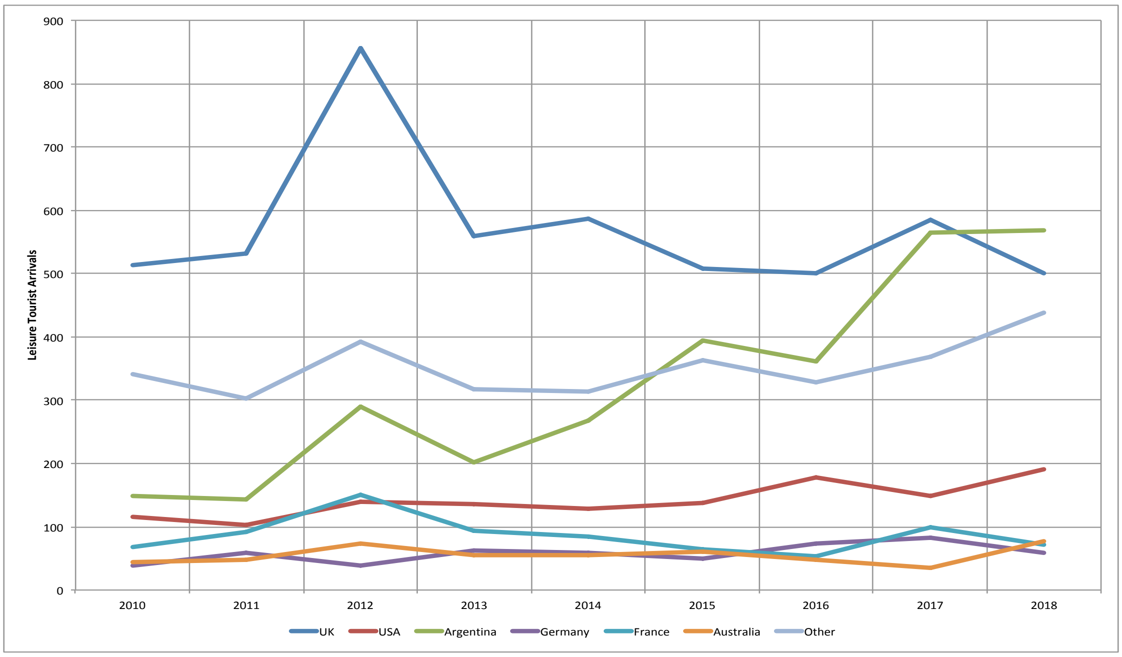


Year	Leisure (£)	VFR (£)	Business and Transit (£)	Total (£)
2009	1,377,367	316,014	827,058	2,520,439
2010	1,784,484	491,199	3,217,856	5,493,539
2011	1,466,762	433,566	3,277,600	5,177,928
2012	2,367,014	605,500	4,802,000	7,774,514
2013	1,738,650	615,209	2,918,767	5,272,625
2014	1,820,273	297,587	3,541,343	5,659,203
2015	2,485,046	587,700	4,375,710	7,448,457
2016	2,301,832	600,524	2,759,802	5,662,158
2017	2,952,562	622,746	2,798,967	6,374,276
2018	4,237,040	721,483	3,821,414	8,779,937

Long Term Trends

Leisure Tourist Arrivals by Country of Residence (2011-2018)

The UK's dominance as the main leisure market continues to be eroded, and in 2018, for the first time, the number of visitors from Argentina travelling for leisure exceeded those visiting from the UK. Arrivals from Australia grew sharply, as did "other countries", showing that the appeal of the Falklands is broadening – the key markets bubbling under the top 6 include Switzerland, Canada and New Zealand.



Year	UK	USA	Argentina	Germany	France	Australia	Other	Total
2011	532	102	143	58	91	48	302	1,276
2012	856	140	289	38	150	74	393	1,940
2013	559	136	201	63	94	55	318	1,426
2014	586	128	268	58	85	56	313	1,494
2015	507	138	394	49	65	60	363	1,576
2016	500	177	361	73	53	48	328	1,540
2017	584	149	565	83	99	35	369	1,884
2018	500	190	568	58	72	77	438	1,903

