



BHUTAN TOURISM MONITOR

2018



Publication of the Tourism Council of Bhutan



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FOREWORD



The Tourism Council of Bhutan is pleased to present the Bhutan Tourism Monitor (BTM) 2018- an annual statistical publication. This important report presents the performance of the tourism industry in the year 2018, market trends over the years, and various other analysis on the key aspects of tourism in Bhutan. The report also seeks to provide the tourism industry with information, findings and analyses to meet varied needs to support their marketing and commercial decisions relating to the sector.

Bhutan's tourism industry continued to grow in 2018 contributing significantly towards socio-economic development through revenue and foreign currency generation and employment creation amongst others. A total of 274,097 foreign individuals visited Bhutan in 2018 which is an increase of 7.61% over 2017. International leisure arrivals grew by 1.76% to 63,367 over 2017 while arrivals from the regional market grew by 10.37%.

Bhutan continues to gain impetus in the international tourism community as a sustainable tourism destination which is evident from the growing popularity resulting in increasing arrivals annually. Bhutan was awarded the Earth Award by the Green Destinations in 2018 which was area-specific for the efforts and commitment of Bhutan in taking care of our mother Earth. Following the Earth Award, TCB pursued to conduct a large scale whole country GREEN assessment and Bhutan was presented with Green Destinations Gold Award after a thorough four months onsite and online auditing of the submissions made by TCB to the Green Destinations panel. Both the awards were presented in ITB Berlin during the ITB tourism fair which is one of the biggest in the world that brings together travel professionals from across the globe. The awards are true recognition of visionary leadership of our Kings under Wangchuck Dynasty and Bhutan's consistent effort and commitment in preserving its rich culture and traditions, environment and social well-being among others. Bhutan now features in the global green travel map.

Despite the growth we still face the problem of seasonality and unbalanced regional spread. As a destination with emphasis on sustainability at the core of its development agenda, it is important that appropriate interventions are put in place to further sustainable growth with emphasis on regional spread and to make Bhutan a year round tourism destination.

To this end, it is only imperative that we continue to make concerted efforts to develop and promote sustainable tourism in Bhutan for greater benefits. For this, emphasis will be placed on better visitor management to enhance visitor experiences and spread tourism benefits to wider sections of the population through innovation, service excellence, strong and diversified product portfolio.

I would like to extend my deep appreciation to all stakeholders for your continued support and contribution to tourism in Bhutan. Together, we will take Tourism Bhutan To The Top.

TashiDelek

A handwritten signature in black ink, reading "Dorji Dhradhul". The signature is written in a cursive style and is underlined with a single horizontal line.

Dorji Dhradhul
Director General

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GLOSSARY OF TERMS

- 1. Inbound tourism:** Inbound tourism comprise the activities of a non-resident visitor to the country of reference on an inbound tourism trip.
- 2. Visitor / Tourist :** A visitor is a traveler taking a trip to a main destination outside his/her usual environment, for less than a year, for any main purpose (business, leisure or other personal purpose) other than to be employed by a resident entity in the country or place visited.
- 3. Regional Visitors:** Nationals of India, Bangladesh and Maldives arrivals to Bhutan for leisure, official, business and VFR.
- 4. International Visitor:** Nationals of all other countries (other than Regional) arrivals to Bhutan for leisure, official, business and VFR.
- 5. Leisure Arrivals:** Non-resident arrivals to Bhutan for the purpose of holiday and leisure. They include both international and regional leisure arrivals.
- 6. Business Arrivals:** Non-resident arrivals to Bhutan whose main purpose for a tourism trip corresponds to the business category of purpose
- 7. Official Arrivals:** Non-residents arrivals to Bhutan whose main purpose for a tourism trip corresponds to professional category of purpose
- 8. Others / VFR - Visiting Friends and Relatives :** Personal guests, friends and relatives of Bhutanese and expat residents of Bhutan
- 9. Minimum Daily Package Price (MDPP):** The minimum rate paid (\$200 per person per night during season and \$250 per person per night during peak season) by all International Leisure Arrivals for an all-inclusive package tour to Bhutan. The minimum daily package covers all meals , a minimum of 3 star accommodation (4 & 5 star will require an additional premium), a licensed Bhutanese tour guide for the extent of the stay, all internal ground transport, camping equipment and haulage for trekking tours, all internal taxes and charges, and sustainable development fee (royalty) of \$65.
- 10. Gross Earnings:** Gross convertible currency earnings from international leisure arrivals only and includes SDF.
- 11. Sustainable Development Fee (SDF):** Is \$ 65 of the MDPP which goes to the government coffer as direct revenue contribution which is used for social welfare of the country. It is calculated / derived as \$ 65 x number of international leisure arrivals x number of nights spend in Bhutan.
- 12. Tourism Expenditure:** refers to the amount paid for the acquisition of consumption goods and services, as well as valuables, for own use or to give away, for and during tourism trips. It includes expenditures by visitors themselves, as well as expenses that are paid for or reimbursed by others
- 13. Travel Group:** is made up of individuals or travel parties travelling together

I EXECUTIVE SUMMARY

Tourism has become one of the fastest growing and most important economic sectors in the world, benefiting destinations and communities worldwide, driving inclusive economic growth and social development. As a cross cutting sector, tourism stimulates productive capacities from trade and the provision of jobs linked to the very large and diversified tourism value chain.

The shift and sophistication in the demand and behaviour of the tourists for meaningful travel experiences further emphasizes need for growth, diversification of tourism products and destinations, including authenticity, contacts with local communities and learning about culture, tradition, flora and fauna etc.

International tourist arrivals worldwide reached 1.4 billion an increase of 6% in 2018. The overall results were driven by favourable economic environment and strong outbound demand for major source markets. The regions of Middle East (+10%) and Africa (+7%) experienced highest growths followed by arrivals to Asia and the Pacific and Europe (both +6%) increase in line with the world average. The world's top spenders include Russian Federation (+16%), France (+10%) and Australia (+9%) recording strong increase in outbound expenditure followed by Republic of Korea (+6%).

Bhutan received a total of 274,097 visitor arrivals in 2018 which is an increase of 7.61% over 2017. Of the total arrivals, there were 71,807 international of which 63,367 were international leisure arrivals and 202,290 regional arrivals. Majority of international arrivals to Bhutan used air as their mode of transport to enter and exit Bhutan while majority of regional arrivals used land. 87.81% of the total visitors visited Bhutan for leisure / holiday purpose.

India continues to be our main source market in terms of visitor arrivals. For the international segment United States of America, China, Singapore, Thailand, United Kingdom and Germany, continue to be our main markets. The arrivals from USA recorded 14.54% growth, China with 7.12%, UK 10.44%, Germany 15.22%, Malaysia 6.22%, and Australia with 21.79% increase over 2017 arrivals. The most significant growth was recorded for Vietnam with 37.81%. However, Singapore (-5.89%),

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Thailand (-3.98) and Japan (-2.55%) recorded negative growths in 2018. Asia-Pacific stands as the main region (46.89%) followed by close to one-quarter (29.71%) of the market share from Europe and America (22.27%). Middle-East, South-Asia and Africa comprise less than one percentage.

Festivals remain one of most visited attractions in the country with Thimphu and Paro Tshechus receiving maximum visitations with 20% and 32% respectively. Majority of the visitors to Bhutan has undertaken some form of cultural activity with other nature based and recreational activities also being undertaken.

Tourists have spent 6.63 nights in Bhutan on an average. Swiss visitors have stayed 11 nights on an average followed by French visitors 9.39 nights, Dutch and German visitors have spent an equal number of nights (8.86). The average length of stay for regional arrivals is 5 nights.

In 2018, the total tourism receipt from the international leisure segment was USD 85.41 million out of which USD 26.29 million was direct revenue for the government through Sustainable Development Fee (SDF), Visa Fees and 2% TDS.

Majority of the visitation has taken place in western Bhutan with Paro Dzongkhag (26.96%) with the highest percentage share of bed nights followed by Thimphu (25.81%) and Punakha (23%). The other regions have notable growths. The months of May and October received the highest arrivals with 14.50% and 13.70% of the total arrivals respectively. Other months include March (8.09%), April (9.55%), June (9.25%), September (7.31%), November (9.85%) and December (9.73%). The remaining months have received less than 7%.

The visitor exit survey highlights that majority of the visitors to Bhutan are highly educated and employed and they are visiting Bhutan for the first time (90.92% of the respondents). Holiday timing and favourable weather conditions are main considerations for choosing the time of the year. Online platforms are the main source of information followed by word-of-mouth and other sources. Some 39.48% regional respondents travelled to Bhutan through packaged tours and of this about 70.18% were arranged through Bhutanese agents. Majority of the visitors are satisfied with their trip to Bhutan.

There are a total of 271 TCB certified tourist accommodation facilities in the country comprising of 136 star hotels (3, 4 and 5 star accommodation) and 135 Village Home Stays (VHS) with 4,126 rooms and 7,977 beds. There are over 2300 tour operators and over 1500 guides catering to the needs to the visitors to Bhutan.

II INTRODUCTION

Tourism Council of Bhutan as the apex tourism organization in the country is mandated to ensure the dual mandates of development (growth) and regulation of the tourism sector in a sustainable manner through the implementation of national policies, plans and programs and regulations.

The decisions related to policy and planning and interventions have to be based on research and factual findings as opposed to relying solely on anecdotal evidences that may not give the wholesome scenario. It is for this reason, an annual statistical publication – The Bhutan Tourism Monitor – produced by the Tourism Council of Bhutan seeks to provide quality information, factual findings and forecasts to meet the needs of a diverse group of users.

The primary objective of the annual statistical publication is to provide evidence based findings and analysis to a wide range of tourism stakeholders that have an interest in the development, management and promotion of tourism in the country.

The Bhutan Tourism Monitor 2018 presents a comprehensive analysis of the performance of the tourism sector during the calendar year 2018. The report contains detailed statistical breakdown of visitor arrivals, first-hand feedback from the visitors and market intelligence.

The report is presented in three sections. The first section presents the annual tourism statistics of visitor arrivals, their profile, preferences and activities and changes in comparison to previous years. The second and third section presents results based on the data collected through visitor exit surveys for international arrivals and regional arrivals.

III STUDY DESIGN AND METHODOLOGY

A total of 3,535 visitors were interviewed at random across four exit sectors viz. Paro, Phuntsholing, Gelephu and Samdrup Jongkhar. The proportionate quota allocation was applied and derived the required sample size for each exit points.

Analysis in the report is based on two data sources. Section 1 of this report is based on secondary data obtained from Tashel Information Management System, a database maintained by the Tourism Council of Bhutan (TCB) and Immigration database maintained by the Department of Immigration (DoI). Data presented in the past annual tourism monitor reports of Bhutan were also used while making trend analysis on various variables.

Analysis of Section II and III is based on primary data collected through visitor exit survey with focus on international and regional tourists. Primary data was collected using separate exit survey questionnaires for international and regional tourists comprising of both open-ended and closed-ended questions which is designed and interviewed using Computer Assisted Personal Interview (CAPI).

The descriptive data analysis was carried out in StataSE 15 for both the international and the regional visitors. Separate reports are generated for regional and international exit surveys.

SECTION 1
ANNUAL TOURISM
STATISTICS

PART 1 ANNUAL VISITOR ARRIVALS STATISTICS

This section presents the total visitor arrivals to Bhutan in 2018 and analysis of their trends and profile. It includes visitors to the country for leisure / holiday, official, business and other reasons.

1.1 2018 visitor arrivals and trends

2018 saw a total of 274,097 visitor arrivals to Bhutan with a growth rate of 7.61% over 2017. Of the total arrivals, there were 71,807 international arrivals and 202,290 regional arrivals.

Figure 1.1 Tourist Arrival over the years



1.2 Categories of visitor arrivals by purpose and mode of transportation

Majority of international arrivals to Bhutan has used air as their mode of transport to enter and exit Bhutan while majority of regional arrivals used land. 87.81% of the total visitors visited Bhutan for leisure / holiday purpose.

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Table 1.1: Categories of arrivals by mode of transportation and purpose

Purpose of visit	International		Regional		Total	%Share
	Air	Land	Air	Land		
Leisure	58843	4524	68060	109244	240671	87.81%
Official	4498	91	3443	1043	9075	3.31%
Business	1005	48	2337	2716	6106	2.23%
Others	2642	156	1597	13850	18245	6.66%
Total	66988	4819	75437	126853	274097	100%
	24.44	1.76	27.52	46.28	100.00	

1.3 Visitor arrivals by month and category and mode of transportation

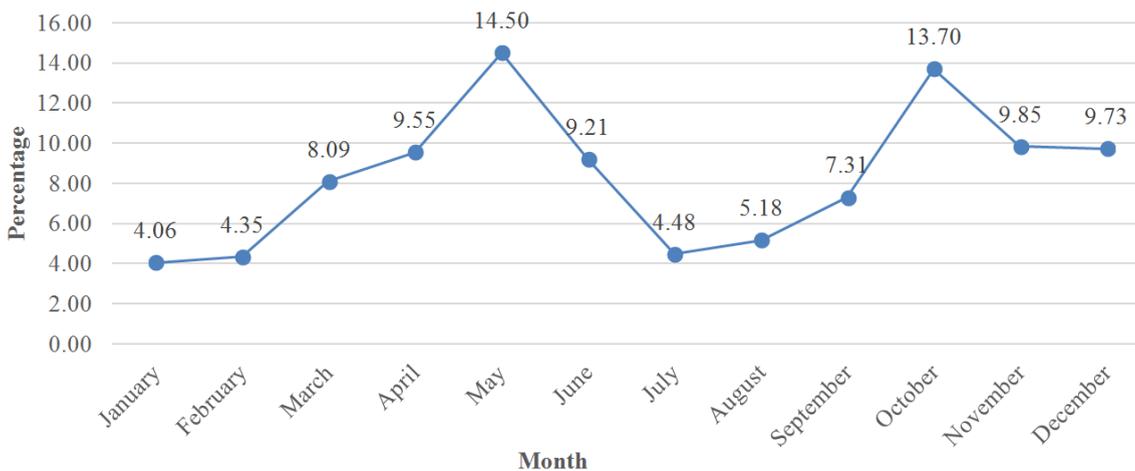
The figure shows that maximum arrivals have been recorded during the months of May and October.

Table 1.2: Arrivals by month, category and mode of transportation

Month	International		Regional		Total	% Share
	Air	Land	Air	Land		
January	1765	55	2077	7224	11121	4.06
February	4265	248	2319	5102	11934	4.35
March	7669	931	3359	10226	22185	8.09
April	7501	558	5926	12191	26176	9.55
May	4780	348	12546	22074	39748	14.50
June	4214	122	8396	12507	25239	9.21
July	2719	116	2909	6530	12274	4.48
August	4542	190	4810	4651	14193	5.18
September	6656	412	5813	7144	20025	7.31
October	9978	976	6246	20349	37549	13.70
November	7203	698	6040	13045	26986	9.85
December	5696	165	14996	5810	26667	9.73
Total	66988	4819	75437	126853	274097	100.00
%Share	24.44	1.76	27.52	46.28	100.00	

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Figure 1.2 Tourist arrivals by month(%)



1.4 Major Source markets by Nationality

Table1.3 Major source markets including regional markets by nationality

Countries	Total	% shared
India	191836	69.99
USA	10561	3.85
Bangladesh	10450	3.81
China	6878	2.51
Singapore	3886	1.42
Thailand	3886	1.42
United Kingdom	3585	1.31
Germany	3422	1.25
Malaysia	3140	1.15
Australia	2739	1.00
Japan	2674	0.98
Viet Nam	1961	0.72

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Canada	1807	0.66
France	1773	0.65
Taiwan Province of China	1496	0.55
Spain	1397	0.51
Switzerland	1379	0.50
Italy	1229	0.45
Indonesia	1033	0.38
Republic of Korea	998	0.36

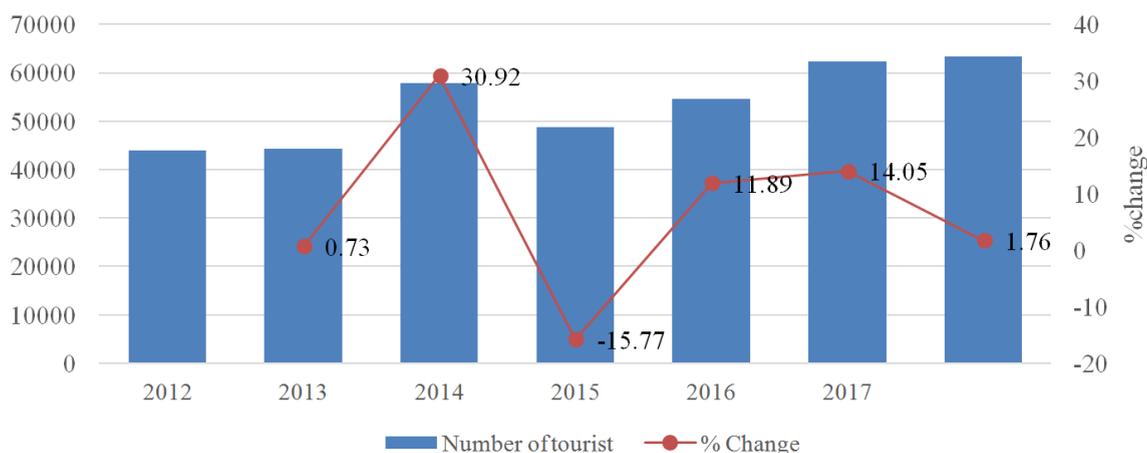
PART 2: INTERNATIONAL LEISURE ARRIVALS

This section presents statistics related to international leisure arrivals who visited Bhutan solely for the purpose of holiday or leisure paying the all-inclusive Minimum Daily Package Price (MDPP).

2.1 2018 International Leisure Arrivals and Trends

There were a total of 63,367 international leisure arrivals in 2018.

