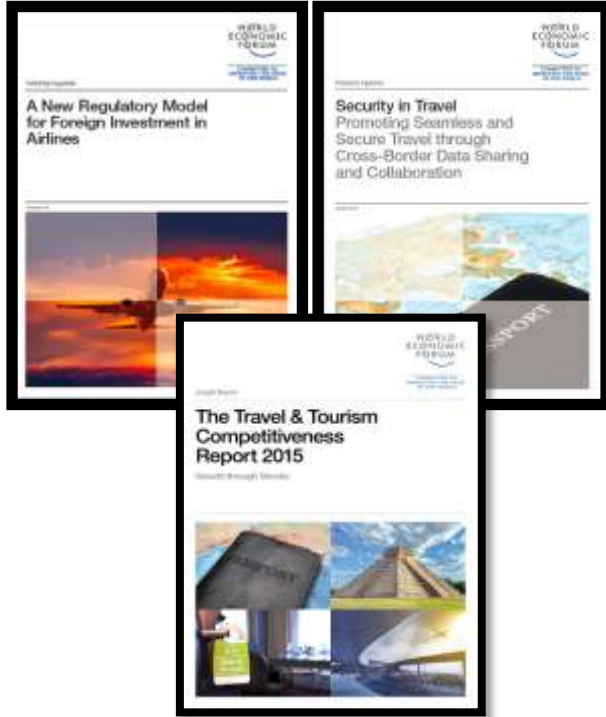

Portugal's T&T Competitiveness

Findings from the T&T Competitiveness Report 2015

About the World Economic Forum



What do we do in the context of the Travel & Tourism Industry



The Aviation & Travel Community:

The Aviation & Travel Community comprises select member companies from the entire travel ecosystem, ranging from aerospace manufacturers and passenger transport to hospitality and travel services that are actively involved in pursuing the Forum's mission at the industry level. The community brings visibility and insight to strategic decision-making on the most important industry and cross-industry related issues, as well as the opportunity to engage in global corporate citizenship.

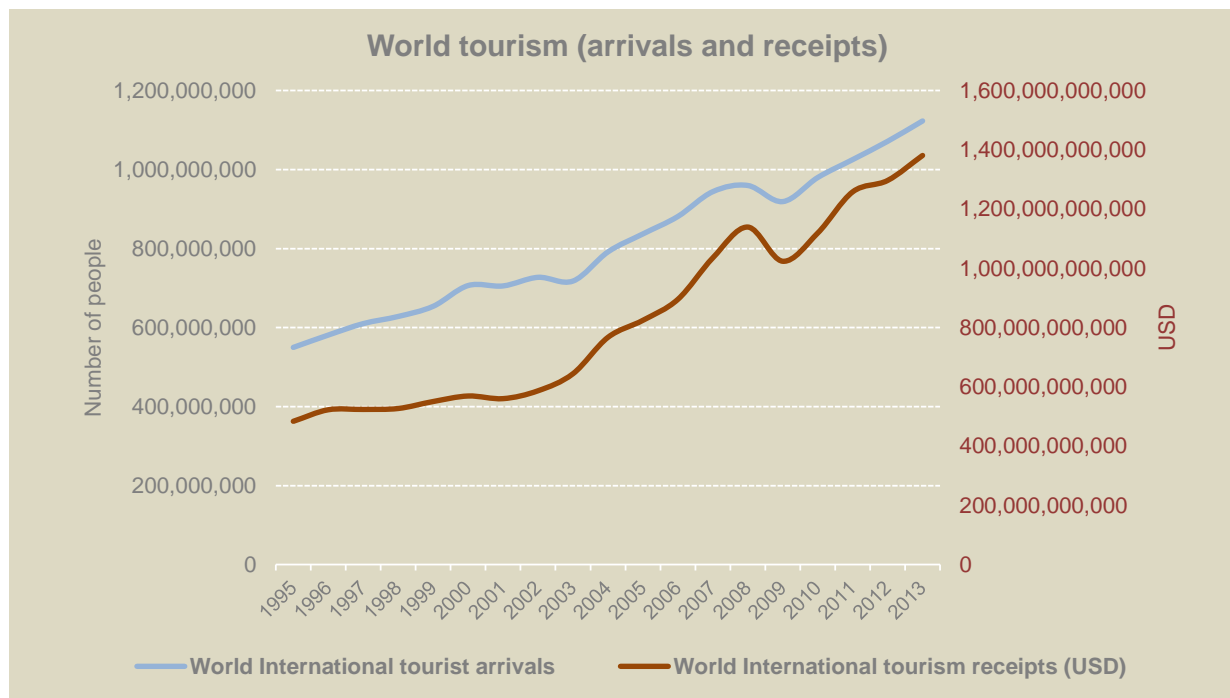
The Global Competitiveness and Risks team:

Develops a number of reports and studies looking at various drivers of economic competitiveness and productivity. This work serves as policy tool and platform for dialogue, where business, government and civil society leaders are brought together to provide high and rising living standards for their citizens. The team publishes the Global Competitiveness Report annually, and the Travel and Tourism Report every other year since 2007 covering 141 economies.