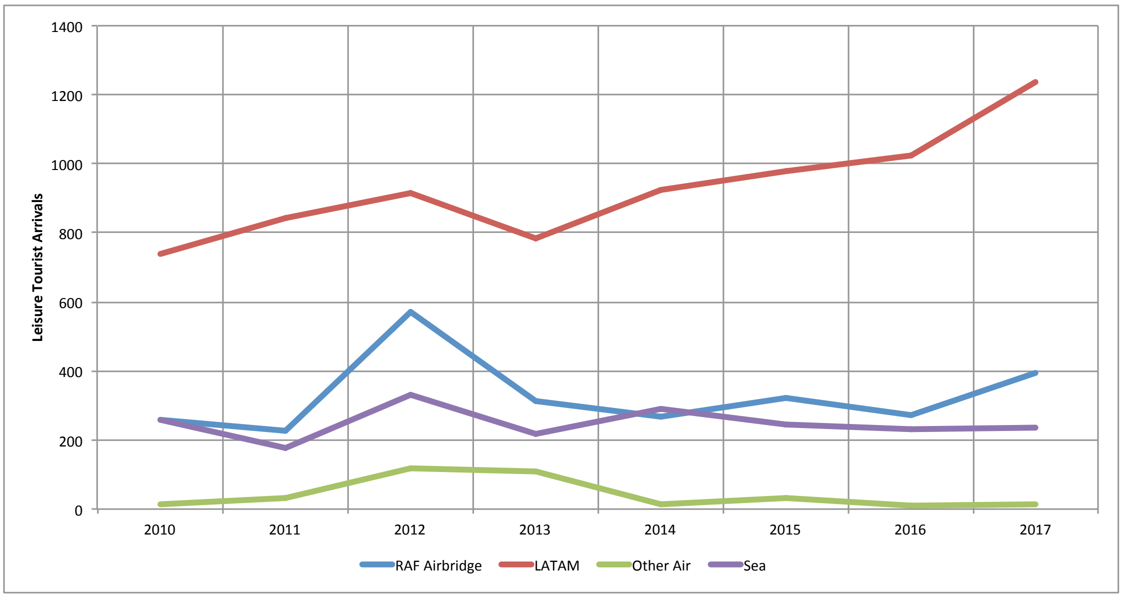
Year-on-year Growth Rates

2011	3.5	(12.1)	(4.0)	52.6	33.8	6.7	(11.4)	0.4
2012	60.9	37.3	102.1	(34.5)	64.8	54.2	30.1	52.0
2013	(34.7)	(2.9)	(30.4)	65.8	(37.3)	(25.7)	(19.1)	(26.5)
2014	4.8	(5.9)	33.3	(7.9)	(9.6)	1.8	(1.6)	4.8
2015	(13.5)	7.8	47.0	(15.5)	(23.5)	7.1	16.0	5.5
2016	(1.4)	28.3	(8.4)	49.0	(18.5)	(20.0)	(9.6)	(2.3)
2017	16.8	(15.8)	56.5	13.7	86.8	(27.1)	12.5	22.3
2018	(14.4)	27.5	0.5	(30.1)	(27.3)	120.0	18.7	1.0

Long Term Trends

Leisure Tourist Arrivals by Mode of Transport (2010-2018)

LATAM via Punta Arenas remains the most popular route for leisure tourists visiting the Falklands, accounting for 1,359 arrivals in 2018, up almost 10% on the previous year. The RAF air bridge was used by only 340 leisure tourists, a 13.5% decrease on 2017.



Year	RAF Airbridge	LATAM	Other Air	Sea	Total
2010	259	739	13	260	1,271
2011	225	844	30	177	1,276
2012	573	916	118	333	1,940
2013	314	786	107	219	1,426
2014	266	926	13	289	1,494
2015	321	978	30	247	1,576
2016	273	1,026	10	231	1,540
2017	393	1,239	16	236	1,884
2018	340	1,359	12	192	1,903

