Future of Tourism

#FutureOfTourism #FutureiQ
http://www.future-iq.com
David Beurle
Founder and CEO
Current and recent economic development and planning project experience - USA
Italian Food Tourism Study Tour

#FutureIQStudyTour  #EatAndLearnItaly

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FUTURE OF TOURISM - THE MAINE WOODS

PART 1: EMERGING TRENDS

A foresight research report examining emerging tourism trends and how they might influence destination development in the Maine Woods Region.

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PART 2: POTENTIAL SCENARIOS & IMPACTS

This report provides an analysis of potential future tourism industry development in the Maine Woods Region. It also includes the future scenarios of tourism industry outcomes of the Destination Rally held in Greenville on 17 May 2018, which explored future potential scenarios for tourism development. This report has been prepared by Future IQ as part of the Maine Woods Consortium’s rural destination development program.

December 2018
Forces impacting tourism trends in the world (and regions)

What are the emerging macro drivers....
Global Population Growth Is Driven By Developing Countries.

World population in billions, 1950-2050 (projected)

- Population in Less Developed Countries
- Population in More Developed Countries

Developed countries have fewer young people, but a higher share of elderly.

Developing countries have more young people, and a smaller share of elderly.

ESTIMATED MEDIAN AGE IN SELECTED COUNTRIES, 2010 AND 2050

At the end, this story is just a numbers problem,” Mr. Tourtellot said. He noted that in 1960, when the jet age began, around 25 million international trips were taken. Last year, the number was 1.3 billion.

As for the cities that are the major destinations? They are “the same size they were back in 1959, and they’ll probably stay that way,” he said.

New York Time August 2018

ITALY BANS HUGE CRUISE SHIPS FROM VENICE CITY CENTRE

Giant cruise ships that dwarf the city have long been a bone of contention in Venice (AFP/Getty Images)

Ships over 55,000 tonnes will have to dock in Marghera, on the mainland
The growth paradox: can tourism ever be sustainable?

‘Travellers tend to arrive in increasing numbers and flock to the same locations’
“The urban population in 2014 accounted for 54% of the total global population, up from 34% in 1960, and continues to grow.”

World Health Organization (2015)

This graphic depicts countries and territories with 2050 urban populations exceeding 100,000. Circles are scaled in proportion to urban population size. Hover over a country to see how urban it is (percentage of people living in cities and towns) and the size of its urban population (in millions).
AN URBAN WORLD

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We didn’t see this coming

**SURPRISE #3**

We will build an entire New York City every month...

... for 40 years! The world’s building stock will double by 2060.
This means people will increasingly seek outdoor experiences and escape
Outdoor Recreation –
The Maine Woods
MIDDLE CLASS CONSUMER SPENDING

OUTER RING: 2030 IN TRILLIONS, USD
INNER RING: 2009 IN TRILLIONS, USD

ASIA PACIFIC $32.9
- $5.6 NORTH AMERICA
- $8.1 EUROPE
- $11.1
- $4.9

+571% GROWTH
While increasing Chinese spending tops the news, the East Asia Bureau of Economic Research forecasts that spending in India and Indonesia will grow at similar rates.

Source: Kuo, L. 2013. The world’s middle class will number 5 billion by 2030. Quartz. Figures based on OECD, 2012. An emerging middle class.
This means a changing visitor profile....

<table>
<thead>
<tr>
<th>World Region</th>
<th>Share of overseas arrivals</th>
<th>U.S. arrivals, thousands</th>
</tr>
</thead>
<tbody>
<tr>
<td>Europe</td>
<td>50.4%</td>
<td>39.2%</td>
</tr>
<tr>
<td>Asia</td>
<td>24.4%</td>
<td>30.2%</td>
</tr>
<tr>
<td>Oceania</td>
<td>3.4%</td>
<td>4.4%</td>
</tr>
<tr>
<td>Latin America &amp; Caribbean</td>
<td>17.9%</td>
<td>21.3%</td>
</tr>
<tr>
<td>Middle East</td>
<td>2.7%</td>
<td>3.5%</td>
</tr>
<tr>
<td>Africa</td>
<td>1.2%</td>
<td>1.4%</td>
</tr>
<tr>
<td>Total Overseas</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: U.S. Department of Commerce and Oxford Economics

Chart 1: Population Pyramid of the U.S. Total Resident Population in 2015

Emerging generations will have different values and expectations.
Key Emerging Tourism Trends

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Emerging Tourism Trends

**Experiences**
Seeking new and place-based experiences such as outdoor adventure, cultural activities, and culinary opportunities.

