



Tourism Trends and Outlook

9th UNWTO/PATA Forum
Tourism and the experience economy

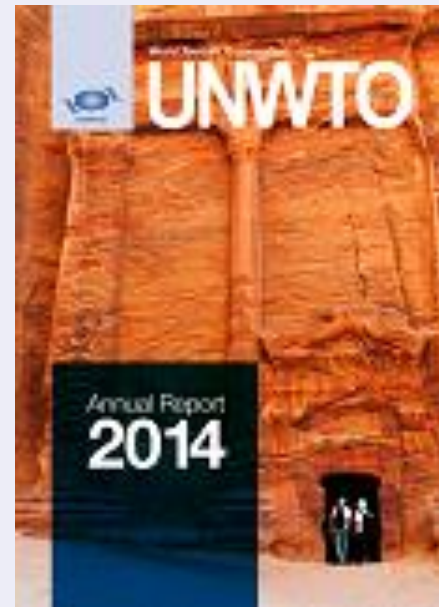
Guilin, China
19-21 October 2015

John G.C. Kester
Director Tourism Market Trends Programme



The World Tourism Organization (UNWTO)

- a specialized agency of the United Nations (UN) and the leading international organization in the field of tourism. It serves as a global forum for tourism policy issues and a practical source of tourism know-how
- plays a central and decisive role in promoting the development of responsible, sustainable and universally accessible tourism, paying particular attention to the interests of developing countries
- intergovernmental organization with membership includes 163 countries and territories and over 450 Affiliate Members representing the private sector, educational institutions, tourism associations and local tourism authorities
- encourages the implementation of the Global Code of Ethics for Tourism, with a view to ensuring that member countries, tourist destinations and businesses maximize the positive economic, social and cultural effects of tourism and fully reap its benefits, while minimizing its negative social and environmental impacts
- committed to the United Nations Millennium Development Goals, geared toward reducing poverty and fostering sustainable development





Overview

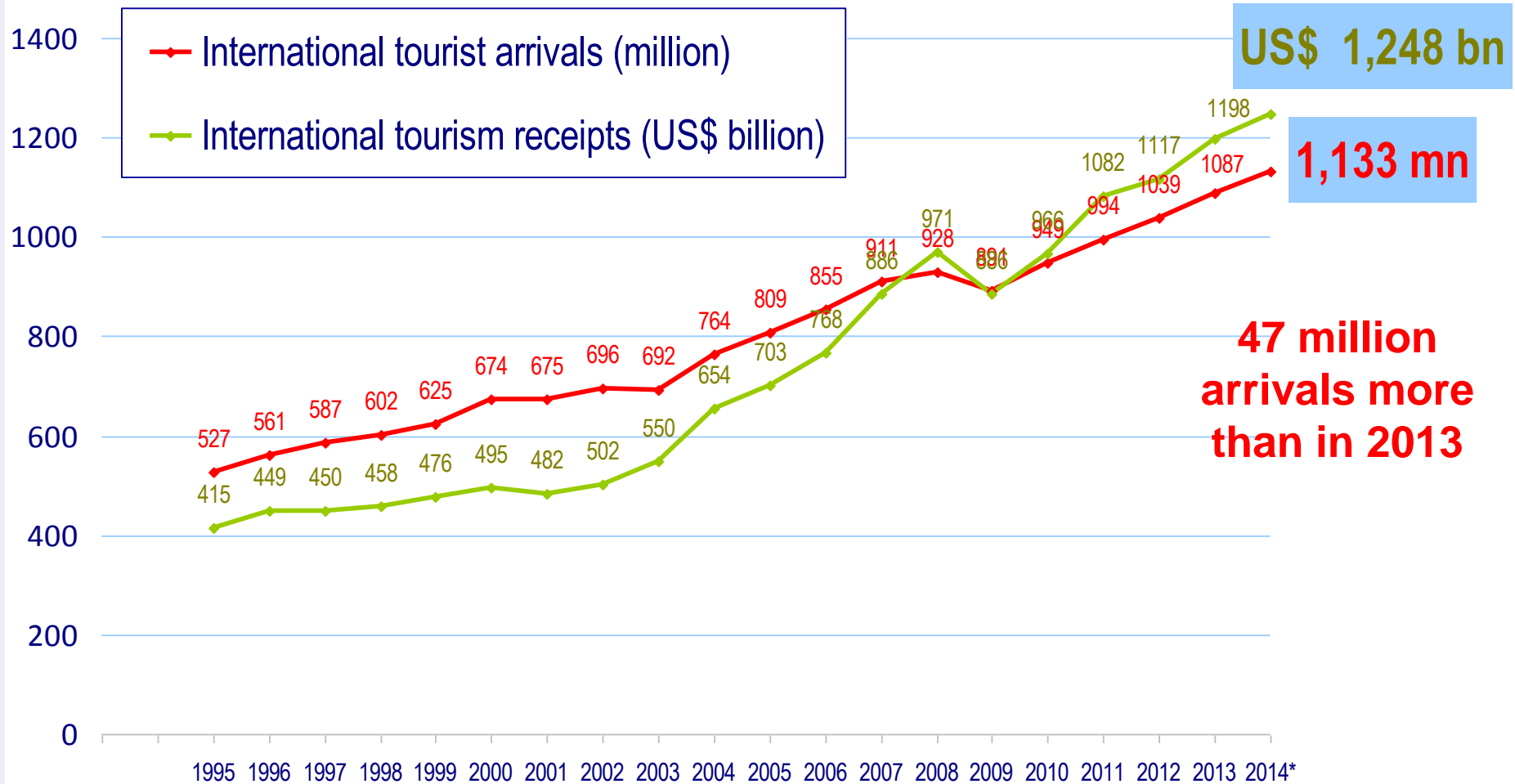
- Tourism development worldwide
- Short-term trends in international tourism:
UNWTO World Tourism Barometer
- Tourism and the experience economy
- What's more...



**Tourism
development
worldwide**

Inbound tourism in the world

International tourist arrivals and receipts, 1995-2014*



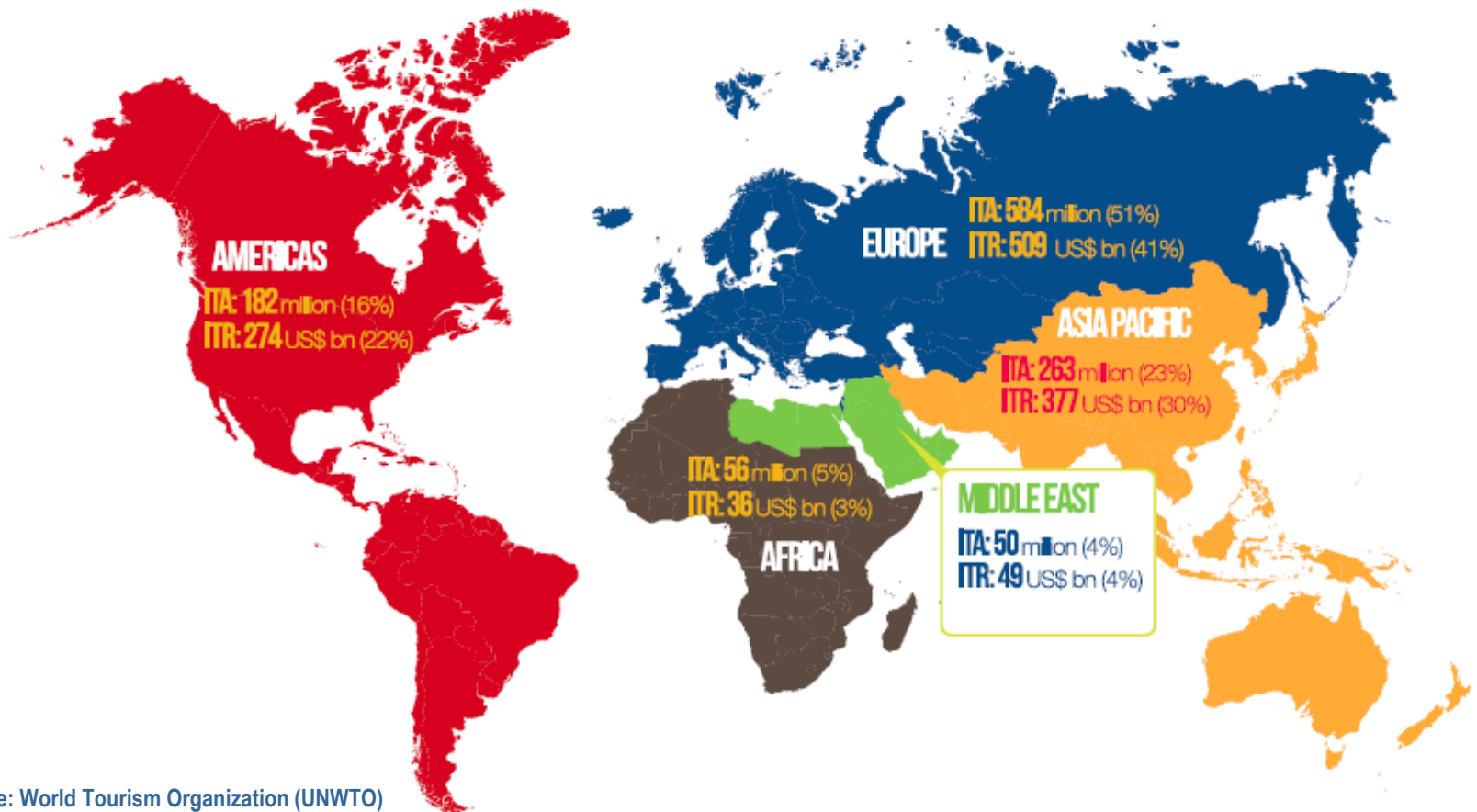
International tourist arrivals and tourism receipts



INTERNATIONAL TOURISM 2014

International tourist arrivals (ITA): 1135 million

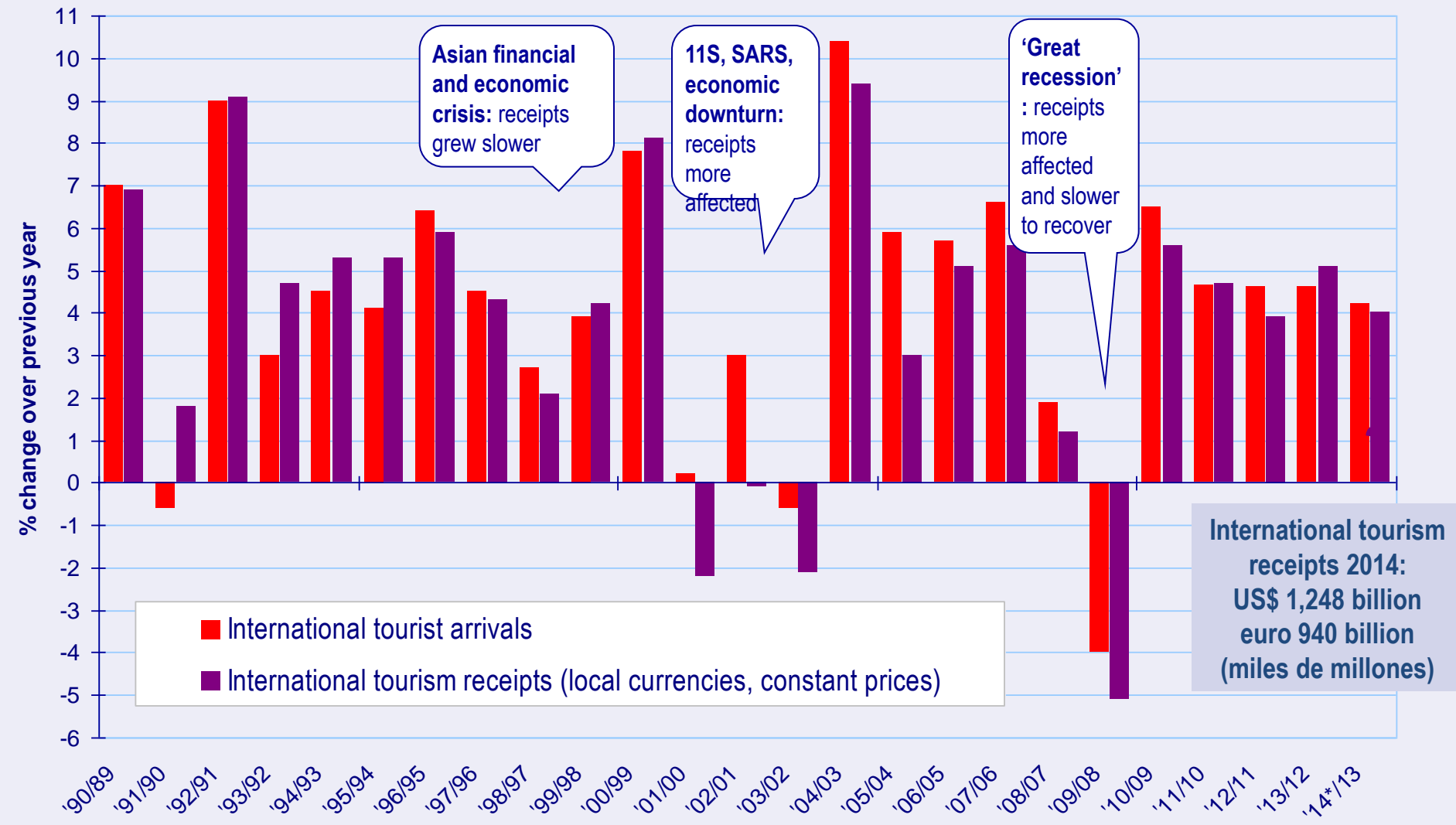
International tourism receipts (ITR): US\$ 1245 billion



Source: World Tourism Organization (UNWTO)

