

SURVEY RESULTS

National Tourism Business Impacts Survey

TC Harold and
COVID-19 Pandemic



**Department of Tourism &
Vanuatu Tourism Office**

24 April 2020

Summary of Findings

This survey of impacts on Vanuatu tourism businesses of TC Harold and the COVID-19 Pandemic is intended to provide a wholistic understanding of how these crises have affected Vanuatu's tourism industry. The survey was open to all Vanuatu tourism businesses, regardless of size or location, and was conducted predominantly as an online survey, which tourism operators completed themselves. Department of Tourism and Vanuatu Tourism Office staff also used the online survey form to conduct a phone survey for tourism operators in rural settings in all provinces. The survey was conducted between 10 April and 17 April 2020.

The survey was split into two parts; a section on the impacts of TC Harold and a section on the impacts of the COVID-19 Pandemic. Background information about the nature of the tourism businesses responding was also collected. The survey received a total of 267 valid responses (n=267).

Background of tourism businesses surveyed

A small majority of tourism businesses, 53%, reported that they are currently in operation. 55% said they usually cater to tourists from both international and domestic markets, and the majority (87%) have either a full or conditional tourism permit for their business. 46% of surveyed tourism businesses are located in Shefa Province, 19% in Sanma Province, 14% in Tafea Province, 10% in Malampa Province, 10% in Torba Province, and 0.4% in Penama Province (only 1 Penama tourism business responded). The low response rate from this province due to the inability to communicate with this province due to the damage communications infrastructure there inflicted by TC Harold.

Respondents were allowed to select multiple business categories to describe their businesses. 62% of the respondents provide accommodation, 36% offer tour/inbound services, 24% have a bar or restaurant, 12% sell art or handicrafts, 5% have dive operations and 4% offer event management services.

Of the accommodation providers who responded, 45% are island bungalows, hotels/resorts 26%, and guesthouses 16%. 19% of these businesses have 1-5 beds, 14% have 5-10 beds, and 13% have 10-20 beds.

Impacts of TC Harold

The majority of tourism businesses surveyed report being unaffected by the cyclone (58%). Of the 42% of business reporting that they were affected, 44% of these businesses were in Sanma Province, and 20% were in Malampa Province. Penama province businesses again appear to be underrepresented, again likely due to the damage to communications infrastructure in this province meant that businesses there were unable to participate in the survey. Sanma and Malampa tourism businesses are also likely to be underreported, for the same reason.

A significant number of tourism businesses located outside the area affected by TC Harold also reported that they had been affected by the cyclone. This result appears to be erroneous and warrants further study to explain this unusual response bias.

Damage to property, decreased revenue and decreased productivity were the three main impacts reported by businesses affected by TC Harold. These businesses also reported that marketing, financial management and product development were the three main areas that they need assistance with following the cyclone.

Impacts of the COVID-19 Pandemic

Decreased revenue, decreased productivity and reduced workforce were the three main impacts reported by businesses affected by the COVID-19 Pandemic. These businesses also reported that marketing, product development and financial management were the three main areas where they needed assistance with because of the COVID-19 Pandemic.

Respondents also indicated that they have significantly reduced their staff numbers in response to the COVID-19 Pandemic. A total reduction of 2,077 full-time employees and 214 part-time employees is reported by respondents. These reductions represent a 70% fall in full time employment, and a fall of 33% in part-time employment.

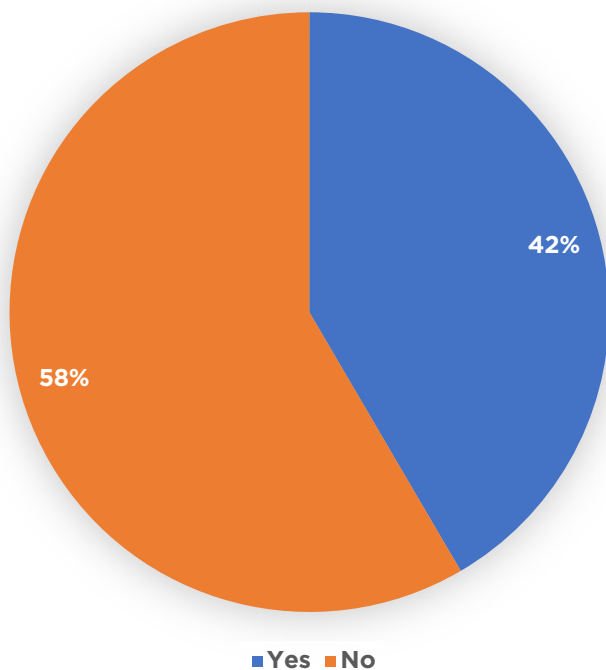
1,633 employees have been placed on unpaid leave due to the COVID-19 Pandemic, 462 on paid leave and 300 employees have been terminated.

