



Vanuatu

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Welcome to our First E-Newsletter

Welcome to our first edition of Tourism and Hospitality, the new monthly tourism e-newsletter produced by Vanuatu Hotels.

The purpose of this newsletter is to keep you updated on regional tourism news and developments as well as international market developments/trends and their impact on our tourism industry.

It is hoped that this publication will become a valuable resource for all those working within the industry – from policy-makers, to executives, managers, and those who are on the ground, working with travellers.

I would like to invite you all to make contributions to this newsletter, whether as an article, or simply information relating to forthcoming events. Also, please forward this to anyone that you feel would be interested in keeping up to date with the latest industry trends.

Knowledge not only empowers all of us as individuals, but it raises our collective strength to compete within an increasingly fierce regional and global tourism environment. Knowledge is an amazing thing: It is the only commodity in the world that gains value as it is shared.

Once again, welcome to this first edition and trust that you will find this a valuable source of information.

Inside This month...

- *Welcome!*
- *Our environment, tourism, our future*
- *Congratulations!*
- *Human Relations*
- *Caring for our destination*
- *What is VATET?*
- *Airports Vanuatu*
- *Open Forum*

Next Issue

- *Branding: What's all the fuss about?*
- *How do others see you? Fun Quiz.*
- *Sustainable Tourism Part I – Concept & Principles.*
- *The Phenomenal rise of Cruise Travel.*
- *20 Clues to Creating and Maintaining a vibrant community and much more.....*

"To avoid criticism, do nothing, say nothing, be nothing." – Ebert Hubbard

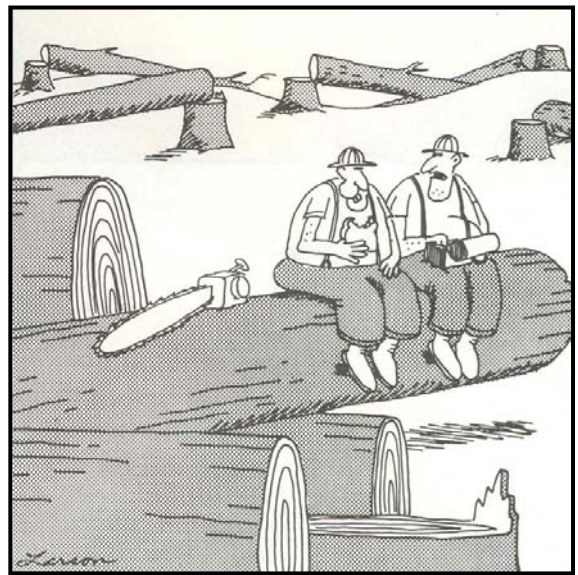
There is no question whatever that the increasing human population and its levels of natural resource consumption are putting a severe strain on the environment: we are converting more land to agriculture, buildings, and roads; we are increasing the levels of air pollution in cities all over the globe; and we now know that this pollution reaches every nook and cranny of the planet. Very few natural populations of plants and animals—including ourselves—are unaffected.

Some have been exterminated and for many others the possibility of extinction becomes more likely daily. We are depopulating the oceans of their fishes and corals, destroying freshwater and wetland habitat, and fragmenting terrestrial and river habitat to the extent that many species can no longer successfully make the migrations that are crucial to their life cycles. And the migrations themselves are becoming causes for alarm when our intensification of poultry production transfers avian flu to wild birds, and potentially to us.

For some reason, the concept of global warming has become in many people's minds a political rather than a scientific issue. We hear countless arguments in the media that a "fair and balanced" look would reveal that scientists are extremely uncertain about whether global warming is occurring, and whether human activities have anything to do with it if it is.

The truth is that virtually all scientists who know anything about it think we are changing the earth's temperature alarmingly rapidly, that it is going to get considerably warmer before we see any reversal, and that there will be severe consequences.

We do not yet know for sure what they are, but we can surely expect rising sea levels, declining glaciers and ice fields, reductions in freshwater supply in many places, probably more intense cyclones and, and if we are extremely unlucky, a change in the circulation of ocean currents that among other things will rapidly and more or less permanently make Europe considerably colder while making most everywhere else much warmer.



