



THE EUROPEAN CULTURAL, MEDICAL & SPORTS TOURISM DEVELOPMENT SUMMIT

8TH MAY 2019

ST. RAPHAEL HOTEL, LIMASSOL

**“Creating / Maintaining a Competitive Edge as a
Preferred Global Tourism Destination ”**

**Presentation by
Mr. Zacharias Ioannides
Director General
CYPRUS HOTEL ASSOCIATION**

**THANK YOU FOR INVITING US
TO BE PART OF THIS IMPORTANT SUMMIT**



THE AGENDA OF OUR PRESENTATION

- A brief profile of the Cyprus Hotel Association and its mission
- Regional performance and Cyprus consecutive record breaking trajectory in tourism arrivals and revenues.
- The main elements behind this success.
- Increasing interest of investors into the acquisition of real estate assets.
- The way forward with an air of justified optimism.



BRIEF DESCRIPTION OF OUR OWN FAMILY

THE CYPRUS HOTEL ASSOCIATION & ITS MAIN AIMS:

» Basic characteristic: **LOVE**

- For our country
- For establishing it as an attractive tourist destination
- For our foreign guests transforming them into “Ambassadors of Cyprus”
- For the welfare of our country men and women by ensuring a positive contribution of the tourism and hotel industry to the economic development of Cyprus
- For each other amongst the hoteliers



MID - 1930's → MORE THAN 80 YEARS OF HISTORY BY NOW THE CYPRUS HOTEL ASSOCIATION

- **294 HOTEL PROPERTIES / MEMBERS**
- **57,137 BEDS**
- **REPRESENTING 66% OF THE TOTAL LICENSED BED CAPACITY OF CYPRUS**



RANGE OF MAIN ACTIVITIES

- » Representations to the Government
- » Representations to the House of Representatives
- » Participation in various standing and ad-hoc Committees of the above and other Organizations (eg Sub-Ministry of Tourism)
- » Negotiations with the Trade Unions, primarily for the renewal of the Collective Agreement for Hotel Employees

HOW IS CHA ORGANISED/STRUCTURED

- » GENERAL ASSEMBLY OF MEMBERS
- » BOARD OF DIRECTORS
- » DIRECTOR GENERAL
- » SECRETARIAT
- » DISTRICT COMMITTEES

CHA MEMBERSHIP / AFFILIATION TO INTERNATIONAL ORGANIZATIONS

» UNWTO



» IH&RA



» UFTAA



» HOTREC



CHA AFFILIATE MEMBERSHIPS IN CYPRUS

» CYPRUS CHAMBER OF COMMERCE & INDUSTRY



» FEDERATION OF EMPLOYERS & INDUSTRIALISTS



» ASSOCIATION OF CYPRUS TRAVEL AGENTS



» ACADEMIC INSTITUTIONS



ΑΝΩΤΕΡΟ ΞΕΝΟΔΟΧΕΙΑΚΟ ΙΝΣΤΙΤΟΥΤΟ ΚΥΠΡΟΥ
HIGHER HOTEL INSTITUTE OF CYPRUS



Πανεπιστήμιο Κύπρου
University of Cyprus



UNIVERSITY OF NICOSIA
ΠΑΝΕΠΙΣΤΗΜΙΟ ΛΕΥΚΩΣΙΑΣ



A large group of people, both men and women, are shown from the chest up, all dressed in formal attire (tuxedos and gowns) and clapping enthusiastically. They are arranged in several rows, creating a sense of a large gathering or event. The background is dark, making the people stand out.

STRONG LINKS WITH THE MASS MEDIA AND THE GENERAL PUBLIC

**» WITH ALL THE LOCAL MEDIA
ELECTRONIC
PRINT**

» WITH INTERNATIONAL MEDIA

STRONG LINKS WITH MASS MEDIA AND THE GENERAL PUBLIC

WITH **BBC WORLD NEWS** BEING THE OFFICIAL MEDIA SPONSOR
OF CHA FOR A NUMBER OF YEARS IN THE LAST DECADE



STRONG LINKS WITH MASS MEDIA AND THE GENERAL PUBLIC

WITH CNN INTERNATIONAL ESPECIALLY DURING THE
GULF CRISIS AND THE YEARS AFTER



STRONG LINKS WITH MASS MEDIA AND THE GENERAL PUBLIC

- » FREQUENTLY PUBLISHING PRESS RELEASES TO THE MME
- » PUBLISHING OUR OWN QUARTERLY MAGAZINE
- » PUBLISHING OUR DOMESTIC TOURISM CATALOGUES:
SUMMER AND WINTER



MAIN EVENTS ORGANIZED BY CHA

- » ANNUAL GENERAL MEETING OF THE MEMBERS
- » ANNUAL HOTEL CONFERENCE
for 41 consecutive years with the last one held on
26 February 2019 at the HILTON PARK HOTEL

MAIN EVENTS ORGANIZED BY CHA

- » ANNUAL EXHIBITION OF PRODUCTS & SERVICES
for 27 consecutive years

- » SEMINARS ON SPECIFIC ISSUES OF INTEREST
e.g.: - Energy Savings
 - Waste Management
 - IT & Telecommunications
 - SPA & Wellness

Existing Areas of Partnership

Value & Benefits of Co-op between Industry/Employers & Academia/Students



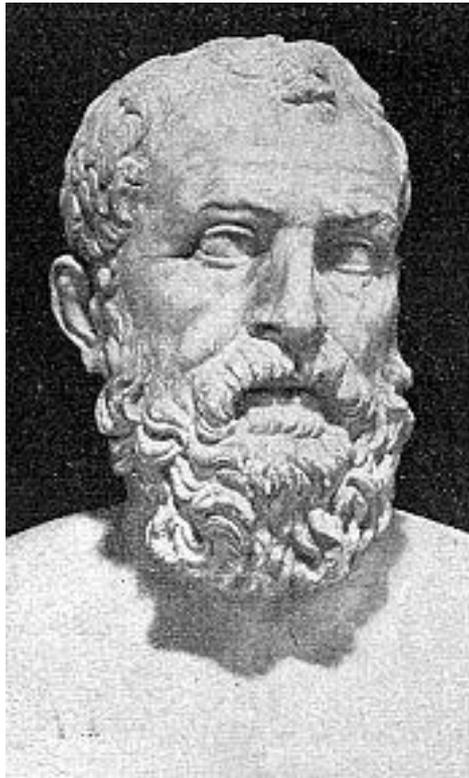
PPPs: - Structural Funds & Social Cohesion Funding through EU Programs/Projects.