Figure 2.1 International Leisure arrivals over the years



2.2 Major International Source Markets

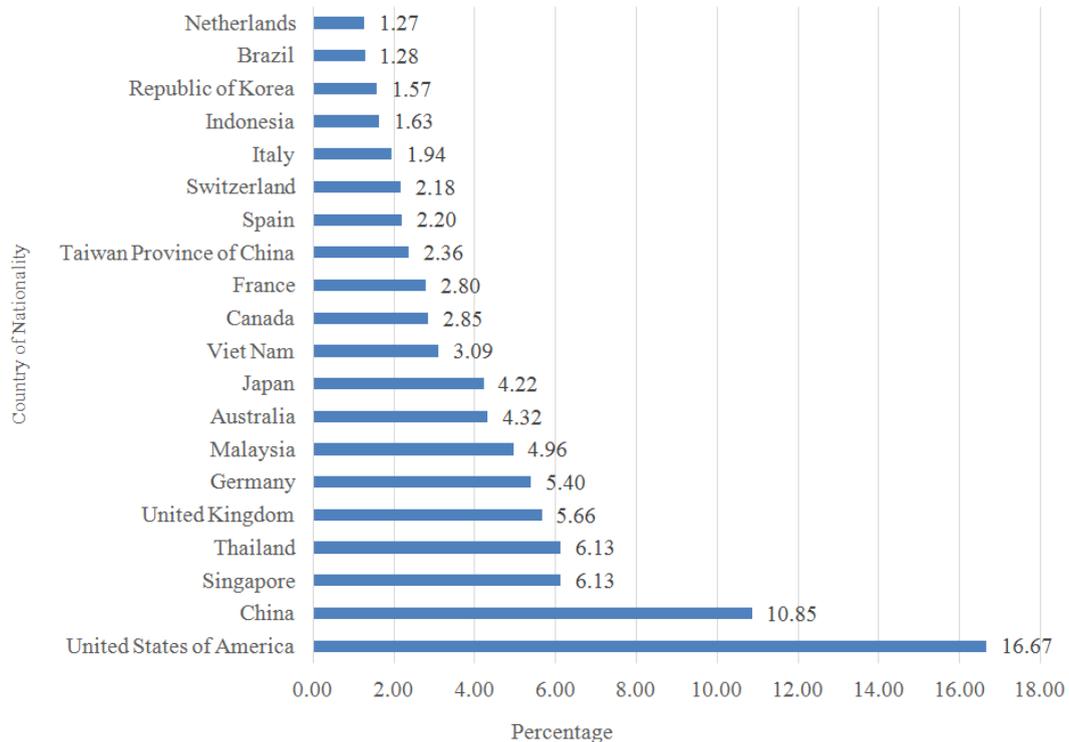
The arrivals from USA recorded 14.54% growth, China with 7.12%, UK 10.44%, Germany 15.22%, Malaysia 6.22%, and Australia with 21.79% increase over 2017 arrivals. The most significant growth was recorded for Vietnam with 37.81%. However, Singapore (-5.89%), Thailand (-3.98) and Japan (-2.55%) recorded negative growths in 2018.

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Table 2.1: Top ten source market trends over the past decade

SL. No	Source markets/ Year	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	%Change from 2017
1	United States of America	5,773	6,941	4,786	5,189	6,226	6,007	6,927	7,291	7,137	7,292	9,220	10561	14.54
2	China	504	1,069	1,143	1,494	2,896	3,766	4,764	8,111	9,399	9,208	6,421	6878	7.12
3	Singapore	444	667	708	785	1,349	1,605	2,037	1,720	2,587	3,015	4,129	3886	-5.89
4	Thailand	707	627	975	875	2,235	3,573	3,494	12,105	3,778	4,177	4,047	3886	-3.98
5	United Kingdom	2,193	2,758	1,968	1,772	2,795	2,466	2,291	2,680	2,958	3,124	3,246	3585	10.44
6	Germany	1,456	1,717	1,587	2,250	2,287	2,880	2,753	2,971	2,498	2,297	2,970	3422	15.22
7	Malaysia	94	221	367	354	788	1,312	2,054	2,067	1,546	1,967	2,956	3140	6.22
8	Australia	1,181	1,524	970	1,318	1,773	1,926	2,043	2,037	1,833	1,818	2,249	2739	21.79
9	Japan	2,008	2,745	3,136	2,963	3,943	6,967	4,015	2,707	2,437	4,833	2,744	2674	-2.55
10	Viet Nam						85	95	181	395	1,247	1,423	1961	37.81

Figure 2.2 Percentage distribution of major international source market by nationality

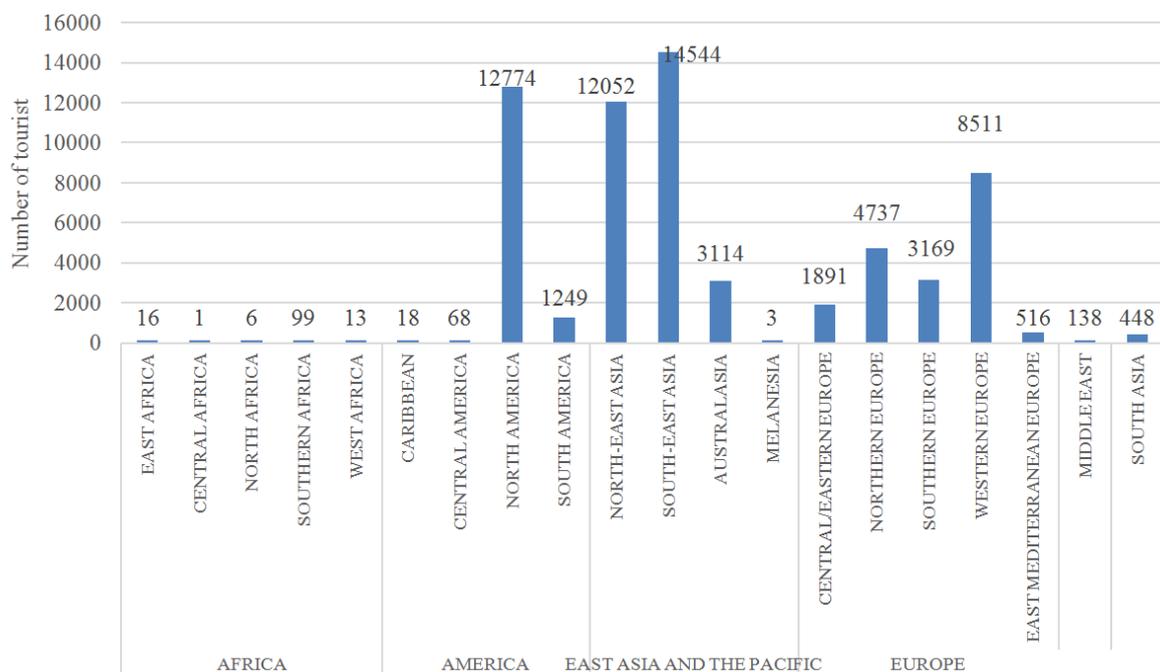


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2.3 Global Segmentation of source markets

Asia-Pacific stands as the main region (46.89%) followed by close to one-quarter (29.71%) of the market share from Europe and America (22.27%). Middle-East, South-Asia and Africa comprise less than one percentage.

Figure 2.3 Segmentation of markets



2.4 Major International Source Market by months

The majority of the source markets' outbound tourists chose the months of March, April, October and November to visit Bhutan.

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Figure 2.4 Monthly arrival of tourists from all markets

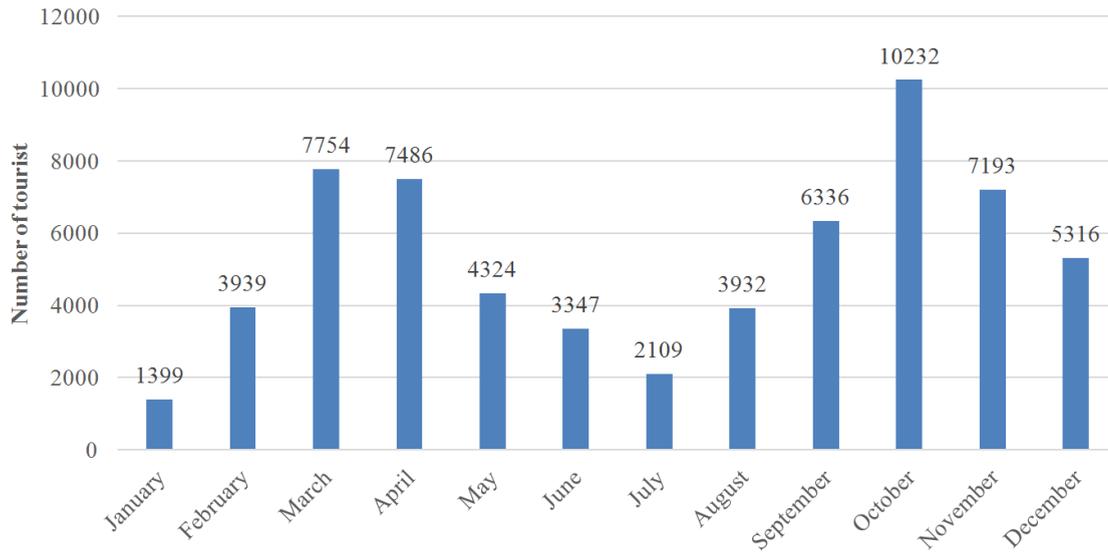
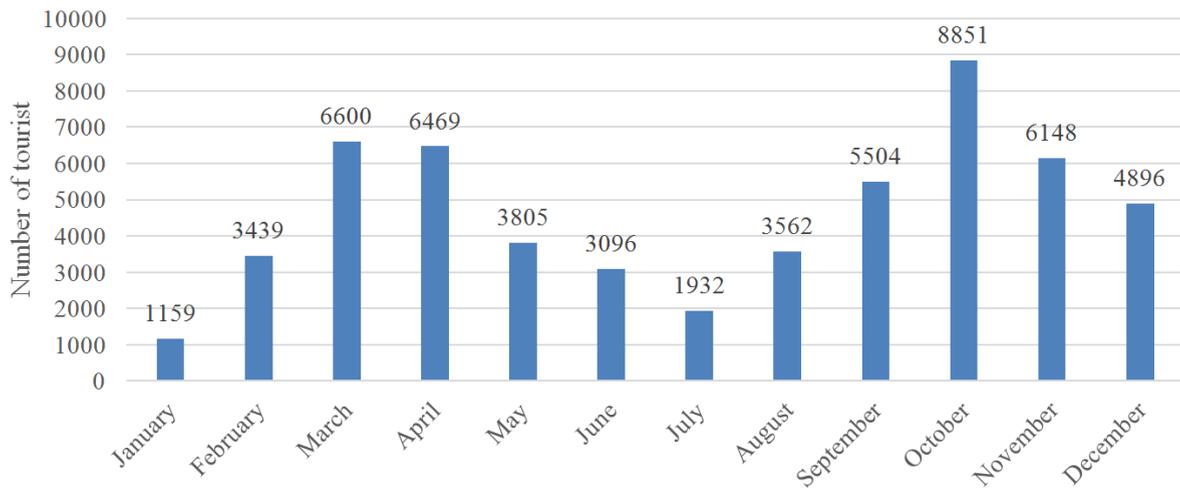


Figure 2.5 Monthly tourist arrival from top 20 source market



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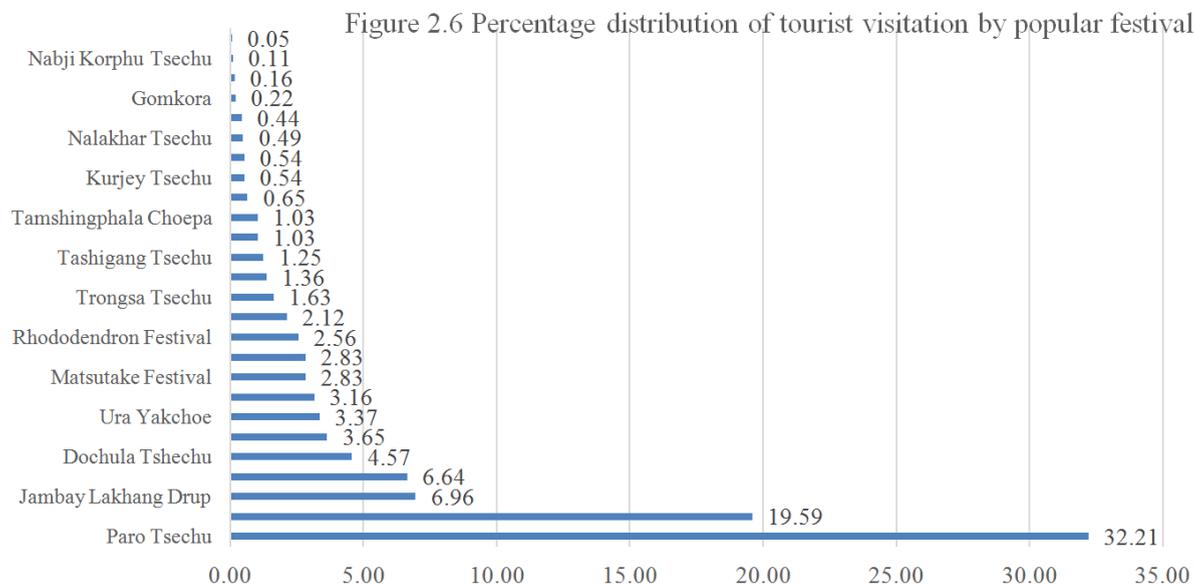
Table 2.2: Monthly visitor arrival from top 20 market sources, 2018

	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Total 2018	Total 2017	%Change
USA	360	691	1170	1152	644	489	281	288	986	2362	1425	713	10561	9220	14.54
China	184	527	757	764	608	331	412	584	825	768	612	506	6878	6421	7.12
Singapore	63	176	349	315	363	369	107	216	342	310	322	954	3886	4129	-5.89
Thailand	51	359	437	772	457	236	130	73	220	287	336	528	3886	4047	-3.98
United Kingdom	56	228	530	354	168	72	65	87	397	768	663	197	3585	3246	10.44
Germany	51	177	748	305	195	71	37	110	294	793	532	109	3422	2970	15.22
Malaysia	42	183	256	261	218	434	86	294	400	210	272	484	3140	2956	6.22
Australia	76	111	273	383	127	207	169	175	248	423	326	221	2739	2249	21.79
Japan	66	159	446	248	182	129	154	441	347	194	128	180	2674	2744	-2.55
Viet Nam	10	213	34	492	57	150	75	419	75	114	136	186	1961	1423	37.81
Canada	24	124	245	224	82	73	46	35	167	440	253	94	1807	1524	18.57
France	23	83	265	251	87	27	22	54	101	404	349	107	1773	1545	14.76
Taiwan Province of China	6	74	227	242	196	69	73	89	187	181	23	129	1496	1491	0.34
Spain	6	32	106	68	58	31	116	361	149	272	109	89	1397	1142	22.33
Switzerland	9	35	216	132	93	31	14	19	130	423	229	48	1379	1352	2.00
Italy	9	66	183	132	29	11	30	76	142	324	117	110	1229	978	25.66
Indonesia	23	42	133	67	79	267	11	40	126	81	60	104	1033	664	55.57
Republic of Korea	46	50	45	49	82	73	80	154	142	198	48	31	998	6048	-83.50
Brazil	49	77	106	125	50	12	13	30	127	102	85	34	810	680	19.12
Netherlands	5	32	74	133	30	14	11	17	99	197	123	72	807	757	6.61

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2.5 Popular Festivals

Festivals remain one of most visited attractions in the country. Thimphu and Paro Tshechus continue to receive maximum visitations with 20% and 32% respectively.



2.6 Trekkers by Route

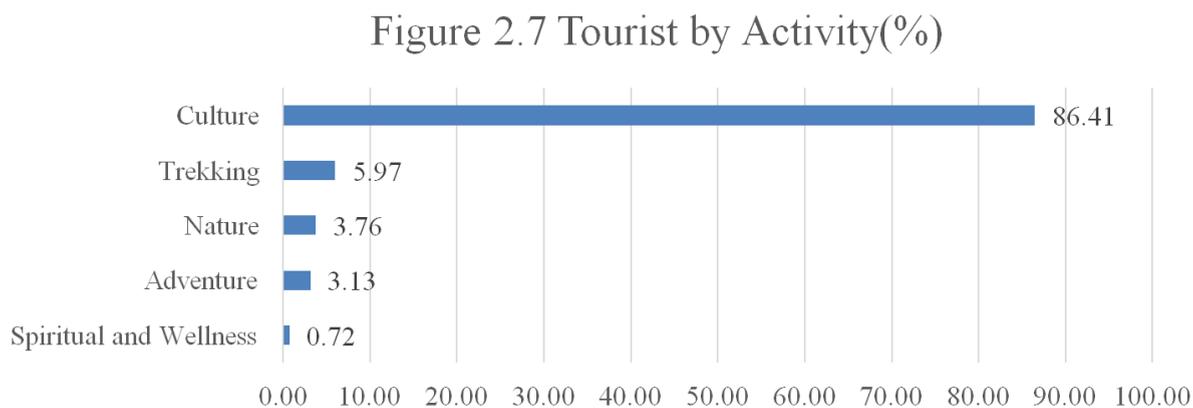
Trek routes	Number of trekkers	% Share
Bumdra Trek	1330	28.94
Druk Path Trek	1198	26.07
Jomolhari Trek	602	13.10
Laya Gasa Trek	244	5.31
Dagala Thousand Lakes Trek	181	3.94
Merak-Sakteng	153	3.33
Gantey Trek	120	2.61
Snowman Trek	104	2.26
Sagala Trek	95	2.07
Sinchula Trek	87	1.89
Bumthang Owl Trek	78	1.70

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Samtengang Trek	75	1.63
Nabji Korphu Community Based Trek	66	1.44
Chelela Trek	61	1.33
Bumthang Cultural Trek	55	1.20
Masagang Trek	48	1.04
Nubtsona Pata Trek	38	0.83
Gangkar Puensum	24	0.52
Wild East Rodungla Trek	17	0.37
Royal Manas Trek	7	0.15
Genekha to Dagana Trek	4	0.09
Rigsum Goenpa Trek	4	0.09
Gangjula Trek	2	0.04
Jiligang Pine Trail	1	0.02
Dur Hot Spring Trek	1	0.02
Total	4595	100.00

2.7 Tourist by Activity Category

Majority of the visitors to Bhutan has undertaken some form of cultural activity as shown below.