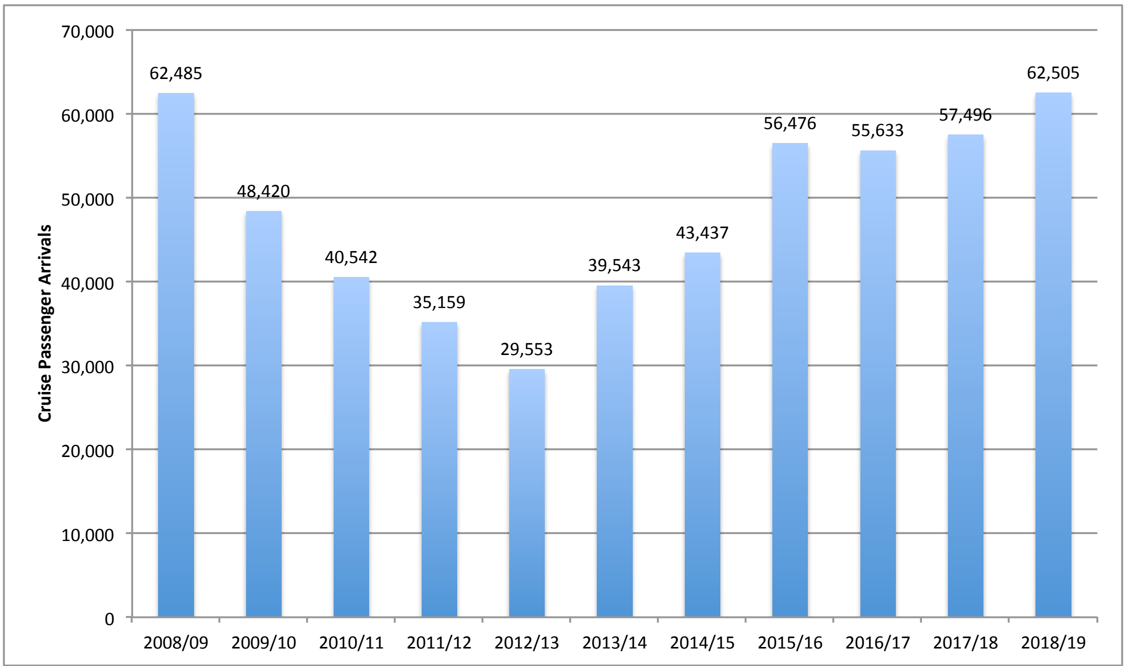
Year-on-year Growth Rates

2010	(35.3)	(6.0)	(64.9)	26.2	(11.1)
2011	(13.1)	14.2	130.8	(31.9)	0.4
2012	154.7	8.5	293.3	88.1	52.0
2013	(45.2)	(14.2)	(9.3)	(34.2)	(26.5)
2014	(15.3)	17.8	(87.9)	32.0	4.8
2015	20.7	5.6	130.8	(14.5)	5.5
2016	(15.0)	4.9	(66.7)	(6.5)	(2.3)
2017	44.0	20.8	60.0	2.2	22.3
2018	(13.5)	9.7	(25.0)	(18.6)	1.0

Long Term Trends

Cruise Passenger Arrivals (2008-2019)

There were 62,505 cruise visitor arrivals in the 2018-19 season, the largest number of cruise visitors to ever visit the Falklands in a single season, representing an increase of 8.7% on the previous season. There were seven vessel cancellations, accounting for the loss of around 7,000 potential visitors.