International Tourism Arrivals and Receipts, World

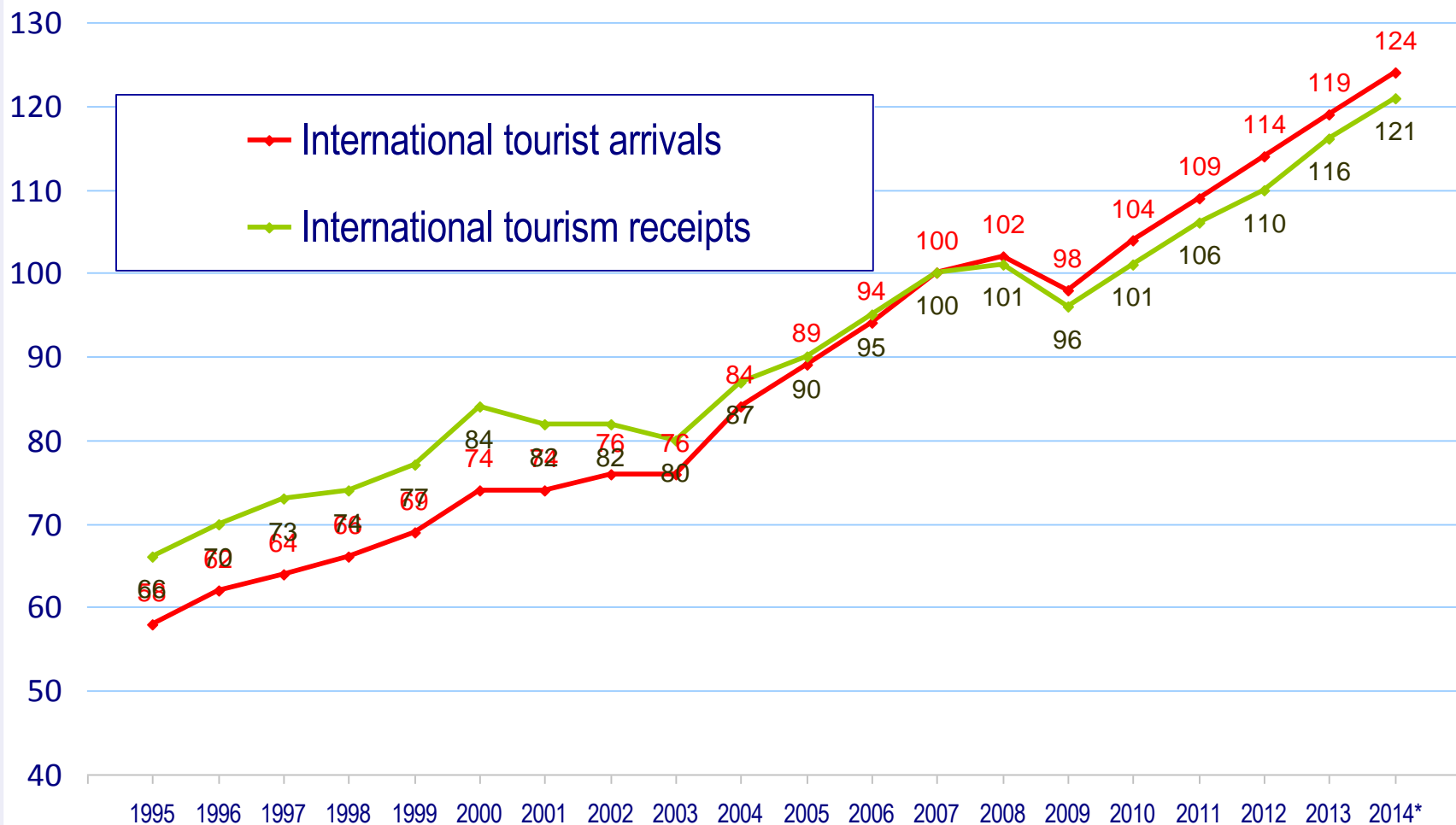
growth in receipts follows growth in arrivals closely



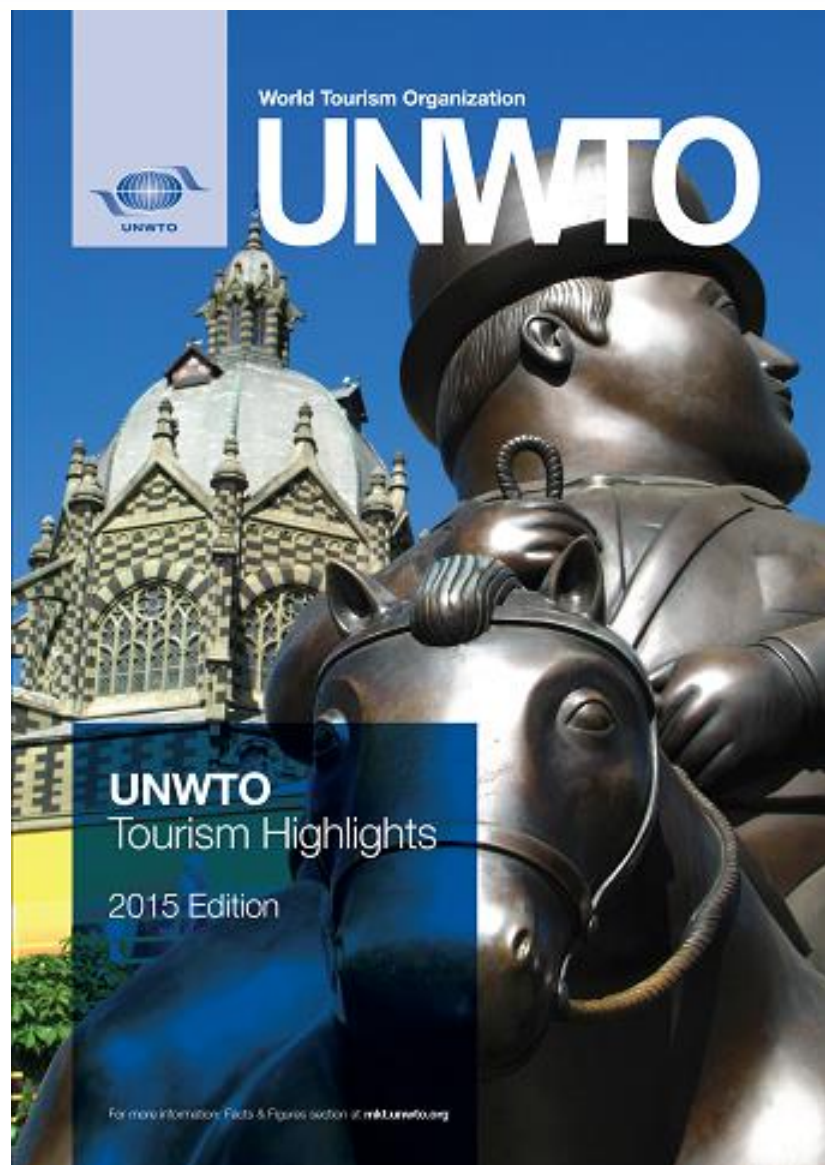
Source: World Tourism Organization (UNWTO)

Inbound tourism: World

International tourism, 1995-2014* (index, 2007=100)



Main achievements



<http://mkt.unwto.org/highlights>

Results 2014

International tourist arrivals
1133 million
+4.3%

International tourism receipts
(BOP Travel)
US\$ 1245 billion (euro 937 bn)
+3.7% (real terms)
+

International passenger transport
(BOP Transport, passenger)
US\$ 221 billion (euro 161 bn)

www.unwto.org/facts

UNWTO - a Specialized Agency of the United Nations



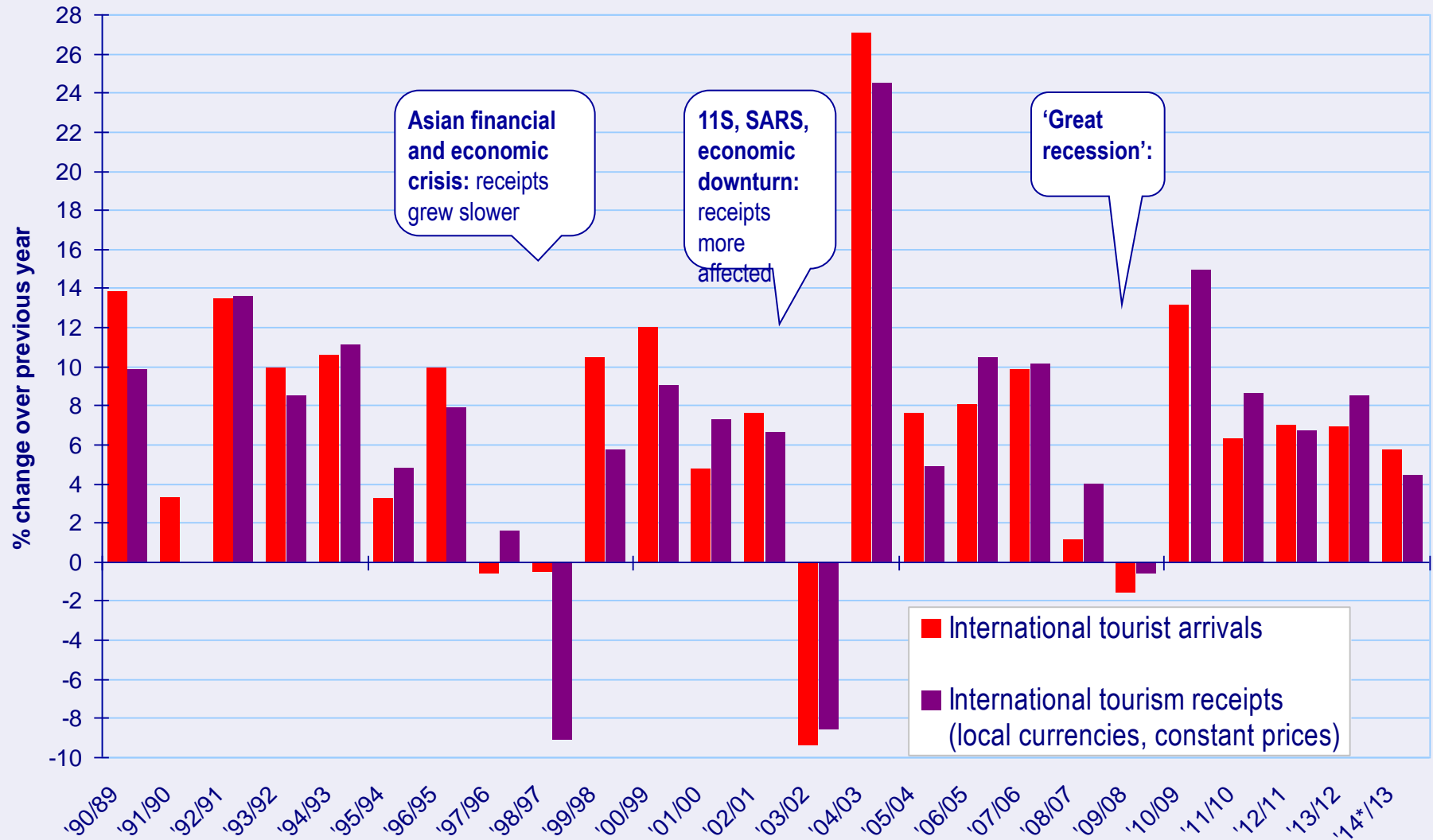
Inbound tourism in Asia and the Pacific

International tourist arrivals and receipts, 1995-2014*



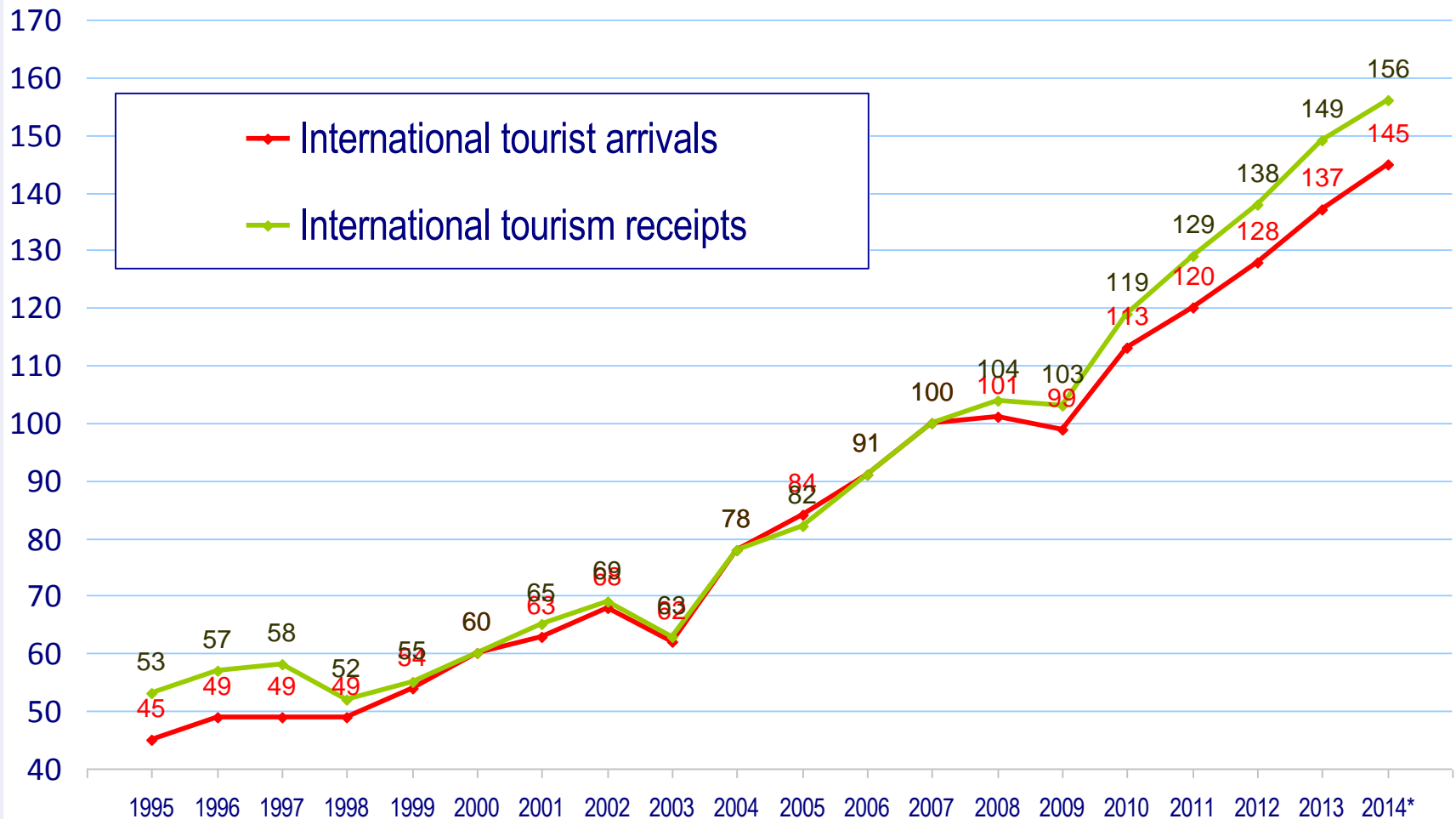
International Tourism Arrivals and Receipts Asia and the Pacific

