GRAND BAHAMA ISLAND

Tourism Analysis Report 2008- 2012

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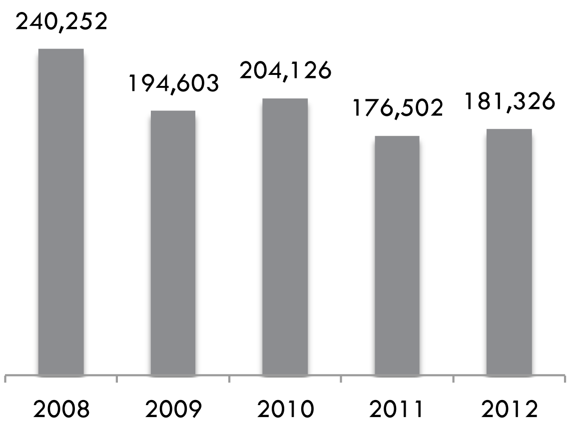
Performance Summary

Performance Summary

GBI Stopover Visitors



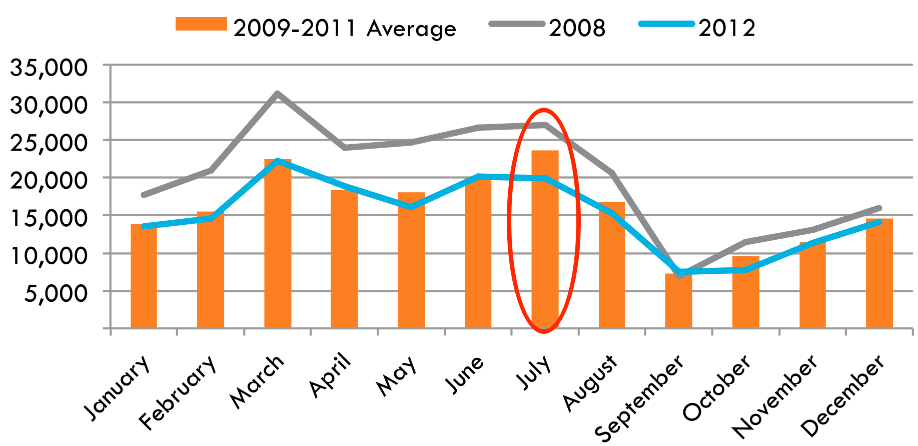
% Change Compared to 2008

% Change from Previous Year				
	'08-2009	'09-2010	'10-2011	'11-2012
Visitor Count	-23%	5%	-16%	3%

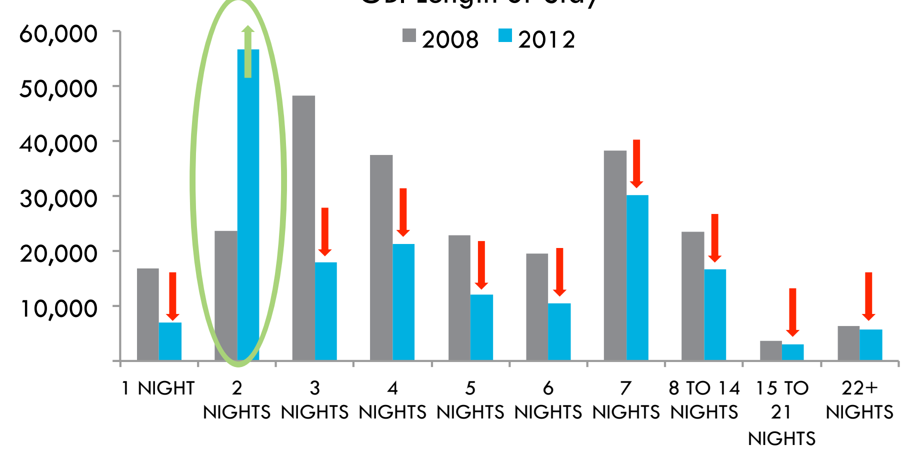
Stopover visitors to Grand Bahama Island have been on the decline since 2008. This trend is contrary to the overall recovery of The Islands of The Bahamas. When looking at the data, there are a number of trends that can shed light on opportunities for growth and understanding the post 2008 visitor.

One large change has been the average number of nights each visitor stays in TIOTB. In 2008 most visitors stayed on Grand Bahama Island for an average of 3 nights. 7 nights was the second most popular length of stay. Over the past 5 years there has been a major shift in this trend. More than ever before, visitors are taking even shorter trips to GBI. 2 night stays are most popular, while a decline in longer stays appears to be steady.

GBI Seasonality

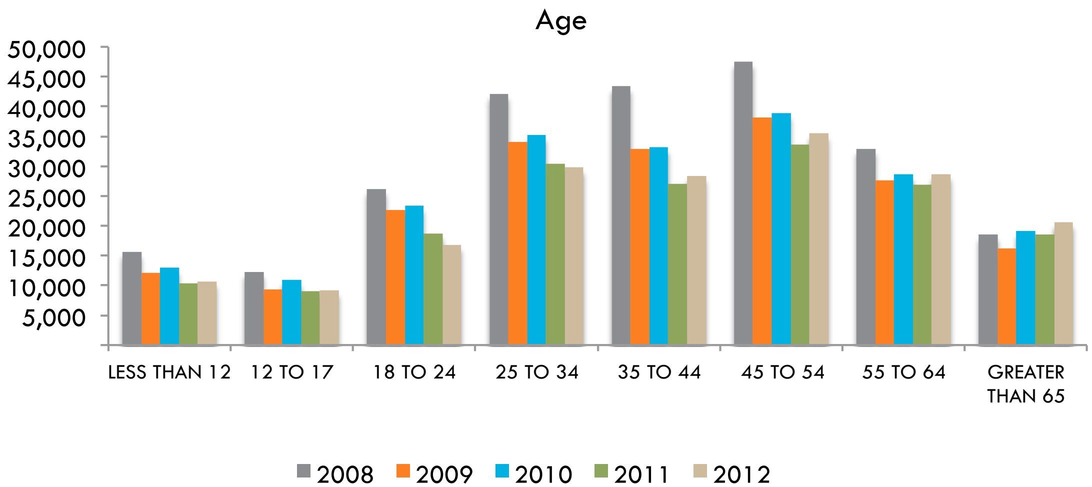


GBI Length of Stay



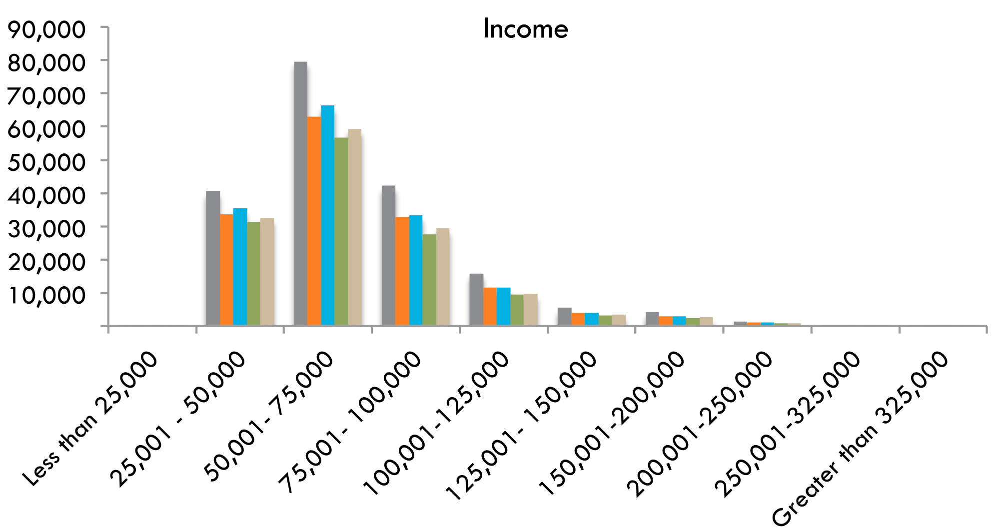
Market Overview

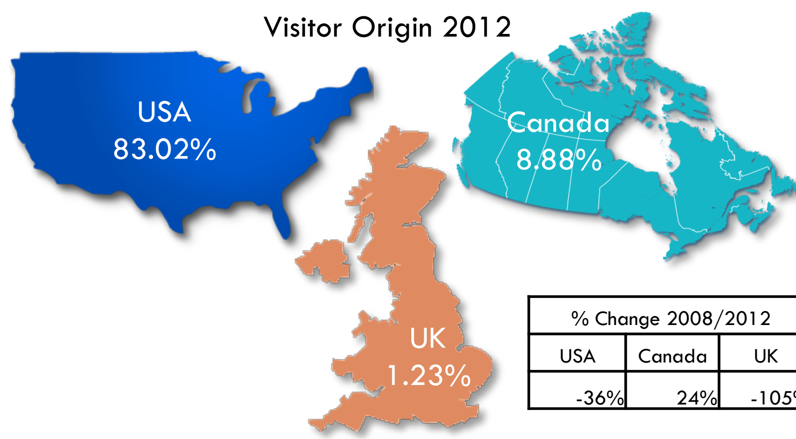
Demographics Overview



Grand Bahama Island is most popular among the 45-54 year age group and the 25-34 year age group. The average annual household income for US stopovers is $50,000- $75,000. Despite the decline in stopover numbers, this trend has been consistent over the years.

Compared to the rest of The Bahamas, Grand Bahama Island is attracting the same income bracket and countries of origin. However, Grand Bahama is also attracting a younger age group than the rest of The Bahamas.





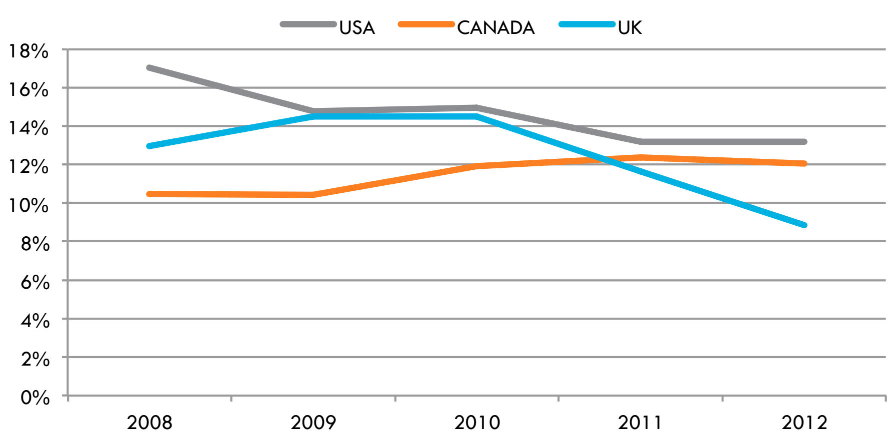
% Change 2008/2012		
USA	Canada	UK
-36%	24%	-105%

Demographics Origin

Grand Bahama Island

	2008	2009	2010	2011	2012	% Change '08/ '12
USA	200,411	157,953	163,992	139,701	147,695	-36%
MIAMI-FT. LAUDERDALE	25,981	25,176	25,441	18,614	12,852	-102%
NEW YORK	19,602	14,927	16,837	11,718	12,006	-63%
WEST PALM BEACH	16,577	14,986	15,481	12,723	10,890	-52%
WASHINGTON, DC	7,477	5,588	5,962	4,415	5,592	-34%
ORLANDO	8,075	5,992	5,959	4,651	4,075	-98%
CANADA	12,030	11,161	14,209	15,336	15,798	24%
UK	4,477	3,828	3,363	2,737	2,187	-105%
ITALY	3,384	3,064	2,948	2,244	1,863	-82%
GERMANY	3,112	2,404	2,324	1,980	1,698	-83%
FRANCE	2,089	2,531	1,530	1,276	1,005	-108%
SWITZERLAND	596	557	680	689	562	-6%
NETHERLANDS	965	630	687	454	301	-221%
ARGENTINA	302	494	587	592	539	44%

GBI Market Share



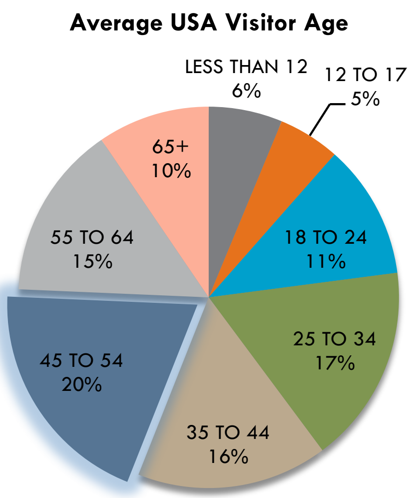
Though GBI shares stopover visitors from the same countries as New Providence and The Out Islands, there are some noticeable differences in the DMA stopover trends.