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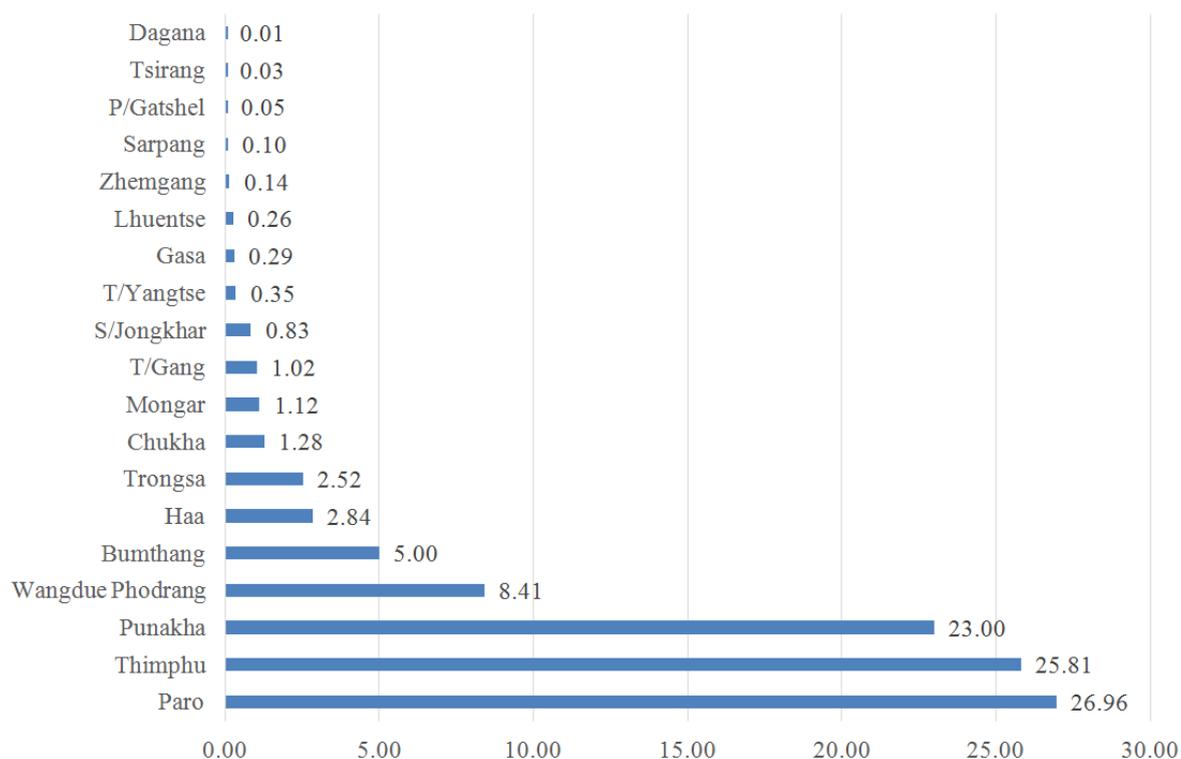
2.8 Spread of Tourism Impact

Table 2.4 presents the Dzongkhag wise arrivals of visitors by bed nights. Paro Dzongkhag (26.96%) has the highest percentage share of bed nights followed by Thimphu (25.81%) and Punakha (23%).

Dzongkhag	Visits	Bednights	% Share of Bednights
Paro	62781	142663	33.95
Thimphu	60100	107063	25.48
Punakha	53555	75355	17.93
Wangdue Phodrang	19581	28998	6.90
Bumthang	11636	30137	7.17
Haa	6615	8095	1.93
Trongsa	5864	6614	1.57
Chukha	2971	3141	0.75
Mongar	2600	4404	1.05
TashiGang	2374	4489	1.07
Samdrup Jongkhar	1937	2144	0.51
Tashi Yangtse	820	1031	0.25
Gasa	675	3341	0.80
Lhuentse	594	1120	0.27
Zhemgang	332	931	0.22
Sarpang	231	309	0.07
Pema Gatshel	122	250	0.06
Tsirang	68	91	0.02
Dagana	24	37	0.01
Total	232880	420213	100.00

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Figure 2.8 Percentage of Visits by dzongkhag



2.9 Average Length of Stay (ALoS)

Tourists have spent 6.63 nights in Bhutan on an average (national average). Swiss visitors have stayed in Bhutan almost 11 nights on an average, which comprises the highest followed by French visitors with an average length of stay of 9.39 nights. Dutch and German visitors have spent an equal number of nights (8.86).

Table 2.5: Percentage distribution of major international source market by nationality

Source Markets	Total Arrivals	Bednights	ALoS	% of total Bednights
Switzerland	1379	14818	10.75	3.53
France	1773	16644	9.39	3.96
Netherlands	807	7153	8.86	1.70
Germany	3422	30323	8.86	7.22

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Australia	2739	21394	7.81	5.09
United Kingdom	3585	27624	7.71	6.57
Canada	1807	13617	7.54	3.24
Italy	1229	9106	7.41	2.17
USA	10561	77184	7.31	18.37
Taiwan	1496	10777	7.20	2.56
Spain	1397	9059	6.48	2.16
Singapore	3886	24055	6.19	5.72
Brazil	810	4437	5.48	1.06
Malaysia	3140	17124	5.45	4.08
Indonesia	1033	5602	5.42	1.33
China	6878	36715	5.34	8.74
Republic of Korea	998	4608	4.62	1.10
Viet Nam	1961	8862	4.52	2.11
Thailand	3886	16993	4.37	4.04
Japan	2674	11676	4.37	2.78

2.10 Tourism Earnings from International Leisure Tourists (in USD Million)

In 2018, the total tourism receipt from the international leisure segment was USD 85.41 million out of which USD 26.29 million was direct revenue for the government through Sustainable Development Fee (SDF), Visa Fees and 2% TDS.

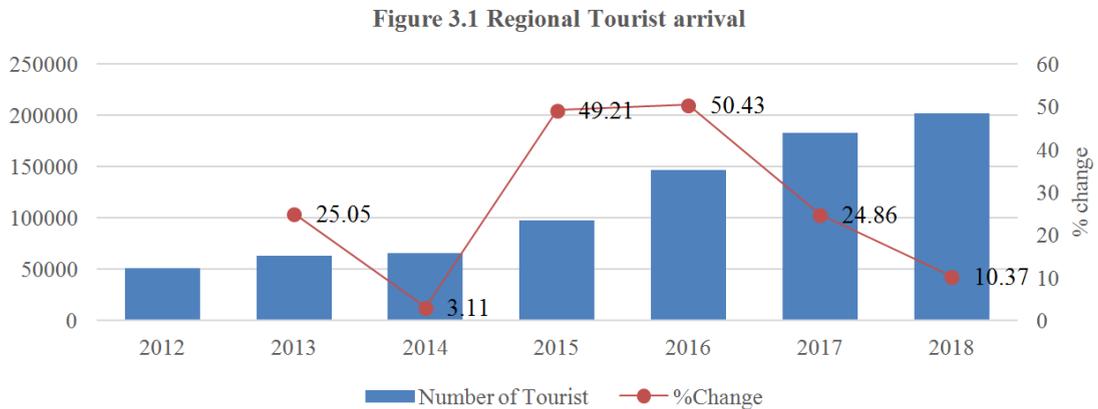
Sl#	Particulars of earning	Amount (in USD)
1	Gross Earning	85,410,505
2	Sustainable Development Fee (SDF)	22,633,016.25
3	Visa Fees from Tourists	2,460,320
4	2% TDS (Tax Deducted at Source)	1,195,295.46
5	Tour Operator's Net	58,569,461.29

PART 3: REGIONAL VISITOR ARRIVALS

This section presents statistics pertaining to regional visitor arrivals including its trends, purpose of visit and mode of transport etc. The data are sourced from the Department of Immigration. Inbound arrivals from Bangladesh, India and Maldives are categorized as regional tourists because of different entry requirements.

3.1 Total Regional Arrivals

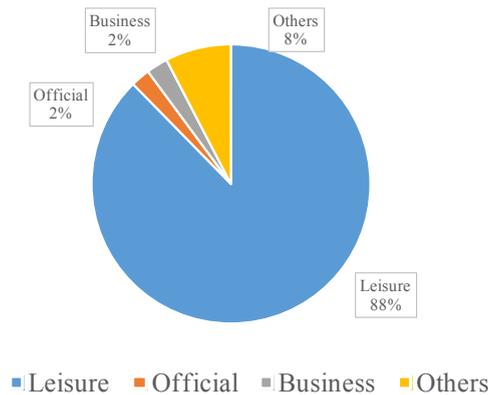
The chart presents the regional growths over the last few years. 2018 recorded a growth of 10.37% arrivals over 2017 reaching 202,290 regional arrivals. 94.83% of total regional arrivals were from India followed by arrivals from Bangladesh (5.17%) and Maldives (0.002).



3.2 Regional Arrivals by Main Purpose

Majority (88%) of regional arrivals visited Bhutan for leisure or holidays.

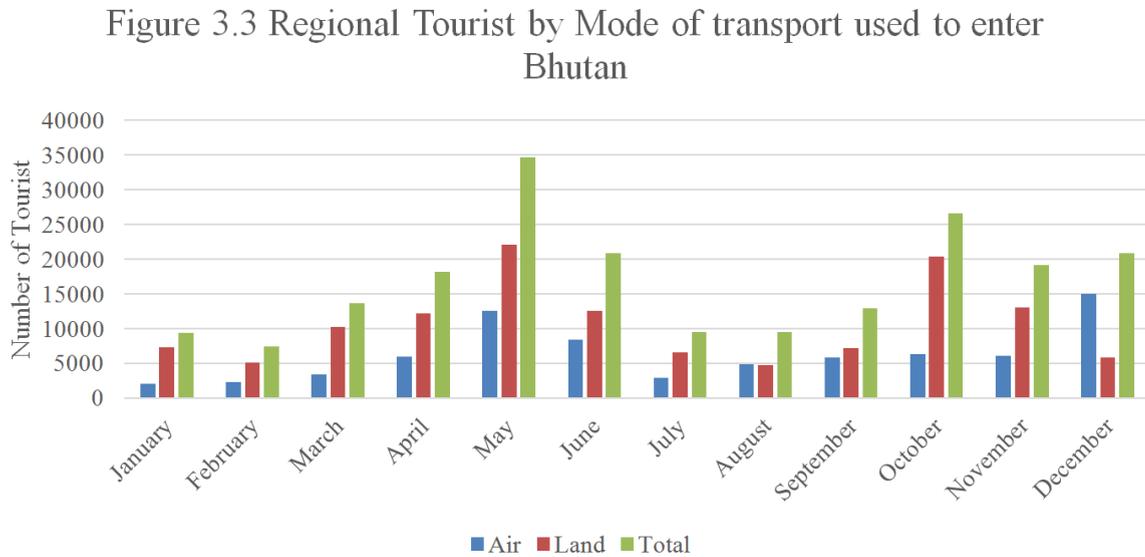
Figure 3.2 Regional tourist arrival by Main Purpose (%)



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3.3 Regional Arrivals by Mode of Transport

The regional arrivals preferred land transport over air for their entry / exit purpose although there is notable increase in August and December.



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PART 4: TOURIST ACCOMMODATION

There are a total of 271 tourist accommodation facilities comprising of 136 star hotels (3, 4 and 5 star accommodation) and 135 Village Home Stays (VHS). There are 4,126 rooms with 7,977 beds available daily.

Dzongkhag	Accommodation Type				Total Accommodation	Total Rooms	Total Beds
	3* Hotel	4* Hotel	5* Hotel	Home stay			
Bumthang	18	-	1	17	36	483	956
Chhukha	8	-	-	-	8	253	498
Haa	3	-	-	23	26	117	234
Mongar	2	-	-	1	3	47	94
Paro	21	3	5	14	43	886	1766
Punakha	10	3	2	10	25	444	863
Samdrup Jongkhar	1	-	-	-	1	8	16
Thimphu	36	5	3	3	47	1386	2558
Trashigang	3	-	-	2	5	96	192
Tsirang	1	-	-	-	1	13	26
Trongsa	1	-	-	-	1	21	42
Wangdue Phodrang	8	-	2	30	40	267	522
Gasa	-	-	-	7	7	21	42
Lhuentse	-	-	-	21	21	63	126
Trashigang Yangtse	-	-	-	7	7	21	42
Total	112	11	13	135	271	4126	7977

SECTION 2
INTERNATIONAL VISITOR
EXIT SURVEY 2018

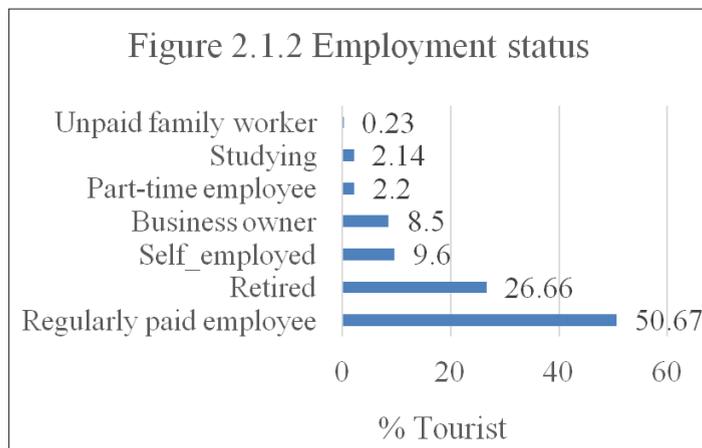
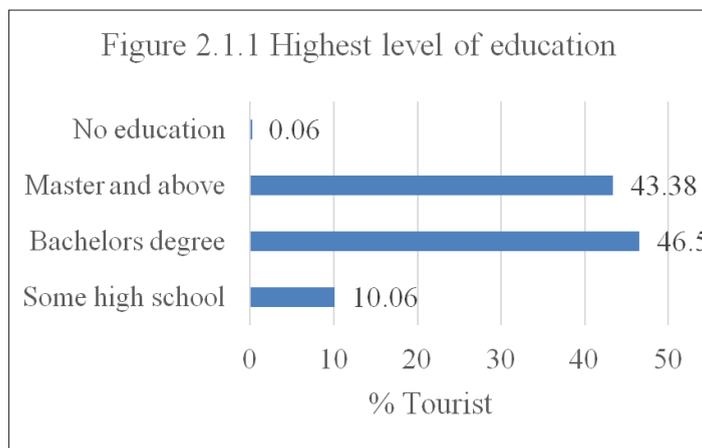
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This section presents the findings of those international visitors surveyed through the international visitor exit survey 2018. The findings presented here correspond to the respondents only.

A total of 1,729 tourists were interviewed at the Paro International Airport, Phuntsholing, Samdrup Jongkhar and Gelegphu exit points to gather first-hand feedback.

2.1 Demographics

Figure 2.1.1 shows that 43.38% of respondents have Master's Degree or higher, and 46.5% have Bachelor's degree. Similarly, figure 2.1.2 reveals that 50.67% of the tourists are regularly employee followed by 26.66 percent who are retired.

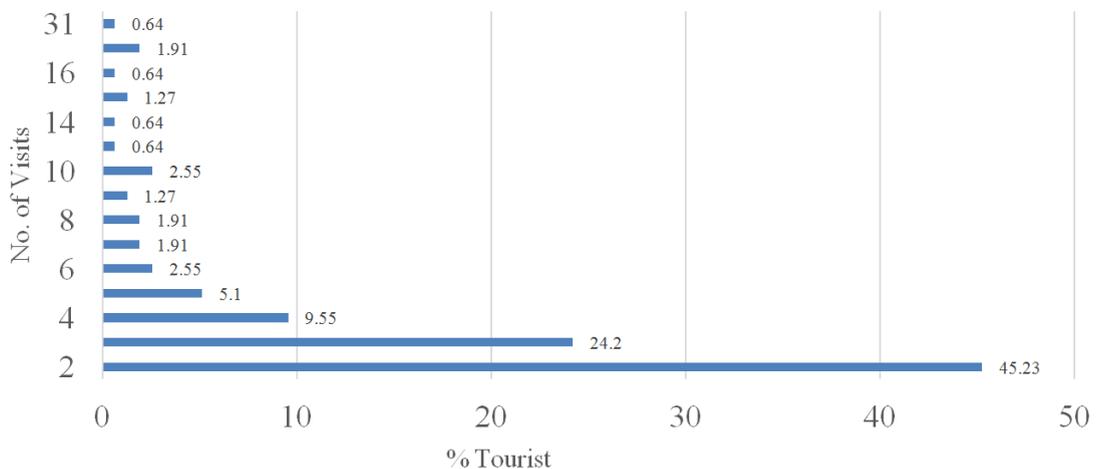


Bhutan Tourism Monitor 2018

2.2 Frequency of visits to Bhutan

90.92 % respondents indicated that it was their first visit to Bhutan. Only 9.08 % were visiting Bhutan more than once. Among those respondents who visited Bhutan for more than once, 45.23 % visited twice, followed by 24.2 % who visited thrice. Respondents who visited four times consisted of 9.55 %.

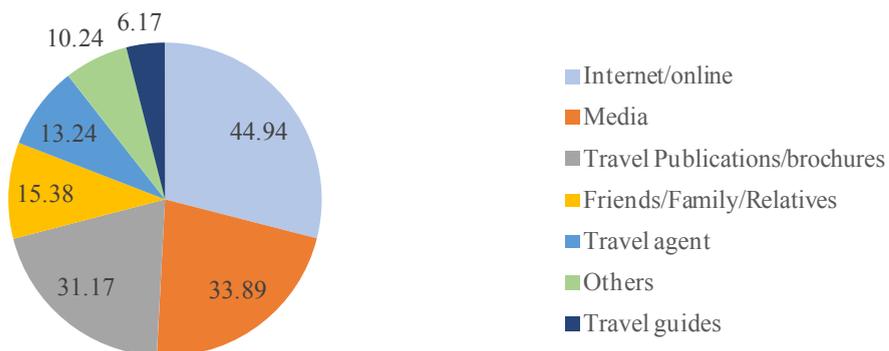
Figure 2.2.1 Frequency of visits



2.3 Source of information on Bhutan

44.94 % respondents indicated that they knew about Bhutan through internet and online, followed by broadcast media with 33.89 %. The third highest was media publications and brochures at 31.17 %. 15.38 % of the respondents also knew Bhutan through their friends and relatives. The least was travel guides with 6.17 %. The others (10.24%) includes books, official/business work, incentives travel etc.

Figure 2.3.1 Source of information (%)

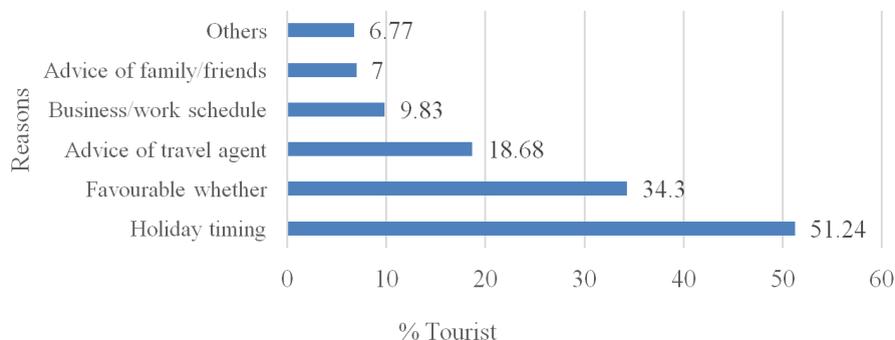


Bhutan Tourism Monitor 2018

2.4 Reasons for choosing particular time to visit Bhutan

Majority of the respondents (51.24%) indicated that they visited Bhutan during holiday timing, while 34.3% considered favorable weather followed by advice of travel agent at 18.68 %. 9.83 % adjusted their travel with their work/business schedule while 7 % came on the advice of family and friends.

