

FUTURE READY?
GEARING UP FOR TWO DECADES OF
GROWTH

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GREAT EXPECTATIONS

The travel and tourism (T&T) sector takes great pride in its statistics. 940 million International Arrivals in 2010 - a staggering increase compared to 687 million just a decade earlier. Traveller Receipts of almost US\$ 1 trillion in 2010 - a quantum leap from the sector's US\$ 482 billion in 2000. Significant contributions to trade, investment, national competitiveness.

And, critically in these challenging times worldwide, jobs, jobs, jobs, jobs. One in twelve jobs worldwide, to be exact.

Were this the housing or .com sectors being examined, the cautioning word "bubble" would be part of the analysis of where the sector is going. A decade of such dramatic growth, even with economic, political, natural and social crisis? Sounds suspect.

The T&T sector is different, however. As it has proved for the past decade, and confidently demonstrates in future projections, growth is not about hot air and hot assets. It is about hard work, aimed directly at getting travellers traveling so that nations and their nationals can get working.

As analysis backwards shifts to projections forwards, the trend remains solidly upwards. Growth in traveler activity appears to be unrelenting. Tens of millions of new travellers are entering the sector each year, with certain regains certainly outpacing others. The UNWTO's recently released "*Tourism Towards 2030*" outlook, which confidently projects the sector to see 1.8 billion international arrivals in just two decades time, sees the Asia and the Pacific region accounting for 30% of Arrivals in 2030, up from an already fast-growth share of 22% in 2010. At the same time Asia-Pacific's share of outbound travellers continues to rise, quadrupling in regional contribution from 2010 to 2030. Their first port of call? Europe. Why? Because now they can!

The future is ready for Travel and Tourism. The question, however, is:

is Travel and Tourism ready for the future?

HONOURING THE INTEREST

Increase in traveler numbers is inspiring. The data, with all of its upwards arrows and skyward bar charts, allows sector leaders, and followers, to feel a sense of confidence in the future. Even with the array of challenges that have faced the industry as the world worked through the farthest reaching and deepest penetrating economic and emotional conflicts of our times, from natural and man-made disasters to fuel price increases and while business readers ache at the omnipresence of their 'R' word, '*recession*', the travel and tourism sector holds on tightly to its 'R' word, the force of nature that helps the industry keep its chin up and eyes forward: '*resilience*'.

Still, with all of these things working for the tourism sector as the future unfolds, with its promise of continued growth, are destinations actually ready for all of the interest coming their way? Are the fundamentals of good business practice being practiced? Is tourism honouring its opportunity for growth by honouring the travelers taking the time and trouble, and making the personal investment, to visit?

Opening our doors, and simply standing back to allow the growing waves of travelers to enter, is simply not enough. Not if we, as an industry, wish to serve the promise and potential of the sector for upliftment of both the traveler, and the place travelled.

Case in point: China.

China, a travel market that makes even the most skeptical of industry watchers sit up straight and listen, has made an enormous contribution to outbound travel numbers. The nation has offered an invaluable booster to industry numbers, especially over the past three years where global economies have faced both economic recession and emotional depression. While many western travelers found themselves grounded (even if desperately needing a holiday to get away from endless job insecurities and dept stresses), China National Tourism Administration, China's official national tourism authority, counted outbound departures from 2010 at over 57.39 million. One nation, over 57 million outbound travelers. For China this represented year-on-year growth in outbound travel of nearly 20%, and over US\$ 48 billion in overseas spend. CNTA's predictions for 2011? 65 million outbound travellers, an increase of 33%. This is exceptional news for traditional destinations in Europe, especially Germany, France and the United Kingdom that saw a 23% increase in Chinese

travellers, as well as new-interest markets to the Chinese such as USA and Canada. Even Australia and Africa benefited with over 80% growth in Chinese visitors.

As the people of China increase in their desire, and ability, to travel, these numbers are only set to increase. Destinations across the globe are blessed with an opportunity to channel their efforts towards attracting a massive population of new travellers so anxious, excited, and able to run through their front door – seeing for themselves a whole new world.

Such temptation. Yet also such risk.

Why? Because tourism is a sector for the long run, not the short sprint. The ability to cash in on short-term opportunity may, in fact, yield a higher cost to the destination than ever anticipated. We need to ensure that, as the future opportunity of tourism unfolds, we design a sector ready to carefully, consciously, credibly and consistently honour the promise of tourism.

And so, in this particular case, the million dollar (and million tourist) question is: *are we China ready?*

- Do we have a destination engineered to welcome, host and fully satisfy the unique needs of these travelers?
- Are our visa and other visitor policies aligned to take full advantage of visitor interest?
- Is it easy to access our destination, physically (both from abroad and internally), and psychologically?
- Are we speaking their language, literally and figuratively, in our destination communication (online, in trade, etc?)
- Are we making these visitors feel at home? Is our accommodation reflective of their desired comforts when it comes to beds, washroom facilities, and the like?
- Are our attractions packaged and promoted to respond to their interests? Can we bet on their buying in?

- Are we creating destination experiences that showcase our communities and culture, creating greater understanding of who we are as a people and place – not just as a tourism product?
- Is our destination monitoring not just the economic impact of increased numbers of tourists, but also social and environmental impact?
- Are we creating initiatives that create opportunities for jobs and advancement of our people, as part of the tourism sector and success story?
- Are we developing our industry in human capability / soft infrastructure as strongly as we are with hard / physical infrastructure?
- Do the people of the destination understand, appreciate, and take pride in the value of tourism to their lives and livelihoods?
- Is our opening our doors to the world strengthening our identity as a nation?

Such basic, almost obvious questions, yet more often than not, destinations wishing to attract Chinese travellers are simply not doing enough. They are not gearing up their destination in the most obvious ways.

Why? Because in our confident quest to attract all of that world of interest, we forget to humbly, honestly, and holistically experience the destination from the perspective of the traveller. And yet the importance of reaching across the great traveler divide is so obvious when one thinks about it: if so dearly wanting to go to visit the Terracotta Warriors in Xian, but only able to find travel websites in Chinese, are you still going to make the trip? Can you? Or is it easier to just go somewhere else?

One example, a world of relevance.

INVESTING IN THE VISION

For the tourism sector to have such a confident, convincing vision of the future is an immense blessing. Particularly in these times of enduring risk of economic troubles. With *Tourism Towards 2030* now published as a promise for future, tourism-based opportunity and prosperity, as stated by the Secretary General of the UNWTO,: *" the next twenty years will be of continued growth for the sector. They can also be years of leadership: tourism leading economic growth, social progress and environmental sustainability."*

In these times of ongoing, enduring and spirit-challenging crisis, having a vision is synonymous with having hope. Visions fuel direction, determination and imagination.

They do not, however, stand alone.

For a destination to realize the future opportunity that the sector has created for it, it must actively and assertively step out, and up, to turn vision into reality. This requires clear, confident steps towards achievement of clearly defined destination goals, programmes and Brand promises.

And, importantly, it demands ownership of the future of the destination, by the destination.

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