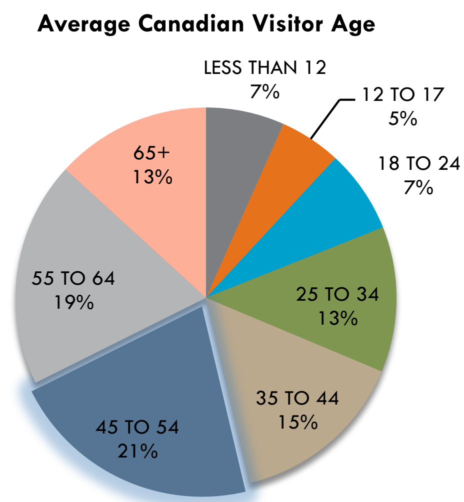
An increasing number of stopover visitors from the Miami DMA are choosing The Out Islands over New Providence and Grand Bahama. Though this demographics' decline in New Providence is slight, it is quite substantial for GBI.

Canadian increase more than likely due to West Jet's non-stop flight from Toronto to Freeport at the end of 2009.

Canada has also increased in NP by 7.9% and in The Out Islands by 27%. UK visitors are down -36.5% in NP and -19% in The Out Islands. British Airways now operates only 5 flights per week to The Bahamas.

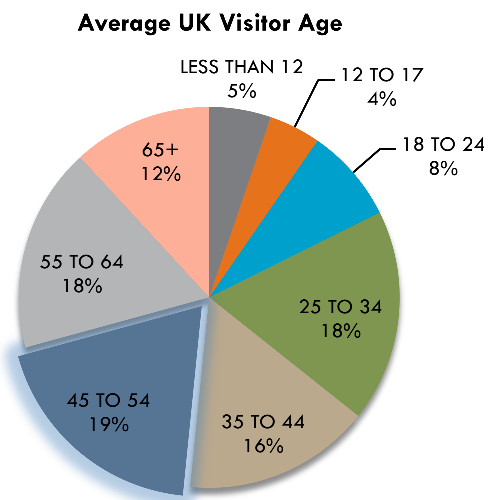
Demographics Stopover Age by Country

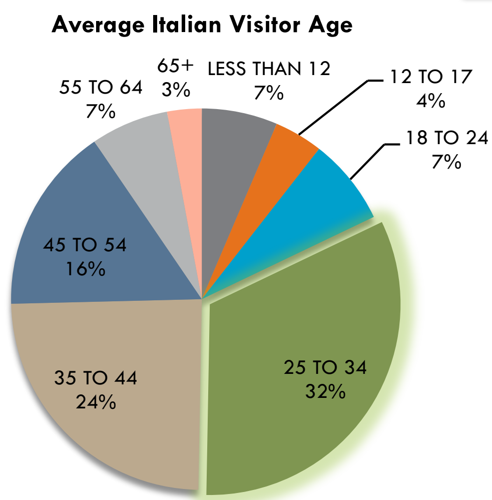


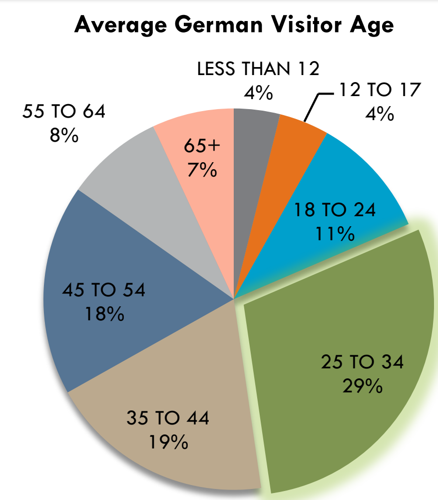


The 45- 54 year age group made up 20% of total stopover visitors to Grand Bahama Island in 2012. The second largest age group, 25- 35 years of age, made up 17% of stopover to GBI in 2012.

Among the Italian and German stopovers, this seems to be the reverse. The majority of these stopovers are younger than the USA, Canadian, and UK stopovers.

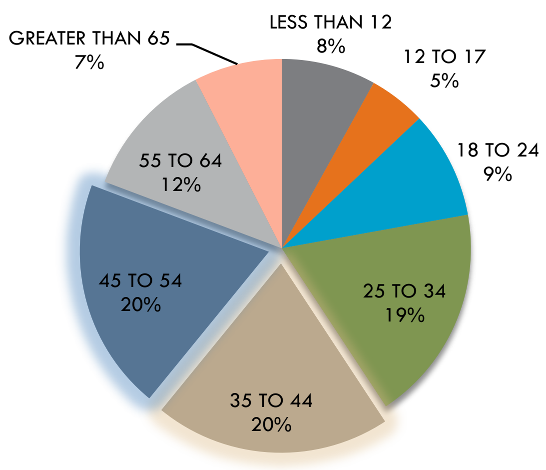




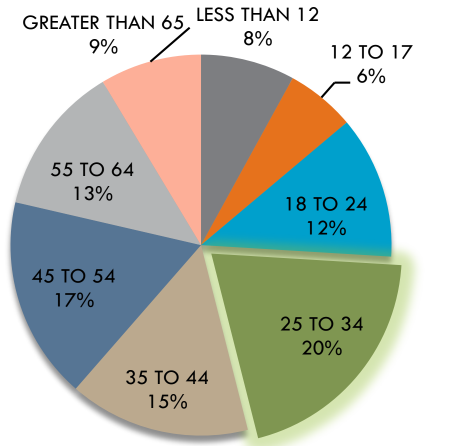


Demographics Stopover Age By DMA

Miami DMA Average Age



New York DMA Average Age

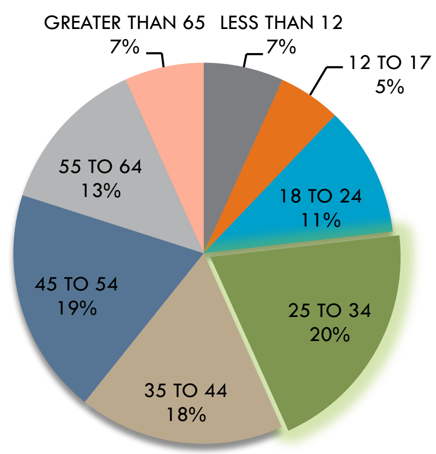


When looking at the age breakdown by top DMAs to Grand Bahama Island, it is quite noticeable that Florida is the largest contributor to the 45-54 age group.

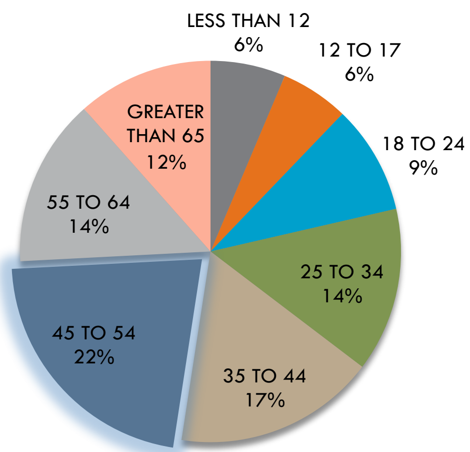
New York and Washington, D.C. are contributing the majority of the young adult stopovers.

This trend in the young adult bracket of stopover visitors is quite unique to Grand Bahama Island. What is most interesting would be to discover why.

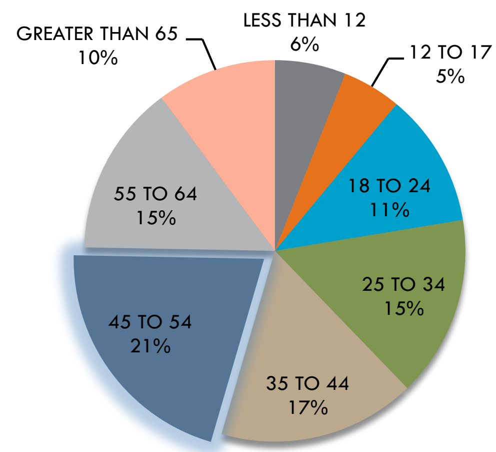
Washington, D.C. DMA Average Age



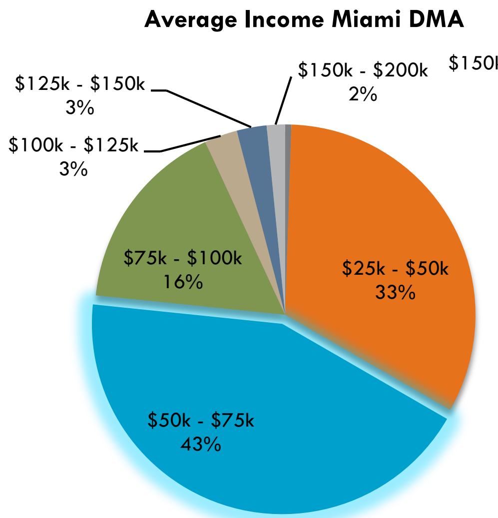
West Palm Beach DMA Average Age

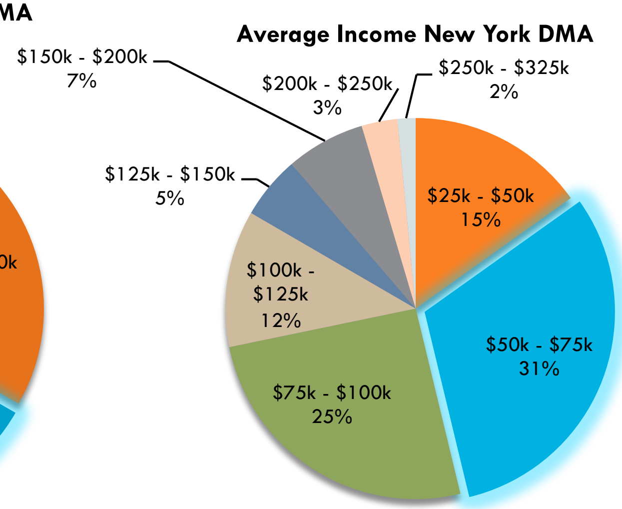


Orlando DMA Average Age

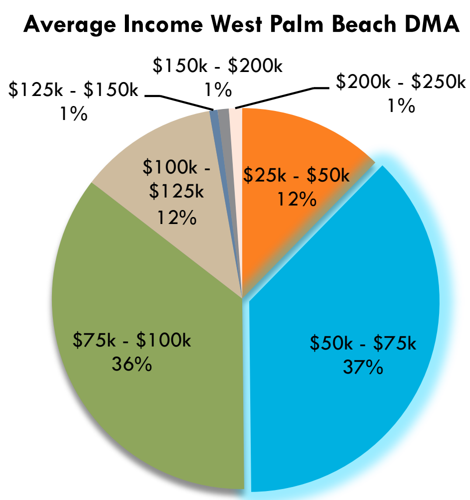


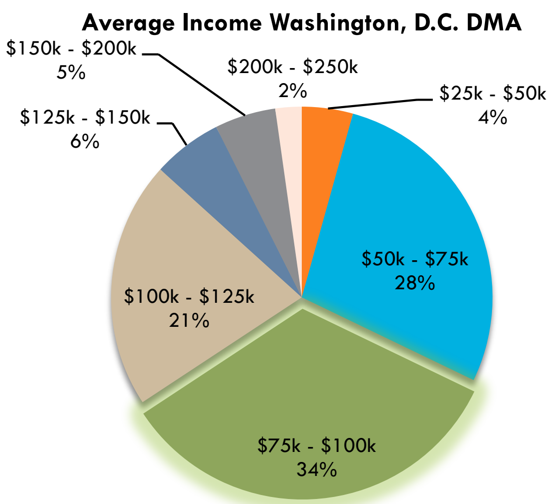
Demographics Stopover Income By DMA

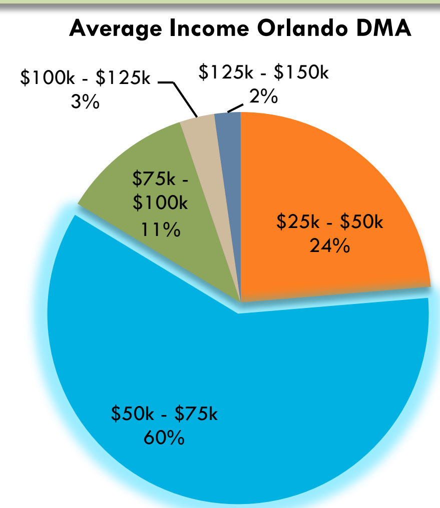




The average annual income of stopovers to Grand Bahama Island is quite consistent with that of the rest of The Bahamas.