Travel & Tourism Competitiveness Report

Why producing a Travel & Tourism Competitiveness Report?

- Tourism is a large economic sector representing 10% of Global GDP and 6% of the world's exports.
- It employs **277 million** people globally. And it is estimated to support an addition 80 million new jobs.
- Sustainable tourism also promotes environmental protection and cross cultural awareness.



The T&T Competitiveness Index

Definition:

“The TTCl measures the set of factors and policies that enable the sustainable development of the T&T sector, in turn contributing to the development and competitiveness of a country.”

Methodology:

The index combines:

Statistical indicators from international organizations:



Deloitte.



Indicators derived from the Forum’s annual Executive Opinion Survey

Travel & Tourism Competitiveness Report

Index Structure

T&T Competitiveness Index

Enabling environment

Business environment

Safety and security

Health and hygiene

Human capital and labor market

ICT readiness

T&T Policy and enabling conditions

Prioritization of T&T

International openness

Environmental sustainability

Price competitiveness

Infrastructure

Air transport

Ground and port infrastructure

Tourism service infrastructure

Natural and cultural resources

Natural resources

Cultural res. and business travel

Travel & Tourism Competitiveness Report

2015 Index Ranking – Top 20 and selected economies



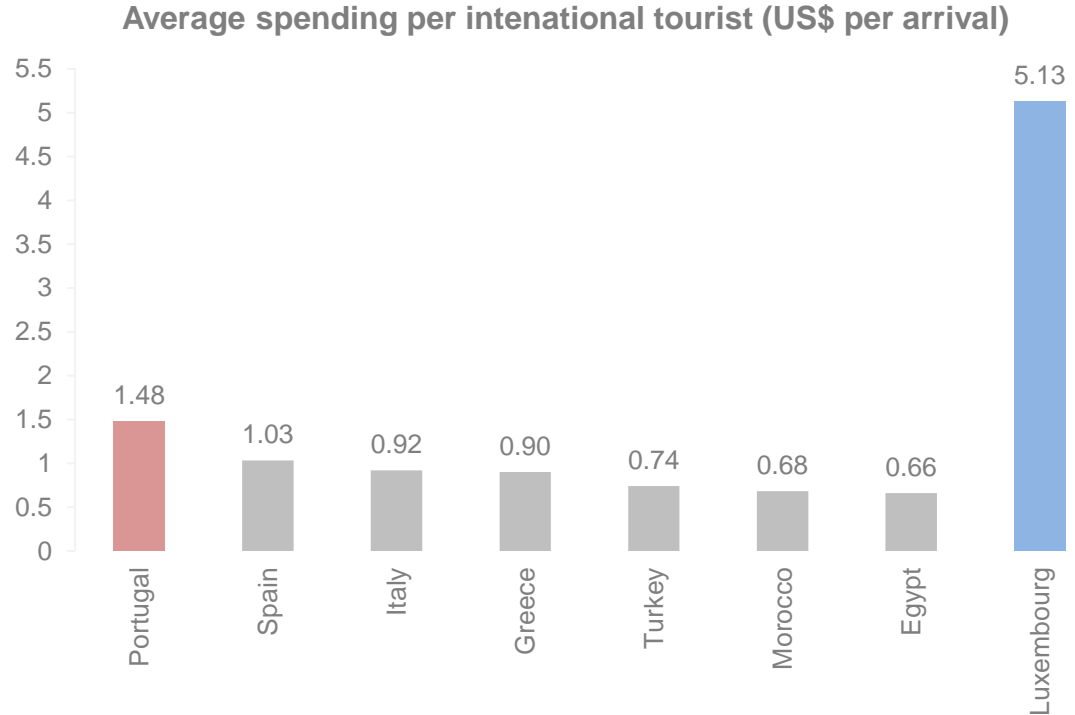
- 1 Spain
- 2 France
- 3 Germany
- 4 United States
- 5 United Kingdom
- 6 Switzerland
- 7 Australia
- 8 Italy
- 9 Japan
- 10 Canada
- 11 Singapore
- 12 Austria
- 13 Hong Kong
- 14 Netherlands
- 15 Portugal
- 16 New Zealand
- 17 China
- 18 Iceland
- 19 Ireland
- 20 Norway