The majority of 74% respondents have heard of the Vanuatu Government's economic stimulus package, although a significant proportion (30%) also report that they don't know too much about it.

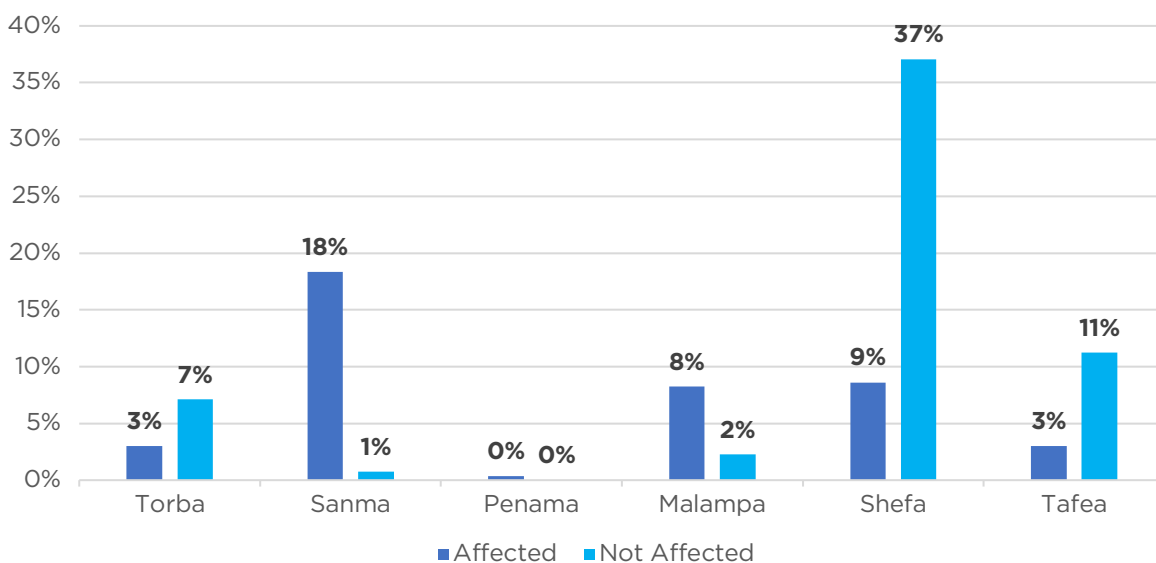
89% of respondents also report that the Vt30,000 monthly payment offered by Government for each employee will help their business to either retain their employees, rehire them or bring them back from leave.

Part 1 Impacts of TC Harold on Tourism Businesses

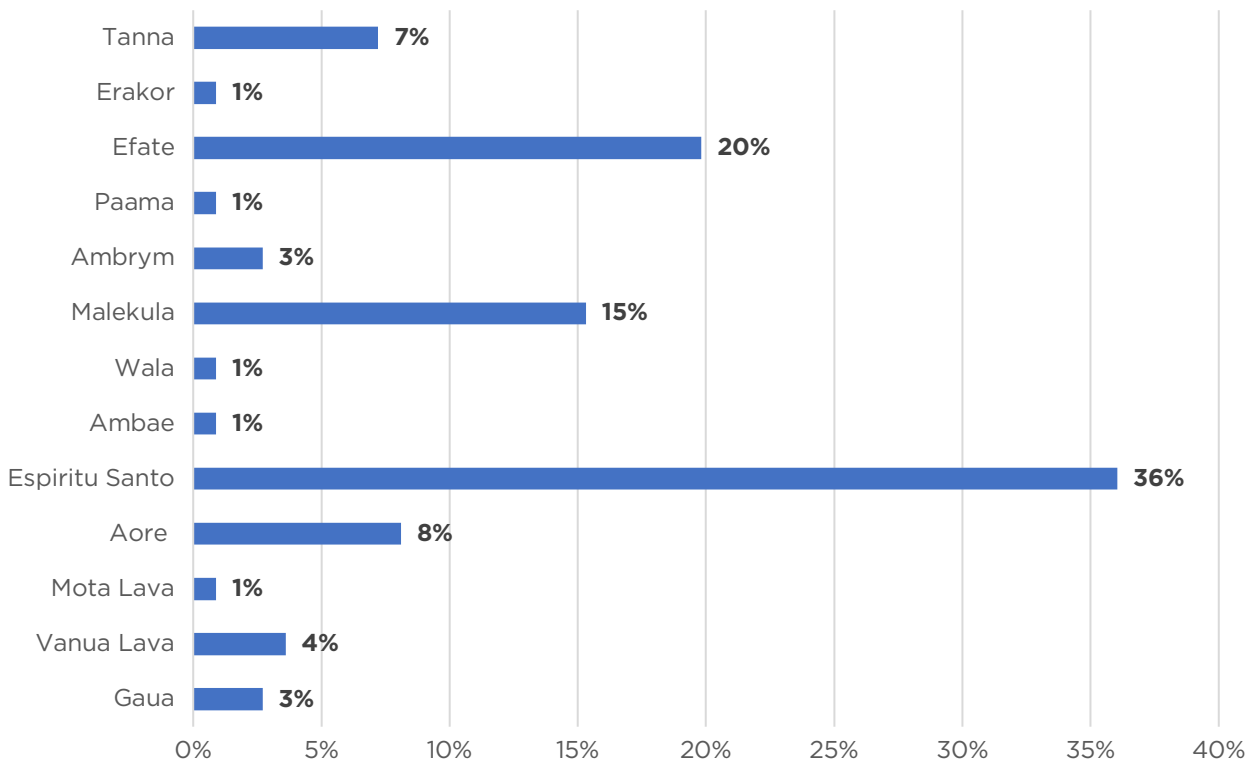
1.1. Has your tourism business been affected by Tropical Cyclone Harold?



