

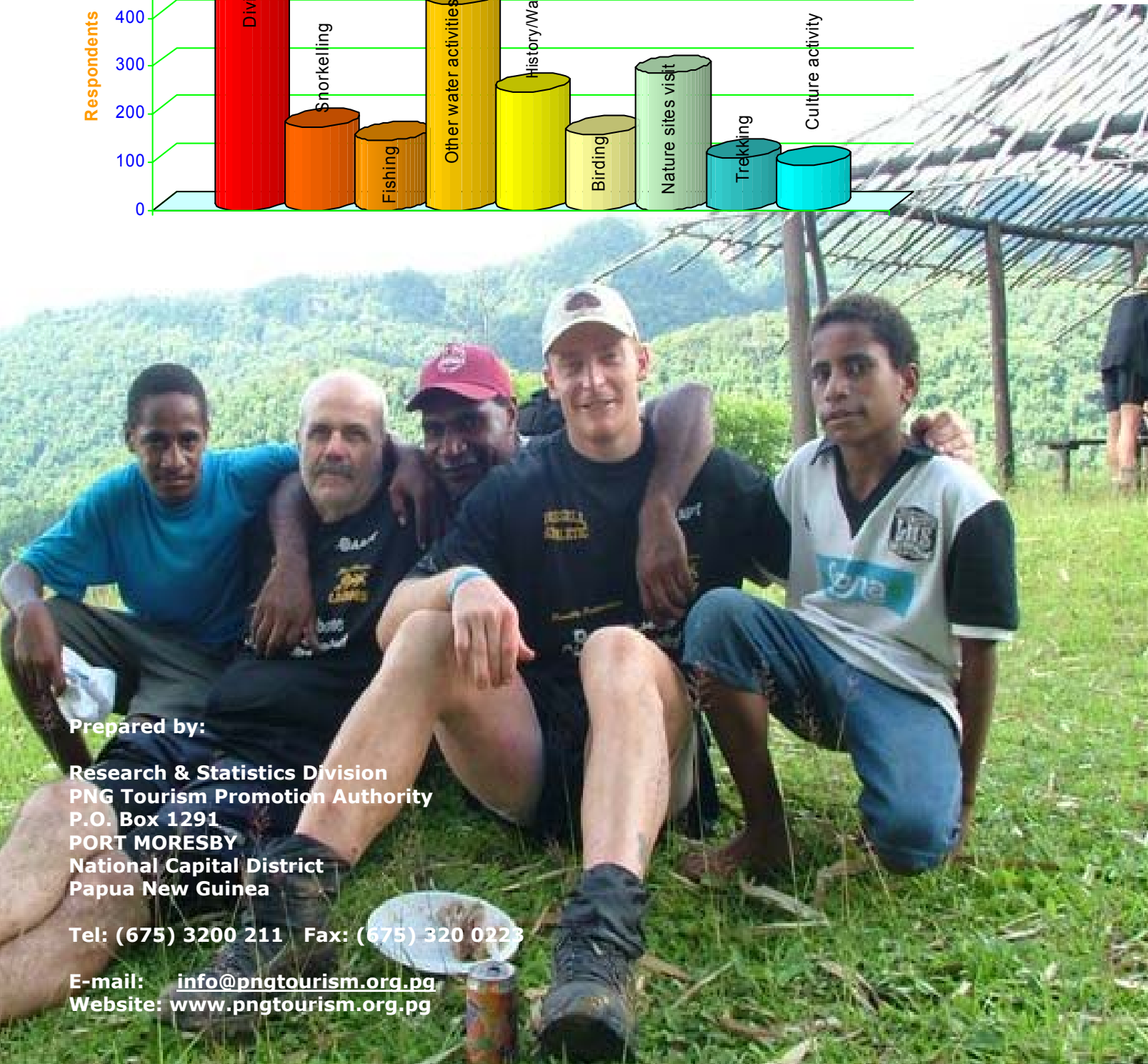
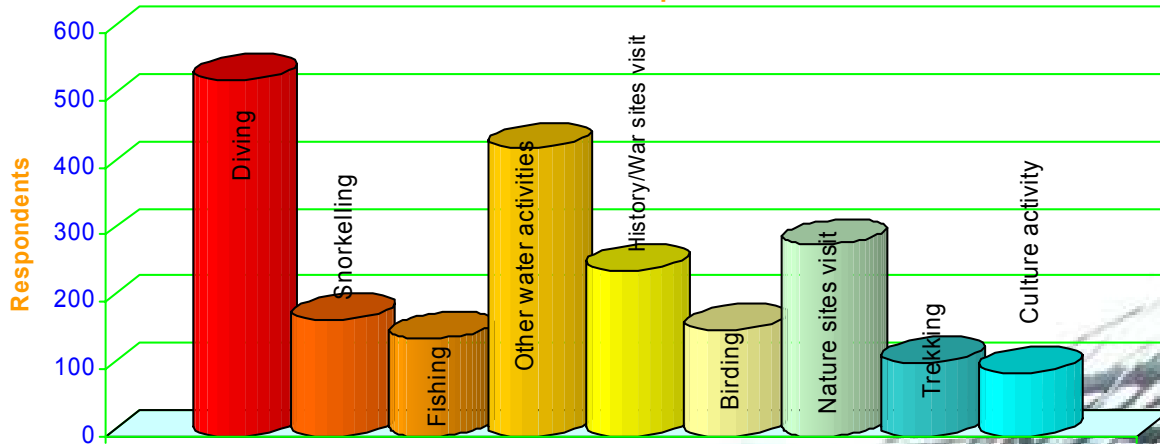


VISITOR SURVEY REPORT

2005



Activities Participated



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DEFINITIONS

Length of Stay (days): Number of days visitors are in the country including the day of arrival and of departure.

Average Length of Stay: The sum of all product of Length of Stay category and Response distribution divided by total visitors.

Major Market Areas (MMAs): The following geographical areas are defined by the Papua New Guinea Tourism Promotion Authority for marketing purposes to make the country more globally competitive:

Australia/New Zealand

Pacific Islands or Other Oceania

Japan

Asia – China, Malaysia, Philippines, India, Singapore and others

Europe - United Kingdom, Germany, France, Italy, Russia, Scandinavia and Others

America – Mainland USA, Canada and other American countries

Other – Africa

International Visitor Foreign visitor who traveled into Papua New Guinea and stayed for a period of time between one night but less than one year and whose main “purpose of visit” may be under one of the following three groups.

(a) *leisure and holidays*

(b) *business and professional*

(c) *other tourism purposes*

Group Tour Visitors who traveled and participated in activities in a group with tour guide(s) much of the time during their visit.

Prepaid Package Visitor whose travel arrangements and costs which included at least air-tickets and accommodation was made by company or employer in the course of work, or by parents or other party.

Holiday Visitors Visitors whose reasons for traveling are for vacation.

VFR - Refers to those who travel to a destination with the main aim of Visiting Friends & Relatives.

M&C Visitors whose reason for traveling are for meetings and conventions.

Respondents – Is the total number of visitors sampled in this survey.

SOURCES OF DATA

The data in this report come from only two sources:

International visitors by country of residence and purpose of visit from the immigration cards, and

This Visitor Exit Survey.

INTRODUCTION

The **Visitor Exit Survey** (VES) is a research initiative of the Papua New Guinea Tourism Promotion Authority that provides market (visitor) information for use by the Authority itself, the industry members, educational institutions and the government body in order to make business plan and marketing decisions.

