Famagusta Chamber of Commerce

TOURISM & TRANSPORT CONSULT

Tourism & Transport Consult International
The Malt House
Grand Canal Quay
Dublin 2
Tel: +353 1 670 8833
Fax: +353 1 670 8731
E-mail: info@ttc.ie
www.ttcinternational.com

Regional Tourism Strategy & Action Plans

for the

Free Famagusta Area

TTC Northern Ireland
Enterprise House
2-4 Balloo Avenue
Bangor BT19 7QT
Northern Ireland
Tel: +44 28 91 474 080
Fax: +44 28 91 477 735

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EXECUTIVE SUMMARY

THE REGION'S TOURISM PERFORMANCE

Tourism to Cyprus

2,349,000 visitors came to Cyprus in 2004, an increase of almost 2% on the previous year, or 46,000 additional visitors, a recovery following two years of decline (-4.8% in 2003, -10.3% 2002). Despite this increase in tourist arrivals, the number of bednights shows little change, due to a shortening of length of stay.

The growth was achieved in the shoulder months of March, April, May, September and October while arrivals during the two busiest months of the year, July and August, showed a marked 3.8% and 6% decline respectively (a total of 30,000 fewer tourists) compared to 2003.

Since 1989, direct employment in the tourist industry increased by 198%, from 14,420 in 1989 to 42,955 in 2002.

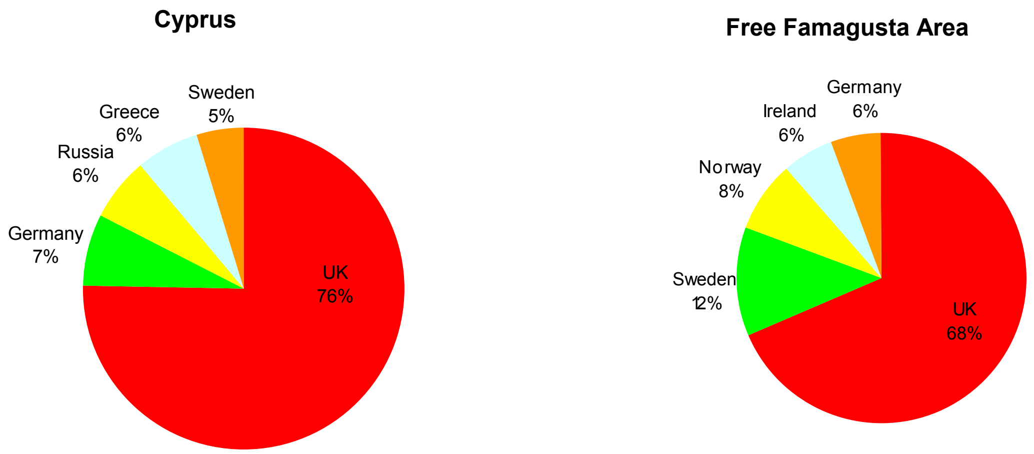
Tourism Performance in the Free Famagusta Area

In 2004, the area attracted almost one in three of all visitors to Cyprus (Paralimni 16%, Ayia Napa 16%) compared with 34.5% in 2003. Almost 800,000 overseas visitors spent a holiday in the region, spending CYP£340m and accounting for 8.6m bednights, the average length of stay in Ayia Napa being 10.6 nights and 11.07 nights in Paralimni.

The primary motivations for visiting the area are sun, beach and nightlife. The area has the shortest season of all resorts in Cyprus, with many businesses closed in winter months. Recently, Ayia Napa has received high profile bad press, particularly in Britain and Scandinavia, focusing on the behaviour of young visitors during summer.

More than half the visitors to the area come from Britain, 20% are Scandinavians, while the area is also popular with the Irish and Swiss holidaymakers.

Top 5 Source Markets



Source: CTO Data

Tourism to the area is almost totally dependent on tour operators, pointing to the vulnerability of the destination due to changes in resorts offered and/or charters to Larnaca. The area is predominantly a summer season destination – more than 85% of visitors to the area arrive during the period May through September.