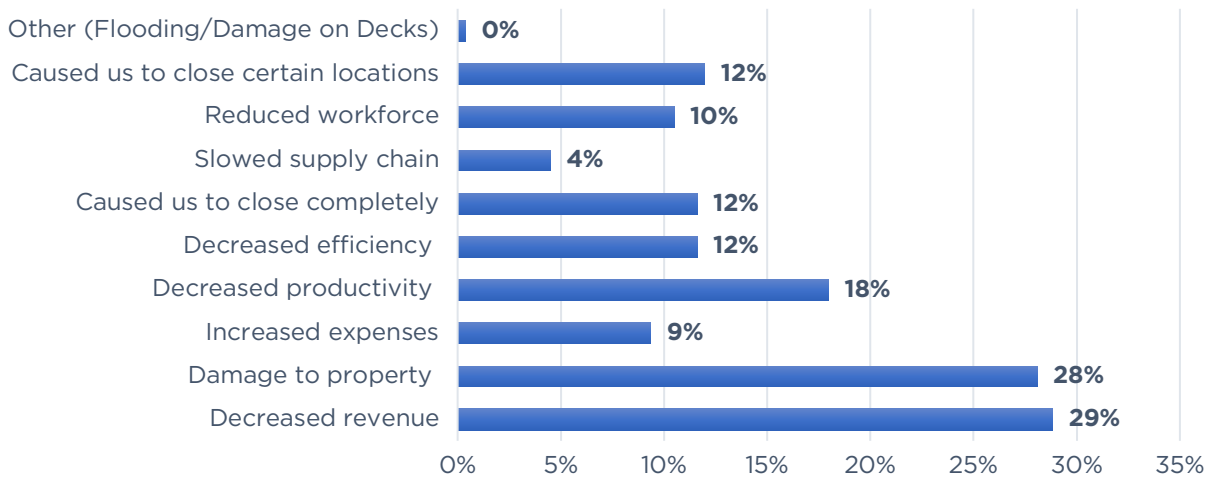
1.1.a. Tourism businesses affected by TC Harold, by province



