





COVID-19 Case Study

Awakening dormant demand

Domestic travellers reinvigorate Fiji's tourism industry

When COVID-19 froze international travel and caused Fiji's tourism industry to grind to a halt, it also exposed the sector's complete lack of information on another key market segment: domestic travellers. This business has now recognised the importance of internal tourism, not only during the pandemic, but also as a potentially viable source of revenue during the international low season.

MDF spoke to the popular Intercontinental Fiji Golf Resort and Spa to find out how the Domestic Tourism Demand Study, a market intelligence tool MDF developed in partnership with the Fiji Hotels and Tourism Association and Tourism Fiji, offered foundational support to its marketing plans and package offers.

Intercontinental Fiji Golf Resort and Spa is a popular choice for holidaymakers from all over the world. The hotel offers 266 rooms, exclusive Club InterContinental Suites, an award-winning day spa and a championship golf course. The Resort is also located on one of the most attractive beaches in the country.

However, the resort was not spared from the negative impact COVID-19 had on Fiji's tourism economy. The first wave of the virus brought a stream of cancellations and lost revenue. Like every other tourism establishment in Fiji, the property began to furlough its staff.



2020 was gearing up to be a very successful year for our resort. We had a healthy pipeline of bookings for both our Leisure and Groups business and were excited for the year that we were going to have. In a matter of a few short weeks, this all changed when bookings began to cancel, with a crippling effect on our business. We did not see this coming and COVID brought to life the stark reality of how a global pandemic can impact a business.

Hudson Mitchell,
Intercontinental Fiji Golf Resort and Spa's
Director of Sales and Marketing

To diversify revenue streams and create casual job opportunities for furloughed staff, the resort applied to become a government-approved private quarantine facility and converted the luxury Club InterContinental into a preferred private facility for travelers in need of a mandatory quarantine haven.

However, a more strategic reevaluation was required to sustain long-term operations. Domestic tourism was identified as a promising pivot. The resort worked to create alluring packages for the domestic tourism market, including significant discounts on their rack rates.



Now more than ever, the resort had to reassess our strategies and concentrate more on Fiji's domestic market. This meant that our commercial team had to reexamine our packages and communications to ensure that we were not only desirable but affordable for our domestic market. Fortunately, we already had a domestic strategy in place, but COVID-19 meant that we needed to amplify this approach to sustain ourselves as a business, given that the international market was no longer travelling.

Hudson Mitchell



Fiji's first domestic tourism demand study

Although many Fijian tourism establishments started turning to domestic tourism as a means of staying afloat amid the height of the pandemic, they did not have specific insights on the best methods of attracting Fijian travellers beyond employing heavy discounting strategies. To support the drive towards domestic tourism, MDF and the Fiji Hotel and Tourism Association (FHTA) undertook Fiji's first Domestic Tourism Demand Study, designed to provide detailed information on the local tourism segments, their preferences and characteristics, including spending patterns. The study was launched with the hope that this information would equip tourism stakeholders with a greater understanding of the local market to target and cater to their preferences more effectively. The research was informed by over 10,000 online survey responses and follow-up interviews, undertaken by FHTA and MDF, in collaboration with the Ministry of Commerce, Trade, Tourism and Transport (MCTTT) and Tourism Fiji. MDF Fiji's work on the study was well-timed, as it complemented the ministry's concurrent Love Our Locals (LOL) campaign, as highlighted by Hon. Faiyaz Koya, Minister for MCTTT, at the launch of the study.

The study is the first time that official information regarding the specific demand of the domestic market is readily available to tourism operators. While immediately useful to pivot business in the face of a pandemic, the information is also expected to support Fijian tourism businesses to effectively target locals during the country's traditional 'low season' for international visitors. While diversifying revenue, this also provides a buffer against seasonality and contributes to a more resilient tourism industry.



We have used this information to create high value packages for different domestic niches and are excited about the return on investment that we are projecting. Our packages are now more than ever providing more high value content for our domestic market. We definitely plan to use it as a guide to inform our 2022 marketing strategies.

Hudson Mitchell



Locals have been the greatest supporters of our tourism industry and economy. And we want this to remain. With the finding of this report, we want to ensure domestic tourism remains the foundation of the Fijian tourism industry and every other national agenda. In fact, domestic tourism will now take on a greater significance as part of our Tourism Fiji marketing strategy. This will add resilience to the Fijian tourism industry.

Hon. Faiyaz Koya,
Minister for MCTTT



Click/scan to read the **Domestic Tourism Demand Study** online.