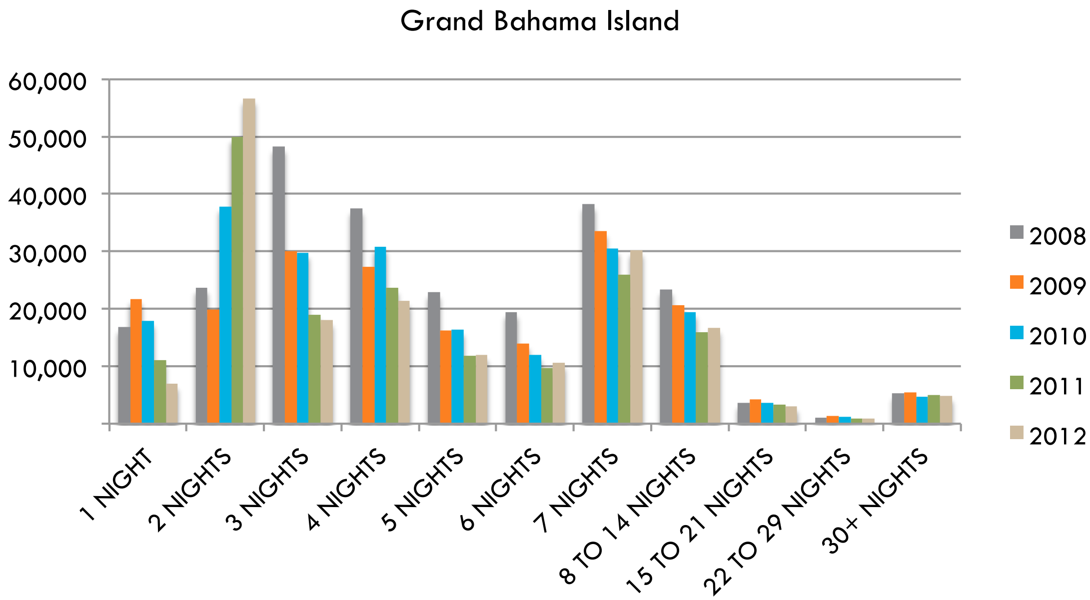






Visitor Nights

Visitor Nights

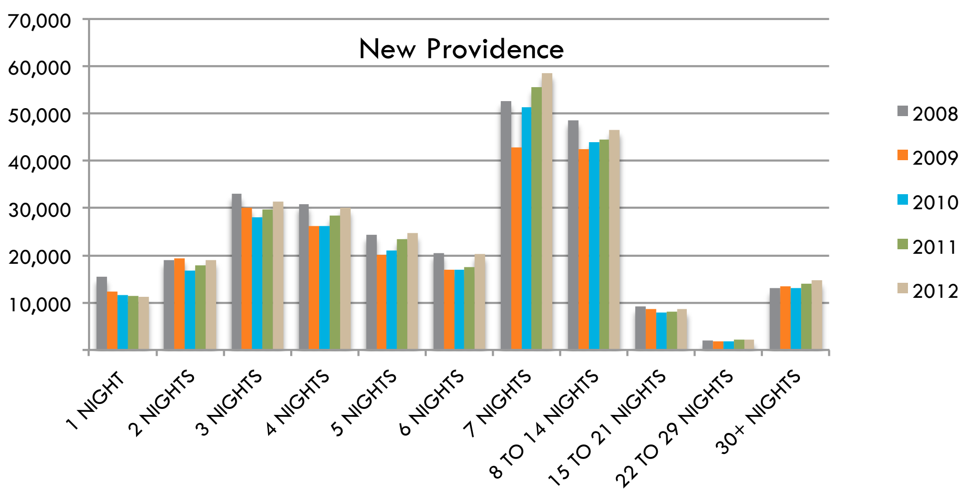


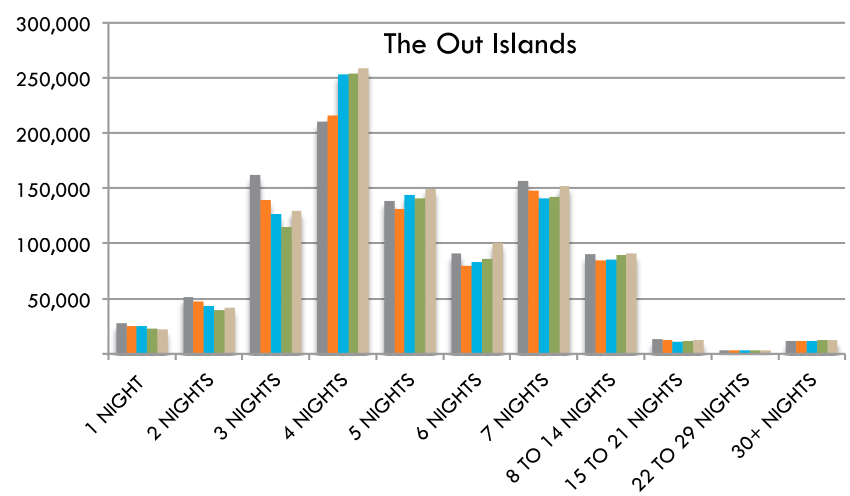
Overall, The Islands of The Bahamas experienced an increase since 2011 in stopovers staying 7 nights. While New Providence and The Out Islands are seeing improved numbers in longer staying visitors, Grand Bahama Island is only beginning to recover.

The most growth in the visitor nights trend is in the 2nights category. While not much has changed from 2011 among 25-34 year olds, the 35+ age group is making the most impact on these numbers.

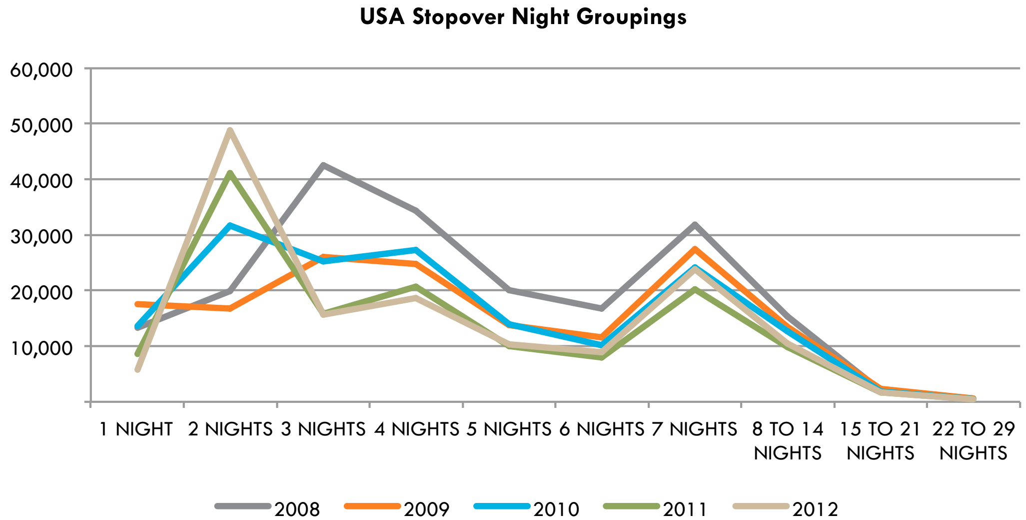
Among the 35+ stopovers that stay 2 nights, the most growth has come from the following:

Chicago DMA	48% growth from 2011-2012
Washington, D.C. DMA	37% growth from 2011-2012
New York DMA	28% growth from 2011-2012





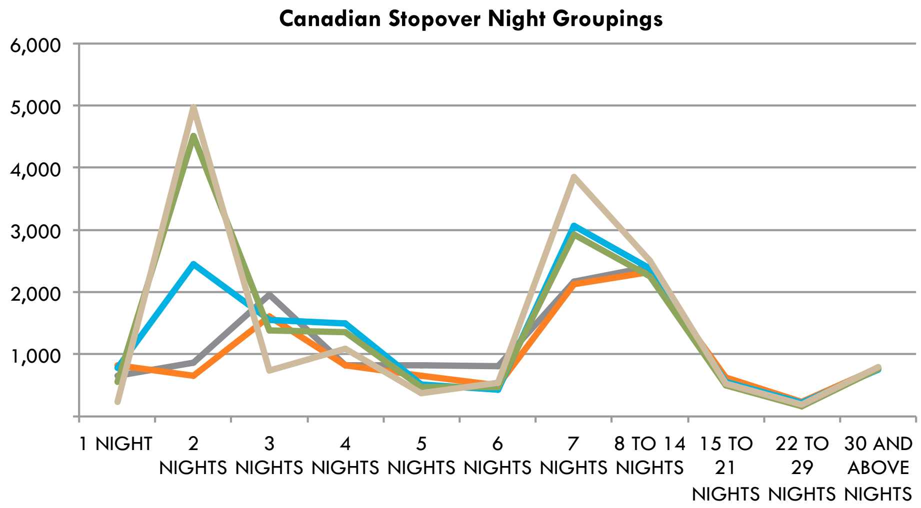
Visitor Nights Country of Origin

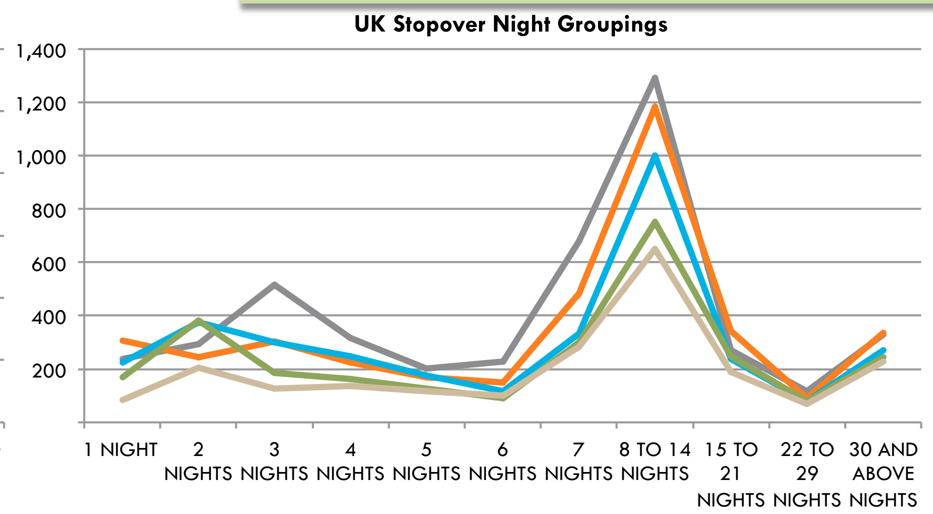


In general, US stopovers to Grand Bahama Island are shifting from longer stays to shorter stays. UK stopover visitors are maintaining the same trends of 2-3 nights or 8-14 nights despite declining numbers.

Canadian visitors are exhibiting the most change since 2010. The largest increase has been in the 2 and 7 night categories. . In fact, among the 35+ age group staying 2nights, Canadian stopovers increased from 1,585 in 2010 to 3,143 in 2011 *(98% growth)*.

It is also important to note that among the top ten countries of origin for GBI, Canada is the only country with consistant growth in stopovers since 2008.