**Packages**
Experiential travelers desire full day(s) with a variety of activities, often preferring to book at one time with professional services.

**Sharing Economy**
The sharing economy is growing throughout the industry in accommodation, transportation, meals, and booking activities.
Technology
Travelers are increasingly booking through online and mobile apps, leaving reviews and staying connected.

Peer to Peer Influence
Trip Advisor, Facebook, Snapchat and other platforms allow for immediate documentation of a trip including recommendations.

Destinations
Travelers are choosing destinations based upon culture, people and diving into the unique local feel and an authentic experience.

Sustainability
Travelers are increasing making decisions based on the impact on the local culture, environment and economy.
Technology

85% of leisure travellers use their smartphone while abroad

29% of travellers have used mobile apps to find flight deals

30% of travellers have used mobile apps to find hotel deals

Source: The Impact of Social Media Within The Hospitality Industry. www.four-pillars.co.uk
52% of Facebook users said their friends' photos inspired their holiday choice and travel plans.

48% Social media has a huge influence on travel bookings. Of those who used social media to research travel plans, only 48% stuck with their original plans.

33% Changed their hotel
7% Changed destination
10% Changed resorts
5% Changed airlines

Source: The Impact of Social Media Within The Hospitality Industry. www.four-pillars.co.uk
TRUST

70% of consumers say they trust earned media, such as word-of-mouth and recommendations from friends and family, above all other forms of advertising.

70% of global consumers say online consumer reviews are the second most trusted form of advertising.

Source: The Impact of Social Media Within The Hospitality Industry. www.four-pillars.co.uk
Culinary

55% Are motivated by the search for authenticity

63% Of travelers take and share pictures of food

Not just about Michelin Star restaurants

Rise of Slow Food Movement

22% Food tourism promotion done online

35-50% Travel budget spent on food

Want to participate and learn something new

Prefer to combine culinary & cultural or natural activities

How do we create sustainable tourism?

**WHAT IS SUSTAINABLE TOURISM?**

- Respecting and enhancing the heritage, culture, traditions, and distinctiveness of communities: 82%
- Increasing the number and quality of local jobs supported by tourism: 70%
- A commitment to preserve a destination's authenticity and not become too “touristy”: 71%
- Engaging residents in deciding the role of tourism in their communities: 64%

**The Sustainable Traveler VS All Other Travelers**

- Significantly more sustainable travelers purchase something from a travel company because that company engages in sustainable practices, like:
  - Offer authentic experiences: 57%
  - Buy local: 54%
  - Educate customers: 54%

**Sustainable travelers are significantly more likely to stay 7 or more days, whereas the most recent trip of all others was less than 3 days.**

- Sustainable travelers are far more likely to travel with friends than all others.
An analysis of tourism industry trends highlights the need to be adaptable and responsive to the evolution of travel markets and travelers. With effort and organization, the Maine Woods can leverage the region’s assets to attract new visitors, and provide substantial economic benefits.

What destination development and marketing is needed to position the Maine Woods region as an attractive destination for the growing global tourism industry?
Scenarios of the future – finding the sweet spot
Questions?

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Sustainable Tourism Definition

• Is integrated with our local communities in a way that is respectful of our diverse heritage and culture;

• Provides visitors with authentic, place-based, educational experiences that leave them feeling enriched and inspired;

• Creates lasting financial and social benefits for local residents, businesses, and communities across our County;

• Is supported by public policies with organizational support and funding; and,