- 24 United Arab Emirates
- 28 Brazil
- 30 Mexico
- 31 Greece
- 33 Croatia
- 36 Cyprus
- 39 Slovenia
- 40 Malta
- 44 Turkey
- 62 Morocco
- 65 Oman
- 72 Israel
- 79 Tunisia
- 82 Macedonia, FYR
- 83 Egypt
- 86 Cape Verde
- 94 Lebanon
- 106 Albania
- 123 Algeria
- 139 Angola

Travel & Tourism Competitiveness Report

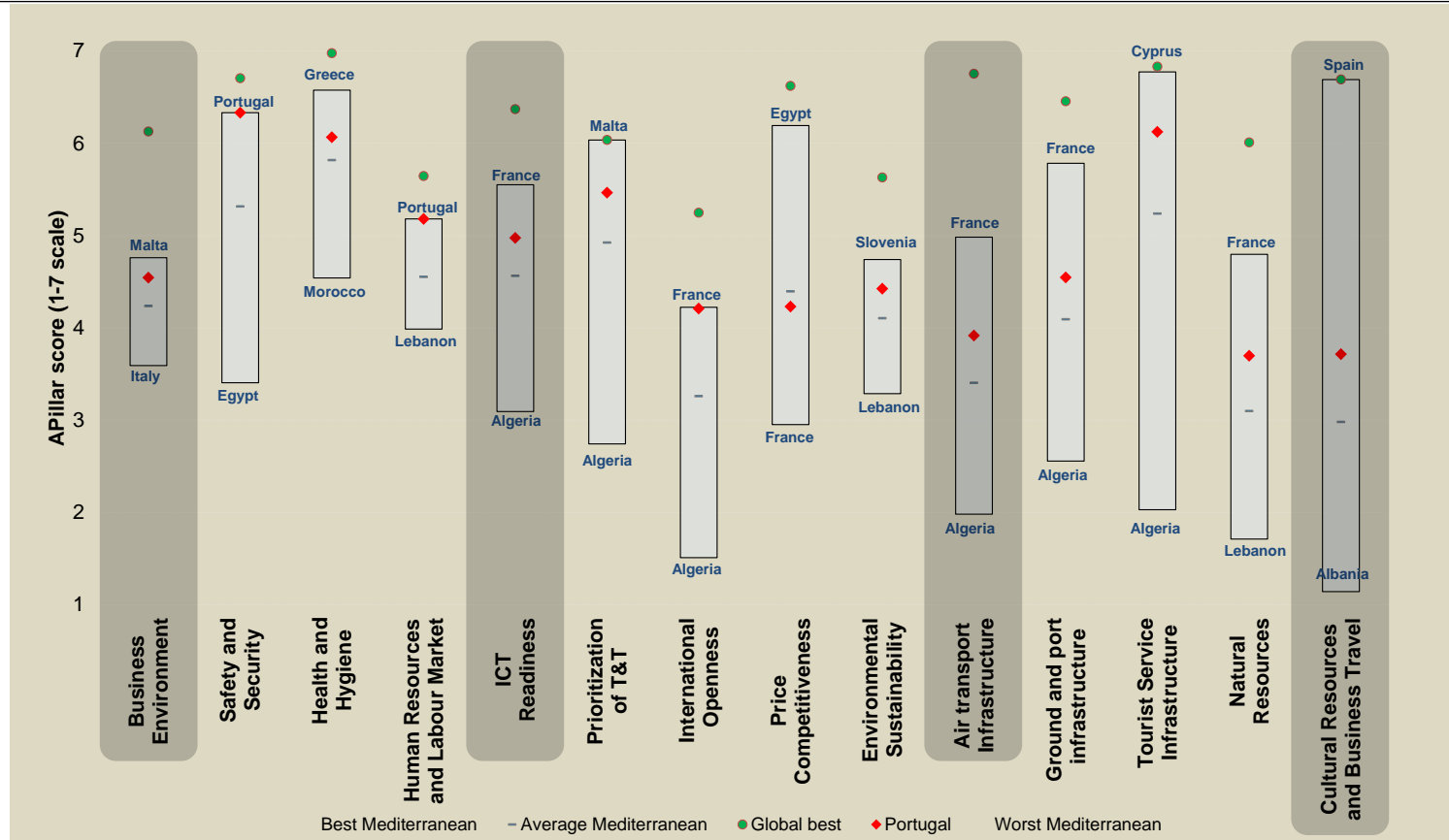
Different models of development

- Developing the Tourism sector can follow different models depending on the characteristics and preferences of each country.
- Portugal is developing balancing mass tourism locations with lower-presences/higher value offers.
- As a consequence Portugal has a better ratio of tourism receipts for each international arrival.



