



HotelBeat

Destination: ST LUCIA, CARIBBEAN

April 2012

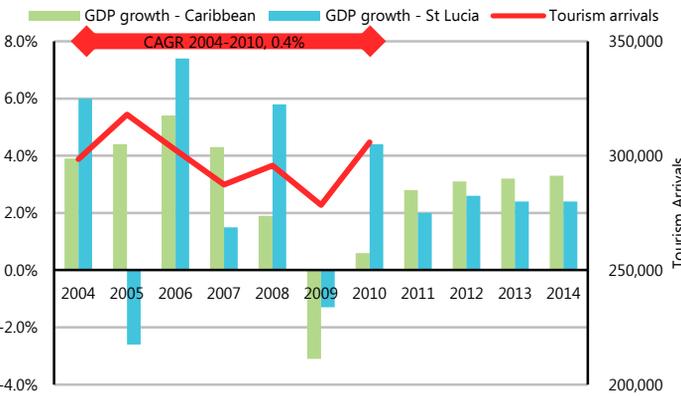


DESTINATION OVERVIEW

Since its first inhabitants (the Arawak Indians) were driven out by the Caribs, St Lucia was exploited by Spain and France, before becoming a British territory in 1814 and gaining independence as a member of the Commonwealth in 1979. St Lucia is a relatively small island, with a permanent population of 175,300 (2010 est.). Following the introduction of the 1996 Tourism Incentives Act, in recent years the island's tourism industry has become the largest contributor to GDP (14%), overtaking agriculture (in particular banana cultivation). St Lucia's key attractions are its world famous Pitons, exotic plants, marine life and the Qualibou volcano with its boiling sulphur springs. It is well served by international charter and scheduled air services and has two international airports: Hewanorra International Airport (located in the south, handling 500,000 passengers per annum) and the much smaller Vigie Airport (located in the north and serving Caribbean destinations only). Future prospects for the island are excellent and the government is planning to extend Hewanorra International Airport.

ECONOMIC TRENDS

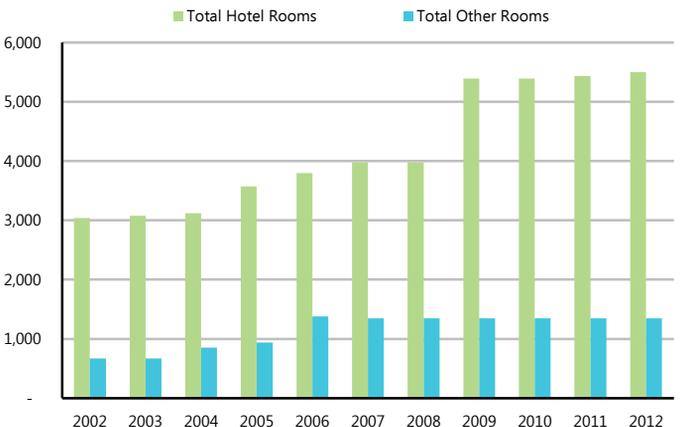
In the period 2001-2006, the local economy witnessed strong GDP growth, but the pace has since slowed due to the financial crisis, a slump in construction, reduced tourism receipts and hurricane damage negatively impacting agriculture. Faster rates of growth are anticipated in the medium term. In contrast to the wider Caribbean, tourism numbers in St Lucia peaked in 2005 and began to recover in 2010. The key source markets in 2010 were: USA (42%), UK (22%), Caribbean (18%) and Canada (11%), with only 4% of the total visiting for business reasons.



Source: IMF and CTO

HOTEL SUPPLY

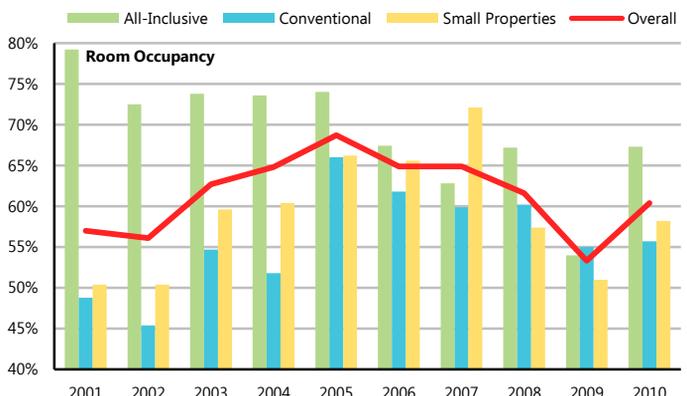
The hotel sector in St Lucia is relatively young compared to more established Caribbean destinations, with most hotels opening within the last 15 years. The supply of rooms nearly doubled from 2002 (3,041 rooms) to 2009 (5,396). Strongly positioned within the upper end of the market, St Lucia has no hotels with a rating below 3*. Recent and pending changes to supply include the recently opened Hotel Chocolat (2011) and an extension of Jalousie Plantation (to be rebranded Viceroy Sugar Beach in 2012).



Source: Whitebridge Hospitality

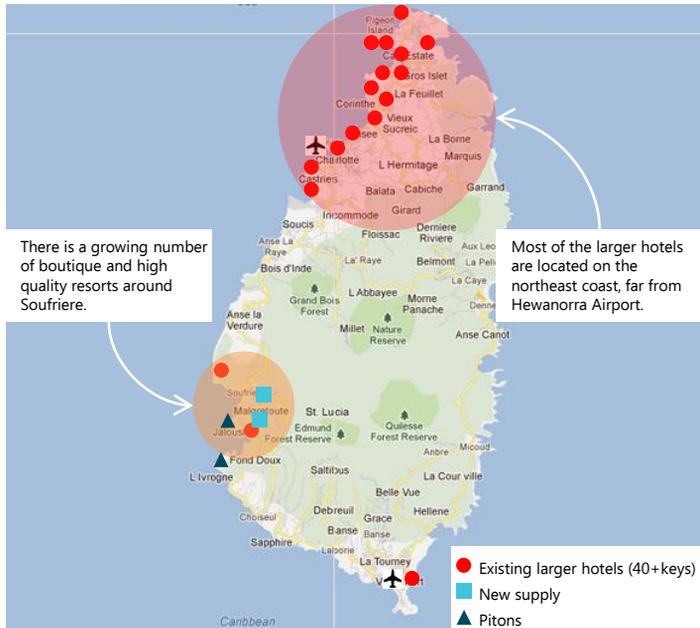
HOTEL PERFORMANCE TRENDS

St Lucia made a good recovery in 2010, with average room occupancy increasing from 53.3% in 2009 to 60.4% in 2010. At this level of occupancy, it is evident that the island suffers from significant seasonality constraints. All-inclusive hotels achieve the highest occupancies (67.3% in 2010), whilst smaller properties achieved occupancies in the region of 57%. In ADR terms, St Lucia achieves one of the highest averages in the Caribbean, with many individual properties exceeding US\$200 in 2010. The recovery witnessed in 2010 continued in 2011 and is expected to improve further in 2012.



Source: St Lucia Government Statistics Department

DESTINATION MAP



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