The average expenditure per visitor is estimated at £424.5 CYP in Ayia Napa and £422.7 CYP in Paralimni, marginally below the overall average for all visitors to Cyprus (£440.7 CYP). Visitors to Pafos and Limassol would appear to spend more per visit at £454 CYP and £468 CYP respectively. Expenditure per person has risen from £385.05 CYP in 1995 to £423.61 CYP in 2003.

The average daily expenditure of visitors in Ayia Napa at £43.97CYP, while in Paralimni it is £39.90CYP. The overall average for the island is a daily spend of £42.11 CYP.

THE REGION'S INFRASTRUCTURE & TOURISM APPEALS

The Free Famagusta district offers many attractions to visitors, including beaches, nightlife, sightseeing, historical sites, Byzantine churches, and nature-based activities – not dissimilar to the tourism offerings and characteristics in the rest of Cyprus. Ayia Napa is perhaps the best-known tourist destination in Cyprus, with a distinct brand image (not always for the best reasons) that the island as a whole currently lacks.

The tourism infrastructure is generally of a high standard, with an excellent network of major and minor roads. Public utilities are more than adequate, with the possible exceptions of water supply and waste management (including sewage and solid waste collection, treatment and disposal) which is probably the least satisfactory aspect of the district's infrastructure. Although the main beaches are reputed to be swept daily there is evidence of litter, cigarette ends, used condoms, etc. on the more popular beaches.

Much of the tourist demand is price-driven, particularly among Germans and Scandinavians, although attempts are being made to upgrade the quality of accommodation to raise average achieved room rate.

Visitor Accommodation, Services and Activities

The quality and mix of visitor accommodation, more than any other factor, determines the character of the various tourist centres. A distinct dichotomy exists in terms of stage of product life cycle, quality of stock, clientele and consequently 'image', between the resorts of Ayia Napa and Pafos. Overall, visitor accommodation in the region is more in the middle to lower quality classification rather than top grades.

At 31st March 2004, the Free Famagusta district had a total of 38,340 beds in tourist accommodation establishments. This represented 40% of the Cyprus total. The district had a higher share (63%) of total beds in hotel apartments and tourist apartments (46.5%) and a lower percentage (32%) of hotel beds.

In addition, there were a total of 537 beds in projects under construction at 30.06.2004. Notwithstanding the moratorium on new development, some 224 additional beds were under construction in Protaras.

In addition to bars and restaurants, clubs, shopping, and tourist information services, the area offers a range of visitor activities and reasons to visit, including:

Water Activities and Sports:

- Beach recreation and swimming
- Scuba diving and snorkelling
- Boating (motor and sail boat)
- Wind surfing
- Water/jet skiing
- Sport or game fishing
- Deep sea fishing
- Angling
- Sea Cruises
- A marina is proposed

Land based activities

- Walking, Cycling and Touring
- Horse Riding
- Tennis and Other Racquet Sports
- Clay Pigeon Shooting
- Adventure Sports (Bungee Jumping, Skycoaster, simulated parachuting, paintball shooting
- Waterworld Waterpark
- Ocean Aquarium
- Golf

Heritage and Cultural Attractions

- Architectural attractions
- Cultural attractions

Other Reasons to Visit

- Sports training
- Weddings and honeymoons
- Meetings and Conferences

Tourism Organisation

Having in place appropriate and functioning organisational structures for tourism is essential for the effective development and management of the sector. At present, this function is mainly entrusted to the Cyprus Tourism Organisation (CTO) with local tourist information offices in Ayia Napa and Protaras. However, because tourism is by its nature a multi-sectoral activity cutting across many different bodies, co-ordination among the various government agencies involved, and between the public and private sectors, is a critical component of organisation and management.

The main Private Sector Organisations are:

- Cyprus Hotel Association (CHA), which is the largest national trade association in the tourism sector representing the hotel and lodging industry. CHA has a number of District Committees; and

- Association of Cyprus Tourist Enterprises (ACTE) which composed mainly of up-market 5*, 4* and 3* hotel establishments, deluxe or A class hotel apartments, and deluxe or A class tourist villages) and other high standard tourism-related enterprises, organisations or associations.

The Famagusta Chamber of Commerce and Industry currently acts as the effective co-ordinator for tourism interests in the area.