"You know what I'm saying"?...Me, for example. I couldn't work in some stuffy little office...the great outdoors just calls to me." (Gary Larson)

Furthermore it is crystal clear that even if something were to offset the warming effects of carbon dioxide and the other greenhouse gasses we are pumping into the air, carbon dioxide itself has the potential for profound physiological effects on plant communities globally, with extremely uncertain outcomes both for the plants and for the animals that depend on them. Besides that, the fine particulates, ozone, and heavy metals that accompany the carbon dioxide production from the burning of fossil fuels are all toxic, not only to us, but to all other organisms as well. We now know that many of these substances are transported globally, so controlling them has become a global problem.

Our Environment – Tourism – Our Future (Cont'd)

The ecological processes that provide ecosystem services are extremely complex. The more closely we look at them the more we understand that the services are extremely valuable to us in economic terms, but we are far from certain about the specific effects of most of the environmental changes humans are causing, and this uncertainty is likely to continue into the foreseeable future because this kind of science proceeds one small step at a time. Because of the complexities of ecology—each species interacting with other species and the physical environment in its own way—we are unlikely to project or detect some sort of environmental tipping point that would then galvanize us into action.

But if we do not act, we will see a continuing and accelerating degradation of our air and water quality and of our natural lands, and we will end up paying much more than we need to for services nature has always provided for free.

(The Roberts Environmental Centre, USA)

In our next issue, we will explore the concept of Sustainable Tourism; a long journey to better understanding this emerging global market, which Vanuatu is ideally placed to benefit.

CONGRATULATIONS!

Seachange Lodge in Port Vila is the first accommodation provider on Vanuatu Hotels to receive a “Caring for the Destination” rating. They have attained a score of 4.9 out of a possible 5 points. This rating is achieved by customer feedback to Worldhotel-link.com. Seachange Lodge has already achieved a Sustainability Rating of 2 out of 3 on the Vanuatu Hotel's site (see www.vanuatu-hotels.vu for details).

Well done, Rick and Wendy Tendys.

MARKETING TIPS

Give information, not hype.

Today's consumers want more information and less hype. In fact, because it is condescending in tone, hype is perceived as a veiled contempt for the buyer.

Consumers don't want to be sold on flimsy reasons to buy. What customers want is power in the transaction.

In the past, businesses would not give information where it was the convention to withhold it.

We can't get away with it in this information overload era. Because, if we withhold the information necessary for the consumer to make an intelligent purchase, our customer can easily get the information elsewhere; from their friends, the internet, magazines, and newsletters.

Customers want information, not razzle-dazzle. Hype insults the customers' intelligence and is seen as patronising at best. It is our responsibility to empower our customers with the information needed for them to make informed decisions benefiting not only the operator but profiling the destination as respecting its tourists.

“You never get a second chance to make a first impression!” – Groucho Marx

HUMAN RELATIONS

Personal success stems from the belief in oneself and the quality of our interactions with the people around us: our staff, superiors, customers, and family, all make up our world. They are the greatest single influence on our emotional and financial success and failures.

Yet, we so often overlook the most basic principles of human relations.

Robert W. Woodruff – the now retired Chairman of the Coca-Cola Company had this to say about human relations:

1. The five most important words in the English language –
“I am proud of you”;
2. The four most important words in the English language –
“What is your opinion?”
3. The three most important words in the English language –
“If you please”
4. The two most important words in the English language –
“Thank you”
5. The least important in the English language –
“I”



MARKETING TIP

The Customer as a friend.

Collect the email addresses (from the guest registration form) or better still, their business card if they have one.

Create a Guest Email Address Folder. First week in December (before offices etc., close for Christmas), send an Electronic Christmas Card expressing you and your staff's best wishes for the festive season with an image of your place, you, and your staff.

You will be reminding them of the great holiday they had in Vanuatu.

They will tell their friends at the office and home. It costs very little, and you will probably be the only businesses that have remembered them. The customer is the best salesperson known to any business with the added bonus; they have paid you for the experience!

INTERNET TIP

Responding to emails

The majority of your internet enquiries are coming from people who are used to state-of-the-art technology and don't experience delays with their email in general. They will be expecting a quick reply to their email.

A good tip is to include on your website, a note about technological challenges ie, phone/power outages in the islands. You can tell them the reasons for not being able to get back to them straight away.