growth in receipts follows growth in arrivals closely



Inbound tourism: Asia and the Pacific

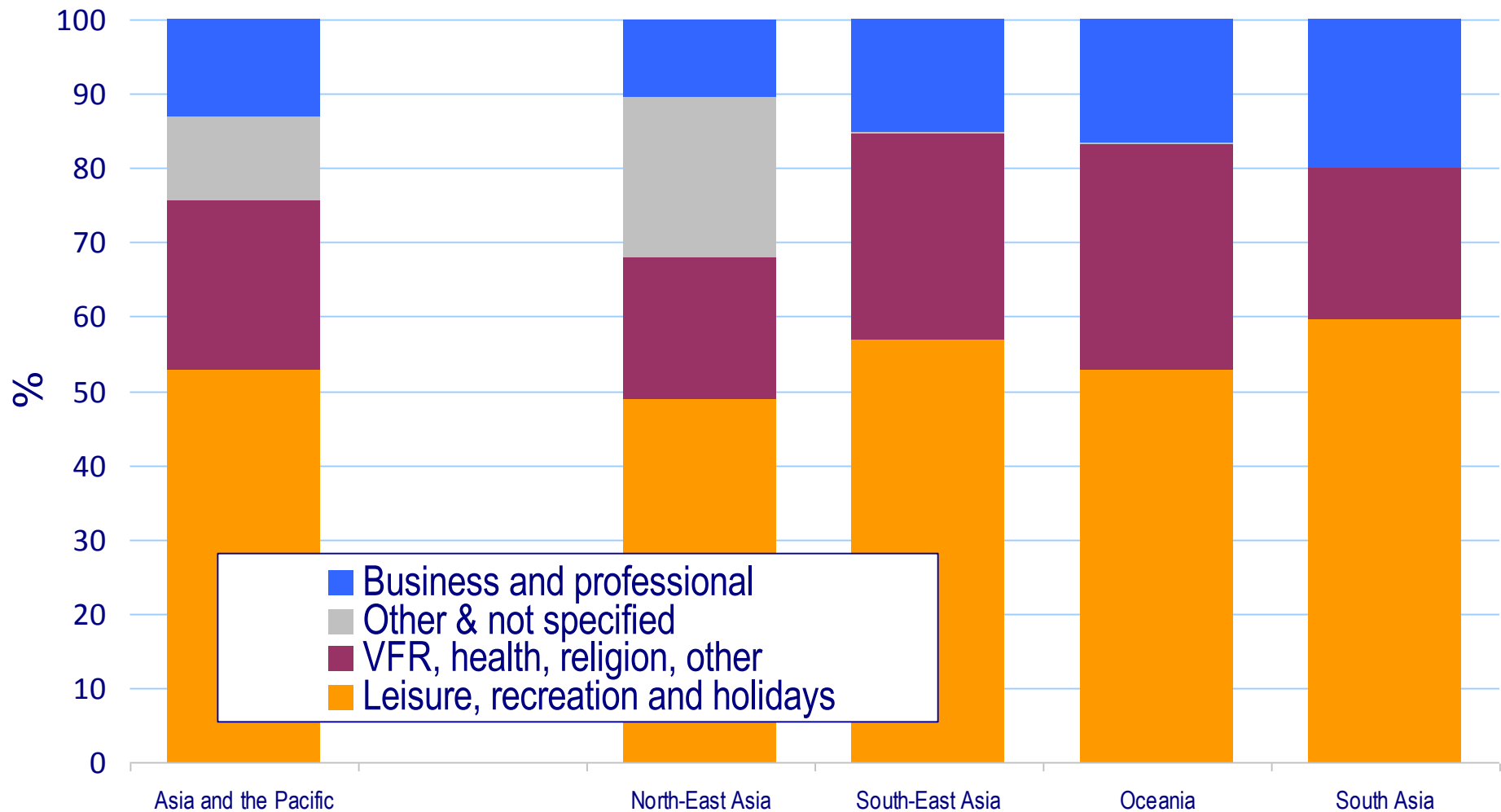
International tourism, 1995-2014* (index, 2007=100)



Inbound tourism in Asia and the Pacific

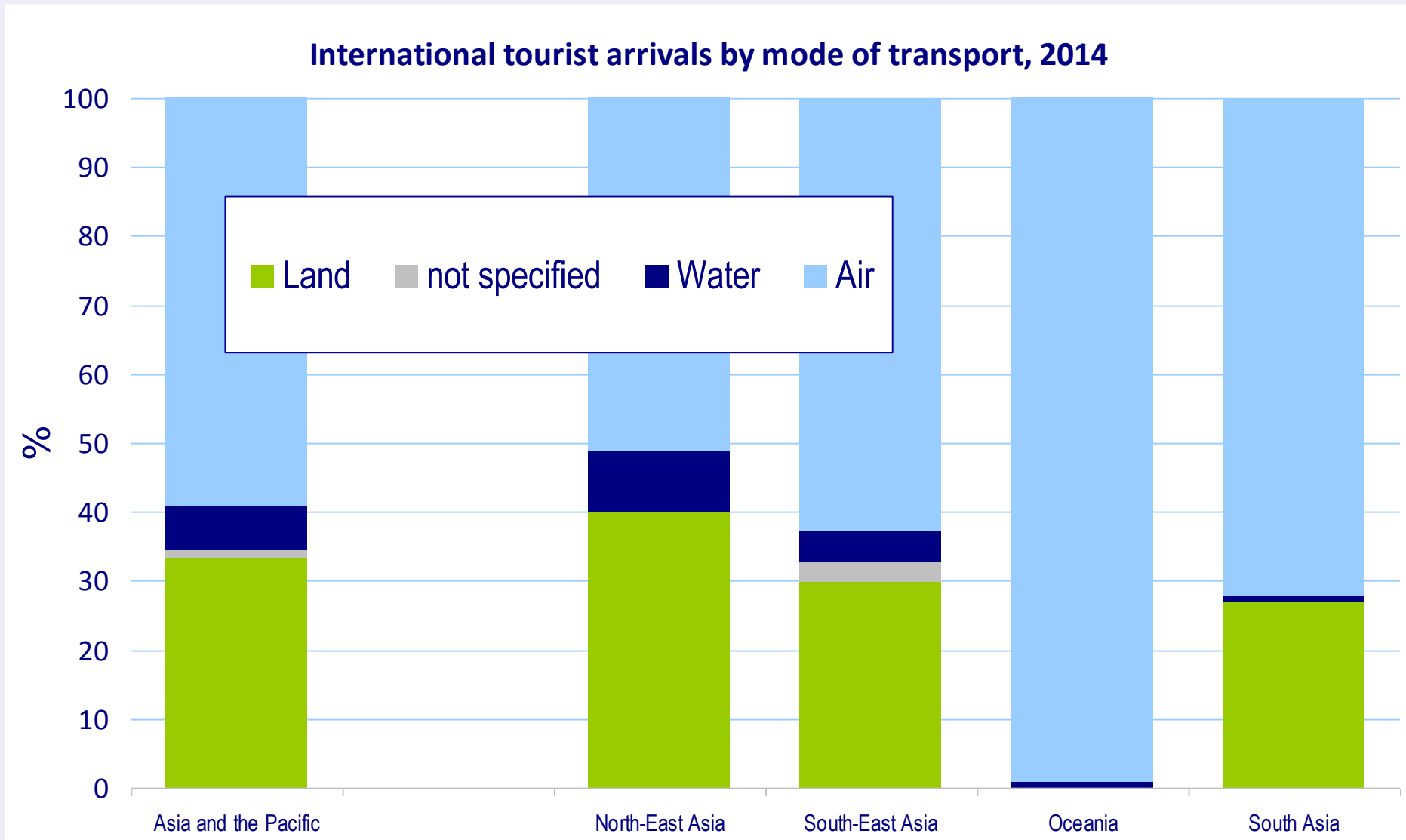
Purpose of visit

International tourist arrivals by purpose of visit, 2014



Inbound tourism in Asia and the Pacific

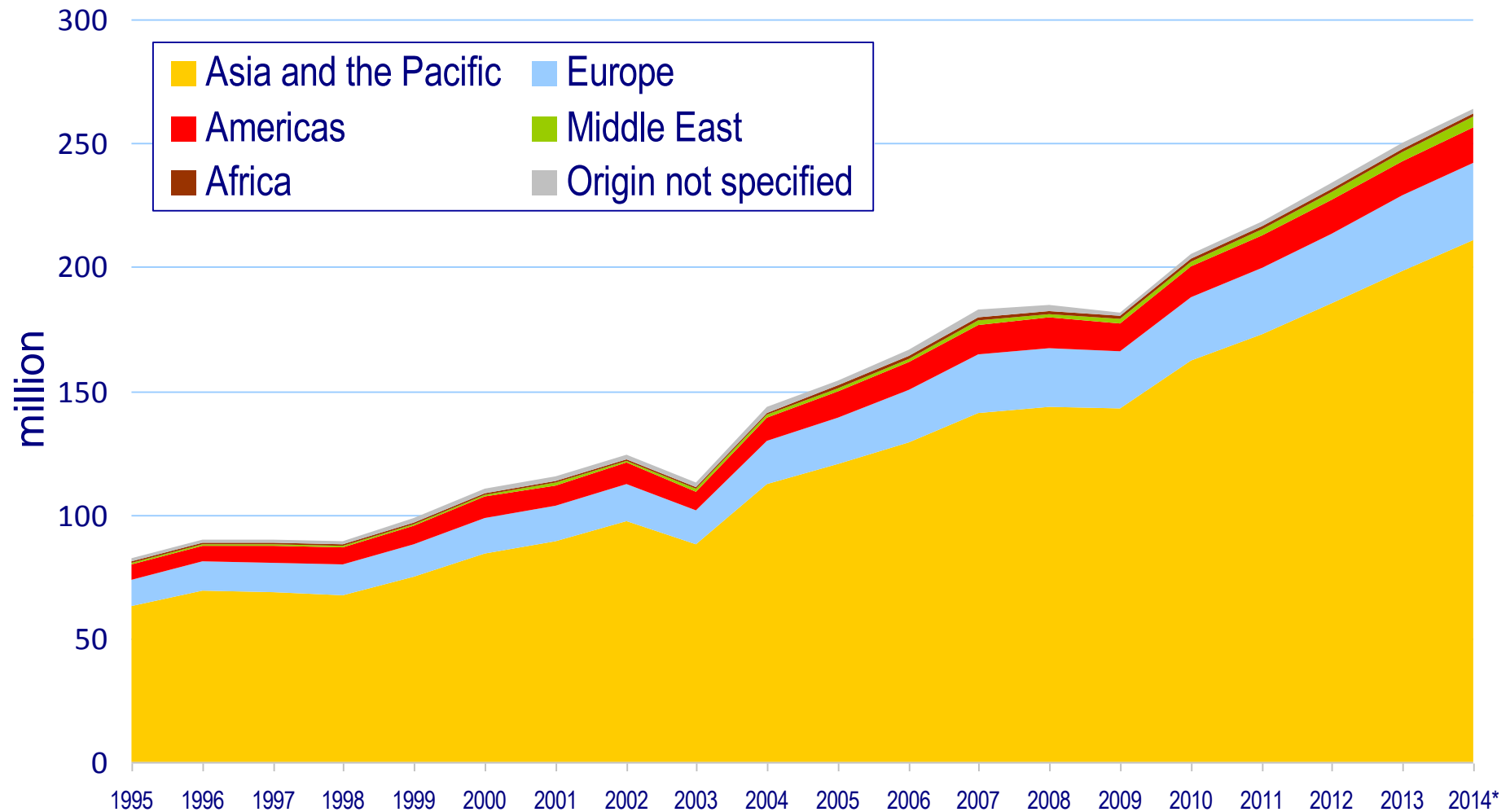
Mode of transport



Inbound tourism in Asia and the Pacific

Region of origin

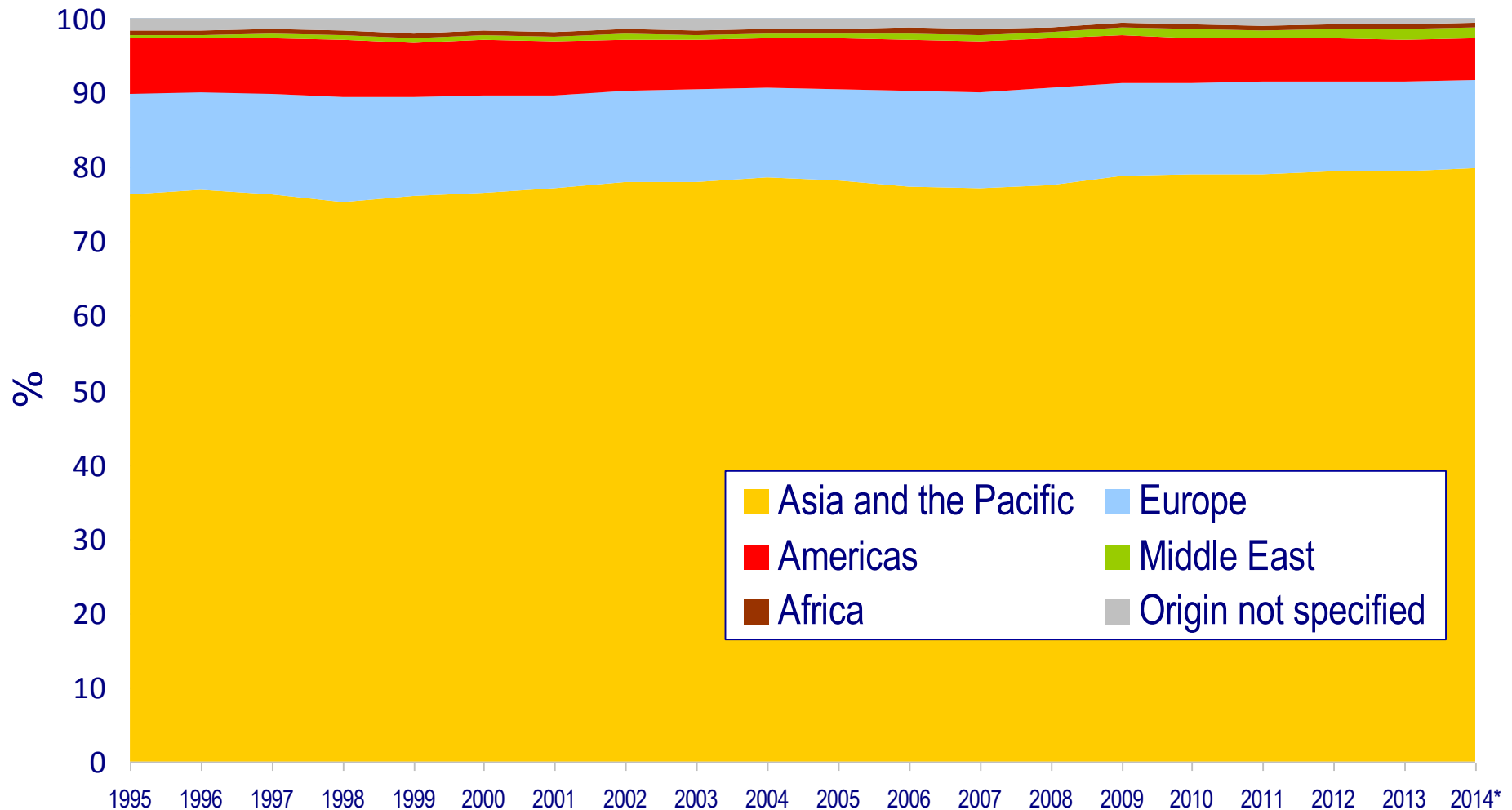
International tourist arrivals by region of origin, 1995-2014*