Arrival Mode

Arrival Mode Overview

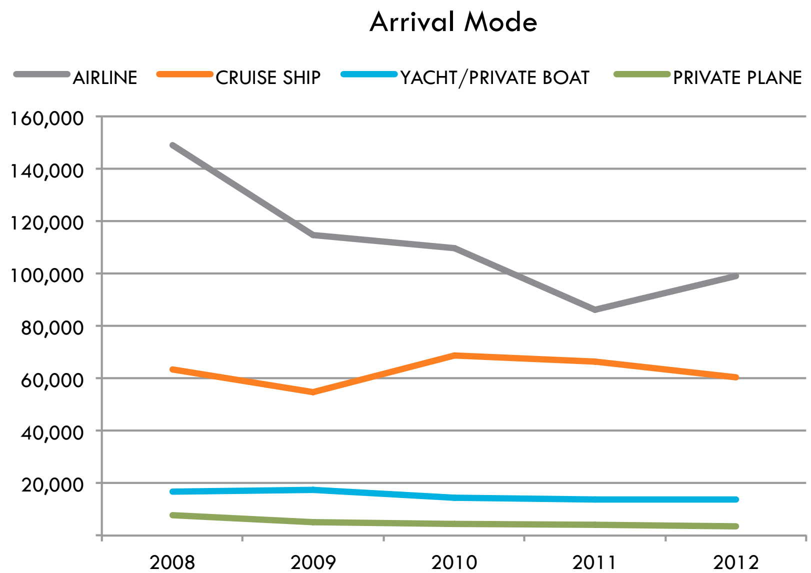
Arrival Mode

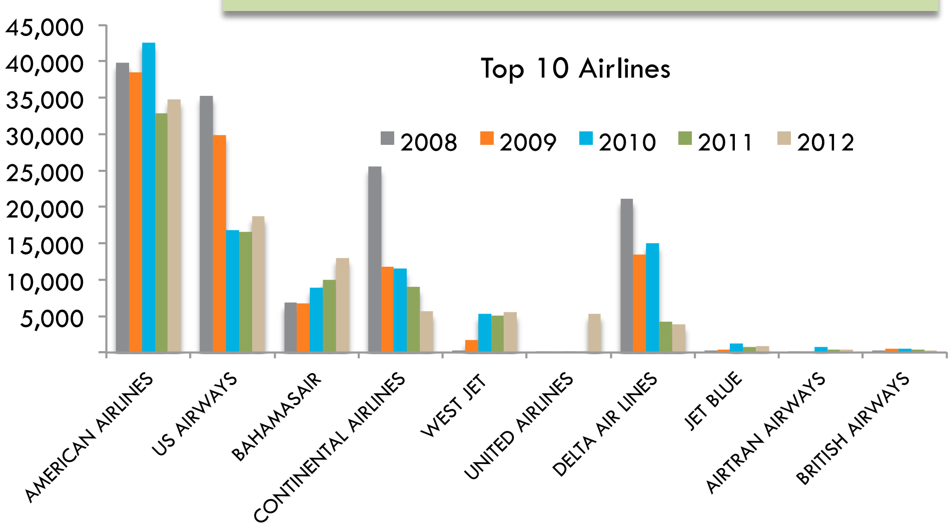
	2008	2009	2010	2011	2012
AIRLINE	148,933	114,621	109,669	86,171	98,974
CRUISE SHIP	63,392	54,665	68,810	66,521	60,530
YACHT/PRIVATE BOAT	16,809	17,295	14,570	13,903	13,671
PRIVATE PLANE	7,719	5,078	4,586	3,987	3,526

Throughout The Islands of The Bahamas, Airline has proven to be the choice mode of transportation for stopover visitors.

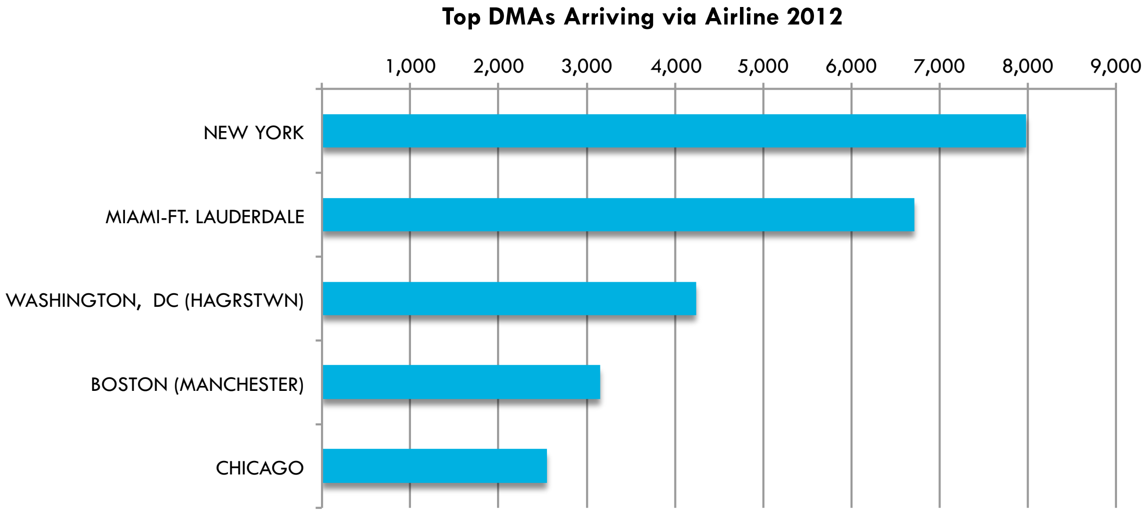
With the discontinuation of Discovery Cruise, cruise ship arrival mode has drastically decreased in 2013. This might also explain the increase in Air arrivals in the later part of 2012. It is still to be seen whether this increase in air arrivals will fully recover the stopover numbers lost from the closure of Discovery Cruises.

Bahamasair is growing steadily since 2008, while US Airways and American Airlines are exceeding 2011 numbers.



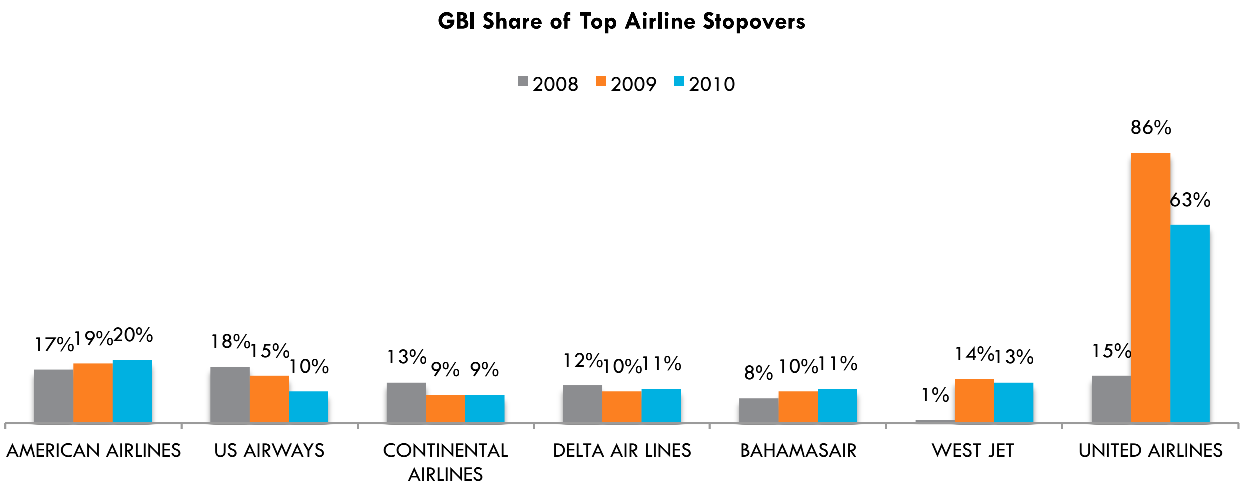


Arrival Mode Airline



Though peak months for stopovers to Grand Bahama Island are March, June, and July, Airline seasonality also peaks in April.

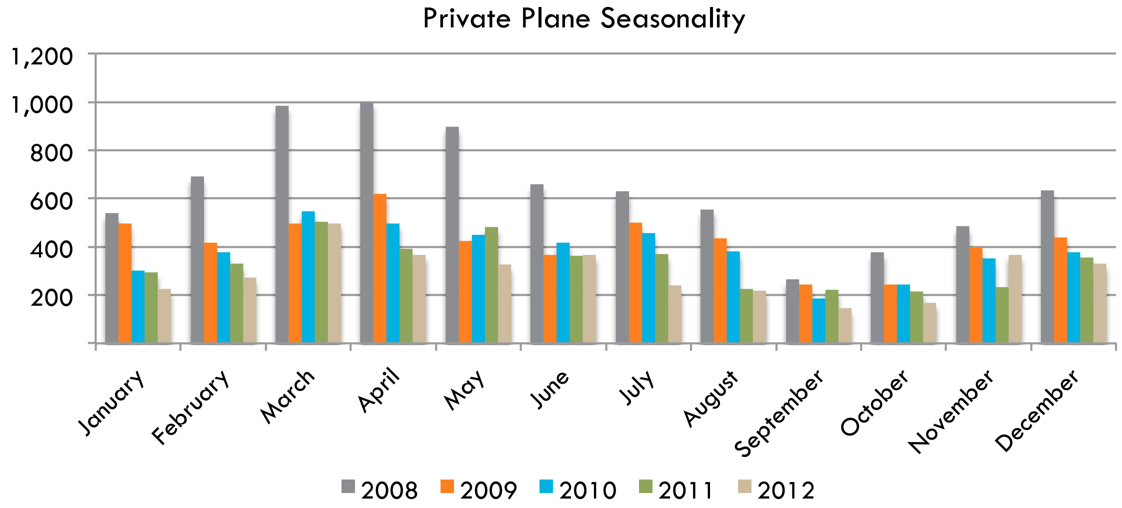
GBI is gaining in share of most of its top airlines. Continental Airlines and Delta Airlines have greatly declined since 2008.



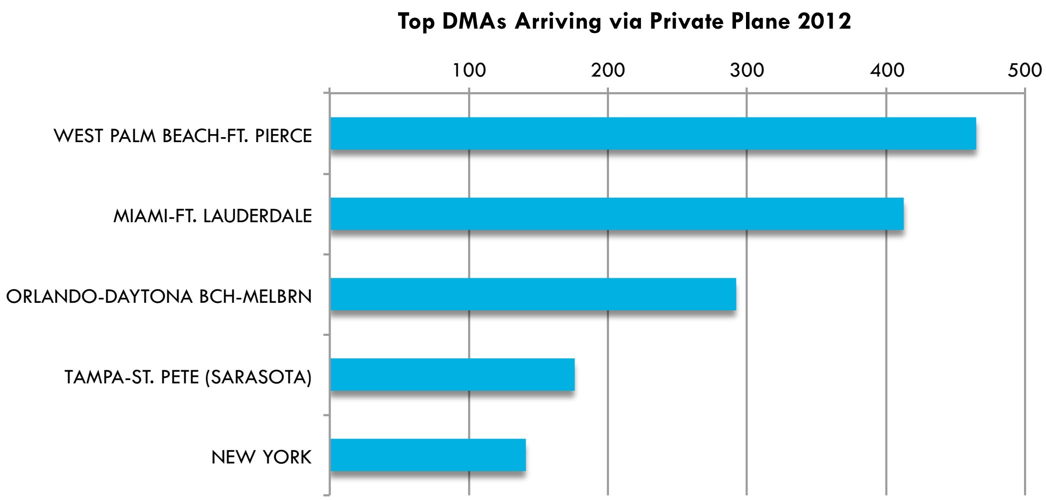
GBI Share of Top Airlines stopovers to Bahamas

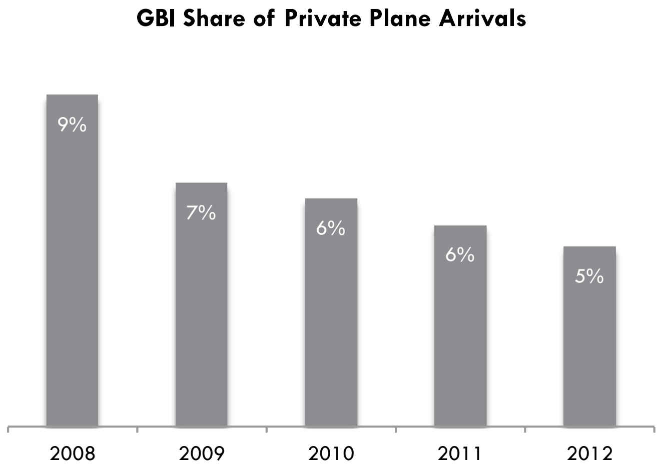
	2008	2009	2010	2011	2012
AMERICAN AIRLINES	17%	19%	20%	17%	18%
US AIRWAYS	18%	15%	10%	11%	11%
CONTINENTAL AIRLINES	13%	9%	9%	8%	7%
DELTA AIR LINES	12%	10%	11%	3%	2%
BAHAMASAIR	8%	10%	11%	10%	14%
WEST JET	1%	14%	13%	14%	15%
UNITED AIRLINES	15%	86%	63%	59%	11%

Arrival Mode Private Plane

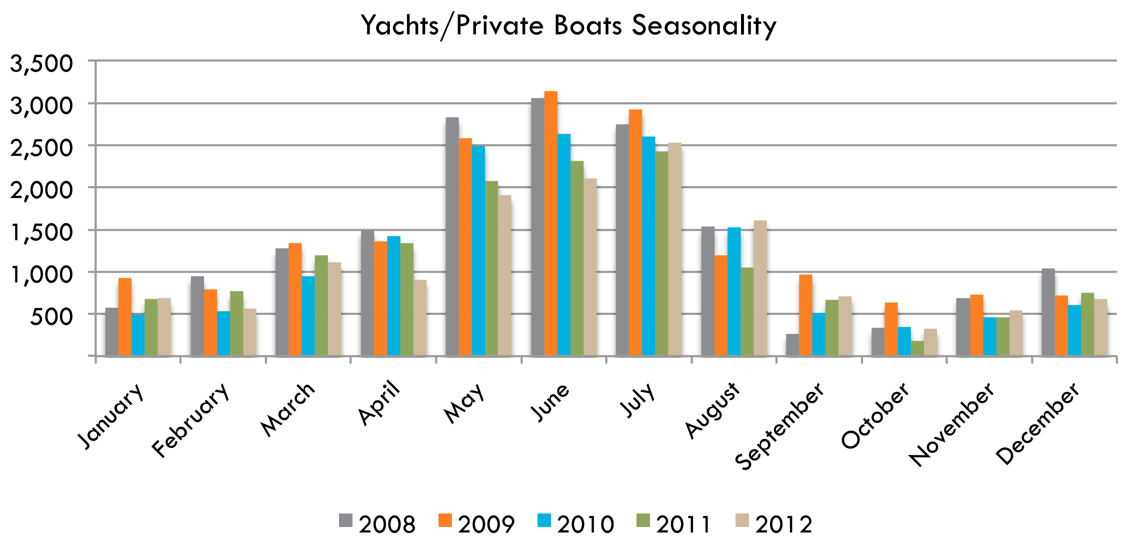


May stands out among Private Plane arrivals as a peak month. Most people flying private planes to Grand Bahama Island are from West Palm Beach, though these numbers are declining. Of Private Planes to The Islands of The Bahamas, there are less flying to GBI.