TOURISM ISSUES – AN ASSESSMENT

Context

The contextual environment within which the development of a tourism strategy for the Free Famagusta Area is taking place is governed by a range of important factors:

- CTO's Tourism Development Strategy & Implementation Plan 2003-2010;
- The current performance of business within the tourism sector;
- EU Accession;
- Post Annan Plan consequences;
- Costs and competitiveness;
- The environment; and
- The regulatory environment.

The strengths, weaknesses, opportunities and threats of the Free Famagusta Area are as follows:

Strengths	**Weaknesses**
▪ Beaches ▪ Name recognition (Ayia Napa) ▪ Nightlife ▪ Range of accommodation ▪ Coastline & Trails ▪ Recreational attractions / 'Things to do' (in season) ▪ Strong travel trade distribution ▪ Churches and monasteries	▪ Image & Unfavourable publicity (Ayia Napa) ▪ Seasonality of demand and availability of 'things to do' ▪ Over supply of inferior accommodation (mainly Ayia Napa) ▪ Price driven demand ▪ Tour operator dominance ▪ Poor planning controls leading to 'tacky' built environment ▪ Larnaca Airport Infrastructure ▪ Local transportation
Opportunities	**Threats**
▪ Creation & promotion of regional identity ▪ Product re-positioning ▪ Attract new market segments, incl. independent travellers ▪ Withdrawal of inferior accommodation ▪ Improved built environment ▪ New regional public-private partnerships ▪ Development of winter products and services, incl. hinterland ▪ Return of Varosha area	▪ Competition ▪ Continuing negative publicity (Ayia Napa) ▪ Withdrawal of some tour operators ▪ Failure to attract investment ▪ Lack of progress on public–private partnerships at regional level ▪ Continued environmental degradation, including poor planning.

The main issues that are impacting on the tourism sector in the Free Famagusta district.

- Lack of a Brand Image
- Marketing of the Area
- Visitor Satisfaction/Value for Money
- Tour Operator Dominance
- Accommodation Quality
- All-Inclusives
- Seasonality
- Lack of things to do in winter
- Marina facilities
- Aesthetic and Built Environment
- Second Homes
- Travel Facilitation
- The limited attractions of the hinterland
- Service Quality
- Famagusta Returned Area
- Pafos as a Competitor

The future performance and development of the tourism industry in the Free Famagusta district will be determined by a number of key factors, including:

- The market perception of the appeals and motivators to visit, together with the range and quality of tourism product;
- The tour operators' response to the expanded product options;
- Developments in access transport;
- The regulatory framework;
- The investment climate for tourism; and
- The organisational or institutional arrangements for the management of tourism in the district.

Among the specific issues that need to be taken into consideration in the formulation of a regional tourism development strategy are how best to:

- Enhance the area's market position and competitiveness;
- Increase spend per visitor (how to enter and / or grow high spend markets rather than increase numbers, especially in "honey pot" locations);
- Encourage visitor length of stay;
- Develop business to extend the season;
- Ensure that tourism development is consistent with environmental, social and cultural as well as economic aspirations of the resident and business communities.
- Identify product improvement, widening and deepening opportunities;
- Achieve critical mass or clusters and introduce new compatible "attractors" which will provide a "reason to visit,"
- Secure capital to finance product enhancement and new development;
- Secure recognition of needs of various groups; and
- Secure agreement on a clear "vision" to which all stakeholders will subscribe and work towards achieving.

THE CHANGING WORLD ENVIRONMENT OF TOURISM

International Travel Patterns

Following the plethora of problems that affected global tourism and travel – economic uncertainty, SARS, and the war in Iraq – the tourist recovery that began during the second half of 2003 seems here to stay worldwide. Global tourism is increasing rapidly, with a record 760 million international trips made worldwide in 2004, generating approximately €518 billion in tourism receipts[1]. International travel and tourism is an important global economic activity, contributing a direct impact of 3.8% to international Gross Domestic Product (GDP), and sustaining almost 74 million jobs or 2.8% of world employment.[2]

While international outbound markets are buoyant with reasonably strong growth, if Cyprus is to achieve average or above average growth it will need to reverse the trend of declining market share in the face of new competition.