The Papua New Guinea Tourism Promotion Authority conducts visitor exit surveys every two years since the first one in 1996. This report presents the results of the **2005 Papua New Guinea Visitors Exit Study**, as prepared by Marketing, Promotion, Research & Statistics Division of the Authority. The Visitor Exit Survey had three primary objectives:

- *To provide trip and visitor profile information.* For example, the survey collected data related to visitors' trip purpose, visitor age, number of visits to PNG, travel companion and identification of positive and negative aspects of visitors' experiences in the country;
- *To present visitor travel behavior pattern.* For example, the survey gathered data on sources of information about PNG among visitors, distribution of visitors among provinces in PNG, activities visitors participated in while visiting the country; and
- *To update key tourism statistics used to calculate tourism performance.* For example, the survey measures both average length of stay and average expenditure, which are key indicators associated with Papua New Guinea tourism industry.

A total of 1,030 interviews were conducted with exiting international passengers from 1st November to 31st December, 2005. Interviews were conducted face-to-face at the Jacksons Airport International Departure Lounge, Port Moresby. University students were engaged to conduct the interviews using visitor survey questionnaires provided by TPA.

While the Tourism Promotion Authority's intention was to study the travel behavior pattern and aspects of visitors' experiences about Papua New Guinea from international visitors, this report focuses exclusively on the short-term international visitors to the country.

The interpretations and statistical significances of the 2005 survey result was compared against the 2003 result on the basis of visitors length of stay and expenditure.

Result descriptions are purposefully kept short as different readers will have different interests and may have different interpretations of the findings.

EXECUTIVE SUMMARY

Visitor Profile

- Where visitors come from

The proportion of Australian nationals (24%) in the 2005 sample was higher among visitors from rest of the source markets. This was followed by Japan (15%), America (12%) and Asia (12%) respectively.

- Age Group

Most of the visitors to PNG are under age average of 35 and 45. Business visitors are much more likely to belong to the middle age group (35), whereas holiday visitors are split relatively between average age 45 and 25.

- Purpose of Visit

About 35% of the respondents were business visitors, 31% holiday/pleasure, 8% family/friends & relatives, 8% Education, 3% Conference & Meeting (C&M), 7% Church-Workers and 9% that came for other reasons.

- Frequency of Visit

The proportion of repeat visitors indicated high (51%) among the total survey samples. 49 percent of the respondents were first time visitors. The highest proportion of new visitors was found to be concentrated among the holiday visitors. Majority of the Australian, New Zealanders, and Pacific Islanders indicated to be frequent travelers.

- Travel companion & Age

A higher proportion (55%) of the respondents indicated to be traveling alone. Most of the Australians (51%), Asians (65%) and Americans (53%) were popular as individual travelers, while Japanese were popular for traveling with companion (57%).

Travel Behavior Pattern

- Provincial visitation

The provinces with high responses were Morobe (21%), Madang (19%), EHP-Goroka (13%) and WNB-Rabaul (11%). The actual figure of visitor distribution by province can be derived from the *2005 Visitor Arrival Report*.

- Activities by visitors

A good response (48%) was on the water related activities including Diving, Snorkeling, Swimming, Fishing etc. Land adventure activity such as trekking (7%) and Mountain climbing (2%) also received good response as being participated by many visitors. The highest proportion (68%) of the visitors indicated to have included the activity of special interest in their trip.

Japan (29%) was at the top of the list of countries that participated in Diving activity, while response from Australian visitors for Swimming (26%), Snorkeling (29%) and Fishing(37%) was higher than the other countries that participated.

- Visitors interests

Nearly all (46%) of the international respondents commented on the natural aspects (flora & fauna) (20%), the people & lifestyle (28%) and cultural diversity (18%) of the country. Diving (8%) and other water activities including fishing and surfing (4%) received good response for having great interest among the visitors.

- Source of information

Most visitors used Word-of-Mouth(23%), Print publications(20%), and the Internet(29%) as their source of information prior to their visit to Papua New Guinea. The use of Internet continues to increase and the highest was observed in 2005. The most Internet users were among Japan (31%), America (27%), Europe (14%) and Australia (13%) respectively.

- Areas of improvement

Airfares to and within Papua New Guinea (7.4%), security issues (25%), access & road conditions (5%), General cleanliness in towns (5%), and services delivery (17%) continue to be major concerns of visitors. There were also some comments about improved public transport (especially taxis) (3%); bad press releases overseas (3%), delivery of information (6%), direct international flights into provinces (1%), directions & signage at the airport terminals and highways (6%) were common suggestion.

- Rating of services

Higher proportion of the responses on services ratings were between average and good among all the services listed (*Table 11*). Services including airlines, accommodation and food & beverages received favorable ratings from Average to Very Good. However, communication services had a higher proportion of response for unfavorable rating from average to very poor.

Tourism Performance

- Length of stay

The total average length of stay increased (17.3 days) in the year 2005 from 15.9 days in 2003. In the Length of Stay distribution pattern majority of the visitors were frequent between one to seven days (29%) and eight to fourteen days (24%).

In terms of average stay for purpose of visit, business had a higher value of 16 days while holiday visitors had 13 days in the year.

In 2005 the average length of stay (11 days) for Japanese visitors increased from 7 days in 2003. Similar increases were observed on average stay for the other source markets including America (18 from 16 days), Pacific Islands (23 from 10 days) and Asia (21 from 17 days). While the Australian market remained unchanged at 17 days as in 2003, the UK(16), Germany(18), and New Zealand(17) fell down in 2005 from higher average stays in 2003.

- Tourism expenditure

The total visitors arrival in Papua New Guinea in the year 2005 was 69, 251 of which 45,098 that came for business reasons and 24,153 for holiday (including VFR & Other).

The total foreign receipts from visitors in 2005 increased to 208 million Kina (US\$64m) from K103 million (US\$30m) in 2003 and K101.8 million in 2001.

The highest visitor expenditures were by Australia (US\$24.6m) followed closely by Germany (US\$12.5m), Japan (US\$11.5m) and USA (US\$10.6m).

On average, as is particularly the case, holiday travelers (including VFR & Other) spend the most while those here on business spend considerably less.

Visitors spend the most on accommodation including meals and beverages, with these expenditure accounting for more than 23 percent of total. Other visitor expenditure categories that accounted for higher proportions of the spending were Tours (13%), Shopping (11.2%) and Domestic airfare (9%)

Visitor Profile

Where visitors originated from

While visitors to Papua New Guinea came from various countries in the world, the proportion of representative samples masterminded in this survey depended on the market sizes and the number of visitors visiting from a country during the survey period. All the respondents sampled in this survey are categorized by their country of nationality, not by resident country as they reside in a foreign country for short-term. Therefore the departing international temporary residents of Papua New Guinea were also included in the survey to get a clear picture of their experiences on the country.

The proportion of Australian nationals (24%) in the 2005 sample was higher among visitors from rest of the source markets. This was followed by Japan (15%), America (12%) and Asia (12%) respectively.

Table 1: Country of Residence & Market Area

Country of Residence	Market Area											Total
	Aust	NZL	Pacific Island	Japan	Asia	UK	Germany	Other Europe	USA	Canada	Other Countries	
Australia	226	28	3	0	11	21	4	7	9	5	3	317
New Zealand	0	25	0	0	1	0	0	2	0	0	0	29
Papua New Guinea	14	5	0	2	8	2	0	3	7	7	1	48
Pacific Island	5	0	66	0	0	1	0	1	6	0	0	79
Japan	0	1	0	150	0	0	0	2	0	0	0	153
Malaysia	0	0	0	0	22	0	0	0	0	0	0	22
Philippines	0	2	0	0	45	0	0	0	2	0	0	49
Other Asia	3	0	0	0	37	1	0	5	0	0	0	46
United Kingdom	0	2	0	0	1	34	2	1	0	0	0	40
Germany	0	0	0	0	0	0	24	0	0	0	0	24
Other Europe	0	0	0	0	0	4	0	49	3	2	0	58
USA	0	0	0	0	1	2	0	4	90	1	0	98
Canada	0	0	0	0	0	0	0	0	2	45	0	47
Other America	0	0	0	0	1	0	0	1	7	1	0	10
Other Countries	0	0	0	0	0	0	0	0	0	0	10	10
Total	248	63	69	152	127	65	30	75	126	61	14	1,030

Note: The table here indicates visitors' "country of residence" (Rows) and "country of nationality" (columns).