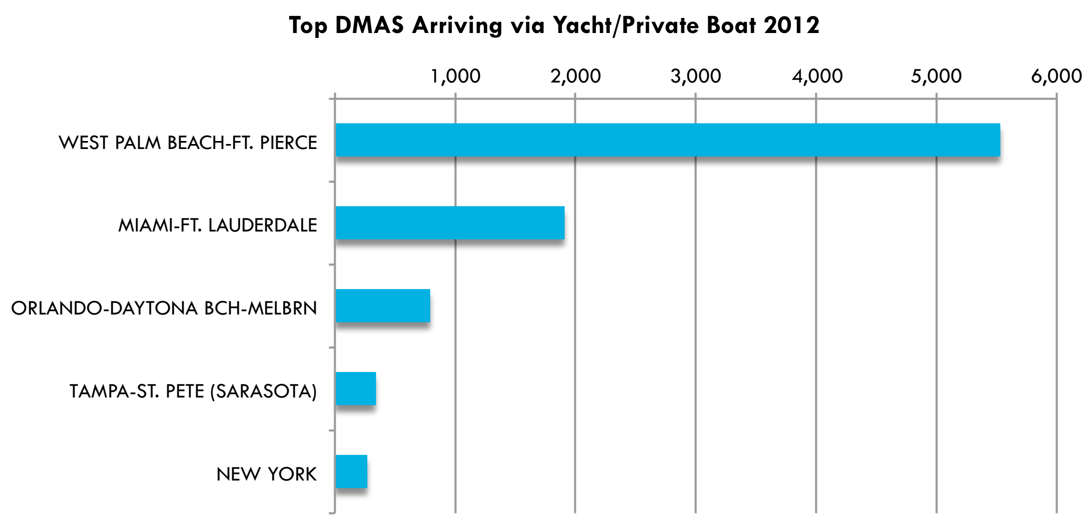


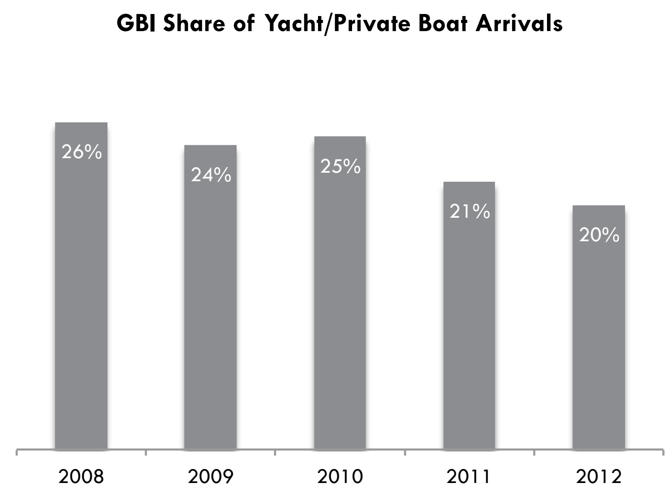


Arrival Mode Yacht/Private Boats



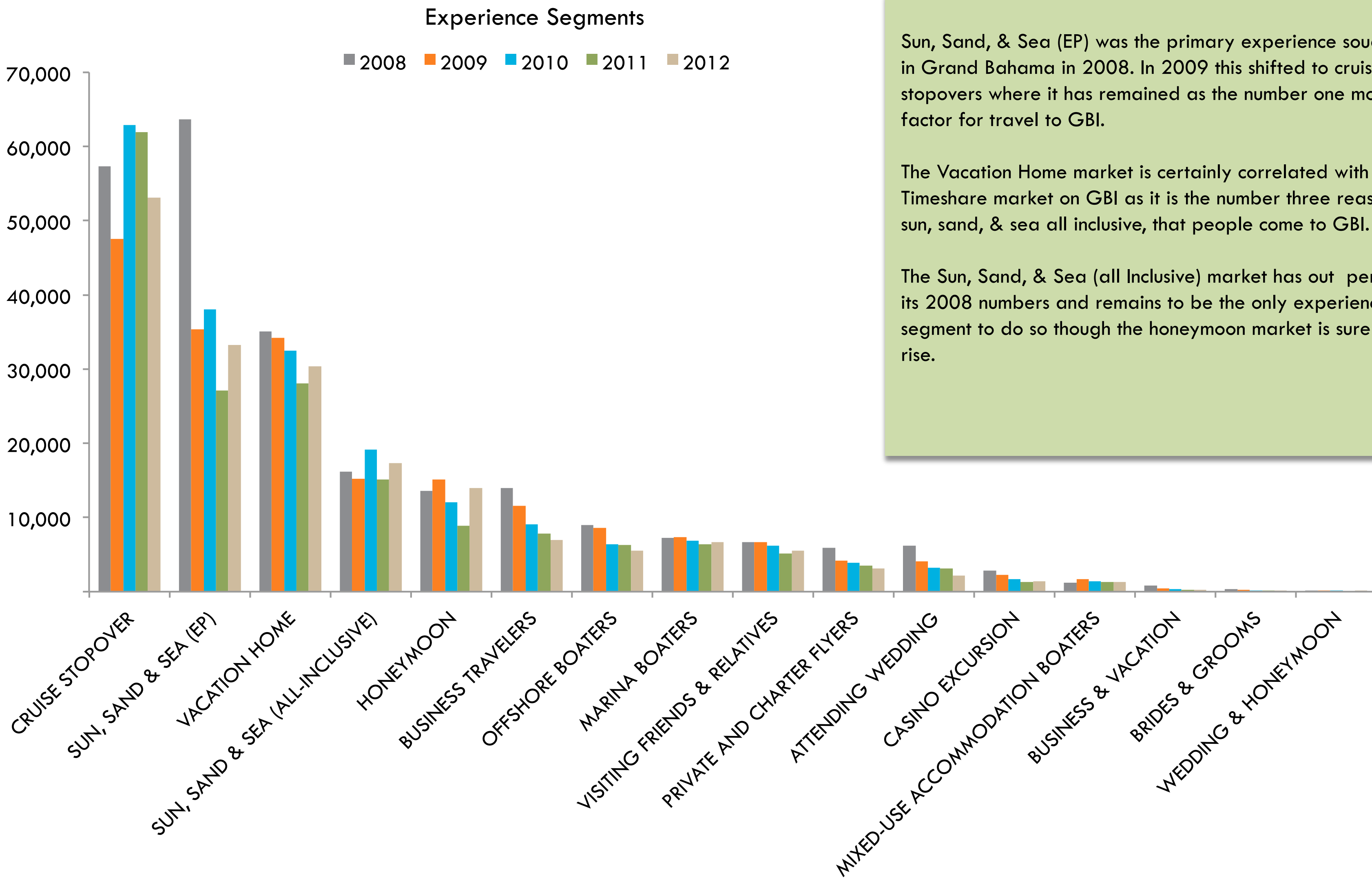
Grand Bahama Island has been experiencing a slight loss in the Yacht/Private Boat arrivals, though this change is not as pronounced as the other arrival modes. Peak months for this arrival mode are July, June, and May.





Experience Segments

Experience Segments Overview

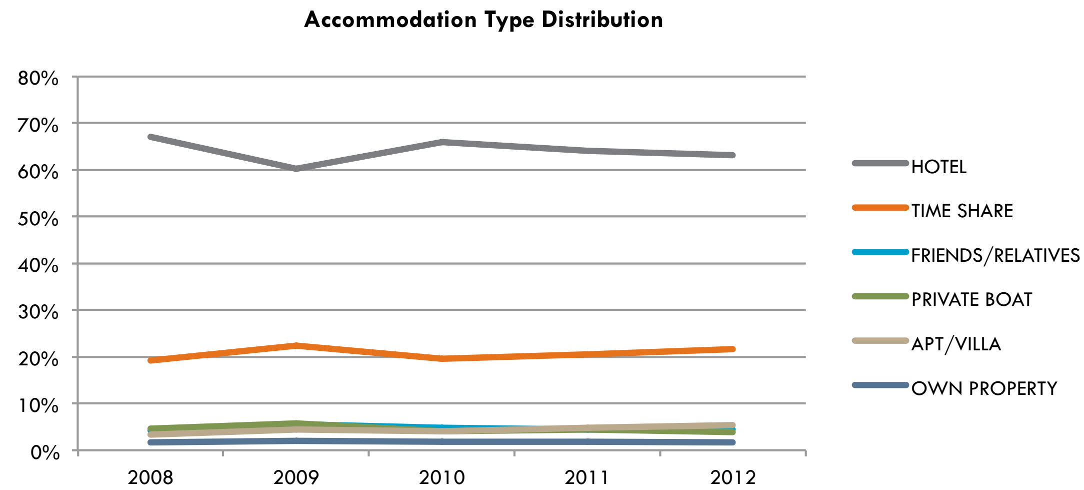


Sun, Sand, & Sea (EP) was the primary experience sought after in Grand Bahama in 2008. In 2009 this shifted to cruise ship stopovers where it has remained as the number one motivating factor for travel to GBI.

The Vacation Home market is certainly correlated with the Timeshare market on GBI as it is the number three reason, over sun, sand, & sea all inclusive, that people come to GBI.

The Sun, Sand, & Sea (all Inclusive) market has out performed its 2008 numbers and remains to be the only experience segment to do so though the honeymoon market is surely on the rise.

Experience Segments



The Timeshare market has been unsteady due to the resent economic crisis in the USA, which has caused an inverse relationship with Hotel choice of accommodation.

Each experience segment has its own peak and low season. By understanding these trends, timing of promotions and marketing materials can be optimized accordingly.

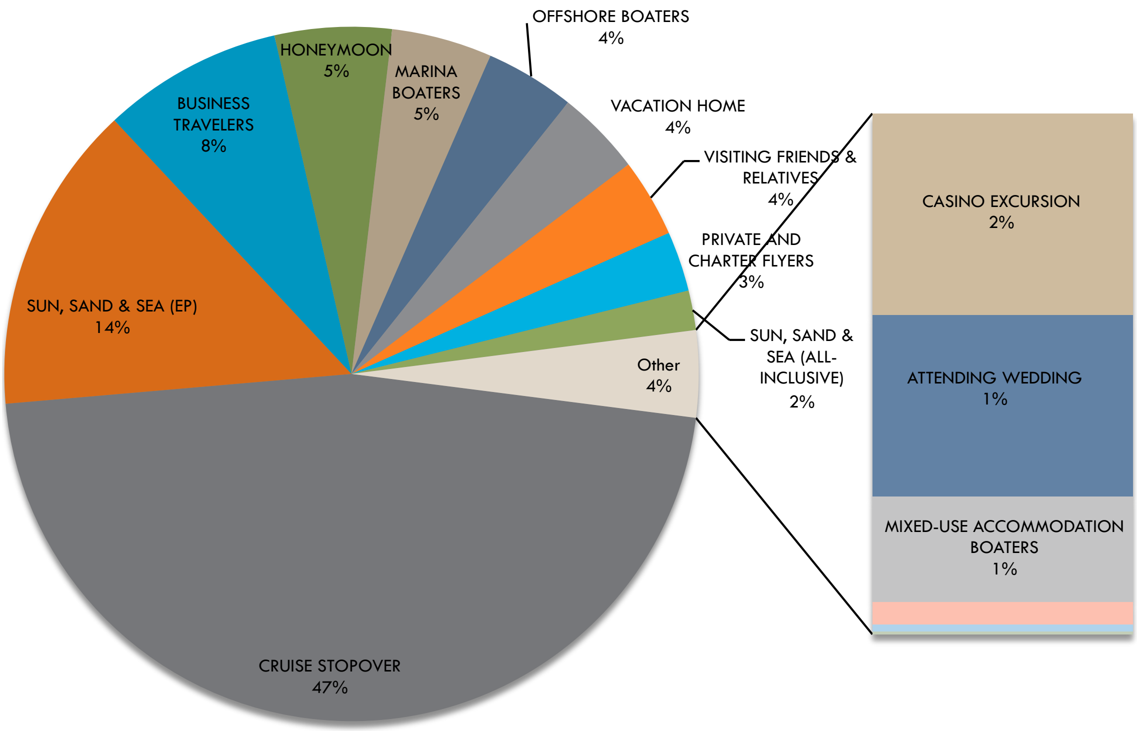
Experience Segment Seasonality (2012)

