

# 1

# Introduction

## Introduction

Education is our passport to the future, for tomorrow belongs to the people who prepare for it today.

**Malcolm X**

This co-authored book was researched and written during a time that few had foreseen, let alone prepared for. The impacts of Covid-19 are being felt across the world's societies, economies and natural environment. Some industries have been more impacted than others, including the international tourism industry. The United Nations World Tourism Organisation (UNWTO) predicts that due to the travel related impacts of Covid-19 international tourism could decline by between 60-80% in 2020, with US\$80 billion already lost in exports from the industry for the first quarter of 2020 (UNWTO, 2020a).

In these unprecedented times, it becomes more important than ever to consider what the future might hold for the industry. By examining current and future capabilities of the industry, this research book explores the opportunities available to shape the future through rebuilding, disrupting and developing greater resilience in the tourism industry. The common theme throughout the chapters is change – no matter how change emerges, the authors of this book recognise that the industry is always going to face times of turbulence, whether it be climate change, political or financial disruptions or pandemics, those in the industry need to have resilience, understand the forces of change and be prepared to adapt. This chapter sets out the core principles associated with anticipating the future of the international travel, hospitality and events sectors. It starts with a broad overview of the global tourism industry, followed by the definitions and scope of the sectors that will be covered in the book. A discussion on tourism futures as an area of research is presented and finally, the sections and individual chapters are introduced.

## The global tourism industry today

Notwithstanding the current threat to the industry from Covid-19, tourism has seen significant growth in the last few decades based largely on the rising disposable income and living standards in a significant part of the world's population. To take advantage of this growth in leisure and tourism expenditure, it is important that businesses, governments and other stakeholders in the entire tourism ecosystem understand the trends that are likely to shape the future of the industry (Buhalis *et al.*, 2006).

The definition of the tourism industry for the purposes of this book has been adapted from the UNWTO as being:

The cluster of production units in different sectors that provide consumption goods and services demanded by tourists. Such clusters are called sectors because tourist acquisition represents such a significant share of their supply that, in the absence of tourists, their production of these would cease to exist in meaningful quantity (UNWTO, 2008).

The three sectors referred to in the above definition that form a key focus of this book are the travel, hospitality and events sectors. Therefore, when referring to the 'tourism industry', all three sectors are encompassed in the discussion although we also recognise that the industry is sometimes referred to as the 'THE' sector.

It is important to note that the drivers of transformation in the industry continue to arise from both the demand and supply side. On the demand side, we have seen rising disposable income, favourable exchange rates, technological change, government regulations and changing consumer preferences for leisure activity and spending (Page and Connell, 2020). In response, governments and local tourism operators have moved to step in and meet this growing demand. Supply is rising to meet this increased demand in relation to transport, accommodation, visitor-attractions, associated services and government incentives to attract tourists (Dwyer *et al.*, 2020).

Governments at all levels – national, regional and local, have grown to appreciate the value of tourism income for their economies and the importance it has made to the employment and training of people. World-wide tourism arrivals in 2019 included 1.5 billion travellers generating US\$1.5 billion (UNWTO, 2020b). Its impact cannot be understated with almost all countries in the world depending to some extent on tourists to support their economy. This highlights the importance of the industry and recognises that it is in the interest of all countries that tourism continues to exist globally in