Age Group

The age distribution of visitors shows two distinct peaks at average ages of 35 and 45 (see the following charts). Business visitors are much more likely to belong to the middle age group (35), whereas holiday visitors are split relatively between average age 45 and 25.

Figure 1: Age of Business Visitors

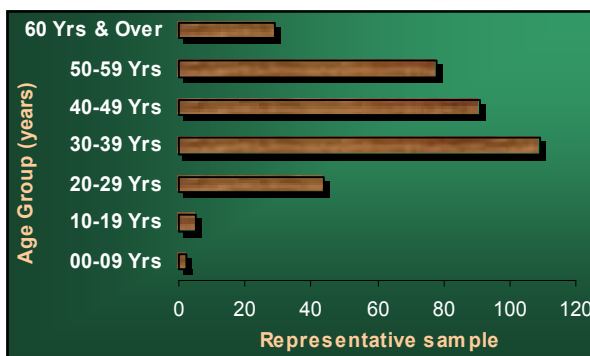
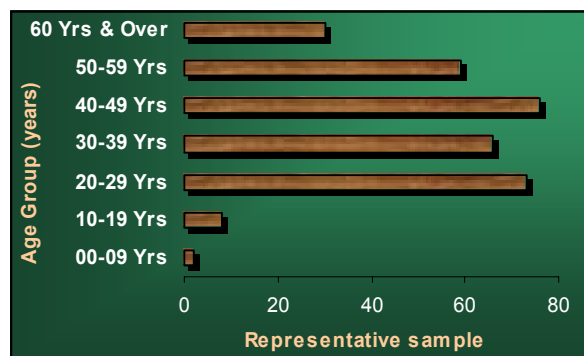


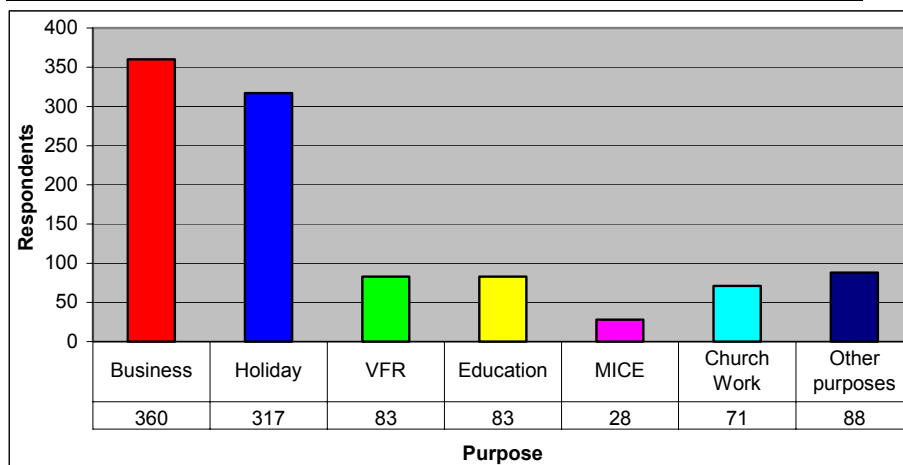
Figure 2: Age of Holiday Visitors



- **Purpose of visit**

The visitors reported that they were visiting for the purpose of business (35%), holiday/pleasure (31%), family/friends & relatives (8%), Education (8%), Conference & Meeting (C&M) (3%) and Church Work (7%). The most common "Other" reasons in 2005 – continued to be volunteers, accompanying business travelers and transits (9%).

Figure 3: Purpose of Visit



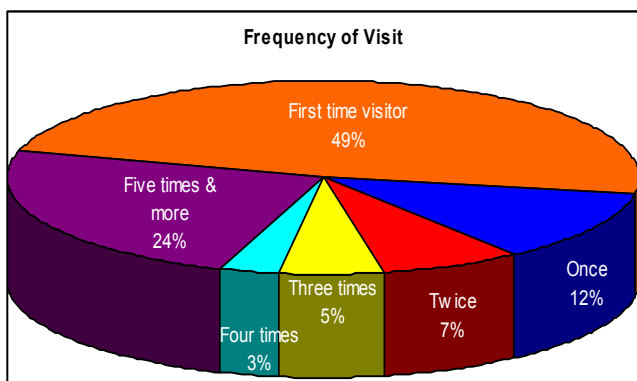
While the table below indicates only the representative sample of each visitor source market's reason for visit to Papua New Guinea in year 2005, the interpretation based on the total visitors in the year can be read from the "Visitors Arrival Report".

Table 2 : Purpose of Visit & Market Area

Purpose of Visit	Market Area											Total
	Aust	NZL	Pacific Island	Japan	Asia	UK	Gern	Oth Eu	USA	Can	Other Countrs	
Business	94	38	12	23	66	31	6	25	32	24	9	360
Holiday	69	5	4	101	19	21	17	33	37	11	0	317
VFR	28	6	7	2	9	2	1	6	16	5	1	83
Education	14	4	30	5	9	5	2	1	9	3	1	83
C & M	8	2	7	0	3	2	1	1	4	0	0	28
Church Work	14	5	3	1	5	2	2	5	20	13	1	71
Other purposes	21	3	6	20	16	2	1	4	8	5	2	88
Total	248	63	69	152	127	65	30	75	126	61	14	1,030

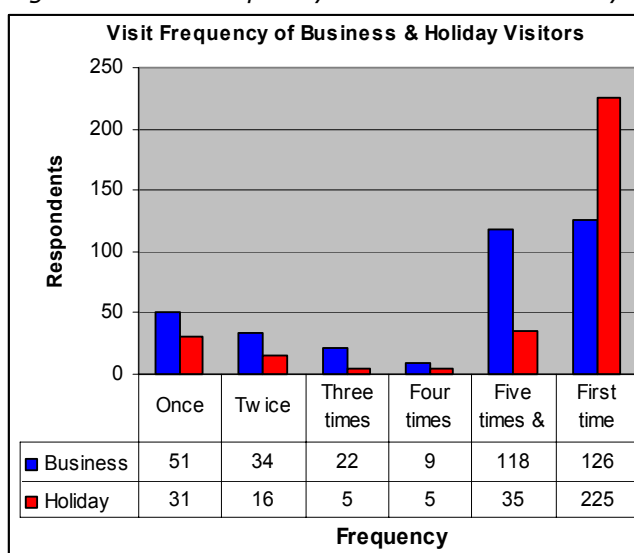
- **Frequency of visit**

Figure 4: Frequency of visit



The proportion of repeat visitors (51%) indicated high among the total survey samples. The highest proportion of new visitors was found to be concentrated among the holiday visitors. Of those who visited previously, 24% visited an average of more than five times in the past years. (this five times average is underreported because some frequent visitors simply reported "many" or "a lot" and this information could not be recorded in the data). This result suggests that there continues to be a large group of visitors who visit often. Business visitors (47%) continue to be the most frequent visitors while a higher proportion (71%) of the holiday visitors were first timers. Most of the respondents from Japan and the American markets were first time visitors.

