

Tourism destination promotion

This is an intervention summary from the MSD for employment (MSD4E) landscape assessment.

TMS supports the development of the tourism industry to create memorable experiences and complementary services that motivate visitors to travel to Honduras and spend money in destinations. The expected impacts of tourism are the diversification and resilience of the Honduran economy and the generation of quality jobs, especially for women, working in hospitality and tourism services.

Background information

Project	Honduras Transforming Market Systems (TMS)
Funder	USAID
Implementer	ACDI/VOCA
Contact	Dun Grover (DGrover@acdivoca.org) and Sue Chávez (chavez@acdivoca-hn.org)
Rural or urban?	Urban and rural
Sectors	Tourism
Intended employment outcomes	Job creation Job quality
Target group (end beneficiaries)	Women
Cross-cutting priorities	WEE
Years of operation	2019-2025

What constraints did the intervention aim to address?

Despite Honduras having plenty for travellers to see and do (Copán Ruins, Bay Islands, and Lake Yojoa), these attractions are not packaged or promoted into destination experiences that attract international visitors. Negative news and a deteriorating image have further affected Honduras' reputation and reduced international tourism. Tourism stakeholders struggle to align around a common strategy and weakly coordinate actions to promote Honduras as a destination. Honduran tourist attractions are also difficult and expensive to visit due to high travel costs and limited connectivity. Finally, professional services (event organisation, trip planning) are limited, and the Honduran workforce needs hospitality and language skills.

Which market actor partners did the intervention work with?

1. National Chamber of Tourism - CANATURH (private) and the Honduran Tourism Institute - IHT (public)
2. Inbound Tour Operators (OPTURH)

3. Destination Management Organisations (DMOs) and regional Tourism Chambers in priority destinations
4. Reputation Management Companies (PTG) and Booking Agencies (Booking, Expedia)
5. Honduran Civil Aeronautics Agency (AHAC) and the National Airport Service (SAN)
6. Mayan World Organisation and regional entities (SITCA)
7. National Foundation of the Honduran Identity (FHIN)
8. Convention Bureaus of San Pedro, Tegucigalpa, and Copan

What were the intended behaviour changes for these partners?

1. **Travel sites, media, and bloggers** feature Honduran attractions and destinations in articles.
2. The **Government of Honduras invests** in marketing Honduras and necessary tourism infrastructure.
3. **Tourism enterprises digitalise** and become export-ready, professionalising their services.
4. **New tourism products** are developed for niche markets and packaged into comprehensive experiences.
5. An **improved governance framework** for the tourism sector is established at national and destination levels (DMOs).
6. **Strengthened air connectivity and convenience** make tourism destinations more accessible.
7. **Establishment of convention bureaus** as a vehicle to promote the MICE sub-sector in main cities.
8. **Professional and training offers** are available in the market to strengthen the tourism workforce.

How sustainable are these behaviour changes?

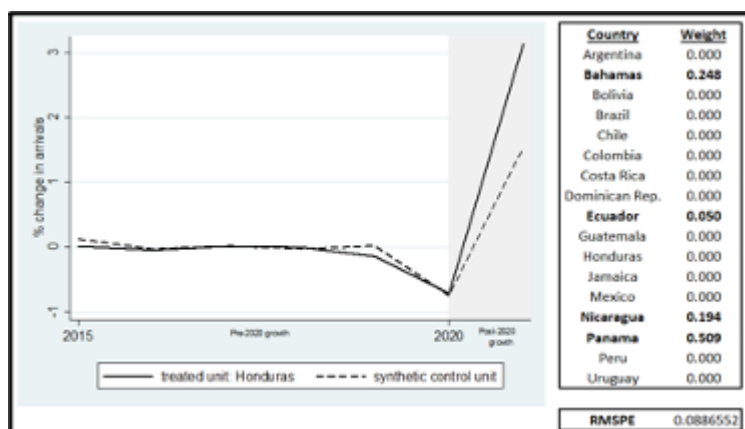
- **Public funding volatility:** There is a dedicated budget for tourism, but shifting political priorities leave many initiatives unfunded.
- **Tourist experiences:** Airport exit surveys show overall high levels of satisfaction with visits and positive word of mouth that will drive more visitors.
- **Enterprise behaviours:** Practices have proven self-reinforcing, leading to positive reviews and word of mouth that translates into increased visitation.
- **Organisational governance:** There are consistent governance issues in Tourism Chambers and DMOs which threaten the sustainability of actions.
- **Air routes:** New air routes established have sufficient demand and are likely to continue, but fares remain high due to contextual issues.
- **Labour availability:** There is evidence that hospitality workers, especially English speakers, qualify for work abroad - an issue for availability.

What were the intervention's key results?

The actual growth rate in Honduras' tourist arrivals compared to the synthetic counterfactual is plotted in the graph below. Post-2020, the impact in the actual growth rate of arrivals exceeded the predicted rate by 1.5x. This translates to over 300,000 additional tourists from 2020 to 2022. This data is consistent with comparator countries, where Honduras was the first LAC country to bounce back from COVID-19, experiencing the second-highest growth rate in 2021-2022. The overall employment impact in Honduras' tourism recovery exceeds 14,285 FTE jobs. TMS is in the process of conducting contribution analysis to estimate its

contribution to this result.

Graph: Synthetic Control Model: Honduras



Has a third party been involved in measuring these results?	No
Is the partner behaviour change the sole/major/minor contributing factor towards the employment-related outcome you've reported? (i.e. are there other contributing factors?)	Major
Results chain available?	No

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