- ☞ Various Schemes of the Ministry of Labour in force aiming at both mitigating Unemployment and the Seasonality Problem.
- ☞ Training & Certification Programmes of the Human Resource & Development Authority
- ☞ Intensive Training Programmes of the Higher Hotel Institute



“Life Long Learning”

“Γηράσκω Αεί Διδασκόμενος”



Solon, Greek Philosopher
(638 – 558 BC)

Best Practices/Examples of

- Employment Opportunities/Career following successful consecutive internships
Examples of best practises



 **THE RETREAT** Aphrodite Hills

Breathe in the scents and fragrances of our hidden gardens with massage pavilions and dancing fountains;









Pelagos Restaurant, serving lunch and dinner, and specialising in fresh fish and Cypriot specialities.





TRANSFORMATION OF THE NEEDS OF THE EXPERIENCED AND DEMANDING TRAVELLER FROM

4P → 4S → 4E

➤ From the '80s decade of the 4 P's:

Product

Price

Place

Promotion

➤ To the '90s decade of the 4 S's :

Sun

Sea

Sand

Sex

➤ To the 21st century of the 4 E's :

Education

Entertainment

Emotion

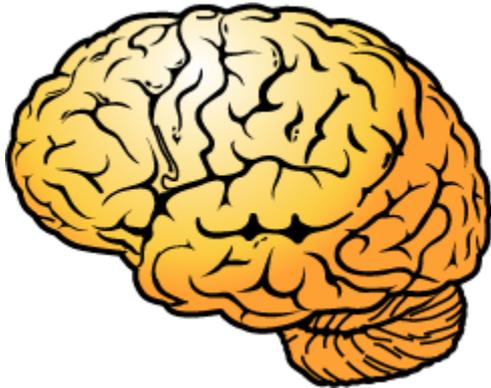
Experience (Overall)