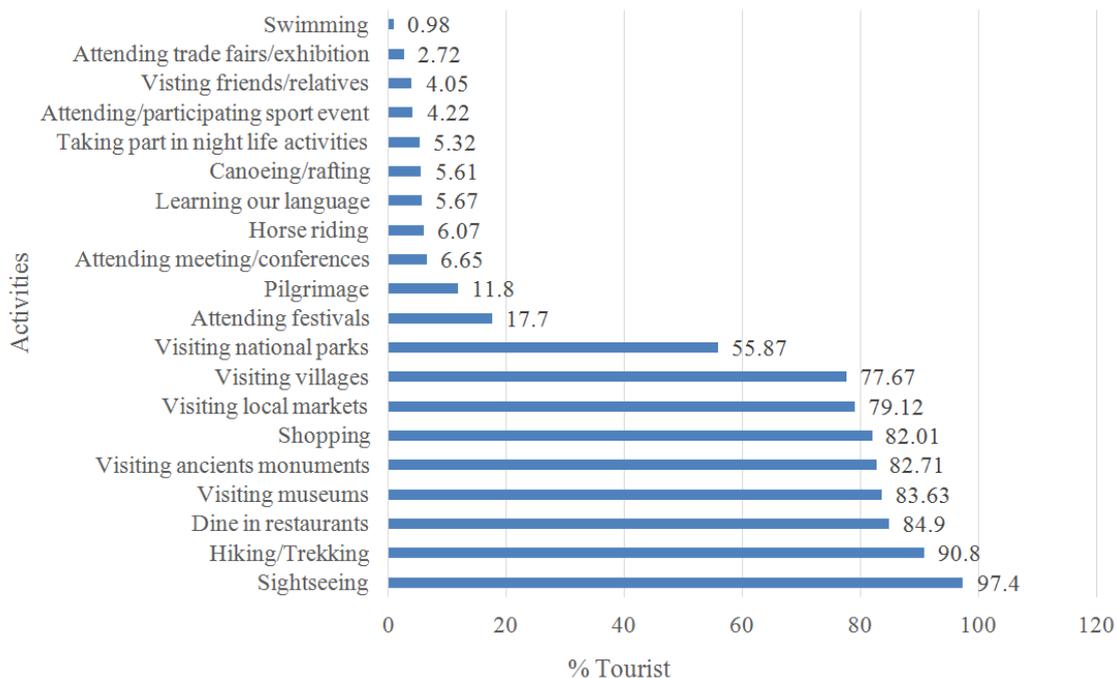
Figure 2.4.1 Reason for choosing this time of the year to visit Bhutan



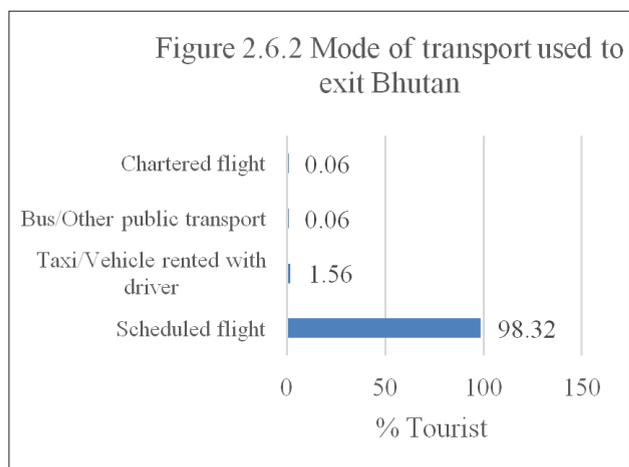
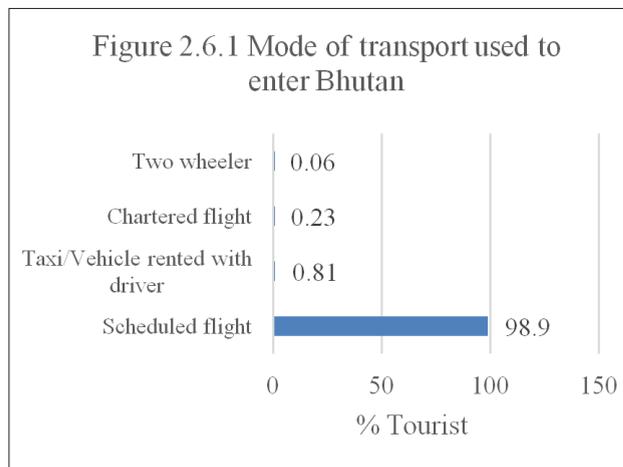
2.5 Activities undertaken during the visit

Respondents cited a diverse range of activities that they had undertaken during their trip. The most common activity was sightseeing at 97.4%, followed by hiking/trekking at 90.8%. The third highest was dining at restaurant at 84.9 % followed by visiting museums was 83.63 %.

Figure 2.5.1 Activities undertaken during the visit

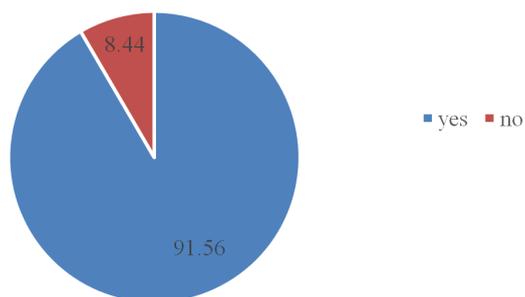


2.6 Mode of Transport used to enter and exit Bhutan

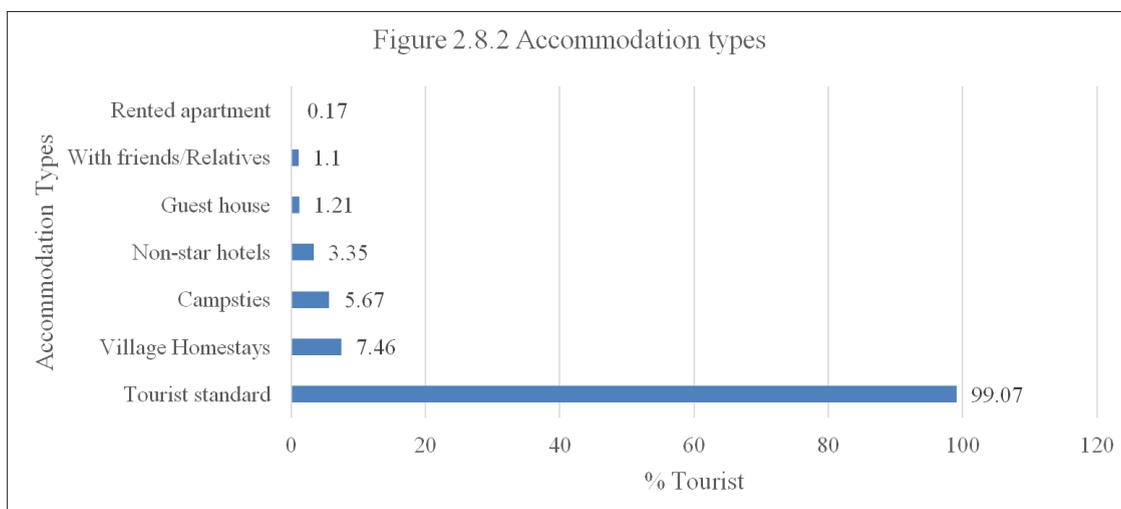
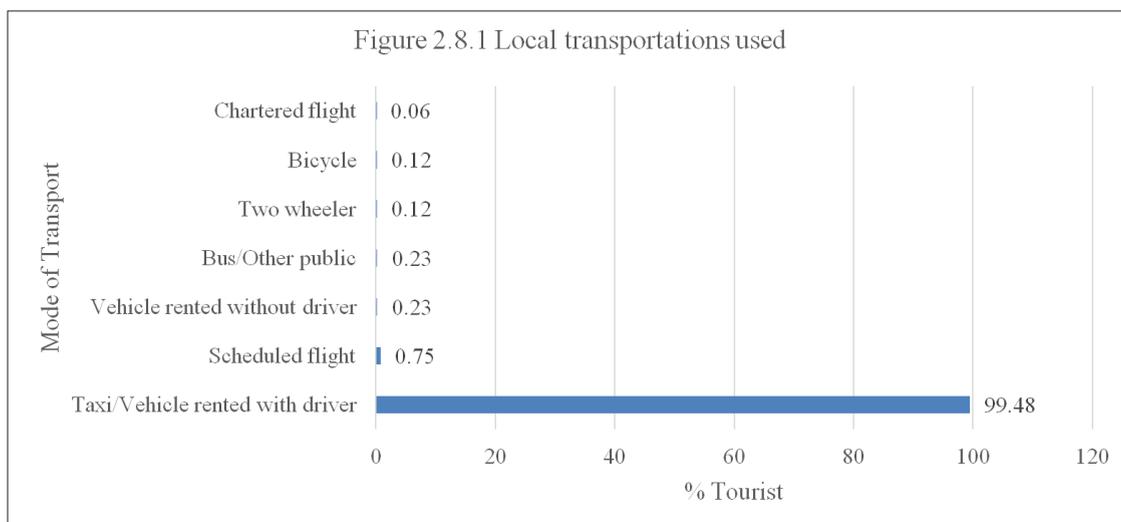


2.7 Awareness of Minimum Daily Package Price (MDPP)

Figure 2.7.1 Minimum daily package awareness



2.8 Mode of local transport and types of accommodation used while in Bhutan



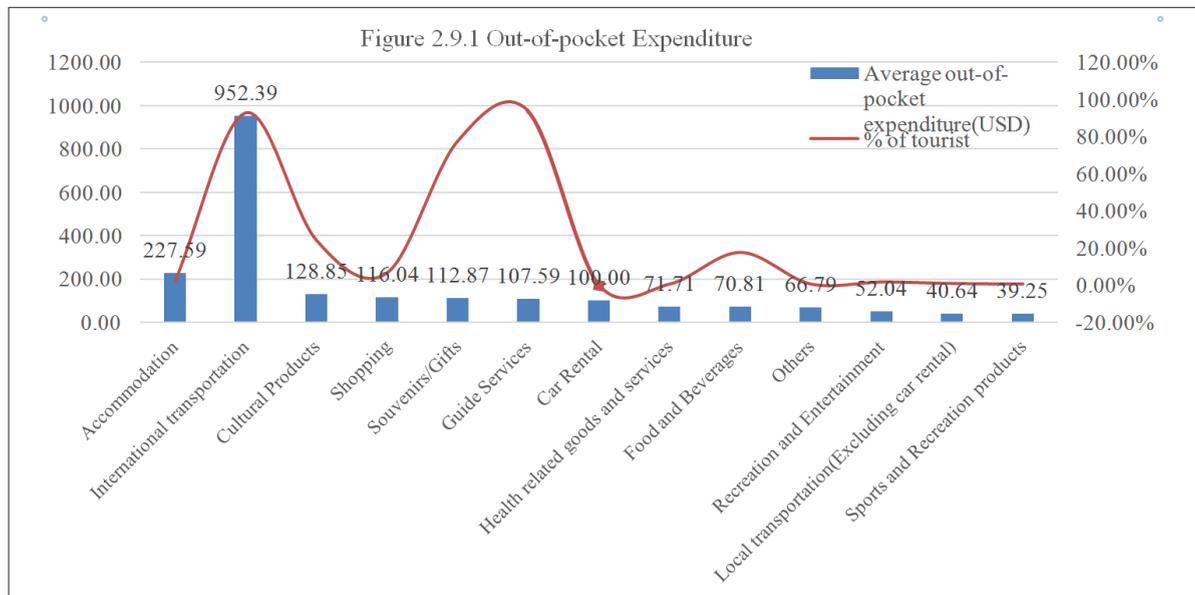
2.9 Expenditure

2.9.1 Out-of-pocket Expenditure

The following chart shows the additional expenditure the visitors incurred during their stay in Bhutan in addition to the Minimum Daily Package (MDPP) price they paid.

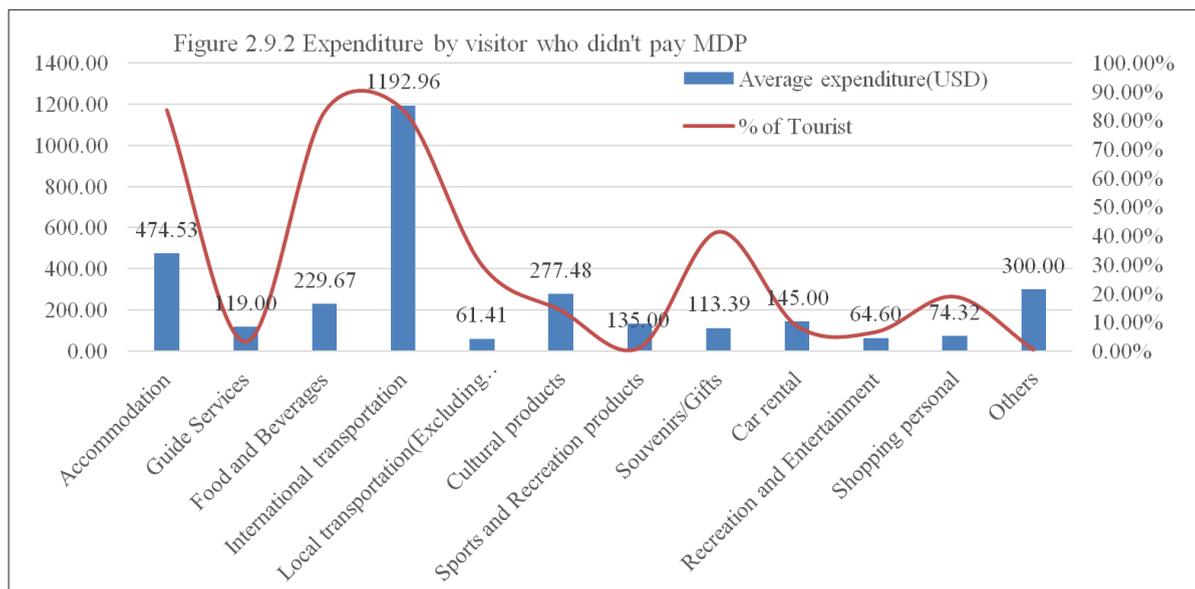
92.67% of the respondents paid on average USD 952 on international transportation to enter and exit Bhutan followed by USD 227.59 on accommodation by 1.83 % of the visitors. 93.68 % of respondents also spend USD 107.59 on guide services, and USD 112.87 (77.43%) on Souvenirs and gifts.

Bhutan Tourism Monitor 2018



2.9.2 Expenditure by visitors who didn't pay MDPP

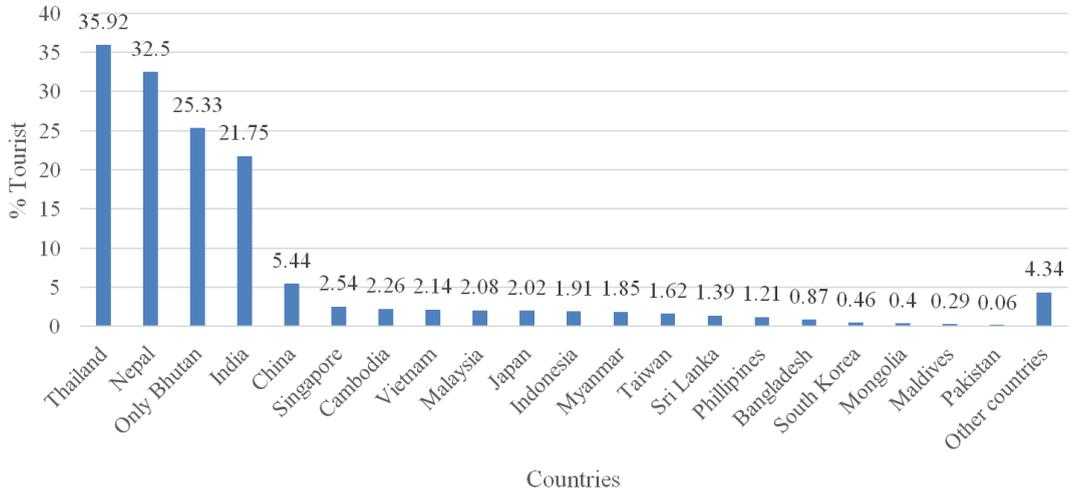
For those visitors who did not pay MDPP, 83.67% respondents spent USD 1,192.96 on transportation to enter/exit Bhutan and USD 474.53 on accommodation services. 41.5% spent USD 113.39 on Souvenirs/Gifts. The lowest proportion of 3.4 % spent USD 119 on guide services. The lowest average expenditure was USD 61.41 on local transportation spent by 29.93 % of the respondent.



Bhutan Tourism Monitor 2018

2.10 Circuit Tourism

This sub-section reveals the visitors’ plan to visit other countries in the region with Bhutan as part of the trip. 25.33 % of the visitor’s sole destination was Bhutan. The most common country was Thailand with 35.92 %, followed by Nepal at 32.5% and 21.75 % visited India as well.