Travel & Tourism Competitiveness Report

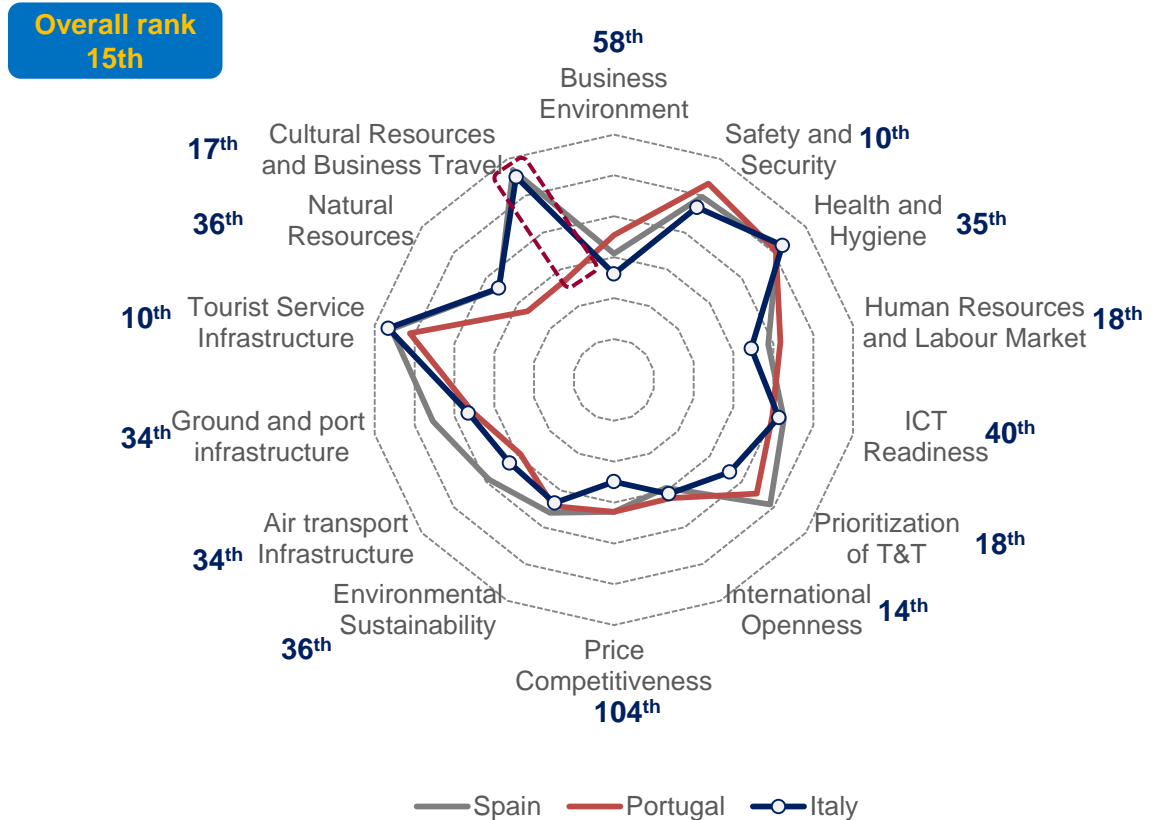
Mediterranean Countries performance overview



Travel & Tourism Competitiveness Report

Portugal's strengths and weaknesses vis-à-vis main competitors

- Compared to Spain and Italy Portugal trails especially in terms of natural and cultural resources promotion and air transport infrastructure.
- ICT readiness is a third area for improvement.
- Portugal ranks the lowest on the business environment, but it performs better than Spain and Italy. It can become a competitiveness advantage if improved.