You might like to say something like: ***“Please be patient with us if you do not immediately get a reply to your email enquiry. We may be experiencing technical challenges and promise to be in touch just as quickly as we can. After all, this is why you are coming to the islands... to get away from it all!”***

CARING FOR OUR DESTINATION

We would like to share a small service initiative which we have found has helped our and other local businesses, created a positive experience of Vanuatu to travellers and helped local people.

When a client confirms their booking with Vanuatu Hotels, we include the following tag to our email.

Travel Tips:

- ***Duty Free alcohol and tobacco is cheaper in Port Vila than (insert country).***
- ***Better Foreign Exchange rate found in Port Vila than (insert country).***
- ***When travelling to Vanuatu bring school supplies such as pencils, writing books, etc. and give them to the local villages. If you can't access these villages, our friends at Avis Car Rental are very happy to accept and store these items for us to distribute them equitably to different needy local schools as we travel around these areas.***
- ***When travelling to the Outer Islands bring old clothes and give them to the local villagers. Guaranteed to make a hit!***

The joy you create will remain with you forever, plus you will have more room in your luggage to take back unique handcrafted artefacts.

By doing this, you are ensuring that local artistic skills are not lost, and helping a developing country build its economic independence.

Thank you and regards,

“A guest sees more in an hour than the host in a year.” – Old Polish proverb

Caring for our Destination (cont'd)

The following was received from one of our clients.

"Hello John and Silvana,

Just letting you know that we have arrived back in Australia from our 5 days in Vanuatu staying at

Thank you for your advice in the emails received before our trip. We were able to obtain a small amount of Vatus in Brisbane before our departure which was enough to pay for the taxi to the airport and then for transport into town where we changed money at Goodies as we needed to. As you said, the exchange rate was very good in Vanuatu compared to Australia and because there was no handling fee, we changed money every few days as required. This way we were able to spend all our Vatus before leaving the country and not have to worry about changing it back into AUD.

We took exercise books, pencils and colouring pencils over with us (it caused excess baggage weight, but Virginblue didn't charge us when we told them what caused the additional weight). We intended to drop them in to the hire car people you know, but ended up meeting a very nice man from an island at the north of Efate (I think it was Moso island) who was happy to take these items to his island which he was going to go to in the next week or so.

We had a lot of fun riding around on the buses, often going to places we would not have ordinarily seen in a taxi and this quickly became our preferred method of transport for the surprise factor if nothing else!

We also took an around island tour which allowed us to see the countryside and how the locals live. We were quite surprised at how primitive the living conditions were outside of Port Vila. However, everybody seemed quite content with the way they live. I guess if you know nothing better then you are happy with what you have.

We were also very taken by the friendliness of the people. Just sitting on a bus and people would wave to you. Everybody said Hello in the street. What a way to make the tourists feel welcome.

Coming from Bundaberg in Qld we thought it was a big laugh for us to travel all the way over there to bring back bags full of Bundaberg Rum Distillers No 3! But it was less than half the price we can get it for here - right where they make the stuff. We paid AUD\$23 for a 1.125l bottle. The day we got back I saw it in a bottle shop here for \$42 for a 700 ml bottle. The Johnny Walker was similar in price difference. Perfumes etc were about the same price in Vanuatu as they were duty free at Brisbane airport.

Anyway, thanks for all your assistance and advice. We had a lovely time and will certainly recommend you to our friends. Must admit we were a little apprehensive about booking over the internet with an overseas organization etc but we cannot believe how smoothly everything went. We kept waiting for there to be a hiccough but it never came!

If ever you are travelling through Bundaberg Qld, stop in and say hi, or stay a night or two at our Motel.

Regards,

Caring for the Destination (cont'd)

There are a lot of win wins in this situation which you may want to employ.

1. Customer has a **higher emotional involvement** from the word go in planning his/her holiday. Shopping for pencils etc, often involving their children to do good deeds from an early age.
2. Customer is provided the opportunity not only to have a holiday, but now in the mind of the customer, it has a secondary purpose. The **anticipation to give and see joy** (powerful motivator). It is a unique destinational advantage in addition to advertising 'amenities and services'.