Inbound tourism in Asia and the Pacific

Region of origin

International tourist arrivals by region of origin, 1995-2014*



Inbound tourism in Asia and the Pacific

Top destinations



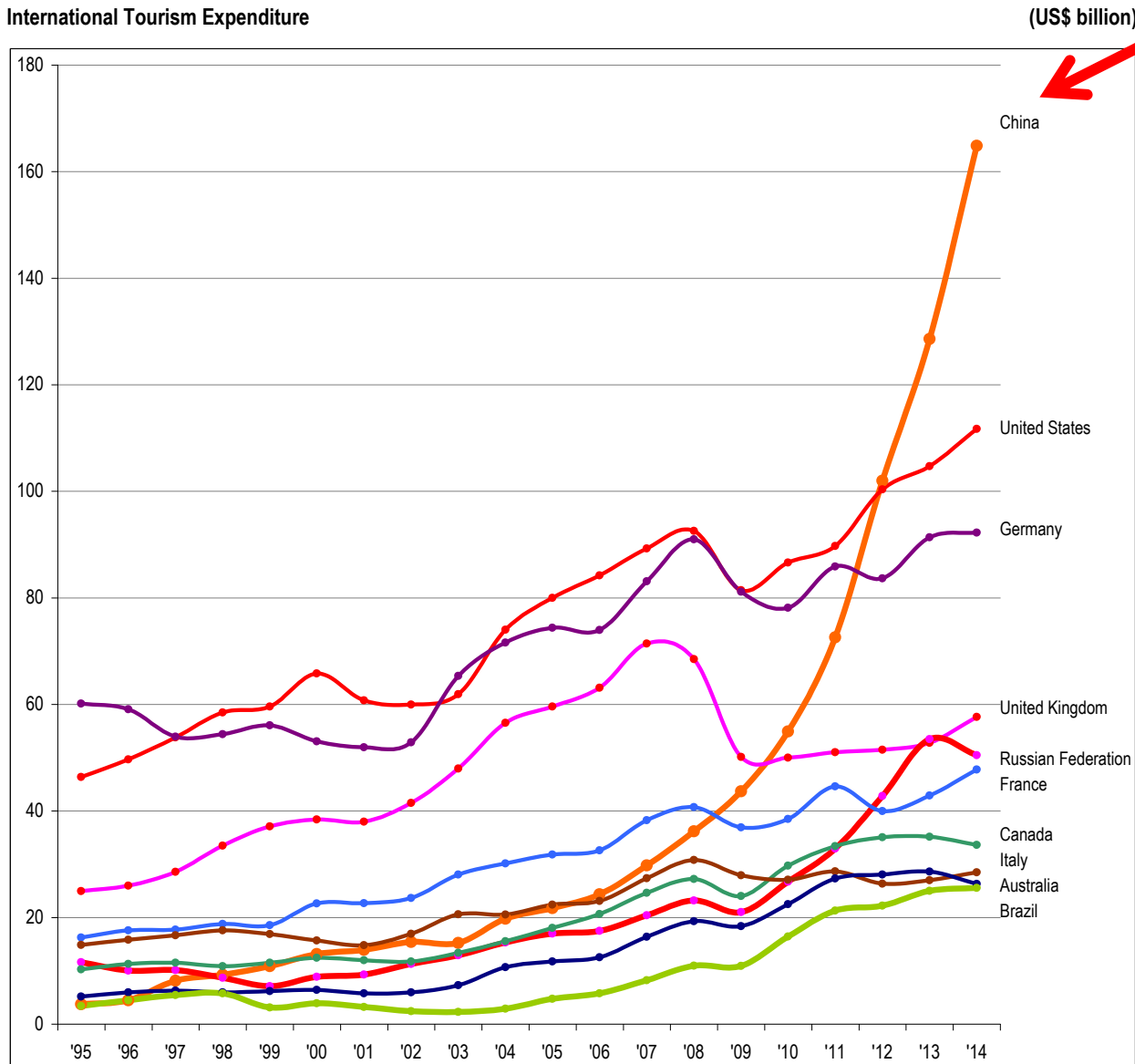




**Outbound
markets**

China became number 1 outbound market in 2012 and strong growth continues

World and regions: Outbound Tourism
International Tourism Expenditure



Source: World Tourism Organization (UNWTO) ©



The Chinese Outbound Travel Market

2012 Update



Understanding Chinese Outbound Tourism

What the Chinese blogosphere is saying about Europe



Outbound tourism in Asia and the Pacific

Top outbound markets



High potential outbound markets

International Tourism Expenditure: increase 2007-2014*

(US\$ billion)

International Tourism Expenditure:
between 2007 and 2014 total up by US\$ 362 bn (euro 293 billion), from US\$ 883 bn (euro 644 bn) in 2007 to 1,245 billion (euro 937 bn) in 2014 (current terms) in spite of crisis
Average annual growth rate in real terms +2.7% a year





UNWTO World Tourism Barometer

Volume 13 • August 2015

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This issue of the *UNWTO World Tourism Barometer* and its accompanying Statistical Annex include an analysis of results for international tourism for the first half of 2015 based on arrivals and receipts data reported by destinations around the world, as well as international tourism expenditure data for source markets around the world. Furthermore, this issue includes data on hotel performance, the meetings industry and air transport bookings from business intelligence tool Forwardkeys.

This release is available only in electronic format. The full document can be downloaded free of charge for members and subscribed institutions through the UNWTO elibrary at www.e-unwto.org/toc/wtobarometereng/current. The release is available in English only, while the Statistical Annex is provided in four languages through the UNWTO elibrary at:
English version: www.e-unwto.org/content/w83v37
French version: www.e-unwto.org/content/t73863
Spanish version: www.e-unwto.org/content/rn1422
Russian version: www.e-unwto.org/content/f62835

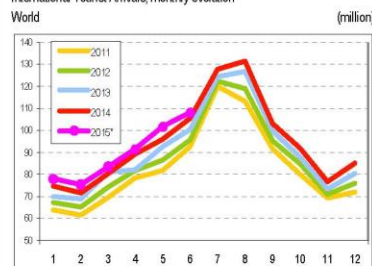
21 million more international tourists in the first half of 2015

The number of international arrivals of overnight visitors (tourists) grew by 4% in the first half of 2015 according to the data analysed in this issue of the *UNWTO World Tourism Barometer*. Destinations worldwide received some 538 million international tourists between January and June 2015, an increase of 21 million compared to the same period of 2014.

Europe, Asia and the Pacific and the Middle East all recorded 5% growth in international arrivals and the Americas 4%. Limited data available for Africa points to an estimated 6% decrease in the number of international tourists in the region. At the subregional level, the Caribbean and Oceania (both +7%) were the best performers, together with Central and Eastern Europe and Central America (both +6%).

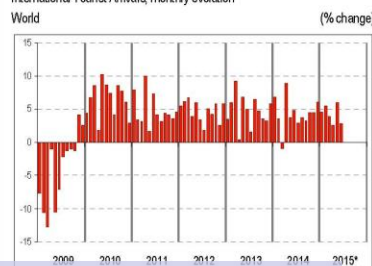
In spite of this overall growth, results by destination are rather mixed. Safety and security remain a global concern while the economic scenario is comparatively more volatile with the recovery of advanced economies contrasting with the slowdown of emerging economies. Tourism demand has also been impacted by lower oil prices and currency fluctuations.

International Tourist Arrivals, monthly evolution



Source: World Tourism Organization (UNWTO) ©

International Tourist Arrivals, monthly evolution



Source: World Tourism Organization (UNWTO) ©

These results show that, despite increased volatility, tourism continues to consolidate the positive performance it has achieved over the last five years and to provide development and economic opportunities worldwide", said UNWTO Secretary-General, Taleb Rifai. "As UNWTO prepares to meet in Medellín, Colombia, for its 21st General Assembly, this is the appropriate moment to call for a stronger support to tourism as the sector has the potential to deliver on some of the most pressing challenges of our time, namely job creation, economic growth and social inclusion", he added.



UNWTO World Tourism Barometer

Volume 13 • August 2015 – Statistical Annex

Statistical Annex

The following pages contain detailed tables on tourism related indicators such as international tourist arrivals, international tourism receipts and expenditure collected by UNWTO from national institutions, as well as data on air transport and the UNWTO Panel of Experts.

Tables reflect yearly data and monthly or quarterly data currently available. Most data is preliminary and may be subject to revision. See the boxes for further information on the data.

The tables on the following pages are not included in the free extract of the *UNWTO World Tourism Barometer*. The full document is available in electronic format for sale and free for UNWTO members and subscribed institutions through the UNWTO elibrary at:

English version: www.e-unwto.org/content/w83v37

French version: www.e-unwto.org/content/t73863

Spanish version: www.e-unwto.org/content/rn1422

Russian version: www.e-unwto.org/content/f62835

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Explanation of abbreviations and signs used

- * = provisional figure or data
- .. = figure or data not (yet) available
- mn = million (1,000,000)
- bn = billion (1,000,000,000) [note in Spanish 'miles de millones']
- tn = trillion (1,000,000,000,000) [note in Spanish 'billones']
- Δ = change of series
- n/a = not applicable

- Q1: January, February, March
- Q2: April, May, June
- Q3: July, August, September
- Q4: October, November, December
- H1: From January to June
- H2: From July to December
- T1: From January to April
- T2: From May to August
- T3: From September to December

YTD: Year to date, variation of months with data available compared with the same period of the previous year. The (sub)regional totals are approximations for the whole (sub)region based on trends for the countries with data available.

Series International Tourist Arrivals

- TF: International tourist arrivals at frontiers (excluding same-day visitors);
- VF: International visitor arrivals at frontiers (tourists and same-day visitors);
- THS: International tourist arrivals at hotels and similar establishments;
- TCE: International tourist arrivals at collective tourism establishments;
- NHS: Nights of international tourists in hotels and similar establishments;
- NCE: Nights of international tourists in collective tourism establishments.

Series International Tourism Receipts and Expenditure

All percentages are derived from non-seasonally adjusted series in local currencies, unless otherwise indicated: \$: US\$; €: euro; sa: seasonally adjusted series.

For main concepts, definitions and classifications for the measurement of tourism, please see the International Recommendations for Tourism Statistics 2008 (IRTS 2008) at statistics.unwto.org/content/irts-2008.

The UNWTO World Tourism Barometer is developed as a service for UNWTO Members and published six times a year in English, French, Spanish and Russian. Member States, Associate and Affiliate Members receive copies of the Barometer as part of our Member services.



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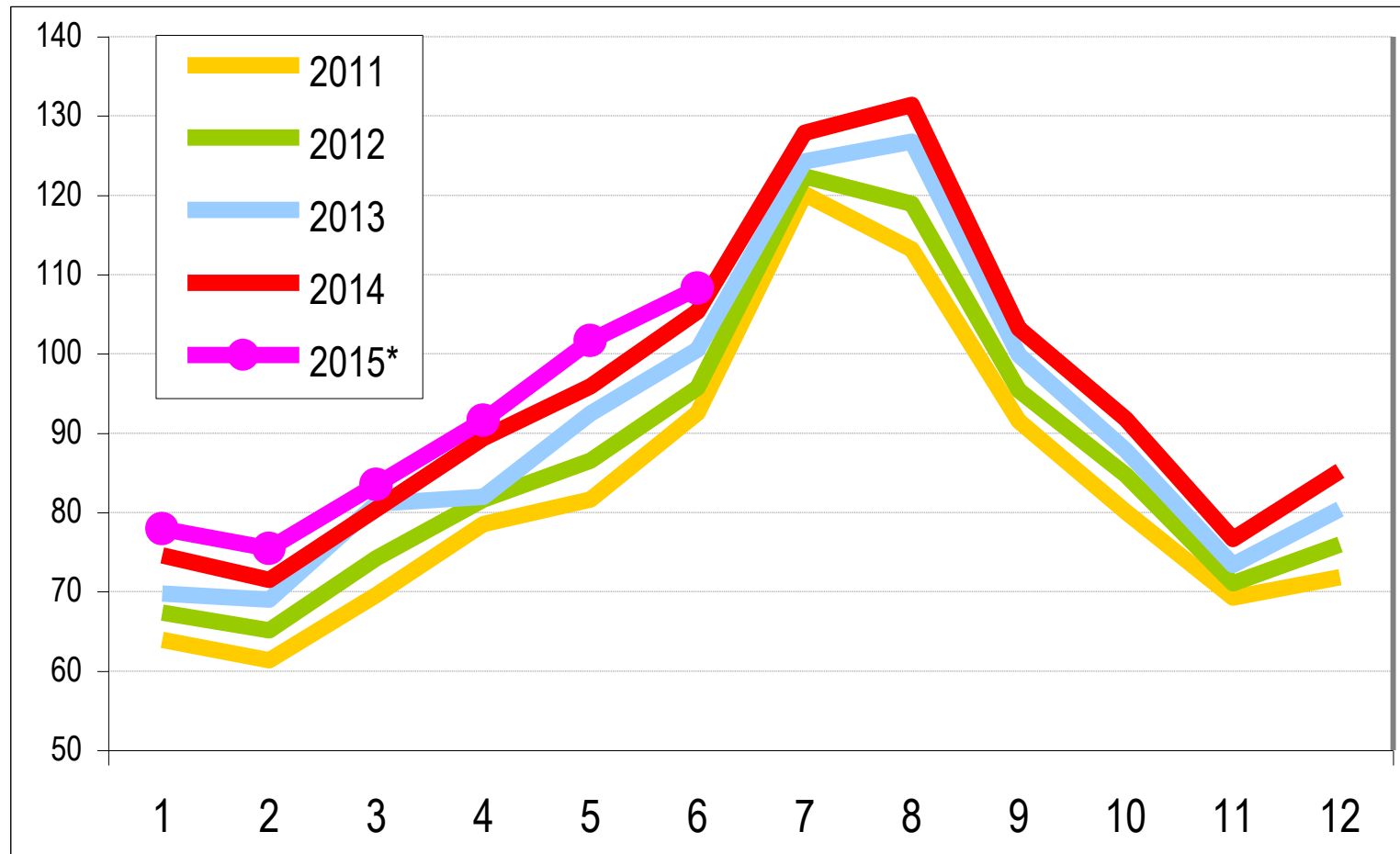
www.unwto.org/pub

538 million intl tourist arrivals through June, 21 million more than in the same period of 2014

International Tourist Arrivals, monthly evolution

World

(million)