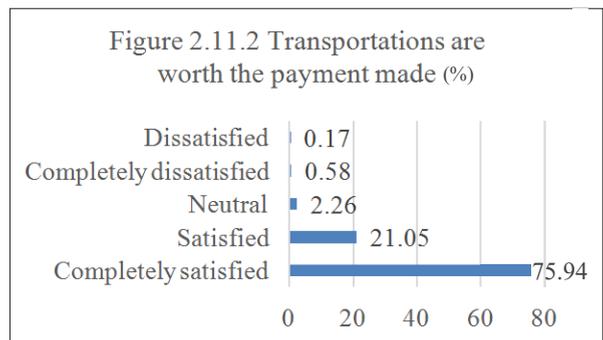
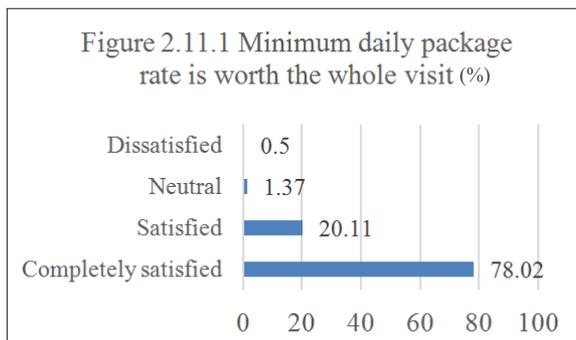


2.11 Tourist Satisfaction

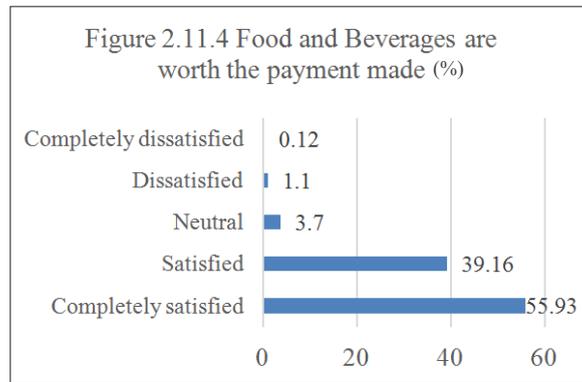
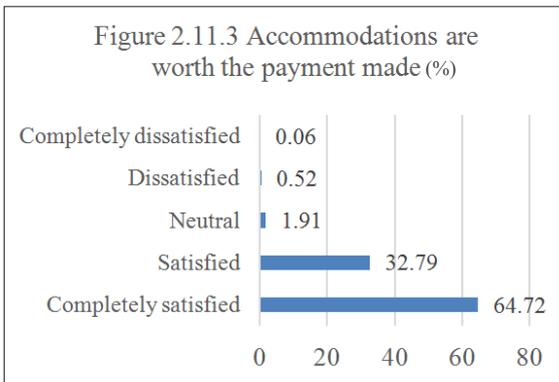
Attributes contributing to tourist satisfaction

This sub-section presents the results and the findings of the analysis of key variables taken under consideration to define six attributes to measure the visitors’ satisfaction with the facilities and services availed during their visit in Bhutan. Six attributes viz. *value for money, services & facilities, accommodation, transport system, accessibility to services, and guide services* were taken into consideration to define the visitors’ satisfaction. Each one of these attributes is defined in turn by various items.

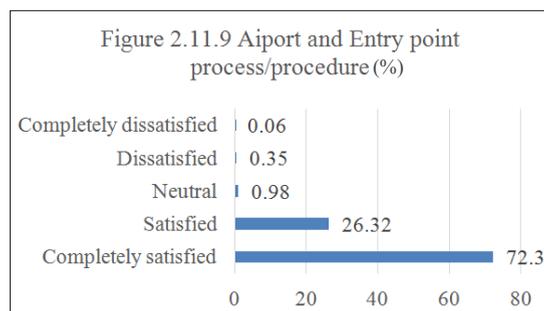
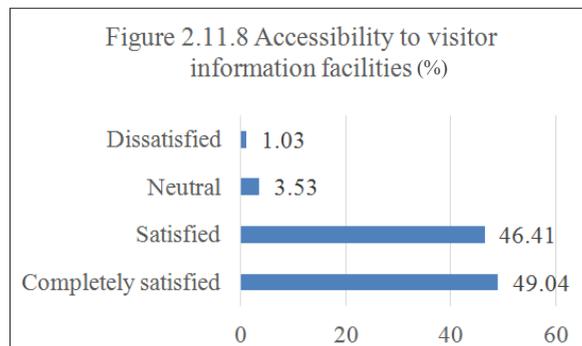
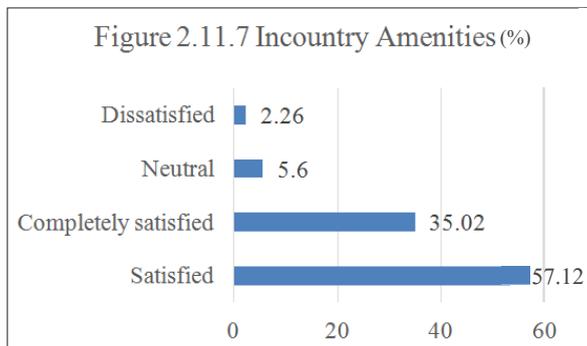
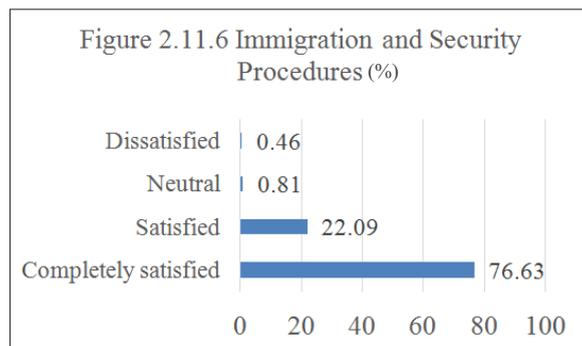
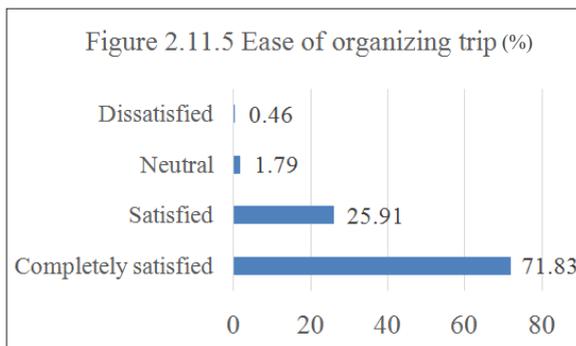
1. Value for money



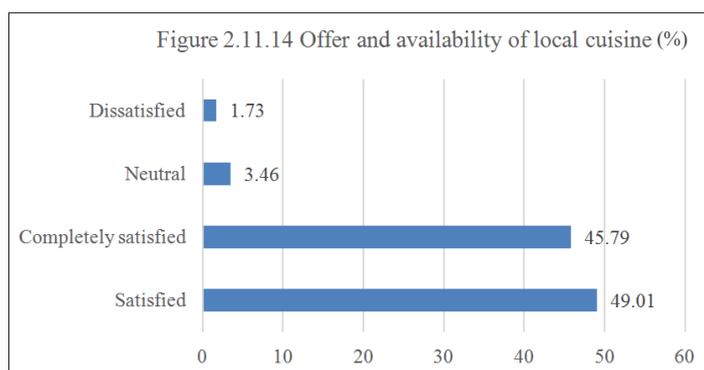
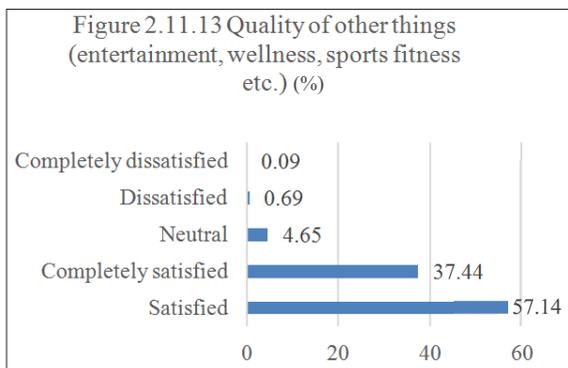
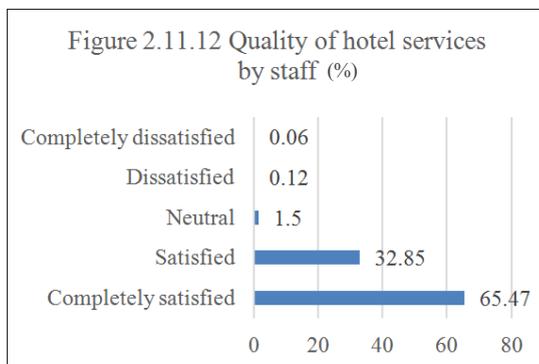
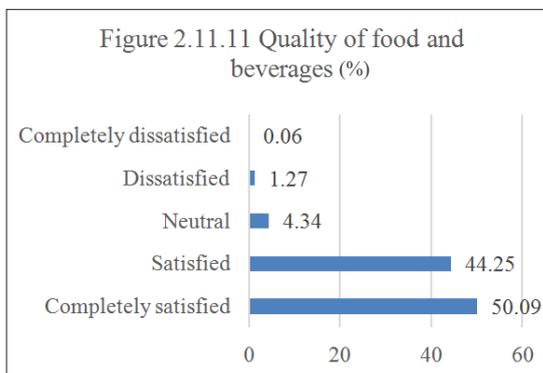
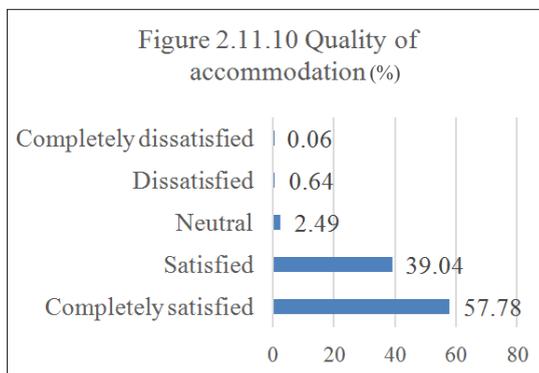
Bhutan Tourism Monitor 2018



2. Services and Facilities

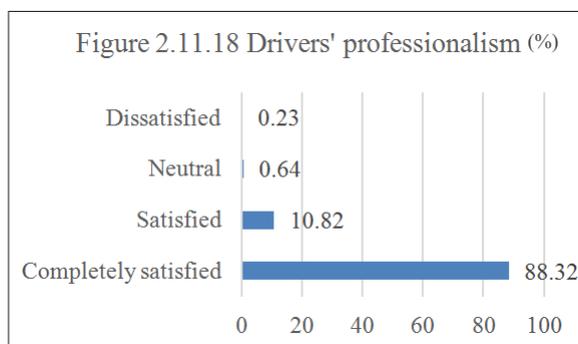
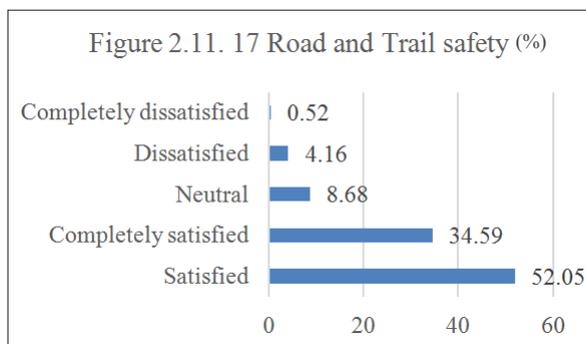
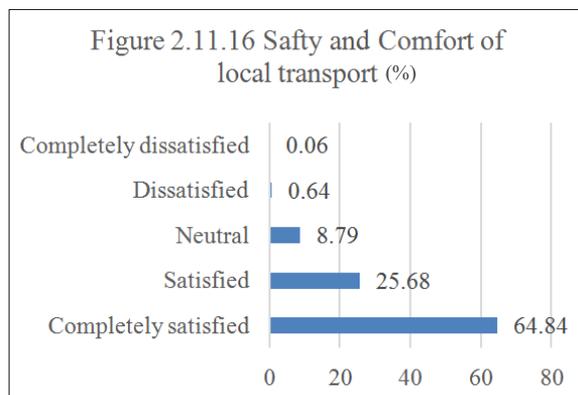
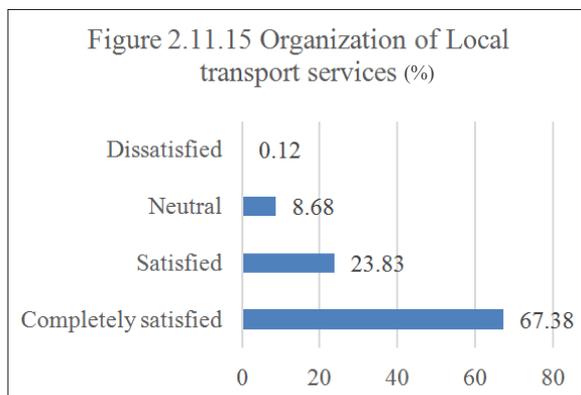


3. Accommodation

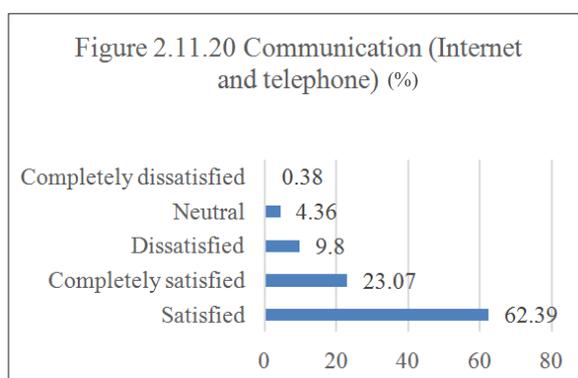
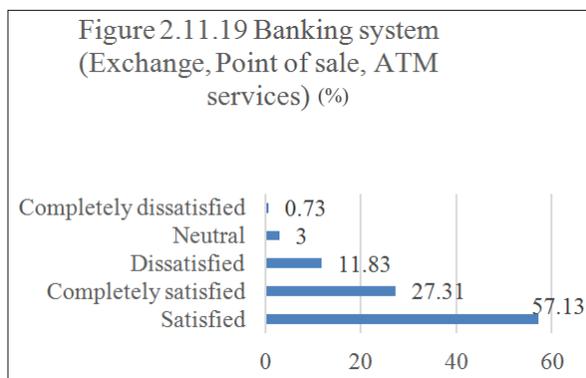


Bhutan Tourism Monitor 2018

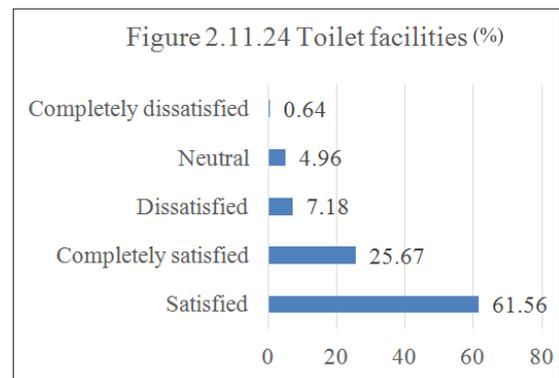
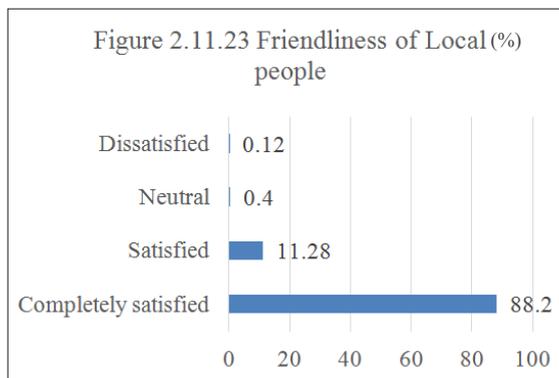
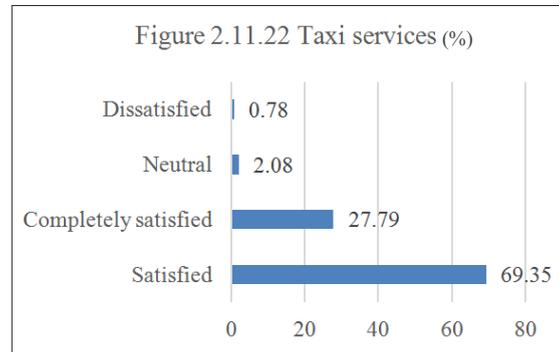
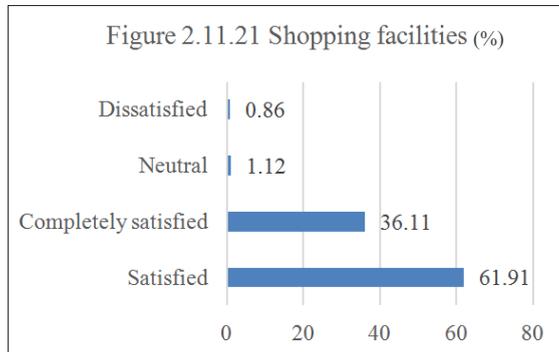
4. Transportation



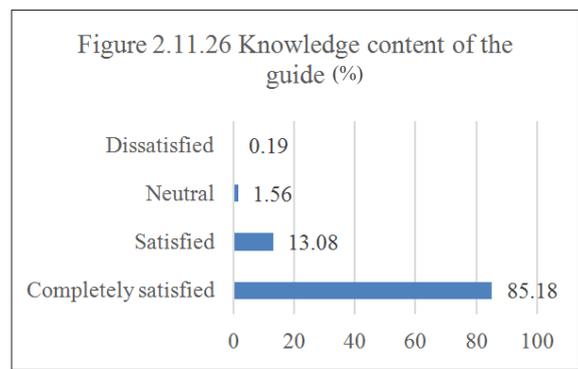
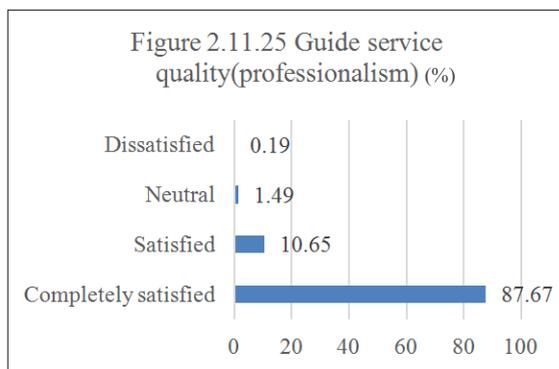
5. Accessibility to Services



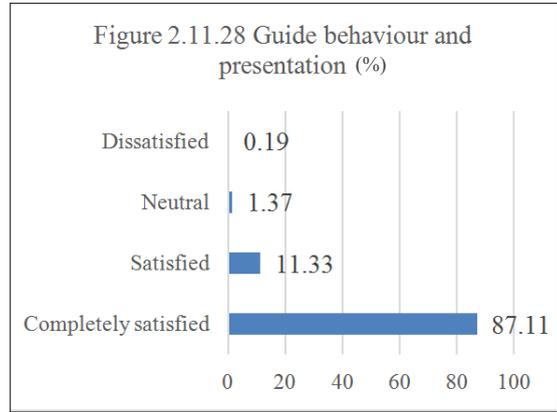
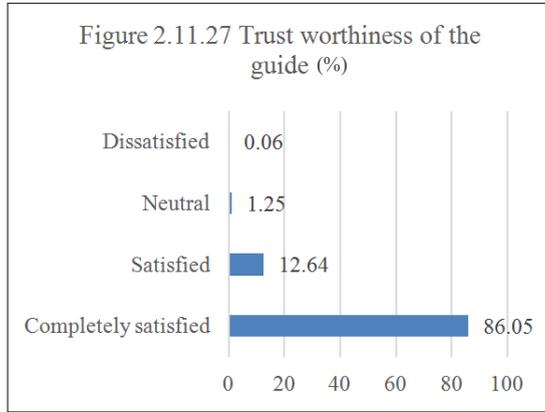
Bhutan Tourism Monitor 2018



6. Guide Services



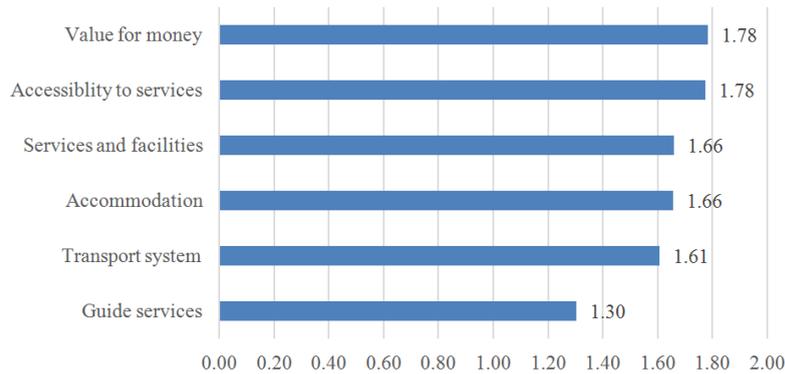
Bhutan Tourism Monitor 2018



2.12 Mean importance scores of attributes that explain the quality of tourist satisfaction

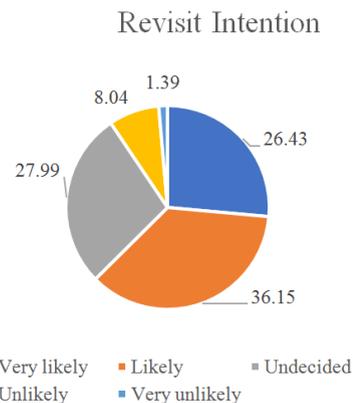
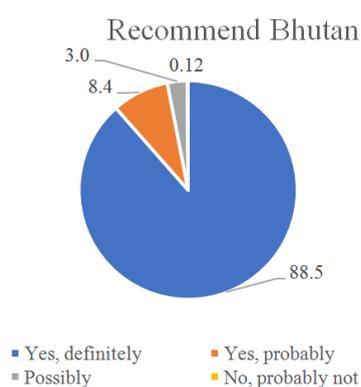
Figure 2.12 illustrates the mean importance scores of the attributes taken into account to gauge the tourist satisfaction with all available facilities at their disposals.