Figure 5: Visit frequency of Business & Holiday



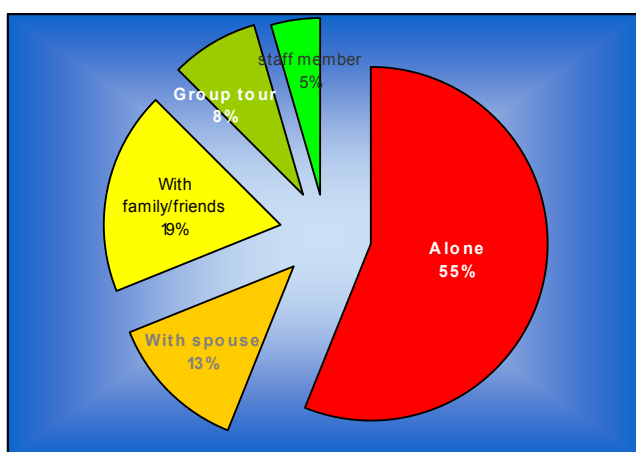
Majority of the respondents from Australia, New Zealand and Pacific Islands reported to be frequent travelers (five times & more).

Table 3: Frequency of Visit & Market Area

Frequency of Visit	Market Area											Total
	Aust	NZL	Pacific Island	Japan	Asia	UK	Germany	Other Europe	USA	Canada	Other Countries	
Once	35	10	11	19	6	6	3	5	11	16	1	123
Twice	18	8	8	8	13	4	0	1	9	4	0	73
Three times	18	1	7	4	13	0	0	2	7	4	0	56
Four times	6	4	6	3	1	2	2	1	4	0	1	30
Five times or more	99	22	16	8	43	15	4	12	19	9	3	250
First time visitor	72	18	21	110	51	38	21	54	76	28	9	498
Total	248	63	69	152	127	65	30	75	126	61	14	1,030

- **Travel Companion**

Figure 6: Travel Companion



A higher proportion (55%) of the respondents indicated to be traveling alone. Most of the Australian (51%), Asian (65%) and American (53%) were popular as individual travelers.

On the other hand, most international travelers are apt to bring along companions: about 44% of all the visitors reported to have traveled with companion, who were traveling with family or a friend, group tour, or accompanying a business traveler. A higher proportion (57%) of the Japanese visitors is traveling mainly with companion.

Table 4: Travel Companion & Market Area

Travel Companion	Market Area											Total
	Aust	NZL	Pacific Island	Japan	Asia	UK	Germm	Other Europe	USA	Canada	Other Countr	
Alone	128	43	45	66	82	47	10	37	67	41	12	578
With Spouse	32	5	9	16	9	7	7	14	26	6	1	132
With Family	60	10	9	32	14	5	10	16	25	10	0	191
Group Tour	20	2	2	38	7	0	0	7	6	0	0	82
Other	8	3	4	0	15	6	3	1	2	4	1	47
Total	248	63	69	152	127	65	30	75	126	61	14	1,030

Note: Other in the above table includes visitors who have traveled with work colleague or a staff member.

Table 5: Travel Companion by Purpose of Visit

Companion	Purpose of Visit							Total
	Business	Holiday	VFR	Education	M & C	Church Wk	Other	
Alone	280	112	39	53	21	24	49	578
With spouse	21	59	21	4	2	13	12	132
With family/friends	24	90	21	18	0	26	12	191
Group tour	7	56	2	3	3	4	7	82
Other	28	0	0	5	2	4	8	47
Total	360	317	83	83	28	71	88	1030

Travel Behavior Pattern

- Provincial visitation

The question "Name the provinces you have visited in PNG on this trip?" was a multiple response question where one visitor responded to have visited many provinces in a trip. All the provinces visited by a visitor have been counted, therefore you may note that the sum of the responses in the table below is greater than the actual survey sample collected in the survey.

Though Port Moresby/NCD received a higher response it is the main point of entry and exit for international visitors. The provinces with a high response were Morobe (21%), Madang (19%), EHP-Goroka (13%) and WNB-Rabaul (11%). The actual figure of visitor distribution by province can be derived from the 2005 Visitor Arrival Report.

Table 6: Provinces visited by Market Area

Province Visited	Market Area											Total
	Aust	NZL	Pacific Island	Japan	Asia	UK	Germany	Other Europe	USA	Canada	Other Countries	
Western Province	9	1	0	7	4	2	4	3	9	2	0	41
Gulf Province	8	2	1	0	3	2	0	2	8	0	0	26
Central Province	27	3	4	1	4	1	2	0	0	0	0	42
POM/NCD	165	40	63	92	94	46	20	46	72	37	12	687
Milne Bay Province	18	3	1	18	9	11	4	7	12	6	0	89
Oro Province	9	3	1	9	2	3	3	4	3	0	0	37
SHP/Mendi	23	3	1	4	7	8	4	4	17	3	1	75
Enga Province	3	2	0	2	3	2	0	2	5	3	0	22
Mt. Hagen-WHP	17	5	4	7	12	5	5	17	14	7	3	96
Madang Province	27	18	4	27	25	17	10	24	28	9	3	192
Shimbu Prov.	10	0	2	2	1	3	2	5	6	0	1	32
EHP-Goroka	21	6	7	17	10	10	8	12	35	11	1	138
Lae-Morobe	52	15	8	19	33	14	9	18	22	16	6	212
East Sepik	15	4	0	6	5	8	3	10	17	6	1	75
West Sepik	1	1	0	1	0	5	5	6	1	2	0	22
Manus Prov.	3	0	0	9	2	0	0	0	1	1	1	17
Kavieng-NIP	25	4	1	14	19	7	3	9	17	10	2	111
Rabaul-ENBP	17	5	7	33	8	3	7	17	11	7	0	115
Kimbe-WNBP	18	5	1	8	14	3	3	12	10	5	0	79
Buka-NSP	5	3	1	1	0	0	1	2	1	1	0	15
Total Responses	473	123	106	277	255	150	93	200	289	126	37	2123
Total Respondents	248	63	69	152	127	65	30	75	126	61	14	1030

- Activities by visitors

The visitors were asked if they have participated in any tourism activities offered in Papua New Guinea during their stay. Visitors do not only concentrate on a particular activity, however, they try to involve and participate in more than one within a set of time. That's why you will note that the response rate is higher than the actual survey sample.

A good response (48%) was on the water related activities which include Swimming (21%), Diving (14%), Snorkeling (11%), Fishing (10%) Surfing (3%), Canoeing (5%) and others. Japan (29%) was at the top of the list of countries that participated in Diving activity, while response from Australian visitors for Swimming(26%), Snorkeling(29%) and Fishing(37%) was higher than the other countries that participated.

Land adventure activity such as trekking (7%) and Mountain climbing (2%) also received good response as being participated by many visitors. Response for Trekking was high among Australian visitors (36%).

The highest proportion (68%) of the visitors indicated to have included the activity of special interest in their trip. These activities comprise of History sites/War relics (17%) Golf sport (16%), Wildlife site visit (14%), Bird watch (11%), butterfly watch (5%) and cultural performances (4%). The highest responses for these activities came from countries including Japan, Australia and America.