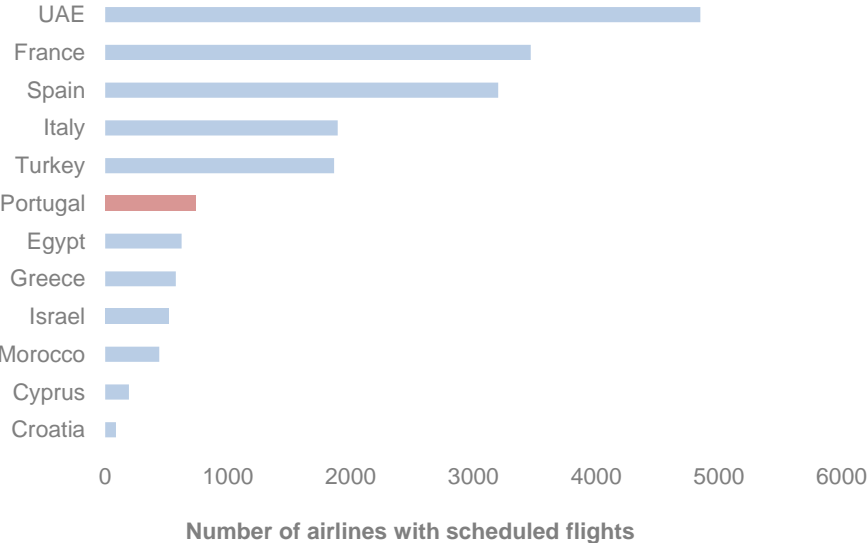


Travel & Tourism Competitiveness Report

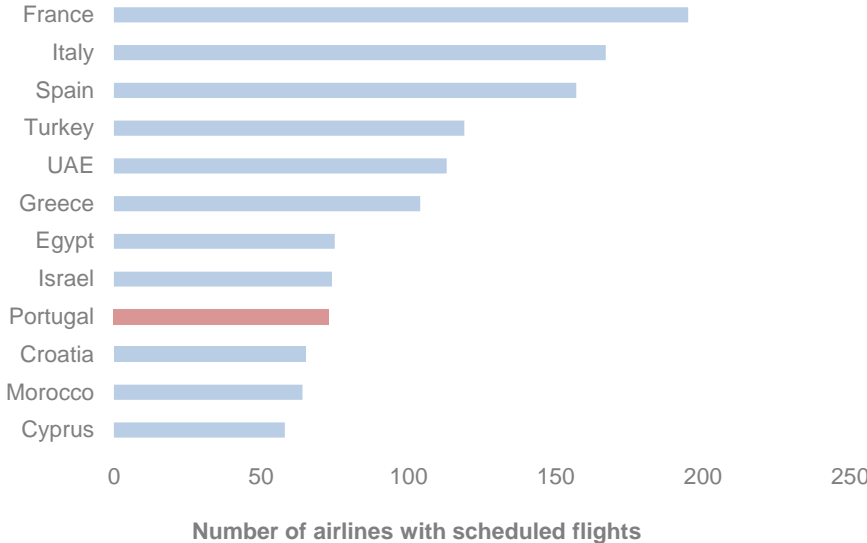
Sub-optimal air transport infrastructure