Figure 2.12 Mean importance of the attributes



2.13 Destination Loyalty

26.4% indicated that it is very likely that they would return to Bhutan. 88.5% are very definite about recommending Bhutan to others as a holiday destination.



SECTION 3
REGIONAL VISITOR EXIT
SURVEY 2018

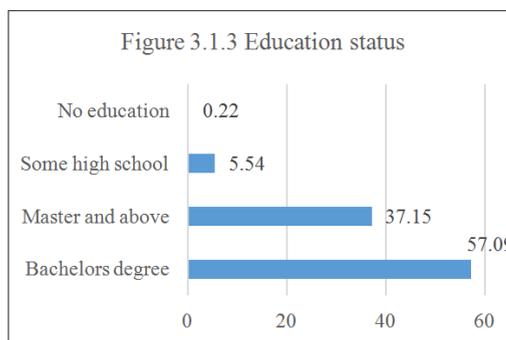
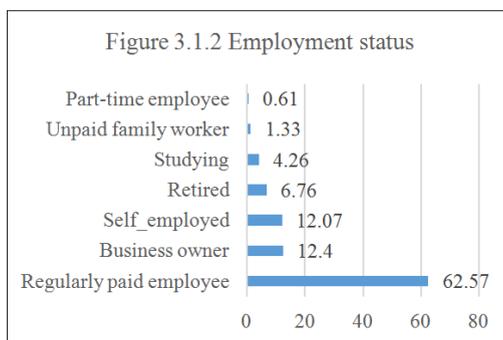
Bhutan Tourism Monitor 2018

This section discusses the findings from the exit survey for regional visitors conducted mainly in Phuntsholing and Paro. The visitors from India, Bangladesh and Maldives are categorised as regional tourists.

A total of 1,806 visitors were surveyed using administered questionnaire survey to gather first-hand feedback.

3.1 Demographics

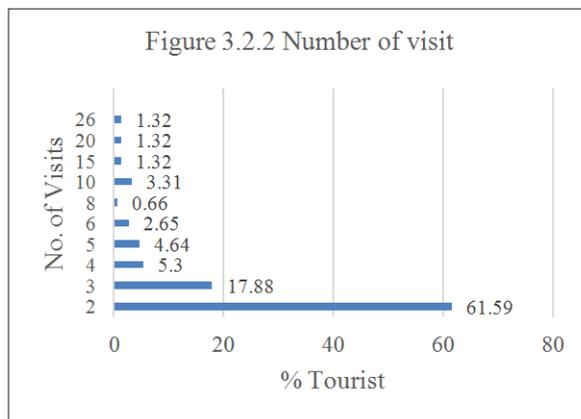
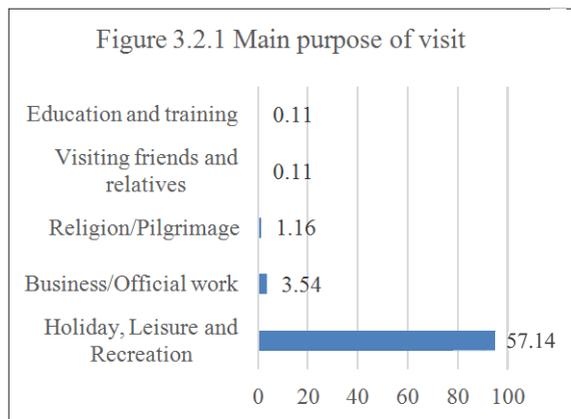
Of the total respondents, 22% were female and 78% male. Most of the tourists were aged 26-40. 61.57% tourist were regularly paid employee and 57.09% have obtained bachelor's degree.



Bhutan Tourism Monitor 2018

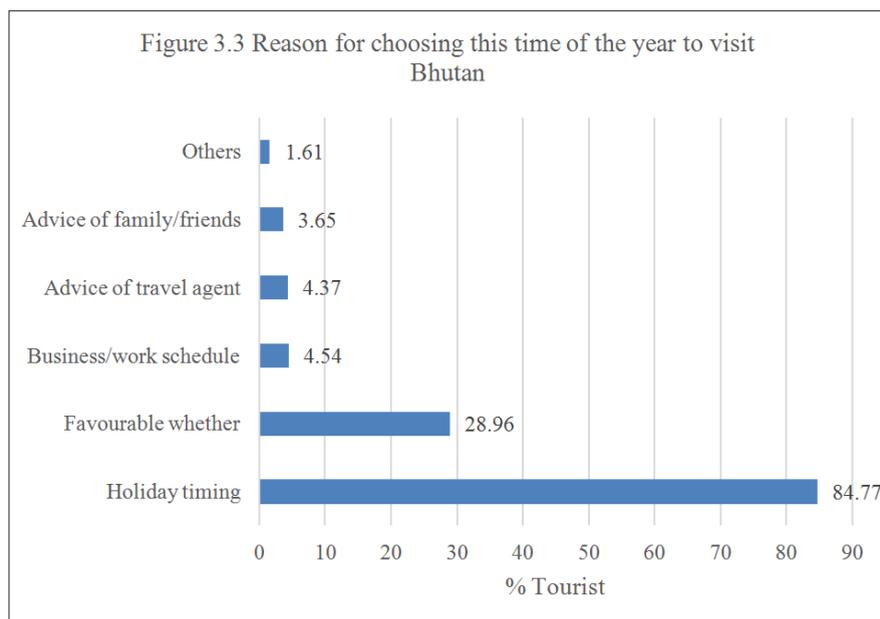
3.2 Main purpose of visit and Frequency of visit

Majority of the tourist came to Bhutan for the purpose of Holiday, Leisure and Recreation (95.07%). 92% indicated that it is their first visit to Bhutan.

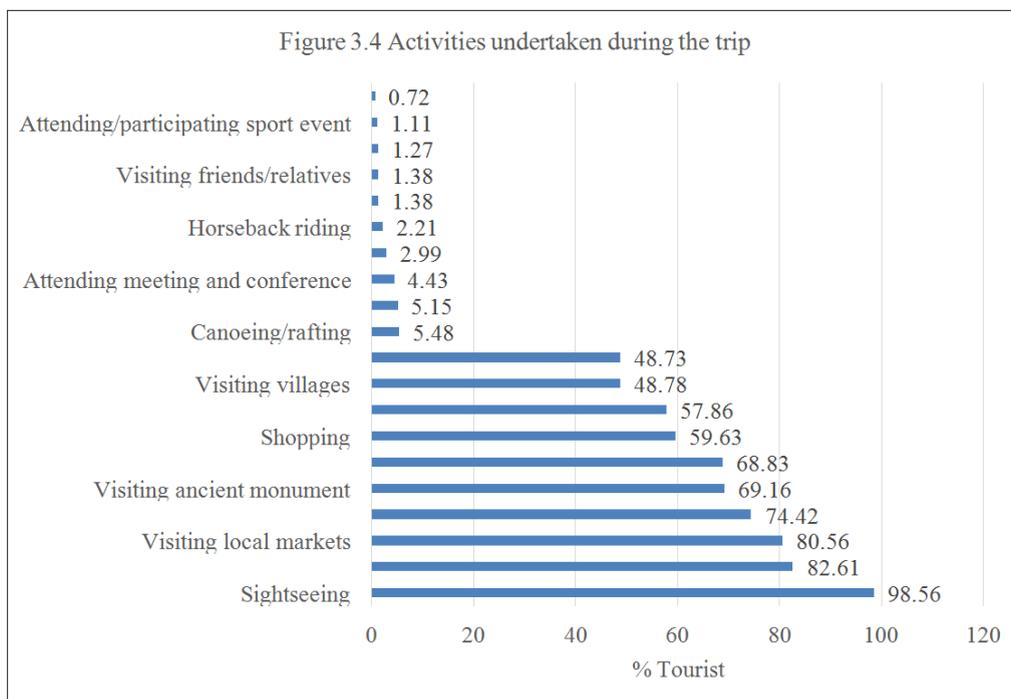


3.3 Reasons for choosing this time of the year to visit Bhutan

84.77% respondents indicated that they chose this time of the year due to their holiday timing. The second highest (28.96%) visited due to favorable weather.

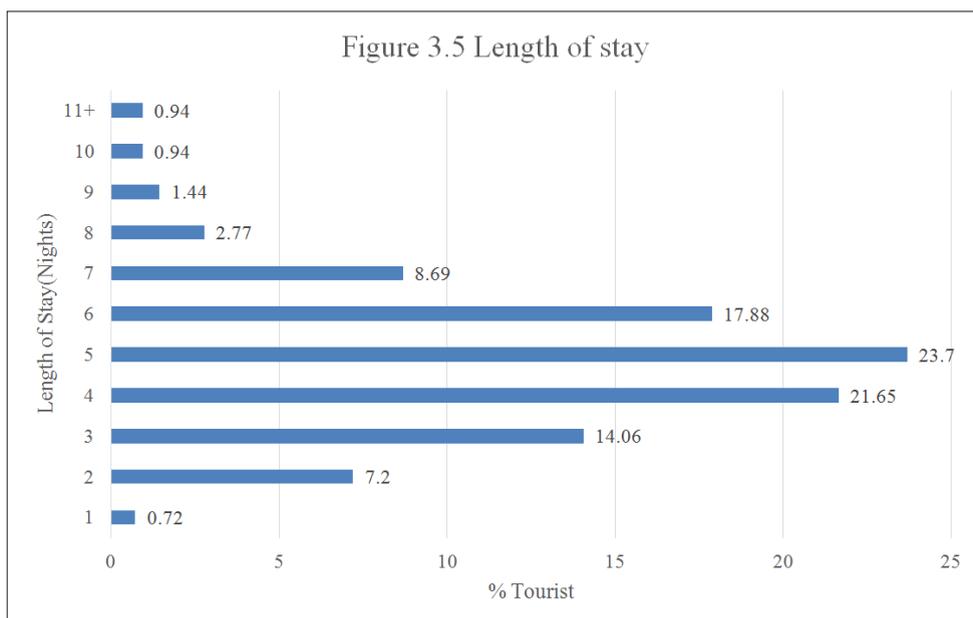


3.4 Activities undertaken during the visit



3.5 Length of Stay (bed nights)

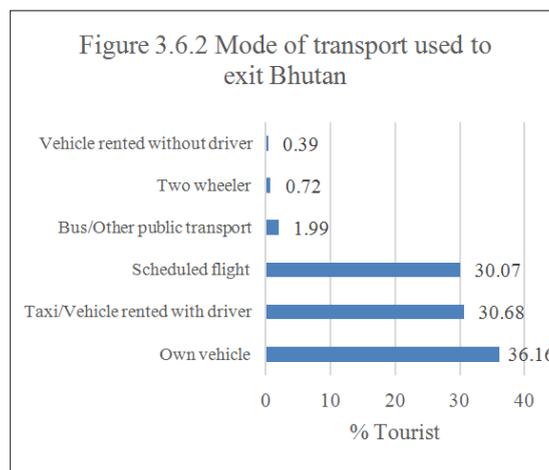
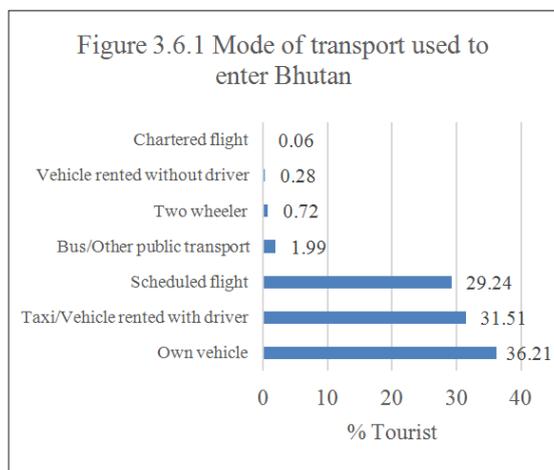
On an average, the regional tourist has spent 5 nights in Bhutan.



Bhutan Tourism Monitor 2018

3.6 Mode of Local Transport used to enter and exit Bhutan

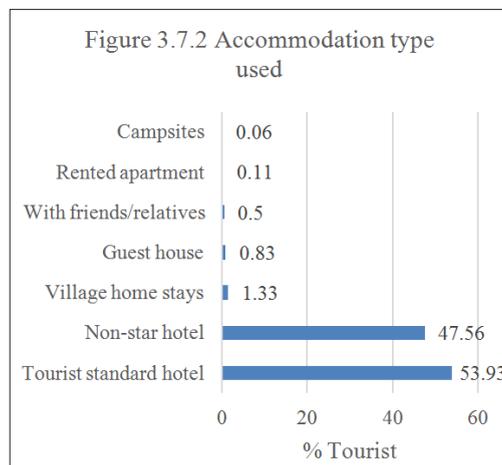
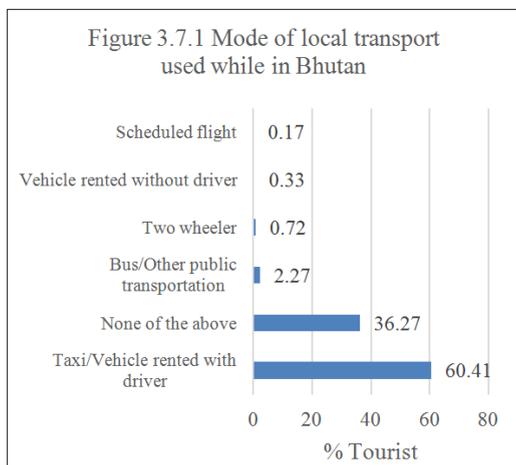
Figure 3.6.1 indicates that 36.21% of the respondents have used their own vehicle to enter and exit Bhutan, the next highest was respondents who either used taxi or rented car with driver at 31.31% to enter and 30.68% to exit. 29.24 % used air to enter Bhutan while 30.07% exited.



3.7 Mode of local transport and accommodation used while in Bhutan

60.41% indicated that they used taxi or rented vehicle with driver, followed by 36.27 % who used their own vehicle. 0.17 % also used domestic scheduled flight to travel within Bhutan.

53.93 % used tourist standard hotel, followed by 47.56 % who used non-star rated hotels. Village home stays was the third most popular accommodation at 1.33%.



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3.8 Travelling in Package Tour

39.48% of the respondents indicated that they have traveled through package tour with 70.18% of the package tour provided by Bhutanese agents.