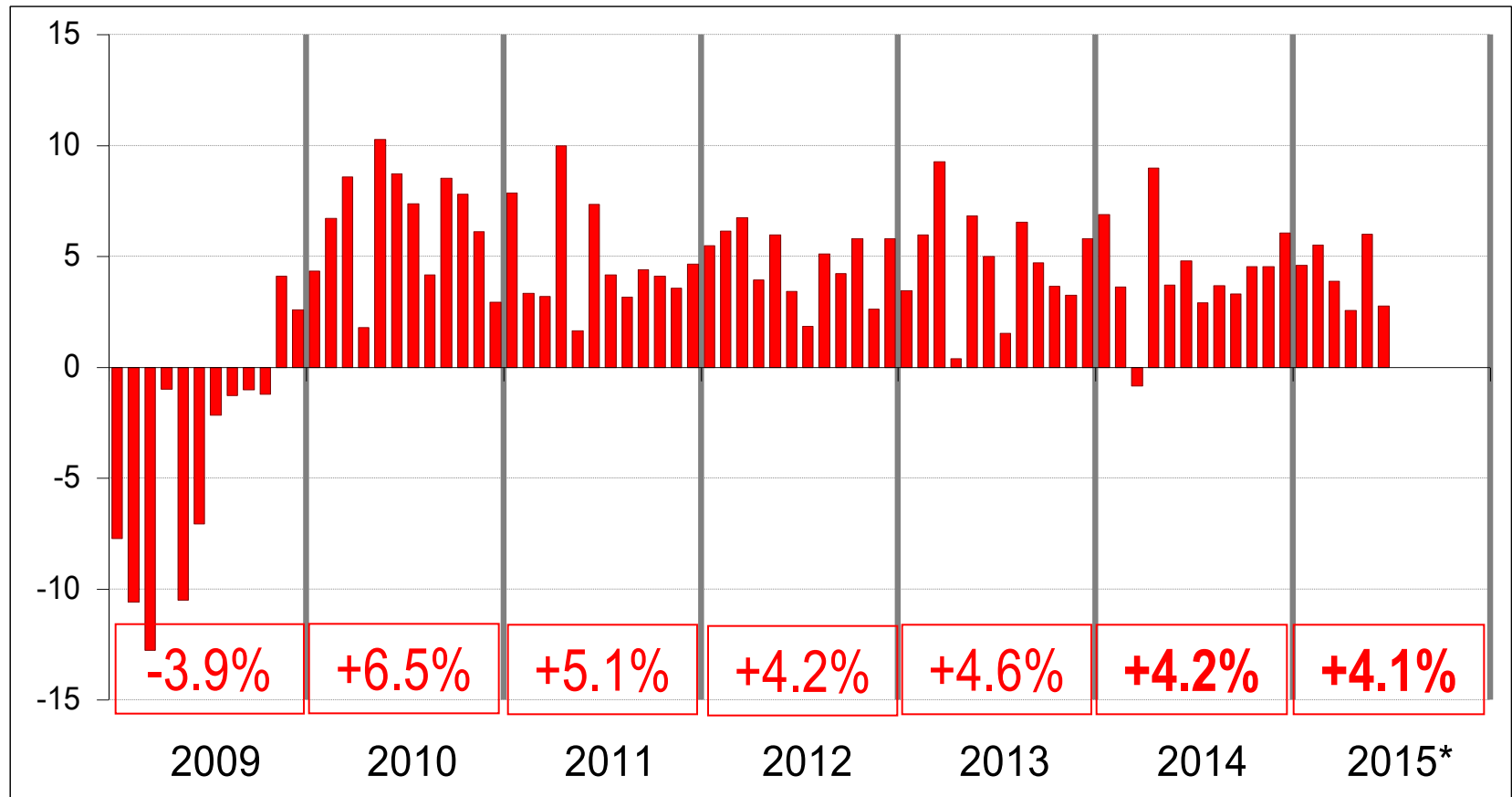
Source: World Tourism Organization (UNWTO) ©

International tourism maintains strength

International Tourist Arrivals, monthly evolution

World

(% change)

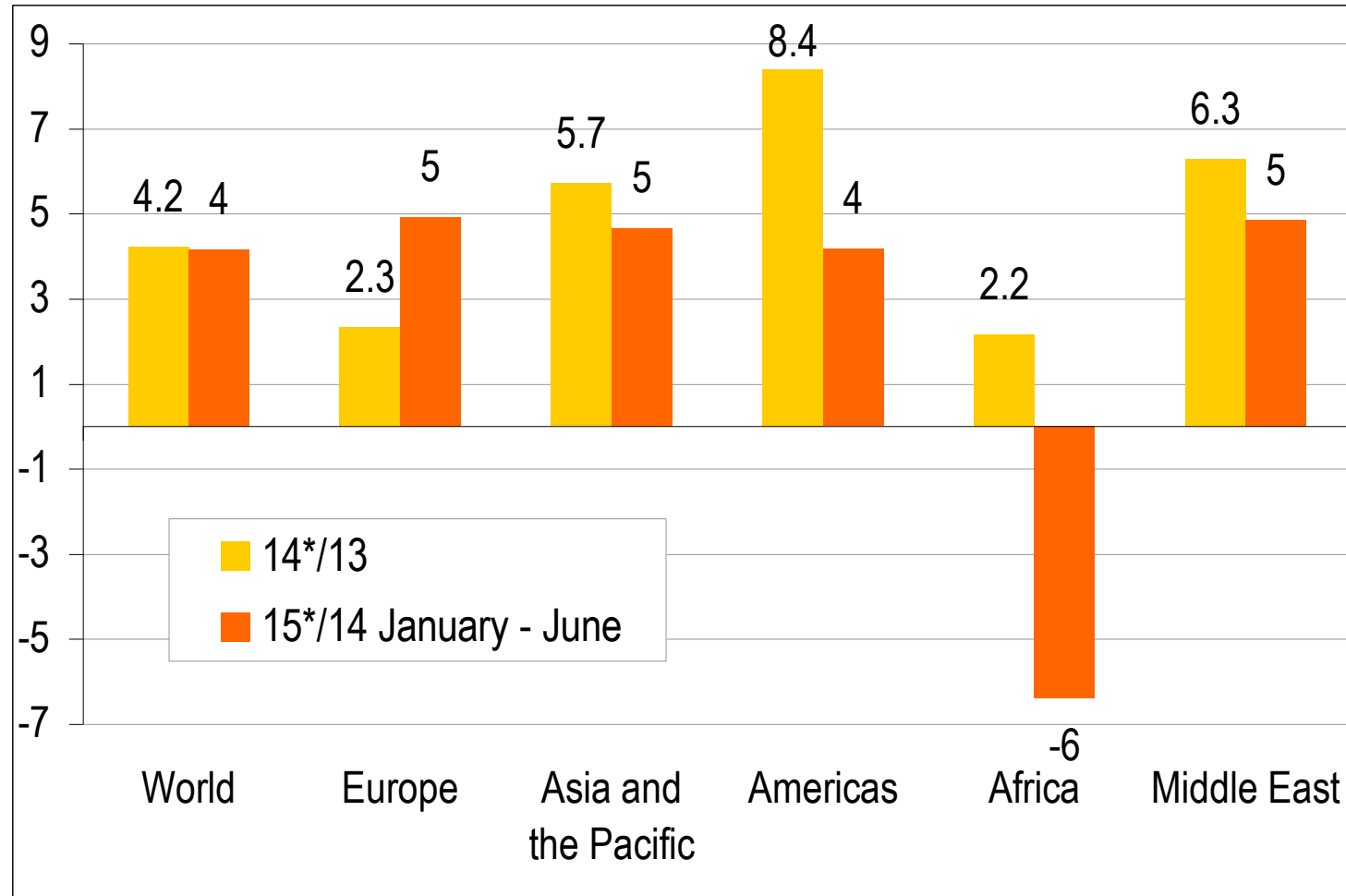


Source: World Tourism Organization (UNWTO) ©

2014 and 2015 by region

International Tourist Arrivals

(% change)

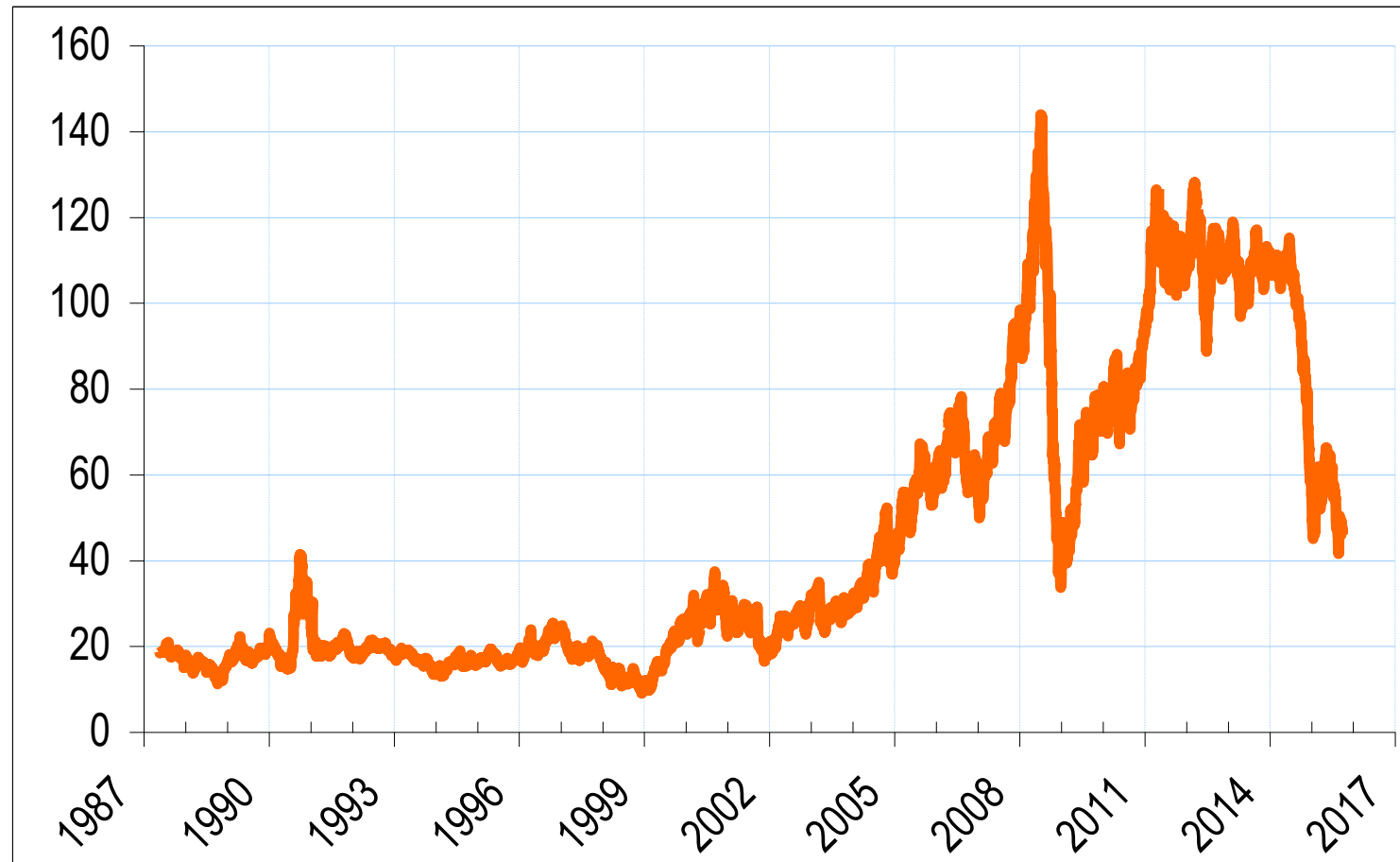


Source: World Tourism Organization (UNWTO) ©

2015: Cheaper oil

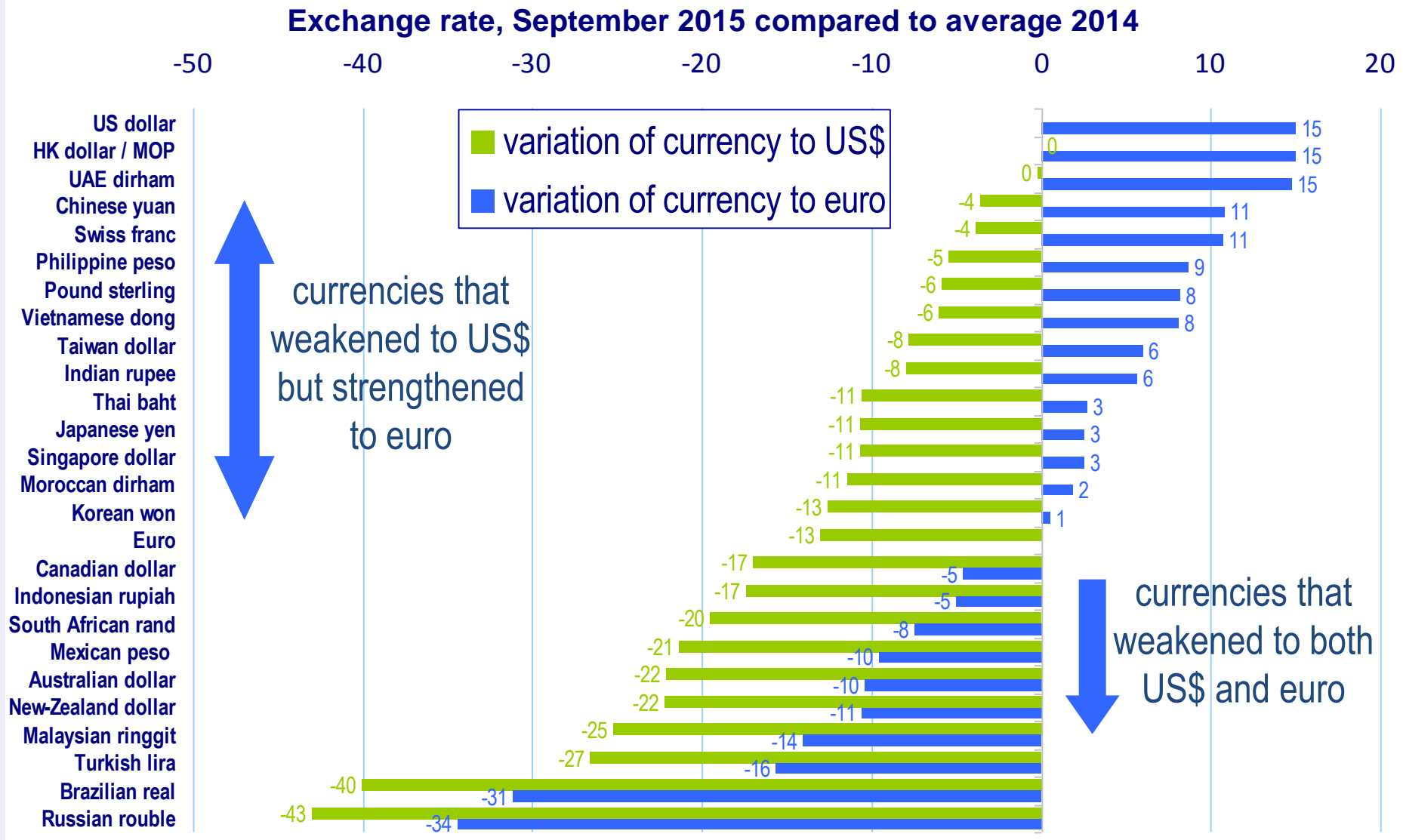
Crude Oil Spot Price Brent (daily)

(US\$ per barrel)