The **destination is seen as a humane, caring one**. There is abundant global information on Travellers "wanting to do good" by visiting a destination. All things being equal, many travellers will choose to spend their holiday money in a country where the hospitality industry is seen to help its native inhabitants.

Transparent Charity. Many people are suspicious of giving funds to overseas charities as they never know if their gift is ending up in someone else's pockets along the way. This way, travellers can be sure that the people their gift was intended for is given to them. We encourage travellers to give direct to teachers or parents. If for some reason they cannot, Robyn and Steve at Avis have generously offered to be a depot. Any goods can then be provided to the outer islands via people we know and trust ensuring proper delivery.

3. **Long Term Returns**. When a traveller connects to a village family or school teacher, a bond is created between local and the overseas traveller. This bond may be continued by involving the traveller's children who may become pen pals to the local children. The parents may be members of Rotary or other organizations. All of which produces an **active and positive afterlife from their holiday in Vanuatu**.

This **emotional attachment to a destination is priceless**. It is the holy grail of marketing. If you think about it, travellers don't write back to tell you how much they love your room decor. It is nearly always about the experience they had. The local people they met, staff, other guests, and your hospitality.

It is all about the intangible experience not the facilities and services - the latter two are expected products of their holiday purchase.

As the Vanuatu people are repeatedly mentioned by travellers as their fondest memories, it is obviously one of the destination's greatest natural assets. By connecting our tourists to them, everyone in the tourism food chain wins.

"Under sell.....OVER DELIVER!" - Anon

WHAT IS VATET?

VATET (Vanuatu Tourism Education and Training) is a Technical Assistance project with a construction component funded by the European Union under the 8th European Development Fund (EDF) programme. It is being implemented by the Ministry of Education with supervision provided by the Vanuatu Institute of Technology (VIT). The project aims to strengthen and increase the profile of the Vanuatu tourism and hospitality industry through training and education initiatives specially targeted to key institutions.

It will address training needs in both the formal and the non-formal education sectors and focus exclusively on Technical and Vocational Education and Training (TVET) programmes. At the formal level, VATET will build VIT's capacity to co-ordinate and deliver hospitality and tourism training consistent with industry requirements and in line with the Vanuatu Qualification Framework (VQF), a national standard developed for ensuring consistent quality in the design and delivery of training programmes.

At the non-formal level, training will focus on developing the capacity of the rural tourism sector and will directly benefit the Vanuatu Island Bungalow Association (VIBA), the Vanuatu Tour Operators Association (VTOA) as well as the local Arts and Crafts industry, among other sub-sectors in tourism.

The programme will be implemented over a three-year period ending August 2007, and is estimated to cost a total of two million Euros. VATET presents a unique opportunity for anyone who is involved in any tourism and hospitality related activities to improve their skills or to develop new skills. A Project Management Unit located at VIT and consisting of a Project Manager, a Training Adviser and an Administrative Assistant is responsible for implementation.

A multi-sectoral Steering Committee, which meets on a regular basis, serves in an advisory and monitoring role. It comprises key industry associations, public sector organizations, donor agencies as well as community-based organizations and is chaired by the Principal of VIT. Stakeholder consultations form an integral part of the implementation process and participation is encouraged by individuals and groups alike who may wish to make a contribution to the success of the project.

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The Wrong Number

Larry lived alone in his small inner-city apartment. He had no friends and most people ignored him at all costs.

Then one day, unexpectedly, the phone rang. And Larry was surprised to find himself talking to God.

"Is this 555-3178?" God asked.

"No, this is 555-7138."

"Sorry." And God hung up.

"In business, you get what you want by giving other people what they want"Alice Foote MacDougall, U.S. Business Woman

AIRPORTS VANUATU LIMITED

The following presentation was given at the Vanuatu Hotels & Resorts Association in April 2006 by David Miles, Advisor to Airports Vanuatu Limited, with the new CEO, Hendry Joewangeh.