Table 7: Activities by Market Area

Activities by Visitors	Market Area											Total
	Aust	NZL	Pacific Island	Japan	Asia	UK	Germany	Other Europe	USA	Canada	Other Countries	
Swim/Snorkel	135	31	8	43	46	45	21	46	82	37	2	496
Diving	34	7	0	60	10	18	14	23	32	7	2	207
Surfing	18	2	0	5	3	2	1	1	6	0	0	38
Fishing	53	11	4	9	33	6	6	8	11	4	0	145
Water Rafting	2	0	0	0	1	0	1	0	0	0	0	4
Canoeing	16	5	0	7	4	5	5	12	10	9	0	73
Trekking	39	2	3	7	7	9	5	14	15	8	0	109
History/War Sites Visit	61	4	8	41	29	15	18	15	37	11	10	247
Butterfly Watching	22	5	4	3	7	2	5	12	13	9	0	82
Mountain Climbing	5	2	2	3	3	3	2	4	6	3	0	33
Bird Watching	41	6	5	39	10	11	12	10	15	9	0	158
Visit Villages	12	2	1	1	2	3	1	4	2	0	0	28
Water activities	75	14	18	27	30	29	11	25	54	28	2	313
Golfing Sports	34	16	24	27	35	21	6	16	38	16	5	238
Cultural Events	22	5	3	5	13	3	1	5	3	4	2	66
Visit Wildlife sites	47	13	14	29	17	10	14	21	26	11	1	203
Other Activities	24	4	4	14	3	0	0	8	7	2	0	66
Total Responses	640	129	98	320	253	182	123	224	357	165	15	2506
Total Respondents	248	63	69	152	127	65	30	75	126	61	14	1030

- Visitors' interest

"What interests you most about Papua New Guinea during your stay in the country?" was another question directed to the visitors to study the specific natural, physical or cultural aspects of things in the country that visitors have affection on.

Papua New Guinea has an exceptional variety of unique attractions in every parts of the country. These alone will attract international travelers.

Every traveler has interest for some passion. Nearly all (46%) of the international respondents commented on the, to name a few, natural aspects (flora & fauna) (20%), the people & lifestyle (28%) and cultural diversity (18%) of the country, and many commended that PNG has everything tourist want. Diving (8%) and other water activities including fishing and surfing (4%) received good response of interest. By tapping into these interests, the tourism industry must position their product development and marketing with any limited resources they have.

Table 8: Visitor Interest by Market Area

Visitor Interest	Market Area											Total
	Aust	NZL	Pacific Island	Japan	Asia	UK	Geramn	Other Europe	USA	Canad	Other Countrs	
Culture	73	21	33	27	29	20	14	22	38	21	2	300
Community Lifestyle	20	8	23	11	15	12	8	17	21	6	1	142
History	25	0	1	8	1	5	2	2	3	2	0	49
Wildlife	16	4	5	6	7	7	2	6	13	3	1	70
Nature	70	21	33	65	56	29	14	22	39	17	12	378
People	71	23	31	29	38	22	11	29	50	25	5	334
Dive	12	1	0	44	7	17	6	12	25	3	2	129
Fishing	10	2	0	2	9	4	2	0	3	1	0	33
Water activities	19	0	0	3	3	4	1	1	7	2	1	41
Beaches	4	0	1	3	6	4	1	2	4	1	0	26
Volcano	5	2	2	1	0	0	1	8	1	0	0	20
Adventure	14	0	0	1	2	0	1	0	0	0	1	19
Business Opportunity	14	7	1	1	16	7	2	4	2	7	0	61
Other	41	2	2	27	5	3	1	2	11	6	2	102
Total Responses	394	91	132	228	194	134	66	127	217	94	27	1704
Total Respondents	248	63	69	152	127	65	30	75	126	61	14	1030

- **Source of information**

It is important for the industry to study where visitors source information about Papua New Guinea for better marketing of their business. More than 23 percent of the respondents used word of mouth (friends & relatives) prior to their visit to find out information about Papua New Guinea as a travel destination. The use of print publications (including Travel books, Magazines and Lonely Planet)- (20%) also received high response. Internet (13%) and PNG Tourism Website (6%) were also source of information among the visitors. The business visitors responded to have sourced information from their business contacts (18%).

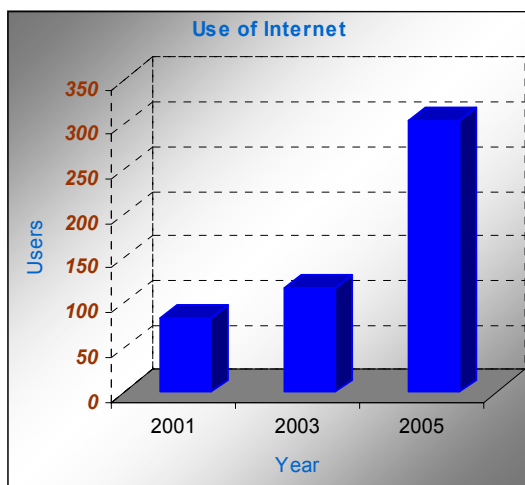
Table 9: Sources of Information by Market Area

Sources of Information	Market Area											Total
	Aust	NZL	Pacific Island	Japan	Asia	UK	Geramn	Other Europe	USA	Canad	Other Countrs	
Family & Friends	102	21	49	31	39	21	8	22	50	18	1	362
Travel Agents	7	0	4	30	4	5	5	5	6	1	1	68
Travel Books	19	6	11	16	15	8	7	15	12	3	0	112
Media	20	2	16	4	18	3	4	4	2	2	0	75
Airlines	5	0	9	4	7	0	0	0	0	1	0	26
Business	60	31	11	10	56	27	6	14	30	24	11	280
Internet	28	13	6	68	19	15	7	28	20	7	2	213
PNG Tourism Webs	13	5	4	26	9	7	3	4	17	4	0	92
Travel Shows/Fair	0	1	1	0	1	2	0	0	3	0	0	8
Magazines	16	8	17	30	23	6	7	6	3	4	0	120
Lonely Planet	20	4	0	17	3	12	8	15	9	7	0	95
Other	59	4	10	3	10	10	1	11	32	9	2	151
Total Responses	349	95	138	239	204	116	56	124	184	80	17	1602
Total Respondents	248	63	69	152	127	65	30	75	126	61	14	1030

Use of Internet

The chart below was developed to analyze the trend in which Internet was used as a source of information in different years.

Figure 7: Use of Internet



More than 29 percent of the visitors in the year 2005 survey responded to have used Internet as their source of information. This result continues the upward trend of Internet use from year 2003 and the highest use observed in 2005, which confirms the importance of the Internet as a source of information.

The highest Internet users were among Japan (31%), America (27%), Europe (14%) and Australia (13%) respectively.

- Areas for improvement

The respondents were also given the opportunity to write comments on the questionnaire in response to the question "What changes or improvements could be made to increase Papua New Guinea's appeal as a travel destination?" The most common comments are reported in the table below. Airfares to and within Papua New Guinea (7.4%), criminal activity/law & order/security issues (25%), infrastructure issues (28%), General cleanliness in towns (5%), and services delivery (8%) continue to be major concerns of visitors. There were also some comments about improved public transport (especially taxis) (3%); bad press releases overseas (3%), delivery of information or directions & signage at the airport terminals and highways (6%), direct international flights into provinces (1%), were common suggestion.

Hence we can see that travel to PNG faces some real challenges. Further notes and explanations of the comments are listed on the next page.

