

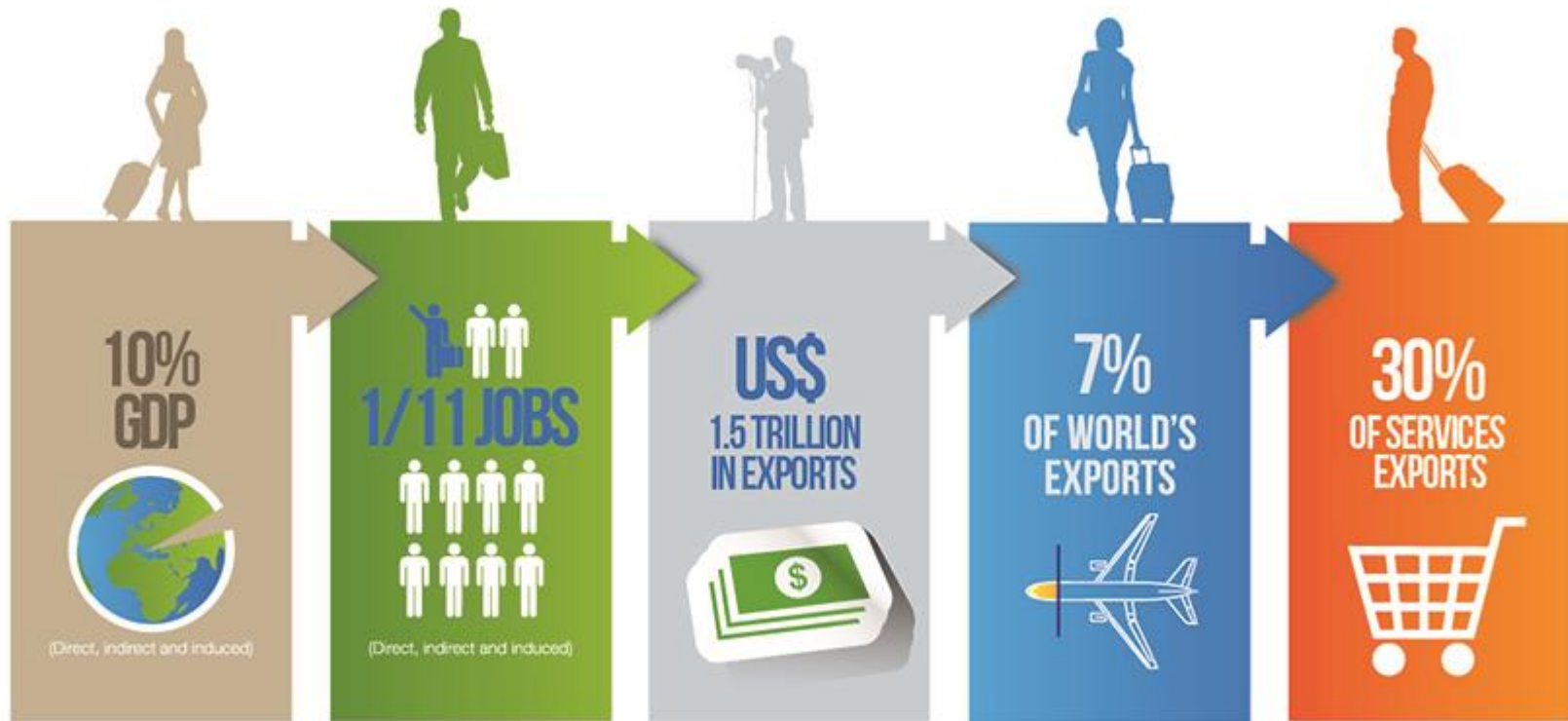
Increasing the local economic benefit of tourism