While the international travel environment appear to be positive, it is an established fact that the international tourism sector is particularly cyclical due mainly to the global economic climate and is also vulnerable to exposure to world shocks such as the effects of Chernobyl (1986), Gulf War (1991), September 11th (2001), and the Iraqi War (2003).

Changing Environment for Tourism

The tourist industry now operates in a fast changing environment. Some of the leading trends and challenges that can be identified include:

- Changing Consumer Behaviour
    - An increase in holiday destinations, with the competitive set for Cyprus never so broad;
    - Consumers are taking more holidays but length of stay is decreasing;
    - Late booking and impulse buying is increasing, driven by the Internet, low fare airlines offering cheaper fares to the consumer, and looser working arrangements particularly in Europe.
- Changes in Organisation of Travel

  Greater customisation of travel arrangements is expected, however, IPK indicates that inclusive bookings (packages) will still be important and a growth sector.

- Internet and Other Technologies

  Strong growth in Internet purchased holiday options will continue as 3G technologies brings the Internet to new platforms. Internet usage has grown considerably, and new technology developments will favour and enable growth. Interactive digital television, mobile telephony and GPRS technologies will greatly support m-commerce for travel.

[1] World Tourism Organisation (WTO)
[2] World Travel and Tourism Council (WTTC)

A STRATEGIC RESPONSE TO CHALLENGES & OPPORTUNITIES

National Tourism Strategy for Cyprus

CTO's Tourism Development Strategy & Implementation Plan 2003 - 2010 clearly sets out a vision and targets for tourism to Cyprus. The strategic direction for tourism to the Free Famagusta Area must be integrated into and complement the national tourism strategy. The key elements of the desired positioning of Cyprus as a holiday destination include '*quality*'; '*a range of satisfying activities'*; and '*the opportunity for the visitor to discover new exciting experiences'*.

Core Values/USPs

Based on research positioning core values for the regions are:

- quality of beaches, accommodation and services;
- range of 'things to do and see' for each season;
- welcoming friendly environment; and
- a non-mass tourism ambience.

Destination Vision for the Future

The Challenges

1. ***The image and perception of the area*** in the primary source markets, due to the publicity associated with Ayia Napa during the peak summer months;
2. The ***seasonality*** issue, most businesses close during the winter period due to lack of demand;
3. The quality of some ***older guest accommodation*** and the overall ***environmental management***;
4. Market issues including the ***very high dependence on tour operators*** and charters (which do not operate into Larnaca in the winter);
5. ***Increasing competition*** from within Cyprus, particularly Pafos, and the newer Mediterranean resorts in other countries.
6. ***Barriers to commerce*** and a culture of bureaucracy prevail in the tourism industry in Cyprus.

The Opportunities offering Strategic Advantage

1. With the passing of the 'clubbing capital' phase, an opportunity exists to ***reposition Ayia Napa and the surrounding area*** in the marketplace to regain market share and penetrate new market segments;
2. The ***potential for winter business*** is one which the industry are committed to exploiting and redressing the bias in recent years of directing winter traffic by means of incentives to Pafos airport and hinterland.
3. Reflecting market trends an opportunity exists to attract visitors on a year-round basis and to improve the competitiveness of the area by means of ***expanding the range of 'attractors'*** and ***improving the service quality and value***.
4. With a shift towards more independent travellers, liberalisation of air transportation, the internet offers the possibility of ***more direct marketing*** and lowers dependence on tour operators.
5. While tourism to the area is concentrated on Ayia Napa and Protaras, there is a strong view that the surrounding hinterland offers the potential to establish the ***Free Famagusta Area as a holistic tourism destination*** exposing the natural, historical and cultural attractions of the area to visitors staying at the resorts.

Guiding Principles and Targets for Tourism Strategy in the Region

The key principles proposed as underlying national tourism policy, which should also guide the regional strategy, are: s*ustainability; value rather than volume; focused investment; selective and targeted marketing; and, profitability.*

The Free Famagusta area must remain price competitive in the face of competition. This is best delivered by value-added elements and year-round pricing inducements to tour operators. With successful repositioning, product enhancement and a gradual shift to more direct distribution channels, the price point should improve, removing some pressure on price competition and refocusing on value.