Table 10: Areas for Improvements by Market Area

Areas for Improvements	Market Area											Total
	Aust	NZL	Pacific Island	Japan	Asia	UK	Germa	Europe	USA	Canad	Other Countrs	
Poor Law & Order/Security	37	10	7	3	8	5	2	9	17	3	2	103
Criminal Activity	12	0	5	0	3	3	0	8	9	4	0	44
Poor Security	72	13	12	26	25	11	8	14	33	12	3	229
Very Dirty Towns	36	5	3	16	13	1	1	4	13	1	0	93
Monopoly-Airline	30	7	4	0	10	6	2	5	12	6	3	85
Airfares High	22	7	2	10	10	13	8	12	18	9	1	112
Internat'n'l Flights to Province	3	1	0	0	1	4	0	0	0	1	0	10
High Cost	18	7	0	7	4	4	5	8	7	0	0	60
PMV/Taxi Services bad	14	3	2	5	5	3	1	3	1	3	0	40
Corruption	9	2	0	0	1	0	0	2	0	1	0	15
Very Slow Services	10	1	0	36	3	2	1	6	4	2	0	65
Poor Immigrat'n Services	19	0	2	23	1	0	0	1	3	0	0	49
Information/Signage	22	2	0	33	7	2	2	6	5	2	2	83
Negative Publicity Over	31	2	0	0	0	3	0	0	1	1	0	38
Infrastructure Poor	100	23	0	75	52	25	14	44	52	24	12	421
Other Areas	18	0	3	7	3	2	5	4	8	6	3	59
Total Responses	453	83	40	241	146	84	49	126	183	75	26	1506
Total Respondents	248	63	69	152	127	65	30	75	126	61	14	1030

Airfare issues

Many international visitors to Papua New Guinea have sighted high cost on both international and domestic airfare as major hindrance to travel to the country. This has been and is still a very big area of concern. When there is high cost on travel there is less choice of travel. However, PNG's currency devaluation is believed to be offset by higher number of visitors from countries with higher value in currency. PNG will succeed to report surprisingly good results on the visitor arrivals from its source markets if those markets are made to understand by lowering these high levels of costs to the exceptional level as several years ago.

Airline Issues

Further comments raised by the visitors in addition to airfares were concerns for allowing airline competition (6%) and direct international flights (1%) into recommended tourist destinations like Madang and West New Britain provinces.

As it is generally known, monopoly in the airline industry has serious adverse consequence for all International visitors as well as nationals, including higher prices and other conditions that harm travelers who need to travel to, from, and within the country.

Security, Safety/Crime issues

Nowadays tourism destinations around the world are struggling with the issue of traveler safety. Many of the visitors to PNG reported that at the top of their list of reasons not to travel internationally is the concern for personal safety.

Furthermore, the visitors have stressed heavily that crime and safety issue in the country is a big concern. Though Papua New Guinea can be guaranteed as safer destination than other countries now facing bigger safety challenges, the internal phenomena such as robbery and holdup on international visitors are very dangerous to tourism development.

As tourism is every ones business, it is absolute concern of every Papua New Guinean to make sure international visitors have safety and peace of mind in our provinces and homes they visit.

Seriously though, it's time to stop talking and start taking action to confront the safety and crime issues facing our tourism industry. Let's place real accountability on offenders, and put in place the required funding to rehabilitate those who can be, and deal with the rest effectively. We must stop the cycle of crime.

Bad Media publicity overseas

Controlling the reporting of crimes and crises in our country is another bigger issue. The perception of Papua New Guinea among the international source markets, as reported, has been very dangerous and unsafe place. This negative perception among the source markets resulted from continuous bad media coverage abroad. Many visitors, during their visit to the country however, reported that the real of what they perceived and expected of the country was not as very serious as those evoked by countries in Europe and Asia.

The first lesson is, like in other countries crimes and crises do really happen in Papua New Guinea. The second is, when we're in a hole, we mustn't keep digging.

Today's media communications are almost instantaneous. Radio, TV and internet can flash news globally in seconds. 24 hour news channels can detail every small movement in a story hour after hour. In such a world, it is easy to know how to manage communications in a crisis, even if we can't control the media, we can do our best to influence it. It is essential, we can reduce the negative aspects of things every time and carefully put the country's positive side of the story, take control and look concerned.

Infrastructure Issue

The visitors complained that the country lacks basic infrastructure from the provincial down to the village level. They said if the government could provide the *basic infrastructure* needs of Papua New Guinea, people would see great change in tourism and other economic activities in the country.

Infrastructure is an umbrella term for many activities and basic structures and facilities necessary for a country to function efficiently. *Infrastructure* includes public utilities such as buildings, transport, energy resources, roads, telecommunications, pipe borne water supply, ports, airports, etc. It has been designed as the totality of basic physical facilities upon which all other economic activities in a system depend. The availability of efficient infrastructure services is a key requirement for the take-off of private investment. Regular and adequate power supply, good transportation and port facilities, as well as efficient telecommunications services are all necessary to complement private sector initiative in the production and delivery of services.

Efficiency of Service delivery

While infrastructure are the basic services of a country, the issue of efficiency in delivering certain services in PNG are also discussed based on visitors comments.

Visitors have constantly raise their concern about delivery of services being very slow-time-consuming (especially at immigration), ill-maintained toilets, poor transport (taxis) services and constant cancellation of flights that has lead them to spend extra time and money beyond their budget. Bad impressions will continue to develop among the international source markets if we do not improve on these weakness areas.

Information delivery/Directions & signage issues

More than six percent of the respondents reported on the unavailability of Directions and Signage at certain places where required. Most first time visitors are often confused which way to go to their desired specific places as there are no signs or directions given, especially on arrival within the international terminal area and on pathway indicating the terminals (international & domestic) or on streets directing to the hotels.

Appearance of public places

About 6 percent of the responses were sighted on the general hygiene and graffiti on walls within the vicinity of main centers.

Rubbish including plastic bags, buai husks/stains; markets at unregistered areas and improper drainage system were mentioned to be disgusting. These all constitute bad impression on the country which all in all act as slowing catalysts to tourism development.

- Services rating

Visitors were asked, according to their experiences, to rate services offered in Papua New Guinea. The services rating points were from "1=Very Poor", "2=Poor", "3=Average", "4=Good" to "5=Very Good".

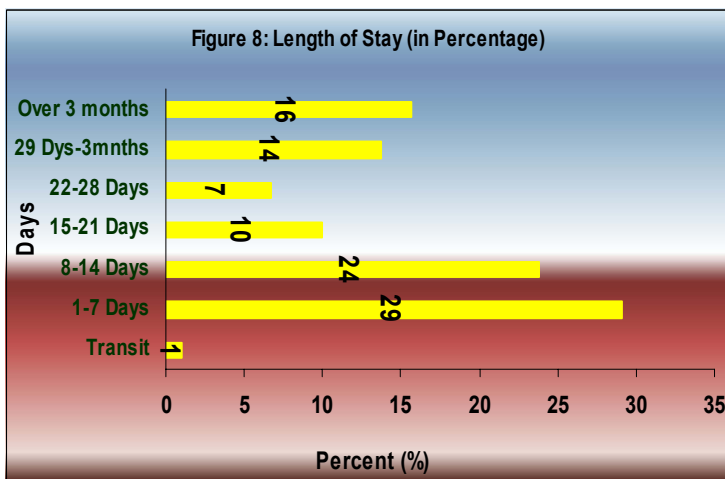
Higher proportion of the responses on services ratings were between average and good among all the services listed below. Services including airlines, accommodation and food & beverages received favorable ratings from Average to Very Good. However, communication services had a higher proportion of response for unfavorable rating from average to very poor.