Source: US Department of Energy, Energy Information Administration

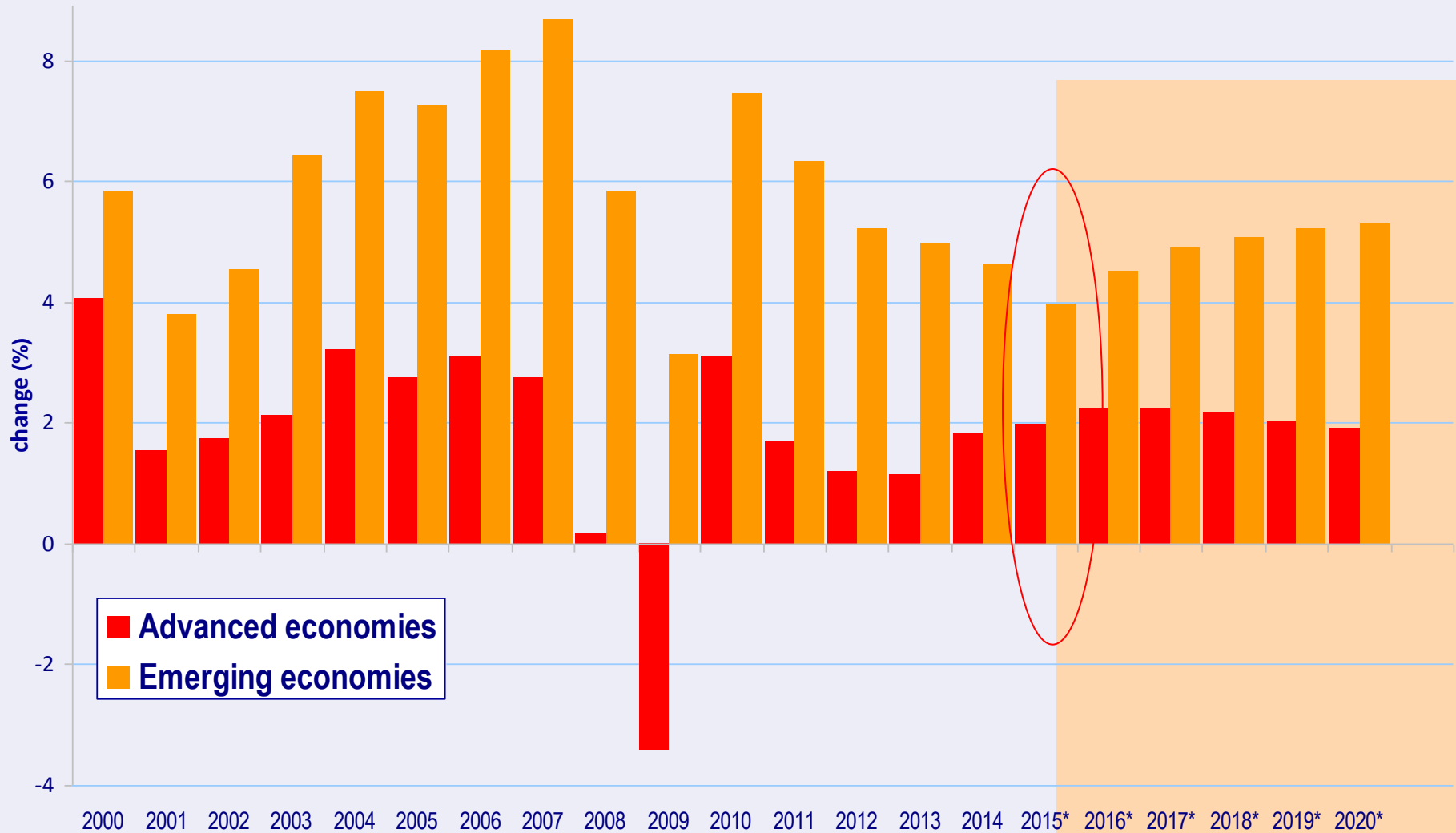
2015: Exchange rate fluctuations



IMF: Adjusting to Lower Commodity Prices

Complex forces weigh on global growth

Economic growth projections by the International Monetary Fund (IMF)

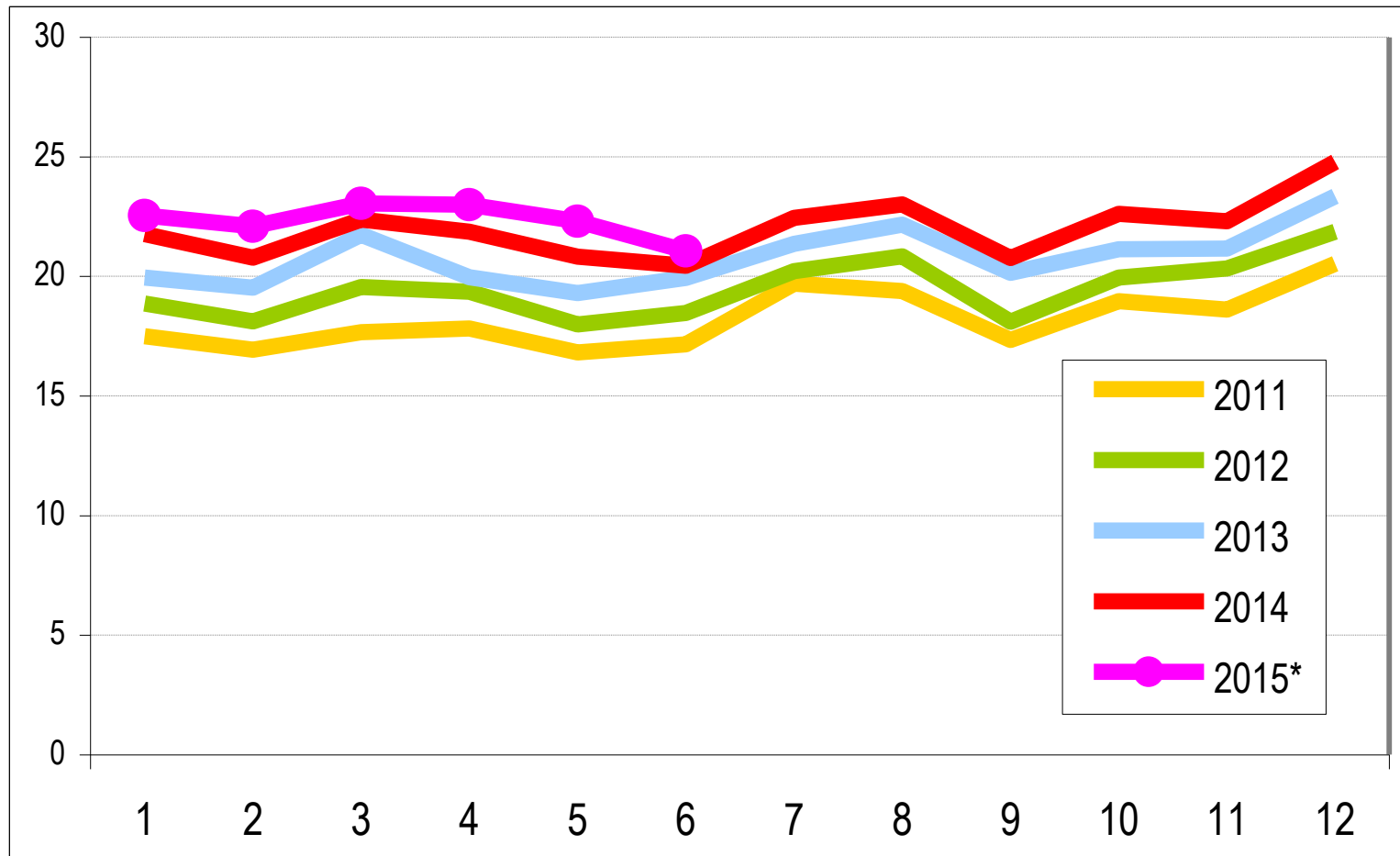


134 million intl tourist arrivals through June, 6 million more than in the same period of 2014

International Tourist Arrivals, monthly evolution

Asia and the Pacific

(million)



Source: World Tourism Organization (UNWTO) ©

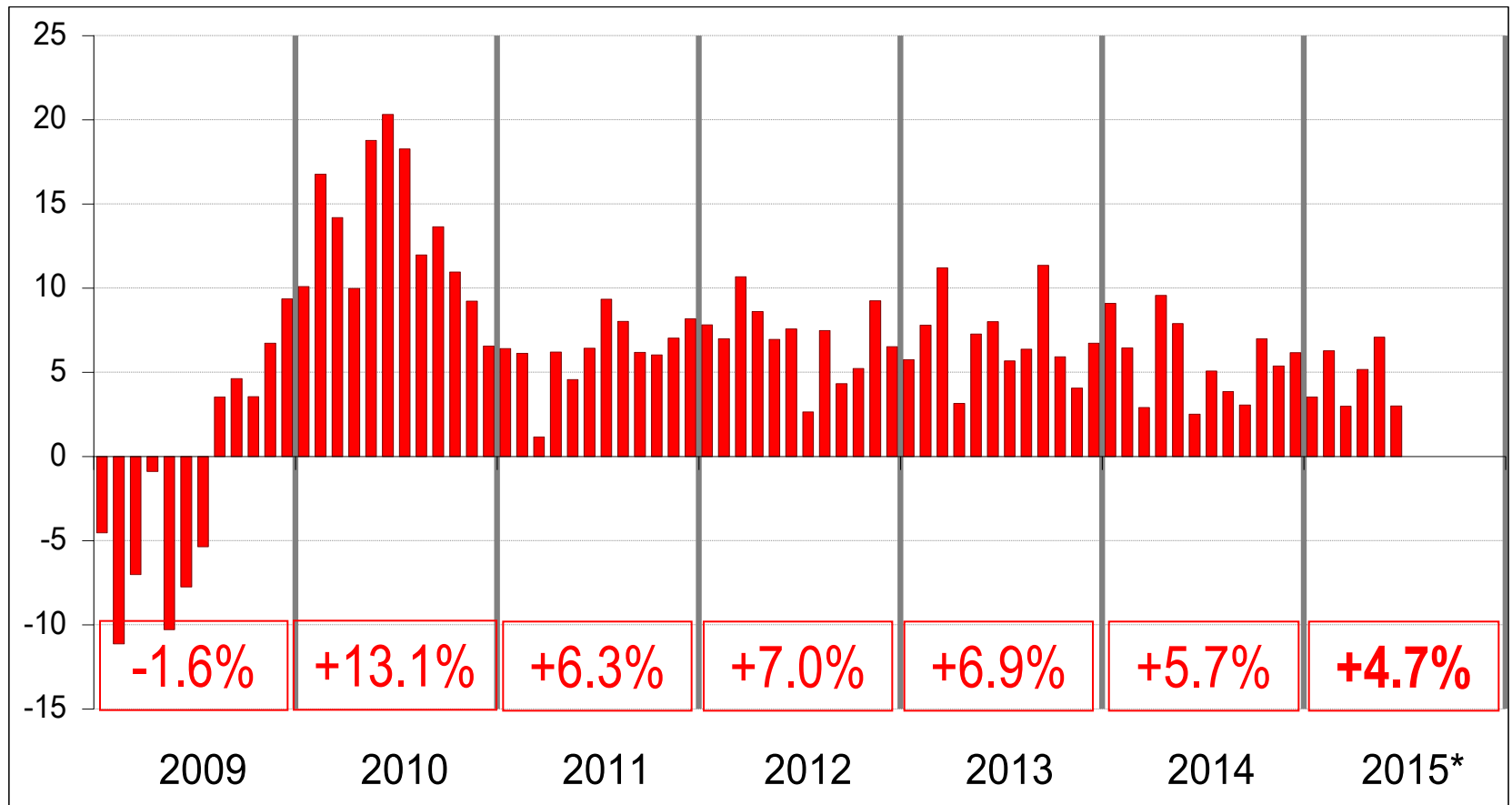
Asia and the Pacific

Gradual slowdown

International Tourist Arrivals, monthly evolution

Asia and the Pacific

(% change)

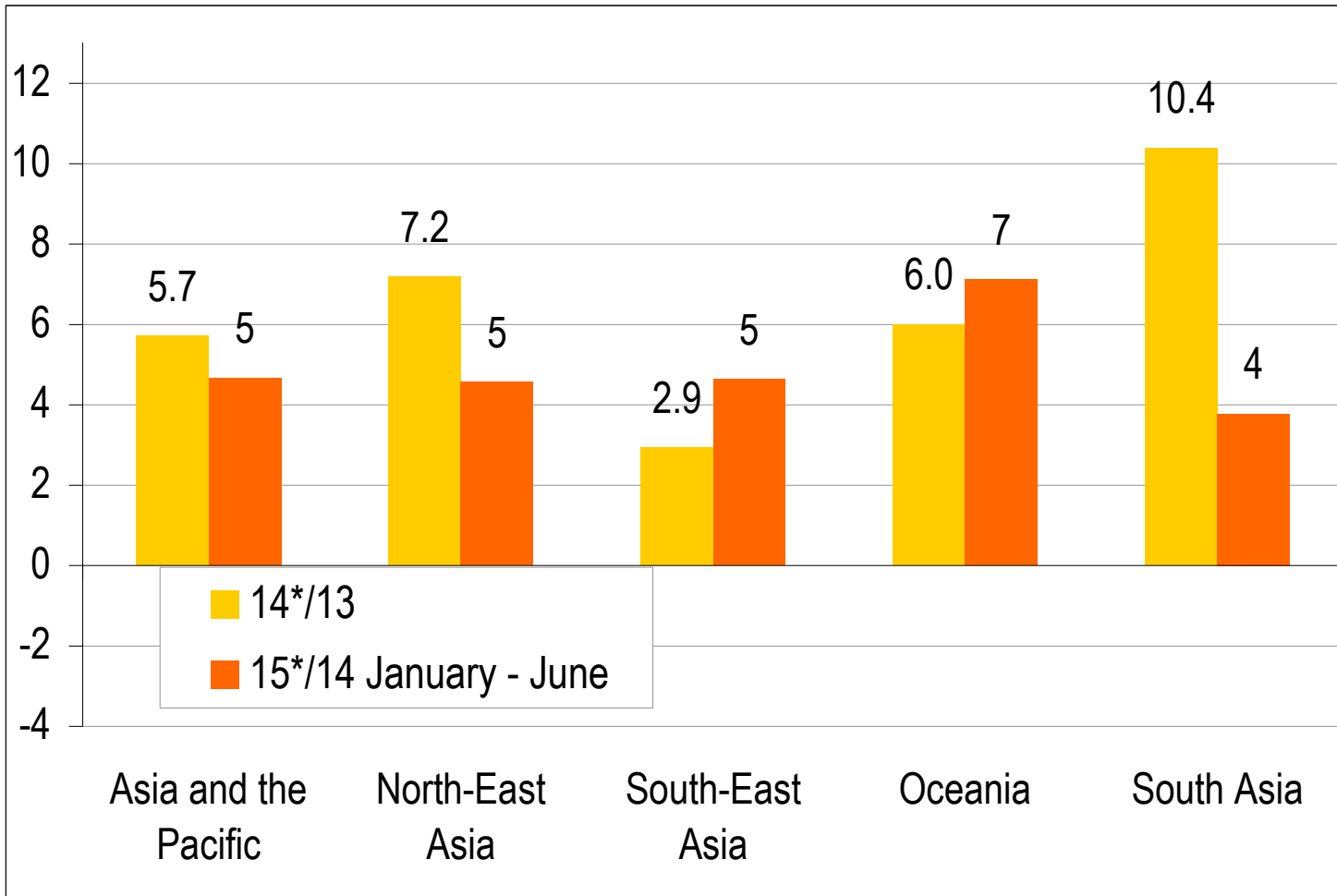


Source: World Tourism Organization (UNWTO) ©

2014 and 2015 by subregion

International Tourist Arrivals, Asia and the Pacific

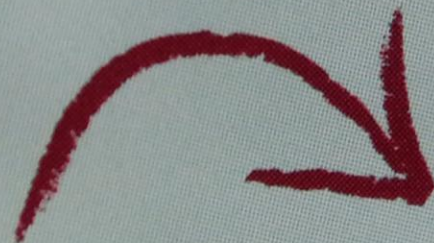
(% change)