Key Image and Appeals Repositioning Attributes		
	Best Beaches Plus	
From:		***To:***
Loud, tacky resort	→	Safe and pleasant environment/ambience
Mixed and seasonal	→	Year-round quality destination
Limited activities	→	Range of activities/things to do for all ages and all seasons

The strategy should be one that initially focuses on those segments of existing demand that are consistent with the goals of repositioning the area and improving the yield. Segmentation is at the heart of destination marketing.

Target Consumer Segments					
	Holiday Needs	***Personal Attributes***	***Profile***	***Free Famagusta offering***	***Typical Products***
'Family and Loved Ones'	Holiday with Family VFR Family designations	People-centric, family first, familiarity	Families with children Extended families Empty nesters	Familiar welcome; Fun with nature; Lots to do; Relaxing and romantic.	Sun and sea plus; VFR; Villas/apartments; Hotel; Holiday villages; Weddings/Honeymoons; Pampering.
'Outdoor Actives'	Play sport, actively engage with nature	Adventure seekers, health conscious, independent thinkers	Young singles Urban couples Empty nesters	Golf; Walking, Cycling, Spectacular coastal trails Sailing/boating	Activity holidays; Yachting; Soft Adventure; Diving; Team sports; and Athletic tourism
'Social Adventurers'	Discovery Meeting new people Nightlife	Risk takers Party-goers Ambitious Youthful	Young singles and couples	Vibrant living culture; Events for the young at heart; Party atmosphere	Fun resort; Beach and water sports; Entertainment
'Nature and Culture Seekers'	Scenery, culture. History and nature	Well informed and travelled, socially concerned.	Discerning, 30-50's. Empty nesters	Historical sites, Myths, Dramatic coastlines, Festivals/Events.	Based touring; Exploration; Well being; Heritage lectures, etc.

Priority Geographical Source Markets

In the short to medium term it is recommended that the Free Famagusta area concentrate the bulk of its marketing focus on the following source markets:

- **Britain:** based on current importance, awareness/familiarity, access and distribution networks. However, it will be necessary to dissuade certain segments i.e. teenage 'fun' segment.
- **Scandinavia (mainly Sweden and Norway):** based on established awareness, demand and distribution in the marketplace.
- **Germany:** potential to build on current demand with broadening of potential into new segments.
- **Ireland:** a growth market where Cyprus and the Free Famagusta area is well positioned, although perceived as expensive, offering potential to expand year-round into new segments.
- **Greece:** with improving access the area could contest segments of this market for short breaks, villa ownership, meetings and affinity groups, particularly outside the peak summer season.
- **Domestic market:** the home market of Cypriots and foreign residents represents a relatively untapped potential with increasing affluence of the resident population. The domestic market has the potential to contribute to profitability of tourism enterprises in the area, especially in the shoulder and off-season periods, as well as a market for seasonal or holiday home ownership.

Reaching the Customer

Communicating the appeals and attractions of the Free Famagusta area to potential markets will have to be integrated with the overall marketing strategy being pursued by CTO and the industry in respect of the island of Cyprus. However, under the Cyprus umbrella marketing campaigns the area will need to develop a well-targeted promotional communications programme. The key elements of the proposed communications or promotional programme for the Free Famagusta area will include:

Consumer Marketing

A range of communications tools and activities can assist in re-positioning the destination, including:

Publicity/PR:	Perhaps the most effective tool in repositioning the destination in the marketplace. Features on TV and in colour magazines are potentially powerful in projecting images of the destination. • *Consumer Promotions*: Attendance at holiday fairs and exhibitions, and joint promotions with consumer goods and services outlets provide a cost efficient way to reach the potential market. • *Advertising:* Advertising will only play a role in highly selective market segments, where the available resources will be capable of reaching the necessary threshold level of awareness. Consumer advertising will only be possible in conjunction with trade or industry partners or as a sub-segment of CTO national advertising campaigns. • *Brochures*: A priority should be the production of an integrated brochure featuring the entire area and replacing the multitude of printed materials currently on offer. The style, images, tone and content of the new material should convey the range of appeals that the area offers.
The Internet	The marketing programme for the area will focus on website; linkages; online brochure & information; sales facility; and data base e-marketing.
Travel Trade Activity	• Promotion to tour operators, • Virtual Travel Outlets.
Industry led, market driven research	The proposed re-positioning strategy will require specific research and ongoing monitoring at least during the early years of the implementation. An industry-led committee is proposed to interface with CTO to ensure that the required information can be made available in a cost effective and timely fashion.