TRANSFORMATION OF THE NEEDS OF THE EXPERIENCED AND DEMANDING TRAVELLER FROM

4P → 4S → 4E

AND THE EVOLUTION OF THE MODERN TRAVELLER - TOURIST

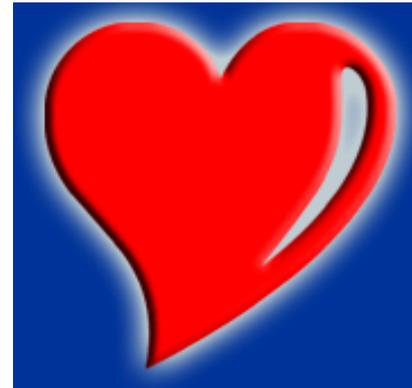
From the



Brain



To the



Heart / Emotions

REGIONAL PERFORMANCE

&

CYPRUS CONSECUTIVE

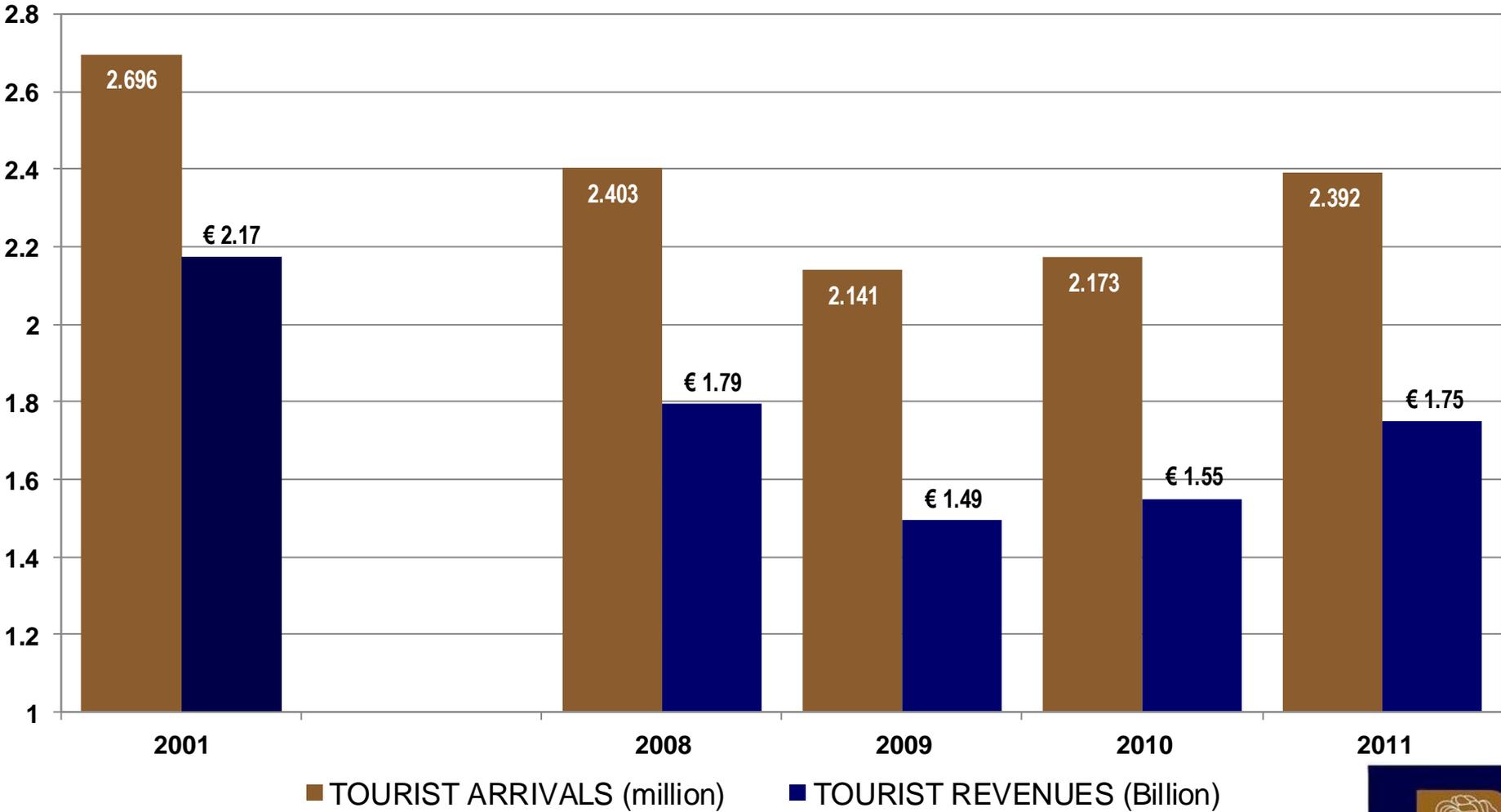
RECORD BREAKING TRAJECTORY

IN

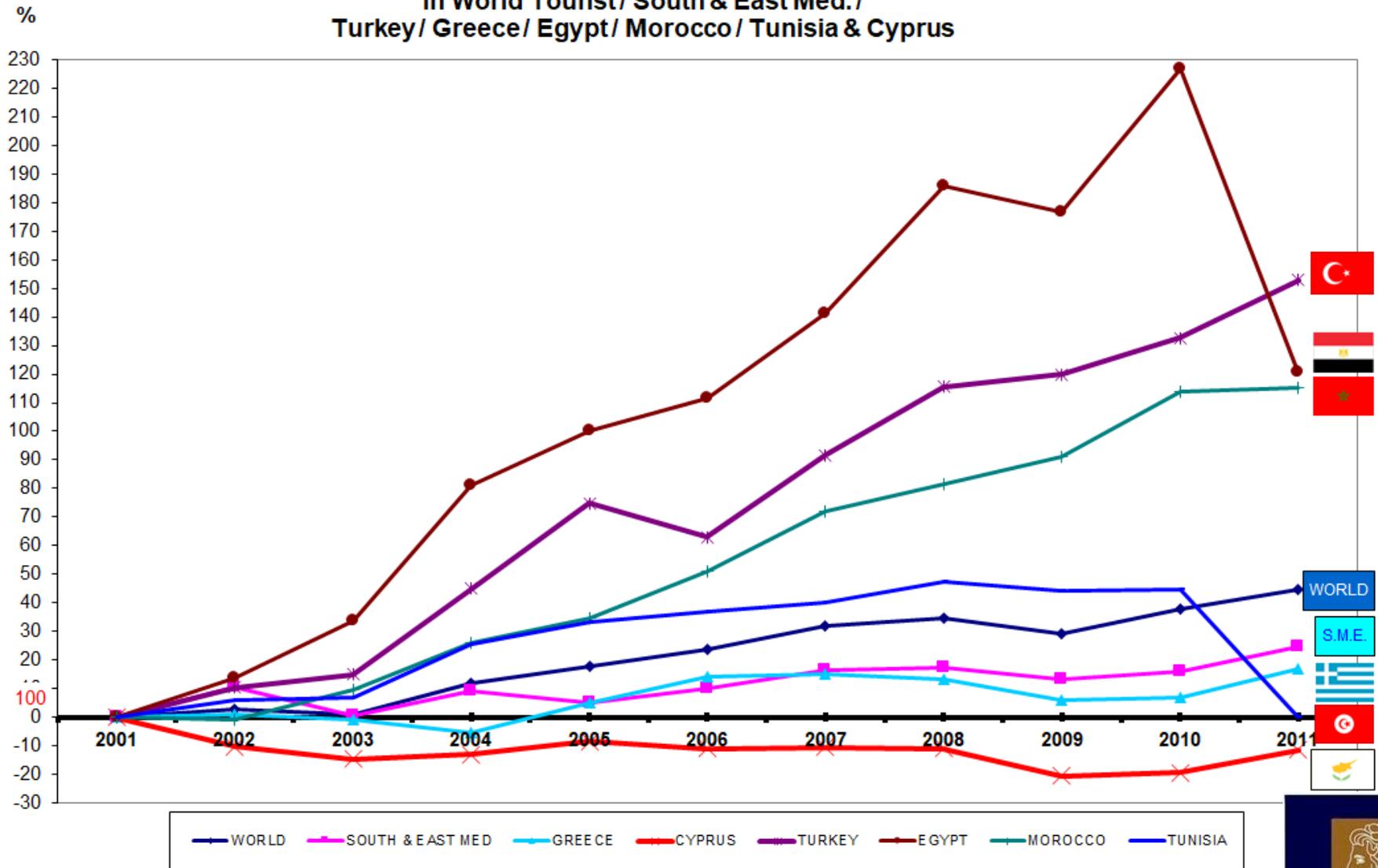
TOURIST ARRIVALS & REVENUES



The stagnating decade of the Tourism Industry in 2001 - 2011



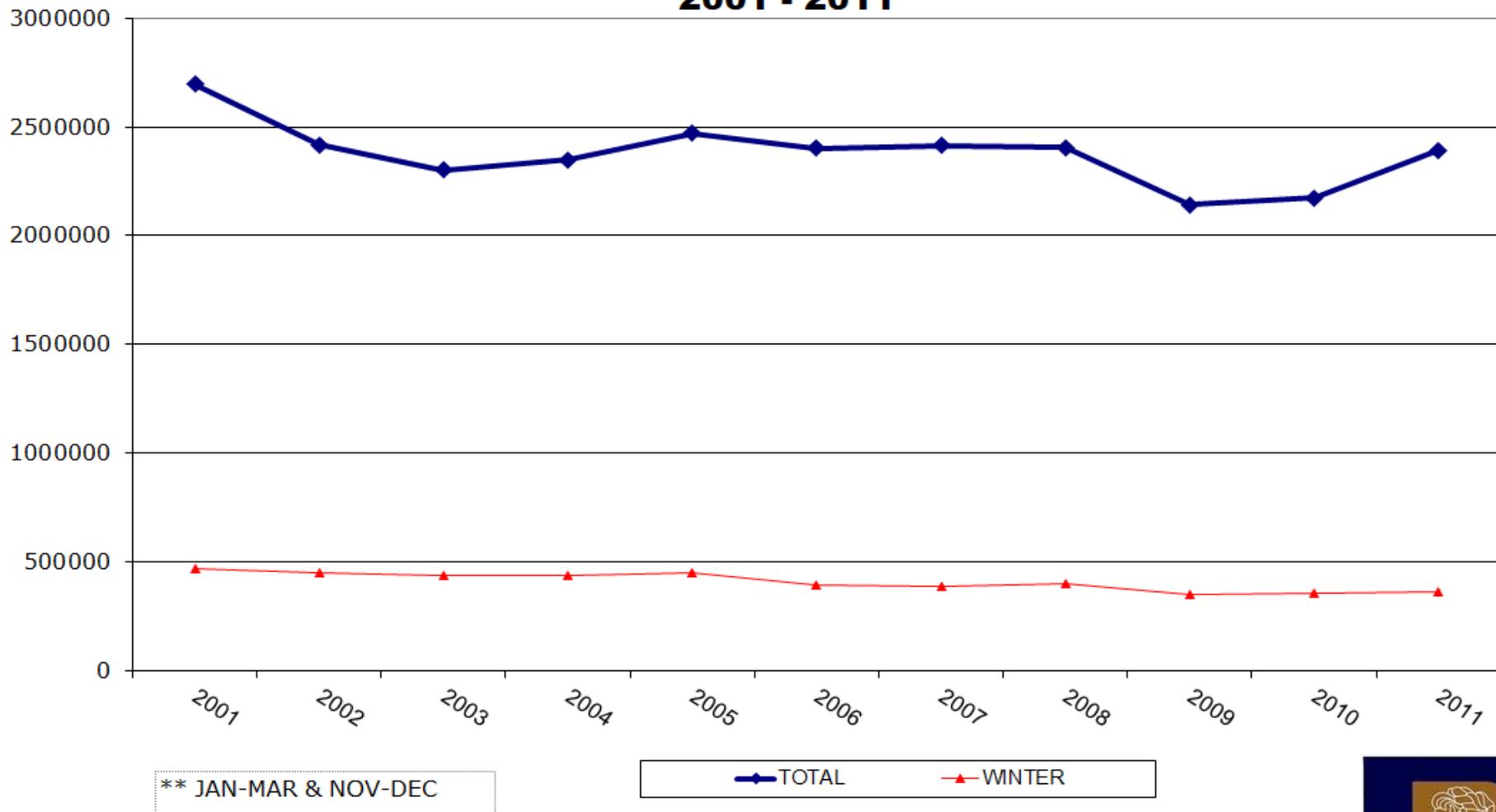
Comparative variation in tourist arrivals Vs 2001 In World Tourist/ South & East Med./ Turkey/ Greece/ Morocco/ Tunisia & Cyprus