Table 11: Services Rating by Market Area

Services	Ratings					Total Response
	1	2	3	4	5	
Land/Sea Transport	24	133	218	208	43	626
Accommodation	7	46	237	434	204	928
Airlines	16	75	275	481	138	985
Tours	11	20	136	159	43	369
Immigration	49	79	252	283	76	739
Communication	131	233	254	200	42	860
Food & Beverages	13	57	316	470	113	969
General Services	26	79	387	343	75	910
Total Responses	277	722	2075	2578	734	6386

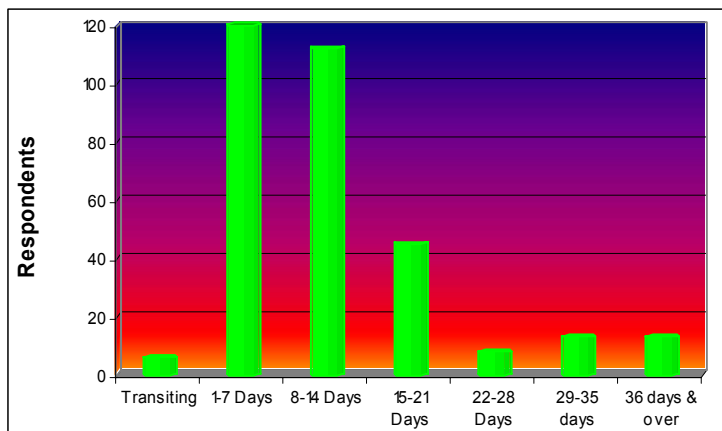
Tourism Performance

- Length of stay



The question "How long have you stayed in Papua New Guinea on this trip?" was asked to measure the total average length of stay in 2005 for each visitors source market. While the total average length of stay increased (17.3 days) in the year from 15.9 days in 2003, notable differences exist in the distribution pattern. For majority of the visitors, the most frequent values were one to seven days (29%) and eight to fourteen days (24%).

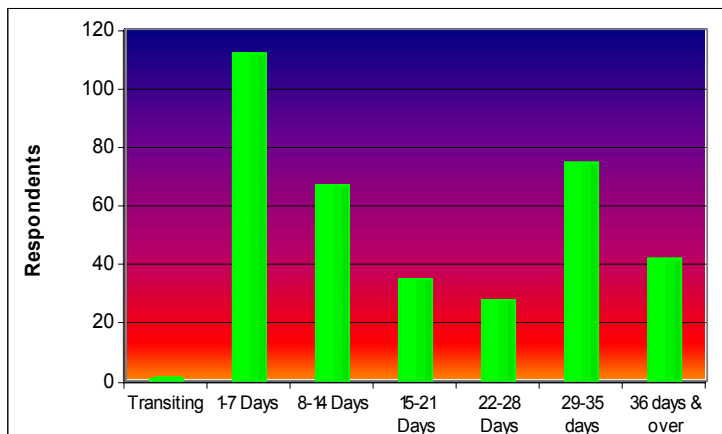
Figure 9: Holiday Visitors Length of Stay



In terms of average stay for purpose of visit, business had a higher value of 16 days while holiday visitors had 13 days in the year. Figure 9 and 10 illustrate the fact about length of stay for the two major visitor trip purpose categories.

The pattern for Holiday travelers is more evenly distributed from a range of one to seven days and eight to fourteen days, reflecting the common length of holiday travelers.

Figure 10: Business Visitors Length of Stay



The length of stay for business visitors also included a larger proportion who stay for very long periods, over ranging from twenty-nine days to thirty-six days. This is true as it reflects short-term employees and business operators in the country.

How long have you stayed in Papua New Guinea?

In 2005 the average length of stay (11 days) for Japanese visitors increased from 7 days in 2003. Similar increases were observed on average stay for the other source markets including America (18 from 16 days), Pacific Islands (23 from 10 days) and Asia (21 from 17 days). While the Australian market remained unchanged at 17 days as in 2003, the UK(16), Germany(18), and New Zealand(17) fell down from higher average stays in 2003. (see table 13)

Japanese visitors were normally distributed between the 1-7 days and 8-14 days period. Visitors from the European and American markets are more evenly distributed in the range one to seven and eight to fourteen days while the Asians and Australians stay much longer beyond fourteen days.

Table 12: Length of Stay & Market Area

Length of Stay	Market Area											Total
	Aust	NZL	Pacifi Island	Japan	Asia	UK	Gemrn	Oth Eu	USA	Can	Other Countrs	
Transit	0	0	1	6	0	0	0	2	2	0	0	11
1-7 Days	64	19	17	75	37	22	5	20	18	17	6	300
8-14 Days	78	13	11	39	13	8	12	13	46	9	3	245
15-21 Days	19	5	2	10	10	15	2	18	17	5	0	103
22-28 Days	24	8	0	2	15	6	2	1	8	2	1	69
29 Dys-3mnths	37	12	3	6	26	11	7	9	15	13	2	141
Over 3 months	26	6	35	14	26	3	2	12	20	15	2	161
Total	248	63	69	152	127	65	30	75	126	61	14	1,030

- **Tourism expenditure**

The following section presents the results of question asked on spending by each visitor from the time of arrival to the time of departure. The denomination is PNG Kina and average 2005 US\$ @ 0.3065 = K1

In Papua New Guinea, tourism is one of the main foreign exchange earners. It contributes about 2 percent to the Gross Domestic Product (GDP). The main source of information about the amount received from tourism is the visitor survey.

Hardly, any visitor remembers exactly how much have been spent during the stay in the country. Therefore the estimate calculation of total receipts may be more or less than the actual amount receipt in a year.

Based on the total arrivals figure from January to December, an estimate of overall tourist expenditure in Papua New Guinea is calculated. The average daily expenditure per visitor from the individual countries of residence multiplied by the total number of visitors from each country in the year and average length of stay for each country.

The total foreign exchange earning from visitors in 2005 increased to 208 million Kina (US\$64m) from K103 million (US\$30m) in 2003 and K101.8 million in 2001.

The highest holiday visitor expenditures were by Australia (US\$24.6m) followed closely by Germany (US\$12.5m), Japan (US\$11.5m) and USA (US\$10.6m).

Table 13: Total Tourist Expenditure by Market Area

Country	Average length of Stay	Tourist Arrivals	Daily Expdt.	Average /Head Expenditure		Total Expenditure		%tage Share
				Kina	US\$	Kina	('000 US\$)	
Australia	16.8	10,792	442.35	7431.5	2277.75	80,200,532.2	24,581,529.26	34
New Zealand	17.6	524	369.32	6500	1992.25	3,406,016.8	1,043,939	1.4
Pacific Islands	22.9	481	404.61	9265.6	2839.91	4,456,738.7	1,365,994.98	1.9
Japan	10.9	4,424	774.76	8444.9	2588.36	37,360,166.8	11,450,912.82	15.8
Asia	20.6	2,289	377.07	7767.7	2380.8	17,780,132.5	5,449,651.31	7.5
United Kingdom	16.3	650	550.26	8969.2	2769.10	5,830,004.7	1,786,888.87	2.4
Germany	17.8	357	639.51	11383.3	3489	4,063,830.2	12,455,650.63	17.1
Other Europe	17.2	1,098	529.63	9109.6	2792.10	10,002,380.3	3,065,717.46	4.2
USA	18.1	3,280	581.65	10527.8	3226.77	34,531,397.2	10,583,807.90	14.6
Canada	20.7	185	546.19	11306.1	3465.32	2,091,634.6	641,084.14	0.9
Other Countries	15.6	73	566.24	8833.3	2707.41	644,834.1	197,640.67	0.3
Total Average	17.3 days	24,153	498.08	8616.8	2641.05	208,121,184	63,789,142.90	100