A Strategic Approach to Product Development

Expanding and Upgrading the Visitor Product

The Free Famagusta area, within the context of the strategy for the country, based on the target segments that have been identified as viable prospects needs to address these issues:

I. Upgrade/refurbish/enhance existing tourism plant which can serve future market demand

II. Expand the range of hard and soft products to cater for niche markets and/or deliver a more satisfying ‘sea and sun plus’ experience

III. Remove obsolete product that no longer meets international standards.

Guest Accommodation

Demand for hotel accommodation will grow, with demand for upscale properties growing fastest.

Guest Accommodation: Outlook for Growth

Category	*Outlook*	*Comments*
Hotels **Hotel Apartments/Timeshare**	High growth	Growth likely to especially benefit upper scale properties 5*, 4* and well appointed 3*.
Tourist/Holiday Villages	High growth	Prospects good for complexes with good standards and high levels of amenities on site.
Villas	Moderate to high growth	Foundation for committed market, appealing to affluent middle to older age groups.
Holiday Apartments/Hostels	Low to negative growth	An ageing market militates against this category as does increasing comfort and value expectations. Expect continual decline.
Home Stays (B&Bs, Gites, Traditional Buildings)	Low growth	High appeal to limited specialist segments.

Special Interest Products and Amenities

A key to the re-positioning of the Free Famagusta area in the marketplace will be the provision of a range of activities and facilities which will act both as 'attractors' or motivators to entice visitors, while also broadening the experience and satisfaction of general 'sea and sun plus' visitors.

Special Interest Products

	Priority Rating for FFA	Rationale/Comments
CULTURE AND HERITAGE		
Museums	High	Re-positioning; seasonality; specific market niches
Cultural/Thematic Routes	High-Medium	Re-positioning; spatial spread beyond coastal resorts; market niches
Events/Festivals	High	Image/awareness; seasonality; motivators
ACTIVITIES/SPORTS		
Golf	High	Broaden market and expenditure opportunities
Cycling Trails	High	Activity/special interest niches
Marine Sports Centres	High	Activity/core product complement
Team Sports & Training		
Football	Medium	Special interest markets; seasonality
Athletics	Medium	Special interest markets; seasonality
Bowls	Medium	Broaden market appeal and seasonality ex UK
FACILITIES/ATTRACTIONS		
Entertainments	High	Experience fulfilment; expenditure; seasonality
Meetings/Conferences	Medium	Niche markets; seasonality
Marina	High	Activity segments and broaden experiences
Coastal cruises	High	'Things to do'; core product complement
Casino	Medium	Enhance evening product range and broaden market appeal
NATURE-BASED ATTRACTIONS		
Natural History Trials	Medium	Specialist niche markets
National Park	High	Environmental 'fit'
Marine Park	High	Environmental 'fit'

The Environment

As the core appeals of the area are nature based, mainly marine, the conservation and protection of the natural resources is key to the sustainability of appeal and quality of life for residents and quality of experience for visitors. The area needs to adopt a rigorous approach to implementing a range of measures to protect and enhance the environmental quality of the area. National policy guidelines and best international practices need to be adopted in relation to a range of issues, but principally:

- Planning regulations, in particular, land use policies, urban sprawl, coastline ecosystems;
- Zoning planning;
- Visual and noise pollution control;
- Traffic management;
- Sewerage treatment;
- Solid waste management;

- Sustainable energy policies; and
- Protection of biodiversity.

It is recommended that the Free Famagusta area – local authorities and the private sector – adopt certain internationally recognised guidelines and standards for responsible tourism, for instance continuing the Blue Flag programme for beaches; adopting 'Green Globe 21' or equivalent standards for accommodations; and using boat and hotel benchmarking criteria and standards.