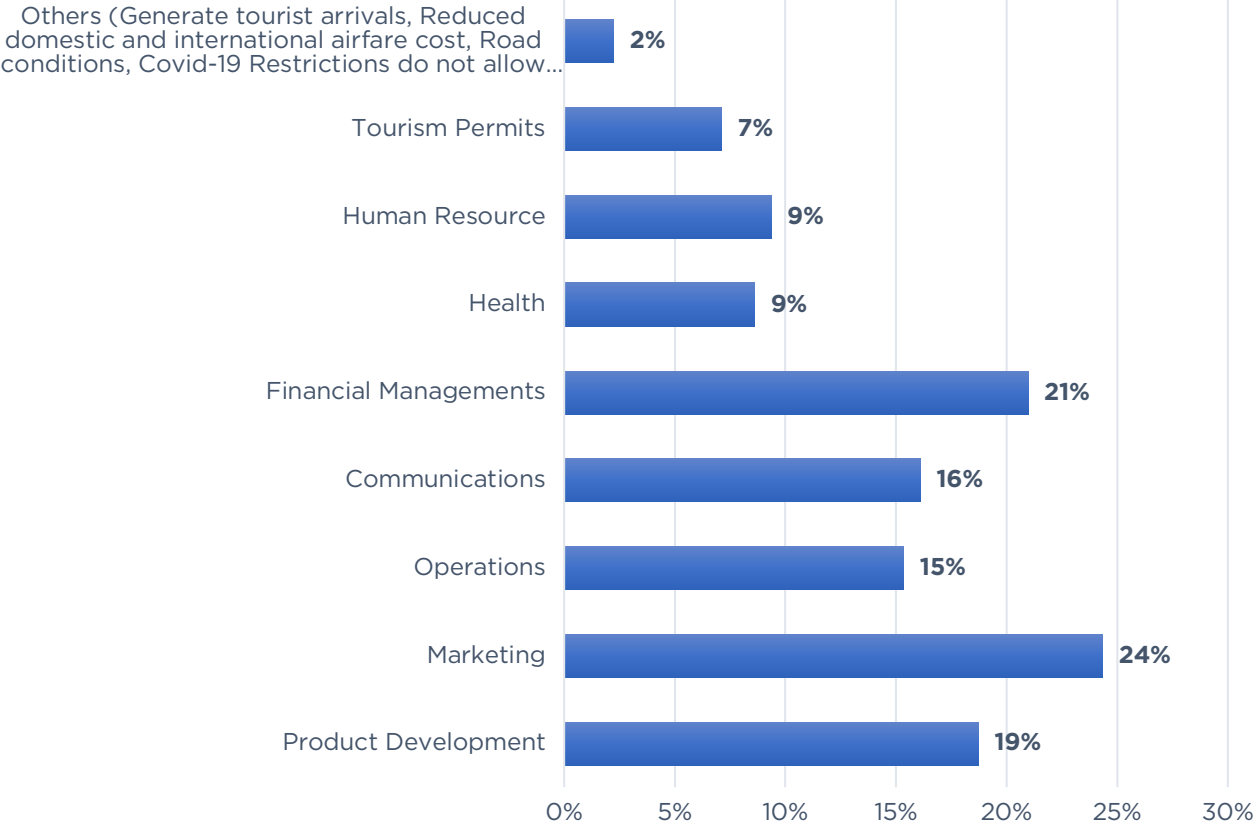
1.1.b. Tourism businesses affected by TC Harold, by island



1.2. How did Tropical Cyclone Harold impact your business? (multiple responses allowed)

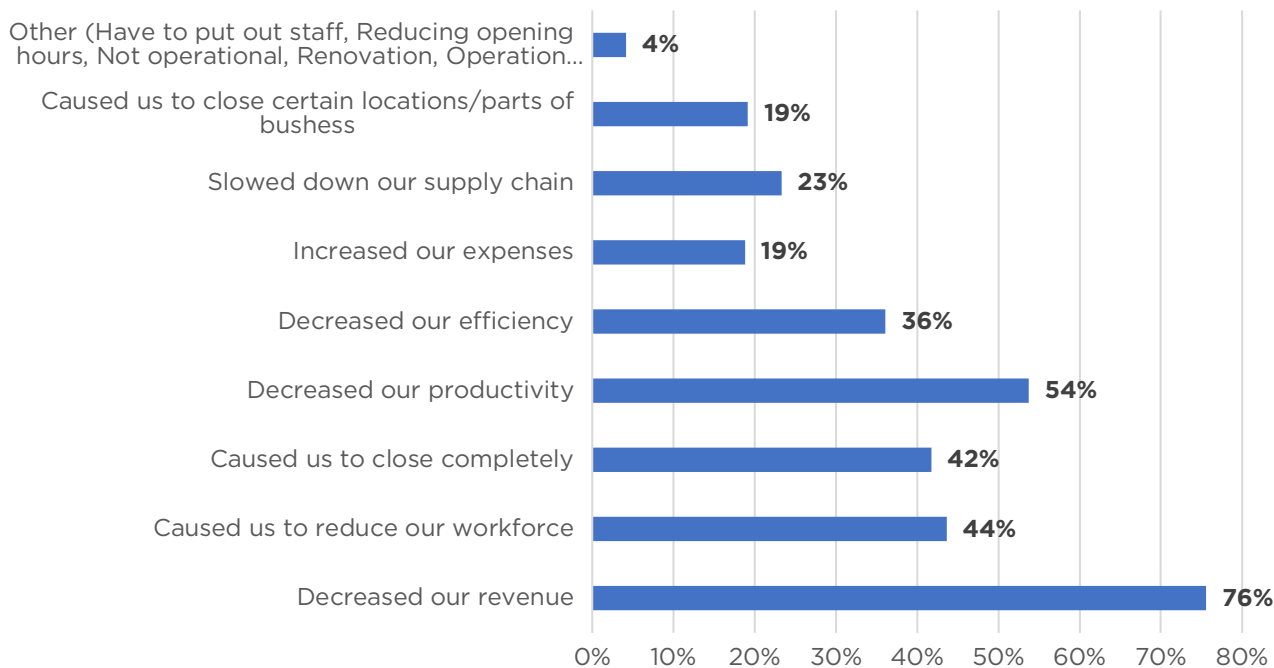


1.3. What are the three main areas of your tourism business affected by Tropical Cyclone Harold that you need assistance with? (multiple responses allowed)

