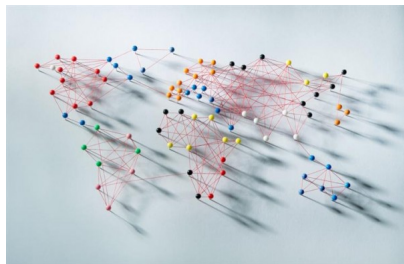


TOURISM COMPETITIVENESS INDEX SHOWS DYNAMIC CHANGES



For the past 11 years, the World Economic Forum (WEF) has been carrying out an in-depth analysis of travel and tourism competitiveness of 136 economies around the world. This year has been a turbulent year in tourism. The top countries in the ranking (Spain, France, Germany) retain stability. But many countries have gone through changes in various aspects.

The Travel and Tourism Competitiveness Index measures “the set of factors and policies that enable the sustainable development of the travel and tourism sector, which in turn, contributes to the development and competitiveness of a country”.

This year’s theme is Paving the Way for a More Sustainable and Inclusive Future. It reflects mainly on the increased focus on sustainable growth. Along with that the uncertainty over security besides preservation of the natural environment. Let’s have a look at some of the most interesting and perhaps surprising conclusions made by the Index.

Brexit Set to Damage British Tourism

All in all, the United Kingdom has not seen significant changes in the Index. However, the prospects are not too optimistic in view of the Brexit. Britain has the second least competitive prices in the world for tourists, according to the report. This is likely to even worsen after Britain’s exit from the EU.

Price competitiveness is calculated using four sub-indexes. Airport charges and ticket taxes, hotel price index, purchasing power parity, and fuel price levels. Britain comes 130th from 136 in purchasing power parity and 133rd in airport charges and ticket taxes. The same applies to fuel price level, while in terms of the hotel price index the situation is more positive, with Britain being in 59th place.

Besides the above mentioned, Britain comes in 108th place for visa requirements. This is also expected to worsen after the country leaves the EU, considering EU’s free movement policy.

As of now, tourism is the fastest-growing sector in the UK, generating 9% of the country’s GDP and nearly 10% of jobs. However, it is difficult to predict the effects of the Brexit on this growth. Especially in terms of air travel which is currently regulated under EU agreements.

Swiss Tourism Competitiveness Down

10th place from 136 is a respectable achievement, but Switzerland fell by four places compared to the Index 2015. The country has lost points in the development of its natural resources (43rd place). Nevertheless, Switzerland is still number one in the global environmental sustainability ranking.

In terms of cultural resources (35th) the Alpine country also registered a fall. Tourism marketing also seems less effective (29th). While unsurprisingly, the level of prices puts Switzerland in the last place in terms of price competitiveness. However, the country seems more affordable than two years ago.

Swiss competitiveness also suffered from barriers to hiring foreign labor (61st) and weak efforts in terms of openness (30th). For the authors, Switzerland would thus have everything to gain by improving its natural and cultural resources and relax its visa policy.

But there are also positives. The benefits for foreign visitors include the presence of skilled workers (3rd) as well as quality road (4th) and airport (11th) infrastructure. Tourist services are considered “extremely well developed”, which is why Switzerland stands in 6th place in this aspect.

Inefficiency and Bureaucracy Hindering Italian Tourism

Italy is still a dream destination in the world of tourism, as it stands 8th in the Index of tourism competitiveness. The country has “exceptional” cultural heritage (5th), natural resources (12th), and excellent infrastructure (11th). But it is afflicted by an incurable disease.

In terms of prioritization of travel & and tourism Italy fell by 10 positions to 75th place. Mainly because of the lack of commitment from the government and weak marketing strategies.

Moreover, factors such as terrorism play a role. Besides an unfavorable business environment, pervasive bureaucracy, and an inefficient legal framework. All of this puts Italy in 121st place in terms of “Business environment”. The country is also embarrassingly losing a lot in terms of health and hygiene (30th place) and technology (37th).

Ukraine Suffers Considerable Fall

Ukraine is ranked 88th out of 136 countries in the Index. This represents a fall by 10 places compared to 2013. In 2015, Ukraine was not a part of the ranking, due to “incomplete information” about the country. Meanwhile Ukraine’s eastern neighbor Russia is ranked 43rd in the Index.

It is alarming to say the least that Ukraine is located next to countries such as Guatemala, Tunisia, Macedonia and Honduras in the tourism competitiveness ranking. The country is lacking most in terms of safety and security. In this aspect, it is ranked 127th. While the Ukrainian business environment is 124th according to the Index. There are few positives to be seen, for example health and hygiene, where the Eastern European country ranks 8th.

Tourism Competitiveness - Top 10 Countries

1/ Spain

2/ France

3/ Germany

4/ Japan

5/ United Kingdom

6/ United States of America

7/ Australia

8/ Italy

9/ Canada

10/ Switzerland

Date: 2017-04-10

Article link:

<http://www.tourism-review.com/tourism-competitiveness-report-reveals-turbulent-year-news5359>