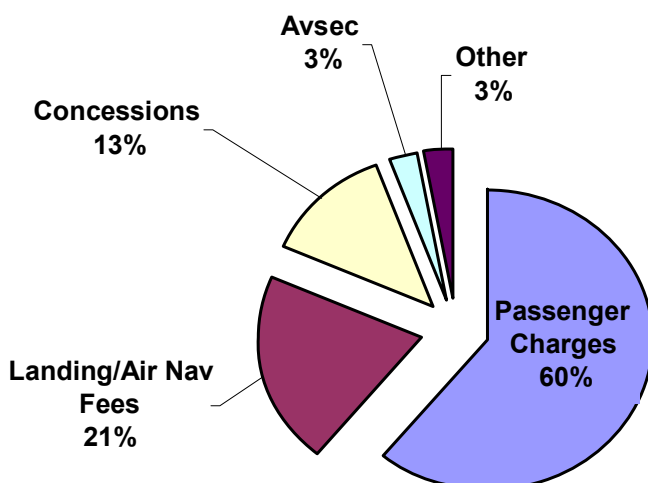
Airports Vanuatu Ltd Background

- Owner and Operator of Bauerfield, Pekoa (Santo) and Whitegrass (Tanna) Airports.
- Provider of Air Traffic Control/Flight Information Service for Vanuatu sector of Nadi Flight Information Region
- Private company under Companies Act, 100% Government Owned
- Shareholder Ministries: Infrastructure & Public Utilities; Finance
- Independent Board, 5 Members, 2 Gov't appointees (Finance, I&PU), 3 private sector – VHRA, Finance Centre, Chamber of Commerce.
- Chairman, Laurie Harrison, Partner Moores Rowland
- First locally appointed CEO in 2006 – Mr Hendry Joewangeh.
- 140 staff, comprising 135 Ni Vanuatu, 5 Expat

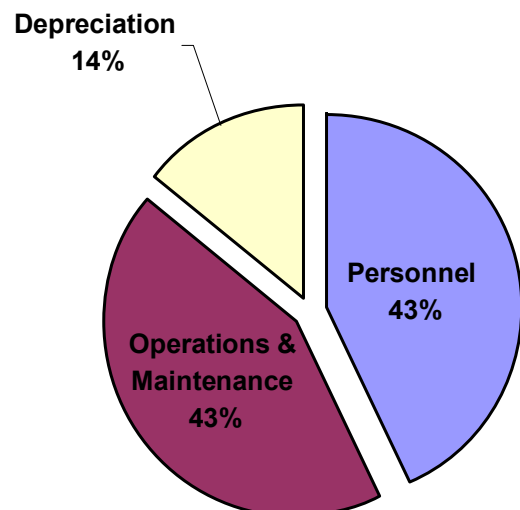
Key Performance Indicators

- Carried approx 320,000 pax in 2005
 - International 150,000
 - Domestic at Bauerfield 80,000
 - Santo 60,000
 - Tanna 30,000
- Turnover Vt 373 million
- Assets under management Vt 4,880 million

Revenue Sources



Where the Money Goes

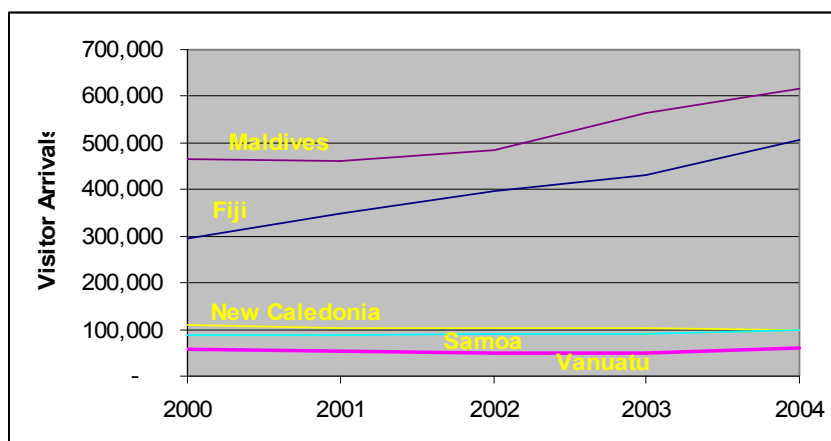


Key Platforms of AVL's New Development Strategy

- Maintain safety and security to highest standards
- AVL's business is all about service to travel and tourism
- Improving ALL services to international best practice
- Growing Non-Aeronautical business
- Growing passenger and freight demand

MAJOR Growth in Demand Needed

- In the period 2000-2004, Fiji added 200,000 new visitor arrivals, Vanuatu only captured 3,000



- We can do way better!