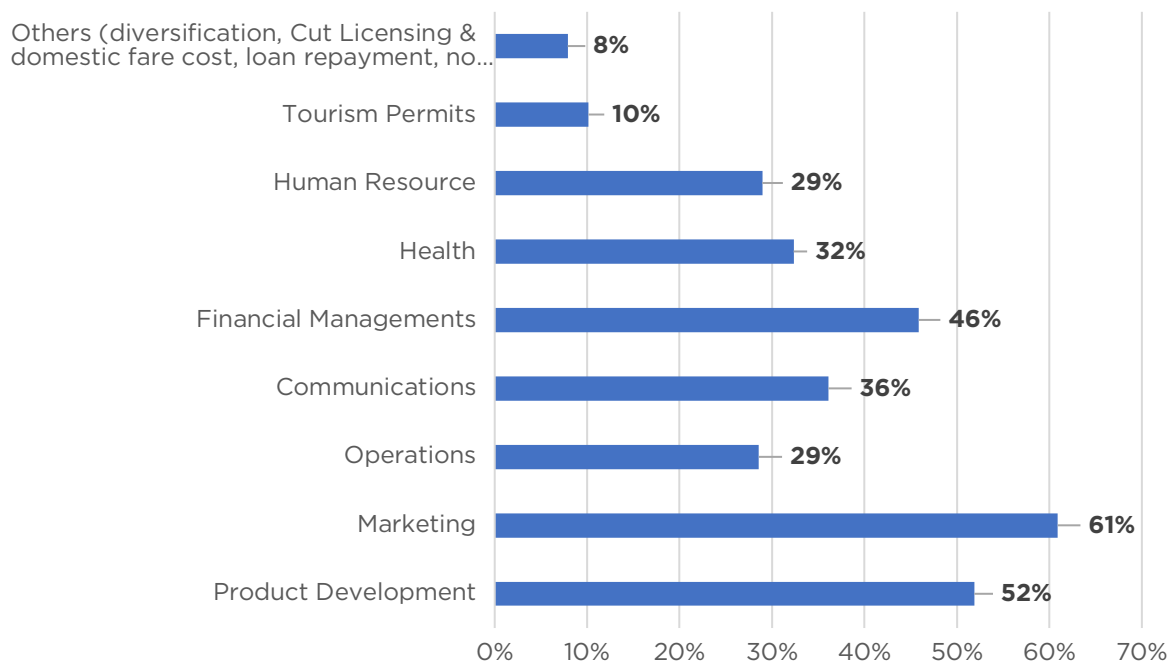


Part 2 Impacts of COVID-19 Pandemic on Tourism Businesses

2.1. How has the COVID-19 Pandemic impacted your business? (multiple responses allowed)



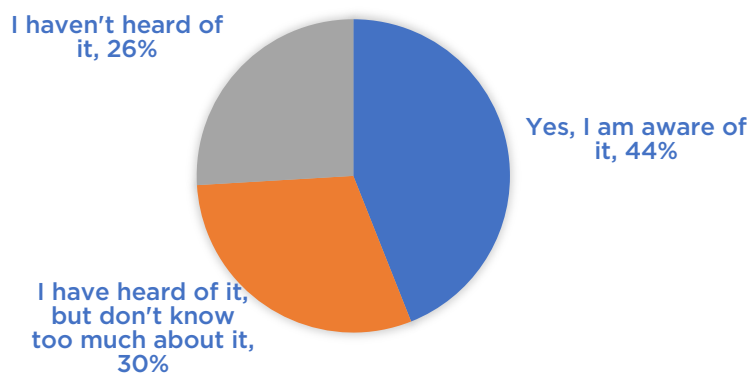
2.2. What are the three main areas of your business affected by the COVID-19 Pandemic that you need assistance with? (multiple responses allowed)