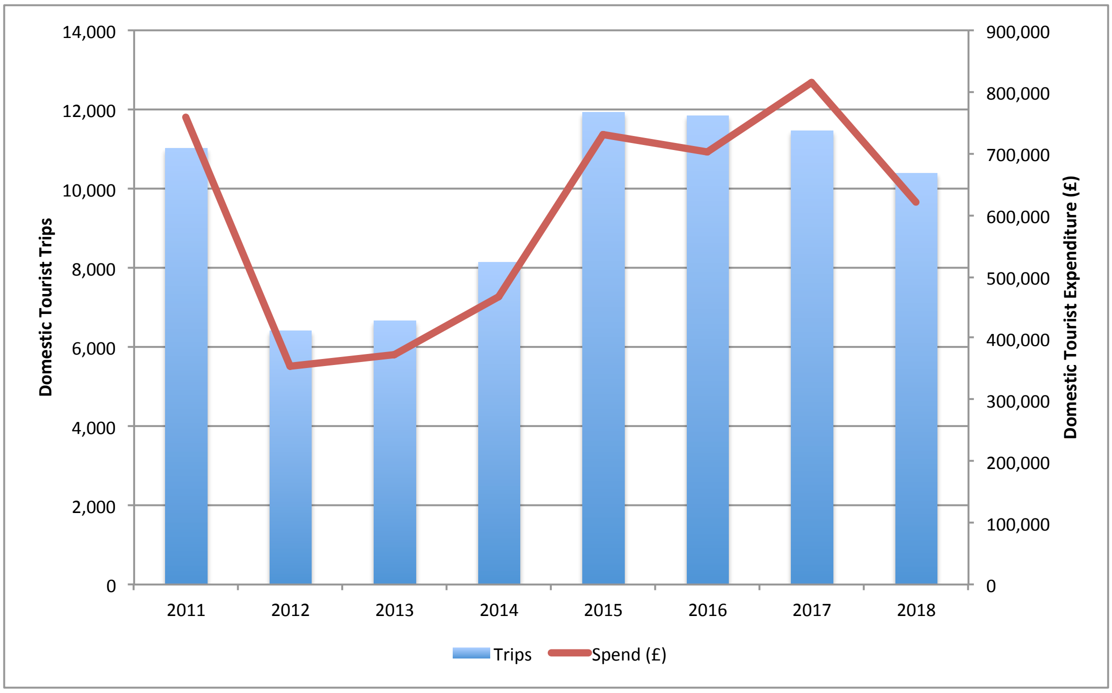
Season	Arrivals	Change (%)	Spend/Pax (£)	Total Spend (£)	Change (%)
2008/09	62,485		45.73	2,857,439	
2009/10	48,420	(22.5)	32.82	1,589,144	(44.4)
2010/11	40,542	(16.3)	34.50	1,398,699	(12.0)
2011/12	35,159	(13.3)	50.75	1,784,319	27.6
2012/13	29,553	(15.9)	57.27	1,692,500	(5.1)
2013/14	39,543	33.8	53.89	2,130,972	25.9
2014/15	43,437	9.8	54.87	2,383,388	11.8
2015/16	56,476	30.0	49.03	2,769,018	16.2
2016/17	55,633	(1.5)	57.77	3,213,918	16.1
2017/18	57,496	3.3	56.41	3,243,349	0.9
2018/19	62,505	8.7	64.89	4,055,949	25.1

Expenditure by cruise visitors is calculated from the Cruise Visitor Survey carried out by FITB. Analysis of the 2018/19 season survey showed an increase of almost £8.50 in expenditure per passenger, with total expenditure passing the £4 million mark, an increase of 25.1%.

Long Term Trends

Domestic Tourism Trips and Expenditure (2011-2018)

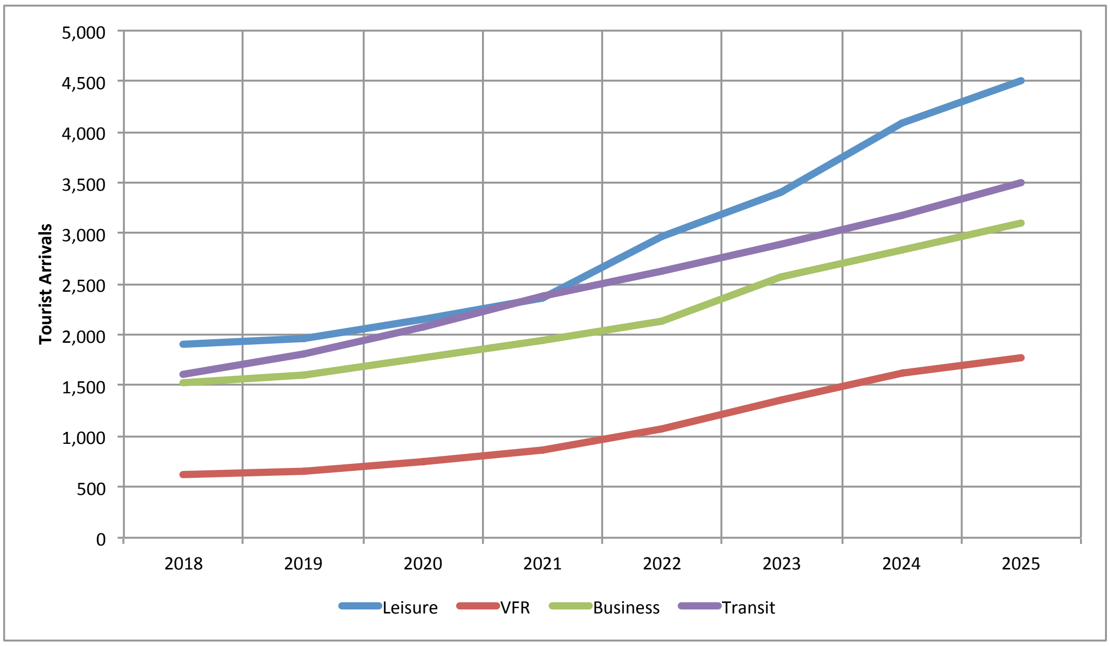
Domestic tourism is estimated from the quarterly Domestic Household Survey undertaken by FITB. Domestic tourism trips have been declining slightly since 2015, although expenditure peaked in 2017. In 2018 there were an estimated 10,400 domestic tourism trips, staying over 39,000 nights and spending almost £622,000.