Peak | Low

	January	February	March	April	May	June	July	August	September	October	November	December
SUN, SAND & SEA (EP)	2,960	3,561	4,287	3,815	2,905	3,895	2,912	2,289	1,145	1,314	1,860	2,274
VACATION HOME	2,521	2,458	3,808	3,092	2,206	2,877	2,983	2,169	1,237	1,419	2,254	3,355
SUN, SAND & SEA (ALL-INCLUSIVE)	1,780	1,856	2,238	1,921	1,482	1,746	1,621	1,485	508	662	929	1,145
HONEYMOON	823	1,023	1,616	1,453	1,452	1,905	1,770	1,368	609	537	604	826
BUSINESS TRAVELERS	902	482	532	1,046	545	478	367	282	378	477	839	664
MARINA BOATERS	281	198	459	373	933	1,033	1,376	978	426	133	186	281
VISITING FRIENDS & RELATIVES	353	538	728	550	384	492	523	351	206	299	436	675
OFFSHORE BOATERS	349	330	586	481	691	783	811	387	166	186	338	383
PRIVATE AND CHARTER FLYERS	197	244	442	324	276	324	208	197	125	143	319	303
ATTENDING WEDDING	33	48	281	340	202	355	186	153	35	275	187	75
CASINO EXCURSION	151	128	156	176	121	122	115	80	76	62	104	92
MIXED-USE ACCOMMODATION BOATERS	65	21	57	67	206	249	297	185	108	20	33	25
BUSINESS & VACATION	23	24	23	78	25	29	21	10	19	10	22	10
BRIDES & GROOMS		11	19	30	19	22	19	16	14	19	11	9
WEDDING & HONEYMOON	4	5	14	15	20	25	16	13	3	10	7	11

Experience Segments Miami DMA

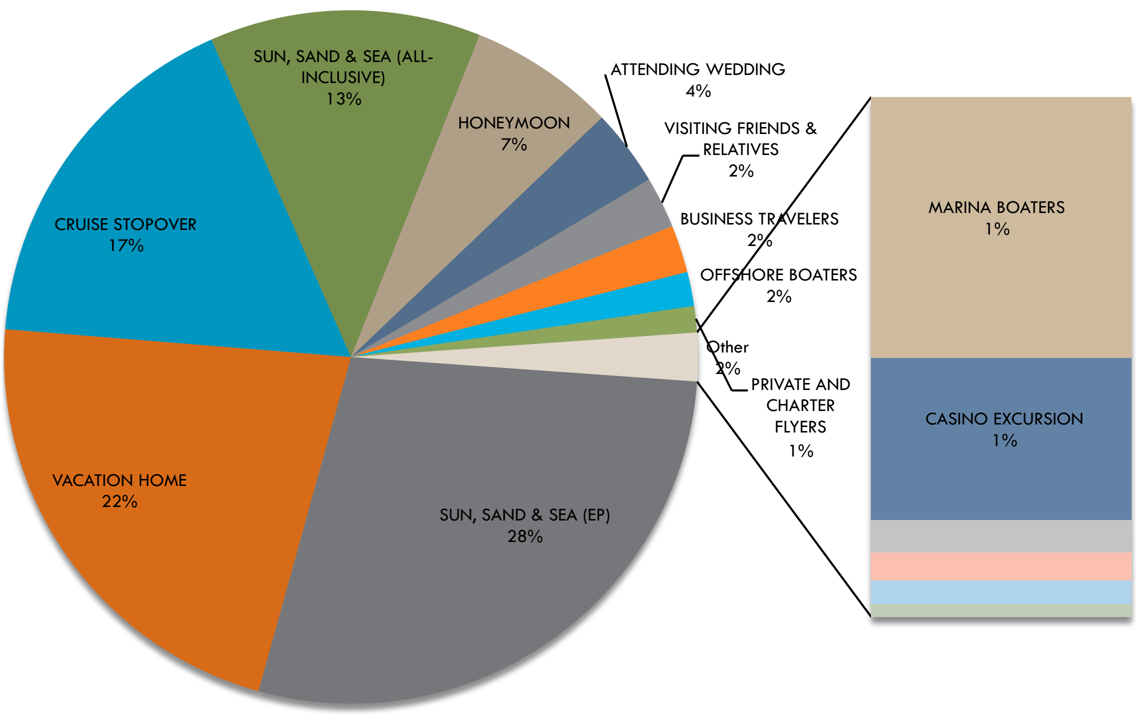
Average Miami- Ft. Lauderdale DMA Experience Segmentation



MIAMI-FT. LAUDERDALE	2008	2009	2010	2011	2012
CRUISE STOPOVER	11,662	12,500	14,063	9,314	2,828
SUN, SAND & SEA (EP)	4,425	2,909	3,067	2,412	2,753
BUSINESS TRAVELERS	2,091	1,953	1,802	1,542	1,689
HONEYMOON	1,292	2,063	1,232	694	593
MARINA BOATERS	1,162	1,009	1,026	822	1,041
OFFSHORE BOATERS	1,190	1,102	791	749	668
VACATION HOME	901	809	778	734	1,077
VISITING FRIENDS & RELATIVES	982	832	765	621	748
PRIVATE AND CHARTER FLYERS	781	635	649	578	374
SUN, SAND & SEA (ALL-INCLUSIVE)	343	357	424	419	446
CASINO EXCURSION	523	450	284	226	208
ATTENDING WEDDING	378	295	330	308	211
MIXED-USE BOATERS	174	206	174	155	176
BUSINESS & VACATION	54	37	45	29	24
BRIDES & GROOMS	19	14	7	5	10
WEDDING & HONEYMOON	4	5	4	6	6

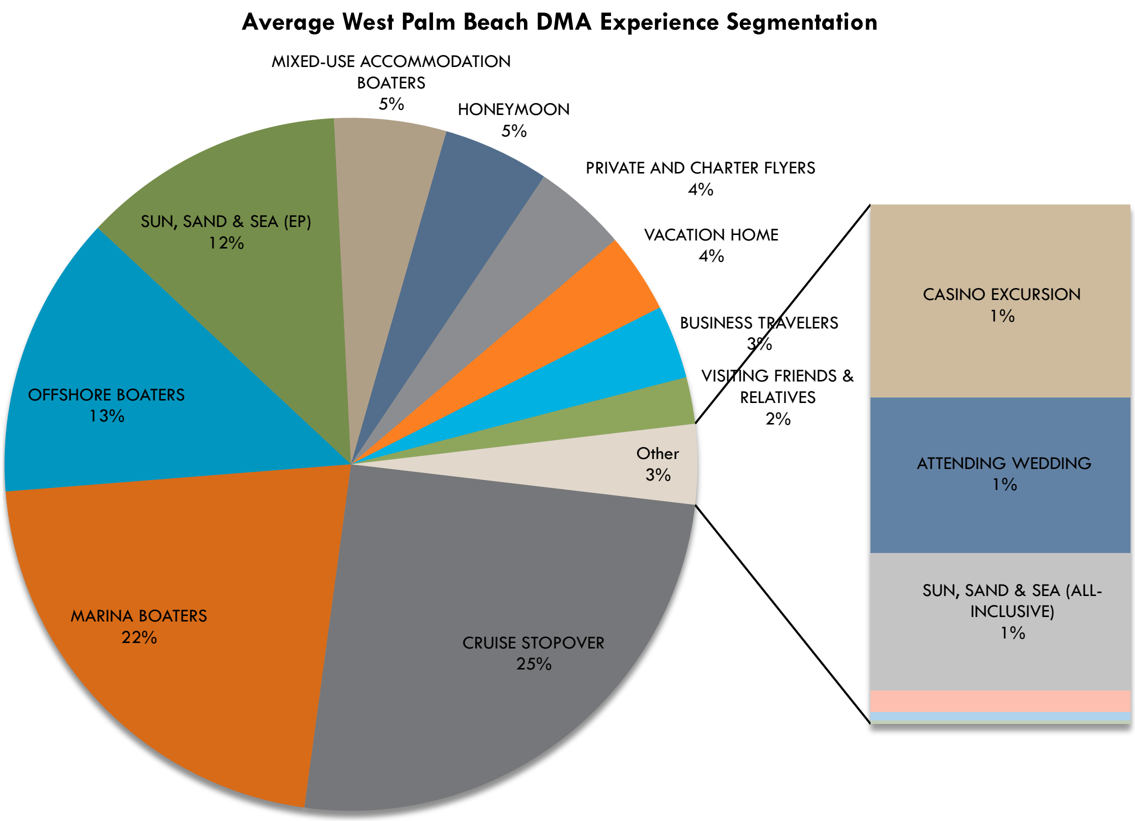
Experience Segments New York DMA

Average New York DMA Experience Segmentation



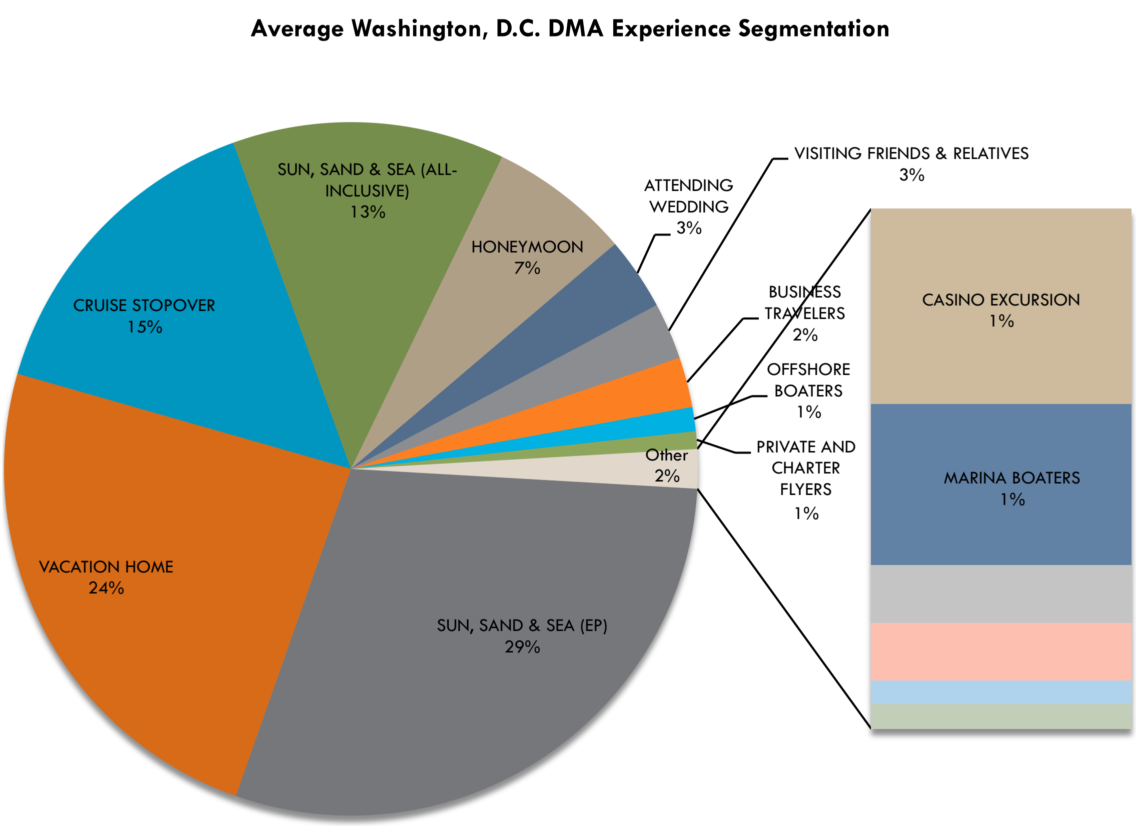
NEW YORK	2008	2009	2010	2011	2012
SUN, SAND & SEA (EP)	7,654	4,096	4,644	2,149	2,612
VACATION HOME	3,946	3,886	3,497	2,733	2,442
CRUISE STOPOVER	2,170	1,787	2,732	3,194	2,981
SUN, SAND & SEA (ALL-INCLUSIVE)	1,684	1,747	2,891	1,374	1,796
HONEYMOON	1,150	1,231	1,105	626	1,005
ATTENDING WEDDING	988	564	504	478	158
VISITING FRIENDS & RELATIVES	398	433	415	265	286
BUSINESS TRAVELERS	523	393	337	201	208
OFFSHORE BOATERS	336	248	213	240	157
PRIVATE AND CHARTER FLYERS	324	142	148	178	127
MARINA BOATERS	187	189	188	161	125
CASINO EXCURSION	147	134	99	71	78
BRIDES & GROOMS	37	16	21	22	9
BUSINESS & VACATION	28	24	14	13	13
MIXED-USE BOATERS	18	24	17	10	7
WEDDING & HONEYMOON	12	13	12	3	2