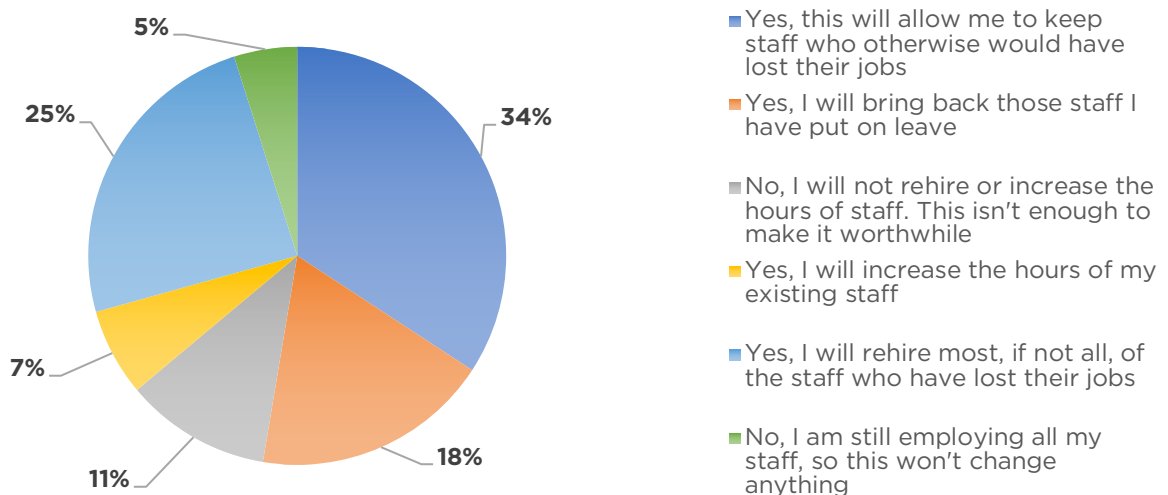
2.3. How has staffing been affected by the COVID-19 Pandemic? (combined total, all respondents)

Impacts	Number of Employees
Full-time employees before COVID-19 Pandemic	2,953
Full-time employees now	876
Part-time employees before COVID-19 Pandemic	642
Part-time employees now	428
Employees on paid leave due to COVID-19	462
Employees without pay due COVID-19	1,633
Employees terminated	300

2.4. The Government recently announced its economic stimulus package for the COVID-19 Pandemic. Are you aware of this?

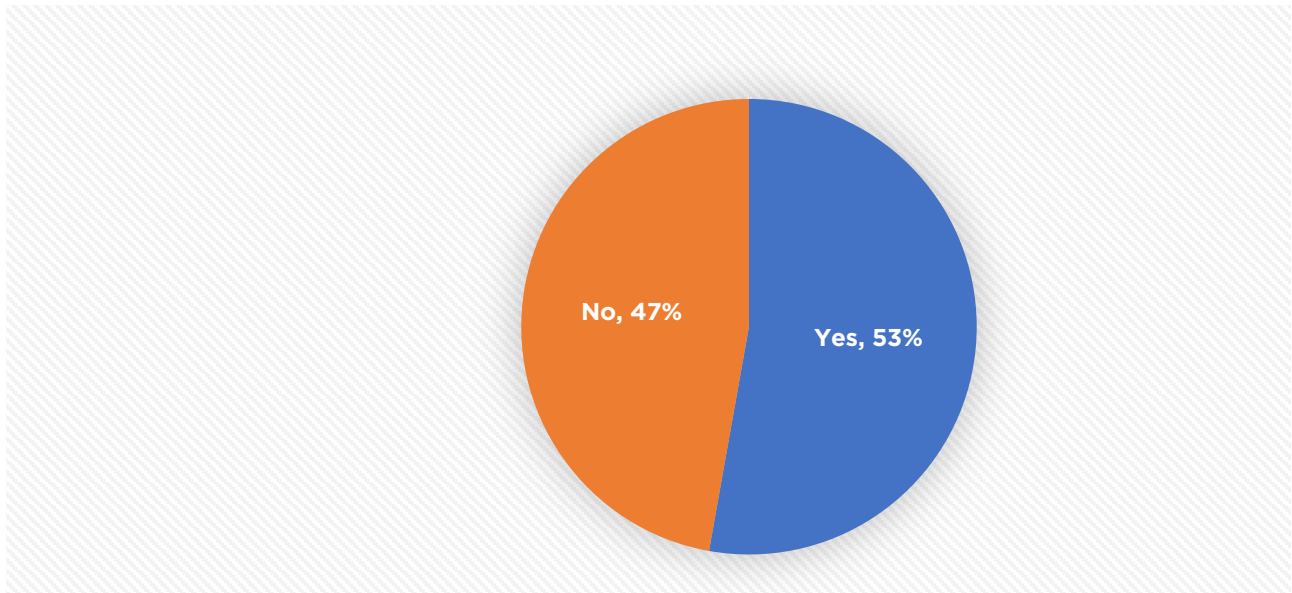


2.5. The Government stimulus package provides employers 30,000VT for each (VNPF registered) employee that they employ, over the next four months. Will this package change your behaviour?