EVOLUTION OF TOURIST ARRIVALS

TOTAL - WINTER **

2001 - 2011





Emergency Plan of Action - 2013

CHA Proposals as submitted to the President of the Republic.

Short-Term:

- Immediate Communication Strategy
- Loan facilitations from the Central & Commercial Banks (e.g. extended repayment periods)
- Immediate employment opportunities for Cypriots and related labour relations issues
- Electricity Authority of Cyprus – Energy Policies– Exploiting Renewable Energy Sources (e.g. Photovoltaics) & Net Metering
- Open Skies Policy – Accessibility and Market Development

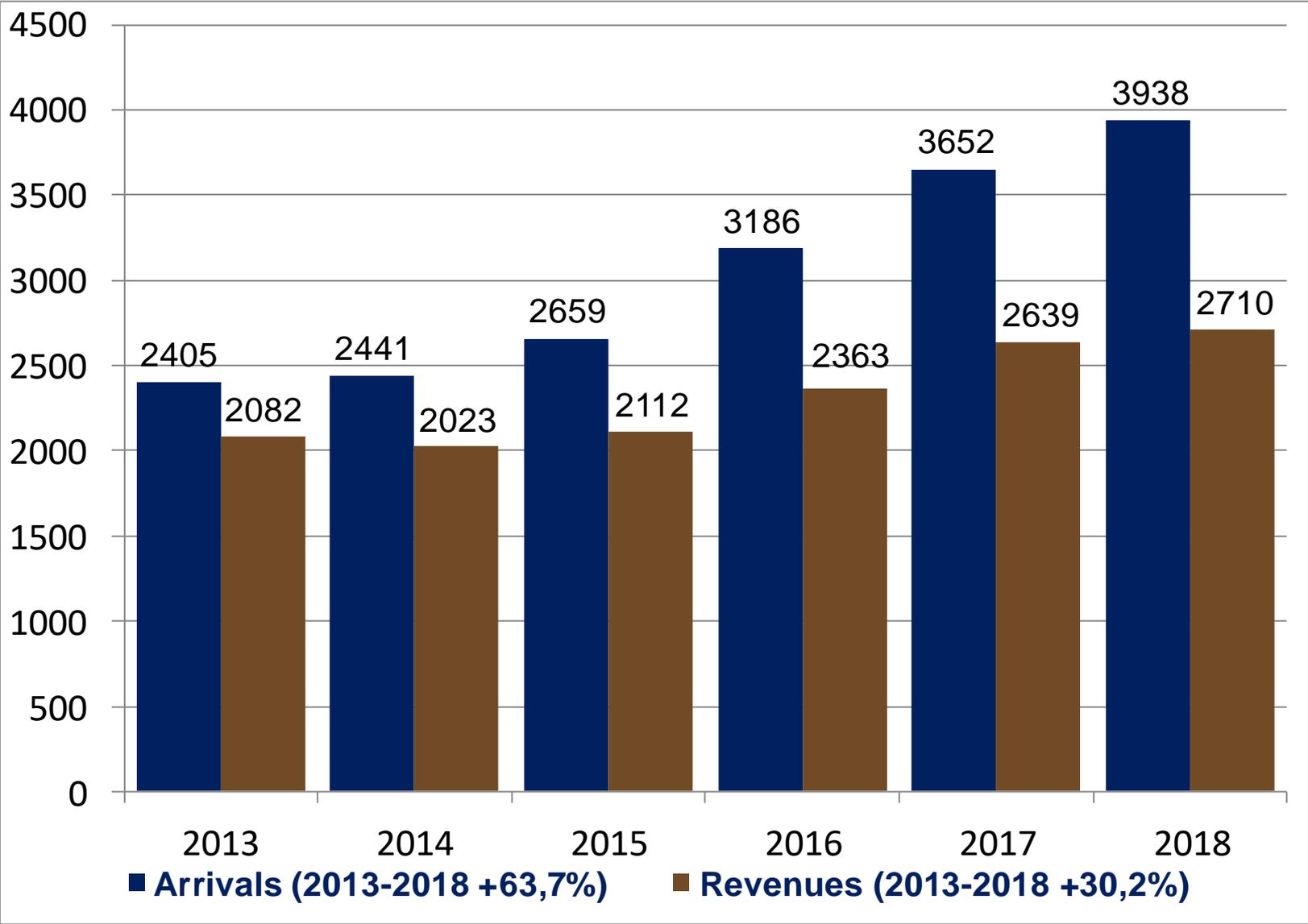
Medium Term:

- Government incentives for the Up-grading – Renovation of existing hotels (e.g. through building coefficients)
- Integrated Casino Resort
- Development of Mixed Tourism Projects/Resorts
- Development of Marinas, Golf courses, and other Sports Centres
- Development of infrastructures for Special Interests Tourism
- Reorganization of CTO and Marketing Activities exploiting modern approaches and tools/channels

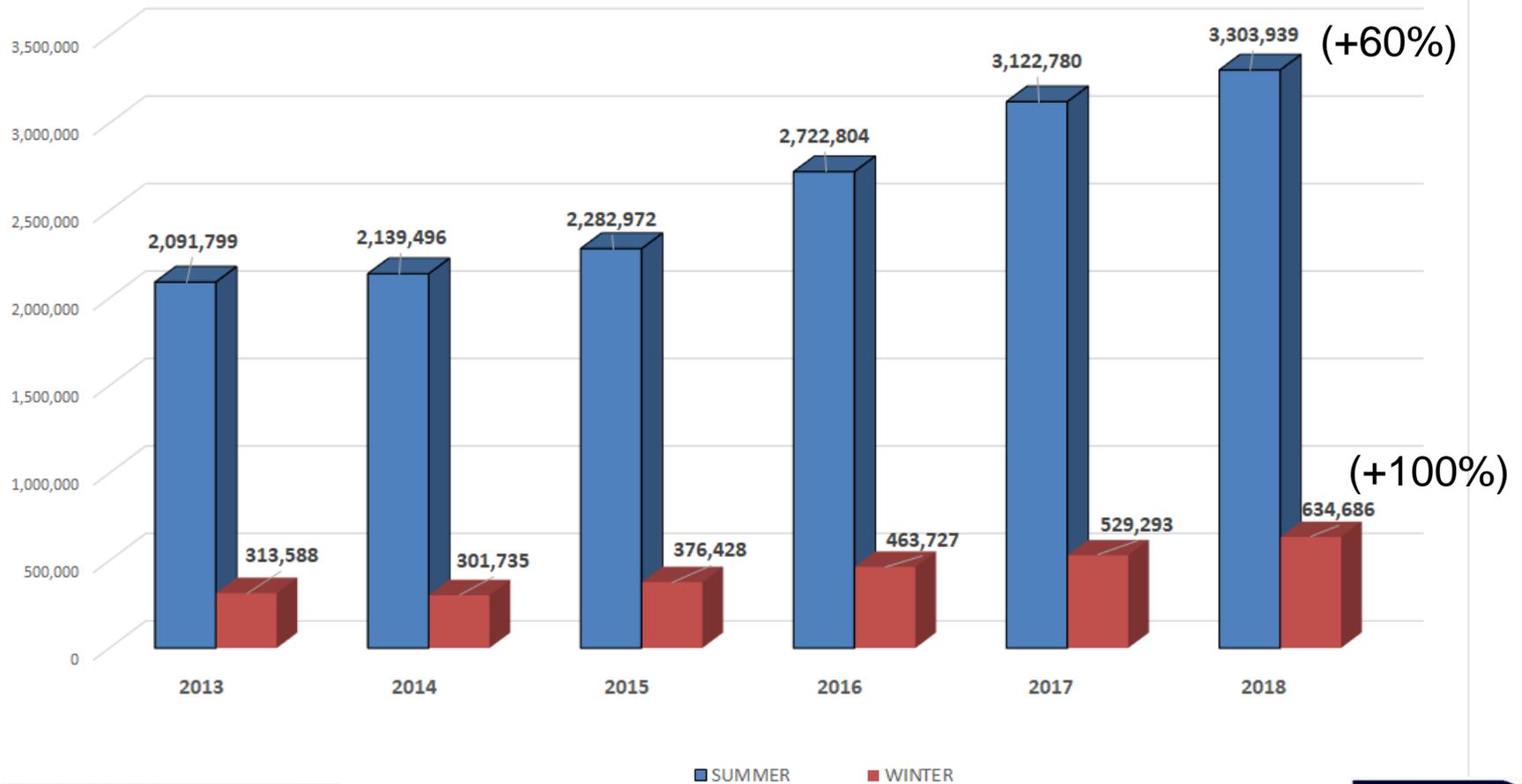


TARGET - MARKET	TOURIST ARRIVALS 2013 (2.4 m)	TARGETED TOURIST ARRIVALS IN 5 YEARS (4 m)	ACTUAL TOURIST ARRIVALS 2018 (4m)
UK	1 m	1.5 m	1.3 m
Germany	110,000	500,000	189,000
Scandinavian Markets	250,000	500,000	280,000
Russia & C.I.S.	600,000	1 m	850,000
Ukraine	35,000	100,000	70,000
Israel	40,000	100,000	233,000
Middle East / Gulf	55,000	200,000	120,000
BRICS with priority China	0	100,000	
Turkey	0	???...	

Tourist Arrivals & Revenues from Tourism (2013-18)



