

**TOMORROW'S TRAVELLERS: EVOLVING  
TRAVEL MAPS & MINDS TODAY**

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It has been called a transformational force, one that is unstoppable, and that will impact all aspects of the global travel and tourism experience chain and community. From the airline sector to hotels, not to mention destinations and attractions, leaders are relooking at their business plans, management teams, operations, core offerings and even brands to examine how they will survive this unquestionably overwhelming change that is about to hit the industry, if it has not already. Across the globe, nervousness is being felt regarding the consequences of this force on businesses and bottom lines. Futurists are doing their best to guide understanding of what is ahead. Still, concerns are real - is it possible to see success when the industry is just getting to grips with what is about to happen?

Uniquely, like never experienced before, heads of tourism businesses, government tourism offices, and even NGOs, are feeling equally nervous, equally daunted by the future, and equally...old!

It is happening. They are coming, en mass, millions strong. And they are changing the tourism world as we know it. They are: the *Millennials!*

### THE NEXT GENERATION OF TRAVEL

In today's age of travel, global tourism continues to reshape the geographic and mental lines of our world. Looking forward to 2030, as stated by the Secretary General of the UNWTO, Dr Taleb Rifai,;

*"The next two decades will be of sustained growth for the tourism sector. International tourist arrivals are set to increase by an average 43 million a year between 2010 and 2030. By 2030, the number is anticipated to reach 1.8 billion meaning that in two decades' time, 5 million people will cross international borders for leisure, business or other purposes such as visiting friends and family every day, besides the four times as many tourists traveling domestically."*

A powerful reflection of where in the world social and economic power is on the rise, regions of travel growth tell an important story. The UNWTO projects "increases in the global market shares of Asia and the Pacific (to 30% in 2030, up from 22% in 2010), the Middle East (to 8%, from 6%) and Africa (to 7%, from 5%), and further declines in the shares of Europe (to 41%, from 51%) and the Americas (to 14%, from 16%), mostly because of the slower growth of North America, Northern Europe and Western Europe."

Numbering in the millions, new travellers, ever younger, are venturing out, passports and passions in hand. An estimated 20 percent of all international tourists, effectively nearly 200 million travelers, are, according to the UN, young people. Their value to the global tourism economy? In excess of more than \$180 billion in annual tourism revenue.

Seems straightforward enough. More tourists, more opportunity, more of the same. Not.

This is where the term 'Millennial' becomes so critical. It's not about their numbers, it is about their mindsets towards life and travel, their expectations of the travel experience, and their impact on the industry of the future.

Technically speaking, 'Millennial' is the term put on anyone, anywhere, born roughly between 1980 and 2000. With an estimated 50% of the world's population currently under the age of 25, the Millennials represent an estimated 95 million young people up to 30 years of age. In 2016, it will be 100 million strong. And by 2025, they are expected to represent over 70% of the global workforce.

Also referred to as ‘Generation Y’ and ‘Generation Next’, whatever the title, they are a generation of highly connected (personally and technologically), informed, purpose-based and relationship-valuing individuals who, having come of age during some of the most challenging economic times of the recent past (especially those entering the workforce from 2008 onwards), are unwilling to accept a default adoption of the social, economic and political systems of the generation just past.

It’s not about pensions or one’s job, it is about purpose. It’s not about living to work, it is about working to live. It’s not about 9 to 5, it’s about when works to work. It’s not about open source systems, it’s about open source philosophies. It’s not about giving an opinion, it’s about sharing opinions. And it’s not about the label of ‘generation Y’ – it is about the mindset of ‘why not?’

And when it comes to travel, it’s not about the souvenirs, it’s about the stories.

### ANTICIPATING THE IMPACT

Where Millennial studies are concerned, there are endless facts and statistics that can be called out to help the global travel & tourism industry get a sense of the direction, speed and temperature of these winds of change. From AMEX to BCG, Pew to USC, and all business and academic establishment acronyms in between, the quest to comprehend the Millennial generation, and how they will be impacting on the tourism sector of tomorrow, has become a relentless one.

Central to the shifts in thinking, and doing, being caused by this generation is what cannot and must not be overlooked: regardless of the millions of future travellers that this new segment represents, they are not to be stereotyped as one massive target market.

Consider this: shifts in demographics and economics means that Millennials will be composed of more females and reflect more cultural diversity than past generations. Not to mention they will have more freedom to play as, being a generation with a propensity for older marrying ages and fewer to no kids, they will enjoy more mobility both geographically and financially. This will require an even greater need for understanding of nuances of their needs and wants, from style and security or satisfying specific senses.

But it’s not just about who they are. How they look at the world will directly impact how they want to travel.

As uncovered by Forbes in a recent study, two in three are self-described social networkers, with two in five (39%) stating that their social network includes a person or persons from Asia. Almost half have someone from Europe, 35% from Latin America. A strong 77% state they value living a life that “makes a difference for other people in the world”, with two in three deeming it important to “work for an entity or yourself and have the opportunity to volunteer to a cause you believe in”. With their social networks, global ‘friends’ and alone together social space lifestyles, while they may be rootless in geography, they are deeply rooted in beliefs, living their lives in real time, full of real experiences, making a real impact.

When it comes to travel, the shifts must be carefully watched. A recent study by BCG warns about ignoring the impact, and opportunity, of millennial travellers. As stated in their 2013 look at millennial travellers, *“Although members of the Millennial generation are not yet the core customers of airlines, hotels and travel companies, they will be in five to ten years, when they enter their peak earning, spending, and travelling years. In fact, their spending on business flights is projected to*

*grow sharply in the next several years, reaching nearly 50% by 2020. By comparison, as the Baby Boomers age, their spending will likely drop by 16% (on business flights)."*

The global reach of Millennials also exceeds that of previous generations, both in interest and ability. BCG's report reveals *"more Millennials than non-Millennials report a desire to visit every continent (70% vs 48%)."*

Importantly, as much as the Millennial generation is uber-connected, hands on and DIY when it comes to travel decision making and booking, do it yourself does not mean do it cheap. Comfort, convenience and connectivity matter, and are justified as a worthwhile personal investment when travelling. As long as the experience meets their personal needs, click to purchase now!

### **BUILDING FUTURE BUSINESS BY DESIGN**

While an entire industry has been created out of understanding Millennials, and countless studies have been conducted in business, academic institutions and laboratories across the world, there are no easy outs to 'getting them' in a way that gets them into hotel rooms and airline seats. There are no millennial 'quick fixes'.

Whatever stats, facts, trends and truisms may be out there, they, like all generations of travellers, dream of what is out there, and rely on the global travel and tourism industry to help them discover it.

The bottom line when it comes to protecting the bottom line is this: there are no set molds that can be reverse engineered into offerings whether at ground level or 25,000ft up in the air. Innovation and investment into the Millennial market - making the changes necessary to room or seat designs, reservation systems, social spaces and service standards, means respecting the millions of Millennials making their way onto airplanes, into hotel rooms, and online to websites and sharing platforms – it requires getting to know them as individuals, millions and millions of individuals.

To define the 'need to know' of Millennials in one article, one study, one manual, would be disingenuous. Like all generations, Millennials are in a constant state of evolution. Requirements of travel search and book processes, sharing platforms, transport systems, social spots and private spaces will naturally evolve.

What is important is for the industry to stay in touch with how this generation of travellers wishes to be touched by their travel experience, whether for business or leisure – being sensitive to the 'need to keep knowing'.

They are the Millennials, and they are our industry's greatest future blessing.

**- ENDS -**