Available seat kilometres, international



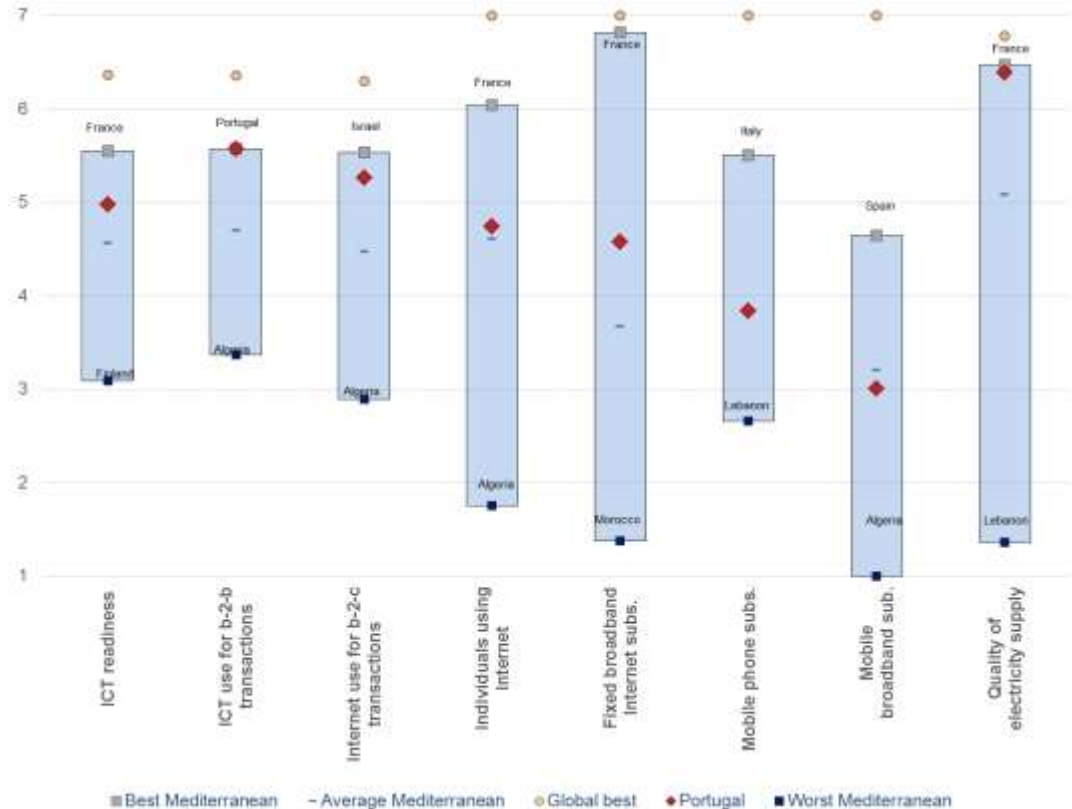
Number of operating airlines



Travel & Tourism Competitiveness Report

Under-developed ICT broadband technology

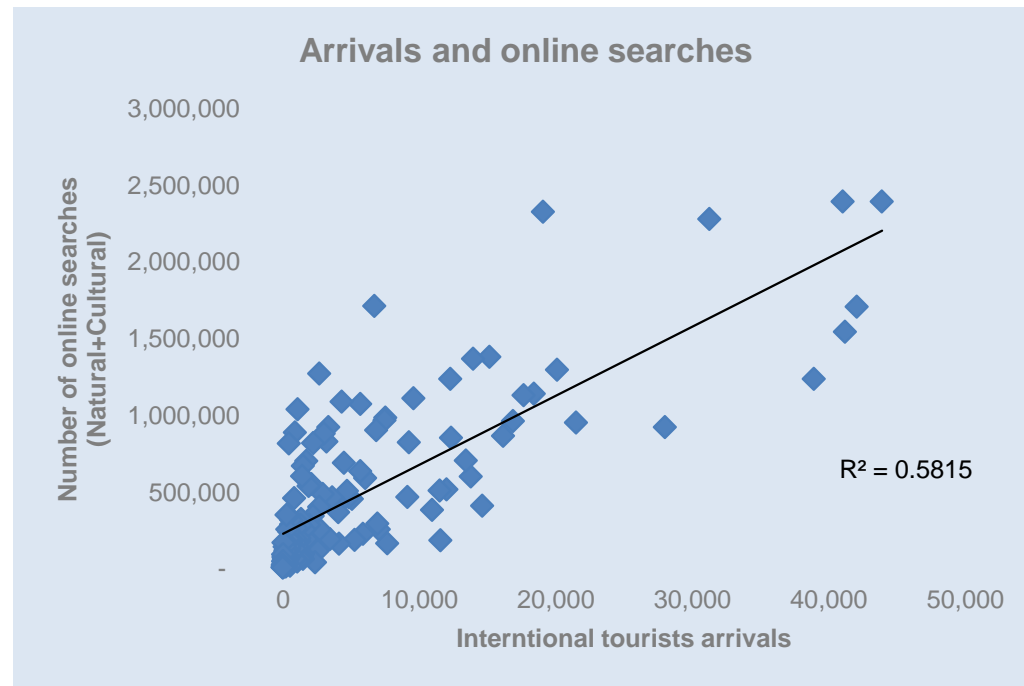
- Compared to other Countries in the Region, Portugal's internet use is high.
- However the ICT infrastructure, especially broadband technology should be expanded further.



Travel & Tourism Competitiveness Report

The impact of digital presence to drive tourists' arrivals

- A developed ICT infrastructure impacts destinations' attractiveness.
- Online presence and marketing will be increasingly important as tourists use the internet not only to book tickets but also to choose destinations.