EVOLUTION OF TOURIST ARRIVALS SUMMER * - WINTER ** 2013 - 2018



* APR-OCT
** JAN-MAR & NOV-DEC

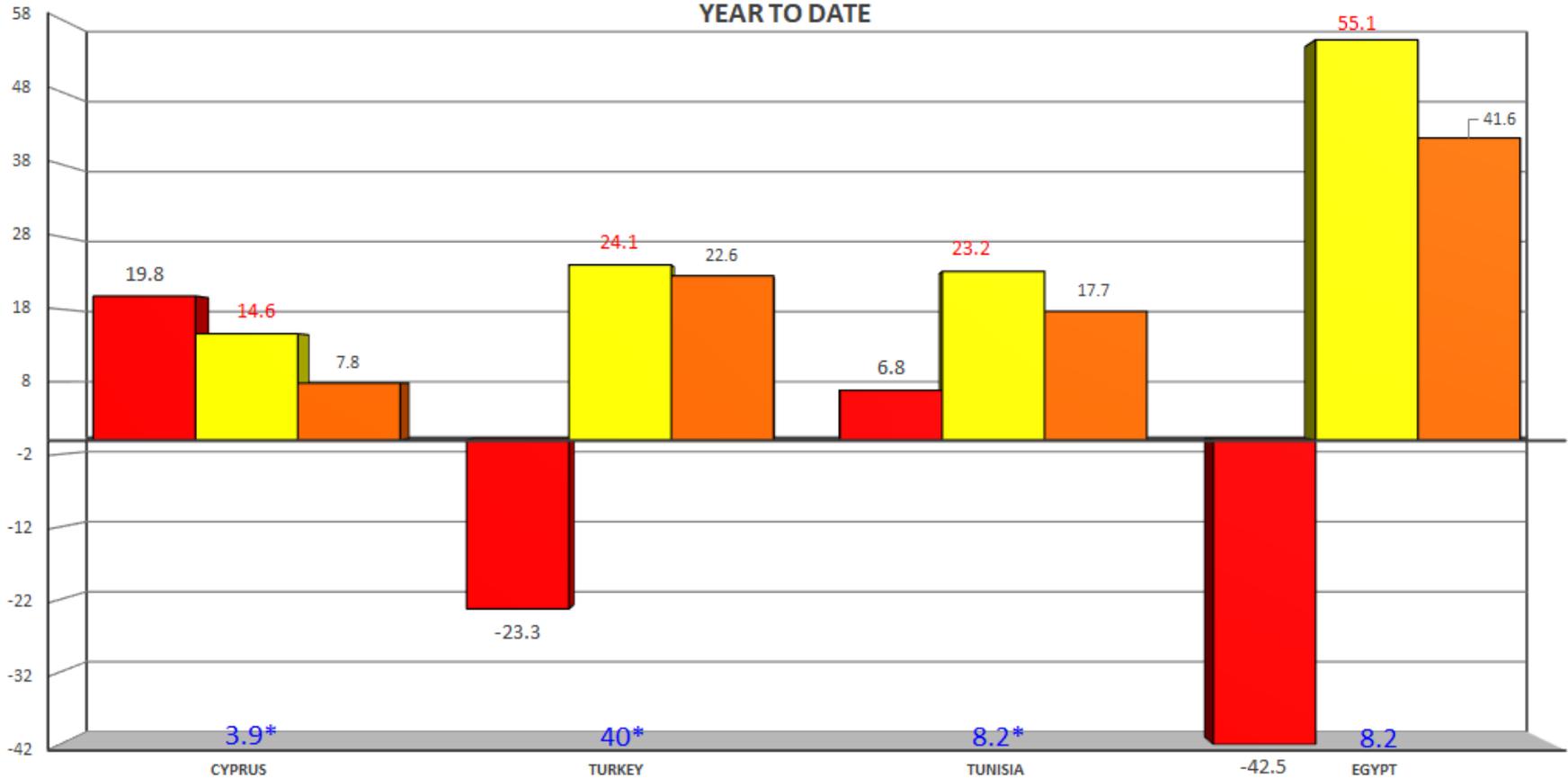


Fluctuation of Tourist Arrivals for Cyprus & Its Major Competitive Destinations

JAN - DEC 2016 Vs 2015

JAN - DEC 2017 Vs 2016

YEAR TO DATE



■ JAN-DEC '16 Vs '15 ■ JAN-DEC '17 Vs '16 ■ YEAR TO DATE

Million Tourist Arrivals 2017 / *2018



THE MAIN ELEMENTS BEHIND THIS SUCCESS



Main Guidelines Targetting Quality

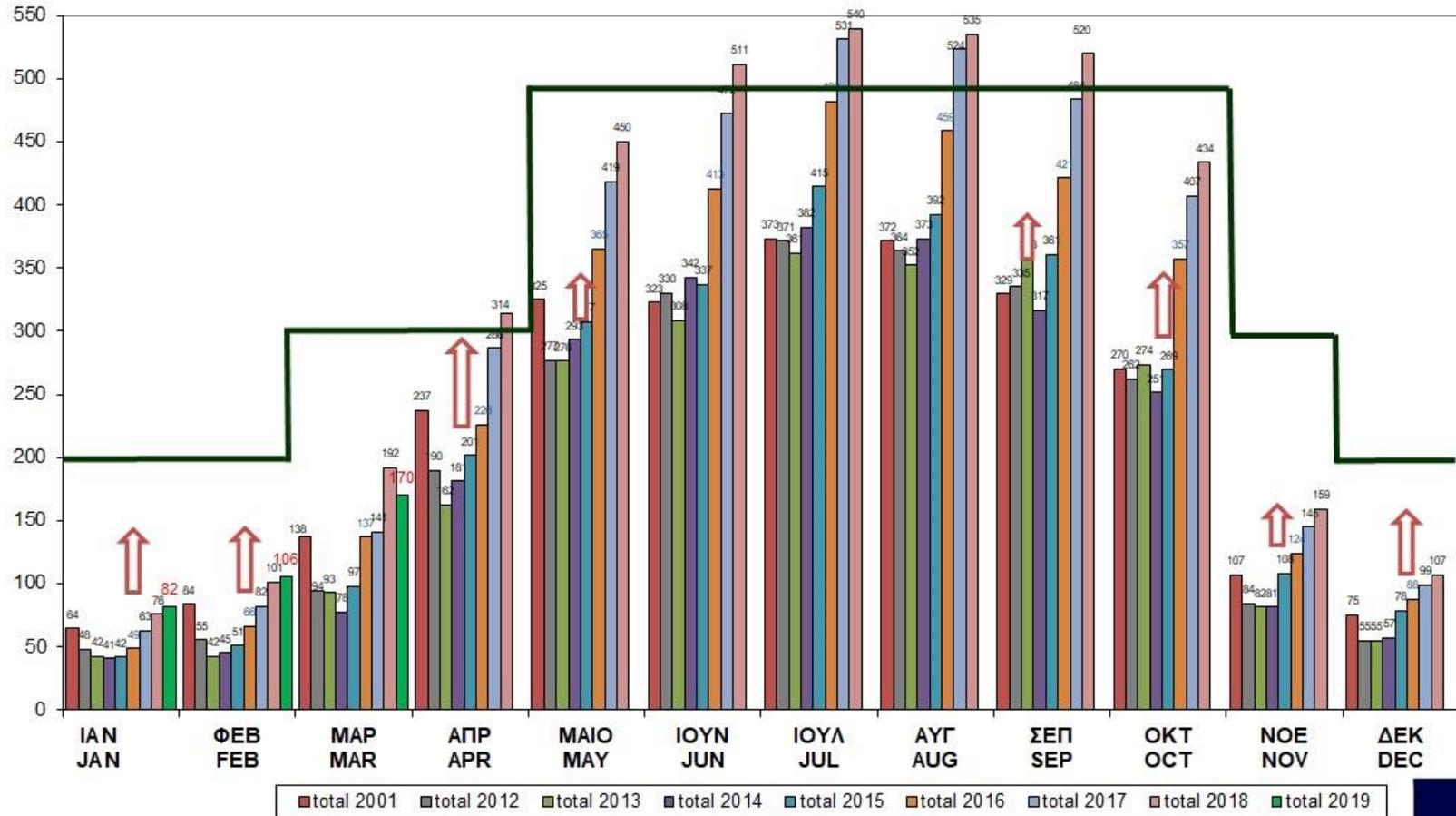
- **Quality orientation - > €500 million in hotel investments in recent years.**
 - **Holistic Experience**
 - **Social Media / Influencers**
-
- **Immediate implementation of the New Regulatory Framework for the Classification of Hotels**
 - **Completion of big infrastructural projects**
 - **Utilizing Intensive training programmes for the needs of the hotel industry**
 - **Developing thematic tourism with specialized products and services**

