
Section 5: Tourism Futures

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Tourism in the 21st Century – Contemporary Tourism in an Uncertain World

Chapter objectives

After reading this chapter you will:

- Be able to appreciate some of the key factors influencing tourism in this century.
- Understand why the condition of the physical environment is directly and indirectly significant for the future of tourism.
- Understand the potential significance of climate change for tourism environments and destinations.
- Be able to identify some of the difficulties associated with predicting tourist flows and patterns.
- Understand the implications for tourism of the end of easily accessible oil supplies.
- Be able to appreciate the role that aviation plays with respect to both climate change and energy supply issues in tourism.
- Appreciate the value of scenarios as decision-making tools.

Introduction

The future, by definition, is unknown. Trying to predict what the future will bring has become an important element in tourism management because of the need to try and bring a degree of control and certain to business management processes, as well as providing desired returns for destinations. Yet such processes are extremely difficult because of the possibilities of 'wildcard' – high impact, low probability, system destabilising – events occurring that affect the consumption and production of tourism. Since the start of this century there have been a large number of wildcard events that have affected tourism patterns and flows at a global and at a destination scale (see also Hall, 2010d; Pike & Mason, 2011). These include:

- Terrorist attacks such as 9/11 or the bombings in Bali;
- Disease outbreaks such as SARS, foot and mouth disease in the UK or avian flu;
- Natural disasters such as tsunamis in the Indian Ocean and Japan, massive earthquakes in China, Indonesia, Japan and New Zealand, and hurricanes in East Asia and the United States;
- Economic events such as a rapid spike in the price of fuel and the global economic and financial crisis from 2008 to 2010;
- Political events such as the 'Arab Spring' in North Africa and the Middle East;
- Regulatory changes in boarding and passport requirements for travelers as a result of concerns over security. This also includes sudden changes in terms of what you can take on to aircraft as hand luggage.

To wildcard events there are also a number of other trends that contribute to an increasingly complex business environment for tourism. These include

- Demographic changes, such as an aging population and an increase in the number of single-parent families;
- Rapid population growth in the developing world;
- Increased urbanization on a global scale;
- Global environmental change, including climate change, biodiversity loss and changes in water availability;
- Highly variable and fluctuating costs of energy, and increasing in the longer term, particularly with respect to the costs of conventional oil, with flow-on affects on energy and food security;
- Increased challenges to established business models as a result of the growth of online peer-to-peer services as well as the use of technology, such as robots, that serves to replace staff.

All of these trends affect the production and consumption of tourism. Production is affected because the resource base of tourism is changed as well as the nature of delivering services in some cases. Consumption is impacted both directly and

indirectly in tourism generating regions and destinations. An example of a direct impact is changing costs to get to destinations as a result of increases in the price of aviation fuel. Such an example also highlights that the accessibility of a destination is not just determined by the relative travel distance between a generating area and the destination in terms of kilometers or miles but also in terms of cost. Indirect impacts of the above trends on consumption also relate to the overall contribution of these trends to the state of the economy as economic downturns and upturns tend to correspond with changes in outbound travel. Ultimately, underlying the health of the economy is the health of the environment and the means to maintain environmental services therefore increasingly issues of global environmental change are influencing tourism trends (Figure 13.1).

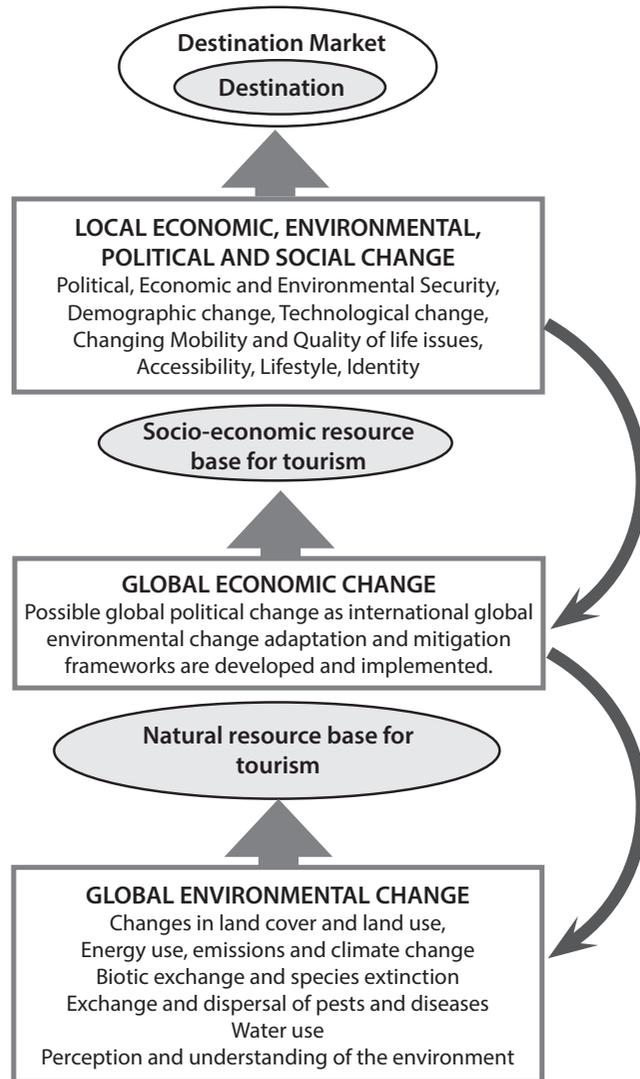


Figure 13.1: Trends and influences affecting contemporary tourism