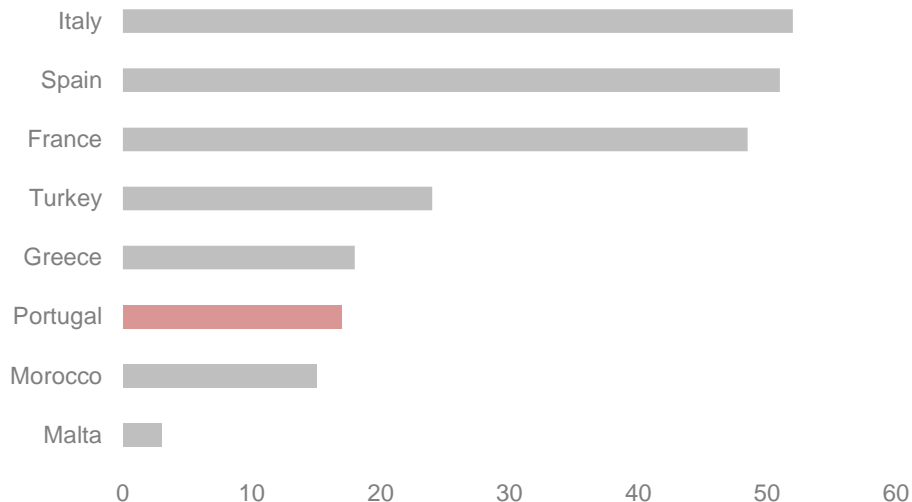


Travel & Tourism Competitiveness Report

The importance of enhancing Cultural resources

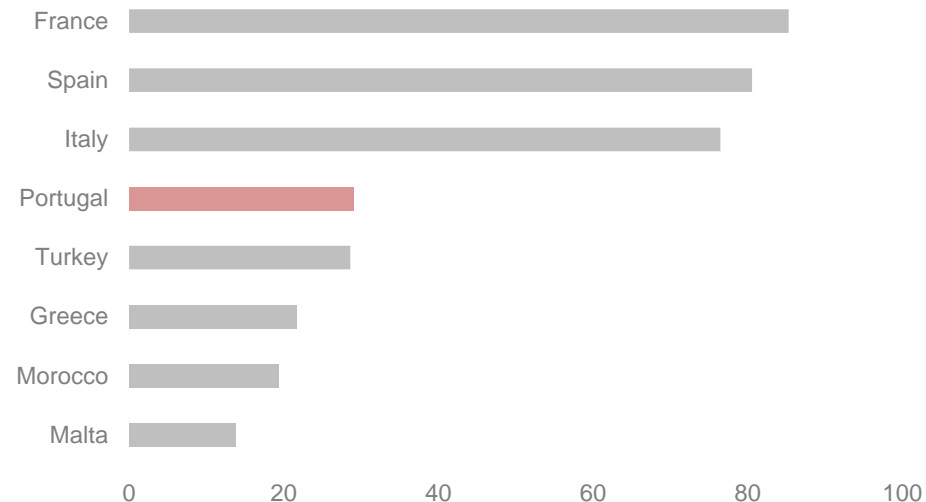


UNESCO Cultural, oral and intangible heritage



Number of sites and practices in UNESCO's lists

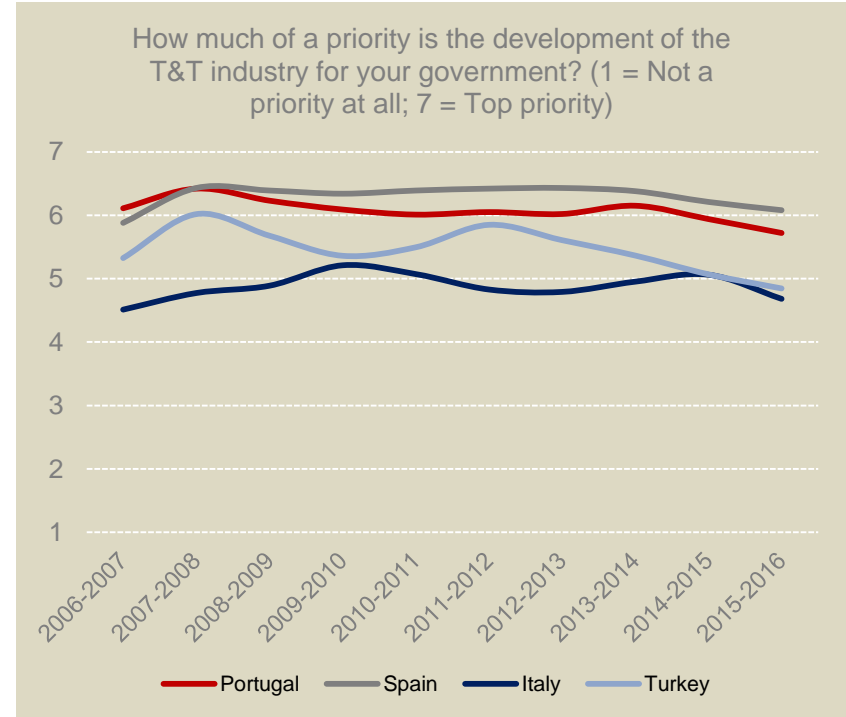
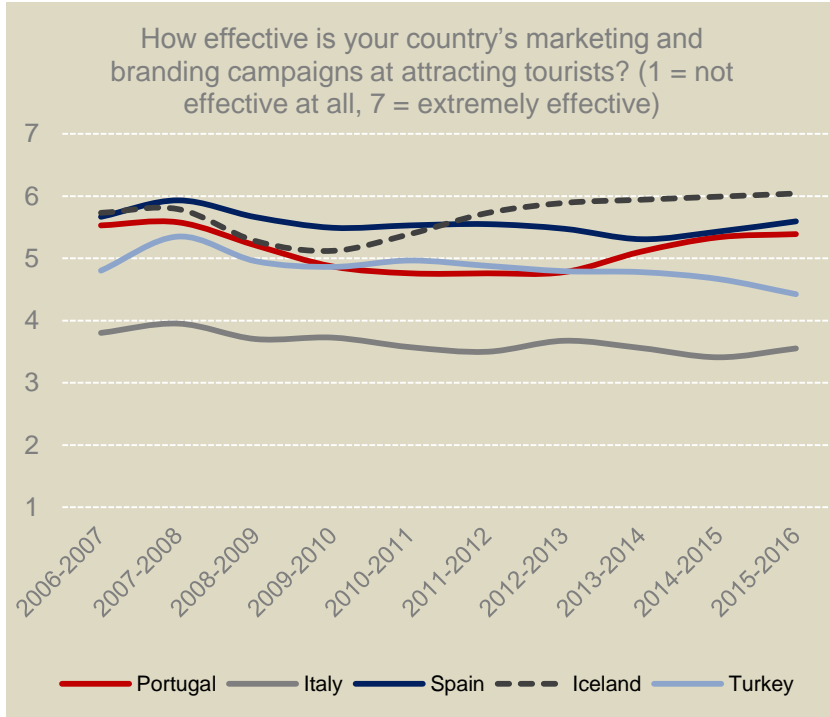
Cultural and entertainment digital demand



Number of internet searches

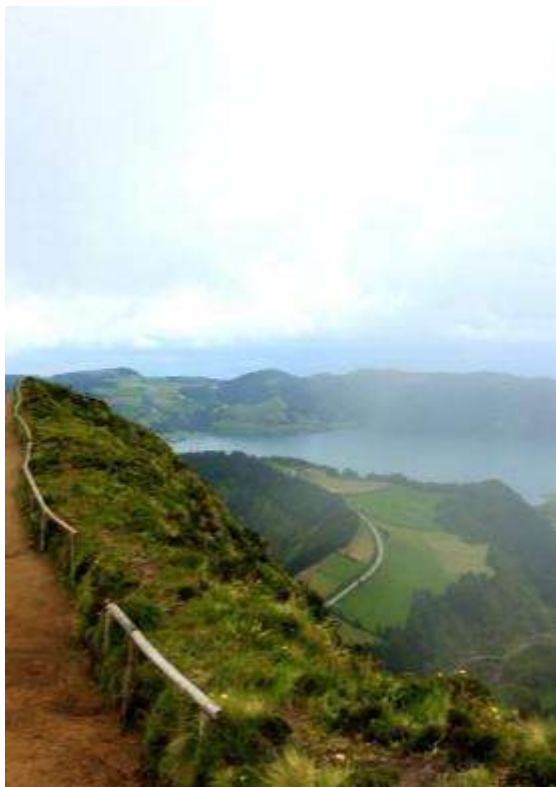
Travel & Tourism Competitiveness Report

Marketing can help to enhance a country's resources



Travel & Tourism Competitiveness Report

Conclusions



- Portugal has a well-balanced tourism strategy and has several competitiveness strengths, achieving the 15th place in the T&T Competitiveness Index Ranking 2015.
- To further enhance its tourism industry Portugal should offer better connectivity (both physical and virtual).
- Communication and marketing campaigns should be reinforced to better value remarkable but somewhat under-appreciated natural and cultural resources.
- Developing the Tourism sector requires long-term planning and strategy to drive structural transformation of the industry.
- A multi-stakeholder approach is key to overcome bottlenecks and coordinate across: a) ministries, b) national and local authorities and c) public and private actors.

Q&A

Next edition: April 2017

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www.weforum.org/ttcr