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TUI UK & Ireland



Data versus insight

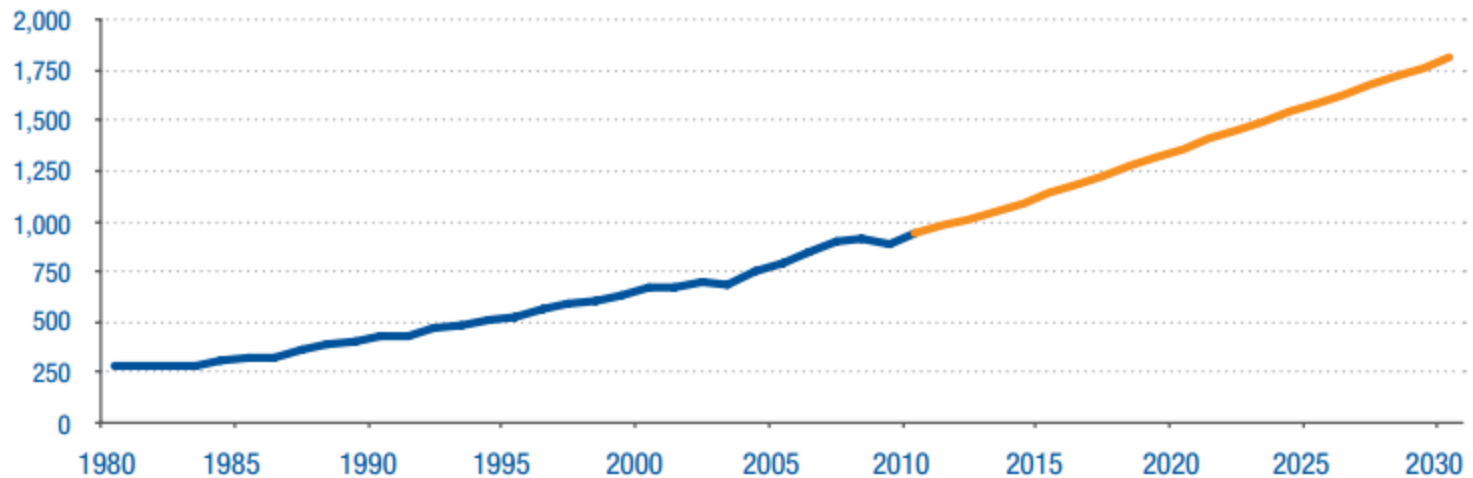


WHY TOURISM MATTERS

©World Tourism Organization (UNWTO) 2016

The only metric that matters?

International tourism, World International Tourist Arrivals, million



Source: World Tourism Organization (UNWTO) ©

Why insight on our wider business footprint is imperative



Global Company – domiciled in **Germany**



77,000 colleagues
in 130 countries



Revenues of
€18.7 billion*



More than **30 million** customers from
31 source markets travelling
to 180 destinations