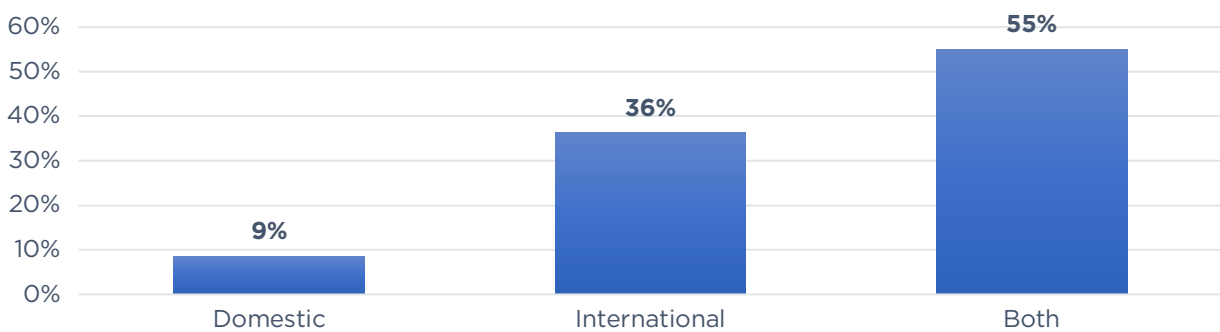


Part 3 Background information on Tourism Businesses Surveyed

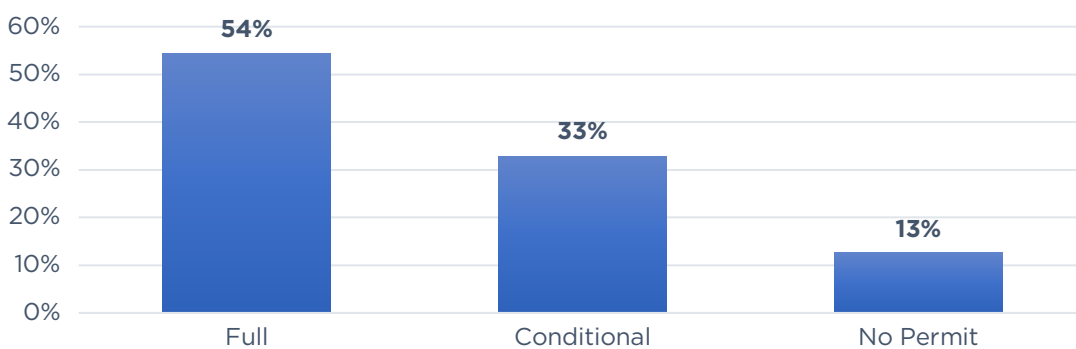
3.1 Is your tourism business currently operational?