Source: World Tourism Organization (UNWTO) ©



THERE'S NO
EXTRA CHARGE
TO TURN THE PAGE



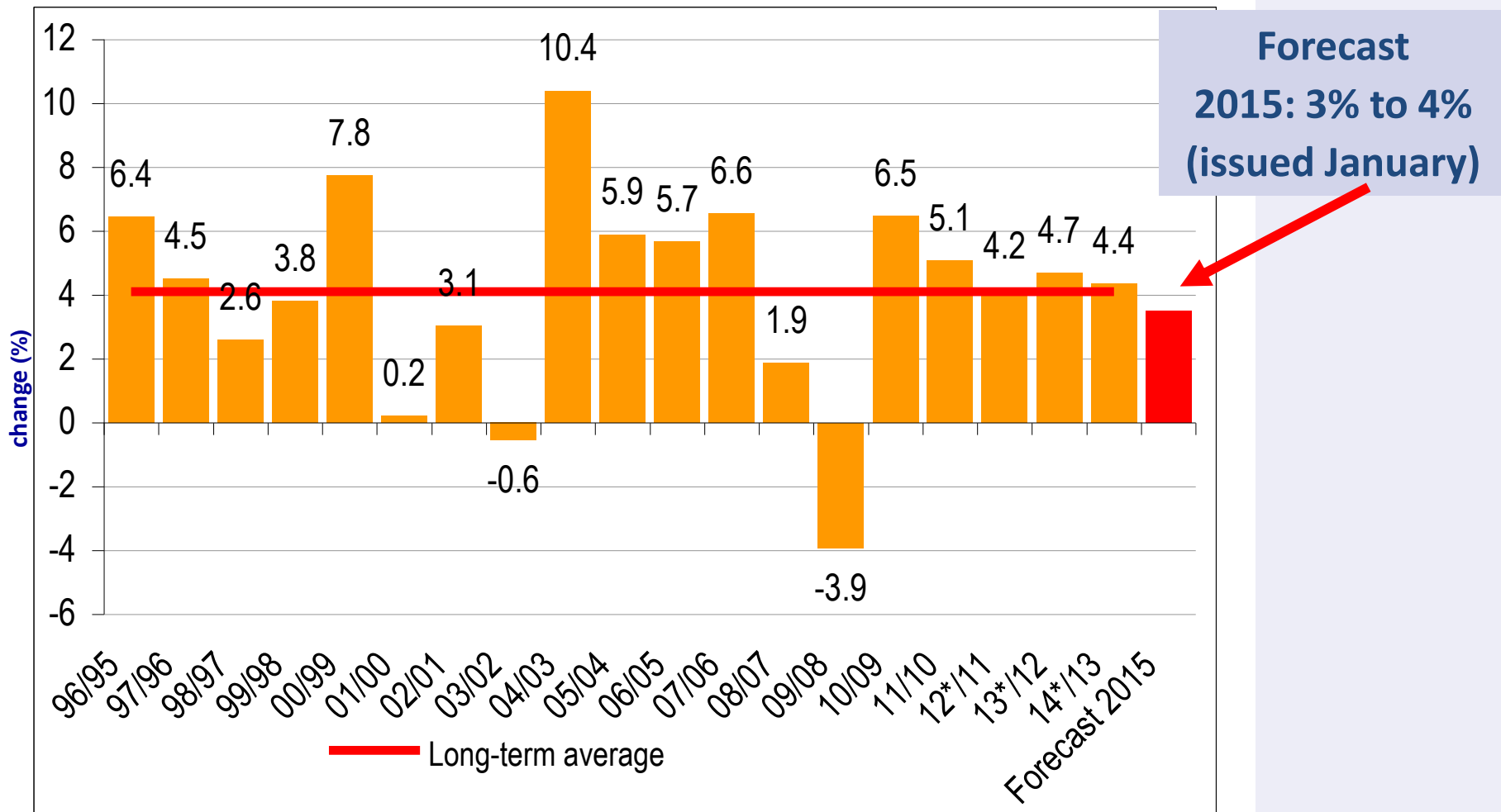
Outlook

CHIPS

Outlook: World

International Tourist Arrivals, World

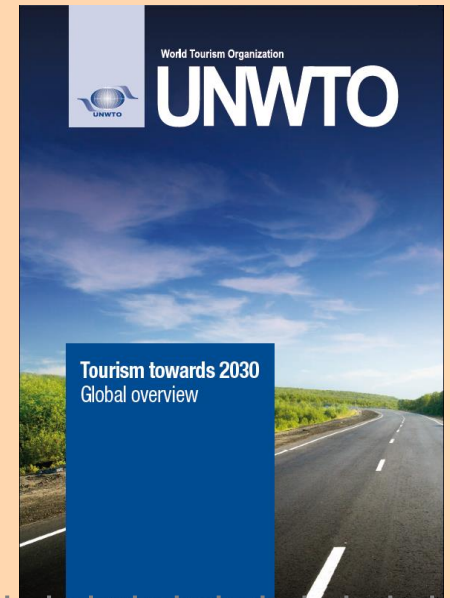
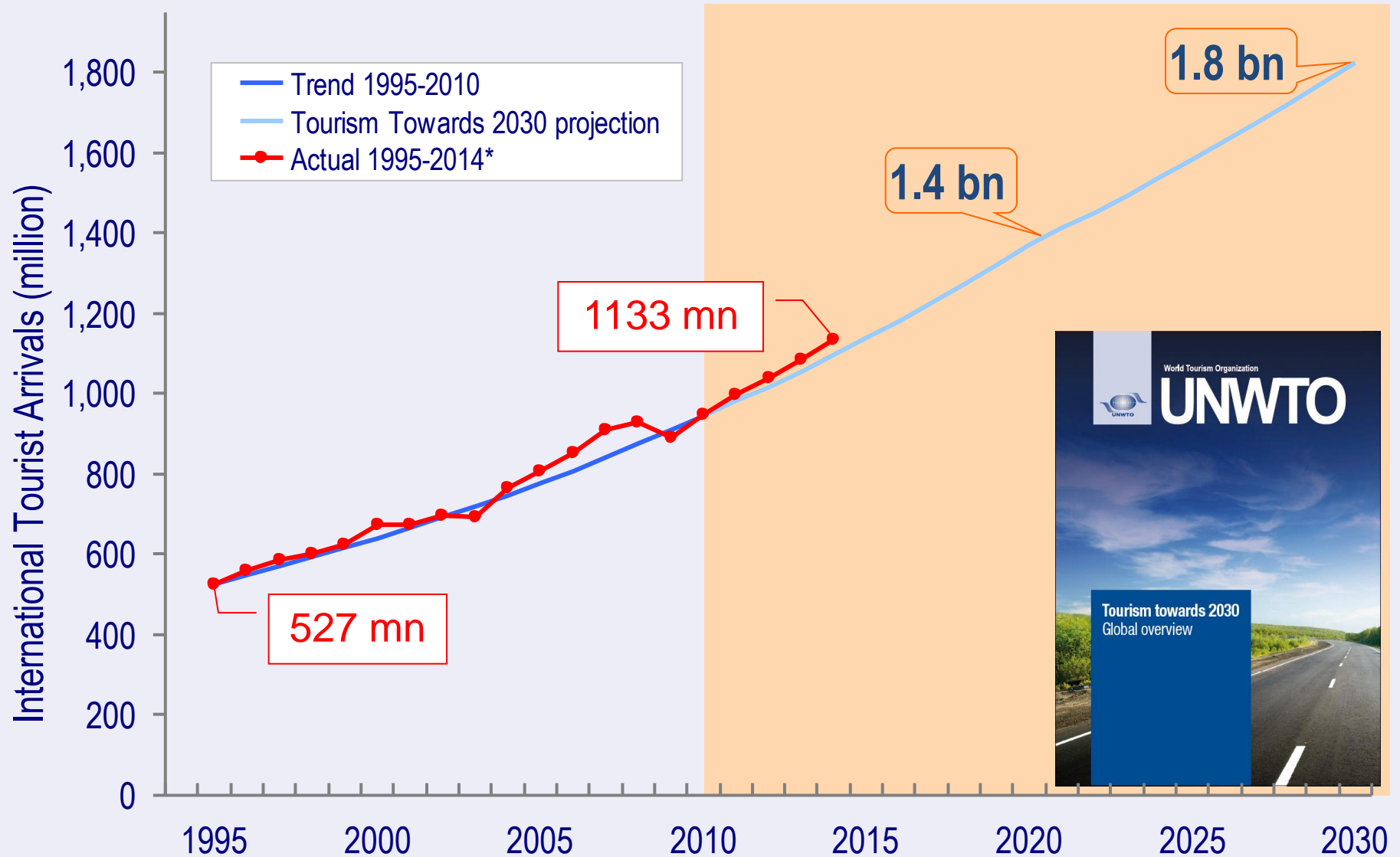
(% change)



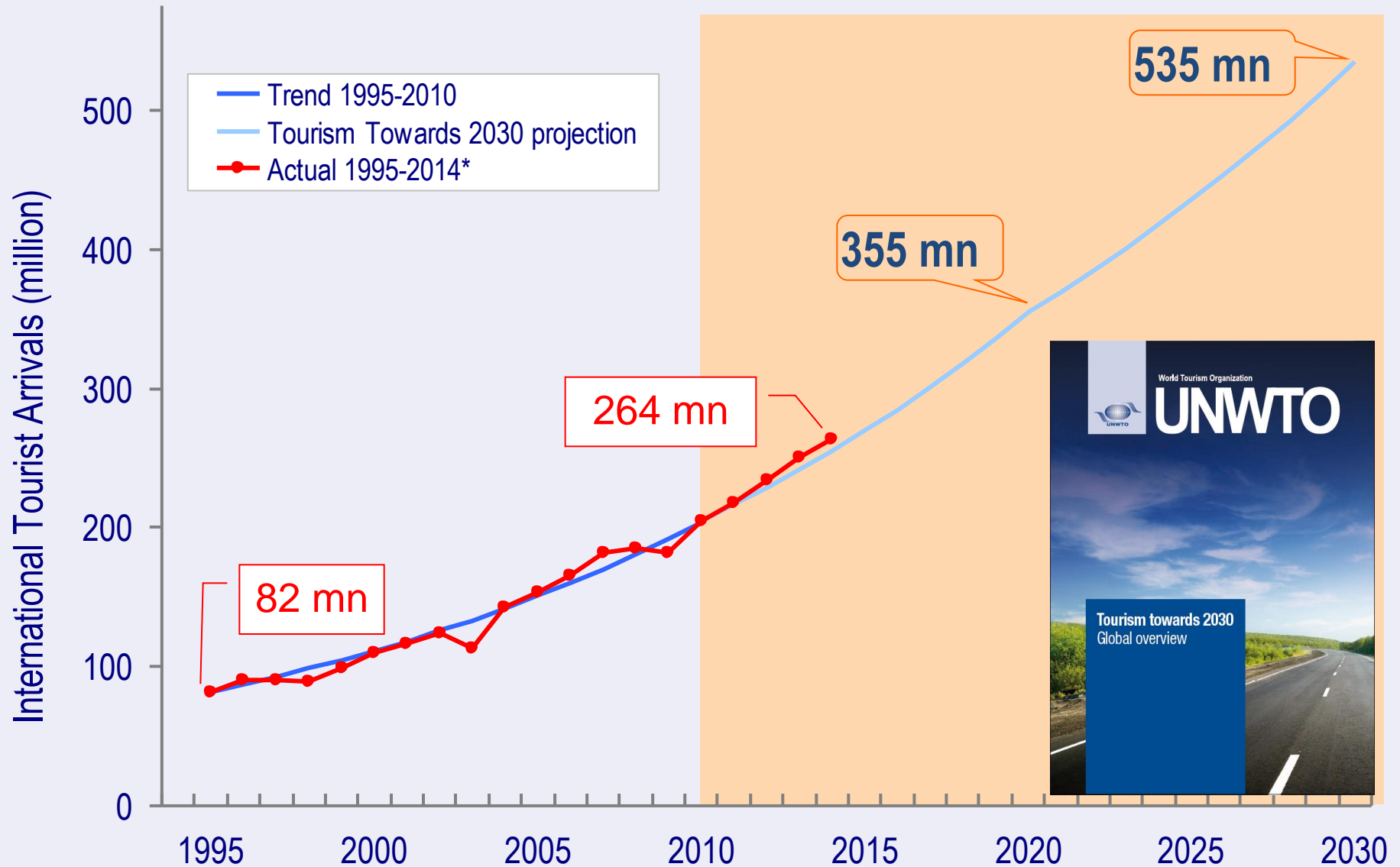
International tourism: projection full year 2015

	Actual data		Projection 2015 (issued January)
	2013	2014	
World	4.6%	4.3%	+3% and +4%
Europe	4.9%	2.7%	+3% and +4%
Asia and the Pacific	6.8%	5.4%	+4% and +5%
Americas	3.1%	8.0%	+4% and +5%
Africa	4.7%	2.4%	+3% and +5%
Middle East	-3.1%	5.4%	+2% and +5%

Actual Trend vs. Tourism Towards 2030 projection World



Actual Trend vs. Tourism Towards 2030 projection Asia and the Pacific



Tourism Towards 2030 in one page

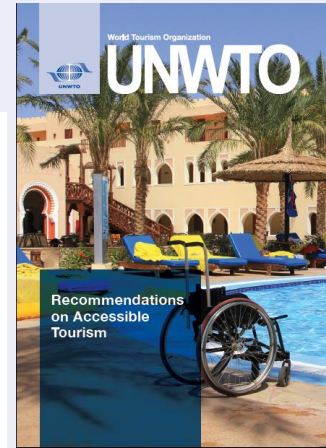
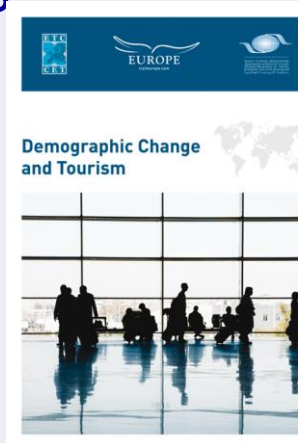
- *Tourism Towards 2030* shows that there is still a **great potential for further expansion** in coming decades
- Emerging as well as established destinations can benefit from this trend and opportunity, **provided they shape the adequate conditions and policies** with regard to business environment, infrastructure, facilitation, marketing and human resources
- Along with opportunities, challenges also arise in **maximising social and economic benefits and minimising negative impacts**
- Long-term tourism growth pattern: more moderate, sustainable and inclusive



Tourism and the experience economy

Asian tourism is maturing and moving towards sophistication

- **consumers are continuously evolving:**
 - more experienced and demanding customers
 - changing values and lifestyles
 - demographic change (ageing, migration and diversification of family structure)
- **intensified competition**
 - shaping an adequate business environment
 - innovation, diversification of products, markets and segments, product development, ICT and technology in general, marketing and promotion, research, evaluation, human resources development, quality, etc.
- **sustainability** (social, economic and environment) is ever more critical
 - addressing issues such as use of resources and waste, energy dependency, climate change adaptation and mitigation, green economy, congestion management and risk management



Tourism and the experience economy

"One of the best business books of the twentieth century,
now renewed for the challenges of the twenty-first."