Some of our ideas...

- Support existing carriers in promotion to established markets:
 - Industry –wide marketing; covert awareness generation eg “This week in Vanuatu” segment on early morning radio, provide educational materials for school curriculum; work collaboratively with overseas airports.....
- The use of Charter Flights as a market proving tool:
 - Resort operators, aircraft operators and AVL working together to generate specific packages
 - Target locations such as Melbourne, Christchurch, Cairns, Coffs..
 - Triangulation with international routes ie:
 - Japan – Cairns-Vila,
 - Japan – Noumea-Vila,
 - USA/Canada/Japan-Nadi-Vila
 - Backhaul opportunities ie link with special events
- The attraction of new carriers with complementary routes

Pro-poor, eco/adventure/tourism

- Two Vanuatu's:
 - Traditional sun & sand & coral
 - Outer island grass roots experience
- A large and growing segment of the market is looking for new things that Vanuatu can offer well:
 - Authentic environmental and cultural experience
 - Social responsibility and positive social impact of tourism
- The opportunity – develop this niche growth area, thus increasing sustainable capacity, while improving livelihoods & infrastructure.
- Air transport has a fundamental role to play

Grow Pacific Regional Traffic

- Pacific interconnection – perennial problem but great opportunity
 - Greater hubbing out of Port Vila
 - Round the Pacific Air Pass
 - Look for the gaps and fill them

And when they get here...

- “You don't get a second chance at first impressions!”
- AVL wants to give passengers an outstanding experience
- We want to make our airports a vibrant part of the local community
- We want your input on what your clients want

Conclusion

- Vanuatu's development is totally linked with tourism development.
- AVL's sustainability is also totally linked to tourism growth – we need the economy of scale
- AVL is committed to be vigorously involved in the development of tourism in Vanuatu
- We seek to actively engage with the tourism industry in the achievement of this.
- We need your help and input to AVL's evolution.

Want some great information on all aspects of Tourism???
Check out *SPTO Tourism Toolkit* – www.PacificToolkit.org

“The traveller sees what he sees, the tourist sees what he has come to see.”
– Gilbert K. Chesterton

OPEN FORUM

What do you think?.....

Some wholesalers in Australia are reporting 2005 as their worst ever year. The following reasons have been attributed to this decline.

1. "The ever decreasing wholesaler market share due to E-business –
(a) Internet direct bookings to hotels bypassing travel agents;
(b) Internet bookings via on-line wholesalers with on-line airline ticketing... "

"As the wholesalers' collective market shrinks, so is the individual slice of the cake. Smaller specialised wholesalers are less exposed and faster to respond to shifting market trends. Hence fair a bit better than larger ones."

2. "The "package holiday" market is showing signs of tiredness as there is less and less product differentiation between wholesalers."
3. "The air/land packages are seriously threatened by the rapid growth of sea packages."
4. "Part of the market's holiday spending patterns is changing from holidays to home entertainment and personal technological indulgence."

Have your say; we will publish your comments in the next issue. (Anonymity is secured if you wish.)

"The illiterate of the 21st Century will not be those who cannot read and write, but those who cannot learn, unlearn and relearn."

– Alvin Toffler, author of Future Shock

Did someone forward this edition of Tourism & Hospitality e-info to you?

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Note to Contributors: If you wish to contribute to Tourism & Hospitality e-info, please email submission in Word or plain text format to John at info@vanuatu-hotels.vu. Acknowledgement will be given to all submissions and we reserve the right to prioritize the publication schedules for articles submitted. We will endeavour to publish all submissions as soon as is possible after receipt, but this will depend on the volume of submissions received. We look forward to hearing from you in the near future.

This Newsletter is published by John and Silvana Nicholls of Vanuatu Hotels; phone: +678 25359, for the Vanuatu Tourism Industry. Contents of this newsletter are in the context of Vanuatu Tourism at the time of issue and may not be relevant to other tourism destinations. Vanuatu Hotels is a franchisee of Worldhotel-link.com. Content is independently written from, and does not imply in any way the views of Worldhotel-link.com.