THE CHALLENGE FOR 4.5m TOURIST ARRIVALS ANNUALLY

MONTHLY TOURIST ARRIVALS FOR

2001 - 2012 - 2013 - 2014 - 2015 - 2016 - 2017 - 2018 - 2019

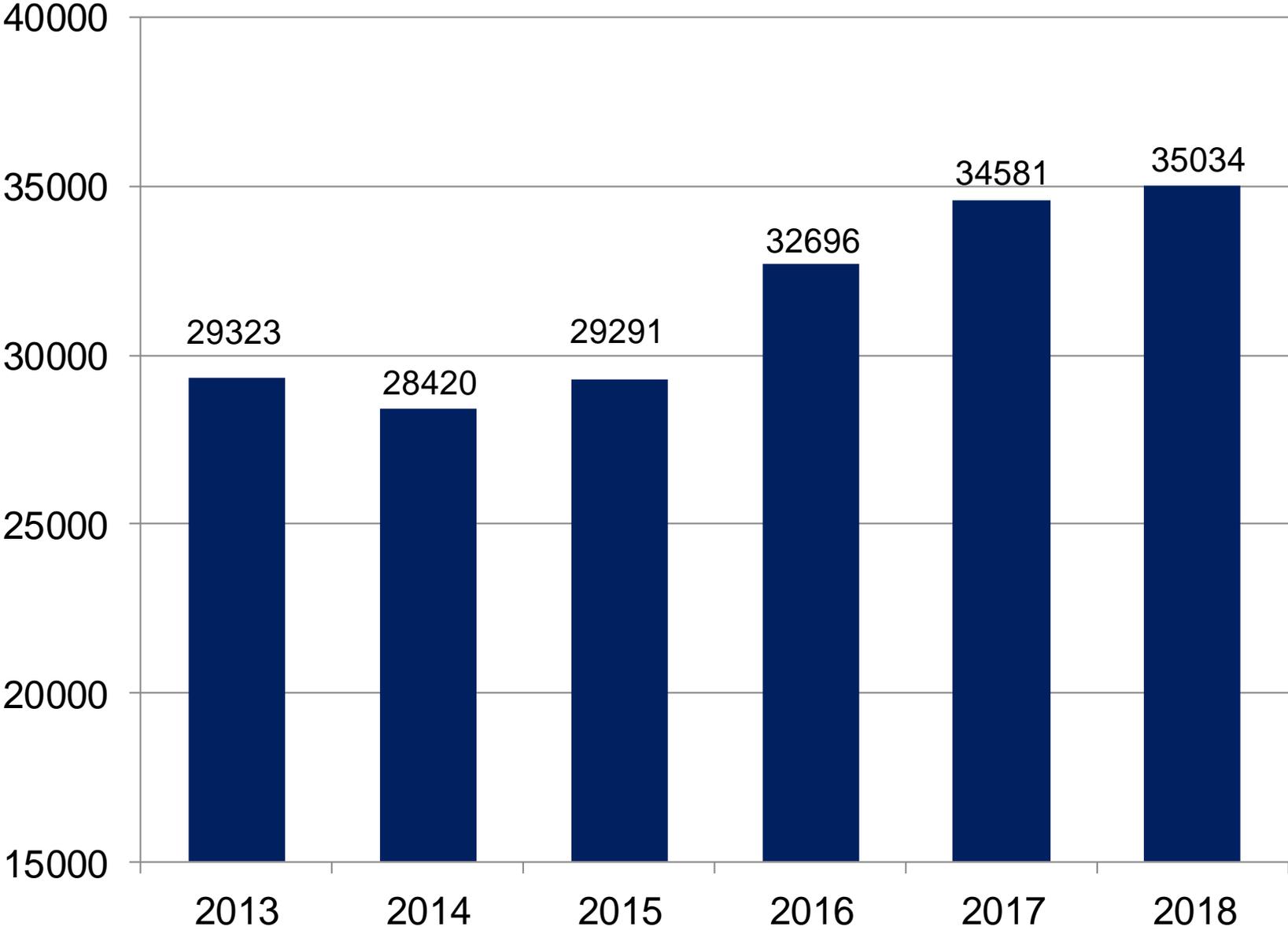
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Why did we succeed?

- **A trustworthy and solid foundation for economic development through:**
 - ✓ **Attracting investments,**
 - ✓ **Jobs creation,**
 - ✓ **Contributing to the Government's Income Growth**

Employment in the Tourism Industry



Why did we succeed?