Figure 3.8.1 Travel package option (%)

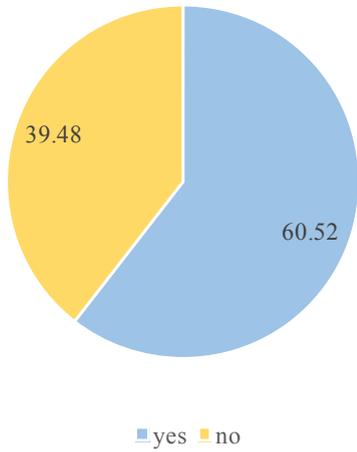
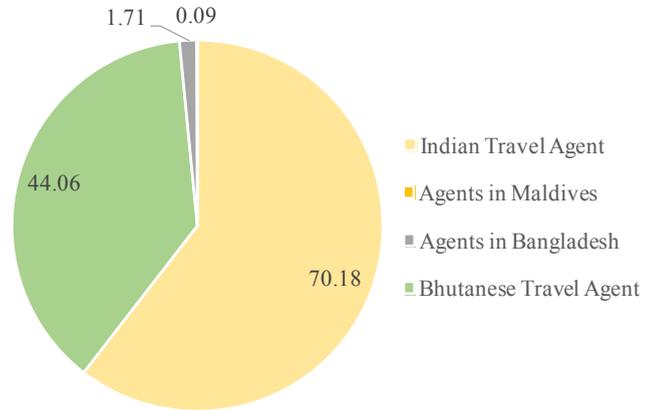
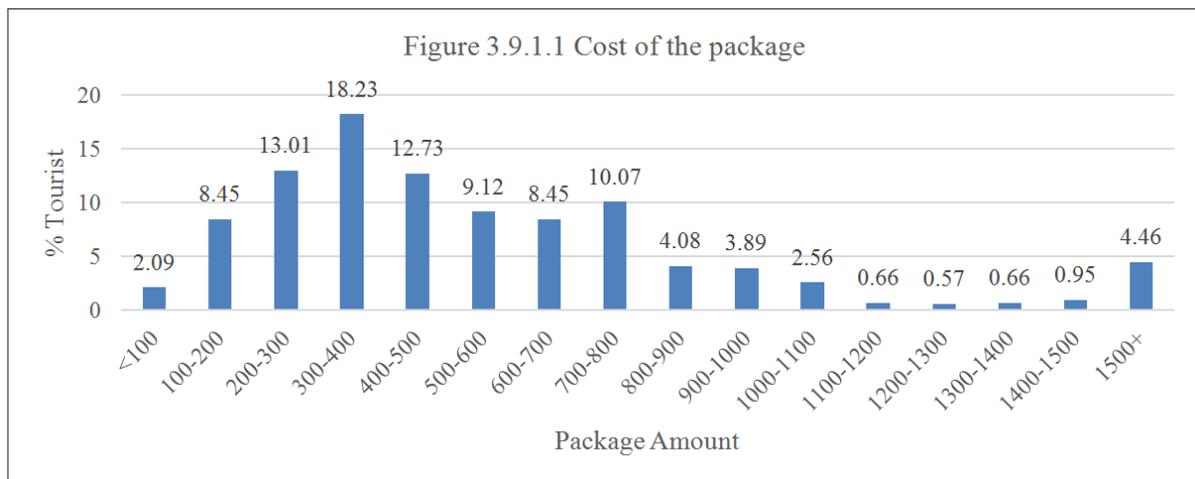


Figure 3.8.2 Package provider (%)



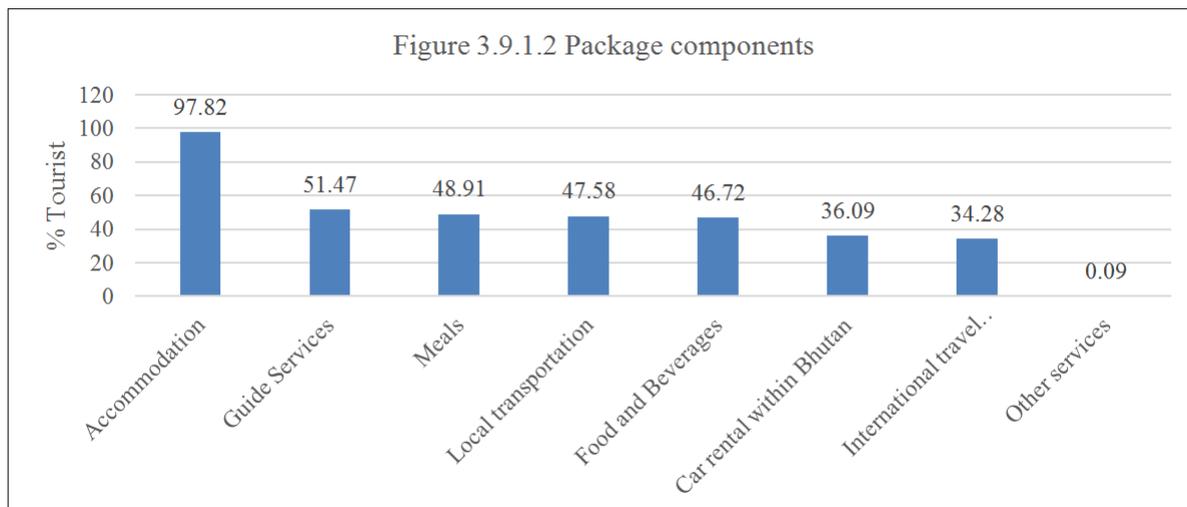
3.9 Expenditure

3.9.1 Package Cost and Items



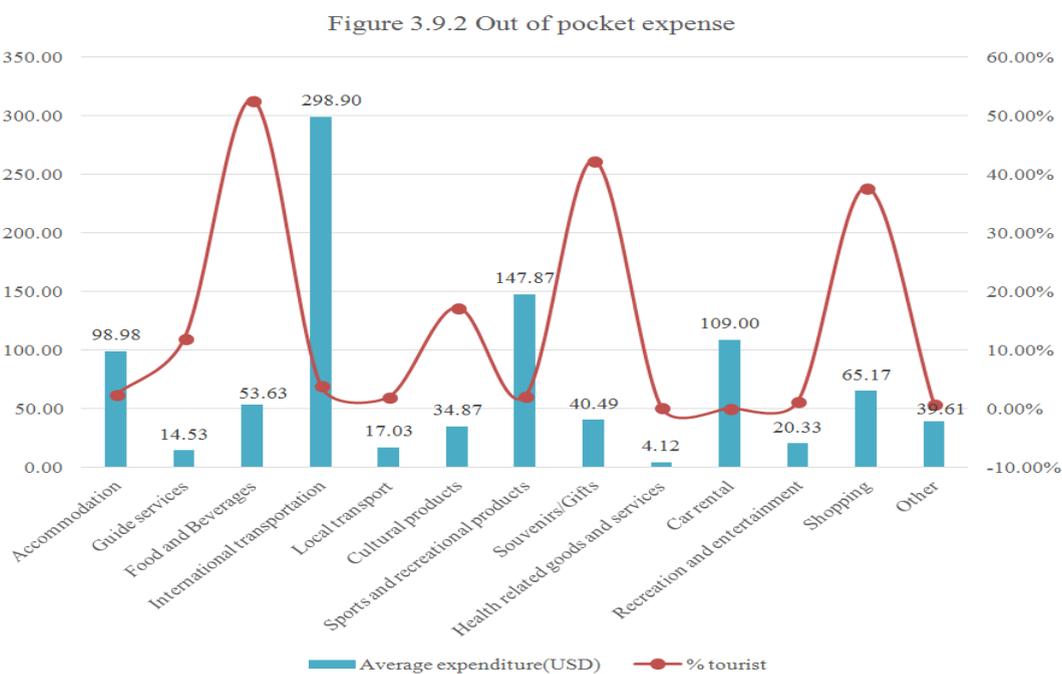
Bhutan Tourism Monitor 2018

The respondents were also asked on the contents of their package tour and 97.82 % said it included accommodation, followed by guide services at 51.47 %.



3.9.2 Out-of-pocket spending

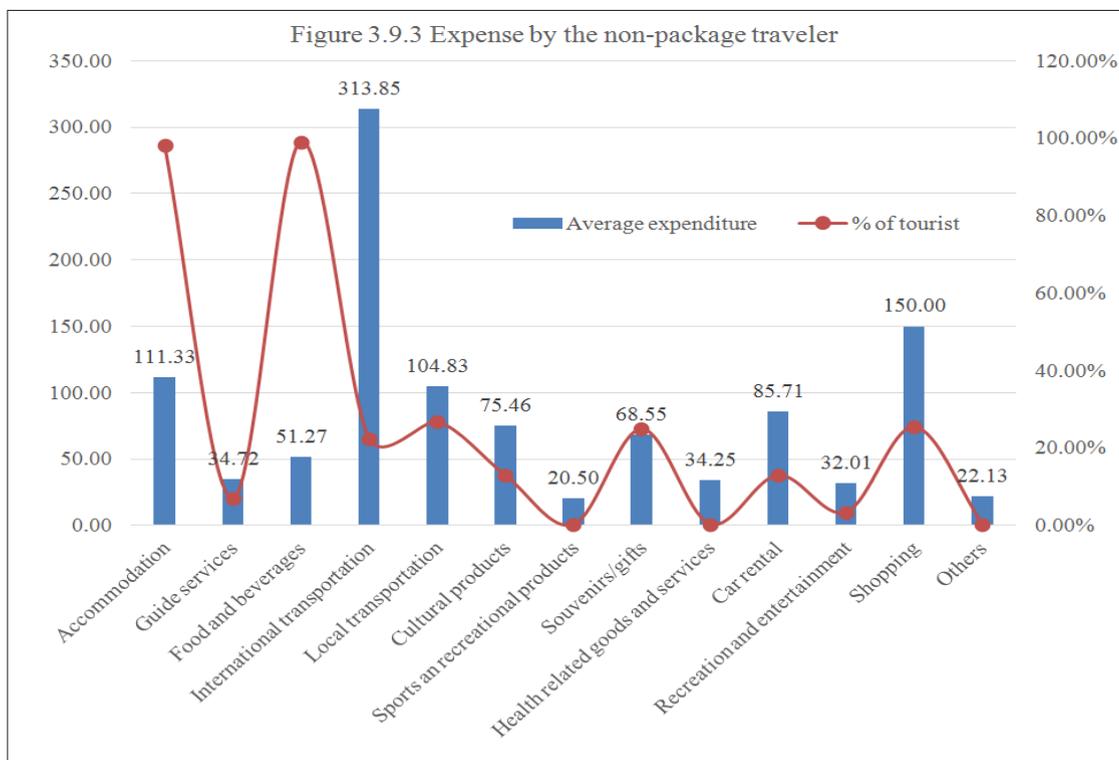
The following chart shows the additional expenditures visitors incurred in addition to the package price they paid during their stay in Bhutan. The majority of 52.61 % of the respondent spend USD 53 on food and beverage services, followed by 42.36 % of the respondent who spend USD 40.49 on souvenirs.



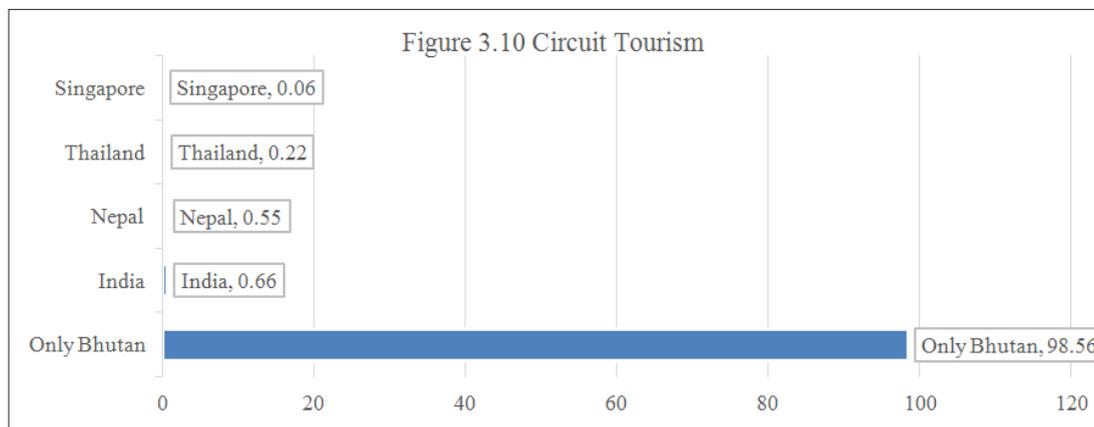
Bhutan Tourism Monitor 2018

3.9.3 Total Expenditure by Non-package travelers

For the respondents who didn't come through the package, the highest average expenditure incurred was on transportation cost to enter and leave Bhutan at USD 313.85 spent by 22.58 % of the respondents. 99.2 % of the visitors spend USD 51.27 on food and beverage services, followed by 98.41 % of the respondents who spend USD 111.33 on accommodation services.

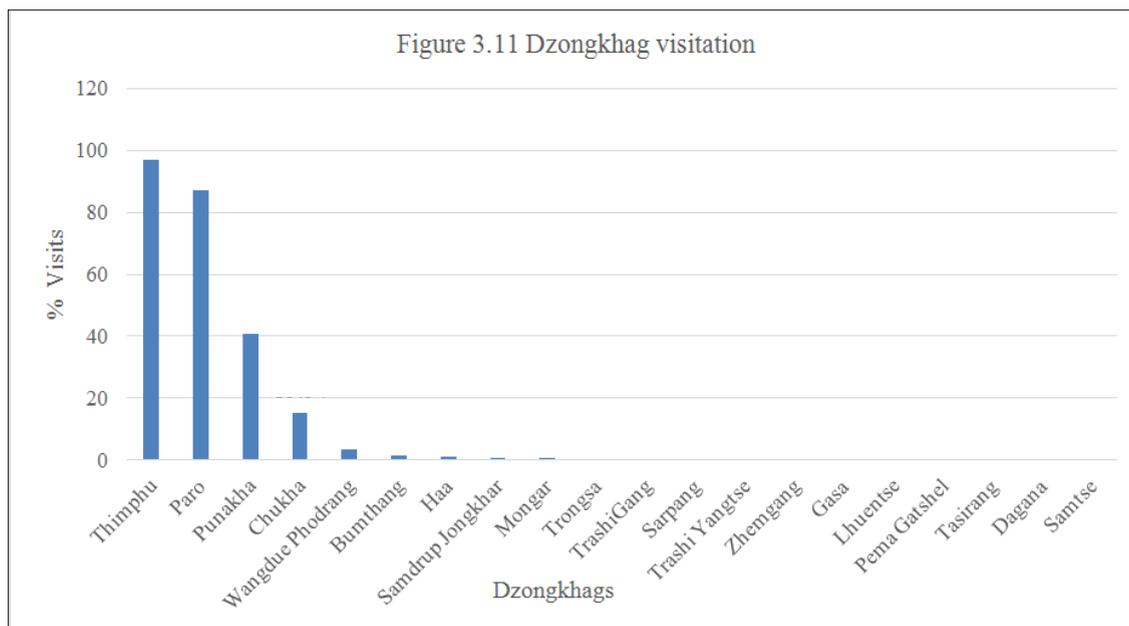


3.10 Circuit Tourism



3.11 Dzongkhags visited

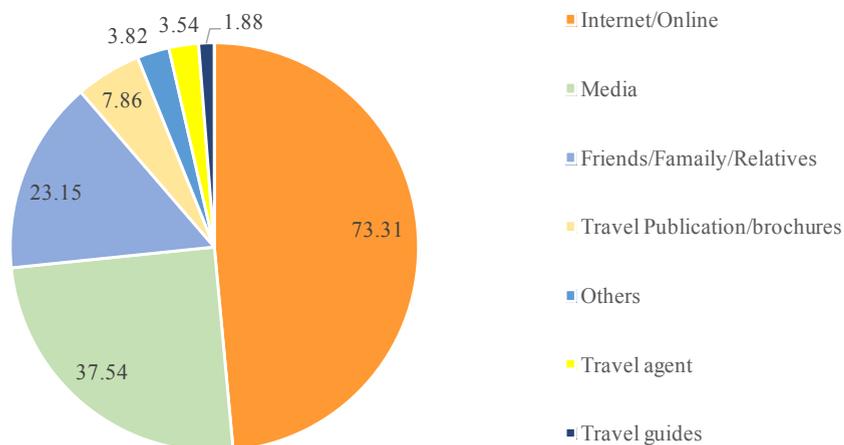
The regional tourists mostly were spread in the regions of Thimphu (96.84%), Paro (87.26%), Punakha (40.75%) and Chukha (15.34%).



3.12 Source of Information

Respondents were asked about how they knew about Bhutan and 73.31 % responded mentioned that they knew Bhutan through online/internet, the second highest was through media at 37.54 %, followed by 23.15 % who knew Bhutan through friends and relatives.

Figure 3.12 Source of information (%)

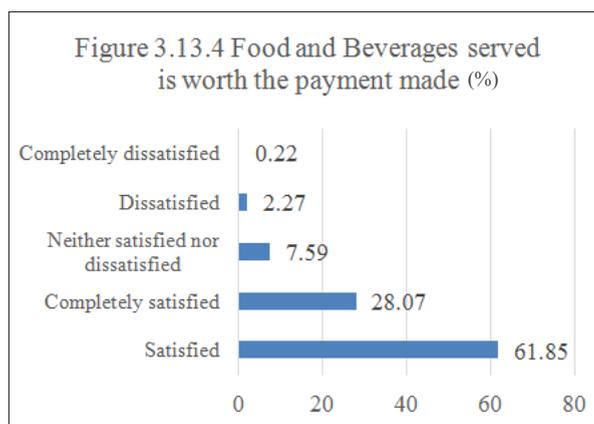
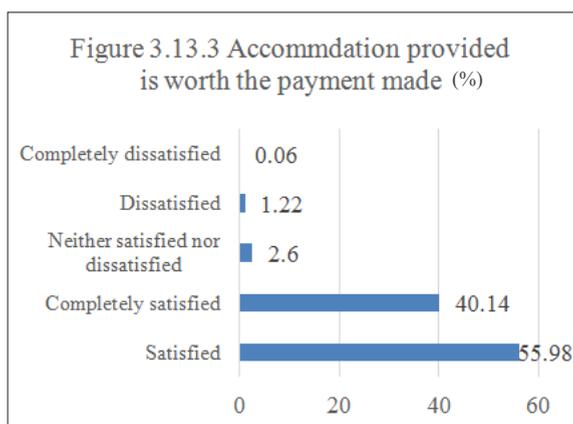
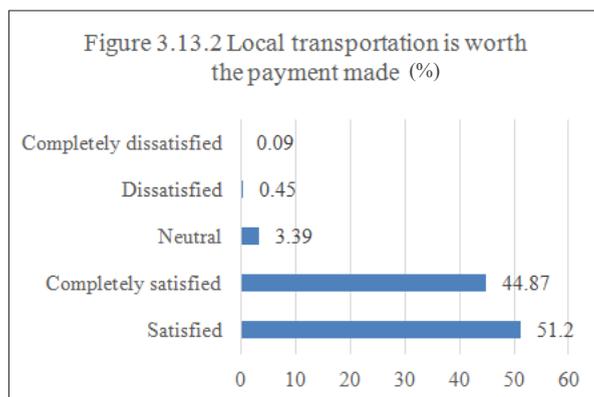
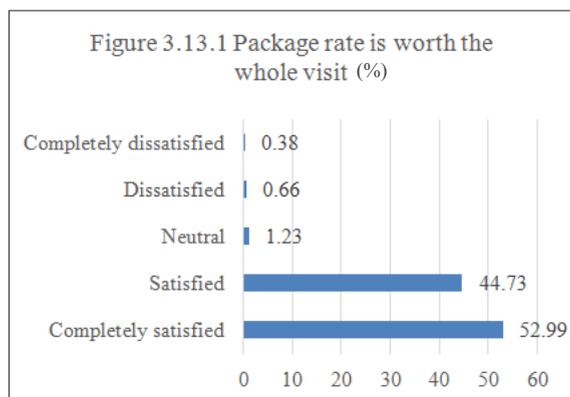