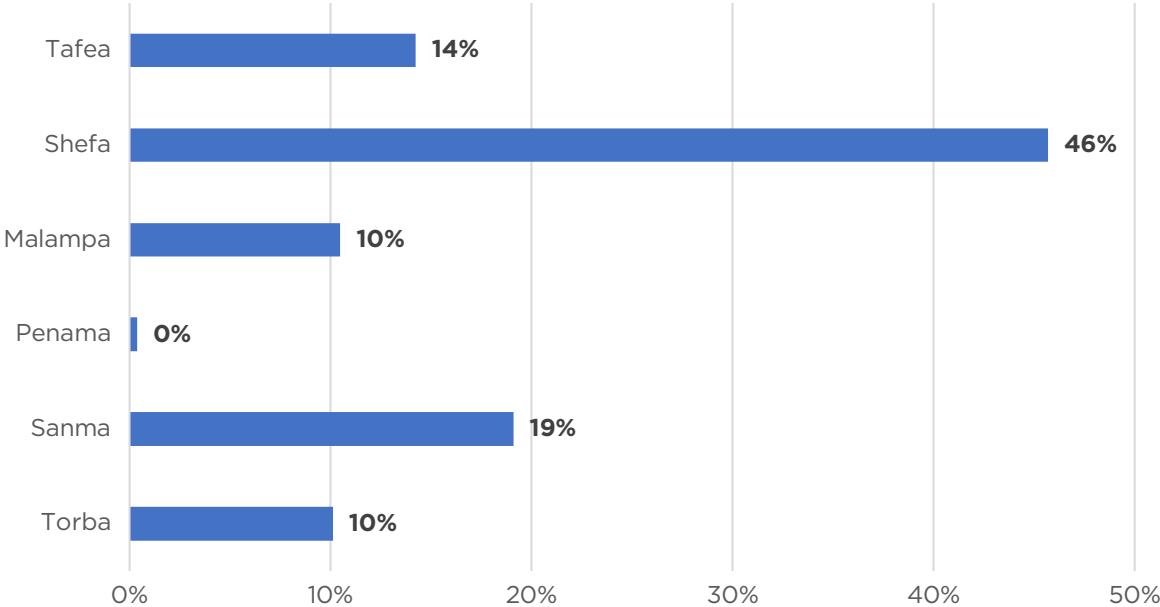
3.2. Main source markets for tourists



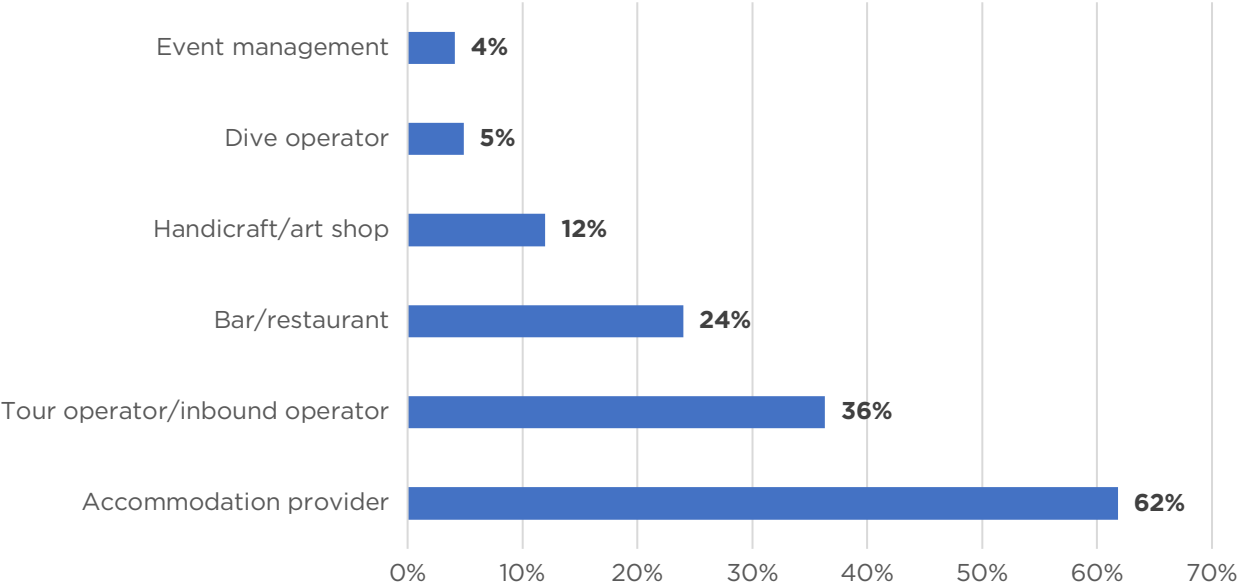
3.3. Category of Tourism Permit held



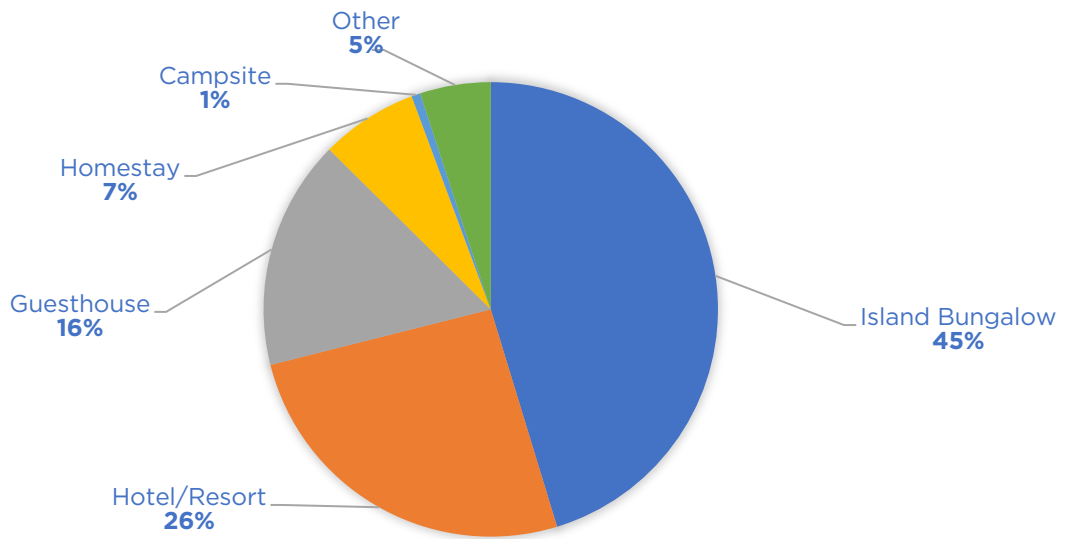
3.4. What province is your tourism business located?



3.5. Tourism businesses surveyed, by category (multiple responses allowed)



3.6. Accommodation providers surveyed, by style of lodging



3.7. Accommodation providers – number of beds