—Tom Kelley
General Manager, IDEO



B. JOSEPH PINE II
JAMES H. GILMORE



The Experience Economy, Updated Edition

B. Joseph Pine II, James H Gilmore

From delivery of products
and services to offering
experiences

How to make a difference

- Focus on guests / customer
- Engage your visitors
- From to see to to do
- Value authenticity
- Treasure heritage, culture, gastronomy, etc.
- Storytelling
- Think global, act local
- Develop routes and themes, festivals and events
- The new luxury (simple things, time, access to something unique, treat yourself, wellness)



Not all guests
are the same



How to make a difference

- Differentiate and diversify, complement existing offer
- Research: R+D (+C+I) research and development, know your customers, know trends, know your competition
- Innovation: stimulate new ideas and entrepreneurship
- Strategy: Reflect, discuss, set objectives, plan, execute, evaluate
- RRR: rethink, redefine and reinvent your destination
- Quality / Education / Human resources
- Excel in sustainability
- Vitamin 3C (collaboration, cooperation, coordination)

Tourism Market Trends programme



Trends in markets, products and segments



Understanding Chinese Outbound Tourism


What the Chinese blogosphere is saying about Europe





Understanding Brazilian Outbound Tourism

What the Brazilian Blogosphere is Saying about Europe





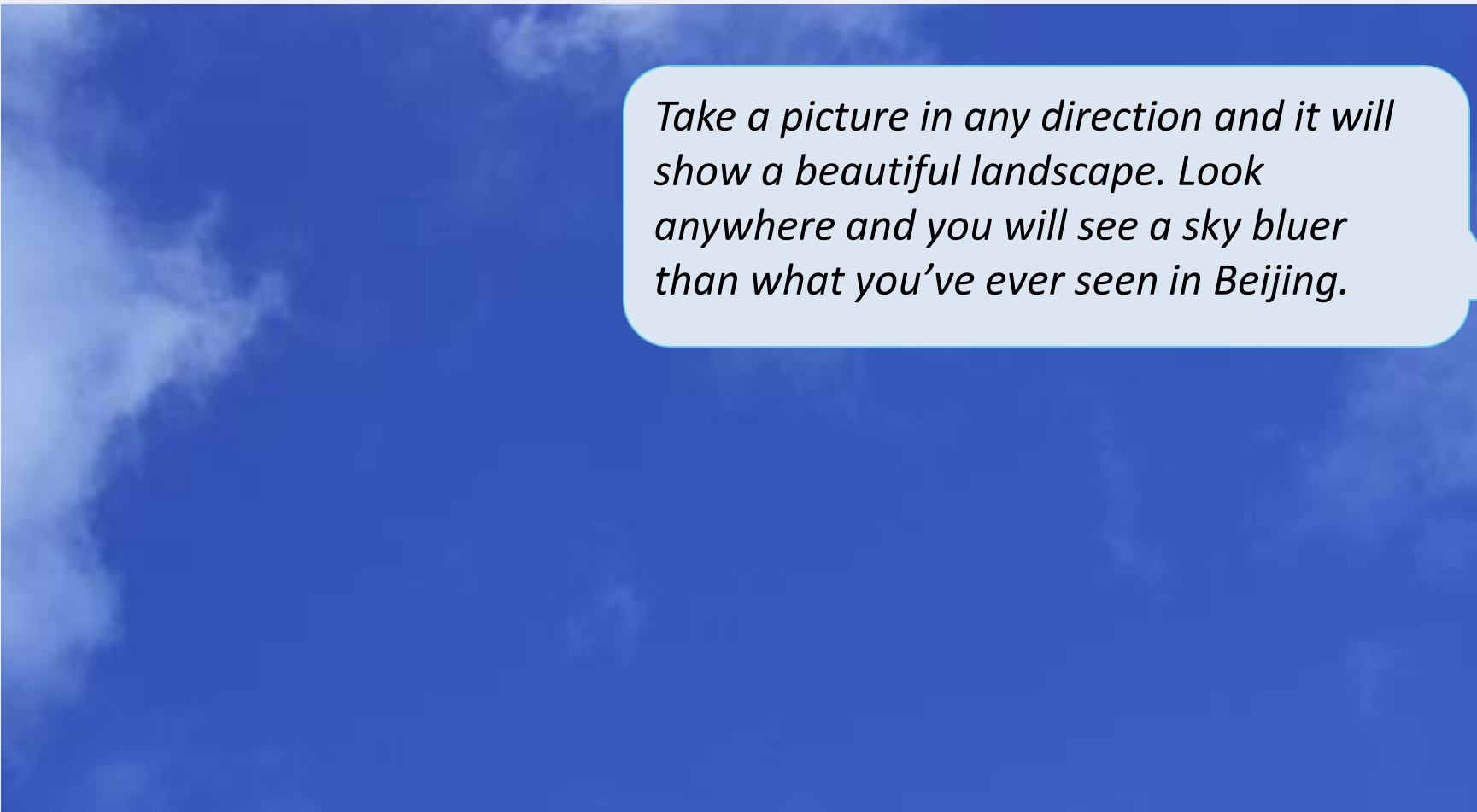
Understanding Russian Outbound Tourism

What the Russian Blogosphere is saying about Europe



**Outbound market 'netnographic' studies
based on the analysis of the blogosphere**

Blue skies – an underestimated advantage

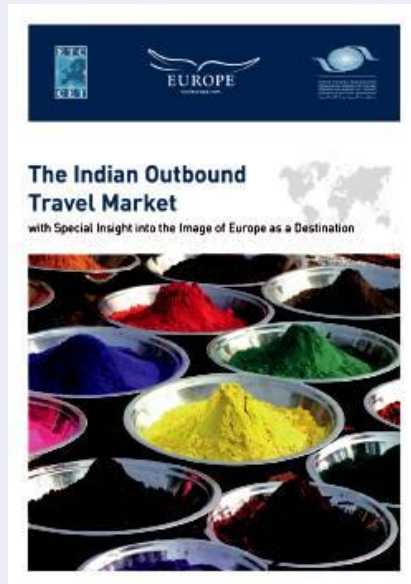
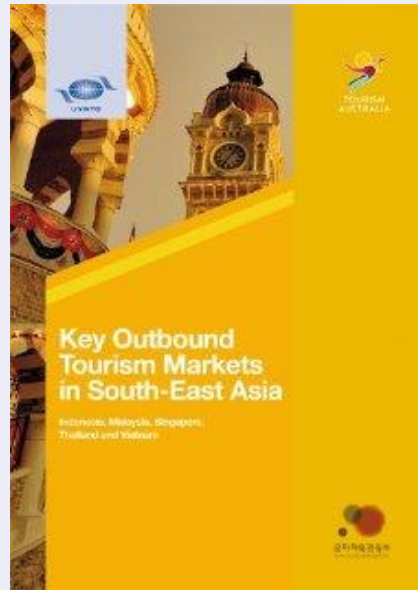


Take a picture in any direction and it will show a beautiful landscape. Look anywhere and you will see a sky bluer than what you've ever seen in Beijing.



What's more...

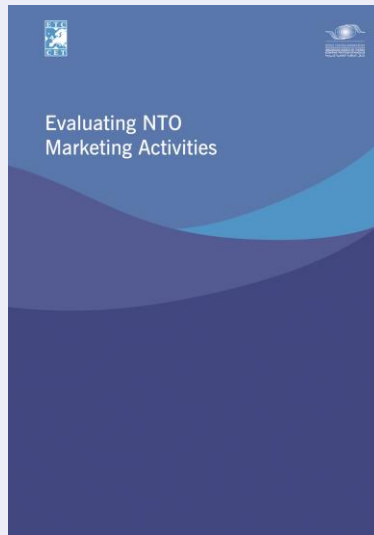
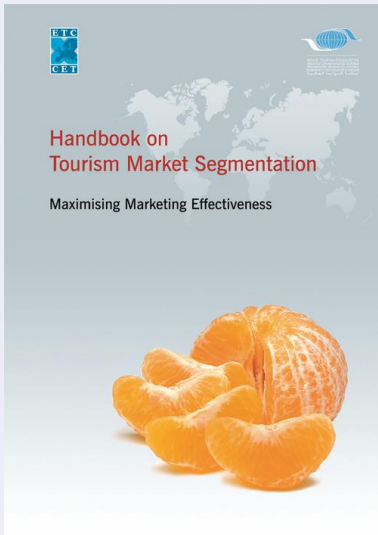
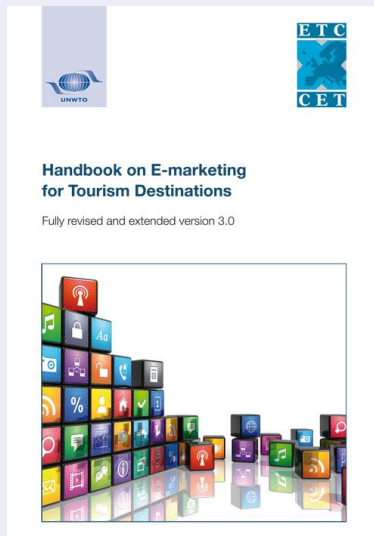
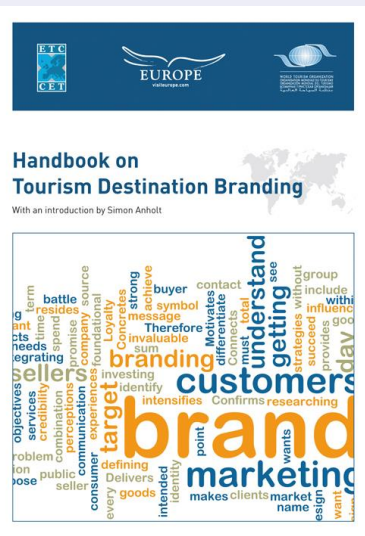
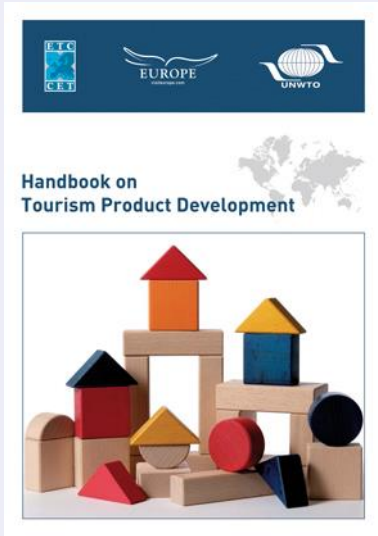
Tourism Market Trends programme



Outbound market studies

Forthcoming:
United States / Canada
Latin America / Brazil
Russia and CIS

Tourism Market Trends programme



Marketing Handbooks

Forthcoming:
Key performance indicators
Health and medical tourism

Tourism Market Trends programme

Guide members on marketing



The Decision-making Process of
**Meetings, Congresses, Conventions
and Incentives Organizers**



Methodology / Best Practice
Decision-Making process of
Meetings, Congresses,
Conventions and Incentives
Organizers

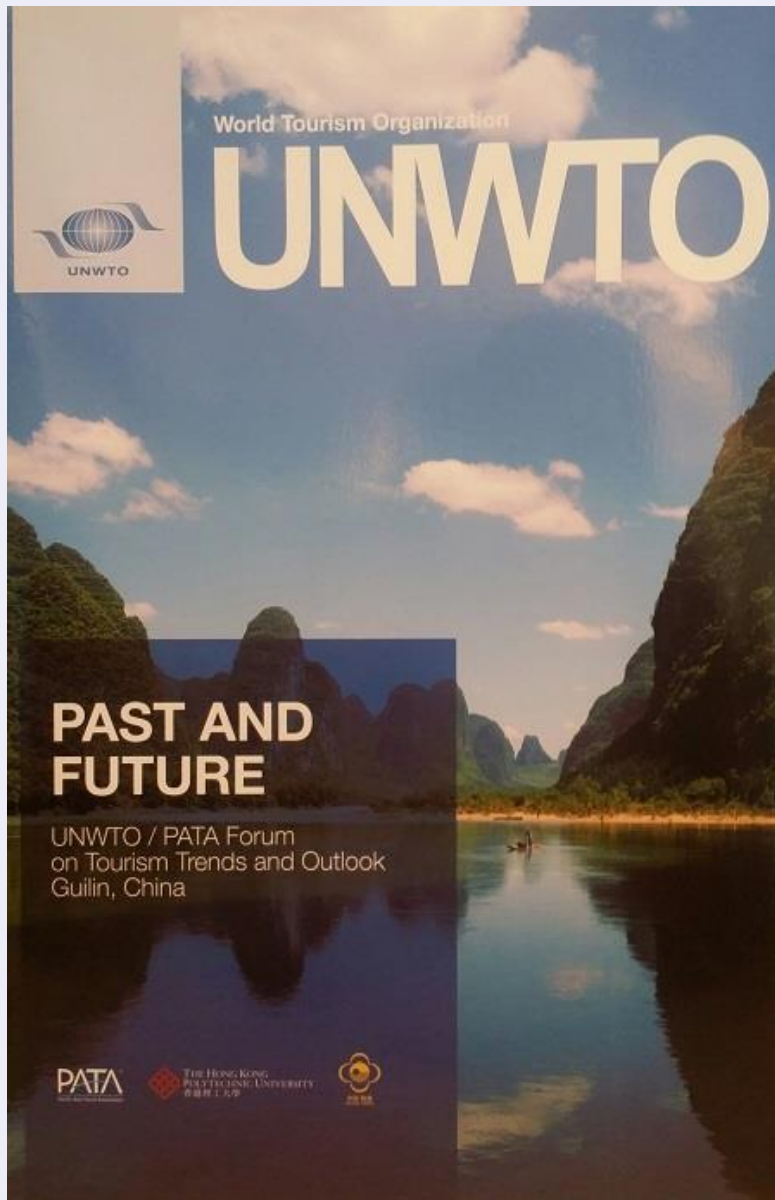
Exploring Health tourism
(wellness and medical)
to be discussed in UNWTO
Competitiveness Committee
and forthcoming round table



Exploring Health Tourism
WORKING DOCUMENT



Preparing for the 10th anniversary of the Forum



Book prepared with overview of all 9 editions of the UNWTO/PATA Forum on Tourism Trends and Outlook organised in Guilin, China

9th Forum PDFs of presentations to be made available at
<http://asiapacific.unwto.org/event/9th-unwtopata-forum-tourism-trends-and-outlook>

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**Thank you very much for
your attention!**

John G.C. Kester

Tourism Market Trends Programme

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