3.13 Tourist Satisfaction

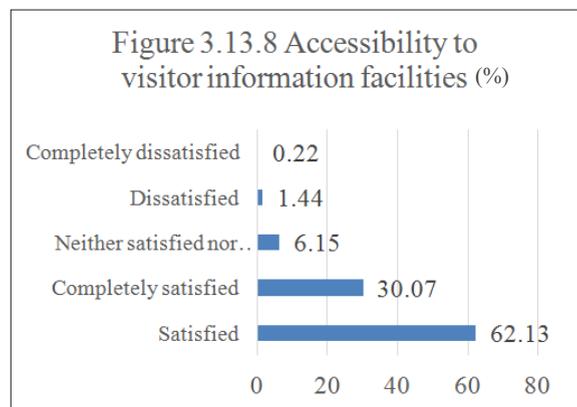
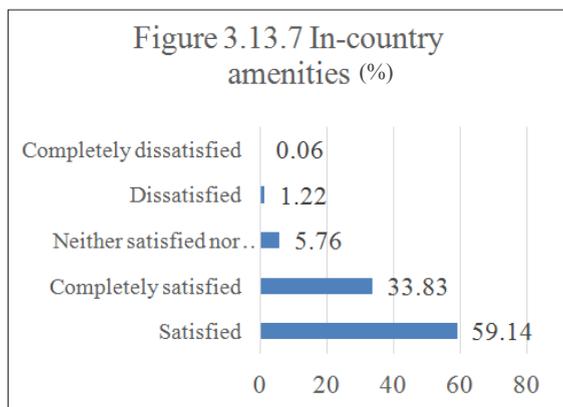
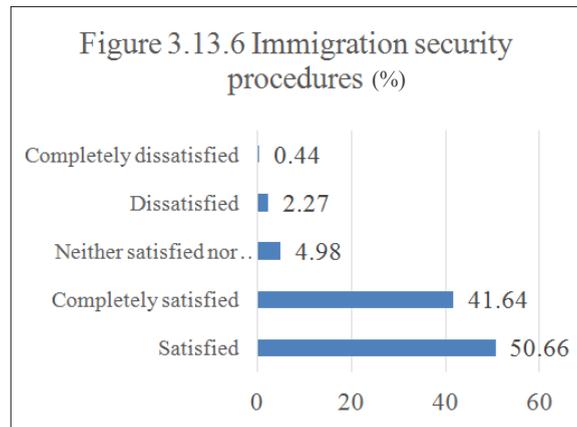
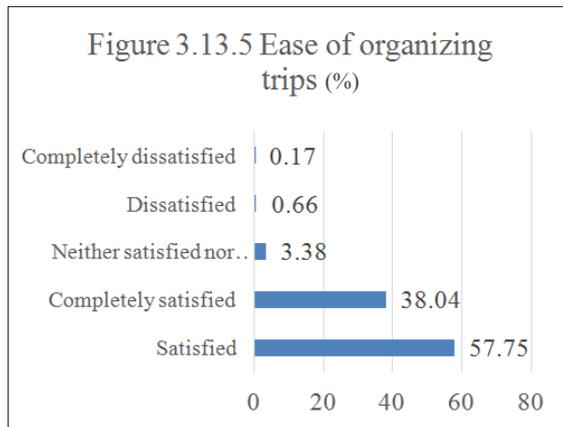
A Attributes contributing to Satisfaction

This section presents the results and the findings of the analysis of key variables taken under consideration to define six attributes to measure the visitors' satisfaction with the facilities and services available at their disposal during their visit in Bhutan. Six attributes viz. *value for money, services & facilities, accommodation, transport system, accessibility to services, and guide services* were taken into consideration to define the visitors' satisfaction. Each one of these attributes is defined in turn by various items.

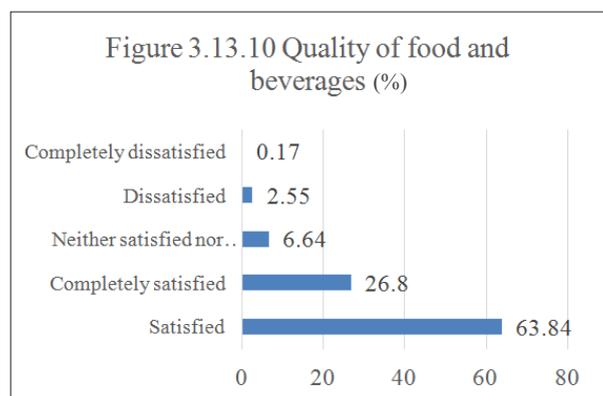
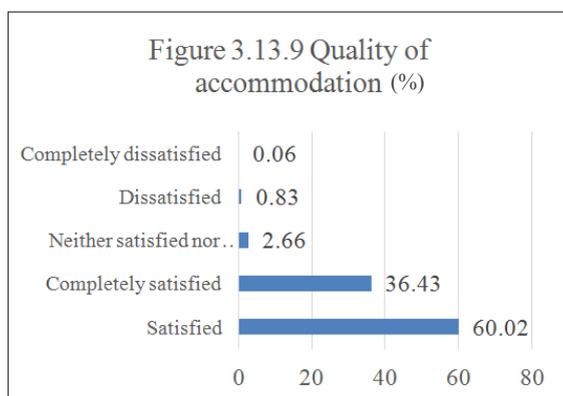
1. Value for Money

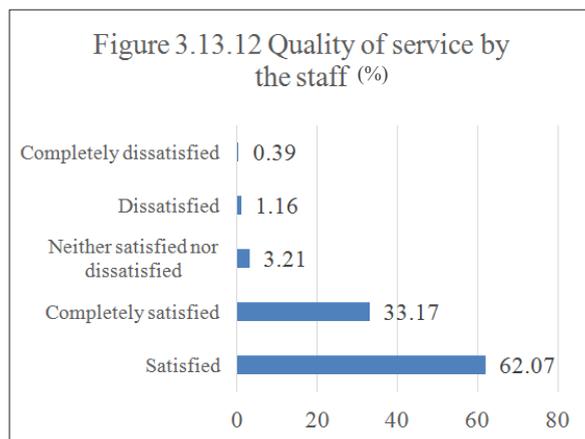


2. Services and Facilities

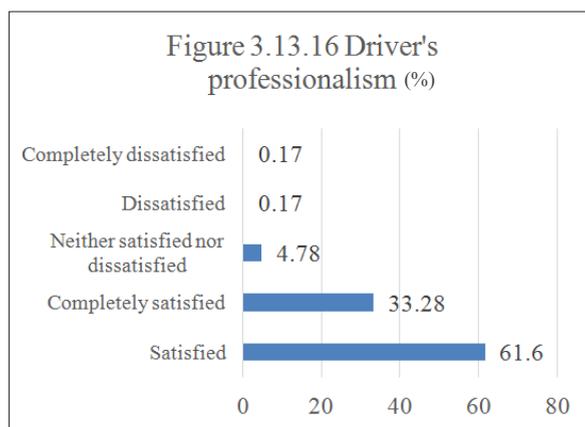
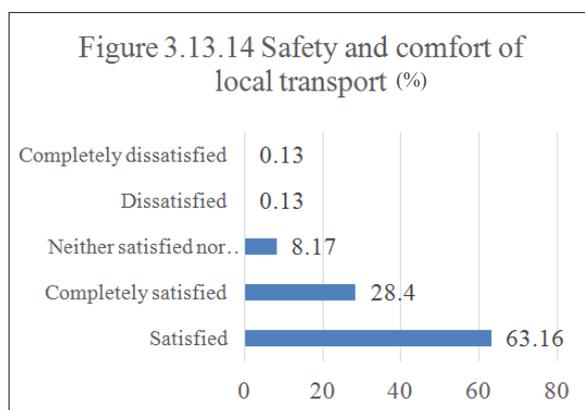
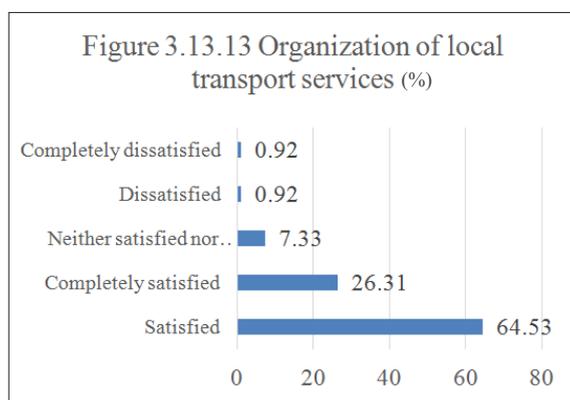


3. Accommodation

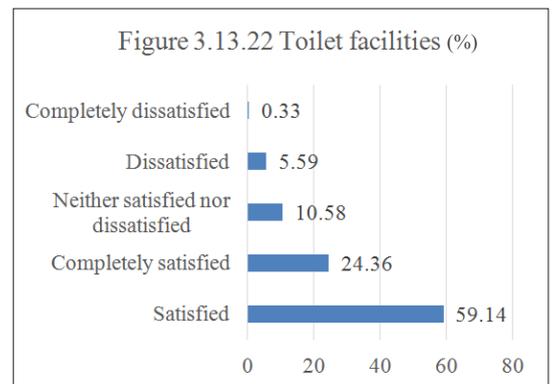
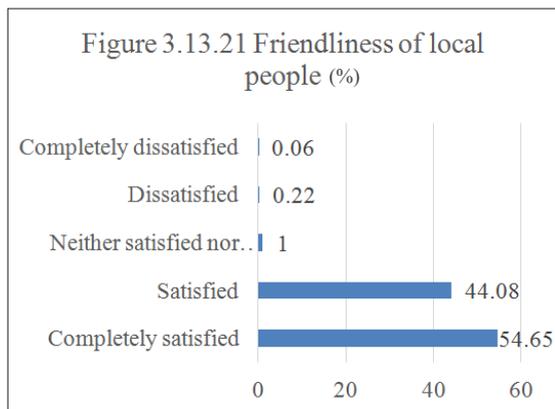
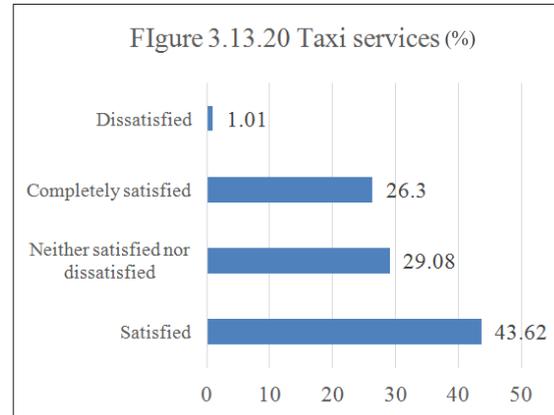
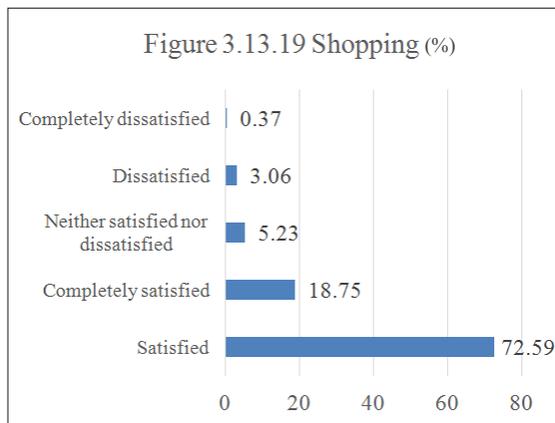
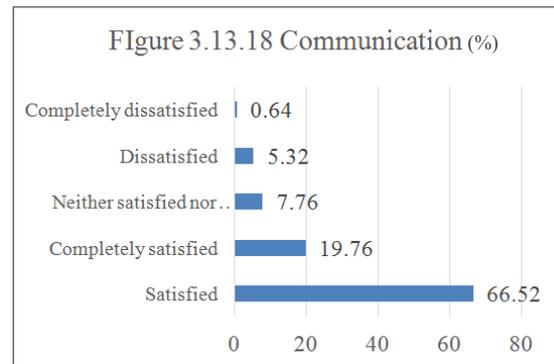
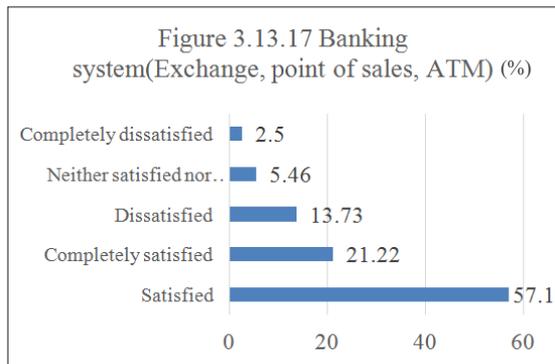




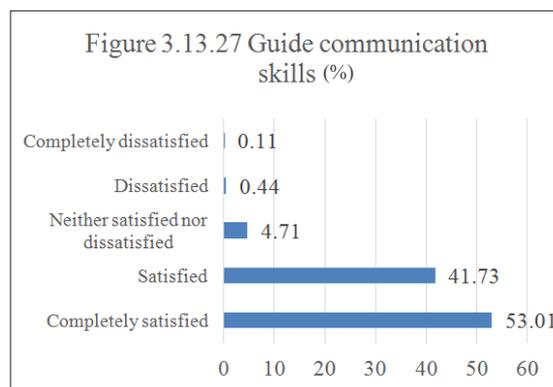
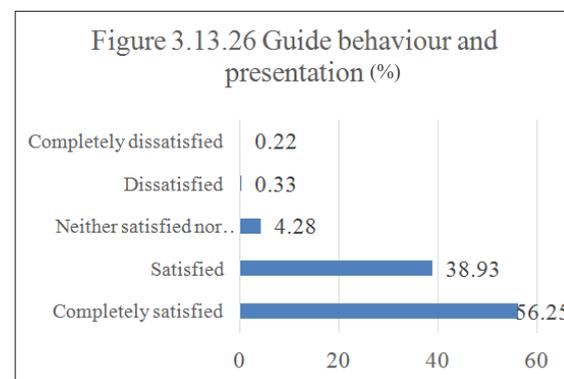
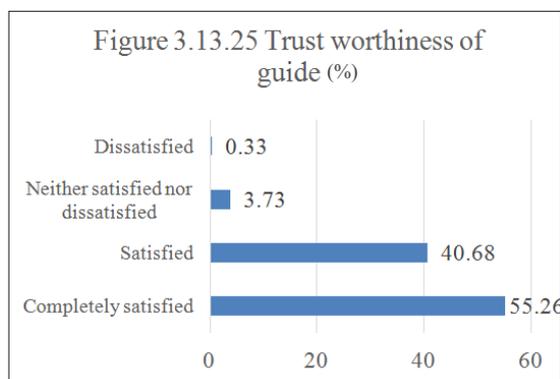
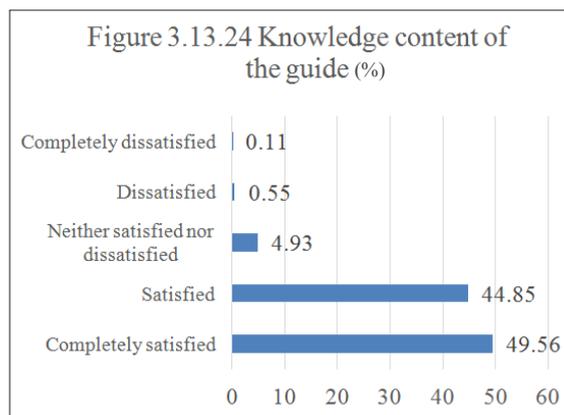
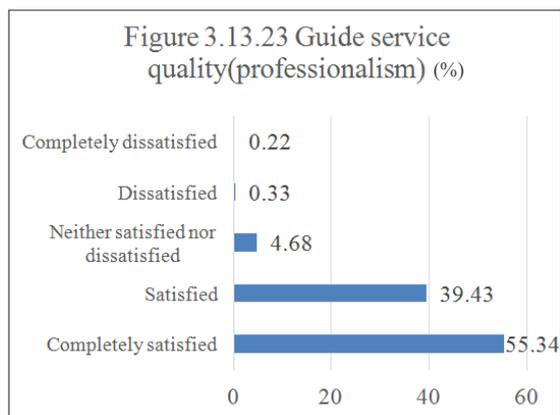
4. Transport



5. Accessibility to Services



6. Guides Services



3.14 Destination Loyalty

54.43% indicated that it is very likely that they would return to Bhutan. 90.37% are very definite about recommending Bhutan to others as a holiday destination.

Figure 3.14.1 Recommend Bhutan (%)

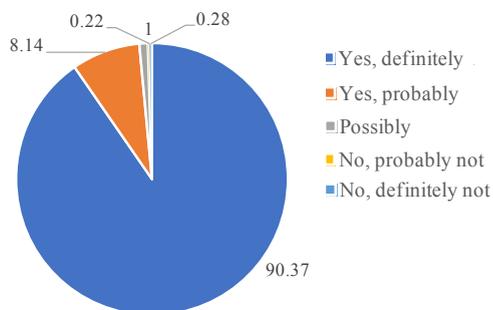
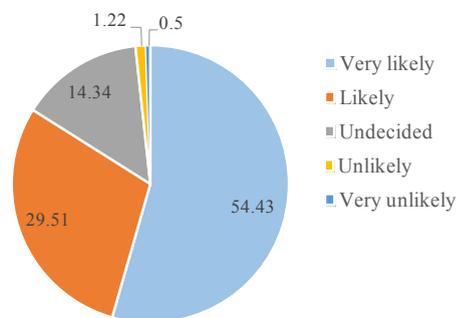
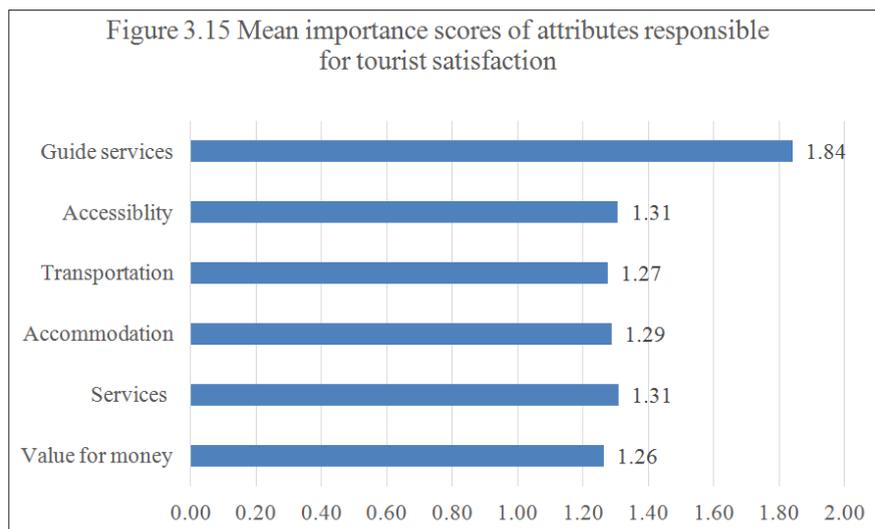


Figure 3.14.2. Revisit Intention (%)



3.15 Regional Tourist Satisfaction Measurement

Figure 3.15 depicts the mean importance scores of attributes responsible for tourist satisfaction. The highest mean score is attributed to the attribute, Guide Services (1.84) followed by accessibility to services, and services and facilities (1.31).



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