Forecasts

Overnight Tourism Forecast

Leisure tourism is expected to grow by 3% in 2019, with present forecasts showing more rapid growth over the period to 2025. These are based on an additional weekly flight between Sao Paulo and MPN commencing by 2020.

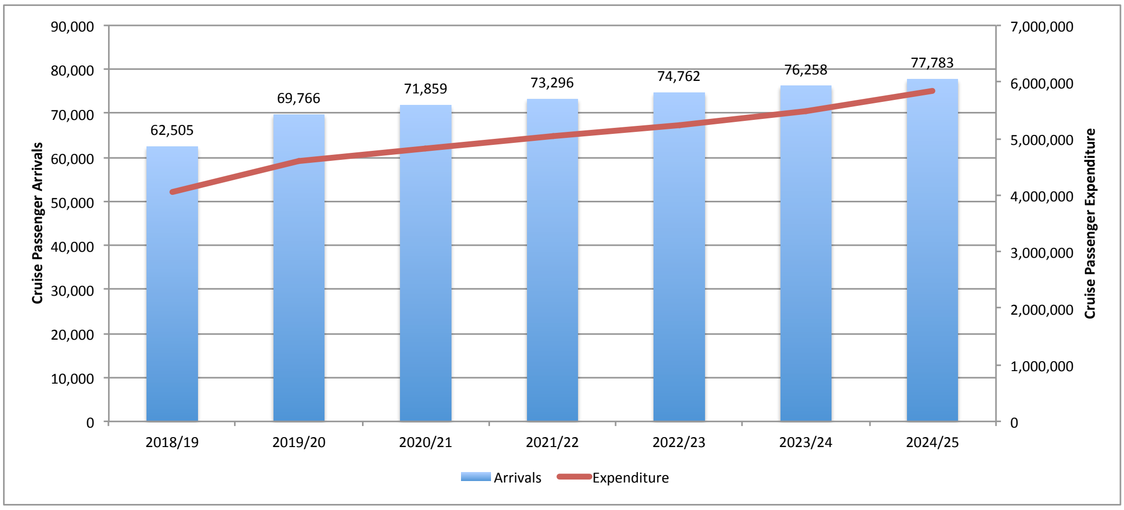


Year	Leisure	VFR	Business	Transit	Total	Leisure Growth (%)	Total Growth (%)
2018	1,903	623	1,519	1,611	5,656	1.0	9.2
2019	1,960	654	1,610	1,804	6,029	3.0	6.6
2020	2,156	752	1,771	2,075	6,754	10.0	12.0
2021	2,372	865	1,948	2,386	7,571	10.0	12.1
2022	2,965	1,081	2,143	2,625	8,814	25.0	16.4
2023	3,409	1,352	2,572	2,887	10,220	15.0	16.0
2024	4,091	1,622	2,829	3,176	11,718	20.0	14.7
2025	4,500	1,784	3,112	3,494	12,890	10.0	10.0

Forecasts

Cruise Passenger Arrivals and Expenditure Forecast

Growth in passenger arrivals in the 2018/19 season is expected to reach 11.6%. There is expected to be strong growth in the number of expedition passengers over the next two seasons as this market continues to expand. Growth over the period to 2025 is expected to be more modest with around 78,000 arrivals in the 2024-2025 season.



Season	Arrivals	Arrivals Growth (%)	Total Spend (£)	Spend Growth (%)
2017/18	57,496	3.3	3,243,349	0.9
2018/19	62,505	8.7	4,055,949	25.1
2019/20	69,766	11.6	4,604,570	13.5
2020/21	71,859	3.0	4,814,566	4.6
2021/22	73,296	2.0	5,057,450	5.0
2022/23	74,762	2.0	5,233,361	3.5
2023/24	76,258	2.0	5,490,544	4.9
2024/25	77,783	2.0	5,833,703	6.3