Underlying EBITA
€869 million*



Over **300** hotels
with **210,000** beds



A **FTSE 100**
business



around 140 aircraft



13 cruise ships



Market capitalisation
€10 billion**



About **1,800** retail shops in
Europe

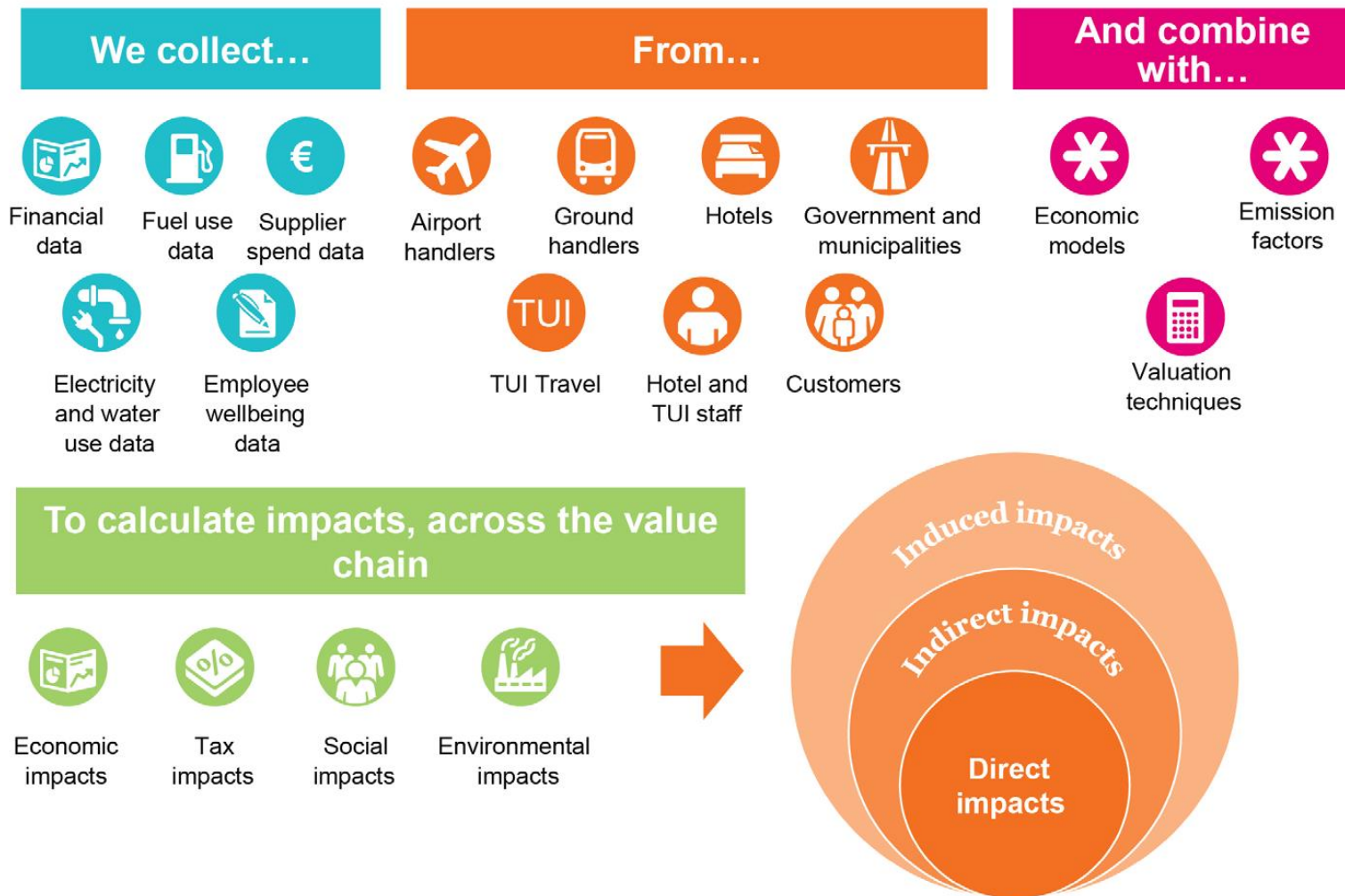
*Based on numbers from FY 2013/14

** As of 13 May 2015

What is TIMM... and what has that got to do with TUI?

<i>Total</i>	A holistic view of social, environmental, fiscal and economic dimensions – the big picture
<i>Impact</i>	Look beyond inputs and outputs to outcomes and impacts – understand your footprint
<i>Measurement</i>	Quantify and monetise the impacts – value in a language business understands
<i>Management</i>	Evaluate options and optimise trade-offs – make better decisions