Experience Segments W. Palm Beach DMA



WEST PALM BEACH	2008	2009	2010	2011	2012
CRUISE STOPOVER	3,742	3,391	5,363	3,641	1,729
MARINA BOATERS	2,916	3,275	2,984	3,053	3,030
OFFSHORE BOATERS	2,280	2,260	1,677	1,600	1,514
SUN, SAND & SEA (EP)	2,745	1,615	1,738	1,254	1,312
MIXED-USE BOATERS	660	908	725	717	684
HONEYMOON	756	974	760	479	539
PRIVATE AND CHARTER FLYERS	989	663	508	515	424
VACATION HOME	596	560	484	420	575
BUSINESS TRAVELERS	733	551	411	345	386
VISITING FRIENDS & RELATIVES	319	339	308	266	305
CASINO EXCURSION	398	187	199	97	100
ATTENDING WEDDING	239	136	149	164	101
SUN, SAND & SEA (ALL-INCLUSIVE)	151	96	145	141	165
BUSINESS & VACATION	39	23	20	13	14
BRIDES & GROOMS	11	5	4	17	8
WEDDING & HONEYMOON	3	3	6	1	4

Experience Segments Washington, D.C. DMA



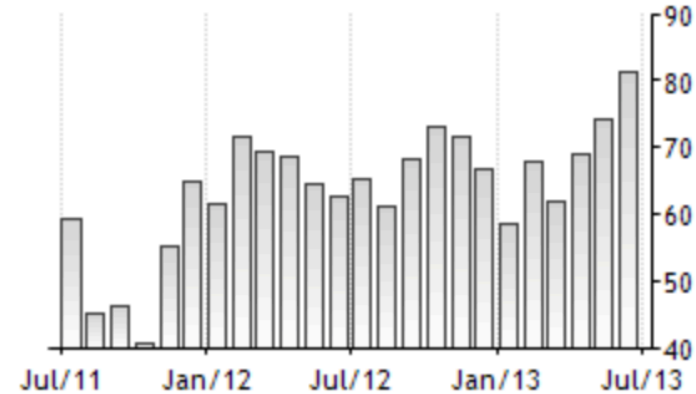
WASHINGTON, D.C.	2008	2009	2010	2011	2012
SUN, SAND & SEA (EP)	3,024	1,565	1,451	929	1,590
VACATION HOME	1,538	1,589	1,440	1,110	1,304
CRUISE STOPOVER	826	550	1,046	924	1,028
SUN, SAND & SEA (ALL-INCLUSIVE)	754	701	918	630	684
HONEYMOON	339	415	397	282	479
ATTENDING WEDDING	366	223	237	72	89
VISITING FRIENDS & RELATIVES	152	162	135	158	160
BUSINESS TRAVELERS	214	162	101	115	85
OFFSHORE BOATERS	53	72	87	58	57
PRIVATE AND CHARTER FLYERS	80	41	45	40	32
CASINO EXCURSION	56	40	32	42	29
MARINA BOATERS	31	36	38	34	25
BUSINESS & VACATION	16	12	12	8	11
BRIDES & GROOMS	24	14	9	1	11
WEDDING & HONEYMOON	2	6	7	5	4
MIXED-USE BOATERS	2		7	7	4

Economic Indicators

US Economic Indicators

http://www.tradingeconomics.com

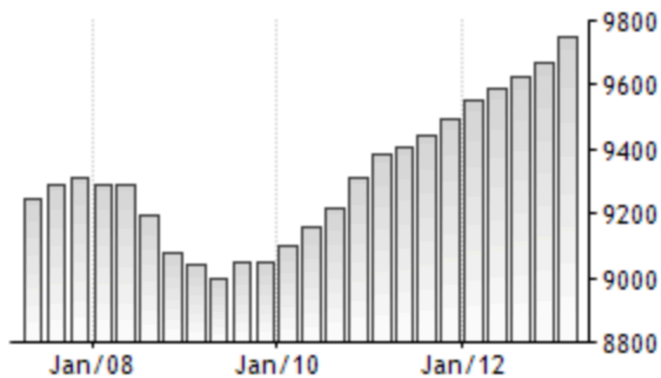
	LAST	PREVIOUS	HIGHEST	LOWEST
CONSUMER CONFIDENCE	81.40	74.30	144.70	25.30



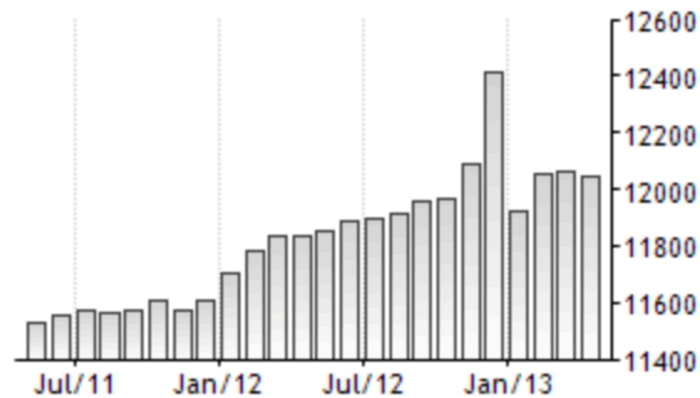
Consumer confidence is a great indicator of future consumer spend. US citizens are spending more, have greater confidence in the economy, and have more disposable income than in 2008. All these make for a healthy growth potential for tourism in The Islands of The Bahamas.

The question then becomes, how do the islands take advantage of the positive indicators of the US economy.

	LAST	PREVIOUS	HIGHEST	LOWEST
CONSUMER SPENDING	9745.50	9663.90	9745.50	1244.90



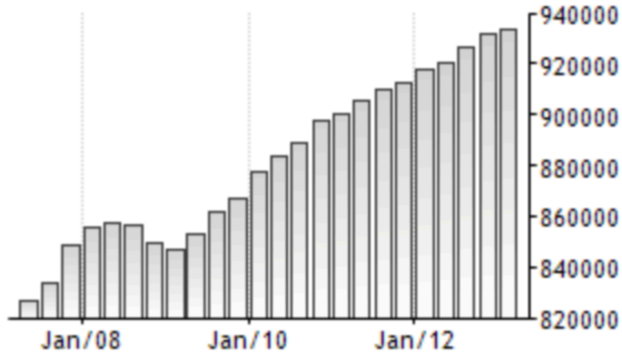
DISPOSABLE PERSONAL INCOME	12046.80	12062.90	12414.60	340.70



Canadian Economic Indicators

http://www.tradingeconomics.com

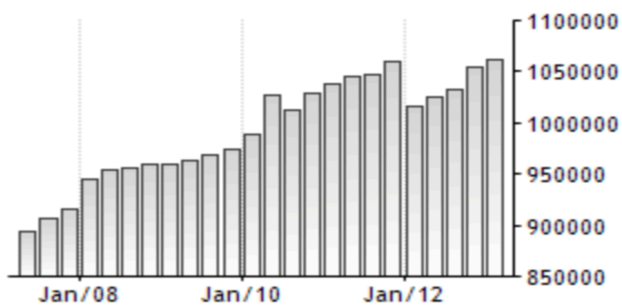
CONSUMER SPENDING	933598.00	931611.00	933598.00	162251.00



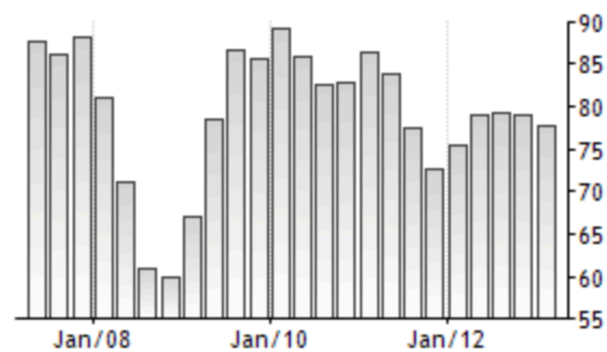
While Canada is showing steady growth in The Bahamas, consumer confidence has not grown as substantially as US consumer confidence.

Consumer spending is up and disposable personal income has increased since 2008. All signs seem to be positive for a more discerning population.

	LAST	PREVIOUS	HIGHEST	LOWEST
DISPOSABLE PERSONAL INCOME	1061400.00	1054408.00	1061400.00	26768.00



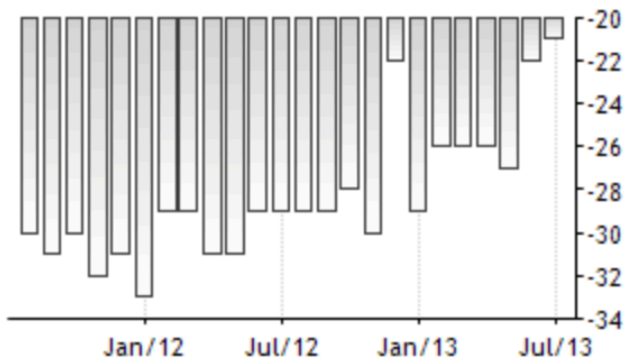
	LAST	PREVIOUS	HIGHEST	LOWEST
CONSUMER CONFIDENCE	77.60	79.00	93.40	60.00



United Kingdom Economic Indicators

http://www.tradingeconomics.com

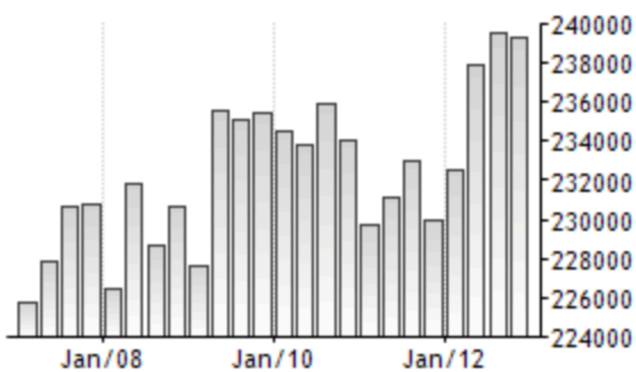
	LAST	PREVIOUS	HIGHEST	LOWEST
CONSUMER CONFIDENCE	-21.00	-22.00	10.00	-39.00



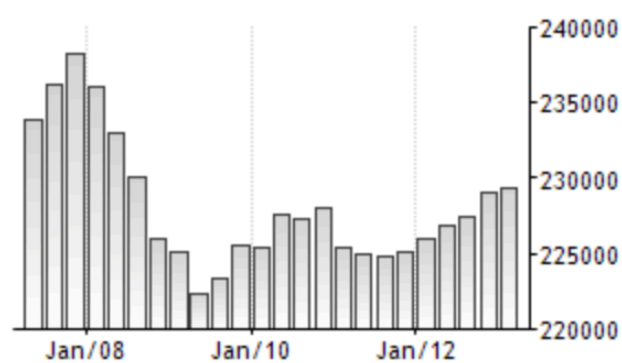
In the United Kingdom, consumer confidence is growing, but has yet to reach a positive rating. This can explain the increase in disposable income and stagnation in consumer spending.

This might indicated a much more frugal visitor from the UK.