Such an initiative would contribute to the stated policy goal of improving the overall quality of the tourism product in the area. Besides, linking up with existing international mechanisms gives credibility to quality claims and to claims that impacts are properly managed, and helps in the marketing of the area.

Infrastructure

The provision and maintenance of an adequate public infrastructure, the principal elements for which specific plans will be required include: utilities (water, sewage, electricity etc); road infrastructure; parking, visitor lay-bys, signposting etc.; telecoms; public transportation; waste management; and marine piers, slips etc.

Product Innovation

Success for the area will come from presenting a clearly differentiated product appeal and experience is differentiated from other resort areas in Cyprus and further afield. The strategy should include specific actions to foster research and product innovation, together with benchmarking audits against best practice in other destinations.

Delivering Quality and Value

Two overriding strategies are commonly used to create competitive advantage in most tourism regions: cost leadership and quality differentiation. The option of the strategic approach to achieving competitiveness through quality differentiation tactics is open to the Free Famagusta area.

In order to deliver on such a strategy two principal programmes must be consistently pursued:

a. promoting best practice in management and staff development;
b. setting high operational and service delivery standards.

People in Tourism

A concerted effort is required so that the industry in the area working together with the CTO, education institutions and other interested stakeholders, including students, and with the support of the national educational and vocational training agencies to develop an improved programme to cater to the needs of businesses, employees and potential employees.

Value for Money

A key objective of the strategy to reposition the Free Famagusta area will be the enhancement of the competitiveness of the value for money offer to the visitor. Concrete measures need to be adopted by all within the industry to improve competitiveness.

Organising for Success

Organisational arrangements will influence the successful implementation of the strategy. Two groups are proposed, as follows:

Tourism Strategy Implementation Group

The implementation of the proposed strategy for the area will require a new organisational arrangement for facilitation and co-ordination, and monitoring of progress. Responsibilities will rest with a range of public sector bodies, with the private sector being encouraged and facilitated to make the necessary capital and operating investments.

Free Famagusta Area Marketing Task Force

A Marketing Task Force is proposed, engaging CTO and representatives of all the key tourism sectors to prepare, co-ordinate and monitor a specific 3-year marketing programme, harnessing both public and private sector budgets.

Strategic Options and Key Consequences/Results

Strategic Options	Key Consequences / Results
Do Nothing' – 'Continue as is'	A continued 'drift', with further loss of market share;
	Increasing vulnerability of the region to changing market conditions, competition, and dependence on tour operators;
	A continued decline in demand and occupancy, resulting in declining yields, profitability and an increase in business failures;
	The Area would remain a seasonal destination;
	Little or no new investment and a further marked decline in quality of accommodation and the built environment;
	Uncontrolled villa developments;
	No spread of tourism beyond established resorts.
'Gradual Transformation'	A broadening of market appeal over time with new product and service initiatives.
	Gradual delivery of an improved quality and value experience.
	Creation of new 'reasons to visit'
	Little overall impact on visitor expenditure and season extension in the short to medium term.
	Continued dependence on resorts' image and appeals and continued high reliance on tour operators.
'Bold Re-Invention'	Significant increase in investment in plant and products – creating new 'reasons to visit'
	A repositioning of the destination in the short to medium term.
	Increasing the price point and visitor expenditure, while delivering a year-round visitor experience.
	Improvement of the built environment and linkages with the hinterland.
	A positive contribution to the expansion of potential for Cyprus and the creation of a distinct competitive advantage for the area.

Impact of Strategic Options

	'As is'/ 'do nothing'	*'Gradual transformation'*	*'Bold transformation'*
Broaden market appeal	≅	↑	⬆
Reasons to visit	↓	↑	⬆
Expenditure	↓	≅	⇑
Seasonality	≅	↑	⇑
Tour operators	⬇	≅	⇑
Environment	↓	↑	⇑
Accommodation	↓	⬆	⬆
Regional spread	↓	↑	⇑

↑	Low positive impact	↓	General negative impact
⇑	Medium positive impact	⇓	Medium negative impact
⬆	High positive impact	⬇	High negative impact
≅	Neutral – no impact		