Assessing our impact across the value chain

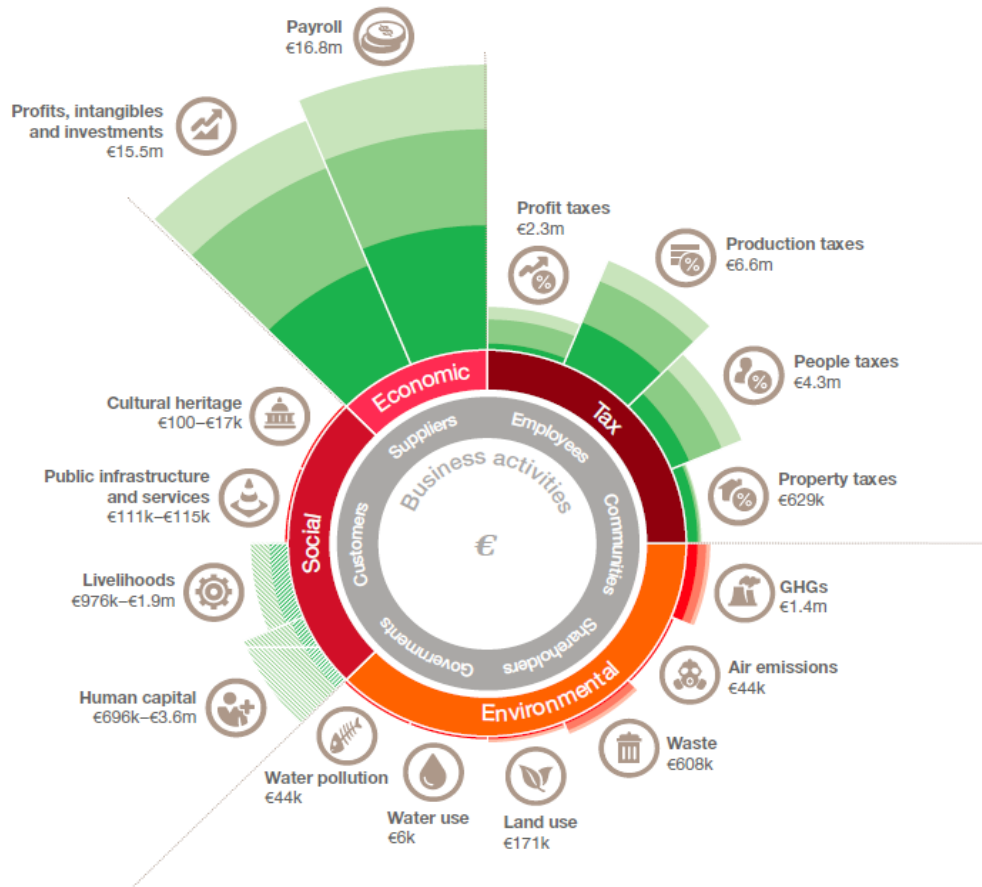


The scope of the project



- Detailed analysis of 60,000 customers staying at eight Cypriot hotels
- Measured the impact of every activity - from the moment customers landed in Cyprus until their departure

What we learned



Key Findings

- Positive economic/tax benefits have the greatest impact - €84 per guest night.
- Greenhouse gases are the most significant environmental cost.
- Most significant social benefit is associated with 'on the job' experience.
- Work placements yield the highest social impact per person.

Key

- Negative impact direct
- Positive impact direct
- Negative impact minimum
- Positive impact minimum
- Negative impact indirect
- Positive impact indirect
- Negative impact maximum
- Positive impact maximum
- Negative impact induced
- Positive impact induced

Four clear focus areas if TUI is to maximise its positive impacts

1. Increase local sourcing of food and beverages in our hotels and facilitate greater access to our customers for local businesses and service providers
2. Support skills development and training for those working in our hotels, particularly through work placements for tourism and hospitality students.
3. Influence destination governments to develop effective sustainable tourism strategies to protect biodiversity, their local environment, communities and culture.
4. Reduce greenhouse gas emissions and waste from hotel operations

1. Developing “greener and fairer” excursions



2. Supporting skills development and training for hotel workers



3. Drive an increase in local sourcing



4. Facilitate greater access to our customers for local businesses



5. Sharing customer insights



step
lightly



Reducing the environmental impact of holidays **through** our own operations

make
a difference



Creating positive change for people and communities **through** our value chain and customers

lead
the way



Pioneering sustainable tourism **influencing the wider industry** and beyond

Thank You

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