	LAST	PREVIOUS	HIGHEST	LOWEST
DISPOSABLE PERSONAL INCOME	239192.00	239527.00	239527.00	45135.00



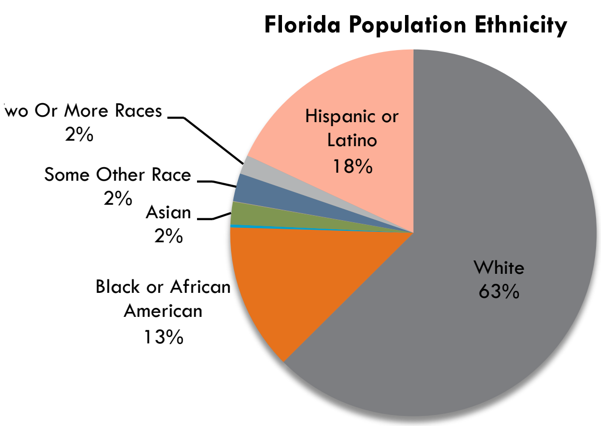
	LAST	PREVIOUS	HIGHEST	LOWEST
CONSUMER SPENDING	229339.00	229089.00	238145.00	48610.00

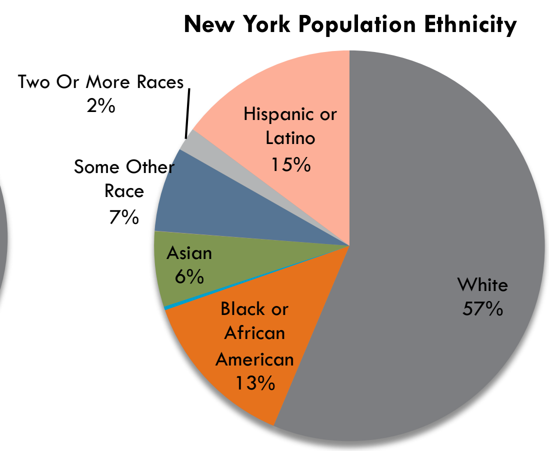


Visitor Satisfaction

Demographics [US Ethnicity Population]

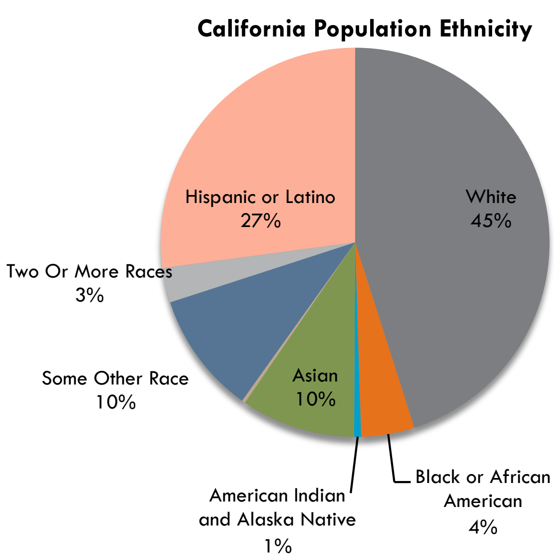
Source: U.S. Census Bureau, 2007-2011 American Community Survey 5-Year Estimates.

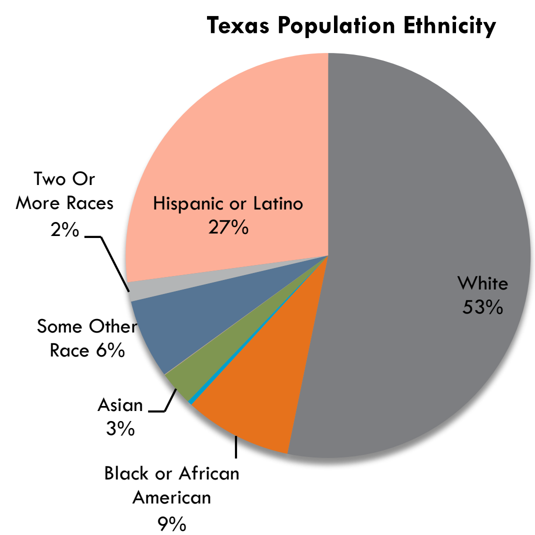


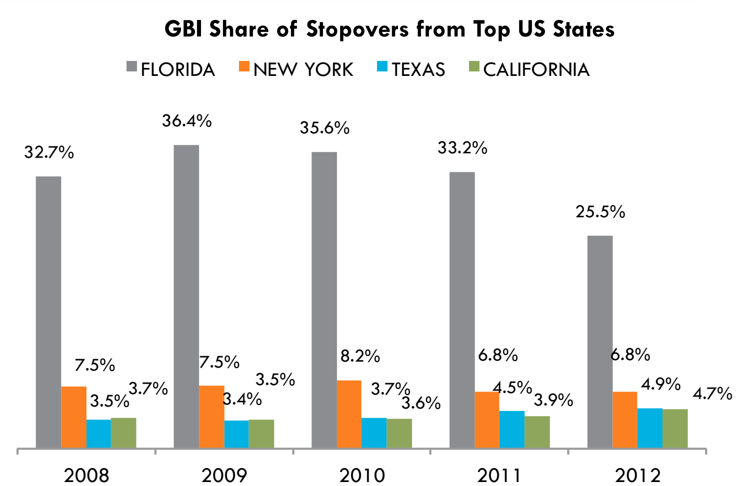


While Grand Bahama Island is losing its share of Florida and New York stopovers, there has been slight gain from Texas and California visitors to GBI.

By understanding the landscape of these emerging markets, new approaches in marketing can be beneficial. Though not negligible in Florida and New York, California and Texas have substantially larger Hispanic/Latino populations. Bilingual marketing could prove to reach more potential stopovers in these areas as well as reach new visitors in existing markets.







Visitor Comments Resource Guide

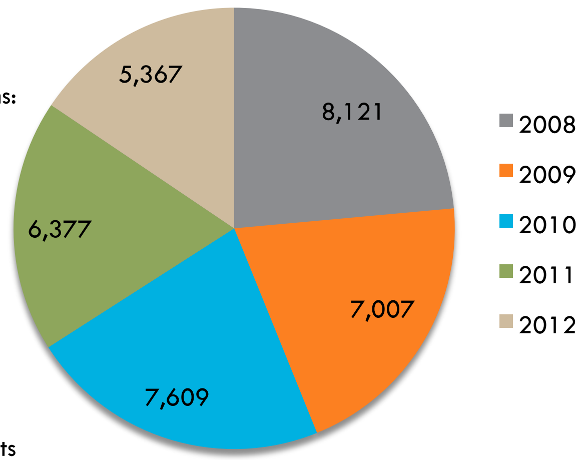
VisiTrends

Visitor Comments

2008- 2012 GBI Comments: 34,481

Sort and Measure by Multiple Dimensions:
Hotel Name
Key Word
Demographics
Arrival Mode
Date
Etc.

Coming Soon…
Pull comments from sources below
Sentiment Analysis
More ways to measure and sort comments



Visitor comments is a direct way of assessing visitor satisfaction. Today, the visitor has many options and opportunities to give feedback on the different aspects of their trip.

The most reliable comments can be found on Visitrends. These comments are taken directly from the immigration card as the visitor departs the country. Because every visitor is required to fill one out, Visitrends has the largest database of comments with the most sorting abilities.

There are many other online resources for comments, namely Trip Advisor. Social Media is another great way to read comments as well as interact with new and potential visitors to Grand Bahama Island. Soon Visitrends will be enhancing this section to include these other resources.

FACEBOOK

Facebook.com/VisitGBI
Likes: 3,416

Facebook.com/pages/
Grand-Bahama-Island/
157711917621222?fref
Likes: 85

Facebook.com/GBIFilm
Likes: 419

TRIPADVISOR

Hotels Listed: 20
B&Bs Listed: 5
Vacation Rentals Listed: 36
Restaurants Listed: 119
Things to Do Listed: 100

Accommodation Comments: 6,311
Restaurant Comments: 3,636
Things to Do Comments: 3,426

TWITTER

No GBI Dedicated Page
46 Mentions of GBI since July1, 2013

@VisitTheBahamas Followers: 11, 725

YOU TUBE

Total Videos: 1
Video Views: 16, 603
Comments: 4

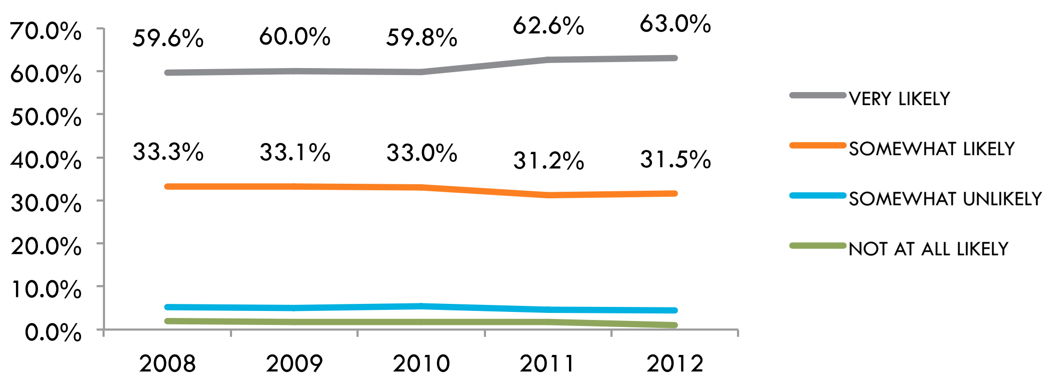
Visitor Recommendation Likelihood

Visitrends Comment Word Frequency Among First Time Visitors (2012)

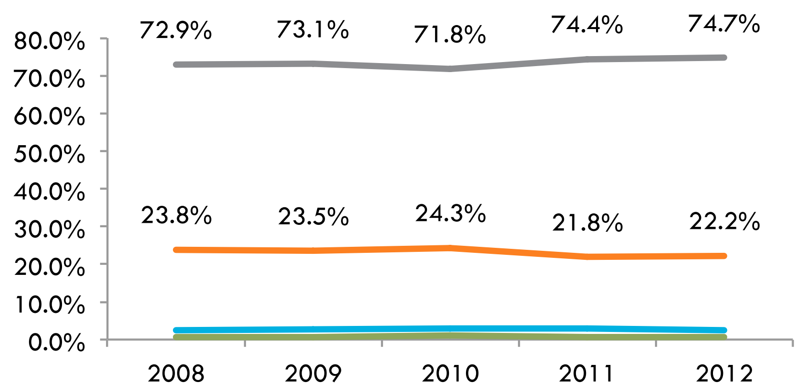
First time visitors are a great way to access the first impressions of any destination. First time visitor satisfaction has remained steady over the past 5 years despite the decrease in visitors. This indicates that the largest opportunity for growth is in marketing and airlift.

What is most Interesting is what happens to the recommendation level for frequent visitors for Grand Bahama Island. Frequent visitors are either more likely than first time visitors to recommend or they are very much less likely to recommend GBI as a destination. The questions that this data poses, is how do we incite and accommodate through airlift more first time visitors and improve the experience for returning visitors?

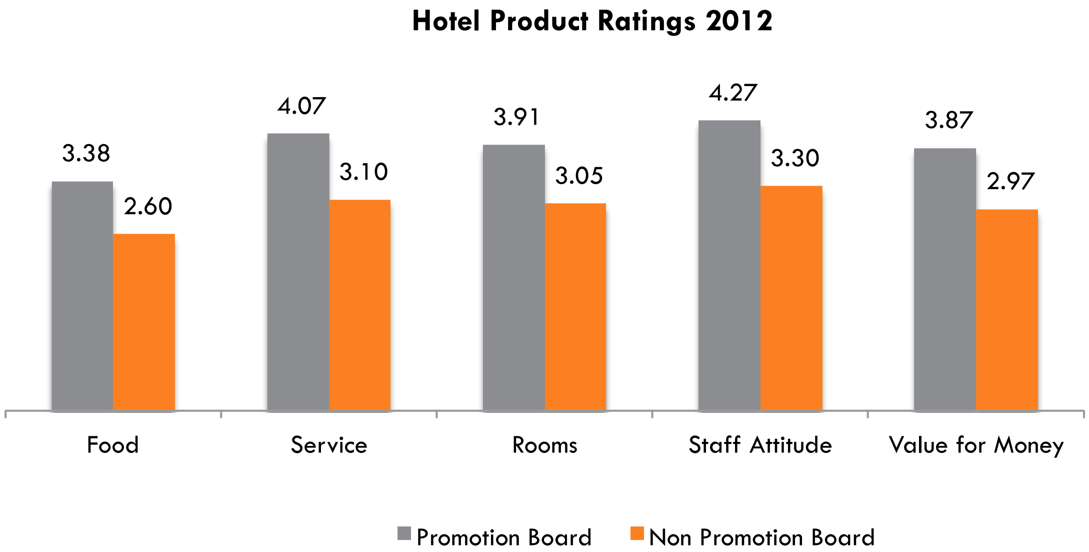
Recommendation Likelihood
Among First Time Stopover Visitors



Recommendation Likelihood
Among Frequent Stopover Visitors



Destination Satisfaction Rating



Away from the hotel, the majority of stopover visitors rate Grand Bahama Island as being Much better or Better than expected.

At the Hotel, Expectation levels shift between above and on par with expectation, most notably Overall Value for Money.

Overall value for money is also a great indicator of repeat business. The average consumer today is a lot more discerning and wants the greatest spend for their dollar. In most cases, increasing value increases repeat business.

QUESTIONS?

Please Contact: Kellie Bailey
Kbailey@indusaglobal.com