- **Public and private sector finding solutions by working together excellently, creatively and effectively.**
- **Implemented plans which in the past remained on paper only**
- **Progressed and intensified our efforts in reforming the State, transforming it into a modern and competitive State**
- **As regards our industry, we succeeded in the creation of the Deputy Ministry of Tourism**

**INCREASING INTEREST OF INVESTORS
INTO THE ACQUISITION OF
REAL ESTATE ASSETS**



CYPRUS INVESTMENT PROGRAMME

Advantages of Cyprus as a business and investment destination

- Positive economic outlook: Around 4% GDP growth, Consecutive upgrades by credit rating agencies, Positive economic forecasts
- Highly skilled, multilingual workforce
- EU member and Geographical location providing wide access to EU and MENA markets
- Straightforward legal framework, based on the English Common Law
- Wide range of quality and cost-effective professional services
- Low cost of doing business
- High Quality of life: multicultural, cosmopolitan society, safe, welcoming



CYPRUS INVESTMENT PROGRAMME

Advantages of Cyprus as a business and investment destination

Attractive tax regime, with benefits for both individuals and corporations:

- 12.5% corporate tax
- 60+ Double Tax treaties
- Variety of exemptions and deductions
- Attractive personal tax regime for non-doms
- Competitive Intellectual Property regime
- Specific provisions for the funds industry
- Attractive Tonnage Tax system for Shipping companies
- Tax deductions for investment into start-ups and innovative companies
- Tax incentives for film productions (“Cyprus Film Scheme”)



CYPRUS INVESTMENT PROGRAMME

Opportunities of investment in a variety of sectors

- One of the largest maritime clusters worldwide
- An emerging regional energy hub
- One of the most attractive tourist destinations worldwide
- A fast-growing investment funds jurisdiction
- Booming property market
- Strong entrepreneurial ecosystem and tech infrastructure
- Home to leading international companies –ideal regional headquartering location



Radisson Blu

Location: Larnaca



Radisson Beach Resort

Location: Larnaca - Dekeleia



Scheduled to welcome guests during May 2020



LEONARDO PLAZA CYPRIA MARIS BEACH HOTEL

Location: Paphos



LEONARDO LAURA BEACH HOTEL

Location: Paphos



PARK LANE HOTEL BY MARRIOTT

Location: Limassol



BEST WESTERN PLUS HOTEL

Location: Larnaca



Scheduled to welcome guests in the near future



BEST WESTERN EXECUTIVE RESIDENCY

Location: Larnaca



Executive Residency by Best Western in Larnaca
awaits local permits, scheduled to welcome guests in 2020



WYNDHAM HOTEL

Location: Nicosia



Scheduled to welcome guests in 2019



SOFITEL LIMASSOL HOTEL AND RESIDENCES

Location: Limassol



Scheduled to welcome guests in 2022



SUN CITY SPA RESORT & RESIDENCES

Location: Ayia Thekla – Ayia Napa



Scheduled to welcome guests in 2020



FAIRMONT HOTEL

Location: ELEA ESTATE & GOLF CLUB, PAPHOS



**250 LUXURY VILLAS
300 APARTMENTS &**

BOUTIQUE HOTEL BY

Fairmont
HOTELS & RESORTS

Scheduled to welcome guests in the near future



CITY OF DREAMS MEDITERRANEAN INTERGRATED CASINO RESORT – BY MELCO

Location: Limassol



Scheduled to welcome guests in 2021



REAL ESTATE CONSTRUCTION BOOM

360 TOWER
Location: Nicosia



ONE TOWER
Location: Limassol



DEL MAR TOWER
Location: Limassol



TRILOGY TOWERS
Location: Limassol



NEO TOWERS
Location: Limassol



SOHO TOWERS
Location: Paphos



LARNACA TOWER & HOTEL
Location: Larnaca



360 TOWER

Location: Nicosia



ONE TOWER

Location: Limassol



DEL MAR TOWER

Location: Limassol



TRILOGY TOWERS

Location: Limassol



NEO TOWERS

Location: Limassol



SOHO TOWERS

Location: Paphos



LARNACA TOWER & HOTEL

Location: Larnaca



LIMASSOL MARINA



AYIA NAPA MARINA



PARALIMNI MARINA



ELEA ESTATE

Location: Paphos



ELEA ESTATE



APHRODITE HILLS

Location: Paphos



APHRODITE HILLS

Location: Paphos



MINTHIS GOLF COURSE

Location: Paphos



MINTHIS GOLF COURSE

Location: Paphos



SECRET VALLEY GOLF RESORT

Location: Paphos



SECRET VALLEY GOLF RESORT

Location: Paphos



The way forward with an air of justified optimism



Key Words for continuing on this successful path

The key-words:

- **Effectiveness and Flexibility** in the way we operate and in the co-operation between the State and the Enterprises,
- **Quality** as regards our tourist product,
- **Capitalizing on the technological advancements** as regards the new trends and the needs of the globalized tourist industry.



Target markets and segments of the new Tourism Strategy

Overall Targets by 2030:

- >5m tourist arrivals & €7 billion in revenues from tourism, annually.
- 40% of the tourist arrivals in the low months (Jan-Mar & Nov-Dec).
- Contribution of tourism –direct & indirect – to the GDP to reach 25%

Target segments by Age group & corresponding Target Markets:

- Age group 50+ years
Target Markets: Germany, France, Holland, Switzerland, Austria and Belgium
- Age group 65+ years
Target Markets: United Kingdom, Ireland, Sweden, Norway, Finland, Denmark
- Short Stays from countries (markets) located within 90 minutes by air
Target Markets: Israel, Egypt, Lebanon, Greece, United Arab Emirates, Jordan
- Visitors from long-haul destinations for Short Holidays in our region, as part of their multicenter journeys to neighboring countries such as Israel, Egypt and Greece.
Target Markets: USA, China, Japan, India, Korea.

PLANS OF ACTION TO ATTRACT SPECIAL INTEREST TOURISM

- Integrated Casino Resort & MICE Venues
- Religious Tourism
- Wellness/Health/Rehabilitation Tourism
- Cruises & Nautical Tourism
- Meeting/Conferences/ Incentives/Exhibitions
- Cycling Tourism
- Training/Tournament Tourism
- Wine & Gastronomy Tourism
- Rural & Mountain Tourism
- Weddings
- Golf Tourism



EMBARKING ON REBRANDING OUR TOURIST PRODUCT

- Aiming to launch our New Branding in Spring 2020
- Going / Aiming at beyond the “Sun & Sea”
- Projecting the multitude of unique experiences & emotions Cyprus can offer to the experienced and well travelled visitor of the 21st century
- Embarking on a multi channel Destination Marketing using all the NEW technological media & influencers





A N A S S A

THANK YOU

www.cyprushotelassociation.org