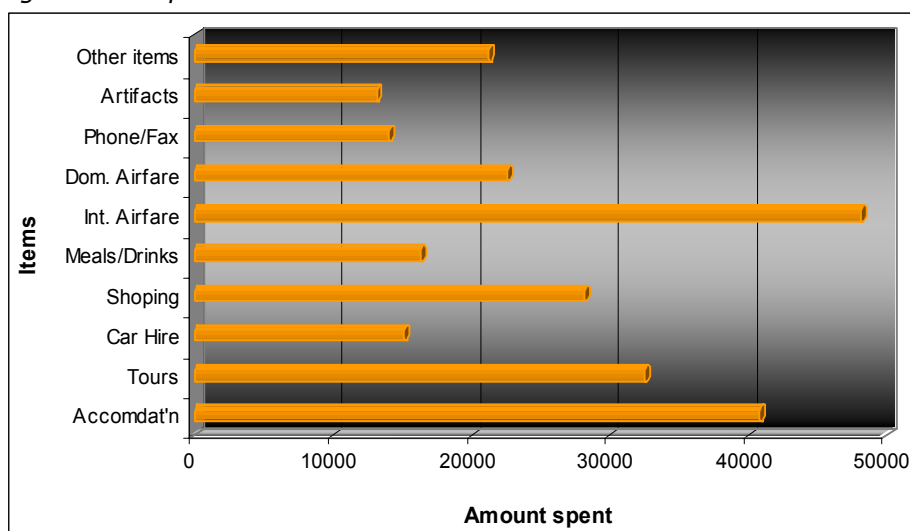
On average, as is particularly the case, holiday travelers (including VFR & Other) spend the most while those here on business spend considerably less. The table below signifies this.

Table 14: Average Per Head & Daily Expenditure by Purpose of Visit

Average Expenditure	Purpose of Visit							Total
	Business	Holiday	VFR	Educat'n	M & C	Church Work	Other	
Per head Expenditure (Kina)	8181.80	9123.0	6337.3	10044.3	5964.3	11174.2	8375.0	8616.8
Per head Expenditure (\$US)	2507.72	2769.20	1942.38	3078.58	1828.06	3424.89	2566.94	2641.05
Length of Stay	18	11.4	15.6	28.6	9.5	26.7	21.8	17.3
Daily Expenditure (Kina)	454.54	800.26	406.24	351.20	627.82	418.51	384.17	498.08
Daily Expenditure (\$US)	139.32	245.28	124.51	107.64	192.43	128.27	117.75	152.66
Total	360	317	83	83	28	71	88	1030

Outside of International airfare, which for the most part do not benefit PNG's economy directly, visitors spend the most on accommodation including meals and beverages, with these expenditure accounting for more than 23 percent of total expenditure. Other visitor expenditure categories that accounted for higher proportions of the spending were Tours (13%), Shopping (11.2%) and Domestic airfare (9%)

Figure 11: Expenditure on Items



CONCLUSION

The Tourism Promotion Authority has been endeavoring to achieve a favorable result in tourism performance relating to *visitor numbers*, *foreign earnings* and *length of stay* in the year 2005. Visitors arrival number in the year has increased by more than 17 percent and the associated areas such as tourism earnings and length of stay also increased compared to 2004.

These overall results are encouraging and represents a considerable achievement, but a number of issues arise from a deeper analysis of the visitor exit survey. In particular, the Authority is aware of the concerns being voiced by the international visitors in relation to the question of what changes or improvements are needed to increase PNG's appeal as a tourism destination. These concerns must be addressed accordingly if we are to continue to achieve the growth envisaged for the sector in the years ahead.

APENDIX

2005 Visitor Survey Questionnaire



**Papua New Guinea Tourism Promotion Authority
Year 2005 Visitor Exit Survey
Questionnaire**



Good morning/afternoon Sir/Madam.

The National Tourism Promotion Authority is conducting a survey targeting visitors exiting PNG. Please kindly fill this questionnaire, as it will take only a few minutes of your time. **All information collected here will be used for the purpose intended in confidence.**

SR = Single Response MR = Multiple Response Leave all filled forms with immigration officers or drop it in the box provided in the departure lounge

- Q1.** Your Country of Nationality _____
- Q2.** Your Country of Residence _____
- Q3.** Age _____ (in years)
- Q4.** Sex: 1 Male. 2 Female.
- Q5.** Marital Status: 1. Married 2. Single
3. Other (specify) _____
- Q6.** Employment Sector: *State which employment category you come under? (Tick one) SR*
1. Private enterprises 2. Public sector
3. Retired/pensioner 4. Housewife
5. Student 6. Church worker
7 Self-employed
8. Non-Government Organization
9. Other (Pls specify) _____
- Q7.** Purpose of Visit: **SR** 1. Business
2. Holiday/Leisure 3. Visit Family/Friends
4. Education (Research)
5. Conference/meeting
6. Church work 7. Others (specify) _____
- Q8.** Who have you traveled with on this trip?
1. Alone 2. With spouse
3. With family/friends 4. Group tour
- Q9.** Have you visited PNG before?
1. Yes 2. No (go to Q11)
- Q10.** If yes, how many times?
1. Once 2. twice 3. three times
4. four times 5. 5 times or more
- Q11.** Have you come on a prepaid package?
1. Yes 2. No (if no go to Q13)
- Q12.** If yes please name the tour company or travel agent that made your arrangements

- Q13.** How long did you stay on this trip?(Tick one) **SR**
1. Transiting 2. 1 - 7 days
3. 8-14 days 4. 15-21 days
5. 22-28 days 6. 29 days-3 months
7. More than 3 months
- Q14.** Please name the places, towns, cities or provinces you have visited in PNG on this trip?

- Q15.** From the tourism activities listed, tick those that you have undertaken in places visited. MR
1 Swimming 2 Diving 3 Surfing
4 Snorkeling 5 Fishing.
6 White water rafting
7 Canoeing/water skiing 8 Trekking
9 Art gallery/historical sites
10 Mountain climbing.
11 butterfly watch, 12 Bird watching
13 Museum/War relics
14 Whale/dolphin watch
15 Village community
16 Cultural events/festivals
17 Golfing/sport
18 Visit nature/Wildlife/conservation
19 Others _____
- Q16.** What interests you most about PNG during your stay here? _____
- Q17.** Please estimate your total expenditure on your visit? (indicate currency)

- Q18.** From the above total, indicate by percentage or estimate figure how much you have spent in each of the following category
Accommodation _____ %
Organized tours _____ %
International airfares _____ %
Airfares in PNG _____ %
Car rentals _____ %
Shopping _____ %
Meals/Drinks _____ %
Phone, Fax & Postage _____ %
Souvenir/Artifacts _____ %
Others (specify) _____

19. Please rate the following services according to your experience: (*Tick in the box for each service*) **SR**

Services	6. Very Good	5. Good	4. Avrge	3. Poor	2. Very Poor	1. Not Answer
Accomodat'n						
Air Line Services						
Tour Services						
Land/sea transport servs						
Migration Services						
Communicat'n Services						
Food & Beverages						
General Services						

Q20. What changes or improvements could be made to increase Papua New Guinea as a travel destination?

Q21. How did you learn about Papua New Guinea? (*Please indicate the sources of information*) **MR**

- 1.** PNG Tourism Website
- 2.** Family & Friends
- 3.** Travel Agent (name): _____
- 4.** Travel Books
- 5.** Media
- 6.** Airlines
- 7.** Travel Show/Fair
- 8.** Magazines
- 9.** Business
- 10.** Internet
- 11.** Lonely Planet
- 12.** Others (please specify): _____

Q22. We would like to contact you to thank you formally for visiting PNG, and also provide interesting information about the country. Please, indicate your details below.

Name: _____

Address _____

Phone: _____

Fax: _____

Email: _____

We appreciate you answering the questions and thank you for visiting Papua New Guinea. We hope to see you again.

We wish you a pleasant and safe trip. ~.